ANNUAL REPORT

25TH
1993
2018
STANDARD CERAMIC
BANGLADESH



2017-18

Classic Stone
STANDARD CERAMIC
BANGLADESH

SUPER STONE
STANDARD CERAMIC
BANGLADESH

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-1700.

Notice of the 34th Annual General Meeting

Notice is hereby given that the 34th Annual General Meeting of Standard Ceramic Industries Ltd. will be held on Thursday, December 27, 2018 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 33rd Annual General Meeting held on December 27, 2017.
2. To receive, consider and adopt Audited Financial Statements of the Company for the year ended on June 30, 2018 together with reports of the Auditors and the Directors thereon.
3. To declare dividend for the year ended 30 June, 2018.
4. To elect Directors in place of those retiring by rotation.
5. To appoint Auditors of the company for the year 2018-2019 and to fix their remuneration
6. To appoint Compliance Auditors of the company for the year 2018-2019 and to fix their remuneration
7. 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 28, 2018

(Jamal Uddin Bhuiyan)
Company Secretary.

Notes:

a) November 27, 2018, 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 and receive dividend.

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) 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.

STATISTICAL PERFORMANCE
OF LAST FIVE YEARS

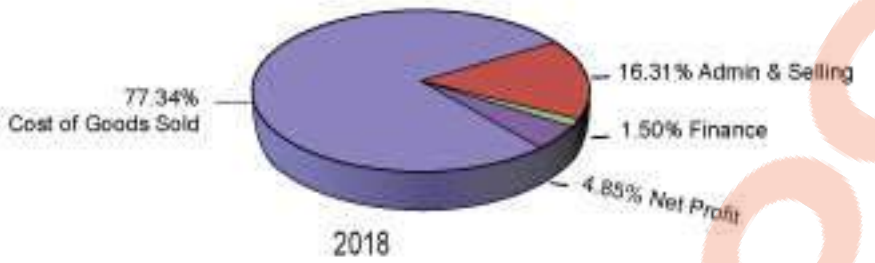
Five Years Key Operating and Financial Data

Items	As at 30 June Tk./000				
	2018	2017	2016	2015	2014
Property, Plant & Equipment	119,994	111,902	117,655	109,366	111,355
Deferred Exp.	0	0	0	3,910	3,910
Net Current assets	(11,726)	(14,180)	(9,864)	(5,455)	(9,134)
Total Assets	**108,268**	**97,722**	**107,791**	**107,821**	**106,131**
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
Retained Earnings	(9,251)	(19,437)	(10,446)	(10,024)	(574)
Tax Holiday Reserve	1,064	1,064	1,064	1,064	1,064
Revaluation reserve	25,592	26,384	26,384	26,384	26,384
Total equity	**96,662**	**87,268**	**96,259**	**96,681**	**106,131**
Deferred Tax Liabilities	11,606	10,454	11,532	11,140	0
Share holders' equity & Deferred Tax Liabilities	**108,268**	**97,722**	107,791	107,821	**108,558**
Current Assets	**99,028**	**84,415**	**92,273**	**103,577**	**96,752**
Current Liabilities	**110,754**	**98,595**	**102,137**	**109,033**	**105,886**
Net Asset Value (NAV) per ShareTk.	**14.96**	**13.51**	**14.90**	**15.82**	**15.49**
Net Operating Cash Flow per share (NOCFPS)	**(0.65)**	**(0.29)**	**0.27**	**1.61**	**4.71**

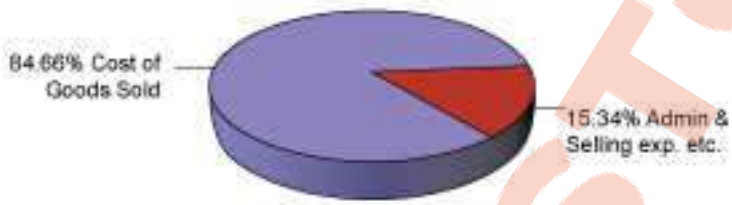
Face value of share Tk.10/=

Items	Tk./000				
	2017-18	2016-2017	2015-2016	2014-2015	2013-2014
Revenue	294,970	263,368	291,867	285,359	235,978
Less Cost of goods sold	(228,137)	(222,973)	(232,882)	(229,167)	(188,397)
Gross profit	**66,833**	**40,395**	**58,985**	**56,192**	**47,581**
Less: Administrative and Selling expenses	(48,054)	(40,606)	(43,665)	(40,253)	(31,834)
Interest charges & write off	(4425)	(2,814)	(6,758)	(11,830)	(11,447)
Other income	712	997	2,647	3,101	2,398
	(51,767)	**(42,423)**	**(47,776)**	**(48,982)**	**(40,883)**
Net Profit/(Loss)	15,067	(2,028)	11,209	7,210	**6,698**
Contribution of WPPF	(753)	0	(533)	(344)	(319)
	14,314	**(2,028)**	**10,676**	**6,866**	**6,379**
Less: Provision for Income Tax & Deferred Tax	(4,128)	(502)	(3,802)	2,822	(2,344)
Net profit/(Loss)	10,186	(2,530)	6,874	9,688	4,035
Earnings per share(EPS) Tk.	1.58	(0.39)	1.06	1.50	0.62
Cash Dividend	2%(for Public Shareholder only)	nil	10% only	10%(for Public Shareholder only)	10%(for Public Shareholders only)

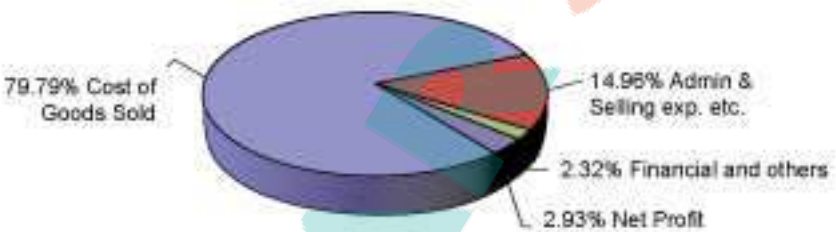
SALES DISTRIBUTION



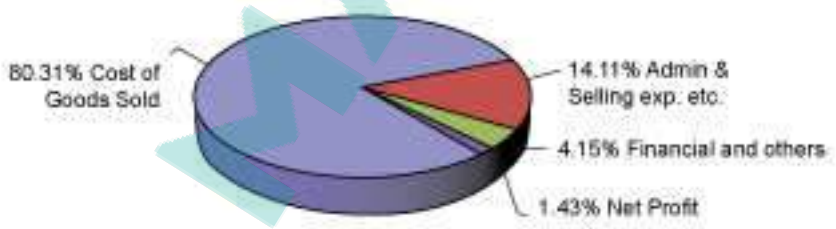
2018



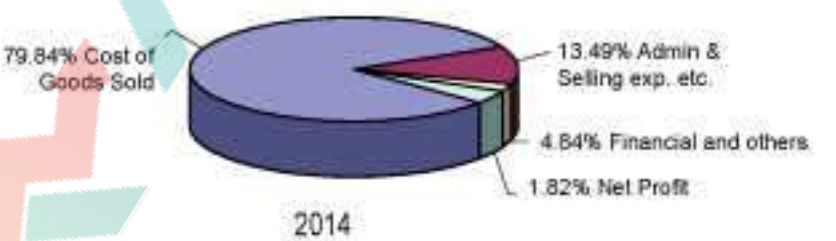
2017



2016



2015



2014

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

DIRECTORS' REPORT AT THE 34TH ANNUAL GENERAL MEETING

Dear Shareholders,
We, on behalf of the Board of Directors, feel privileged to welcome you to the 34th Annual General Meeting of your Company and have the pleasure in presenting before you the Annual Report together with Annual audited financial statements for the year ended on 30th June 2018.

General Economics & Economic condition:

The Liquidity crises created problems in the economic activities. The Purchasing power of customers reduced substantially due to liquidity crises. In addition to this, pressure in the gas line was low which reduced efficiency in production and has caused deterioration of production quality & partial production damage for which output of the Kiln were reduced. Gas rate was enhanced which increased cost of gas consumption. Worker wages was increased, Exchange rate increase enhanced the cost of imported Raw Materials. Sales Price could not be increased for market situation to compensate increase in the production cost. As a result, sales could not be accelerated to the level as desired by the management. Production & Profitability also could not be increased to the desired level.

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 machineries when fund will be available.
a) Jiggering Machine
b) Re-building the old Glost Kiln

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

Segment-wise or product-wise performance
No segmental reporting is applicable for the company as the Company operates in a single industry segment and it is very difficult to separation of Product wise performance reporting.

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 always adjusts exchange risk for imported raw materials through increasing products price but in 2017-18 from the profit margin.

(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.

State of Company's Affairs (Analysis of Cost of goods sold,Gross profit margin, Net profit margin) :

Turnover amounted to Taka 294.97 million in the year 2017-2018 as against taka 263.37 million in the year 2016-2017. This year cost of goods sold Taka 228.14 million as against 222.97 million in the year 2016-2017. The gross profit for the year was Taka 66.83 million as against Taka 40.39 million of the previous year showing increase of 65.45 %. The gross profit ratio increased by 7.32 % .

Particulars	Figure in Thousand ('000) Tk.	
	2017-2018	2016-2017
Net Profit/(Loss) before Tax etc.	15,067	(2,028)
Less:WPPF	(753)	0
Less:Provision for tax etc.	(3,767)	(1,580)
Add: Deferred Tax (Exps)/Income	(362)	1,078
Net Profit /(Loss)after Tax etc.	10,185	(2,530)
Less: Previous years Retained Earnings/ Accumulated Profit/(Loss)	(19,436)	(10,445)
Dividend	0	(6,461)
Retained Earnings)/Accumulated Profit / (Loss)	(9,251)	(19,436)

Contribution to National Exchequer:

Your company contributed a total amount of Taka 51.48 million to the National Exchequer in the form of Custom duty, AIT, VAT, except gas, electricity bill etc, during the year under report.

