



ANNUAL  
**REPORT**  
2017-2018

**SHURWID INDUSTRIES LTD.**

## Annual Report 2017 - 18



[www.shurwid.com](http://www.shurwid.com)



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## **TRANSMITTAL LETTER**

Date: 22.11.2018

To

The Members

Bangladesh Securities & Exchange Commission (BSEC)

Registrar Of Joint Stock Companies & Firms (RJSC)

Dhaka Stock Exchange Ltd. (DSE)

Chittagong Stock Exchange Ltd. (CSE)

**Subject: Annual Report for the year ended June 30, 2018.**

Dear Sir,

We are pleased to enclose a copy of Annual Report containing Directors' Report, Auditors' Report along with Audited Financial Statements including Statement of Financial Position as at June 30, 2018, Statement of Profit or loss and other comprehensive income, changes in Equity and Cash Flows for the year ended June 30, 2018 alongwith notes thereon for your record and necessary measures.

Your Sincerely

\_\_\_\_Sd/-\_\_\_\_\_  
Zinia Akter  
Company Secretary

## **NOTICE OF THE 14<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given to all shareholders of Shurwid Industries Limited that the 14<sup>th</sup> Annual General Meeting of shareholders of the Company will be held on 6<sup>th</sup> December, 2018, Thursday at 11.00 A.M at 'Megher Chaya' convention centre, BiMile, Konabari, Gazipur to transact the following agenda:

### **Agenda:**

1. To receive, consider and adopt the Audited Financial Statements for the year ended 30<sup>th</sup> June, 2018 together with the reports of the Directors' and Auditors' thereon.
2. To elect Directors of the Company.
3. To declare dividend for the year ended 30<sup>th</sup> June, 2018.
4. To appoint Auditors for the Year 2018-2019 and to fix their remuneration.
5. To appoint Managing Director of the Company.

All the shareholders are requested to make it convenient to attend the meeting in time.

Dated: Dhaka, 22.11.2018

By Order of the Board  
Sd/-  
Zinia Akter  
Company Secretary

### **Notes:**

1. The "Record Date" is 15<sup>th</sup> November, 2018.
2. The shareholders whose name would appear in the Register of Members of the Company and Depository on the Record Date shall be entitled to attend at the Annual General Meeting.
3. A member eligible to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. Proxy form must be affixed with requisite revenue stamp and submitted to the Share office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.
4. Annual Report 2017-2018 is available in the Company's website: [www.shurwid.com](http://www.shurwid.com)
5. Shareholders and proxies are requested to record their entry in the AGM well in the time.

**Special Notes: Shareholders may please note that as per BSEC notification, no benefit will be given in cash or kind like food box/gift coupon etc. at the AGM.**

## Vision

Keeping in mind the theme of the Company **"Committed to Quality"**, we want to be the market leader in the Country with 100% assurance of best quality.

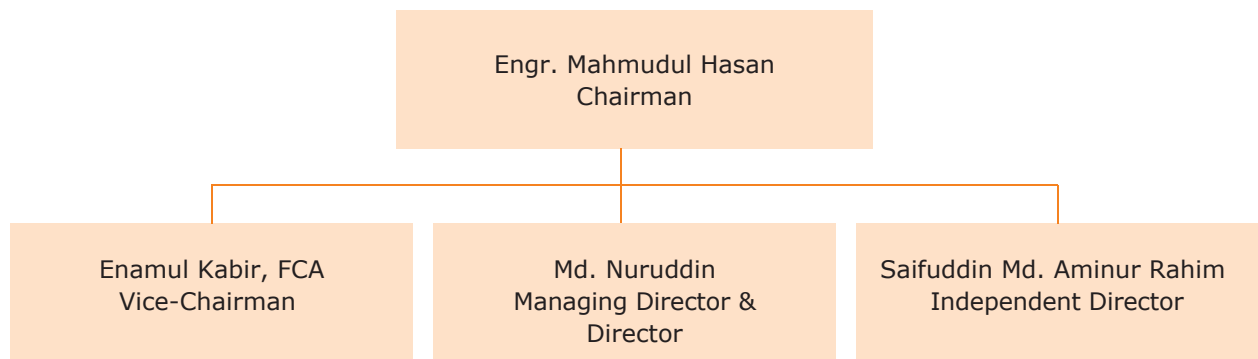
## Mission

To achieve corporate vision with special focus on creating values by Contributing to the economic stability and strengthening the economy of the country, partnering with buyers/ clients to understand and fulfill their needs, maximizing shareholder's value through strong performance and rewarding employees to effectively developing buyers/clients' relationship.

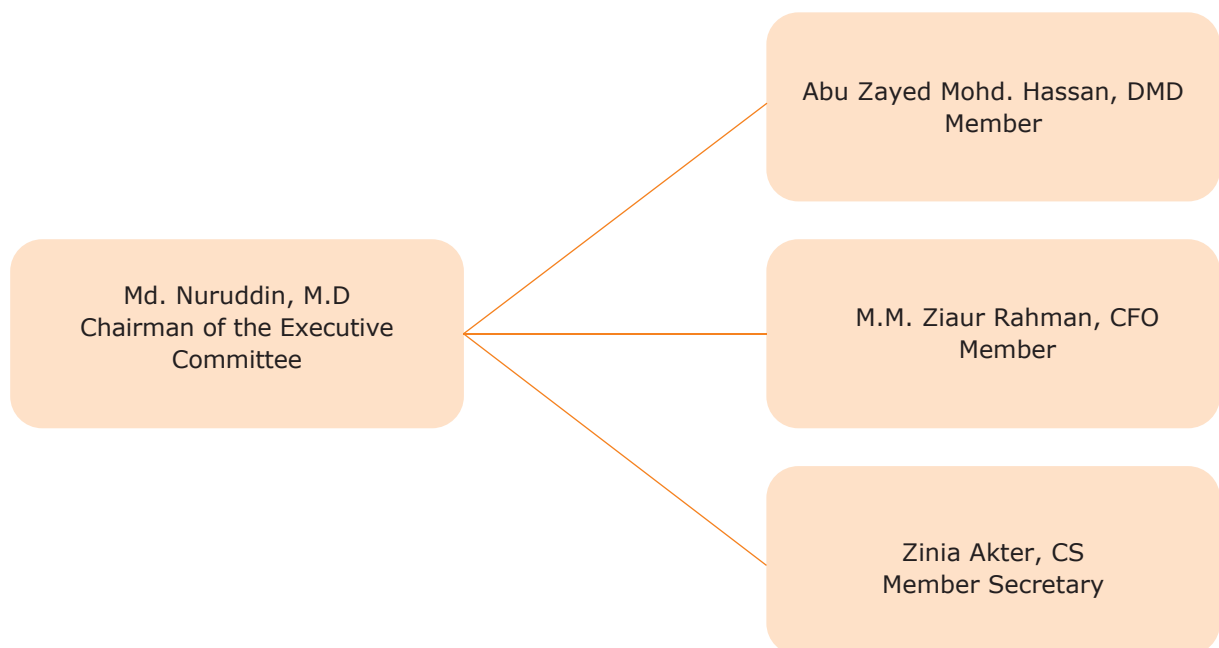
## Business Activities

The principle activities of the Company are to carry on the business of medicine packaging (specially tablet & capsule) to produce PVC film (Pharma grade) for pharmaceutical industries and food packaging to produce PP/ PS film (Food grade) and disposable products for Food industries also for local and export market thereof.

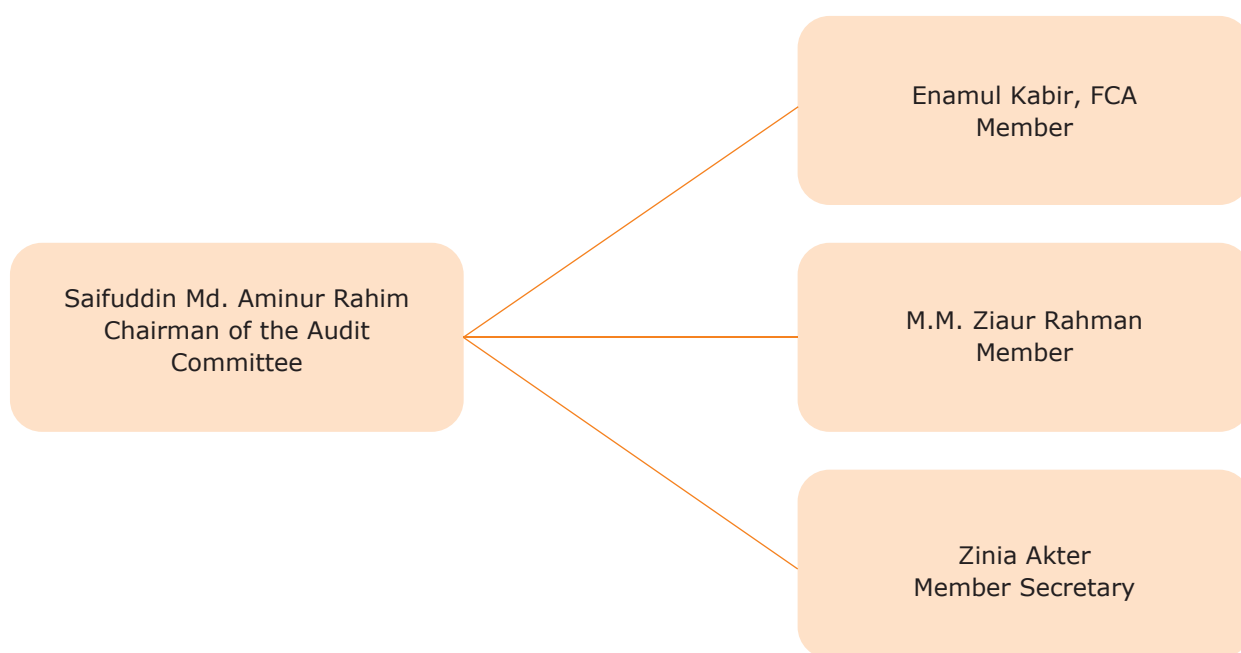
## BOARD OF DIRECTORS



## EXECUTIVE COMMITTEE



## **AUDIT COMMITTEE**





## CORPORATE DIRECTORY

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<b>Name of the Company</b>	<b>Shurwid Industries Ltd.</b>
<b>Share Department Office</b>	B-6, H-2, R-7, Level-7, Rupayan Prime, Dhanmondi, Dhaka-1205, Contact Number: +88-02-9612213, Fax: +88-02-9612019, Web site: www.shurwid.com
<b>Main Office, Registered Office &amp; Factory</b>	Bi-Mile, Konabari, Gazipur. Ph: 9298717, E-Mail: info@shurwid.com
<b>Auditors</b>	A Hoque & Co. Khan Mansion (5th floor) 107 Motijheel C/A, Dhaka- 1000. Ph: +88-02-9564295 E-mail: a.hoquecompany@gmail.com
<b>Date of Incorporation</b>	March 16, 2004
<b>Date of Commercial Operation</b>	May 3, 2008
<b>Bankers</b>	NRB Bank Ltd. Gulshan Branch, Dhaka.
<b>Legal Adviser</b>	Advocate Gazi Mushtaque Ahmed Advocate, Appellate Division Supreme Court of Bangladesh Room # 2004 (Annex Building), Supreme Court Bar Association Building.
<b>Insurer</b>	United Insurance Co. Ltd. Camellia House, 22 Kazi Nazrul Islam Avenue Dhaka 1000

## BOARD OF DIRECTORS

### Directors Involvement/Interest in other companies

SI	Name	Designation	Entities Where they have interested
1	Engr. Mahmudul Hasan	Chairman	<b>Chairman of</b> ✓ Dhaka Engineering Institute ✓ Shurwid Polymer Ltd. ✓ Aviva Capital Ltd. ✓ EnergySafe Engineering Ltd. <b>Managing Director / Director of</b> ✓ Eurodesch Feed Mills Ltd. ✓ Eurodesch Consumer Products Ltd. ✓ Green View Homes Ltd. ✓ Sea orchid beach resorts
2	Enamul Kabir, FCA	Vice-Chairman	<b>Independent Director of</b> ✓ Libra Infusions Ltd. <b>Director of</b> ✓ Eurodesch Consumer Products Ltd.
3	Md. Nuruddin	Managing Director & Director	<b>Director of</b> ✓ Afrin Fabrics Ltd. ✓ Aftex Limited. ✓ Eurodesch Consumer Products Ltd.
4	Saifuddin Md.Aminur Rahim	Independent Director	-

## **SHORT BIO-DATA OF THE DIRECTORS:**



**Engr. Mahmudul Hasan , Chairman**

Engr. Mahmudul Hasan, chairman of the Company, is a B.Sc. Engineer in Electrical and Electronic Engineering from BUET and obtained first class. Mr. Hasan hold the **19th merit position in SSC** from Dhaka Board (Science group) and achieved **Prime Minister's Gold medal**.

Mr. Hasan presented many research papers to various international conferences on IT, like International Conference on Advances in Strategic Technologies (ICAST) under **University Kebangsaan Malaysia (UKM)**.

Mr. Hasan is a prize winner of various national & international competition. He achieved gold medal from Islamic Foundation of Bangladesh & Bangladesh Shishu Academy, Muktaadhara Ekushey literature award, International Hostel Debate Competition award, Asian painting award and more. He was involved with question preparation committee of Bangladesh Technical Education Board and examiner of National University. By this time, he has written several books on IT like 'Java for Beginners', 'Dainandin Computer Biggyan' etc.

Mr. Hasan gathered vast experience on business arena. He is the Chairman of Dhaka Engineering Institute & Eurodesch Group of Industries. Mr. Hasan visited many countries like Germany, Belgium, France, China, Malaysia, Singapore, Nepal, India etc. for business purpose.

**Enamul Kabir, FCA, Vice-Chairman**

Mr. Enamul Kabir, FCA, Vice-Chairman and Director of the Company, is a FCA from Institute of Chartered Accountants of Bangladesh (ICAB). He is a Fellow Member of ICAB Real Estate committee & SME Professional. Now He is an Independent Director of Libra Infusions Ltd. His specialization on financial sector as Chartered Accountants. He visited many countries for training purpose. He attended 5th senior staff course in BPATC of GOB under World Bank program for joint secretaries and above level officers in Singapore, Malaysia and Japan.





**Md. Nuruddin, Managing Director & Director**

Md. Nuruddin, Director of the Company, is one out of 136 who known as Pioneer as Garments Technologist in Bangladesh trained from South Korea in the year 1979. He is very much skilled in the field of Garments & Textile industrialization, Industrial Relation training, Sourcing & Merchandising Control, Production Quality control, Business development and Personnel Management. He is presently associated with the following organization as Director.

1. Afrin Fabrics Ltd.
2. Aftex Limited.

He visited India, Japan, South Korea, China, Thailand, Hong kong, Singapore, Malaysia, Sri Lanka, Pakistan, UAE, Kingdom of Saudi Arabia, Germany, U.K, Italy, Austria, USA, Canada etc. for business purpose.

Since his appointment as a Managing Director he has been contributing actively in the production process and involved with overall planning, strategy formulation, decision-making of this Company.

**Saifuddin Md. Aminur Rahim – Independent Director**

Saifuddin Md. Aminur Rahim, Independent Director of the Company, is a Lawyer of Bangladesh Supreme Court. He enrolled as an Advocate on 09.03.1987 and enrolled to practice in the High Court Division of the Supreme Court of Bangladesh on 14.06.1990. He was an Ex-Deputy Attorney General for Bangladesh.

Mr. Rahim was elected as a member of Executive Committee Supreme Court Bar Association and is a member of The Law Association for Asia (Law Asia) and a Panel Lawyer of Dhaka City Corporation (North).



## EXECUTIVES

Managing Director	Md. Nuruddin
Deputy Managing Director	Abu Zayed Mohd. Hassan
Chief Financial Officer	M.M Ziaur Rahman
Company Secretary	Zinia Akter
Factory Admin	Abdul Mukit

## TEAM EXECUTIVES



Managing Director & Director



Deputy Managing Director



Chief Financial Officer



Company Secretary

**Company Introduction**

SHURWID Industries Ltd. (SIL) is a Public Company limited by shares listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). It was incorporated as a private limited company in March 16, 2004. The authorized capital of the Company is Tk. 1000 million. SIL is the computerized World-Class Non-Toxic pharma grade PVC/PP/PS sheet manufacturing industry using latest European technology & formula. Its factory has the most modern facilities with robotic technology using finest imported F.D.A approved raw materials.

**Product Description**

- ❑ PVC film for medicine packaging (Pharma grade)
- ❑ PP/PS film for food packaging (Food grade)
- ❑ One-time disposable products (Food grade)

Products can be customized in case of specifications and colours to suit the specific requirements. Standard colour options are Glass Clear, Amber, Blue, Green, Orange, Chocolate, Milky White and Other Colours. We have computerized scanner machine to Check & control the online products thickness, width and quality.

**Significant Features**

- ❑ Excellent thermoform ability.
- ❑ Impact Strength.
- ❑ Better machinery capability at lower thermoforming temperature.
- ❑ Nontoxic, Pharma grade pvc/pp/ps Film.
- ❑ Complies with the EEC/USP and another international guideline.
- ❑ Unique in house developed packaging system to ensure safety and efficiency of the blister film.

**Production Capacity**

The production capacity of Extruder Machine is 1500 MT of PVC film and 1200 MT of PP/PS film for producing disposable items like as Water Cup, Ice Cup, Coffee Cup, Container box, Lunch box, Biscuit tray etc. per annum.