Continuity of Extra-ordinary Gain or Loss:

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

Related party transaction

Company was not connected to related party transactions except note no-38.

Dividend

The Company has a total Retained earnings of taka (19.44) million in the opening of the year which lowered our reserve position, the Company earned a net profit of taka 10.19 million during the year. Board of Directors gave attention to adjust negative balance of Retained earnings. In this situation, the Board of Directors has recommended cash dividend @ 2% on face value of share for the public shareholders only other than Sponsors/Directors. The Sponsor shareholders/ Directors relinquished their dividend towards adjustment of debit balance of retained earnings.

Reply of Qualified Opinion of Auditors

The Sponsor Directors have agreed not to take any dividend but to pay dividend to public shareholders considering the fact that carry forward of accumulated loss amounted to Tk. 9,250,640/- against the remaining balance of deferred Tax Provision of Tk. 11,606,914/- though the Company's known Tax liability of Tk. 243,932/- under Appeal.

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 2017-2018.However, the company raised its capital in 1996. The proceeds of the issue have been utilized in repaying Long Term Loan

Significant variance between Quarterly Financial performances and Annual financial statements

There were no significant variances between Quarterly Financial performances and Annual financial statements.

Remuneration of Directors and Independent Director

Remuneration of the Directors have been disclosed in the accounts note no. 22. On the other hand, Independent Directors did not receive any remuneration except meeting fees.

Directors' Responsibilities Statement :

Pursuant to BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated: 03 June, 2018 the Directors confirm that:

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:

* The Financial Statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994,Financial Reporting Act, 2015 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.

* Proper books of accounts of the Company have been maintained.
* Appropriate Accounting Policies have been consistently applied in the preparation of financial statements and the accounting estimates are based on reasonable and prudent judgement.
* The Financial Statements have been prepared in accordance with IAS/BAS/IFRS/BFRS as applicable in Bangladesh.
* The system of internal control is sound and has been effectively implemented and monitored.
* There are no significant doubts upon the Company's ability to continue as a going concern.
* The key operating and financial data for the last five years is disclosed in Page no.5
* No Bonus share or stock dividend has been declared as interim dividend.
* The majority shareholders did not oppress any minority shareholders. The interest of minority shareholders was protected as required by Companies Act.

Significant deviation in operating results compared to previous year

Significant deviation in operating results compared to previous year have been disclosed in the accounts note no.35 (page-49) and Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994 C page no- 53

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	5	
03.	Mr. Lutfur Rahman	Director	6	
04.	Mr. Enamul Maqsud	Operative 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	6	
08.	Mr.M.Ismail	Independent Director	6	

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

Subsidiary Company
The Company has no subsidiary company.

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

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

Shareholding Structure:
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	2,06,892
06.	Mr. A.K.M Alamgir Khan, Director	2,59,080
07.	Mr. A.K Mizanur Rahman, FCA (Independent Director)	nil
08	Mr. M.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 and Compliance.	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. Mustafizur Rahman ,Dy. Manager (Share)	10
16.	Mr. Md. Asaduzzaman Asad, Dy.Manager(Export)	nil

Retirement of Directors and their Re-election :
(1) Mr.Nasir Uddin Ahmed and (2) Mr. Enamul Maqsud , 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.Mr. Nasir Uddin Ahmed - Director.
Mr.Nasir Uddin Ahmed, a commerce graduate, is the Director of the company. He started his career in 1985 as management executive (now operative director) in Peoples Ceramic Industries Ltd., pioneer of ceramic sector in the country. He has acquired vast knowledge in technical and manufacturing during his service life and able to hold key position in the same field. He has got long 33 years experience as ceramic business expert. Long acquiring experience including various training from abroad like AOTS, Japan in respect of industrial concerns.

(2) Mr. Enamul Maqsud –Director.
Mr. Enamul Maqsud is a graduate from BUET in Mechanical Engineering. He is a Shareholder and Operative Director of the company. He is also a director of Peoples Ceramic Industries Ltd.. He has been working in ceramic sector since 1989. He has also gathered vast experience in ceramic production and quality. In addition to his business, he is a member of IEB, BUET-68 Club. Mr. Maqsud is also associated with some social organisations

Management discussion and analysis on company's position and operation
Refer to Annexture -D, Page no-23

Report of the audit committee
Refer to Annexture- E, Page no-25.

MD & CFO'S Declaration on Financial Statements
Refer to Annexture- A, Page no-12.

Certificate on compliance with conditions of corporate governance code
Refer to Annexture B, Page no-13.

Report of the Nomination and Remuneration committee (NRC)

NRC committee was formed in Board Meeting dt. 18.08.2018 consisting of the following members.

Particulars	Position in the committee
1. Mr. M. Ismail, Independent Director.	Chairman
2. Mr. Lutfur Rahman, Director.	Member
3. Mr. A.K.M Alamgir Khan, Director.	Member

No meeting was held during the year, the committee will play its role as per guide line of BSEC., No top level executive was appointed & no change was made for Directors remuneration

Corporate Governance Compliance Report:
In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed (Annexure –C).

Appointment of Auditors :
As per Securities & Exchange Commission Notification, auditors is eligible for three consecutive years. Presently 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 34th AGM as well as they will fulfill conditions of appointment of two years period. They offered themselves for re-appointment as auditors of the Company for the year 2018-19. Accordingly, the Board of Directors recommended that M/s. FAMES & R, Chartered Accountants, be appointed as Auditors for the financial year 2018-2019 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.

Appointment of Corporate Governance Compliance Auditors
Presently M/s. M Ahmed & Co , Chartered Accountants, , Mohammadi Housing Society, House no –216(4th Floor) Road no- 07, Mohammadpur, Dhaka-1207 Bangladesh is the Corporate Governance auditors of the Company. They offered themselves for re-appointment as auditors of the Company for the year 2018-19. Accordingly, the Board of Directors recommended that M/s. M Ahmed & Co, Chartered Accountants, be appointed as Corporate Governance Compliance Auditors for the financial year 2018-2019 subject to the approval of the Shareholders in the AGM.

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: 05 Novemberr, 2018
Place: Dhaka

(Enamul Maqsud)
Director

(Helal Uddin Ahmed)
Managing Director

Annexure- A

MD & CFO'S Declaration on Financial Statements

Date: 05 November 2018

The Board of Directors
Standard Ceramic Industries Limited
62-63 Motijheel C/A
Dhaka-1000.

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

Dear Sirs,
Pursuant to Condition No. 1 (5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 under Section 2CC of the Securities and Exchange Ordinance, 1969,

we do hereby declare that:

(1) The Financial Statements of **Standard Ceramic Industries Ltd.** for the year ended on 30 June 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (I FRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgements related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

(i) We have reviewed the financial statements for the year ended on 30 June 2018 and that to the best of our knowledge and belief:
   (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours

(Helal Uddin Ahmed)
Managing Director

(Md. Abdur Rahim)
Chief Financial Officer

Annexure B

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

PHONE : Off : 9123129
Mob : 01817-025963
Mob : 01726-410985
E-mail : mahmed_co.1961@yahoo.com

Mohammadi Housing Society
House # 216 (4th Floor),
Road # 07, Mohammadpur
Dhaka-1207.

Ref : MAC/A&A/97/2018

November 05, 2018

CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE CODE

Report to the Shareholders of Standard Ceramic Industries Limited on compliance on the Corporate Governance Code.

We have examined the compliance status to the Corporate Governance Code by Standard Ceramic Industries Limited for the year ended 30th June, 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158.207/Admin/80, dated : 3rd June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

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

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

d) The Governance of the company is satisfactory.

Place : Dhaka-1207

Dated : 5th November, 2018.

Md. Muzaffar Ahmed, FCA
M. Ahmed & Co.
Chartered Accountants

Annexure- C

Status of compliance with the conditions imposed by the Commission' s Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance status ("✓" has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1.	**Board of Directors(BoD)**			
1(1)	**Size of the Board of Directors**	✓		
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	✓	--	The Boards of Directors is comprised of 8 Directors including 02 Independent Directors
1(2)	**Independent Directors**			--
1(2) (a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		--
1(2) (b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		--
1(2) (b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		--
1(2) (b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		--
1(2) (b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		--
1(2) (b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	✓		--
1(2) (b)(vi)	Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		--
1(2) (b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		--
1(2) (b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	✓	--	--
1(2) (b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	✓	--	--
1(2) (b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓	--	--
1(2) (c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	--	--
1(2) (d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	✓	--	
1(2) (e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	✓		

1(3)	Qualification of Independent Director	✓	–	
1(3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaning full contribution to business.	✓	–	–
1(3) (b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid -up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;		–	N/A
1(3) (b)(ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;		–	N/A
1(3) (b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor's degree in economics or commerce or business or law;		–	N/A
1(3) (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;		–	N/A
1(3) (b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓	–	–
1(3) (c)	The independent director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓	–	–
1(3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.		–	N/A
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓	–	–
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	–	–
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓	–	–
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	✓	–	–
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	–	
1(5)	The Directors' Report to the Shareholders	✓	–	–
1(5)(i)	An industry outlook and possible future developments in the industry	✓	–	–
1(5)(ii)	The Segment-wise or product-wise performance;	✓	–	–
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	–	–
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	–	–
1(5)(v)	A discussion on continuity of any extraordinary activities and their implacations (gain or loss);	✓	–	–
1(5)(vi)	A detied discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓	–	–

1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/ or through any other instruments;	--	--	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	--	--	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	--	--
1(5)(x)	statement of remuneration paid to the directors including independent directors;	✓	--	--
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	--	--
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	--	--
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	--	--
1(5)(xiv)	A statement that International Accounting Standards (IAS)or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	--	--
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	--	--
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	--	--
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓	--	--
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	--	--
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	--	--
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	--	--	N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓	--	--
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	--	--
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-	✓	--	--
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name -wise details);	✓	--	--
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	✓	--	--
1(5)(xxiii)(c)	Executives;	✓	--	--
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓	--	--
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -	✓	--	--
1(5)(xxiv)(a)	a brief resume of the director	✓	--	--
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	✓	--	--
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	--	--

1(5)(xxv)	A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓	–	–
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	–	–	N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof;	✓	–	–
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	–	–
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓	–	–
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	–	–
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	–	–
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	–	–
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓	–	–
1(6)	Meetings of the Board of Directors	✓	–	–
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	–	–
1(7)	**Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company	–	–	Being formulated NRC
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company		–	Will be complied after finanlization of the code of conduct
2	**Governance of Board of Directors of Subsidiary Company**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	–	–	N/A
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	–	–	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	–	–	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	–	–	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	–	–	N/A
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)**			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	–	–
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	–	–

3(1)((c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	--	--
3(1)((d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	--	--
3(1)((e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	--	Noted
3(2)	**Requirement to attend Board of Director' s Meetings**			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓	--	--
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief ✓			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	--	--
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	--	--
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	✓	--	--
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	✓	--	--
4	**Board of Directors Committee. For ensuring good governance in the company, the Board shall have at least following sub-committees:**			
4(i)	Audit Committee;	✓	--	--
4(ii)	Nomination and Remuneration Committee	✓	--	--
5	**Audit Committee**			
5(1)	Responsibility to the Board of Directors	✓	--	--
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	--	--
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓	--	--
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	--	--
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	--	--
5(2)(b)	The Board shall appoint members of the audit committee who shall benon-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	--	--
5(2)(c)	All members of the audit committee should be "financially literate" and at least I (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	✓	--	--
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓	--	--
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	--	--
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	--	--
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓	--	--

5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓	–	Noted
5(3)(c)	Chairperson of the Audit Committee shall remin present in the Annual General Meeting (AGM):	✓	–	
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	–	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	–	–
5(5)	The Audit Committee shall:	✓	–	–
5(5)(a)	Oversee the financial reporting process;	✓	–	–
5(5)(b)	Monitor choice of accounting policies and principles;	✓	–	–
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	✓	–	–
5(5)(d)	Oversee hiring and performance of external auditors.	✓	–	–
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	–	–
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓	–	–
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓	–	–
5.5(h)	Review the adequacy of internal audit function;	✓	–	–
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	–	–
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓	–	–
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓	–	–
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of experise deployed and time required for effective audit and evalute the performance of external auditors;	✓	–	–
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering (RPO) or Rights Share offer have brn utilized as per the purpose stated in relevent offer document or prospectus approved by the Commission:	–	–	N/A
5(6)(a)	Reporting of the Audit Committee			
5(6)	Reporting to the Board of Directors	✓	–	–
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	–	–
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -			
5(6)(a)(ii)(a)	report on conflicts of interests;	✓	–	No such Incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal internal audit and compliance process or in the financial statements; control system;	✓	–	No such Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; -	✓	–	No such Incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	✓	–	No such Incidence arose

5(6)(b)	Reporting to the Authorities: -			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	✓	–	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓	–	–
6	**Nomination and remuneration Committee (NRC).**	Formed in the Board of Directors meeting held on 18/8/2018.		
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓	–	–
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	–	–
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	–	–	Under process
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	–	–
6(2)(b)	All member of the Committee shall be non-executive directors;	✓	–	–
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	–	–
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	–	–	Noted
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	–	–	No such case in arise after formation of NRC
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member,if the Chairperson feels that advice or suggestion form such external expert and/or member(s) of staff shall be required or valuable for the Committee;	–	–	Noted
6(2)(g)	The company secretary shall act as the secretary of the Committee;	–	–	"
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	–	–	"
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration forany advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	–	–	"
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	–	–	"
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;		–	Noted
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	–	–	Will attend in upcoming AGM.

6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	–	–	No such case in arise after formation of NRC
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	–	–	Noted
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	–	–	•
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	–	–	•
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	–	–	Noted
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	–	–	•
6(5)(b)(i)	Formulating the celteria for determining qualifications, positive attelbutes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	–	–	•
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	–	–	•
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	–	–	•
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	–	–	•
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	–	–	•
6(5)(b)(ii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the celteria laid down, and recommend their appointment and removal to the Board;	–	–	•
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	–	–	•
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	–	–	•
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	–	–	•
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	–	–	Noted
7	**External or Statutory Auditors**			
7(1)	The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7(1) (i)	Appraisal or valuation services or fairness opinions;	✓	–	–
7 (1) (ii)	Financial information system design and implementation;	✓	–	–
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓	–	–
7 (1) (iv)	Broker –dealer services;	✓	–	–
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓	–	–
7 (1) (iv)	Broker –dealer services;	✓	–	–
7 (1) (v)	Actuarial services;	✓	–	–
7 (1) (vi)	Internal audit services or special audit services;	✓	–	–
7 (1) (vii)	Any services that the Audit Committee determines.	✓	–	–
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	✓	–	–

7 (1) (ix)	Any other service that creates conflict of interest	✓	–	–
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold ant shares in the said company:	✓	–	–
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	–	–
8	**Maintaining a website by the Company**			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓	–	–
8(2)	The company shall keep the website functional from the date of listing.	✓	–	–
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	✓	–	–
9	**Reporting and Compliance of Corporate Governance**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	–	–
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	–	–	Board recommended the Professional for due appointment by the Shareholders in 34th AGM on 27/12/2018
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	–	–

ANNEXURE-D

MANAGEMENT DISCUSSION AND ANALYSIS ON COMPANY'S POSITION AND OPERATION

In order to improve performances, the Management had formal & informal discussions on the affairs of the Company with specific reference to the following:- If gas is sufficiently and regularly available with required pressure and raw materials are available, then performance of the company will improve.

a. Preparation of Financial Statements:

These financial statements have been prepared on a going concern basis following accrual basis of accounting except for Cash Flow Statement in accordance with the applicable International Accounting Standards and International Financial Reporting Standards.

b. Changes in Accounting policies and Estimations

No change in accounting policies was recommended as the same were as per statuary requirement.

c. Financial performance and position of the Company:

The profitability, performance, liquidity of the Company are gradually improving. Position of this year is better than previous year.

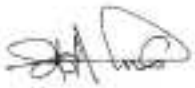
Turnover amounted to Taka 294.97 million in the year 2017-2018 as against taka 263.37 million in the year 2016-2017. The gross profit for the year was Taka 66.83 million as against Taka 40.39 million of the previous year showing increase of 65.45%. The gross profit ratio increased by 7.32% . Note that detailed performance of the company is stated page no. 8 Comparative analysis & presentation of comparative data are placed in the report. Inflation factor in expenses is compensated by increasing revenues.

d. Financial performance and position with peer industries:
Comparative figures for each line item are presented in reports for better understanding of the readers. No similar industry of stoneware Tableware (Listed Company) exists in the country. Therefore exact comparison is not possible.

c) Global and Local Economic Scenario:
The economic activities suffered adversely due to Liquidity Crises. As a result the Purchasing power of customers reduced substantially.

d) Risk and mitigation
No major risk is foreseen to remain as going concern if Financial and Trade policies remain unchanged and Gas & Electricity supply are sufficient. Risk and mitigation stated in the page no. 07

e) Future planning
The future plan is to sustain the progress and to keep the company as going concern. This will be explained to shareholders in the AGM.



Helal Uddin Ahmed
Managing Diector

AMARSTOCK

ANNEXURE-E

Report of the Audit Committee

For the year ended 30 June 2018

Under Condition No. 5 (7) of the Corporate Governance Code as adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC)

Audit Committee in **Standard Ceramic Industries Limited (SCIL)** is a sub-committee of the Board of Directors, assists the Board in fulfilling its oversight responsibilities. The Audit Committee assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Audit Committee be and is responsible to the Board of Directors. The jurisdiction of the Audit Committee extends over the Company covering risk management with special emphasis on ensuring compliance with all applicable legislation and regulation.

Composition and Meetings

Mr. A.K Mizanur Rahman, FCA, Independent Director	Chairman
Mr. Lutfur Rahman, Director	Member
Mr. A.K.M Alamgir Khan, Director	Member
Mr. Jamal Uddin Bhuiyan	Company Secretary

A total of 4 (Four) meetings were held during the year. Company Secretary of the Company functioned as the Secretary to the Committee as per regulatory requirements. In addition to that the Chief Financial Officer, Head of Internal Audit and Compliance attended the meetings on invitation and other officials were invited to attend the meetings as and when the Committee required their presence.

The detail responsibilities of Audit Committee are well defined in the Terms of Reference (TOR). However, the major roles of the Audit Committee are mentioned below:

(a) To review the quarterly and annual financial statements before submission to the Board for approval, adequacy of internal audit function, Management's Discussion and Analysis, statement of all related party transactions and Management Letters or Letter of Internal Control weakness issued by statutory auditors etc.;

(b) To oversee the financial reporting process, hiring and performance of external auditors;

(c) To monitor choice of accounting policies, principles, Internal Audit and Compliance process etc.;

The Audit Committee reports on its activities to the Board of Directors. Audit Committee also immediately reports to the Board of Directors on
a) report on conflicts of interests,
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 which shall be disclosed to the Board of Directors.

The Committee considered the scope and methodology of the audits, as well as the independence, objectivity and qualification of the external auditors. The Audit Committee reviewed the external audit works and concluded that the financial reporting was satisfactory and in compliance with generally accepted accounting principles in Bangladesh and that the audit was satisfactorily conducted. In connection with financial reporting, the Audit Committee also reviewed the Company's financial statements. The Audit Committee concluded that all reported financial results have been presented in accordance with applicable rules.

The audit committee has recommended the Board to re-appoint existing external auditor of the company - FAMES & R, Chartered Accountants, House #424 (4th Floor), Road # 30, Mohakhali DOHS, Dhaka-1206 as the statutory auditors for the year 2018-2019.