**Marketing Aspects**

PVC film sheet user / consumers are most of the Pharmaceuticals Industries in Bangladesh like ACI Pharmaceuticals Ltd., Al-Amin Laboratories Ltd. Alco Pharma Ltd., Albion Laboratories Ltd., Ambee Pharmaceuticals Ltd., Apex Pharma Ltd., Asiatic Laboratories Ltd., Beximco Pharmaceuticals Ltd., Benham Pharmaceuticals Ltd., Beacon Pharmaceuticals Ltd., BIO Pharma Laboratories Ltd., Bristol Pharma Ltd., Chemico Laboratories Ltd., Cosmo Pharma Laboratories., Cosmic Chemicals Industries., Doctors Chemical Works Ltd., Drug International Limited, Delta Pharma Ltd., Eskayef Bangladesh Ltd., Edruc Ltd., Essential Drugs Co. Ltd., Ethical Drugs Ltd., General Pharmaceuticals Ltd., Globe Pharmaceuticals Ltd., Glaxo BD Ltd. Healthcare Pharmaceuticals Ltd., Hallmark Pharmaceuticals Ltd., Hamdard Laboratories (Waqf) Bangladesh., Hudson Pharmaceuticals Ltd., IBN-SINHA Phar. Industries Ltd., Incepta Pharmaceuticals Ltd., Indo Bangla Pharmaceutical Works, Jayson Pharmaceuticals Ltd., Kumudini Pharma Ltd. Marks Drug Ltd., Medimet Pharmaceuticals Ltd., Medicon Laboratories, Modern Pharmaceuticals Ltd., Millat Pharmaceuticals Ltd., Mystic Pharmaceuticals Ltd., Novo Healthcare and Pharma Ltd., National Laboratories Ltd., Navana Pharmaceuticals Ltd., Nipa Pharmaceuticals Ltd., Novartis (Bangladesh), Nuvista Pharma Ltd., Oponin Pharma Ltd., Orion Laboratories Ltd., Pacific Pharmaceuticals, Peoples Pharma Ltd., Pharmadesh Laboratories Ltd., Pharmic Laboratories Ltd., Popular Pharmaceuticals Ltd., Prime Pharmaceuticals Ltd., Proteety Pharmaceuticals Ltd., Quality Pharmaceuticals Ltd., Reckit&BenkiserBd Ltd., Reman Drug Laboratories, Renata Limited, Rangs Pharmaceuticals Ltd., RAK Pharmaceuticals Ltd., Shamsul-Alamin Pharmaceuticals Ltd., Silva Pharmaceuticals Limited, Somatec Pharmaceuticals Ltd., Sonear Laboratories Ltd., Supreme Pharmaceuticals Ltd., Standard laboratories Ltd., Sunypun Pharmaceuticals & Chemicals Ltd., Seema Pharmaceuticals Ltd., Syntho Laboratories Ltd., Techno Drugs, Tropical Pharmaceuticals Ltd., The ACME laboratories Ltd., The white Horse Pharma, Ultra Pharma Ltd., Unimed&UniHealth Manufactures Ltd., United Laboratories Ltd., Unique Pharmaceuticals Ltd., United Chemicals and Pharmaceuticals Ltd., Ziska Pharmaceuticals Ltd., Zenith Pharmaceuticals Ltd. PP/PS disposable items user / consumers are Apollo Hospital, Square Hospital, Elson Foods, California Foods, Talukder Food packaging industries, Pran RFL Group, Quasem Dispo Corner, M/s Hoque & Co., Olympic Industries, Non-stop Mega shop, Lavender Super store, Meena Bazar etc.

# Directors' Report to the Shareholders from the year July, 2017 to June, 2018

The directors are pleased to present their report before the shareholders together with the audited accounts of the Company for the year 2017-2018 with Auditors' report thereon.

Shurwid Industries Ltd. was incorporated in Bangladesh on 16<sup>th</sup> March, 2004 as a Private Limited Company under the Companies Act, 1994 and started its commercial operation on 3<sup>rd</sup> May, 2008. Subsequently the Company was converted into Public Limited Company on 24<sup>th</sup> March, 2010. The registered address & project is located at BiMile, Konabari, Gazipur.

The principal activities of the Company are to carry on the business of medicine packaging (specially for tablet & capsule) and food packaging to produce PVC/PP/PS film (Pharma & Food grade) for Pharmaceuticals and Food industries.

The Company is growing concern and all machinery, generators are overhauling. The Board of Directors decided to expand the factory building vertically i.e. constructing Level-5 of factory building measuring 8,000 sft (Approx.) and to produce solar electricity of having capacity 100 K.W with net metering facilities. Titas Gas Transmission and Distribution Company Ltd. approved the 10,800 cubic feet per hour Gas Connection of captive power to the Company.

## Financial Results and Profit Appropriations

(Amount in TK.)

	2017-18	2016-17
Cost of Goods sold	109,314,104	98,600,432
Gross profit	43,672,771	7,397,843
Net Profit after tax	21,245,902	(29,833,621)

### Dividend:

During 2017- 18 the board of directors recommended 10% stock dividend i.e. 10 bonus shares for existing 100 shares for the year ended on June 30, 2018

### Board Audit Committee:

The Company Audit Committee meets twice in 2017-18 to consider its Annual Financial statement for the year 2017-18.

### Auditors:

A. Hoque & Co., Chartered Accountants, 107, Motijheel C/A Dhaka-1000 was appointed an Auditor of the company in the 13th AGM of the Company and has carried out Audit for the year 2017-18. The following audit firms have expressed their willingness to act as an Auditor for the year 2018-2019:

- (1) A.Hoque & Co., Chartered Accountants
- (2) Rahman Mostafa Alam & Co., Chartered Accountants
- (3) Artisan, Chartered Accountants

Among the above-mentioned Audit firm, shareholders will appoint the audit firm to act as an Auditor for the year 2018-2019 in the 14th AGM.

### Capital of the Company:

The authorized capital of the company is TK. 100,00,00,000 divided into 10,00,00,000 shares of Tk. 10 each. Paid-up Capital of the Company is Tk. 521,525,000 divided into 52,152,500 shares of Tk. 10 each at 30<sup>th</sup> June, 2018.

**Board Meeting and Attendance:**

During the year 2017 – 2018, 9 (Nine) board meetings were held.

Name of the Directors	Duration Period	Position	Meeting Held	Attended
Engr.Mahmudul Hasan	06.10.2017- 30-06.2018	Chairman	8	8
Enamul Kabir, FCA	14.11.2017- 30-06.2018	Vice-chairman	6	6
Md. Nuruddin	06-10-2017-30-06-2018	Director & Managing Director	8	8
Saifuddin Md. Aminur Rahim	28.04.2018- 30-06.2018	Independent Director	0	0

**Directors' Remuneration:**

Name of the Directors	Designation	Meeting Attendance Fees	Allowance	Amount
Engr.Mahmudul Hasan	Chairman	-	-	-
Enamul Kabir, FCA	Vice-chairman	-	-	-
Md. Nuruddin	Managing Director & Director	-	-	-
Saifuddin Md. Aminur Rahim	Independent Director	-	-	-

**Directors' Election:**

As per Articles of Association of the company, 1/3 directors shall retire in the 14th Annual General Meeting and being eligible offered themselves for election.

**Financial data for last five years:**

Description	Year				
	Jun-'18	Jun-'17	Jun-'16	Jun-'15	Jun-'14
Sales (Net of VAT)	152,986,875	105,998,275	118,052,943	147,083,792	240,897,333
Net Profit/(Loss) after Tax	21,245,902	(29,833,621)	(2,236,204)	(1,651,050)	51,526,151
EPS	0.41	(0.57)	0.04	(0.03)	1.64
NAV	11.92	11.51	12.08	12.27	20.22

During 2017-18 the board of directors recommended 10% stock dividend i.e. 10 bonus shares for existing 100 shares for the year ended on June 30, 2018. During the year 2015 to 2017 the Company has comprehensive loss due to insufficient supply of electricity and failure to connect gas line. In the year ended June 30, 2018 Net Profit and EPS were increased due to production was increased simultaneously expenses were decreased by the good management.

Percentage of shareholding position of different shareholders as on June 30, 2018:

Director/Sponsor : 9.99%

General Shareholders : 90.01%

**Statement of Directors on Financial Reports :**

- The financial statements together with the notes thereon have been drawn up in conformity with the companies Act, 1994 and Securities and Exchange Commission Rules, 1987. These statements present fairly the company's state of affairs, the result of its operations, cash flow and changes in equity.
- Proper books of accounts of the Company have been maintained.



- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements except those referred to in the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d. The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- e. Internal Control System is sound in design and has been effectively implemented and monitored.

Thank you all.

On behalf of the Board

Sd/-  
Engr. Mahmudul Hasan  
Chairman

## **RISK FACTORS AND MANAGEMENT PERCEPTION REGARDING RISK**

The Company operates in a field that involves some internal / external risks and among those some are avertable, others are beyond control, which may be causes of loss. The management of **SHURWID INDUSTRIES Limited** perceives the risk factors, which are as follows simultaneously:

### **(a) Interest Rate Risk:**

Interest/financial charges are paid against any kind of borrowed fund. Volatility in money market and increased demand for loan process interest rate structure to be fixed at high. Rising of interest rate increases the cost of fund for a Company, which has borrowed fund, and consequently profit is squeezed.

The management of the Company is always aware of interest rate, which is connected to the cost of fund of the Company. The Management prefers procuring the long-term fund with minimum fixed interest rate and the short-term fund with reasonable competitive rate. On the other hand, management of the Company is emphasizing on equity based financing.

### **(b) Exchange Rate Risk:**

If exchange rate goes down against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand if exchange rate increases margin is squeezed in local currency.

The products of the Company are sold against local currency and payments for raw materials are made in foreign currency. At present the Company is meeting local demand of pharmaceuticals and food industries but in future it will be export oriented Company. Volatility of exchange rate will have impact only on profitability from sale in local currency of the Company. However, if the price of US dollar rises sharply against Taka, this will be a nationwide phenomenon experienced by the whole industry, in that case there will be a market adjustment at the end of product price.

### **(c) Industry Risk:**

Entry of new competitors may increase the market competition and may adversely affect the profitability of Shurwid Industries Ltd.

Shurwid Industries Ltd. produces drug packaging PVC film, saves the country's import expenses, makes significant contribution to GDP and creates employment opportunity considerably. The Company faces a number of aggressive competitors of foreign company within the country. There is a huge demand-supply gap for the product of the Company in the PVC blister film market. The Company has successfully entered into the market by offering better quality products at competitive terms. There is a 10% Import duty for importing finished PVC blister film from abroad but for local production this is totally duty free.

### **(d) Market and technology related Risk:**

#### **(i) Market Risk:**

Shurwid Industries Ltd. produces PVC film for Pharmaceuticals and PP/PVC food grade disposable products for Food industries local market. Actually, Shurwid Industries covers up 5% of food grade disposable products. It means that to consider national demand of food packaging, Shurwid Industries contributes 5% of market volume. Thus, there is no risk of marketing within the country.

#### **(ii) Technology related Risk:**

Technology always plays a vital role for existence of any industrial concern. Innovation of new and cost-effective technology may obsolescence existent technology, which may cause negative impact.

The project is equipped with world's modern and latest machinery and technology with robotic equipment and to cope with the pace in harmony with modern PVC/PP/PS film world, the Company is continuing modernization program of its machinery.

**(e) Potential or existing government regulations:**

The Company operates under Companies Act, taxation policy adopted by NBR, Bangladesh Securities and Exchange Commission (BSEC)'s rule and rules adopted by other regulatory organizations. Any abrupt changes of the policies formed by those bodies will impact the business of the Company adversely.

Unless adverse policies are taken, which may materially affect the industry as a whole, the business of the Company will not be affected. The promoters and the Directors have to endeavor to convince the policy makers for adopting favorable terms & conditions, which will eventually help the PVC/PP/PS film manufacturers of Bangladesh to compete with the firms in low cost locations in the global arena.

**(f) Potential changes in global or national policies:**

The performance of the company may be affected by the political and economical instability both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general.

The Company can prosper in a situation of political stability and a congenial business environment. Political turmoil and disturbance are bad for the economy and also for this sector. The Company is always aware of all types of turmoil and even though if the smooth supply of raw material is hampered or faces any kind of disruptions it will compensate by increased future production in favorable condition and always try to keep the production smooth.

**(g) Operational Risk:**

Shortage of power supply, unavailability or price increase of raw material, natural calamities like flood, cyclone, earth quack etc. may disrupt the production of the Company and can adversely impact the profitability of the Company.

The management personnel both in head office and production premises seem to be competent and experienced to run the operation efficiently. The factory building has strong RCC foundation, RCC floor to withstand wind, storm, rain etc. along with good drainage facility. The risks from these factors are also covered through Insurance. In order to reduce the operational risk, an internal control policy is adopting through an established internal audit department. Due to its own arrangement of power generators and water supply infrastructures, it reduces the operational risk widely.

**(h) Labour Unrest Risk:**

Smooth production is dependent on good relationship with the factory workers and their ability to provide high-quality services. In the event of disagreements with the workers, the Company may experience adverse impact.

The management personnel both in head office and production premises maintains good atmosphere at the work place and provides all sort of facilities to the workers as per management and workers' discussion. SIL employees/workers have been provided with all necessary facilities according to service rules. So, it is unlikely for them to create such unrest. The Company has healthy remuneration and maintain WPP & Welfare fund for its workers, which reduces the risk of labor unrest. Again, to meet unique situations, Company has alternative ways to overcome such critical circumstances.

## **AUDIT COMMITTEE**

Report to the Shareholders for the year 2017-2018

The Audit Committee consists of the following members:

- |                               |                  |
|-------------------------------|------------------|
| 1. Saifuddin Md. Aminur Rahim | Chairman         |
| 2. Enamul Kabir, FCA          | Member           |
| 3. M.M. Ziaur Rahman          | Member           |
| 4. Zinia Akter                | Member Secretary |

Engr. Mahmudul Hasan, chairman of the Company attended the meeting as an invitee. Other invitees to the meetings were Chief Executive Officer and relevant heads of departments who attended the meetings as and when required by the committee.

The Scope of Audit Committee was defined as under:

- Review and recommend to the Board to approve the financial statement prepared for statutory purpose;
- Report to the Board of Directors on internal audit findings from time to time considering the significance of the issues;
- Review and consider the internal report and statutory auditors' observations on internal control.

### **Activities carried out during the year 2017-2018:**

The committee has overseen and reviewed the integrity of the financial reporting process of the Company namely- quarterly, half yearly and annual financial statements and recommended to the Company Board for consideration. The committee also reviewed, approved and monitored the procedure and task of the internal audit, financial report preparation and the external audit reports. The committee found adequate arrangement to present a true and fair view of the activities and the financial status of the Company for the year 2017-2018 and did not find any material deviation, discrepancies or any adverse findings/observation in the areas of reporting.

Sd/-

Saifuddin Md. Aminur Rahim  
Chairman  
Audit Committee

Dated: Dhaka, 27/10/2018

## **DECLARATION BY CEO AND CFO**

Date: 27.10.2018  
The Board of Directors  
Shurwid Industries Limited  
Bi-Mile, Konabari, Gazipur.

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

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No SEC/CMRCD/2006-158/207/Admin/80 Dated 3<sup>rd</sup> June, 2018 Under section 2CC of the securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statement of Shurwid Industries Limited for the year ended on June 30, 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), 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 June 30, 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

SD/-  
Md. Nuruddin  
Chief Executive Officer (CEO)

SD/-  
M.M Ziaur Rahman  
Chief Financial Officer (CFO)



## **Report to the shareholders of SHURWID INDUSTRIES LTD. on Compliance on the Corporate Governance Code**

Annexure-B  
[Certificate as per condition No. 1(5)(xxvii)]

We have examined the compliance status of the Corporate Governance Code by **SHURWID INDUSTRIES LTD.** (herein after referred to "the Company") for the year ended 30<sup>th</sup> June, 2018. This Code relates to the Notification No. **SEC/CMRRCD/2006-158/207/Admin/80 dated 03 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 scrutiny 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 Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition 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;
- (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.