Moreover, the Audit Committee reviewed SCIL's self-assessment of Corporate Governance practices, based on a checklist provided by Bangladesh Securities and Exchange Commission (BSEC). The Committee concluded that Corporate Governance practices within SCIL to a greater extent exceeded the standards and also found few rooms to improve further which are already on process.

Besides these, the Audit Committee reviewed risk identification, assessment and mitigation methodologies, process and management. The Committee concluded that risk management was satisfactory, with the formulation of highly structured and well-defined risk categories, as well as the identification and review of the major risks affecting SCIL's flow of operations and their impact in upcoming years.

The Audit Committee will continue to monitor the progress made by Internal Audit Division for "Risk Based Audit" implementation by conducting random sampling of Corporate Governance and Ethics compliance issues, and ensuring the clearance of outstanding items from previous years.

Summary of activities during the year
During the year under review the Committee, interalia, focused on the following activities:

a) Reviewed and recommended the Annual Financial Statements for the year ended 30 June 2018 to the Board for approval.

b) Reviewed the Management Letter from external auditors for the year under review along with management's responses on the findings.

c) Reviewed the Auditors' Certification on Corporate Governance compliance for the year ended 30 June 2018.

d) Reviewed and ascertained that the internal control system including financial and operational controls, accounting system, and reporting structure are adequate and effective.

e) Reviewed the periodical reports submitted by the Internal Auditors and recommended to the management regarding proper and prompt resolution of the irregularities/issues stated therein.

f) Reviewed the actions taken by the management for implementation of Audit Committee observations on issues deliberated in Audit Committee reports.

g) The Committee placed its reports regularly to the Board for reviewing and monitoring the activities recommended on internal control system, compliance with rules and regulation of the regulatory bodies.

h) The Committee reviewed relevant quarterly Financial Statements during the year under review and recommended to the Board for their approval.

i) Based on the above review and discussion, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the Company.

A.K Mizanur Rahman, FCA
Chairman of the Audit Committee

Dhaka, 17th October, 2018

স্ট্যান্ডার্ড সিরামিক ইন্ডাস্ট্রিজ লিঃ

৬২-৬৩ মতিঝিল বা/এ, ঢাকা- ১০০০

৩৪তম বার্ষিক সাধারণ সভায় পরিচালক মন্ডলীর প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ ঃ

আস্সালামু আলাইকুম। প্রথমে পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ৩৪তম বার্ষিক সাধারন সভায় আপনাদেরকে সাদর আমন্ত্রন জানাচ্ছি। এই সভায় ৩০শে জুন, ২০১৮ইং তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক প্রতিবেদন আমরা আনন্দের সহিত উপস্থাপন করছি।

অর্থনীতি ও সামগ্রিক পরিস্থিতি পর্যালোচনাঃ

তারল্য সংকট অর্থনৈতিক কর্মকান্ডে সমস্যা সৃষ্টি করেছে। এ সংকটের কারনে গ্রাহকদের ক্রয় ক্ষমতা উল্লেখযোগ্যভাবে হ্রাস পেয়েছে। এর পাশাপাশি গ্যাস লাইনে গ্যাসের চাপ কম থাকায় চুল্লির উৎপাদন হ্রাস পেয়েছে ফলে পণ্যের মানের অবনতির পাশাপাশি আংশিক উৎপাদিত পণ্য নষ্ট হওয়ার কারনে চুল্লির মোট উৎপাদন হ্রাস পেয়েছে। গ্যাসের দাম বৃদ্ধির ফলে উৎপাদিত পণ্যে গ্যাসের খরচ বৃদ্ধি পেয়েছে। শ্রমিকের মজুরি বৃদ্ধির পাশাপাশি ডলারের বিনিময় মূল্য বৃদ্ধিতে আমদানিকৃত কাঁচামালের খরচ বেড়েছে। বাজার পরিস্থিতির কারনে পণ্যের বিক্রয় মূল্য বৃদ্ধি করা সম্ভব হয়নি। এ কারনে বর্ধিত উৎপাদন খরচ সমন্বয় করা যায়নি। ফলে পণ্যের উৎপাদন, বিক্রয় ও মুনাফা ব্যবস্থাপনা কর্তৃপক্ষের আশানুরূপ হয়নি।

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) জিগারিং মেশিন ও

(খ) পুরাতন গ্লস্ট কিল্ন পুনরনির্মানের জন্য কিল্ন ফার্ণিচার আমদানির সিদ্ধান্ত নিয়েছেন।

ঝুকি ব্যবস্থাপনা ঃ

৭ ও ৮ নং পাতায় দেওয়া হয়েছে।

ব্যবসায়িক কার্যক্রম ঃ

গত বৎসরে (২০১৬-২০১৭) ২৬ কোটি ৩৪ লক্ষ টাকা বিক্রয়ের বিপরীতে আলোচ্য বৎসরে (২০১৭-২০১৮) বিক্রয় দাঁড়ায় ২৯ কোটি ৫০ লক্ষ টাকা। গত বৎসরের ৪ কোটি ৪ লক্ষ টাকার মোট লাভের বিপরীতে আলোচ্য বৎসরে মোট লাভ দাঁড়ায় ৬ কোটি ৬৮ লক্ষ টাকা। আলোচ্য বৎসরে মোট লাভ বৃদ্ধি পেয়েছে ৭.৩২%।

আর্থিক প্রতিবেদন ও মুনাফা বন্টন ঃ

নিচে কোম্পানীর সামগ্রিক চিত্র দেওয়া হলো ঃ

	উপাত্তগুলি ('০০০) হাজারে প্রকাশিত	
বিবরন	**২০১৭-২০১৮**	**২০১৬-২০১৭**
আয়কর পূর্ব নিট মুনাফা/(ক্ষতি)	১৫,০৬৭	(২,০২৮)
বিয়োগঃ আয়কর বাবদ সঞ্চিতি	(৩,৭৬৭)	(১,৫৮০)
বিয়োগঃ WPPF বাবদ সঞ্চিতি	(৭৫৩)	০
যোগ/(বিয়োগ)ঃ বিলম্বিত কর (আয়)	(৩৬২)	১০৭৮
আয়কর ইত্যাদি উত্তর নিট মুনাফা	১০,১৮৫	(২,৫৩০)
বিয়োগঃ পূর্ববর্তী বৎসরের পুঞ্জিভূত লাভ/(লোকসান)	(১৯,৪৩৬)	(১০,৪৪৫)
বিয়োগঃ লভ্যাংশ	০	(৬,৪৬১)
পুঞ্জিভূত লাভ/(লোকসান)	(9,251)	(১৯,৪৩৬)

রাষ্ট্রীয় কোষাগারে অবদান ঃ
কোম্পানী আলোচ্য আর্থিক বৎসরে (২০১৭-২০১৮) রাষ্ট্রীয় কোষাগারে গ্যাস ও বিদ্যুৎ বাদে কাষ্টম ডিউটি, এ.আই.টি, ভ্যাট ইত্যাদি খাতে ৫ কোটি ১৫ লক্ষ টাকা প্রদান করে।

অপ্রত্যাশিত লাভ/ ক্ষতি ঃ
আলোচ্য বৎসরে কোন অপ্রত্যাশিত লাভ বা ক্ষতি নাই।

সংশ্লিষ্ট পক্ষের সাথে লেনদেন ঃ
৩৮নং নোটে বর্ণিত বিষয়টি ছাড়া আলোচ্য বৎসরে কোন সংশ্লিষ্ট পক্ষের লেনদেন নাই।

লভ্যাংশ ঘোষনা ঃ
আলোচ্য বৎসরের প্রথমে কোম্পানীর ১.৯৪ কোটি টাকা পুঞ্জিভুত ক্ষতি ছিল, যা প্রতিষ্ঠানের সঞ্চিতির পরিমাণকে নিম্নমুখী করেছে। আলোচ্য অর্থ বৎসরে কোম্পানী কর পরবর্তী মুনাফা করেছে ১.০১ কোটি টাকা। এমতাবস্থায় পরিচালক মন্ডলি প্রতিটি ১০ টাকা মূল্যের সাধারণ শেয়ারের বিপরীতে ২% হারে শুধুমাত্র পাবলিক শেয়ার হোল্ডারদেরকে (উদ্যোক্তা/ পরিচালকগণ বাদে) নগদ লভ্যাংশ প্রদানের সুপারিশ করেছেন। যা আপনাদের অনুমোদনের অপেক্ষায় রয়েছে। উদ্যোক্তা/ পরিচালকগণ পুঞ্জিভুত ক্ষতি সমন্বয়ের জন্য তাঁদের লভ্যাংশ সমর্পণ করেছেন।

শেয়ার ইস্যু /রাইট ইস্যু মাধ্যমে প্রাপ্ত টাকার ব্যবহার ঃ
আলোচ্য বৎসরে কোম্পানী শেয়ার ইস্যু বা রাইট ইস্যুর মাধ্যমে কোন টাকা উত্তোলন করেনি। উল্লেখ্য যে, কোম্পানী ১৯৯৬ সালে শেয়ার ইস্যুর মাধ্যমে টাকা উত্তোলন করে। যাহা দীর্ঘমেয়াদি ঋণ পরিশোধে ব্যবহার করা হয়।

ত্রৈমাসিক ও বার্ষিক প্রতিবেদনের মধ্যে উল্লেখযোগ্য বিচ্যুতি ঃ
আলোচ্য বৎসরে কোম্পানীর ত্রৈমাসিক ও বার্ষিক প্রতিবেদনের মধ্যে উল্লেখযোগ্য বিচ্যুতি ঘটেনি।

স্বতন্ত্র পরিচালকসহ সকল পরিচালকদের বেতন ঃ
এ সংক্রান্ত বিস্তারিত বিবরণ নোট নং-২২ এ দেখানো হয়েছে। উল্লেখ্য যে, স্বতন্ত্র পরিচালক সভার ফিস ছাড়া অন্য কোন ভাতা দেওয়া হয়নি।

কোম্পানীর বিষয়াবলী ও আর্থিক প্রতিবেদন ঃ
কোম্পানী কর্পোরেট গভর্নেন্সে 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, ফাইনানসিয়াল রিপোর্টিং আইন ২০১৫ 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. কোন বোনাস/স্টক ডিভিডেন্ড অন্তবর্তীকালীন ডিভিডেন্ড হিসাবে ঘোষনা করা হয়নি।
জ. সংখ্যাধরিষ্ট শেয়ারহোল্ডারগণ ক্ষুদ্র শেয়ারহোল্ডারগণের উপর কোন প্রভাব বিস্তার করেনি। আইনানুযায়ী ক্ষুদ্র শেয়ারহোল্ডারগণের স্বার্থ সংরক্ষন করা হয়েছে।
ঝ. বিগত পাঁচ বছরের পরিচালন ও আর্থিক ফলাফলসমূহ সংযুক্ত করা হয়েছে। (পাতা নং ৫)

আগের বছরের তুলনায় কার্যক্রমে ও ফলাফলের উল্লেখযোগ্য বিচ্যুতি ঃ
এ সংক্রান্ত বিষয়ে নোট নং ৩৫ (পাতা-৪৯)ও পৃষ্ঠা নং ৫৩এ বিস্তারিত বিবরণ দেওয়া হয়েছে।

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

ক্রমনং	পরিচালকদের নাম	পদবী	সভায় উপস্থিতি
০১.	জনাব এ.কে.এম. জাহাঙ্গীর খান	চেয়ারম্যান	৬
০২.	জনাব হেলাল উদ্দিন আহমেদ	ব্যবস্থাপনা পরিচালক	৫
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	৬
০৮.	জনাব এম. ইসমাইল	স্বতন্ত্র পরিচালক	৬

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

সাবসিডিয়ারি কোম্পানী ঃ

প্রতিষ্ঠানের কোন সাবসিডিয়ারি কোম্পানী নাই।

চেয়ারম্যান ও প্রধান নির্বাহী কর্মকর্তার অবস্থান ঃ

কোম্পানীতে চেয়ারম্যান ও প্রধান নির্বাহী কর্মকর্তার অবস্থান সম্পূর্ণ আলাদা ।

সিইও ও সিএফও এর কর্তব্য ঃ

কমিশনের (বিএসইসি) রেগুলেশন কমপ্লাই করা হয়েছে।

কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ণ ছিল নিম্নরূপঃ

ক্রঃ 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 লুৎফর রহমান, (পরিচালক)	৩৭৩,৮৮০
০৪.	জনাব নাসির উদ্দিন আহমেদ, (পরিচালক)	৩৭৩,৮৮০
০৫.	জনাব এনামুল মাকছুদ, (পরিচালক)	২০৬,৮৯২
০৬.	জনাব এ.কে.এম. আলমগীর খান, (পরিচালক)	২,৫৯,০৮০
০৭.	জনাব এম. ইসমাইল, (স্বতন্ত্র পরিচালক)	নাই
০৮.	জনাব এ.কে. মিজানুর রহমান এফ.সি.এ. (স্বতন্ত্র পরিচালক)	নাই
০৯.	জনাব জামাল উদ্দিন ভূইয়া, (কোম্পানী সেক্রেটারী)	নাই
১০.	জনাব আব্দুর রহিম পাটোয়ারী, (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 অর রশিদ, ডিপুটি ম্যানেজার	নাই
১৫.	জনাব জিয়াউল হক, পি.পি.ও	নাই
১৬.	জনাব মোঃ মোস্তাফিজুর রহমান, ডিপুটি ম্যানেজার	১০

পরিচালকদের অবসর গ্রহন ও নিয়োগ ঃ

পরিচালক (১) জনাব নাসির উদ্দিন আহমেদ ও (২) জনাব এনামুল মাকসুদ কোম্পানীর সংঘবিধির ৪৪ ধারা অনুযায়ী অবসর গ্রহন করেছেন এবং যোগ্য বিধায়, পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

পরিচালকদের জীবন বৃত্তান্ত ঃ
১০নং পাতায় বিস্তারিত দেওয়া হয়েছে।

ব্যবস্থাপনা আলোচনা ও বিশ্লেষন ঃ
কোম্পানীর কার্যক্রম ও পরিস্থিতি নিয়ে আলোচনা ও বিশ্লেষন রিপোর্টের ২৩ ও ২৪ নং পাতায় দেওয়া হলো।

অডিট কমিটির প্রতিবেদন ঃ
প্রতিবেদনটি 25 I 26 পাতায় দেওয়া হলো।

সিইও ও সিএফও কর্তৃক প্রত্যায়ন ঃ
প্রধান নির্বাহী কর্মকর্তা ও প্রধান অর্থ কর্মকর্তা দ্বারা পরিচালনা পর্ষদকে প্রদত্ত ৩(৩)(সি) শর্তানুযায়ী প্রয়োজনীয় ঘোষণা বা প্রত্যয়ন এ্যানেক্সার-এ তে সংযুক্ত করা হলো।

নমিনেশন ও রিমুনারেশন কমিটি গঠন ঃ

১৮.০৮.২০১৮ইং তারিখের বোর্ড সভায় নিম্নলিখিত পরিচালকগণের সমন্বয়ে Nomination and Remuneration (NRC) কমিটি গঠন করা হয়।

নাম	কমিটিতে অবস্থান
১। জনাব এম. ইসমাইল- ^Z§পরিচালক	চেয়ারম্যান
২। জনাব লুৎফর রহমান- পরিচালক	সদস্য
৩। জনাব এ.কে.এম আলমগীর খান-পরিচালক	সদস্য

আলোচ্য বৎসরে কমিটির কোন সভা হয়নি। কমিটি কমিশনের (বিএসইসি) নির্দেশনা অনুযায়ী কার্যক্রম পরিচালনা করিবে। কমিটি গঠনের পর কোন উচ্চ পদস্থ নির্বাহীর নিয়োগ কিংবা কোন পরিচালকের বেতন পরিবর্তন হয়নি।

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট ঃ
বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশনের দিক নির্দেশনা অনুযায়ী "কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট" ১৪-২২ নং পাতায় সংযুক্ত করা হল।

সংবিধিবদ্ধ নিরীক্ষক নিয়োগঃ
বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন অনুযায়ী GKRb নিরীক্ষক পর পর তিন বৎসর নিয়োগ প্রাপ্ত হতে পারে। বর্তমানে M/s. FAMES & R, Chartered Accountant, বাড়ি নং-৪২৪ (৫ম তলা), রোড নং-৩০, মহাখালী ডিওএইচএস, ঢাকা-১২০৬, বাংলাদেশ, কোম্পানীর নিরীক্ষক, যার মেয়াদ ৩৪তম বার্ষিক সাধারণ সভায় ২ বৎসর পূর্ণ হবে। যোগ্য বিধায় ২০১৮-১৯ অর্থবৎসরের নিরীক্ষক হিসাবে পুনঃ নিয়োগের প্রস্তাব করেছেন। পরিচালক মন্ডলী ২,২৫,০০০/- টাকা পারিশ্রমিকের বিনিময়ে M/s. FAMES & R, Chartered Accountant এর প্রস্তাবের প্রেক্ষিতে ২০১৮-১৯ সালের নিরীক্ষক হিসাবে নিয়োগের জন্য শেয়ার হোল্ডারদের অনুমোদনের সুপারিশ করছেন।

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স নিরীক্ষক নিয়োগঃ
বর্তমানে এম. আহমেদ এন্ড কোং, চার্টার্ড একাউন্টেন্টস মোহাম্মদী হাউজিং সোসাইটি, বাড়ি নং-২১৬ (৫ম তলা), রোড নং-০৭, মোহাম্মদপুর, ঢাকা-১২০৭, বাংলাদেশ কোম্পানীর কর্পোরেট গভর্নেন্স কমপ্লায়েন্স নিরীক্ষক। তারা ২০১৮-১৯ সালের জন্য নিরীক্ষক হিসাবে পুনঃ নিয়োগের প্রস্তাব করেছেন। যোগ্য বিধায় পরিচালনা পর্ষদ এম. আহমেদ এন্ড কোং, চার্টার্ড একাউন্টেন্টস'কে পুনঃ নিয়োগের জন্য আপনাদের অনুমোদনের সুপারিশ করছে।

কৃতজ্ঞতা স্বীকার ও উপসংহার ঃ
কোম্পানীর পরিচালক মন্ডলী, সম্মানিত শেয়ার হোল্ডার, বিনিয়োগকারী, ব্যাংক এবং আর্থিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটি 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 আস্থার সাথে আশা করে যে তাদের এই আন্তরিকতা কোম্পানীর ভবিষ্যত প্রবৃদ্ধি আনয়ন করবে।

পরিচালক পর্ষদের পক্ষে-

ঢাকা -১০০০
০৫.১১.২০১৮ইং

এনামুল মাকসুদ
পরিচালক

হেলাল উদ্দিন আহমেদ
ব্যবস্থাপনা পরিচালক

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, 2018, 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.

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 comply with ethical requirements and 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 the 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 evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the 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 qualified audit opinion.