Dated, Dhaka;  
04th November, 2018

Sd/-  
Arun Kumer Kundu, FCA  
Managing Partner  
**Arun & Company**  
**Chartered Accountants**

**Annexure-C****[As per condition No. 1(5)(xxvii)]**

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/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)**

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
<b>1.0</b>	<b>Board of Directors</b>			
<b>1.1</b>	<b>Board's Size</b>	✓		
	Board's Size (number of board members-Minimum-5 and maximum 20).			
<b>1.2</b>	<b>Independent Directors</b>			
	(i) 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).	✓		
	(ii) <b>Independent Director means a director</b>			
	(ii) a) Who either does not hold any share in the company or holds less than one percent (1%) share of the total paid-up shares of the company.	✓		
	(ii) b) Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of the family relationship. His/hers family members also should not hold above mentioned shares in the company.	✓		
	(ii) c) Who has not been an executive of the company in immediately preceding 2 (two) financial years.	✓		
	(ii) d) Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies.	✓		
	(ii) e) who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
	(ii) f) Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	✓		
	(ii) g) Who is not a partner or 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.	✓		
	(ii) h) Who is not independent director in more than 5 (five) listed companies.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
	(ii) i)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any to a Bank or a Non-bank Financial Institution (NBFI).and	✓	
	(ii) j)	Who has not been convicted for a criminal offence involving moral turpitude.	✓	
	(iii)	The Independent Director (s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM).	✓	
	(iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	✓	
	(v)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	✓	
	1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓	
	(ii)	Independent Director should be a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies or Law background / Professionals Chartered Accountants & Managements Accountants, Chartered Secretaries.	✓	
	(iv)	The independent director must have at least 10 (ten) years of corporate management/professional experiences	✓	
<b>1.4</b>	<b>Chairman of the Board and Chief Executive Officer</b>			
		The Chairman of the Board and Chief Executive Officer (CEO) shall be different individuals. The Chairman shall be elected from among the directors. The board of directors shall clearly define their respective roles and responsibilities of the Chairman and the CEO.	✓	
<b>1.5</b>	<b>Directors' Report to Shareholders</b>			
	(i)	An Industry outlook and possible future developments in the industry.	✓	
	(ii)	The Segment-wise or product-wise performance.	✓	
	(iii)	Risks and concerns including internal and external risk factors threat to sustainability and negative impact on environment, if any ,	✓	
	(iv)	A discussion on cost of goods sold, gross profit margin and net profit margin ,where applicable.	✓	
	(v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss).	✓	
	(v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss).	✓	



Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(vi)	A detailed 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.	✓		
(vii)	A statement of Utilization of proceeds from public issues, rights issues and/or through any others instruments.	✓		
(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.	✓		
(ix)	An explanation on any significant variance occurs between Quarterly Financial performance and Annual Financial Statements.	✓		
(x)	A statement of Remuneration paid to the directors including independent directors.	✓		
(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.	✓		
(xii)	A statement that proper books of accounts of the issuer company have been maintained.	✓		
(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statement and that the accounting estimates are based on reasonable and prudent judgment .	✓		
(xiv)	A statement that international accounting standards (ISA) or international Financial Reporting standard (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.	✓		
(xv)	A statement that The system of Internal Control is sound in design and has been effectively implemented and monitored.	✓		
(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.	✓		
(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern if the issuer company is not considered to be a going concern the fact along with reasons there of shall be disclosed,	✓		
(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.	✓		
(xix)	A statement where key operating and financial data of at least preceding 5(five) years shall be summarized.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	✓		
(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			
(xxii)	The total number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
(xxiii)	<b>The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:</b>			
(xxiii) a)	Parent/Subsidiary/Associated Companies and other related parties (name-wise details).			
(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)	✓		
(xxiii) c)	Executives.	✓		
(xxiii) d)	Shareholders holding of 10 % or more voting interest in the company (name wise details).	✓		
(xxiv)	<b>In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:</b>			
(xxiv) a)	a brief resume of the director	✓		
(xxiv) b)	nature of his/her expertise in specific functional areas			
(xxiv) c)	names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
(xxv)	<b>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 the financial statements, among others, focusing on:</b>			
(xxv) i)	accounting policies and estimation for preparation of financial statements	✓		
(xxv) ii)	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	✓		
(xxv) iii)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
(xxv) iv)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
(xxv) v)	briefly explain the financial and economic scenario of the country and the globe	✓		
(xxv) vi)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
(xxv) vii)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(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	✓		
(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.	✓		
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
	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.	✓		
<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
(i)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	✓		
(ii)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	✓		
<b>2.0</b>	<b>Subsidiary Company</b>			
(i)	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			Not Applicable
(ii)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company			Not Applicable
(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			Not Applicable
(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also			Not Applicable
(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			Not Applicable
<b>3.0</b>	<b>Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)</b>			

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
3.1	Appointment of CFO, Company Secretary & Head of Internal Audit and defining their responsibilities & duties.	✓		
3.2	Attendance of CFO & Company Secretary in the Board of Directors meeting	✓		
<b>3.3</b>	<b>3.3 Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
	(i) 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:	✓		
	(i) a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	✓		
	(i) b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
	(ii) 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 company's code of conduct for the company's board or its members.	✓		
	(iii) The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4.0</b>	<b>Board of Directors' Committee.</b>	✓		
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
	(i) Audit Committee	✓		
	(ii) Nomination and Remuneration Committee.	✓		
<b>5.0</b>	<b>Audit Committee</b>			
<b>5.1</b>	<b>Responsibility to the Board of Directors.</b>			
	(i) The company shall have an Audit Committee as a sub-committee of the Board.	✓		
	(ii) The Audit Committee shall assist the Board of in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
	(iii) The Audit Committee shall be responsible to the Board The duties of the Audit Committee shall be clearly set forth in writing.	✓		
<b>5.2</b>	<b>Constitution of the Audit Committee</b>			
	(i) The Audit Committee shall be composed of at least 3 (three) members	✓		
	(ii) The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting chairperson of the board and shall include at least 1 (one) independent Director.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(iv)	When the term of service of any committee member 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.	✓		
(v)	The company secretary shall act as the secretary of the Committee.	✓		
(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
<b>5.3</b>	<b>Chairperson of the Audit Committee</b>			
(i)	The Board shall select 1 (one) member of the Audit Committee, to be chairman of the audit committee who shall be an Independent Director.	✓		
(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)	✓		
<b>5.4</b>	<b>Meeting of the Audit Committee</b>			
(i)	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	✓		
(ii)	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.	✓		
<b>5.5</b>	<b>Role of Audit Committee</b>			
(i)	Oversee the financial reporting process	✓		
(ii)	Monitor choice of accounting policies and principles	✓		
(iii)	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.	✓		
(iv)	Oversee hiring and performance of external auditors	✓		
(v)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	✓		
(vi)	Review along with the management, the annual financial statements before submission to the board for approval	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(vii)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	✓		
(viii)	Review the adequacy of internal audit function	✓		
(viii)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	✓		
(viii)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	✓		
(ix)	Review statement of all related party transactions submitted by the management	✓		
(x)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	✓		
(xi)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	✓		
(xii)	When money is raised through Initial Public offering (IPO)/Repeat Public Offering (RPO)/Right Issue, the Company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital etc. on a quarterly basis, as a part of their quarterly declaration of financial results.	✓		
<b>5.6</b>	<b>Reporting of the Audit Committee to The Board of Directors</b>			
<b>5.6.1</b>	<b>Reporting to the Board of Directors</b>			
(i)	The Audit Committee shall report on activities to the Board.	✓		
(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:			
(ii) a)	Report on conflicts of interest	N/A		
(ii) b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in financial statement.	N/A		
(ii) c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations.	N/A		
(ii) d)	Any other matter which the audit committee deems necessary shall be disclosed to the Board of Directors immediately.	N/A		
<b>5.6.2</b>	<b>Reporting to the authorities:</b> 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	N/A		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
	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.			
5.7	Reporting to the Shareholders and General Investors	✓		
<b>6.0</b>	<b>Nomination and Remuneration Committee (NRC).</b>			
(i)	<b>Responsibility to the Board of Directors</b>			
(i) a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
(i) 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	✓		
(i) 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).	✓		
(i) c)	<b>Constitution of the NRC</b>			
(ii) a)	The Committee shall comprise of at least three members including an independent director	✓		
(ii) b)	All members of the Committee shall be non-executive directors	✓		
(ii) c)	Members of the Committee shall be nominated and appointed by the Board	✓		
(ii) d)	The Board shall have authority to remove and appoint any member of the Committee	✓		
(ii) 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	✓		
(ii) f)	IThe 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 from such external expert and/or member(s) of staff shall be required or valuable for the Committee	✓		
(ii) 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 from such external expert and/or member(s) of staff shall be required or valuable for the Committee	✓		
(ii) g)	The company secretary shall act as the secretary of the Committee	✓		
(ii) h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(ii) i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
(iii)	<b>Chairperson of the NRC</b>			
(iii) a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	✓		
(iii) 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	✓		
(iii) c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
(iv)	<b>Meeting of the NRC</b>			
(iv) a)	The NRC shall conduct at least one meeting in a financial year	✓		
(iv) b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	✓		
(iv) 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)	✓		
(iv) 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.	✓		
(v)	<b>Role of the NRC</b>			
(v) a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	✓		
(v) b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
(v) b) i)	formulating the criteria for determining qualifications, positive attributes 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:	✓		
(v) 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	✓		



Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
(v) b) i) b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓		
(v) 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	✓		
v) b) ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓		
v) b) iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	✓		
v) b) iv)	formulating the criteria for evaluation of performance of independent directors and the Board	✓		
v) b) v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	✓		
v) b) vi)	developing, recommending and reviewing annually the company's human resources and training policies	✓		
v) 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.	✓		
<b>7.0</b>	<b>External/Statutory Auditors</b>			
<b>7.1</b>	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
(i)	appraisal or valuation services or fairness options.	✓		
(ii)	Financial Information System design and implementation.	✓		
(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
(iv)	Broker/Dealer services.	✓		
(v)	Actuarial services.	✓		
(vi)	Internal Audit services or special audit services.	✓		
(vii)	any services that the Audit Committee determines.	✓		
(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	✓		
(xi)	Any other service that creates conflict of interest.	✓		
<b>7.2</b>	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 any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
<b>7.3</b>	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.	✓		
<b>8.3</b>	<b>Maintaining a website by the Company.</b>			
(i)	The company shall have an official website linked with the website of the stock exchange	✓		
(ii)	The company shall keep the website functional from the date of listing.	✓		
(iii)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9.0</b>	<b>Reporting and Compliance of Corporate Governance</b>			
(i)	The company shall obtain a Certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost Management Accountant / Chartered Secretary) other than statutory auditors or audit firm on yearly basis regarding compliance of on Corporate Governance code of the Commission and shall such certificate shall be disclosed in the annual report.	✓		
(ii)	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.	✓		
(iii)	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.	✓		

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SHURWID INDUSTRIES LIMITED**

### **Opinion**

We have audited the accompanying financial statements of Shurwid Industries Limited which comprise the Statement of Financial Position as at 30th June, 2018 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30th June, 2018 and notes to the Financial Statements, including a Summary of Significant Accounting Policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30th June, 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdiction and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide opinion on these matters.

### **Responsibilities of Management and those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS's, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**A. HOQUE & CO.**CHARTERED ACCOUNTANTS

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**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Paragraph 41(b) of this ISA explains that the shaded material below can be located in an Appendix to the auditors' report. Paragraph 41(c) explains that when law, regulation or national auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditors' responsibilities, rather than including this material in the auditors' report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditors' responsibilities below:

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit, we also:

- ✦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ✦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ✦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ✦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ✦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**A. HOQUE & CO.**

CHARTERED ACCOUNTANTS

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements:**

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987, 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 adequate for the purposes of our audit;
- (c) the company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account.

Dated : 27th October, 2018  
Place : Dhaka, Bangladesh

sd/-  
A. Hoque & Co.  
Chartered Accountants

**A.HOQUE & CO.**  
Chartered Accountants

**SHURWID INDUSTRIES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE, 2018**

Property and Assets	Note	Amount in Taka	
		30.06.2018	30.06.2017
<b>Assets:</b>			
<b>Non-Current Assets:</b>		<b>408,793,807</b>	<b>435,784,477</b>
Property, Plant & Equipment	4.00	372,729,741	412,795,190
Investment in Shares at cost	5.00	450,000	450,000
Capital Work in Progress	6.00	22,539,287	22,539,287
Retirement of Fixed Assets	7.00	13,074,779	-
<b>Current Assets:</b>	8.00	<b>411,727,099</b>	<b>357,677,781</b>
Inventories	8.01	12,795,960	72,737,184
Trade Receivables	8.02	182,074,087	150,402,502
Advance, Deposits & Pre-payments	8.03	211,004,664	129,369,746
Cash and Cash Equivalents	8.04	5,852,388	5,168,349
<b>Total Property and Assets</b>		<b>820,520,906</b>	<b>793,462,258</b>
<b>Equity and Liabilities</b>	Note	<b>30.06.2018</b>	<b>30.06.2017</b>
<b>Authorized Share Capital</b>	9.00	<b>1,000,000,000</b>	<b>1,000,000,000</b>
<b>Shareholders' Equity:</b>	10.00	<b>621,427,804</b>	<b>600,181,902</b>
Issued, Subsribed & Paid up Share Capital	10.01	521,525,000	521,525,000
Revaluation Surplus	10.02	31,632,926	33,885,000
Retained Earnings	10.03	68,269,878	44,771,902
<b>Non-Current Liabilities:</b>	11.00	<b>114,414,922</b>	<b>119,598,215</b>
Long Term Loan	11.01	58,504,892	61,844,288
Deferred Tax Liabilities	11.02	55,910,030	57,753,927
<b>Current Liabilities:</b>	12.00	<b>84,678,180</b>	<b>73,682,141</b>
Payable to IPO Applicant	12.01	4,823,986	4,823,986
Current Portion of Long Term Loan	12.02	17,916,744	17,930,100
Short Term Loan	12.03	31,141,406	27,296,462
Trade and Other Payables	12.04	9,444,490	8,790,480
Provision for Contribution to W.P.P.F	12.05	2,482,095	1,300,136
Other Liabilities	12.06	18,869,459	13,540,977
<b>Total Equity and Liabilities</b>		<b>820,520,906</b>	<b>793,462,258</b>
<b>Net Asset Value (NAV) per Share</b>	13.00	<b>11.92</b>	<b>11.51</b>

The annexed notes from 1.00 to 29.00 and Annexure "A" form an integral part of these financial statements

sd/- Chairman      sd/- Managing Director      sd/- Chief Financial Officer      sd/- Company Secretary  
Signed in terms of our separate report of even date annexed

Date: 27.10.2018      Place: Dhaka, Bangladesh      sd/- A. Hoque & Co. Chartered Accountants

**SHURWID INDUSTRIES LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2018**

Property and Assets	Note	Amount in Taka	
		01.07.2017 to 30.06.2018	01.07.2016 to 30.06.2017
Sales (Net of VAT)	14.00	152,986,875	105,998,275
Less: Cost of Goods Sold	15.00	(109,314,104)	(98,600,432)
<b>Gross Profit</b>		<b>43,672,771</b>	<b>7,397,843</b>
<b>Less: Operating Expenses</b>		<b>(13,155,197)</b>	<b>(16,394,232)</b>
Administrative Expenses	16.00	12,227,117	15,547,589
Selling and Distribution Expenses	17.00	928,080	846,643
<b>Operating Profit / (Loss)</b>		<b>30,517,574</b>	<b>(8,996,389)</b>
Non-Operating Income	18.00	587,726	25,340
Financial Expenses	19.00	(6,284,160)	(10,670,897)
<b>Less: Net Financial Expenses</b>		<b>(5,696,434)</b>	<b>(10,645,557)</b>
<b>Profit / (Loss) Before Provisions</b>		<b>24,821,140</b>	<b>(19,641,946)</b>
Provision for Doubtful Debts	12.6.3	0	7,520,125
Provision for Contribution to W.P.P.F		1,181,959	0
<b>Less: Total Provision</b>		<b>(1,181,959)</b>	<b>(7,520,125)</b>
<b>Profit / (Loss) Before Tax</b>		<b>23,639,181</b>	<b>(27,162,071)</b>
<b>Less: Provision for Income Tax</b>	20.00	<b>(2,393,279)</b>	<b>(2,334,050)</b>
Current Tax		4,237,176	317,995
Deferred Tax		(1,843,897)	2,016,055
<b>Net Profit / (Loss) After Tax</b>		<b>21,245,902</b>	<b>(29,496,121)</b>
Add: Unrealized Gain / (Loss) on Investment on Shares	12.6.2	0	(337,500)
<b>Total Comprehensive Income/(Loss) for the Year</b>		<b>21,245,902</b>	<b>(29,833,621)</b>
<b>Earnings Per Share (EPS)</b>	21.00	0.41	(0.57)

The annexed notes from 1.00 to 29.00 and Annexure "A" form an integral part of these financial statements

sd/-  
Chairman

sd/-  
Managing Director

sd/-  
Chief Financial Officer

sd/-  
Company Secretary

Signed in terms of our separate report of even date annexed

Date: 27.10.2018  
Place: Dhaka, Bangladesh

sd/-  
A. Hoque & Co.  
Chartered Accountants

**SHURWID INDUSTRIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE, 2018**

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
<b>Balance as at 1st July, 2016</b>	521,525,000	36,358,123	72,132,400	630,015,523
Net profit after tax	-	-	(29,833,621)	(29,833,621)
Depreciation on revalued assets	-	(2,473,123)	2,473,123	-
<b>Balance as at 30th June, 2017</b>	<b>521,525,000</b>	<b>33,885,000</b>	<b>44,771,902</b>	<b>600,181,902</b>
<b>Balance as at 1st July, 2017</b>	<b>521,525,000</b>	<b>33,885,000</b>	<b>44,771,902</b>	<b>600,181,902</b>
Net Profit after tax	-	-	21,245,902	21,245,902
Depreciation on revalued assets	-	(2,252,074)	2,252,074	-
<b>Balance as at 30th June, 2018</b>	<b>521,525,000</b>	<b>31,632,926</b>	<b>68,269,878</b>	<b>621,427,804</b>

The annexed notes from 1.00 to 29.00 and Annexure "A" form an integral part of these financial statements

sd/-	sd/-	sd/-	sd/-
Chairman	Managing Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed

Date: 27.10.2018  
Place: Dhaka, Bangladesh

sd/-  
A. Hoque & Co.  
Chartered Accountants



**SHURWID INDUSTRIES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE, 2018**

Property and Assets	Note	Amount in Taka	
		01.07.2017 to 30.06.2018	01.07.2016 to 30.06.2017
<b>A. Cash flows from operating activities</b>			
Receipts from customers		121,315,290	95,430,535
Payments to Suppliers		(29,943,580)	(40,269,811)
Payments to Employees & Others		(88,858,801)	(70,680,946)
Income tax paid		(146,185)	(876,287)
Financial expenses paid		(6,284,160)	(10,670,897)
Receipts from non-operating income		587,726	25,340
<b>Net cash provided from/(used in) operating activities</b>		<b>(3,329,710)</b>	<b>(27,042,066)</b>
<b>B. Cash flows from investing activities</b>			
Payments for acquisition of property, plant and equipment		-	(27,151,020)
Sales proceeds from vehicle		3,521,557	-
<b>Net cash used in investing activities</b>		<b>3,521,557</b>	<b>(27,151,020)</b>
<b>C. Cash flows from financing activities</b>			
Proceeds/(Repayment) of short term loan		3,844,944	(13,275,899)
Proceeds/(Repayment) of IPO		-	(7,758)
Repayment of Non-Current Portion of Long Term Loan		(3,339,396)	48,003,115
Repayment of Current Portion of Long Term Loan		(13,356)	17,930,100
<b>Net cash provided from/(used in) financing activities</b>		<b>492,192</b>	<b>52,649,558</b>
<b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>684,039</b>	<b>(1,543,528)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>		<b>5,168,349</b>	<b>6,711,877</b>
<b>F. Cash and cash equivalents at the end of the year</b>		<b>5,852,388</b>	<b>5,168,349</b>

The annexed notes from 1.00 to 29.00 and Annexure "A" form an integral part of these financial statements

sd/-  
Chairman

sd/-  
Managing Director

sd/-  
Chief Financial Officer

sd/-  
Company Secretary

Signed in terms of our separate report of even date annexed

Date: 27.10.2018  
Place: Dhaka, Bangladesh

sd/-  
A. Hoque & Co.  
Chartered Accountants

**SHURWID INDUSTRIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR  
FROM 1ST JULY, 2017 TO 30TH JUNE, 2018  
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS****1.00 Reporting Entity****1.01 Company Profile**

Shurwid Industries Ltd. ("the Company") was incorporated as a Private Limited Company under the Companies Act, 1994 vide registration no. C-52137 (2432)/2004 dated the 16th March, 2004. Subsequently the Company was converted into a Public Limited Company with effect from 24th March, 2010. It commenced its commercial operation from 3rd May, 2008.