Basis of Qualified Opinion

The Board of Directors of the company has recommended 2% cash dividend to the public shareholders only other than sponsors shareholders & Directors as mentioned in note-42 of the financial statements despite having negatively retained earnings of Tk.(9,250,640) which is not consistent with Para 6 (2) of the notification issued by the Bangladesh Securities and Exchange Commission no. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 where it ,has been mentioned that no dividend shall be declared through doing anything so that the post – dividend retained earnings become negative or a debit balance.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph the financial statements give a true and fair view of the financial position of Standard Ceramic Industries Ltd. as at 30th June, 2018 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: 05 November, 2018
Place: Dhaka

FAMES & R
Chartered Accountants

A Member Firm of PrimeGlobal

STANDARD CERAMIC INDUSTRIES LTD.
"AMIN COURT", 62-63 MOTIJHEEL C/A, DHAKA-1000.
STATEMENT OF FINANCIAL POSITION
As at 30 June, 2018

Particulars	Notes	Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	119,994,568	111,902,469
Current Assets			
Inventories	4	66,231,617	41,280,394
Advances, Deposits and Pre-payments	5	14,744,439	15,258,683
Accounts Receivable	6	782,819	624,789
Short Term Investment	7	11,717,600	20,123,737
Cash and Cash Equivalents	8	5,551,544	7,127,096
Total Current Assets		99,028,019	84,414,699
Total Assets		219,022,587	196,317,168
EQUITY & LIABILITIES			
Shareholder's equity:			
Share Capital	9	64,606,500	64,606,500
Revaluation Reserve	10	25,592,345	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	(9,250,640)	(19,436,206)
Total Shareholders' Equity		96,661,705	87,267,655
Non Current Liabilities			
Deferred Liabilities	14	11,606,914	10,454,190
Current Liabilities			
Cash Credit (Secured)	15	21,339,493	13,999,523
Bank Overdraft	16	3,153,107	388,677
Unclaimed Dividend	17	9,062,752	9,216,247
Creditors, Accrued exps and Others	18	45,473,718	35,019,445
Liabilities for other finance	19	31,724,898	39,971,431
Total Current Liabilities		110,753,968	98,595,323
Total Liabilities		122,360,882	109,049,513
Total Shareholders' Equity and Liabilities		219,022,587	196,317,168
Net Asset Value per share	39	14.96	13.51

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 05 November, 2018 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 Financial Position referred to in our separate report of even date.

Dated: 05 November, 2018
Place: Dhaka

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, 2018

Particulars	Notes	Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
Revenue	20	294,970,264	263,367,777
Less: Cost of Goods Sold	21	228,137,429	222,973,204
Gross Profit		**66,832,835**	**40,394,573**
Operating Expenses:		**48,053,855**	**40,605,569**
Administrative Expenses	22	37,072,882	31,640,359
Selling and Distribution Expenses	23	10,980,973	8,965,210
Operating Profit/(Loss)		**18,778,980**	**(210,996)**
Add: Other Income	25	712,472	996,561
Less: Finance cost	24	4,424,632	2,814,209
Net Profit / (Loss) before WPPF		**15,066,820**	**(2,028,644)**
Less: Workers Profit Participation Fund @ 5%		753,341	-
Net Profit / (Loss) before Tax		**14,313,479**	**(2,028,644)**
Provision for Tax:		**(4,127,913)**	**(502,244)**
Current Tax	26	(3,766,705)	(1,580,207)
Deferred Tax (Expenses)/Income	27	(361,208)	1,077,963
Net Profit after Tax		**10,185,566**	**(2,530,888)**
Earning per share(EPS)	35	**1.58**	**(0.39)**

The annexed notes form an integral part of these financial statements.These financial statements were approved by the Board of Directors on 05 November, 2018 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 Comprehensive Income referred to in our separate report of even date.

Date:05 November 2018
Place: Dhaka.

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, 2018

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Tax Holiday	Share Premium	Retained Earnings	Total
As at July 1, 2017	64,606,500	26,383,861	1,063,500	14,650,000	(19,436,206)	87,267,655
Changes during the Year:						
Less: Deferred Tax on revaluation		(791,516)				(791,516)
Profit after tax	-	-	-	-	10,185,566	10,185,566
As at June 30, 2018	**64,606,500**	**25,592,345**	**1,063,500**	**14,650,000**	**(9,250,640)**	**96,661,705**

STANDARD CERAMIC INDUSTRIES LTD.

Statement of Changes in Equity

For the year ended 30 June, 2017

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Tax Holiday	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**

The annexed notes form an integral part of these financial statements.These financial statements were approved by the Board of Directors on 05 Novermber, 2018 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.

Date:05 November 2018
Place: Dhaka.

FAMES & R
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

STATEMENT OF CASH FLOWS

For the year ended 30 June, 2018

Particulars	Note	Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
CASH-FLOW FROM OPERATING ACTIVITIES			
Receipts from customers and others		327,169,269	289,404,957
Paid to suppliers, employees & others		(323,981,734)	(286,150,630)
Finance cost paid		(4,424,632)	(2,814,209)
Income Tax paid and/or deducted at source etc.		(2,963,098)	(2,320,025)
Net cash inflow from operating activities	36	**(4,200,195)**	**(1,879,907)**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of Property, Plant and Equipment		(16,444,871)	(2,627,865)
Interest Received		712,472	996,561
Short Term Investment		8,406,137	6,765,779
Net cash outflow from investing activities		**(7,326,262)**	**5,134,475**
CASH FLOW FROM FINANCING ACTIVITIES			
Cash Credit Loan (Paid)/Received		7,339,970	4,545,599
Dividend Paid		(153,495)	(5,281,046)
Bank overdraft (Paid)/Received		2,764,430	(1,174,783)
Net cash outflow from financing activities		**9,950,905**	**(1,910,230)**
Net increase/(decrease) in Cash and Cash Equivalents		(1,575,552)	1,344,338
Cash and Cash equivalents at beginning of the year		7,127,096	5,782,758
Cash and Cash equivalents at end of the year		**5,551,544**	**7,127,096**
Net Operating Cash Flow Per Share	40	**(0.65)**	**(0.29)**

The annexed notes form an integral part of these financial statements.These financial statements were approved by the Board of Directors on 05 November, 2018 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:05 November 2018
Place: Dhaka.

FAMES & R
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.
Notes to the financial statements
For the year ended 30 June, 2018

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-1 "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 judgement 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)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- Statement of Financial Position as at 30 June, 2018;
- Statement of Comprehensive Income for the year ended 30 June, 2018;
- Statement of Changes in Equity for the year ended 30 June, 2018;
- Statement of Cash Flows for the year ended 30 June, 2018 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 Property, Plant and Equipment 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%
ii) Plant& Machinery 10%
iii) Deep Tube well 5%
iv) Electric Equipment 10%
v) Other Asset 20%
vi) Car and Vehicles 20%
vii) Tools 25%
viii) Furniture & Fittings 10%
ix) Office Equipment 15%

Depreciation is charged on Property, Plant and Equipment 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.

2.10 Employee Benefits:

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

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, 2018, 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.18,407,726 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 VAT 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 BFRS-8: "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-1 "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 01July, 2017 to 30 June, 2018.

AMAR STOCK

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
3.00	**Property, Plant and Equipment: Tk.119,994,568**		
	Details are as under:		
	Opening Balance	349,110,785	346,482,920
	Addition during the year	16,444,871	2,627,865
		365,555,656	**349,110,785**
	Less: Accumulated Depreciation	(245,561,088)	(237,208,316)
	Net written down value as on 30 June 2018	**119,994,568**	**111,902,469**

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

		30 June 2018		30 June 2017	
		Qty in M.T	Value (Tk)	Qty in M.T	Value (Tk)
4.00	**Inventories: Tk.66,231,617**				
	Details are as follows:				
	Raw Materials (4.01)		20,079,297		17,287,121
	Work-in process	158 M.T	8,250,823	126 M.T	6,264,966
	Finished products	371 M.T	30,105,780	170 M.T	13,452,482
	Stores & spares		7,225,597		3,807,050
	Packing Materials	25,100 pcs	570,120	24000 pcs	468,775
			66,231,617		**41,280,394**

The inventories on 30 June 2018 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 2018		30 June 2017	
	Body,Glaze and Auxiliary M.T	Decorative Sheet	Body,Glaze and Auxiliary M.T	Decorative Sheet
Opening Balance	389	104,148	162	44,340
Add: Purchase durinng the year	4506	279,835	4494	269,000
Available for use	**4895**	**383,983**	**4656**	**313,340**
Less: Issue for Production	4427	364,675	4267	209,192
Closing Balance	**468**	**19,308**	**389**	**104,148**

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
5.00	**Advance Deposits and Pre-payment:Tk.14,744,439**		
	I) Advances	775,646	2,270,874
	II) Security deposits	3,561,902	3,419,852
	iii) Advance Income Tax	6,073,920	4,691,029
	iv) Bank Margins	2,692,450	3,280,350
	v) VAT (Value Added Tax)	1,640,521	1,596,578
		14,744,439	**15,258,683**
	I) Advances: Tk.775,646		
	a) Advance against works	748,243	2,243,471
	b) Other Advance	27,403	27,403
		775,646	**2,270,874**
	II) Security deposits: Tk.3,561,902		
	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.	2,143,277	2,001,227
	CDBL	200,000	200,000
		3,561,902	**3,419,852**
	III) Advance Income-Tax: Tk.6,073,920		
	Opening balance	4,691,029	5,173,484
	Addition during the year	2,963,098	2,320,025
		7,654,127	7,493,509
	Less: Adjustment against assessment year 2017-2018	(1,580,207)	(2,802,480)
	Total	**6,073,920**	**4,691,029**
	iv) Bank Margins:TK. 2,692,450		
	L/C Margin	1,844,250	2,489,050
	Bank Gurantee Margin	848,200	791,300
		2,692,450	**3,280,350**
	v) VAT (Value Added Tax):Tk.1,640,521		
	Opening Balance	1,596,578	1,863,394
	Add: Cash Deposit and Vat on Raw materials etc.	45,026,069	37,954,960
		46,622,647	39,818,354
	Less:Adjustment on local sales	(44,982,126)	(38,221,776)
	Closing Balance	**1,640,521**	**1,596,578**

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.782,819**		
	The amount represents receivable against duty draw back. Age wise breakup is		
	Exceeding six months	732,383	479,707
	Below six months	50,436	145,082
	Total	**782,819**	**624,789**
7.00	**Short Term Investment:Tk.11,717,600**	**11,717,600**	**20,123,737**

This represents investment in Fixed Deposit. Such fund has been accumulated for payment of expenses required for heavy repair and replacement of depreciable assets especially Kiln.Out of above balance fixed deposit of TK.451,104 has given to the bank as security.

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
8.00	**Cash & Cash Equivalents:Tk.5,551,544**		
	Cash in hand	679,600	1,556,544
	Cash at Bank		
	NCC Bank CD A/C	-	1,246,229
	Al-Arafah Islami Bank CD A/C No-11866	4,488	9,253
	Rupali Bank Ltd. CD A/C No.-1650	368,417	45,923
	Rupali Bank Ltd. CD A/C No.-1595	3,780	3,780
	Rupali Bank Ltd. CD A/C No.-7662	1,346,048	28,240
	United Commercial Bank CD A/C No.-330	451	451
	City Bank Ltd. CD A/C No.1402077	1,427,873	1,079,187
	City Bank Ltd. CD A/C No.1102075735001	9,661	-
	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 Shilpa Bank 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	49,511	65,926
	Mutual Trust Bank CD A/C No.-	597,353	273,639
	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	2,906
	City Bank Ltd. STD A/C No.31000490/7002	13,572	13,572
	City Bank Ltd. STD A/C No.31000536/7003	15,085	15,085
	City Bank Ltd. STD A/C No.3102075735001	808	76,254
	City Bank Ltd. STD A/C No.7004	64,095	447,032
	IFIC Bank Ltd. STD A/C No.000836000701	6,657	6,657
	Rupali Bank Ltd. F/C A/C No.-95/05 (US$ 12,889.10)	942,578	2,237,757
		5,551,544	**7,127,096**

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:		
1) 5,860,000 (2,930,000 ordinary shares before public issue i.e before 4.11.1996 and 2,930,000 ordinary shares public issue i.e 4.11.1996) ordinary shares of Tk.10 each fully paid up in cash	58,600,000	58,600,000
2) 600,650 (293,000 ordinary shares in 2010.307,650 ordinary share in 2011) ordinary shares of Tk. 10 each issued as fully paid as Bonus shares.	6,006,500	6,006,500
	64,606,500	**64,606,500**

(c) The position of Shareholders as on 30th June, 2018 is as follows :

Description	30 June 2018			30 June 2017		
	No. of Share holder	No. of Shares	Share holding %	No. of Share holders	No. of Shares	Share holding %
Sponsors and directors	7	1,841,072	28.50	7	1,838,140	28.45
Financial Institutions(bank & Insurance)	7	27,200	0.42	7	26,900	0.42
Financial Institutions(others)	110	371,985	5.76	48	133,153	2.06
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	13,190	0.20
IFIC investor's A/c	10	820	0.01	11	890	0.01
Other Investor's A/c	-	-	0.00	-	-	0.00
Foreign investor (company)	1	1,000	0.02	1	1,000	0.02
ICB Mutual Fund	2	2,020	0.02	2	2,020	0.02
ICB Capital Management	4	440	0.01	4	440	0.01
ICB Unit Fund	1	121,805	1.89	1	694,446	10.76
Others Mutual Fund and Unit Fund	1	270	0.00	1	270	0.00
General Public	7100	4,079,848	63.15	7407	3,749,201	58.03
	7,437	6,460,650	100	7,683	6,460,650	100

(d) The Shareholding pattern is as below :

Description	30 June 2018		
	No. of Share holders	No. of Shares	Share holding %
Upto 500 Shares	6521	369,949	5.73
501 to 5000Shares	783	814,952	12.61
5001 to 10000 Shares	46	329,363	5.10
10001 to 20000 Shares	31	424,483	6.57
20001 to 30000 Shares	18	459,894	7.12
30001 to 40000 Shares	8	282,694	4.38
40001 to 50000 Shares	5	232,257	3.59
50001 to 100000 Shares	14	1,097,813	16.99
100001 to above Shares	11	2,449,245	37.91
	7,437	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 TK175.20 at Dhaka Stock Exchange Limited and TK183.30 at Chittagong Stock Exchange Limited as on 30 June 2018.

10.00 Revaluation Reserve : Tk. 25,592,345

Details is as follows:	30 June 2018	30 June 2017
Opening Balance	26,383,861	26,383,861
Less:Provision for Deferred Tax on revaluation reserve	791,516	-
	25,592,345	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 2018	Amount in Taka 30 June 2017
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.(9,250,640)**		
	Opening Balance	(19,436,206)	(10,444,668)
		(19,436,206)	(10,444,668)
	Cash Dividend (2015-16)	-	(6,460,650)
	Profit/ (Loss) after tax for the year	10,185,566	(2,530,888)
	Closing Balance	(9,250,640)	(19,436,206)
14.00	**Defferd Liabilities: TK.11,606,914**		
	Deferred Tax Liabilities (Note-14.01)	10,815,398	10,454,190
	Add: Deferred Tax on Revaluation Reserve (Note-10)	791,516	-
		11,606,914	10,454,190
14.01	**Deferred Tax Liabilities**		
	Book Value of Depreciated Assets	89,438,967	81,346,868
	Tax Base of Depreciated Assets	(41,342,604)	(35,119,660)
		48,096,363	46,227,208
	Provision for Retirement benefits (Gratuity) (note-19.01)	(4,834,772)	(4,410,449)
	Net Taxable Temporary Difference	43,261,591	41,816,759
	Effective Rate	25%	25%
	Deferred Tax Liability closing	10,815,398	10,454,190
	Deferred Tax Liability opening	(10,454,190)	(11,532,153)
	Deferred Tax Expenses / (Income)	361,208	(1,077,963)
15.00	**Cash Credit (secured): Tk.21,339,493**		
	Details are as under:		
	Cash Credit (Hypo)	6,651,884	1,790,019
	Cash Credit (Pledge)	14,687,609	11,551,029
	Loan Against Imported Marchandise (LIM)	-	658,475
		21,339,493	13,999,523

The Company is enjoying cash credit facilities from Rupali Bank Ltd., Ramna Corporate Branch,Dhaka. Interest charged on all credit @ 11.00% to 13.00% . 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.3,153,107**		
	This represents temporary overdrawn from current account	3,153,107	388,677

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
17.00	**Unclaimed Dividend : Tk.9,062,752**		
	Year wise break up of the above is as follows:		
	Year		
	1996-97 To 2003-04	2,075,754	2,075,859
	2004-05	254,652	254,699
	2005-06	590,552	590,552
	2006-07	583,968	586,667
	2007-08	131,355	132,756
	2008-09	418,566	418,582
	2009-10	561,080	561,080
	2010-11	404,732	405,731
	2011-12	721,316	721,316
	2012-13	762,267	762,267
	2013-14	691,161	692,293
	2014-15	817,026	819,097
	2015-16	1,050,323	1,195,348
	Total Amount Tk.	**9,062,752**	**9,216,247**
18.00	**Creditors, Accrued Exps and Others:Tk.45,473,718**		
	Details are as under:		
	Directors' remuneration	1,780,000	745,000
	Salary & O.T	12,573,981	7,469,348
	Gas bill	7,192,106	6,823,243
	Electric bill	2,068,864	928,795
	Audit fees	225,000	225,000
	Workers Profit Participation Fund	753,341	533,806
	Providend Fund	14,844,148	14,138,936
	Others payable	6,036,278	4,155,317
		45,473,718	**35,019,445**
19.00	**Liabilities for other finance:Tk.31,724,898**		
	Security money employees	1,024,987	880,520
	Security money (Agency) and advance etc.	21,568,186	32,996,935
	Provision for Income Tax	3,766,705	1,580,207
	Provision for Retirement benefits (Gratuity) (note-19.01)	4,834,772	4,410,449
	Other Provision	530,248	103,320
		31,724,898	**39,971,431**

Income Tax finalised upto Assessment year 2014-15. Assessmet of tax for the year 2015-2016 and 2016-2017 and2017-2018 remain under process of finalisation.

19.01	**Provision for Retirement benefits (Gratuity) Tk.4,834,772**		
	Opening balanec	4,410,449	-
	Provision during the year	2,192,060	7,221,986
	Less:Payment during the year	(1,767,737)	(2,811,537)
	Closing balance	**4,834,772**	**4,410,449**

	Amount in Taka 30 June 2018		Amount in Taka 30 June 2017	
20.00 Revenue:Tk.294,970,264				
Break-up as follows				
	Quantity	**Value Taka**	**Quantity**	**Value Taka**
Net Local Sales	2,906.16	288,605,258	2,308.50 M.T	254,811,826
Export Sales	35.84 M.T	6,206,975	51.50 M.T	8,300,709
Duty Draw Back		158,031		255,242
Total		**294,970,264**		**263,367,777**

	Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
21.00 Cost of Goods Sold: Tk.228,137,429		
Materials Consumed:		
Opening Stock	17,287,121	11,703,210
Purchased during the year	102,909,404	77,513,210
	120,196,525	89,216,420
Less: Closing stock	20,079,297	17,287,121
	100,117,228	71,929,299
Add: Opening Work-in -process	6,264,966	10,357,554
	106,382,194	82,286,853
Less: Closing Work-in-process	8,250,823	6,264,966
	98,131,371	**76,021,887**
Factory Overhead:		
Wages, Salaries, O.T & Bonus (includes gratuity)	64,341,131	68,843,874
P.F Contribution.	1,057,115	1,096,225
Packing Materials	17,149,899	13,339,102
Power, Water & Gas	36,713,198	28,661,211
Insurance	132,201	127,396
Consumable stores	6,262,162	8,517,768
Miscellaneous factory expenses	2,399,503	2,234,732
Repairs & Maintenance	10,334,903	9,215,614
Depreciation	8,269,244	8,296,957
	146,659,356	140,332,879
	244,790,727	**216,354,766**
Add: Opening Stock of finished	13,452,482	20,070,920
	258,243,209	236,425,686
Less: Closing Stock of finished	30,105,780	13,452,482
	228,137,429	**222,973,204**
Total production	**3143 M.T**	**2,310 M.T**

Repairs & Maintenance includes all factory building repairs Tk.474,133 and maintainence Tk.3,103,064 and factory machineries repairs Tk.402,456,and fuel car Tk.1,180,676 and generator fuel Tk.4,476,925 and maintainence Tk.697,649 etc.