**1.02 Address:**

The Registered office of the Company is situated at Bi-Mile, Konabari, Gazipur. The Factory is situated at Bi-Mile, Konabari, Gazipur, Bangladesh.

**1.03 Change the Name of the Company**

In view of the operations of the Company in the areas of PVC film, the Board of Directors proposed to change the name from Shurwid Industries (Pvt.) Ltd. to Shurwid Industries Ltd. which was approved by the Shareholders vide Special Resolution passed in its EGM held on 24th March, 2010 and it has been filed in due time with Registrar of Joint Stock Companies & Firms. Accordingly it has been duly accepted by the Registrar of Joint Stock Companies & Firms and recorded.

**1.04 Nature of Business Activities**

The Principal activities of the company are to carry on the business of drug packaging (especially for tablet & capsule) and food packaging plant to produce PVC film (pharma & food grade) for pharmaceuticals and PP/PVC disposable product for food industries.

**1.05 Operating Segments**

No segment reporting is applicable for the Company as required by BFRS 8: Segment Reporting as the Company has only one reportable segment and the operation of Company is within the geographical territory in Bangladesh.

**1.06 Components of the Financial Statements**

According to the BAS-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- i) Statement of Financial Position as at 30th June, 2018;
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2018;
- iii) Statement of Changes in Shareholders Equity for the year ended 30th June, 2018; and
- iv) Statement of Cash Flows for the year ended 30th June, 2018; and
- v) Accounting Policies and Explanatory Notes for the year ended 30th June, 2018.

**2.00 Basis of Presentation of Financial Statements****2.01 Statement of Compliance**

The financial statements have been prepared in accordance with requirements of the Companies Act, 1994, The Securities and Exchange Rules, 1987 and International Financial Reporting Standards (BFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standard (BAS) and other applicable laws and regulations.

**2.02 Other Regulatory Companies**

The Company is also required to comply with the following major legal provisions in addition to the Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984;  
The Income Tax Rules, 1984;  
The Value Added Tax Act, 1991;  
The Value Added Tax Rules, 1991;  
The Customs Act, 1969;  
The Stamp Act, 1899;  
DSE/CSE Rule  
Listing Guidelines.

**2.02 Basis of Measurement**

The financial statements have been prepared on the historical cost convention except property, plant & equipment and therefore do not take into consideration the effect of inflation.

**2.03 Going Concern**

The Company has adequate resources to continue in operation for the foreseeable future. For this reasons the Directors continue to adopt going concern basis in preparing the accounts.

**2.04 Presentation of Financial Statements**

The presentation of financial statements is in accordance with the guidelines provided by BAS 1: Presentation of Financial Statements.

**2.05 Reporting Year**

The financial year of the Company covers its year from 1st July, 2017 to 30th June, 2018.

**2.06 Reporting Currency**

The financial statements are prepared and presented in Bangladesh Currency (Taka) which is Company's functional currency.

**2.07 Key Accounting Estimates and Judgments in Applying Accounting Policies**

The preparation of financial statements inconformity with BFRS's including BAS's requires managements to make the judgments, estimates and assumption that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses and for provisions, contingent liabilities and contingent assets and liabilities that require disclosures during and at the date of the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed as on going concern basis. Revisions of accounting estimates are recognized in the year in which the estimate is revised and in any future years affected.

In particular, information about the significant key areas of estimation, uncertainly and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements.

**3.00 Accounting Principles and Policies**

Specific accounting policies were selected and applied by the Company's management for significant transactions and events that have a material effect within the framework of BAS-1 "Preparation of Financial Statement" and BAS-34 "Interim Financial Reporting" in preparation and presentation of the financial statements. The previous year's figures were presented in the financial statements in accordance with the same accounting principles.

The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all years presented in these financial statements:

### **Assets and Basis of their Valuation**

#### **3.01 Property, Plant and Equipments**

##### **3.01.1 Recognition and Measurements**

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of BAS 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

In a situation where it can clearly be demonstrated that expenditure has resulted in an increase in future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets. Cost also includes initial estimate of the costs of dismantling, removing the item and restoring this site (generally called asset retirement obligation) are recognized and measured in accordance with BAS / BAS 37: Provision, Contingent Liabilities and Contingent Assets.

##### **Revaluation Model**

The company applies the revaluation model to the entire class of land, factory building, plant & machinery, generator and electric installation. A revaluation is carried out when there is a substantial difference between the fair value and the carrying amount of the property and is undertaken by professionally qualified valuers.

Increases in the carrying amount on revaluation is recognized in other comprehensive income and accumulated in equity in the revaluation reserve unless it reverses a previous revaluation decrease relating to the same asset, which was previously recognized as an expense. In these circumstances the increase is recognized in profit and loss.

Decrease in the carrying amount on revaluation that off-set previous increases of the same individual assets are charged against revaluation reserve directly in equity. All other decreases are recognized in profit and loss.

The relevant portion of the revaluation reserve is transferred to retained earnings as the asset is depreciated with the balance being transferred on ultimate disposal.

##### **3.01.2 Maintenance Activities**

Expenditure incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the year in which it is incurred.

##### **3.01.3 Subsequent Cost**

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied within the part will flow to the company and its cost measured reliably. The cost of the day of day servicing of properly and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

##### **3.01.4 Depreciation on Tangible Fixed Assets**

As required in Paragraph 43 of BAS-16 Property and Equipments, depreciation in respect of all fixed assets is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of BAS 16 "Property, Plant and Equipment".

No depreciation has been charged on land and land development. Depreciation on all other fixed assets is computed using diminishing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. 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 on such disposal is reflected in the comprehensive income statement for the year ended. The annual depreciation rates applicable to the principal categories are:

<b>Category of fixed assets</b>	<b>Rate of Depreciation in (%)</b>
Land & Land Development	0.00
Factory Building	2.00
Plant & Machinery	10.00
Furniture & Fixture	10.00
Office Equipment	10.00
Gas Generator	10.00
Electrical Installation	20.00
Air Conditioner & Compressor	10.00
Software & Webpage Development	20.00
Vehicles	20.00
Substation (Factory)	20.00

Depreciation has been allocated to factory overhead & administrative expenses consistently.

### 3.01.5 Revaluation of Property, Plant and Equipment

(a) **Basis of Valuation of Land and Land Development:**

Land and land development has been observed by the valuer (Commodity Inspection Services (BD) Ltd.) from their long experience that there is no uniformity of the land in Bi Mile, Konabari, Gazipur due to demand, inflation and economical condition of the country. So, infact it's a difficult task to get to the steady price of any land in which fluctuates customers to customers. It has reverted from valuer so many past survey that vary among the land side by side without any solid reason though both the plots have equal facilities. The valuer has valued the land on the basis of lands sold and purchase and current price of same category of land in the locality. Besides, finalizing the value we came across reliable people of different sector and came to a logical conclusion.

(b) **Basis of Valuation of Factory Building:**

While making assessment of factory building as basic cost has been determined with present cost. This cost has been ascertained on the basis of the type as structure present cost of construction, materials, technical & non-technical labor cost as workmanship etc.

(c) **Basis of Valuation of Plant and Machinery:**

While making assessment of plant and machinery as basic cost has been determined with present cost. At the time of physical inspection of plant and machinery by the valuer, they found that the machineries are working conditions. All the machineries are new and imported from Italy, Taiwan, USA, China and India. Valuer has assessed the valuation of the machineries considering the increasing of foreign currency rate, iron cost, discussed with the supplier of the machineries and many local indenters etc.

(d) **Effective date of Valuation**

June 04, 2009 and accounted for in the financial statements as on June 30, 2009.

(e) **Valuer**

Commodity Inspection Services (BD) Ltd.

### 3.01.6 Capital Work-in-Progress

Capital Work-in-Progress consists of acquisition of plant and machinery, capital components and related installation cost until the date placed in service. In case of import of components, capital work-in-progress is recognized when risks and rewards associated with such assets are transferred to the Company.

### 3.01.7 Capitalization of Borrowing Costs

As per the requirements of BAS/BAS 23: Borrowing Costs, directly attributable borrowing costs are capitalized during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made.

**3.02 Financial Instruments**

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

**3.02.1 Financial Assets**

The Company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial asset includes trade receivables, advances, deposits & pre-payments, cash and cash equivalents.

**(a) Trade Receivables**

Accounts receivable are created at original invoice amount less any provision for bad and doubtful debts. Provisions are made where there is evidence of a risk of non payment, taking into account ageing, previous experience and general economic conditions. Where accounts receivables are determined to be uncollectible it is written off, firstly against any provision available and than to the profit and loss account. Subsequent recoveries of the amounts previously provided for are credited to the profit and loss account.

**(b) Advance, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit & loss account.

**(c) Cash and Cash Equivalents**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash in hand and bank balances represents cash and cash equivalents considering the BAS 1 "Presentation of Financial Statements" and BAS 7 "Statement of Cash Flow" which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to an in significant risks of changes in value and are not restricted as to use.

**3.02.2 Financial Liability**

The company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the transaction date at the company becomes a party to the contractual provision of the liability.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities include loans and borrowing, trade and other payables and other payables.

**(a) Loans and Borrowings**

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

**(b) Trade and Other Payables**

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

**3.03 Retirement and Disposals**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under the head other income / (loss) in the statement of profit or loss and other comprehensive income.

**3.04 Inventories**

In compliance with the requirements of BAS 2 "Inventories", inventories are stated at the lower of cost and net realizable value.

The cost is calculated on weighted average method consistently. Costs comprise expenditure incurred in the normal course of business in bringing such inventories to its location and conditions. Where necessary, provision is made for obsolete, slow moving and defective inventories "if any" identified at the time of physical verification of inventories.

Net realizable value is based on selling price less any further costs expected to be incurred to make the sale.

Inventories comprise of PVC film, Accessories, Packing Materials, Stores & Spares, Work-in-process and Finished Goods. They are stated at the lower of cost or net realizable value in accordance with BAS-2 "Inventories" after making due allowance for any obsolete or slow moving items. The cost of inventories is assigned by using weighted average cost. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale.

**Category of Inventories**

Raw Materials  
Work-in-progress  
Finished Goods

**Basis of Valuation**

Weighted Average Cost Method  
Weighted Average Cost Method  
Lower of cost or Net estimated realizable value

**3.05 Statement of Cash Flows**

Statement of Cash Flows is prepared principally in accordance with BAS-7, "Cash Flow Statement" and the cash flows from operating activities has been presented under direct method as required by the Securities and Exchange Rules, 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flow From Operating Activities Using Direct Method."

**3.06 Revenue Recognition**

Revenue represents invoiced value of sales. Revenue is recognized when sales are made. Invoices were made after satisfying the following conditions as prescribed by BAS 18 "Revenue Recognition":

- (i) the significant risks and rewards of ownership of the sales have been transferred to the buyer;
- (ii) the amount of revenue was measured reliably;
- (iii) it was probable that the economic benefits relating to the transactions will flow to the Company;
- (iv) neither continuing managerial involvement nor effective control usually associated with ownership of the policy was retained by the Company; and
- (v) cost relating to the transactions was measured reliably.

**3.07 Liabilities and Basis of their Valuation****3.07.1 Liabilities for Expenses and Finance**

Liabilities are recognized for amounts to be paid in future for goods and services received, whether or not billed by the supplier.



**3.07.2 Provisions**

The preparation of financial statements in conformity with BAS-37 "Provisions, Contingent Liabilities and Contingent Assets" requires management to make estimates and assumption that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with the guidelines as prescribed by BAS-37 provisions were recognized in the following situations:

- When the company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

We have shown the provisions in the statement of financial position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the statement of financial position date.

**3.07.3 Income Tax Expenses**

Income tax expenses comprise current and deferred tax. Income tax expense is recognized in the comprehensive income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

**(a) Current Tax**

Income tax is calculated and provision has been made in accordance with BAS -37 on taxable income.

**(b) 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, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit.

Considering the practices generally followed in Bangladesh the company have been reserved deferred tax assets or deferred tax liabilities in accordance with BAS 12 "Income Tax".

**3.08 Share Capital**

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

**3.09 Revaluation Surplus**

When an asset's carrying amount is increased as a result of a revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus / reserve as per BAS-16, "Property plant and Equipment". The company revalued the assets of land and land development, factory building, electric installations, gas generator and plant and machinery during the year 2009 which is absolutely owned by the company and the increase amount transferred to revaluation surplus. The tax effects on revaluation gain are measured and recognized in the financial statements as per BAS-12, "Income Taxes".

**3.10 Earnings per Share**

Earnings per share (EPS) are calculated in accordance with the Bangladesh Accounting Standard BAS-33" Earnings per Share" which has been shown on the face Statement of Profit or Loss and Other Comprehensive Income.



i) **Basic Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

ii) **Diluted Earnings per Share**

No diluted earnings per share was required to be calculated for the year under review as there was no scope for dilution of earnings per share for the year.

**3.11 Related Parties**

As per BAS - 24 "Related Party Disclosures" parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company has carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Director's Involvement/Interest in other companies are as follows:

<b>Name</b>	<b>Designation</b>	<b>Entities where they have interest</b>
Engr. Mahmudul Hasan	Chairman	<b>Chairman of:</b> Dhaka Engineering Institute Shurwid Polymer Ltd. Aviva Capital Ltd. Energy Safe Engineering Ltd. <b>Managing Director / Director of:</b> Eurodesch Feed Mills Ltd. Eurodesch Consumer Products Ltd. Green View Homes Ltd. Sea Orchid Beach Resorts
Enamul Kabir, FCA	Vice-Chairman & Director	<b>Independent Director of:</b> Libra Infusions Ltd. <b>Director of:</b> Eurodesch Consumer Products Ltd.
Md. Nuruddin	Managing Director	<b>Director of:</b> Afrin Fabrics Ltd. Patriot Garments Ltd. Aftex Limited Eurodesch Consumer Products Ltd.

**3.12 Securities of the Company owned by the top ten salaried officers and all other officers as a group:**

Securities owned by the top ten salaried officers are given below:

<b>Name of the top ten salaried officer</b>	<b>Designation</b>	<b>Numbers of shares Holding</b>	<b>Percentage of outstanding shares</b>	<b>Amount in Taka</b>	
				<b>30.06.2018</b>	<b>30.06.2017</b>
Zahedul Hoque	Ex-Managing Director	0	0.00%	0	18,802,320
Mrs. Zinia Akter	Company Secretary	1,000	0.002%	10,000	0
		1,000	0.002%	10,000	18,802,320

Other than the above no shares are held by all other officers as a group.

**3.17 Contingent Liabilities and Assets**

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the 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 provisions, Contingent Liabilities and Contingent Assets are disclosed in the financial statements.

**3.18 Foreign Currency Translation**

Transactions in foreign currencies are translated into Bangladeshi Taka at the exchange rate prevailing on the date of transactions in accordance with BAS-21 "The Effects of Changes in Foreign Exchange Rate." Foreign currency receivable against export sale has been accounted for on the basis of actual amount received subsequently.

**3.19 Repairs, Upkeep and Maintenance Charges**

They are usually charged out as revenue expenditure in the year in which it is incurred.

**3.20 Advertisement and Promotional Expenses**

All costs associated with advertising and promotional activities are charged out in the year incurred.

**3.21 Responsibility for Preparation and Presentation of Financial Statements**

The Board of Directors is responsible for the preparation and presentation provision of the financial statements as per requirements of Companies Act, 1994.

**3.22 Worker's Profit Participation Fund (W.P.P.F)**

Worker's Profit Participation Fund has been created by the Company which is five percent (5%) of net profit before tax after charging the contribution to W.P.P.F as per Section 232, 233, 234, 235, 240, 241, 242, 243, 248, 249 and 250 of the Bangladesh Labor Law 2006. Under this law a trusty board is formed and registered for maintenance of this fund.

**3.23 Events After the Reporting Year**

Where necessary all the material events after the reporting year have been considered and appropriate adjustment / disclosure have been made in the financial statements. The sponsor as well as guarantor Mr. Zahedul Hoque and the guarantor Mr. Anis Ahmed of the Company transferred / pledged their 2,600,000 Ordinary Shares of Tk. 10/- each to NRB Bank Ltd. for adjusting liabilities of Tk. 9.73 crore as per agreement with NRB Bank Ltd. made on 24th September, 2018 and Mr. Md. Nuruddin was appointed as Managing Director of the Company from 20th October, 2018.

**3.24 Comparative Figures**

Comparative figure and account titles in the financial statements have been re-arranged and classified, where necessary, to conform with changes in presentation in the current year.

**3.25 Approval of Financial Statement**

The financial statements were approved by the Board of Directors on 27th October, 2018.

The Company has passed a special resolution for reduction of paid up capital as per Section 59 of the Companies Act, 1994 and after permission of the Honorable High Court the Company will adjust lost assets with the reduction of paid up capital.

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>8.00 Current Assets</b>	<b>411,727,099</b>	<b>357,677,781</b>
This is made up as follows:		
8.01 Inventories	12,795,960	72,737,184
8.02 Trade Receivables	182,074,087	150,402,502
8.03 Advances, Deposits & Pre-payments	211,004,664	129,369,746
8.04 Cash & Cash Equivalents	5,852,388	5,168,349
	411,727,099	357,677,781
<b>8.01 Inventories</b>	<b>12,795,960</b>	<b>72,737,184</b>
This is made up as follows:		
8.1.1 Raw Materials	7,975,586	9,582,502
8.1.2 Stock of Work in Progress	2,679,739	55,971,560
8.1.3 Finished Goods	699,717	5,485,893
8.1.4 Packing Materials	1,440,918	1,697,229
	12,795,960	72,737,184

All inventory are valued by the management of the company. Inventories are valued at lower of cost or net realizable value. Net realizable value is based on estimated selling price less any other anticipated to be incurred to make the sale

<b>8.1.1 Raw Materials</b>	<b>7,975,586</b>	<b>9,582,502</b>
This is made up as follows:		

Particulars	30th June, 2018		30th June, 2017	
	Quantity (kg)	Amount (Tk.)	Quantity (kg)	Amount (Tk.)
PVC Resin	365	29,200	340.00	20,250
PP Resin	0	0	625.00	58,094
PS Resin	25	4,500	350.00	37,800
Advastab	3244.3	1,440,469	3,244.30	2,333,239
Processing Aid	1750	612,500	5,441.97	1,770,464
TIN Stabilizer	2540	1,117,600	32.20	37,934
Titanium Dioxide	76.8	25,773	76.80	25,773
Loxiol	0	0	2,817.17	840,652
Machine Oil	0	0	3.00	1,027
Masterbatch (All)	306	183,600	1,574.53	511,282
Coated Chalk Powder	675	27,000	675.00	37,868
Goldstab (Lubricant)	19545	3,518,100	19,545.00	2,638,966
Stearic Acid	36.10	3,610	36.10	3,610
Finax C	--	0	22.40	6,590
PVC Foggy Resin	150	15,000	150.00	21,000
Calcium Carbonate	100	17,000	100.00	11,750
Impact Modifier	1278	447,300	4,274.40	1,149,561
Black Normal	0	0	2.26	791
Epoxi Oil	15	2,250	163.93	25,182
Aster	900	90,000	0.00	0
Loxiol	750	210,000	0.00	0
Paint (Black)	2.26	1,356	0.00	0
LDP	10.45	3,135	10.45	1,342
Filler	525	94,500	0.00	0
Polycon White	442.31	132,693	447.69	49,327
	32736.22	7,975,586	39,932.20	9,582,502

**8.1.2 Stock of Work in Progress**

This is made up as follows:

Particulars	30th June, 2018		30th June, 2017	
	Quantity (kg)	Amount (Tk.)	Quantity (kg)	Amount (Tk.)
PVC Film Sheet-Glass Clear	575	92,000	25895	2,563,624
PVC Film Sheet- Colour	2045	286,300	0	0
Food Grade PVC, PP & PS	0	0	35174	5,295,968
Re-usable Goods	54731	2,301,439	510202	48,111,968
	57351	2,679,739	571271	55,971,560

Particulars	Amount in Taka	
	30.06.2018	30.06.2017

**8.1.3 Finished Goods**

This is made up as follows:

Particulars	30th June, 2018		30th June, 2017	
	Quantity (kg)	Amount (Tk.)	Quantity (kg)	Amount (Tk.)
PVC Film Sheet-Glass Clear	0	0	15695	2,552,268
Food Grade PVC, PP & PS	2186	699,717	9,165	2,933,625
	2186	699,717	24,860	5,485,893

**8.1.4 Packing Materials**

This is made up as follows:

Particulars	Qty (KG)	Amount (TK)	Amount (TK)
Printed Poly for 100 ml Ice Cup	76.6	26,044	30,654
Unprinted Role Poly - 17 Size	175	52,500	61,793
330 ml unprinted poly for 250/220 Ice Cup	256.00	87,040	102,446
330 ml printed poly for (BOPP) for 250 Ice Cup	49.1	16,694	19,649
Printed poly (BOPP) for 100 Coffee Cup	260	88,400	104,047
420 unprinted (BOPP) 100 Ice Coffee Cup	903	270,900	318,849
Poly 28"x40" for 80 ml Ice Cup	356	58,740	69,137
Poly 26"x40" for 90 ml Ice Cup	350	57,750	67,972
Poly 28"x24" for 180 ml Ice Cup	420	69,300	81,566
<b>200 ml Single Poly:</b>			
25 Pcs.	78	26,520	31,214
50 Pcs.	19	6,460	7,603
Poly 250 ml Single Poly	100.85	30,255	35,610
Poly Roll 14" (Lunch Box)	771	231,300	272,240
Roll Poly 18"	140	42,000	49,434
Poly 26"x26"	434	71,610	84,285
Poly 29"x40" for 100 ml Ice Cup+Lunch Box	487	80,355	94,578
Poly 24"x24" Led Poly	264	43,560	51,270
Poly 20"x26" 180 ml	150	24,750	29,131
Poly 24"x43"	390	64,350	75,740
Roll Poly 5.5" Water Cup B Grade	47.5	14,250	16,772
Poly 24"x30"	116	19,140	22,528
Packing Tape 2" Brown Colour	110	17,600	20,715
Leaflet		41,400	49,996
		1,440,918	1,697,229

	<b>Particulars</b>	<b>Amount (TK)</b>	<b>Amount (TK)</b>
<b>8.02</b>	<b>Trade Receivables</b>	<b>182,074,087</b>	<b>150,402,502</b>
	This is made up as follows:		
	Abdul Mojid Store	359,454	329,774
	Abdur Rab & Sons	669,852	614,543
	Abdur Rashid & Sons	341,767	313,548
	Abdus Samad - Mohammadpur	277,769	254,834
	ACI Ltd.	-	465,725
	Arafat & Co.	507,640	-
	ACME Laboratories Ltd.	-	658,758
	Alam Brothers	718,046	-
	Ad-din Pharmaceuticals Ltd.	398,807	365,878
	Advance Lami Tube Ltd.	161,887	148,520
	Advent Phamra Ltd.	747,452	685,736
	Ahmed Enterprise	499,955	458,674
	Akota Dispo	221,547	203,254
	Alauddin Store	510,338	468,200
	Al-beny International	1,042,418	956,347
	Albion Laboratories Ltd.	1,412,677	1,296,034
	Alco Pharma Ltd.	391,029	358,742
	Alif Verities Store	384,181	352,460
	Allahar Dan Store	763,698	700,640
	Alonker Niketon	748,113	686,342
	Alfa Ballpen Industries	1,011,123	927,636
	Al-Rabeta Trading	634,891	582,469
	Altaf & Brothers-Feni	1,068,685	980,445
	Alvey Enterprise	849,819	779,650
	Ambee Pharmaceuticals Ltd.	1,245,835	1,142,968
	Amulat Pharmaceuticals	1,082,523	993,140
	Annannya Agency	1,597,925	1,465,986
	Anwar Dispo Corner	923,121	846,900
	Apex Pharma	-	1,324,685
	Aplec	1,443,907	-
	Appollo Hospitals Ltd.	384,125	352,408
	Appayan Food	421,007	386,245
	Arabian Store	899,206	824,960
	Arif Store	796,519	730,751
	Aristopharma Ltd.	3,124	2,866
	Ashok Brothers	764,164	701,068
	Astro Pharmaceuticals Ltd.	1,597,747	1,465,823
	Ataur & Sons	1,055,506	968,354
	Atlantic Traders	1,619,478	1,485,760
	ATM Enterprise	1,561,836	1,432,877
	Azam Securities	16,372	15,020
	Aziz Corporation	812,813	745,700
	Azmir Packaging (Kr. Bazar)	747,411	685,698
	Babul Traders	738,846	677,840
	Barishal Bari	481,894	442,105
	Belal & Brothers	356,119	326,715
	Beacon Pharmaceuticals Ltd.	1,034,00	948,630
	Benham Pharma Ltd.	1,609,910	1,476,982

Beximco Pharmaceuticals Ltd.	97,409	97,409
Bhai Bhai Packets (Kr.B)	799,017	725,000
Bibs Pharma	471,814	432,857
Bismillah Dispo	672,530	617,000
Bismillah Store (New Market)	907,687	832,740
Bismillah Packaging (Gulshan)	832,816	764,051
BNF	383,680	352,000
Bojlu Trading (Tejgaon)	224,226	205,712
Bridge Consumer Products	680,302	624,130
Bristol Pharma	1,552,006	1,423,859
Brothers Plastic	463,904	425,600
California Foods	431,505	395,876
Chandpur Store	471,065	432,170
Charubitto	101,980	93,560
City General Store	264,017	242,217
Comilla Jory House	813,707	746,520
Concord Pharmaceuticals Ltd.	1,058,919	971,485
Cosmic Chemical Industries Ltd.	1,463,474	1,342,637
Creative Bangla	209,635	192,326
Delta Pharma	953,418	874,695
Delwar Store (Shantinagar)	350,195	321,280
Dev Traders	857,117	786,346
Dhaka Foil Corporation	1,403,189	1,287,329
Eakin Consumer Products	686,700	630,000
Elson Foods	404,016	370,657
Eshan Packaging (Mohammadpur)	321,136	294,620
Eskayef Bangladesh Ltd.	255,777	234,658
Essential Drugs Company Ltd.	10,507,439	9,639,852
Eva Store	795,946	730,226
Farid Store	244,907	224,685
Farhad Store	651,211	597,441
Fresh Dispo	984,052	902,800
G.A. Company	400,285	367,234
Gastro Lever Hospital	401,411	368,267
General Pharmaceuticals Ltd.	1,319,434	1,210,490
Gentry Pharmaceuticals Ltd.	692,054	634,912
Globe Pharmaceuticals Ltd.	1,084,194	994,673
Globex Pharmaceuticals Ltd.	810,483	743,562
Golden Star	364,994	334,857
Guardian Healthcare	749,876	687,960
Haji Abdul Hamid & Sons	556,968	510,980
Hamim & Brothers	1,673,890	1,535,679
Hana Trading	1,036,668	951,072
Haque & Company (Drycell) Ltd.	271,366	248,960
Hasan Paper House	105,474	96,765
Hasan Perfumary Branch	465,964	427,490
Helal & Brothers	1,005,002	922,020
Ibne Sina Pharmaceuticals Ltd.	-	976,358
Incer Trading	1,064,230	-
Incepta Pharmaceuticals Ltd.	-	612,470
Inqul	667,592	-
Indo-Bangla Pharmaceuticals Works	1,064,396	1,064,396



Iqbal & Brothers	898,047	736,010
Islam Dispo Enterprise	688,060	631,248
Istiaq Enterprise	783,458	718,769
JMI Syringes & Medical Devices Ltd.	17,418	15,980
JMI Pharma Ltd.	1,790,131	1,642,322
Jahangir Store-Lalbag	679,808	623,677
Jahid Packaging & Plastic	186,402	171,011
Jamal Store (Mirpur)	566,812	520,011
Jamal Store (Sylhet)	1,008,909	925,605
James House - Sylhet	717,573	658,324
Jamjam Store	249,556	228,950
Jamuna Store	356,931	327,460
Jonodardi Store-Mohammadpur	388,504	356,426
Jayson Pharmaceuticals Ltd.	1,790,616	1,642,767
Jilani Store	722,411	662,762
Jishan One Time	494,700	453,853
Jonson & Sons	907,380	832,459
Jonoprio Packaging	721,322	661,763
J. K. One Time Store	438,780	402,550
Jsal Chemical	1,550,249	1,422,247
Jubayer Store	566,107	519,364
Kazi Corporation	1,482,540	1,360,128
Kenakata Store	692,420	635,248
Khulna Dispo	531,517	487,630
Kishorgonj Packaging	278,942	255,910
Lavendar Super Store Ltd.	311,113	285,425
Liton Store-Uttara	249,734	229,114
Maa Rexin	458,390	420,541
Madina Packaging	3,619	3,320
Mahim & Brothers	398,722	365,800
Mahin Packaging	471,658	432,714
Manik One Time	408,371	374,652
Maliha One Time	332,014	304,600
Mayer Dua (Gulshan)	267,181	245,120
Mayer Dua Traders (Kr.B)	469,128	430,393
Meena Bazar	157,439	144,439
Mehedi Mart	227,814	209,004
Mim Store	222,905	204,500
Mohammad Trading	114,603	105,140
Mollah Enterprise	132,402	121,470
M. R. Dispo Center	492,254	451,609
M/s. Abu Lays Store	521,563	478,498
M/s. Al-Madina Store	216,176	198,327
M/s. Amol Store	45,186	41,455
M/s. Amor Shahadat Store	274,233	251,590
M/s. Anik Enterprise	327,055	300,050
M/s. Ankit Store	101,112	92,763
M/s. Ashik & Brothers	225,953	207,296
M/s. Bhai Bhai Store (Ctg.)	947,757	869,502
M/s. Dulal Store	108,954	99,958
M/s. Habib Box House	89,390	82,009
M/s. Hoque & Brothers	256,481	235,304
M/s. Kamran Store	865,301	793,854



M/s. Jannath Store	300,849	276,008
M/s. Madina Store-BB	296,774	272,270
M/s. Mamun Brothers	344,066	315,657
M/s. Maya Enterprise	232,192	213,020
M/s. Milon Store	336,825	309,014
M/s. Minoti Traders	99,919	91,669
M/s. Morshed Packaging	379,305	347,986
M/s. New Tara Store	262,461	240,790
M/s. Nuru Mia Store	288,730	264,890
M/s. Pal Store	598,899	549,449
M/s. RK Electric	267,050	245,000
M/s. Rabbani Store	260,292	238,800
M/s. Rakib Store	194,849	178,761
M/s. Rahi Enterprise	582,592	534,488
M/s. Razib Store-Norsingdi	445,548	408,760
M/s. Rupali Traders	308,995	283,482
M/s. Shofiq Enterprise	2,325,410	2,133,404
M/s. Shamim Enterprise - Savar	1,237,173	1,135,021
M/s. Shane Madaina Store	314,629	288,650
M/s. Simanto Store	405,398	371,925
M/s. Sreema Store	353,739	324,531
M/s. S. B. Enterprise	386,503	354,590
M/s. Tasfim Dispo Corner	579,191	531,368
M/s. Zia Trading	250,543	229,856
Makka Trading	288,314	264,508
Mobaraq Trading	789,974	724,747
Mohim & Brothers	279,258	256,200
Monica Pharma Ltd.	27,019	24,788
Mundi Pharma (BD.) Pvt. Ltd.	14,126	12,960
Munna Plastic House	720,261	660,790
Neptune Laboratories Ltd.	408,731	374,983
Nipa Chanachur Factory	231,573	212,452
Non Stop Mega Shop	121,164	111,160
Novelta Bestway Pharmaceuticals	269,948	247,659
Novo Healthcare	362,692	332,745
Nowrin Enterprise	490,701	450,184
One Time Collection	287,246	263,528
One Time Corner-Bogura	689,234	632,325
Orbit Pharmaceuticals Ltd.	95,542	87,653
Organic Health Care Ltd.	628,189	576,320
Orion Laboratories Ltd.	1,075,254	986,472
Paul Traders -Moulvibazar	218,812	200,745
Pharmasia Limited	73,928	67,824
Popular Pharmaceuticals Ltd.	9,766	8,960
Popy Pharmaceuticals Ltd.	16,350	15,000
Porshuram Packaging	245,904	225,600
Pran RFL Group	143,954	132,068
Prestige Home Made Food Products	301,224	276,352
Prince Food Ltd.	761,634	698,747
Prince Plastic & Packaging	1,283,373	1,177,406
Prolific Accessories Pvt. Ltd.	10,655	9,775
Purno Traders	195,966	179,785