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
22.00	**Administrative expenses: TK.37,072,882**		
	Director's Emolument	10,010,000	10,290,800
	Rent, Rates & Taxes	1,867,140	1,859,722
	Postage, Telegram & Telephone	494,396	541,195
	Office Salaries (includes gratuity)	19,341,277	14,297,758
	P.F Contribution	159,390	155,454
	Printing & Stationery	164,202	156,077
	Religious & Festival Expenses	290,576	155,650
	Legal & Professional and Other fees	334,000	262,000
	Audit fees	258,750	225,000
	Forms & Fees	846,561	936,666
	Utility bill	307,875	307,601
	Motor Vehicles maintenance	471,939	183,549
	Petrol, Oil & Lubricant	259,886	361,620
	Office Maintenance etc.	70,170	71,150
	AGM & Other meeting Expenses etc	1,014,632	965,610
	Entertainment expenses	399,277	385,162
	Miscellaneous expenses	699,283	401,537
	Depreciation	83,528	83,808
		37,072,882	**31,640,359**
23.00	**Selling and Distribution Expenses: TK.10,980,973**		
	Office Salaries (includes gratuity)	4,651,785	4,000,061
	P.F. Contribution.	72,600	70,080
	Travelling & Conveyance	625,530	605,446
	Business Promotional expenses	2,436,258	932,186
	Trade Fair expenses	1,064,765	1,574,244
	Transport exps	2,130,035	1,783,193
		10,980,973	**8,965,210**
24.00	**Finance cost: Tk.4,424,632**		
	Bank interest	2,489,721	1,798,967
	Bank charges	1,934,911	1,015,242
		4,424,632	**2,814,209**
25.00	**Other Income:Tk.712,472**		
	Interest on STD Account	21,829	15,783
	Interest on FDR	690,643	980,778
		712,472	**996,561**

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
26.00	**Income Tax Expenses:Tk.3,766,705**		
	Current year tax	3,766,705	1,580,207
		3,766,705	**1,580,207**
27.00	**Deferred Tax Expenses/ Income Tk.361,208**		
	Deferred Tax Expenses/(Income) (note-14.01)	**361,208**	**(1,077,963)**

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

29.00 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.

30.00 Aggregate amount due by Directors & Officers:
There was no such amount in the Statement of Financial Position.

31.00 Sales - Item-wise:
The company sales Stonewares approx. 123 different items with different shapes and different prices under the brand name Classic Stone.

32.00 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 638 Nos.
ii) Workers & Employees drawing less than Tk. 3000.00 per month nil.

33.00 Claims against the company not acknowledgement as debt:
There was no contractual claim against the company not acknowledged as debt.

34.00 Aggregate amount of contracts for capital expenditure:
There was no contractor & contract for capital expenditure on 30-06-18.

	Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
35.00 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	10,185,566	(2,530,888)
Number of Ordinary Shares outstading during the year	6,460,650	6,460,650
Basic EPS	**1.58**	**(0.39)**

Due to increasing production and decreasing process loss during the year as described in para -C of Annexure -1 the profitability has improved which resulted increasing Earning Per Share of the company.

36.00 Reconciliation fo Net Operating Cash Flow :

Net Profit /(Loss) after tax	10,185,566	(2,530,888)
Depreciation	8,352,772	8,380,765
Deferred Tax Expenses /(Income)	361,208	(1,077,963)
Other income	(712,472)	(996,561)
	8,001,508	**6,306,241**
(Increase)/ Decrease in inventories	(24,951,223)	6,948,310
(Increase)/ Decrease in Accounts Receivable	(158,030)	(130,410)
(Increase)/ Decrease in Advance Deposits Prepayment	514,244	(4,380,602)
(Increase)/ Decrease in Creditors Accrued Expense and Others	10,454,273	773,452
(Increase)/ Decrease in Liabilities for Others Finance	(8,246,533)	(8,866,010)
	(22,387,269)	**(5,655,260)**
Net cash inflow from operating activities	**(4,200,195)**	**(1,879,907)**

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.)

	30.06.2018		30.06.2017	
	Directors	**All managers**	**Directors**	**All managers**
Remunaration & allowances	8,940,000	7,850,162	9,220,800	7,116,240
Bonus	1,070,000	547,564	1,070,000	503,100
	10,010,000	**8,397,726**	**10,290,800**	**7,619,340**

		Amount in Taka 30 June 2018	Amount in Taka 30 June 2017
39.00	**Net Asset value per share:**		
	Net Asset(39.1)	96,661,705	87,267,655
	Number of Ordinary shares out standing during the year.	6,460,650	6,460,650
	Net asset value per share	**14.96**	**13.51**
39.01	**Net Asset:**		
	Total assets	219,022,587	196,317,168
	Less:Total liabilities	122,360,882	109,049,513
	Net Asset	**96,661,705**	**87,267,655**
40.00	**Net Operating cash flow per share**		
	Net cash generated from operating activities-	(4,200,195)	(1,879,907)
	Number of ordinary share outstanding during the year.	6,460,650	6,460,650
	Net Operating cash flow per share	**(0.65)**	**(0.29)**

41.00 Decrease in Net Operating Cash Flow(NOCFPS) per share for the period under review compared to that in the preceding period is due to the fact higher amounts, as necessitated, Paid to suppliers, employess and income taxes.

42.00 Post Balance Sheet events:

Disclsure under BAS-10: Events after Reporting Period:

The Board of Directors of the Company has approved the Financial Statements as on 05.11.2018 recommended Cash Dividend @ 2% (Tk.0.20 per share of Tk.10 each) for the year ended on June 30,2018 to the public shareholders only other than Sponsors Shareholders and Directors. Except the fact stated above, neither any 'Non -adjusting Events' nor any 'Adjusting Events' took place after the reporting period.

STANDARD CERAMIC INDUSTRIES LTD.

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT AS AT 30TH JUNE, 2018

(Refer to Note No.3.00)

Schedule No- 1

Amount in Taka

Particulars	COST				Rate of Depreciation	DEPRECIATION				Written down value on 30-06-18
	Balance as at 01-07-17	Addition during the year	Sales/ Adjustment	Total as at 30-06-18		Balance as at 01-07-17	Addition during the year	Sales/ Adjustment	Total as at 30-06-18	
Land and Land development	30,555,601	-	-	30,555,601	0%	-	-	-	-	30,555,601
Building & Civil constructions	88,994,482	4,582,613	-	93,577,095	7.5%	56,784,506	2,581,977	-	59,366,483	34,210,612
Plant & Machineries	200,197,133	10,377,728	-	210,574,861	10%	159,825,547	4,464,093	-	164,289,640	46,285,221
Deep Tube Well	1,105,519	-	-	1,105,519	5%	549,240	27,814	-	577,054	528,465
Electric & Security Equipment	8,208,716	1,463,230	-	9,671,946	10%	4,422,189	458,886	-	4,881,075	4,790,871
Car & other vehicles	15,617,549	-	-	15,617,549	20%	12,096,538	704,202	-	12,800,740	2,816,809
Tools	338,065	-	-	338,065	25%	337,859	52	-	337,911	154
Office Equipment	2,190,127	8,000	-	2,198,127	15%	1,710,948	73,061	-	1,784,009	414,118
Furniture & Fixture	1,859,121	13,300	-	1,872,421	10%	1,437,390	42,612	-	1,480,002	392,419
Other Assets	44,472	-	-	44,472	20%	44,099	75	-	44,174	298
Total as on 30 June 2018	**349,110,785**	**16,444,871**	-	**365,555,656**		**237,208,316**	**8,352,772**	-	**245,561,088**	**119,994,568**
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**

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.8,269,244 /= & Tk.83,528/= 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, 2018:

Complied -Disclosed in Note No-32

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- 26 & 27
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	
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:

2017-2018

Particulars	Installed Capacity (In MT)	Actual Production (In MT)	Capacity Utilization
Annual Production capacity	4,500	3,143	69.84%

2016-2017

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

During the previous year the production of the company had reduced due to kiln failure for 36 days from 22 September, 2016 which was recovered through repairing. Due to such kiln failure and subsequent repairing the production quantity has increased and process loss has decreased during the year compared with previous year.

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

Raw materials:

Items	Total Purchase (BDT)		Consumption (BDT)		% of consumption of total purchase	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Raw materials	102,909,404	77,513,210	100,117,228	71,929,299	97.29%	93%
Spare parts	9,680,709	6,461,548	6,262,162	8,517,768	64.69%	132%
Packing materials	17,251,244	13,574,127	17,149,899	13,339,102	99.41%	98%
Total	**129,841,357**	**97,548,885**	**123,529,289**	**93,786,169**		

Value of export:

Particulars	In foreign currencies (US$)	In BDT
Export	77,314	6,206,975

i) The company has not incurred any expenditure in foreign currencies for the period from 01 July, 2017 to 30 June, 2018 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 34th Annual General Meeting of the Company to be held on December 27, 2018 at 10.30 A.M and at any adjournment thereof. As witness my hand this
.....
..... day of 2018.

_____
(Signature of the Proxy)

Date :

_____
(Signature of the witness)

Revenue Stamp Tk. 20.00

_____
(Signature of the Shareholder)

Holder of _____ Share(s)
Dated : _____

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 34th AGM on 27.12.2018

I, the under signed ..... or my Proxy or Mr./Mrs./Ms.....
hereby record(s) presence at the 34th Annual General Meeting of 2018.

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.













A Partial view of the Shareholders at the 33rd Annual General Meeting.

AMAR STOCK

Standard Ceramic Industries Ltd.
(Manufacturer of Stoneware Tableware)
Amin Court (3rd Floor), 62-63 Motijheel Commercial Area, Dhaka, Bangladesh.
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E-mail : info@standardceramic.net, **Web:** www.standardceramic.net
Factory : Saydana, K.B Bazar, Joydebpur, Gazipur-1700