Quasem Dispo Corner	616,800	565,872
Quasem Drycells Ltd.	311,460	285,743
Quasem Lamps Limited	96,247	88,300
Raihan Store	886,448	813,255
Raiyan Enterprise	304,622	279,470
Rajdhani Store	188,483	172,920
Razib Store- Kalabagan	410,108	376,246
Raju Plastic-Comilla	1,026,773	941,994
RAK Pharmaceuticals Ltd.	629,380	629,380
Rani Printing	504,452	462,800
Razib Store	353,173	324,012
Razzak & Sunny Packaging	314,607	288,630
Reneta Ltd.	1,377,640	1,263,890
Rephco Lab Ltd.	415,834	381,499
Ria Box	118,843	109,030
Rouf Enterprize	655,199	601,100
Royal Restaurant	304,376	279,244
Ruma Aluminium Store	293,347	269,126
Ruma Store-New Market	856,863	786,113
Ruma Chemicals	712,664	653,820
S.I. Dispo Center	1,004,958	921,980
S. K. Plastic Products	273,939	251,320
Sabbir Packaging (J)	306,347	281,052
Saikat Store	305,146	279,950
Samin Dispo	659,804	605,325
Samira Enterprise	315,729	289,660
Sangram Enterprise	524,290	481,000
Sanofi Aventies Bangladesh Ltd.	324,211	324,211
Sanota Trading	1,234,784	1,132,829
Samiya Verities Store	214,462	196,754
Seven Star	1,456,878	1,336,585
Shah Amanat Polythene Store	1,873,435	1,718,748
Shariatpur Store	349,509	320,650
Sharif Pharmaceuticals Ltd.	4,148	4,148
Shikder & Brothers	1,071,454	982,985
SL Marketing	378,939	347,650
Sultan & Sons	1,072,983	984,388
Sonear Laboratories Ltd.	270,800	270,800
Square Hospitals Ltd.	-	391,201
Square Trading	391,201	-
Standard Laboratoties Ltd.	982,469	982,469
Sujon Packaging	244,716	224,510
Suman Bakary	955,301	876,423
Suman Store	810,502	743,580
Sunshine (Ay) Laboratories	653,408	599,457
Swadesh Foods Products	401,633	368,471
Tamim One Time Store	420,413	385,700
Tania One Time Store	882,292	809,442
Tania One Time Store (2)	311,901	286,148
Tasnim Store	456,532	418,837
Tasuka Jeans	353,160	324,000
Tatka Basket	261,774	240,160

Tatka Basket	261,774	240,160
Tauhed Store	483,439	443,522
Techno Drug Ltd.	107,609	98,724
Third Eye International	515,849	473,256
Total Herbal & Nutraceuticals	446	446
Tropical Pharmaceuticals	244	244
Twinkle Store	218,218	200,200
Umber Bread Food	325,666	298,776
Unimed & Uni Health Manufactures Ltd.	86,392	79,259
Veritas Pharmaceuticals Ltd.	32,476	32,476
Virgo Pharmaceuticals Ltd.	376,825	376,825
Zafor Pan Bitan	230,393	211,370
Zaxon Laboratories Ltd.	1,769,800	1,769,800
Zennatunnessa Kashmiry Store	789,869	724,650
Ziska Pharmaceuticals Ltd.	1,986,458	1,986,458
Monjur Trading	504,453	-
LR Dispo Center	353,174	-
Mr. Shayamal	314,608	-
M/s. Abu Store	1,377,641	-
M/s. Allahar Dan Perfumary & Chemicals	415,835	-
M/s. Madina Store	118,844	-
M/s. Shahadat Enterprise	655,200	-
M/s. Anil Store	304,377	-
M/s. A & Brothers	293,349	-
M/s. Maa Enterprise	856,864	-
M/s. Mintu Store	712,665	-
M/s. Min Traders	1,004,959	-
M/s. Morshed	273,940	-
M/s. New Tara Store	306,348	-
M/s. Electric Store	305,147	-
M/s. Sharif Enterprise	659,805	-
M/s. Shamim Enterprise	315,731	-
M/s. Shane Madina Store	524,291	-
Mundipharma (BD.) Pvt. Ltd.	324,214	-
Mr. Rahul Reza	1,234,785	-
M/s. Abu Layes Store	214,463	-
M/s. Anik Enterprise	1,456,879	-
M/s. Bhai Bhai Store (Ctg.)	1,873,436	-
M/s. Box House	349,510	-
Pharmik Laboratories Ltd.	4,149	-
Pie Home (Uttara)	1,071,455	-
Popular Store	378,940	-
Probir (Unani)	894,986	-
Manik Store (Kawran Bazar)	270,801	-
Mayer Dua Traders (Kawran Bazar)	391,202	-
Md. Ripon	982,470	-
	<b>182,074,087</b>	<b>150,402,502</b>

<b>Particulars</b>		<b>Amount in Taka</b>	
		<b>30.06.2018</b>	<b>30.06.2017</b>
<b>8.03 Advances, Deposits &amp; Pre-payments</b>		<b>211,004,664</b>	<b>129,369,746</b>
This is made up as follows:			
Lease Advance		1,437,686	1,437,686
VAT Current Account	8.3.1	19,202	102,004
Advance for Raw Materials		41,399,987	-
Advance Office Rent		-	585,000
Advance to Rent-Sales Center		55,000	55,000
Advance to Rent-Godown -1		20,000	20,000
Advance to Rent-Godown -2		400,000	400,000
Advance to Employees & Others		407,964	617,631
Advanc for Expenses		1,848,798	1,848,798
Advance for Gas Line Expansion		1,500,000	1,500,000
Advance for Lease Land		1,308,567	1,308,567
Advance for Land		40,000,000	-
Security Deposits	8.3.2	3,733,144	2,620,744
Suspense Accounts		118,874,316	118,874,316
		<b>211,004,664</b>	<b>129,369,746</b>
<b>8.3.1 VAT Current Account</b>		<b>19,202</b>	<b>102,004</b>
This is made up as follows:			
Balance as on 1st July, 2017		102,004	3,298,529
<b>Add: Addition during the year:</b>		<b>2,296,373</b>	<b>6,431,626</b>
VAT Rebate on Purchase-Foreign		-	2,770,701
VAT Rebate on Purchase-Local		1,872,173	1,119,153
VAT Rebate on Electricity, Gas, Telephone & C&F Bills		149,968	332,706
Deposit during the year through Treasury Challan		270,000	2,100,000
Others		4,232	109,066
<b>Less: Adjustment during the year:</b>		<b>(2,379,175)</b>	<b>(9,628,151)</b>
VAT on Sales		1,396,233	3,290,933
Others Adjustment-Due/Accrued/Penalty		982,942	6,337,218
Balance 30th June, 2018		19,202	102,004
<b>8.3.2 Security Deposits</b>		<b>3,733,144</b>	<b>2,620,744</b>
This is made up as follows:			
Gazipur Polli Bidyut Samaty		2,002,324	2,002,324
Titas Gas T & D - Gas		1,670,050	532,650
Essential Drugs Company Ltd.		55,770	55,770
United Insurance Company		5,000	30,000
		<b>3,733,144</b>	<b>2,620,744</b>
<b>8.04 Cash and Cash Equivalent</b>		<b>5,852,388</b>	<b>5,168,349</b>
This is made up as follows:			
8.4.1 Cash in Hand		46,285	195,654
8.4.2 Cash at Bank		5,806,103	4,972,695
		<b>5,852,388</b>	<b>5,168,349</b>
<b>8.4.1 Cash in Hand</b>		<b>46,285</b>	<b>195,654</b>
This is made up as follows:			
Head Office		43,965	164,928
Factory Office		2,320	30,726
		<b>46,285</b>	<b>195,654</b>

	Particulars	Amount in Taka	
		30.06.2018	30.06.2017
8.4.2	<b>Cash at Bank</b>	<b>5,806,103</b>	<b>4,972,695</b>
	This is made up as follows:		
	Al-Arafah Islami Bank Ltd., A/c. 0311020011477	651	1,801
	Al-Arafah Islami Bank Ltd., A/c. 0311020016498	203,751	-
	Basic Bank Ltd., A/c. 28120100000237	-	307
	City Bank Ltd., A/c. 2921236469001	4,480,687	4,483,877
	City Bank Ltd., A/c. 5121236469001	367,923	338,578
	City Bank Ltd., A/c. 5121236469002	11	1,500
	City Bank Ltd., A/c. 5121236469003	-	31
	Dutch-Bangla Bank Ltd., A/c. 0171110000000558	717,344	9,817
	Dutch-Bangla Bank Ltd., A/c. 01711100000004368	-	1,467
	Prime Bank Ltd., A/c. 13811080001786	30,785	5,251
	Shahjalal Islami Bank Ltd., A/c. 401211100004674	-	65,780
	NRB Bank Ltd., A/c. 1021030033112	4,951	61,933
	UCBL, A/c. 012011100001602	-	2,353
		<u>5,806,103</u>	<u>4,972,695</u>
9.00	<b>Authorized Share Capital</b>	<b>1,000,000,000</b>	<b>1,000,000,000</b>
	100,000,000 Ordinary Shares of Tk. 10 each		
10.00	<b>Shareholder's Equity</b>	<b>621,427,804</b>	<b>600,181,902</b>
	This is made up as follows:		
	10.01 Issued, Subscribed & Fully Paid up Share Capital	521,525,000	521,525,000
	10.02 Revaluation Surplus	31,632,926	33,885,000
	10.03 Retained Earnings	68,269,878	44,771,902
		<u>621,427,804</u>	<u>600,181,902</u>
10.01	<b>Issued, Subscribed &amp; Fully paid up Share Capital</b>	<b>521,525,000</b>	<b>521,525,000</b>
	Details are given below:		
	28,500,000 Ordinary shares of Tk. 10 each issued for cash	285,000,000	285,000,000
	2,850,000 Issue of Bonus Shares of Tk. 10 each	28,500,000	28,500,000
	14,000,000 Issue of new shares against IPO of Tk. 10 each share	140,000,000	140,000,000
	6,802,500 Issue of Bonus Shares of Tk. 10 each share	68,025,000	68,025,000
	52,152,500 Ordinary shares of Tk. 10 each issued for cash and bonus	<u>521,525,000</u>	<u>521,525,000</u>

#### 10.1.1 Percentage of Share Holding Position of Different Shareholders

Nature of Shareholders	No. of shares holding		Percentage of share holding		Amount in Taka	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Director/Sponsor	5,211,777	4,682,207	9.99%	8.98%	52,117,770	46,822,070
General Shareholders	46,940,723	47,470,293	90.01%	91.02%	469,407,230	474,702,930
	52,152,500	52,152,500	100%	100%	521,525,000	521,525,000

**Details are given below:**

SL. No.	Name of the shareholders	Position	No. of shares holding	Percentage of share holding	Amount in Taka	
					30.06.2018	30.06.2017
1	Mahmudul Hasan	Chairman	1,243,500	2.38%	12,435,000	0
2	Enamul Kabir, FCA	Director & Vice Chairman	2,088,040	4.00%	20,880,400	0
3	Md. Nuruddin	Nominee Director of Eurodesch Consumer Products				
4	Zahedul Haque	Sponsor	1,880,232	3.61%	18,802,320	18,802,320
5	Abul Hasan Masud	Sponsor	5	0.00%	50	0
6	Anis Ahmed	Ex-Chairman	0	0.00%	0	17,520,250
7	Mrs. Syeda Sayma	Ex Director	0	0.00%	0	10,499,500
8	General Shareholders	Shareholder	46,940,723	90.01%	469,407,230	474,702,930
			<b>52,152,500</b>	<b>100%</b>	<b>521,525,000</b>	<b>521,525,000</b>

**10.1.2 Securities of the Company Owned by the top Salaied Officers are given below:**

SL. No.	Name of the shareholders	Position	No. of shares holding	Percentage of share holding	Amount in Taka	
					30.06.2018	30.06.2017
1	Mr.Zahedul Haque	Ex-Managing Director	0	0.00%	0	18,802,320
2	Mrs. Zinia Akter	Company Secretary	1,000	0.002%	10,000	0
			1,000	0.002%	10,000	18,802,320

**No shares are held by all other officers except above one officer as a group.**

**10.1.3 Classification of Shareholders by Holding**

Nature of Shareholders	No. of shares holding		Number of shareholders		Amount in Taka	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Less than 500 Shares	282,820	314,171	1,260	1,290	2,828,200	3,141,710
500 to 5,000 Shares	4,817,386	4,762,303	2,687	2,971	48,173,860	47,623,030
5,001 to 10,000 Shares	3,692,452	3,156,079	478	415	36,924,520	31,560,790
10,001 to 20,000 Shares	3,958,623	4,156,192	272	291	39,586,230	41,561,920
20,001 to 30,000 Shares	2,709,791	2,238,625	109	91	27,097,910	22,386,250
30,001 to 40,000 Shares	1,589,764	2,379,429	46	68	15,897,640	23,794,290
40,001 to 50,000 Shares	2,096,731	1,589,256	45	35	20,967,310	15,892,560
50,001 to 100,000 Shares	6,500,917	6,330,176	91	95	65,009,170	63,301,760
100,001 to 1,000,000 Shares	14,434,083	16,613,413	47	83	144,340,830	166,134,130
Over 1000,000 Shares	12,069,933	10,612,856	8	7	120,699,330	106,128,560
	<b>52,152,500</b>	<b>52,152,500</b>	<b>5,043</b>	<b>5,346</b>	<b>521,525,000</b>	<b>521,525,000</b>

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>10.02 Revaluation Surplus</b>	<b>31,632,926</b>	<b>33,885,000</b>
This is made up as follows:		
Opening Balance	33,885,000	36,358,123
Add: Reserved made during the year	0	0
	33,885,000	36,358,123
Less: Adjustment for depreciation	(2,252,074)	(2,473,123)
	<b>31,632,926</b>	<b>33,885,000</b>
<b>10.03 Retained Earnings</b>	<b>68,269,878</b>	<b>44,771,902</b>
This is made up as follows:		
Opening Balance	44,771,902	72,132,400
Add: Net Profit/(Loss) After Tax for the year	21,245,902	(29,833,621)
Add: Revaluation Surplus	2,252,074	2,473,123
	<b>68,269,878</b>	<b>44,771,902</b>

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>11.00 Non-Current Liabilities</b>	<b>114,414,922</b>	<b>119,598,215</b>
This is made up as follows:		
11.01 Long Term Loan	58,504,892	61,844,288
11.02 Deferred Tax Liabilities	55,910,030	57,753,927
	114,414,922	119,598,215
<b>11.01 Long Term Loan</b>	<b>58,504,892</b>	<b>61,844,288</b>
This is made up as follows:		
NRB Bank Limited	49,951,301	50,150,835
United Finance Limited	8,298,096	11,032,409
Nitol Motors Limited	255,495	661,044
	58,504,892	61,844,288
<b>11.02 Deferred Tax Liabilities</b>	<b>55,910,030</b>	<b>57,753,927</b>
This is made up as follows:		
Opening Balance	57,753,927	55,737,871
Add: Provision/(Income) made during the year 11.2.1	(1,843,897)	2,016,056
	55,910,030	57,753,927
Less: Adjustment during the year	-	-
	55,910,030	57,753,927

**Deferred Tax Liability as on 30.06.2018 is arrived at as follows:**

Particulars	As per Accounting Base	As per tax Base	Temporary Difference Taxable/ (Deduction)
<b>A. Property, Plant &amp; Equipment</b>	<b>312,928,226</b>	<b>138,822,315</b>	<b>174,105,911</b>
Land	10,331,738	10,331,738	-
Other than Land	302,596,488	128,490,577	174,105,911
<b>Tax Rate</b>			
On Land			15%
On Other than Land			25%
<b>Deferred Tax Liability (A)</b>			
For Land			0
For Other than Land			43,526,478
<b>Deferred Tax Liability for Normal Temporary Difference</b>			43,526,478
<b>Revaluation of Property, Plant &amp; Equipment</b>		59,801,514	59,801,514
Revalued value of Land		25,668,262	25,668,262
Revalued value of Other than Land		34,133,252	34,133,252
<b>Tax Rate</b>			
On Land			15%
On Other than Land			25%
<b>Deferred Tax Liability (B)</b>			
For Land			3,850,239
For Other than Land			8,533,313
<b>Deferred Tax Liability for Normal Temporary Difference</b>			<b>12,383,552</b>
<b>Total Deferred Tax Liability as on 30.06.2018 (A+B)</b>			<b>55,910,030</b>



**Deferred Tax Liability as on 30.06.2017 is arrived at as follows:**

Particulars	As per Accounting Base	As per tax Base	Temporary Difference Taxable/ (Deduction)
<b>A. Property, Plant &amp; Equipment</b>	<b>373,280,889</b>	<b>194,051,463</b>	<b>179,229,426</b>
Land	10,331,738	10,331,738	
Other than Land	362,949,151	183,719,725	179,229,426
<b>Tax Rate</b>			
On Land			15%
On Other than Land			25%
<b>Deferred Tax Liability (A)</b>			
For Land			0
For Other than Land			44,807,357
<b>Deferred Tax Liability for Normal Temporary Difference</b>			<b>44,807,357</b>
<b>B. Revaluation of Property, Plant &amp; Equipment</b>		62,053,588	62,053,588
Revalued value of Land		25,668,262	25,668,262
Revalued value of Other than Land		36,385,326	36,385,326
<b>Tax Rate</b>			
On Land			15%
On Other than Land			25%
<b>Deferred Tax Liability (B)</b>			
For Land			3,850,239
For Other than Land			9,096,331
<b>Deferred Tax Liability for Normal Temporary Difference</b>			<b>12,946,570</b>
<b>Total Deferred Tax Liability as on 30.06.2017 (A+B)</b>			<b>57,753,927</b>

**11.2.1 Deferred Tax Expenses/(Income) for the year ended 30th June, 2018**

Deferred Tax Liability as on 30th June, 2018	55,910,030
Deferred Tax Liability as on 30th June, 2017	57,753,927
<b>Deferred Tax Expenses/(Income)</b>	<b>(1,843,897)</b>

**Deferred Tax Expenses/(Income) for the year ended 30th June, 2017:**

Deferred Tax Liability as on 30th June, 2017	57,753,927
Deferred Tax Liability as on 30th June, 2016	55,737,871
<b>Deferred Tax Expenses/(Income)</b>	<b>2,016,056</b>

Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of BAS-12 'Income Taxes'. Related deferred tax expenses / (income) have been disclosed in Note-20.

Deferred tax has been recognised to account for the tax consequence of transaction and other events recognised in the financial statements. Deferred tax expenses arise mainly due to difference in the carrying amount of the assets that will result in taxable amount in determining taxable profit or loss of future periods when the carrying amount of the assets would be recovered or settled.

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>12.00 Current Liabilities</b>	<b>84,678,180</b>	<b>73,682,141</b>
This is made up as follows:		
12.01 Payable to IPO Applicant	4,823,986	4,823,986
12.02 Current Portion of Long Term Loan	17,916,744	17,930,100
12.03 Short Term Loan	31,141,406	27,296,462
12.04 Trade and Other Payables	9,444,490	8,790,480
12.05 Provision for Contribution to W.P.P.F	2,482,095	1,300,136
12.06 Other Liabilities	18,869,459	13,540,977
	<b>84,678,180</b>	<b>73,682,141</b>



Particulars		Amount in Taka	
		30.06.2018	30.06.2017
12.01	<b>Payable to IPO Applicant</b>	<b>4,823,986</b>	<b>4,823,986</b>
	It indicates the total balance of Payable to IPO Applicant as on 30th June, 2018.		
12.02	<b>Current Portion of Long Term Loan</b>	<b>17,916,744</b>	<b>17,930,100</b>
	This is made up as follows:		
	NRB Bank Limited	7,980,000	7,980,000
	United Finance Limited	9,711,300	9,711,300
	Nitol Motors Limited	225,444	238,800
		17,916,744	17,930,100
12.03	<b>Short Term Loan</b>	<b>31,141,406</b>	<b>27,296,462</b>
	This is made up as follows:		
	Overdraft (NRB Bank Ltd.)	24,386,733	21,148,597
	Demand Loan (NRB Bank Ltd.)	6,754,673	6,147,865
		31,141,406	27,296,462
12.04	<b>Trade and Other Payables</b>	<b>9,444,490</b>	<b>8,790,480</b>
	This is made up as follows:		

Particulars		Amount in Taka	
		30.06.2018	30.06.2017
	Adarsha Packaging Store	-	113,727
	Bandhu Engineering Workshop	15,000	-
	Bangladesh Association of Publicly Listed Companies	30,000	-
	BD Lift Limited	-	30,000
	Bhumika Corporation	28,000	30,000
	Biniyog Barta	46,000	-
	Biswas Traders	394,489	25,000
	Borak Sanitary	1,450	28,000
	Cold Air Refrigeration & Air Condition	-	23,000
	Feedback Control & Automation	10,000	394,489
	Freedom Trade Link	27,000	34,050
	Habib Enterprise	345,000	30,000
	Jamal Tawhid	68,000	-
	Jamuna Fire Fighting	3,243	40,000
	International Automation Technologies	-	27,000
	Legend Power Limited	37,000	370,000
	Md. Aminul Islam (Liability)	40,000	88,404
	Md. Zafor - Factory	-	4,820
	Md. Tofazzul - Chinese Inrepretor	-	40,000
	Media Circle Marketing Solution	70,155	129,000
	Jony Transport & Trading	82,000	40,000
	M/s. Shofik Enterprise	241,000	100,000
	M/s. Shapla Trading	-	30,000
	M/s S.R Impex Co.	100,000	115,155
	Nahid Enterprise	285,949	482,000
	National Art Press	-	1,077,582
	Packaging Emporium	-	796,500
	Pacific Enterprise	90,620	139,000
	Dana Power Company Ltd.	-	723,400
	Quest Accessories BD Ltd.	-	410,940

Rahman Enterprise	320,720	34,800
Riana Trading Corporation	198,000	110,620
Robiul Refrigeration & Air Condition	-	30,500
Rokeya Begum -Liability	53,820	279,500
Salma Art Press	-	370,720
S.F. International	-	325,850
Shah Amanat Polithine Store	793,000	10,000
Shahida Enterprise	9,920	45,000
Square informatix Ltd.	39,000	96,855
Sun Yad Poly Vinyl Industries Ltd.	211,390	100,500
Super Cooling Engineering & Refregeration	12,000	1,277,240
The Tool Master & Engineering Co.	11,000	9,920
Wave Tech Engineering	30,000	-
Continent Express	2,500	39,000
Dainik Arthoniteer Kagoj	46,000	623,908
Ekushe Express	3,500	12,000
Eurodesch Feed Mills Ltd.	5,042,734	72,000
Faith Courier Service	4,200	30,000
Shahjalal Courier Service	3,700	-
Share Biz Korcha	17,000	-
Shurwid Industries Employees Provident Fund	725,000	-
SME Foundation	1,000	-
Samoy Express Ltd.	3,300	-
Speed Express	1,800	-
	<b>9,444,490</b>	<b>8,790,480</b>

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>12.05 Provision for Contribution to W.P.P.F</b>	<b>2,482,095</b>	<b>1,300,136</b>
This is made up as follows:		
Balance as on 01.07.2017	1,300,136	1,300,136
Add: Provision made during the year	1,181,959	0
	<b>2,482,095</b>	<b>1,300,136</b>
Less: Payments to workers during the year	0	0
Balance as on 30.06.2018	<b>2,482,095</b>	<b>1,300,136</b>

Worker's Profit Participation Fund has been created by the Company which is five percent (5%) of net profit before tax after charging the contribution to W.P.P.F as per Section 232, 233, 234, 235, 240, 241, 242, 243, 248, 249 and 250 of the Bangladesh Labor Law 2006. Under this law a trusty board is formed and registered for maintenance of this fund.

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>12.06 Other Liabilities</b>	<b>18,869,459</b>	<b>13,540,977</b>
This is made up as follows:		
Provision for Income Tax 12.6.1	5,368,189	1,277,198
Provision for Investment Fluctuation in Shares 12.6.2	337,500	337,500
Provision for Doubtful Debts 12.6.3	7,520,125	7,520,125
Liabilities for Accrued Expenses 12.6.4	5,643,645	4,406,154
	<b>18,869,459</b>	<b>13,540,977</b>

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>12.6.1 Provision for Income Tax</b>	<b>5,368,189</b>	<b>1,277,198</b>
This is made up as follows:		
<b>A. Provision</b>		
Balance at 1st July, 2017	17,057,130	17,794,430
Add: Provision made during the year	4,237,176	317,995
	21,294,306	18,112,425
Less: Settlement of previous year's liability	0	1,055,295
Balance at 30th June, 2018	21,294,306	17,057,130
<b>B. Advance tax</b>		
Balance at 1st July, 2017	15,779,932	15,958,940
Add: Provision made during the year	146,185	876,287
	15,926,117	16,835,227
Less: Adjustment during the year	0	1,055,295
Balance at 30th June, 2018	15,926,117	15,779,932
Net Liabilities at 30th June, 2018 (A-B)	5,368,189	1,277,198
<b>12.6.2 Unrealized Gain / (Loss) on Investment on Shares</b>	<b>337,500</b>	<b>337,500</b>
This is made up as follows:		
Balance at 1st July, 2017	337,500	0
Add: Provision made during the year	0	337,500
	337,500	337,500
Less: Adjustment made during the year	0	0
	337,500	337,500
<b>12.6.3 Provision for Doubtful Debts</b>	<b>7,520,125</b>	<b>7,520,125</b>
This is made up as follows:		
Balance at 1st July, 2017	7,520,125	0
Add: Provision made during the year	0	7,520,125
	7,520,125	7,520,125
Less: Adjustment made during the year	0	0
	7,520,125	7,520,125
<b>12.6.4 Liabilities for Accrued Expenses</b>	<b>5,643,645</b>	<b>4,406,154</b>
This is made up as follows:		
Particulars	30.06.2018	30.06.2017
Salaries and Allowances	952,105	891,836
Remuneration Payable	300,000	600,000
Audit & Consultancy Fees	30,000	130,000
Telephone and Mobile Bill	0	8,200
Provident Fund Payable	67,137	47,536
Gas Charges	568,757	423,897
Electricity Charges	3,573,118	474,480
Godown Rent Payable	0	71,500
TDS Payable	74,528	56,606
VDS Payable	78,000	39,000
The Daily Samakal	0	51,200
The Financial Express	0	10,000
The News Today	0	20,000
Courier Service	0	34,363
Contribution to Provident Fund Payable	0	47,536
Shurwid Industries Employees Provident Fund	0	1,500,000
	5,643,645	4,406,154

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
<b>13.00 Net Asset Value (NAV) per Share</b>	<b>11.92</b>	<b>11.51</b>
This is made up as follows:		
Total Assets	820,520,906	793,462,258
Less: Total Outside Liabilities	(199,093,102)	(193,280,356)
<b>Net Assets</b>	<b>621,427,804</b>	<b>600,181,902</b>
Divided by Number of Ordinary Shares	52,152,500	52,152,500
<b>Net Asset Value (NAV) per Share</b>	<b>11.92</b>	<b>11.51</b>

Particulars	Amount in Taka	
	01.07.2017 to 30.06.2018	01.07.2016 to 30.06.2017
<b>14.00 Sales (Net of VAT)</b>	<b>152,986,875</b>	<b>105,998,275</b>
This is made up as follows:		
Food Grade PVC, PP & PS	152,986,875	105,998,275
	152,986,875	105,998,275
<b>14.01 Food Grade PVC, PP &amp; PS</b>	<b>152,986,875</b>	<b>105,998,275</b>
This is made up as follows:		

Food Grade PVC, PP & PS	Note	Amount in Taka	Amount in Taka
With VAT	14.1.1	8,139,056	18,648,623
Without VAT	14.1.2	144,847,819	87,349,652
		152,986,875	105,998,275

<b>14.1.1 With VAT</b>	<b>8,139,056</b>	<b>18,648,623</b>
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This is made up as follows:

Food Grade PVC, PP & PS	Quantity (Pcs.)	Average Rate	Total Sales	VAT (Tk.)	Amount in taka	Amount in taka
Container-5.25"(All size of mm)	18,919	6.51	123,163	18,474	104,688	4,870,244
Container-4.00"(All size of mm)	30,438	4.73	143,972	21,596	122,376	1,189,280
ICE Cup-Unprinted	10,893,380	0.57	6,209,227	931,384	5,277,843	4,879,337
ICE Cup-Printed	2,683,116	1.16	3,098,999	464,850	2,634,149	5,271,499
ICE Cup Lid		0	0	0		1,617,775
Biscuit Tray	-	-	0	0	0	820,488
			9,575,361	1,436,304	8,139,056	18,648,623

<b>14.1.2 Without VAT</b>	<b>144,847,819</b>	<b>87,349,652</b>
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This is made up as follows:

Food Grade PVC, PP & PS	Quantity (Pcs.)	Average Rate	Total Sales	VAT (Tk.)	Amount in taka	Amount in taka
Lunch Box O/W-L	504,171	1.70	857,091	-	857,091	688,789
Lunch Box O/W-XL-1	1,361,552	2.40	3,267,725	-	3,267,725	2,953,848
Lunch Box O/W-XL-2	600,734	3.00	1,802,202	-	1,802,202	1,471,740
Lunch Box Glass Clear-L	521,373	3.00	1,564,119	-	1,564,119	1,452,615
Lunch Box Glass Clear-XL-1	712,531	3.00	2,137,593	-	2,137,593	1,561,650
Lunch Box Glass Clear-XL-2	439,620	3.00	1,318,860	-	1,318,860	1,692,753
Colure Plate-L	1,800,032	0.98	1,764,031	-	1,764,031	1,253,580
Colure Plate-XL	2,042,817	3.15	6,434,874	-	6,434,874	3,287,554
Container-5.25"-All Size	89,221	5.21	464,841	-	464,841	0

Food Grade PVC, PP & PS	Quantity (Pcs.)	Average Rate	Total Sales	VAT (Tk.)	Amount in taka	Amount in taka
Container-4.00"-All Size	6,503	5.15	33,490	-	33,490	0
Coffee Cup-(T/P)	5,975,989	0.52	3,107,514	-	3,107,514	8,291,917
Coffee Cup-(O/W)	21,651,661	0.52	11,258,864	-	11,258,864	4,805,717
Ice Cup-Printed	500,000	1.10	550,000	-	550,000	0
1 Kg. Bati-OW	1,673,952	7.00	11,717,664	-	11,717,664	10,127,332
Rimber Brush Cover	2,350,000	2.50	5,875,000	-	5,875,000	0
Water Cup-Printed	6,029,564	1.22	7,336,321	-	7,336,321	2,478,160
Water Cup-OW	9,200,600	1.08	9,949,444	-	9,949,444	4,395,345
Water Cup-TP	45,976,645	1.17	53,939,998	-	53,939,998	34,077,628
1/2 Kg. Bati - OW	1,348,300	5.06	6,822,398	-	6,822,398	1,762,398
1 Kg. Bati - TP	889,000	7.20	6,400,800	-	6,400,800	4,231,080
1/2 Kg. Bati - TP	1,601,000	5.15	8,244,990	-	8,244,990	2,817,546
			144,847,819	-	144,847,819	87,349,652

Particulars	Amount in Taka	
	01.07.2017 to 30.06.2018	01.07.2016 to 30.06.2017

15.00 **Cost of Goods Sold** **109,314,104** **98,600,432**

This is made up as follows:

Particulars	Note	Amount in Taka	
Opening Stock of Raw Materials		9,582,501	16,544,984
Add: Raw Material Purchased during the period	15.01	13,981,153	25,863,043
<b>Raw Materials available for use</b>		<b>23,563,654</b>	<b>42,408,027</b>
Less: Closing Stock of Raw Materials	8.1.1	(7,975,587)	(9,582,501)
<b>Raw Materials Consumed</b>		<b>15,588,067</b>	<b>32,825,526</b>
Add: Packing Materials Consumed	15.2	669,710	310,274
Add: Direct Expenses	15.3	4,687,181	4,311,319
<b>Prime cost</b>		<b>20,944,958</b>	<b>37,447,119</b>
Add: Manufacturing Overhead	15.4	30,291,149	33,697,232
<b>Total Manufactured cost</b>		<b>51,236,107</b>	<b>71,144,351</b>
Add: Opening Work in Progress		55,971,560	71,703,496
<b>Cost of Goods Process during the year</b>		<b>107,207,667</b>	<b>142,847,847</b>
Less: Closing Work in Progress	8.1.2	(2,679,739)	(55,971,560)
<b>Cost of Goods Manufactured</b>		<b>104,527,928</b>	<b>86,876,287</b>
Add: Opening Finished Goods		5,485,893	17,210,038
<b>Cost of Goods available for sales</b>		<b>110,013,821</b>	<b>104,086,325</b>
Less: Closing Finished Goods		(699,717)	(5,485,893)
<b>Cost of Goods Sold</b>		<b>109,314,104</b>	<b>98,600,432</b>
<b>15.01 Raw Material Purchased</b>		<b>13,981,153</b>	<b>25,863,043</b>
This is made up as follows:			
15.1.1 Foreign Purchase		0	18,402,020
15.1.2 Local Purchase		13,981,153	7,461,023
		13,981,153	25,863,043
<b>15.1.1 Foreign Purchase</b>		<b>0</b>	<b>18,402,020</b>
This is made up as follows:			
PVC Resin		0	1,763,391
PP Resin		0	16,638,629
		0	18,402,020

<b>Particulars</b>		<b>Amount in Taka</b>	
<b>15.1.2 Local Purchase</b>		<b>13,981,153</b>	<b>7,461,023</b>
This is made up as follows:			
PP Resin		10,925,667	5,750,351
PVC Resin		0	1,031,892
PS Resin		912,690	101,410
Advastab		0	0
Calcium Carbonate		175,500	65,000
Lubricants (Internal & External		377,180	0
Processing Aid		0	0
Impact Modifier M-31		0	0
Finawax PE 3 & Finawax C		17,420	13,400
Epoxi oil		168,000	56,000
Stearic Acid		6,760	5,200
PP Compound		502,800	125,700
Masterbatch		471,387	224,470
PVC Film for Container		309,869	0
Titanium Di-Oxide		113,880	87,600
		13,981,153	7,461,023
<b>Particulars</b>		<b>Amount in Taka</b>	
		<b>01.07.2017 to 30.06.2018</b>	<b>01.07.2016 to 30.06.2017</b>
<b>15.02 Packing Materials Consumed</b>		<b>669,710</b>	<b>310,274</b>
This is made up as follows:			
Opening Stock of Packing Materials		1,697,228	1,428,162
Add: Packing Materials Purchased during the year		413,400	579,340
Packing Materials available for use		2,110,628	2,007,502
Less: Closing Stock of Packing Materials		(1,440,918)	(1,697,228)
Packing Materials Consumed		669,710	310,274
<b>15.03 Direct Expenses</b>		<b>4,687,181</b>	<b>4,311,319</b>
This is made up as follows:			
Wages		4,385,033	3,988,456
Carriage inward		203,481	79,722
Spare Parts	15.3.1	98,667	243,141
		4,687,181	4,311,319
<b>15.3.1 Spare Parts Consumed</b>		<b>98,667</b>	<b>243,141</b>
This is made up as follows:			
Opening stock of Spare Parts		0	243,141
Add: Spare Parts purchased during the year		98,667	0
<b>Spare Parts available for use</b>		98,667	243,141
Less: Closing stock of Spare Parts		0	0
		98,667	243,141
<b>15.04 Manufacturing Overhead</b>		<b>30,291,149</b>	<b>33,697,232</b>
This is made up as follows:			
<b>Particulars</b>		<b>Amount in Taka</b>	
Indirect Wages		141,439	235,732
Repairs & Maintenance		130,487	128,419
Gas Bill		1,967,796	1,610,085
Entertainment		22,360	22,514

Medical Expenses	7,580	5,332
Telephone and Mobile Bill	49,200	25,920
Electricity Bill	5,920,338	8,580,168
Conveyance	137,887	40,365
Contribution to Provident Fund	0	85,198
Godown Rent	561,600	514,800
Cleaning & Washing Expenses	31,226	27,273
Bonus	20,750	20,750
Labor Charge	309,464	63,133
Uniform and Leverage	2,450	15,610
Over Time	1,060,613	0
Fire Insurance Premium	270,235	887,829
Fuel, Oil & Lubricants	494,216	302,821
Printing & Stationary	50,660	48,558
Electrical Materials	34,664	27,865
Loading and Unloading Expenses	2,100	4,849
Miscellaneous Expenses	270,794	59,230
Internet Bill	30,000	30,000
Depreciation	18,775,290	20,960,781
	<b>30,291,149</b>	<b>33,697,232</b>

Particulars	Amount in Taka	
	01.07.2017 to 30.06.2018	01.07.2016 to 30.06.2017
<b>16.00 Administrative Expenses</b>	<b>12,227,117</b>	<b>15,547,589</b>

This is made up as follows:

Particulars	Amount in Taka	
Salaries & Allowance	3,866,824	4,513,318
Meeting Expenses	97,605	48,000
Annual Listing Fee	521,526	521,526
Bonus	368,250	440,492
Cleaning & Washing	3,101	11,499
Contribution to Provident Fund	6,216	44,905
Initial Listing Fees	0	0
Office Rent	312,000	992,000
Fair Expenses	0	52,050
Fuel, Oil & Lubricants	108,680	210,592
Office Expenses	76,829	52,203
Directors Remuneration	0	1,800,000
Audit Fees	100,000	100,000
Legal & Professional Charges	250,000	250,000
Telephone, Mobile and Fax Bill	72,026	109,262
TDS on Salary	0	0
Garage Rent	68,200	101,200
Gift, Donation & Subscription	65,200	34,805
Internet Bill	106,500	102,000
Postages & Courier Charges	33,589	25,433
Professional Expenses	0	75,000
Electricity Charges	90,975	123,156
Conveyance	202,717	102,403

Computer Accessories	9,650	37,615
Insurance Charges	440	3,467
Entertainment	23,658	95,763
Iftar Bill	11,760	12,884
Printing & Stationery	52,129	79,494
Travels & Tours	0	3,370
News Paper & Periodicals	1,480	3,900
Repairs & Maintenance	70,340	14,690
Stamp Expenses	3,050	0
Showroom Rent	0	0
Registration & Renewals	23,906	4,606
Medical Expenses	2,961	0
Bank Charges	0	0
Documentation Charges	0	30,740
Miscellaneous Expenses	260,794	140,000
Warehouse Rent	558,000	171,021
Lunch Expenses	164,889	0
Depreciation	4,693,822	5,240,195
	<b>12,227,117</b>	<b>15,547,589</b>

Particulars		Amount in Taka	
17.00	<b>Selling and Distribution Expenses</b>	<b>928,080</b>	<b>846,643</b>
	This is made up as follows:		
	Advertisements	0	231,625
	Sample Expenses	52,886	25,109
	Business Promotion Expenses	187,005	126,530
	Carriage Outwards	489,552	340,078
	Sales Discount	198,637	123,301
		<b>928,080</b>	<b>846,643</b>

Particulars		Amount in Taka	
		01.07.2017 to 30.06.2018	01.07.2016 to 30.06.2017
18.00	<b>Non-Operating Income</b>	<b>587,726</b>	<b>25,340</b>
	This is made up as follows:		
	Bank Interest	11,346	25,340
	Other Income	576,380	0
19.00	<b>Financial Expenses</b>	<b>6,284,160</b>	<b>10,670,897</b>
	This is made up as follows:		

Particulars		Amount in Taka	
	Interest on Factoring & Lease	2,111,230	1,789,360
	L/C Commission	0	408,873
	Interest on Term Loan, Demand Loan & Ovedraft	4,172,930	8,472,664
		<b>6,284,160</b>	<b>10,670,897</b>
20.00	<b>Income Tax Expenses</b>	<b>2,393,279</b>	<b>2,334,050</b>
	This is made up as follows:		
	Current Tax	4,237,176	317,995
	Deferred Tax	(1,843,897)	2,016,055
		<b>2,393,279</b>	<b>2,334,050</b>



<b>Particulars</b>		<b>Amount in Taka</b>	
21.00	<b>Earning Per Share (EPS)</b>	<b>0.41</b>	<b>(0.57)</b>
	This is made up as follows		
	Net Profit /(Loss) After Tax	21,245,902	(29,496,121)
	Other Comprehensive Income/(Loss)	0	(337,500)
	Profit Attributable to the Ordinary Shareholders	21,245,902	(29,833,621)
	Weighted Average Number of Ordinary Shares	52,152,500	52,152,500
	Earning Per Share	0.41	(0.57)

Earnings Per Share is calculated in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

Basic earnings per share has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year. Weighted average number of ordinary shares outstanding during the year was 52,152,500.

Net profit after tax and EPS are increased because of turnover is increased, expenses is decreased by the good management.

## 22.00 **Weighted Average Number of Ordinary Shares**

This is made up as follows

<b>Particulars</b>	<b>Share Numbers</b>	<b>Outstanding Period</b>	<b>Length in Days</b>	<b>Daly Prodct</b>	<b>Yearly Product Weighted Average number of share</b>	
Shares at beginning	52,152,500	July - June	365	1,825,337,500	52,152,500	52,152,500
<b>Total</b>		<b>52,152,500</b>			<b>52,152,500</b>	<b>52,152,500</b>

## 23.00 **Transaction with Related Parties**

As per note 3.11 of financial statements with related parties are as follows:

- (i) There is no long term unsecured loan taken from directors (including managing directors) or sponsors of the company. Except for loan taken from Eurodesch Feed Mills Ltd. as follows:

<b>Sl. No.</b>	<b>Loan taken from</b>	<b>Common Director</b>	<b>Amount in Taka</b>
1	Eurodesch Feed Mills Ltd.	Engr. Mahmudul Hasan	5,042,734

- (ii) No loan has been given to any Director or sponsor shareholders of the company;
- (iii) No Office rent amount is received by any of the Directors or Sponsors of the company;
- (iv) There is no compensation for Chairman, Directors and Managing Director in total and for each of the following categories:
- Short-term employee benefits;
  - Post employment benefits;
  - Other long term benefits;
  - Termination benefits; and
- (e) Share based payment, except former managing director Mr. Zahedul Hoque has taken salary of Tk. 300,000.00 as an employee from the company during the financial year 2017-2018 and was using a Toyota Aliyan Car Registration No. Dhaka Metro GA-207465 purchase by the company as of date 5th October, 2017.

## 24.00 **Contingent Assets:**

There was no Contingent Assets as on 30th June, 2018.

## 25.00 **Contingent Liabilities:**

There was no Contingent Liability as on 30th June, 2018.

**26.00 Claim against the Company:**

Claim against tax Tk. 1,724,159 under Income Tax Ordinance, 1984 Section 143 which is to be acknowledged as debt as on 30th June, 2018.

**27.00 Attendance Status of Board Meeting of Directors**

During the year there was nine Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Position	Duration Period	Meeting Held	Attended
Anis Ahmed	Ex-Chairman	01.07.2017-05.10.2017	1	1
Mahmudul Hasan	Chairman	06.10.2017-30.06.2018	8	8
Zahedul Haque	Ex-M.D.	01.07.2017-05.10.2017	1	1
Syeda Sayma Akter	Ex-Director	01.07.2017-05.10.2017	1	1
Md. Nuruddin	Director	06.10.2017-30.06.2018	8	8
Nauman Rasheed Chowdhury	Ex-Director	06.10.2017-02.11.2017	2	1
Enamul Kabir, FCA	Director	14.11.2017-30.06.2018	6	6
Mohammad Monirul Islam Khan	Ex-Indp.Director	01.07.2017-05.10.2017	1	1
Munshi Moniruzzaman	Ex-Indp.Director	01.07.2017-05.10.2017	1	1
Saifuddin Md. Aminur Rahim	Indp.Director	28.04.2018-30.06.2018	0	0

**28.00 Disclosures as per requirement of Schedule XI, part II of the Companies Act, 1994**  
(Employee position as on 30th June, 2018)

**(A) Disclosure as per requirement of schedule XI, part II, Note 5 of Para 3**

Monthly Salary Range	Head Office	Factory	No. of Employees
Above 3,000	16	81	97
Below 3,000	0	0	0
Total	16	81	97

**(B) Disclosure as per requirement of Schedule XI, Part II, para 4**

Name	Position	Meeting Attending Fee	Allowance	Amount (Tk.)
Anis Ahmed	Ex-Chairman	0	0	0
Mahmudul Hasan	Chairman	0	0	0
Zahedul Haque	Ex-MD	0	0	0
Syeda Sayma Akter	Ex-Director	0	0	0
Md. Nuruddin	Director	0	0	0
Nauman Rasheed Chowdhury	Ex-Director	0	0	0
Enamul Kabir, FCA	Director	0	0	0
Mohammad Monirul Islam Khan	Ex-Independent Director	2,000	0	2,000
Munshi Moniruzzaman	Ex-Independent Director	2,000	0	2,000
Saifuddin Md. Aminur Rahim	Independent Director	0	0	0

**C) Information regarding accounts receivable, advance in line with Schedule XI**

i. Disclosure in line with 4(a) of Part I of Schedule XI

The details of trade receivable are given below

Sl. No.	Particulars	Amount (Tk.) 30.06.2018	Amount (Tk.) 30.06.2017
1	Within 3 Months	13,204,959	6,475,498
2	Within 6 Months	11,103,885	2,408,760
3	Within 12 Months	17,930,481	1,683,482
4	More than 12 Months	139,834,762	139,834,762
		182,074,087	150,402,502

- ii. Disclosure in line with 4(b) of Part I of Schedule XI  
There are no debts outstanding in this respect.

**Disclosure in line with instruction F of Part I of Schedule XI**

**F. In regard to sundry debtors the following particulars shall be given separately:**

**(I) Debt considered good in respect of which the company is fully secured**

Within six months trade debtors occurred in the ordinary course of business are considered good but no security given by the debtors.

**(II) Debt considered good for which the company holds no security other than the debtors' personal security**

Within six months trade debtors have arisen in the ordinary course of business in good faith as well as market reputation of the company for the above mentioned reasons no personal security taken from debtors.

**(III) Debts considered doubtful or bad**

The company considered more than one year debts are doubtful and no provision is created because the company has passed a special resolution for reduction of paid up capital as per Section 59 of the Companies Act, 1994 and after permission of the Honorable High Court the Company will adjust doubtful debts with the reduction of paid up capital.

**(IV) Debt due by directors or other officers of the company**

There is no debt due by directors or other officers of the company.

**(V) Debt due by common management**

There is no debt under common management.

**(VI) The maximum amount due by directors or other officers of the company**

There is no such debt in this respect.

**(D) Disclosure as per requirement of schedule XI, Part II, Para 7**

Details of Production Capacity Utilization:  
PVC/PP Food Grade Disposable (FGD) Items

Particulars	License Capacity (Not Mention)	Installed Capacity per Month Quantity (Pcs.)	Actual Production per Month (pcs)	% of Capacity Utilization	% of Excess / (Shortfall)
Food Grade Disposable	N/A	18,000,000	13,455,000	74%	26%

**(E) Disclosure as per requirement of schedule XI, Part II, para 8**

Value of import of Raw Materials under CIF basis as per requirement of Schedule XI

Particulars	Local Purchase (TK.)	Import (TK.)	Total purchase (TK.)	Consumption (TK.) on purchase	% of consumption on purchase
Raw Materials	13,981,153	0	13,981,153	6,005,566	43%
Total	13,981,153	0	13,981,153	6,005,566	43%

(F) **Schedule XI, Part II, Para 8(b) & Para 8(d) Foreign Currencies remitted during the year**

During the year under review the company did not remit any amount as dividend, technical know-how, royalty, professional consultation fees, interest and other matters either its shareholder or others.

29.00 **General Comments & Observations:**

- All shares have been fully called and paid up;
- There was no preference share issued by the company;
- The company has not incurred any expenditure in foreign currency against royalties and technical fees;
- Auditors are paid statutory and special audit fees;
- No foreign exchange remitted to the any shareholders during the year under audit; and
- No amount of money was expended by the company for compensating any members of the Board for special service rendered.



A. HOQUE & CO.  
CHARTERED ACCOUNTANTS

## SHURWID INDUSTRIES LIMITED

ANNEXURE NO. A

SCHEDULE OF FIXED ASSETS FOR THE YEAR ENDED 30TH JUNE, 2018

### (i) COST

PARTICULARS	COST			R A T E	DEPRECIATION			WRITTEN DOWN VALUE AS ON 30.06.2017
	BALANCE AS ON 01.07.2017	ADJUSTMENT DURING THE YEAR	ADDITION DURING THE YEAR		CHARGED DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL AS ON 30.06.2018	
Land & Land Development	10,331,738	-	-	0%	-	-	-	10,331,738
Factory Building	177,423,652	-	-	2%	3,209,400	-	20,163,053	157,260,599
Plant & Machinery	214,282,175	-	12,057,950	10%	13,034,954	6,237,270	90,730,318	130,349,541
Furniture and Fixture	1,600,854	-	-	10%	854,621	-	929,244	746,233
Office Equipment	3,529,241	-	-	10%	1,656,860	-	1,844,098	1,872,381
Generator	47,586,169	-	16,253,115	10%	15,203,775	8,999,016	9,442,998	32,382,394
Electric Installation	5,671,208	-	-	20%	4,425,902	-	4,674,963	1,245,306
Air Conditioner & Compressor	7,489,933	-	-	10%	3,450,282	-	3,854,247	4,039,651
Software & Webpage Development	116,000	-	-	20%	90,107	-	95,286	25,893
Vehicles	11,581,129	-	5,206,570	20%	5,530,753	168,762	4,014,502	6,050,376
Substation (Factory)	6,636,697	-	-	20%	3,408,607	-	4,054,225	3,228,090
<b>TOTAL</b>	<b>486,248,796</b>	<b>-</b>	<b>33,517,635</b>		<b>21,217,039</b>	<b>16,921,299</b>	<b>139,802,934</b>	<b>350,741,602</b>

### (ii) REVALUATION

PARTICULARS	REVALUATION			R A T E	DEPRECIATION			WRITTEN DOWN VALUE AS ON 30.06.2017
	BALANCE AS ON 01.07.2017	ADDITION DURING THE YEAR	ADJUSTMENT DURING THE YEAR		CHARGED DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL AS ON 30.06.2018	
Land & Land Development	25,668,262	-	-	0%	-	-	-	25,668,262
Factory Building	20,502,049	-	-	2%	348,827	-	3,409,506	17,441,370
Plant & Machinery	35,775,656	-	-	10%	20,381,197	-	20,398,899	88,510
Generator	8,043,094	-	-	10%	4,582,107	-	4,928,206	3,460,987
Electric Installation	528,119	-	-	20%	439,609	-	1,979,055	15,394,459
TOTAL	90,517,180	-	-		2,252,074	-	30,715,666	62,053,588
<b>TOTAL (i+ii)</b>	<b>576,765,976</b>	<b>-</b>	<b>33,517,635</b>	<b>-</b>	<b>23,469,113</b>	<b>16,921,299</b>	<b>170,518,600</b>	<b>412,795,190</b>



# SHURWID INDUSTRIES LTD.

H- 2, R-7, L-7, Rupayan Prime, Dhanmondi, Dhaka-1205.

## PROXY FORM

The Managing Director  
**Shurwid Industries Ltd.**  
H- 2, R-7, L-7, Rupayan Prime,  
Dhanmondi, Dhaka-1205.

Dear Sir,

I/we .....of..... being a  
member of Shurwid Industries Ltd. hereby appoint Mr./Ms.....  
.....of.....as my/our proxy to  
vote for me/us and on my/our behalf at the 14<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 6<sup>th</sup> December,  
2018 and at any adjournment thereof or at any ballot to be taken in consequence thereof.  
Signed this .....day of .....2018.

Revenue  
Stamp  
Tk. 10.00

Signature of Shareholder.....

Folio/BO No. ....

No. Of Shares Held.....

Signature of Proxy.....

### PLEASE NOTE:

1. This Form of Proxy, duly completed, must be deposited at least 72 hours before the meeting at the Company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder should agree with the Specimen Signature registered with the Company.

Signature Verified  
Authorized Signature



# SHURWID INDUSTRIES LTD.

H- 2, R-7, L-7, Rupayan Prime, Dhanmondi, Dhaka-1205.

## SHAREHOLDER'S ATTENDANCE SLIP

I hereby record my attendance at the 14<sup>th</sup> Annual General Meeting of the company being held on Thursday, 6<sup>th</sup> December,  
2018 at 'Meger Chaya' Convention Centre, Bimile, Konabari, Gazipur.

Name of Shareholder/Proxy.....

Folio/BO No. ....Dated.....

Authorized Signature.....

### PLEASE NOTE:

1. Shareholders attending the meeting in Person or by Proxy are requested to complete the attendance slip and deposit the same at the entrance of the Meeting Hall.

SHAREHOLDER/PROXY  
(Please Tick Above)



## **SHURWID INDUSTRIES LTD.**

H- 2, R-7, L-7, Rupayan Prime, Dhanmondi, Dhaka-1205.

**Factory:** Bi Mile, Konabari, Gazipur.

**Tel:** 9612213, 9612019, **Fax:** +880-2-9612019

**Email:** info@shurwid.com, **Web site:** www.shurwid.com