

Annual
Report
2018-2019



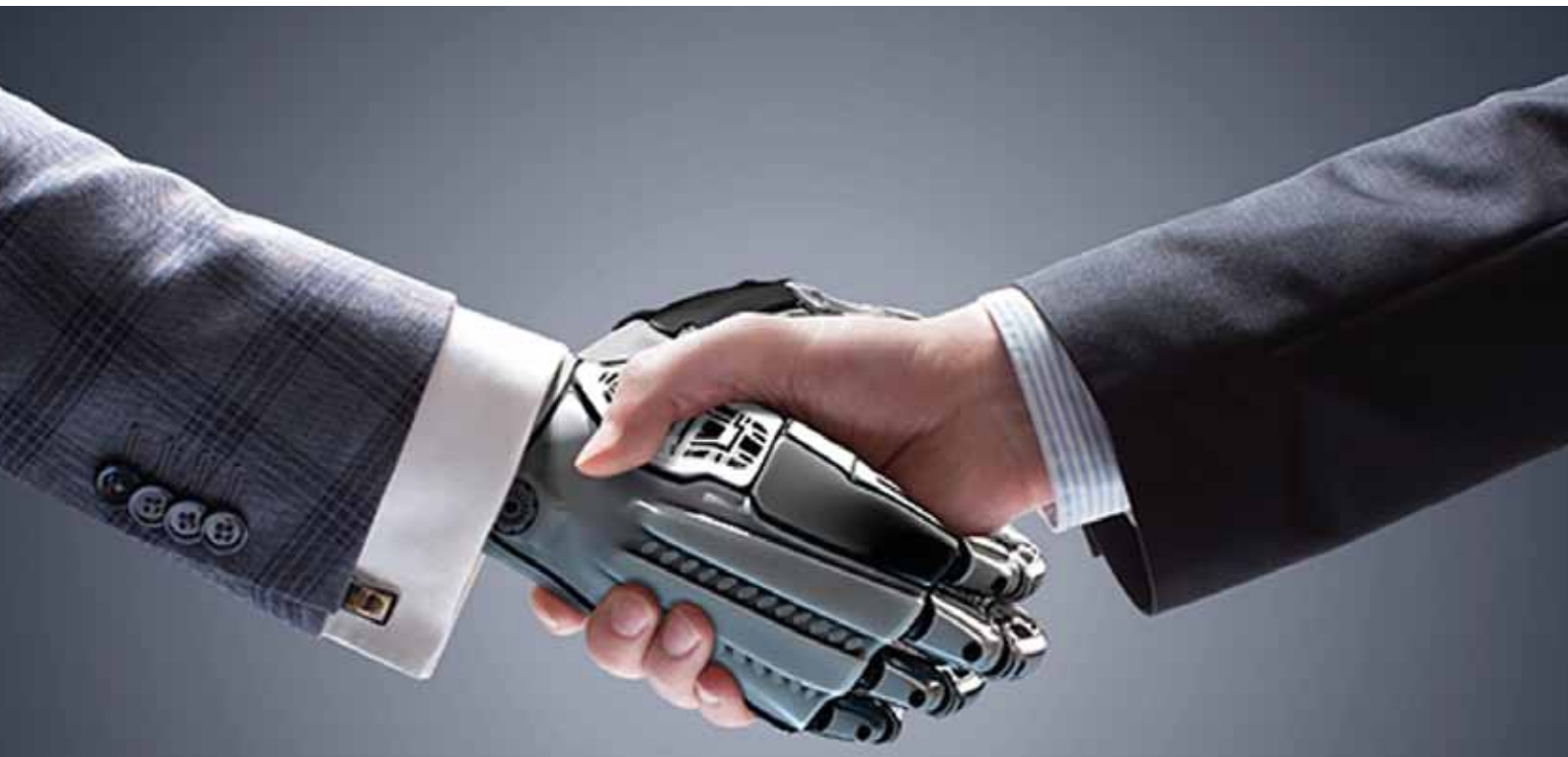
SHURWID INDUSTRIES LTD.

www.shurwid.org

Annual Report 2018 - 2019



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Transmittal Letter

Date: 15.12.2019

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, 2019.

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, 2019, Statement of Profit or loss and other comprehensive income, changes in Equity and Cash Flows for the year ended June 30, 2019 alongwith notes thereon for your record and necessary measures.

Your Sincerely

____ Sd/- _____

Zinia Akter

Company Secretary

NOTICE OF THE 15th ANNUAL GENERAL MEETING

Notice is hereby given to all shareholders of Shurwid Industries Limited that the 15th Annual General Meeting of shareholders of the Company will be held on 30th December 2019, Monday 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 30th June, 2019 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 30th June, 2019.
4. To appoint Auditors for the Year 2019-2020 and fix their remuneration.

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

Dated: Dhaka, 15.12.2019

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

Notes:

1. The "Record Date" is 24th November, 2019.
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 revenues 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 2018-2019 is available in the Company's website: www.shurwid.org
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.

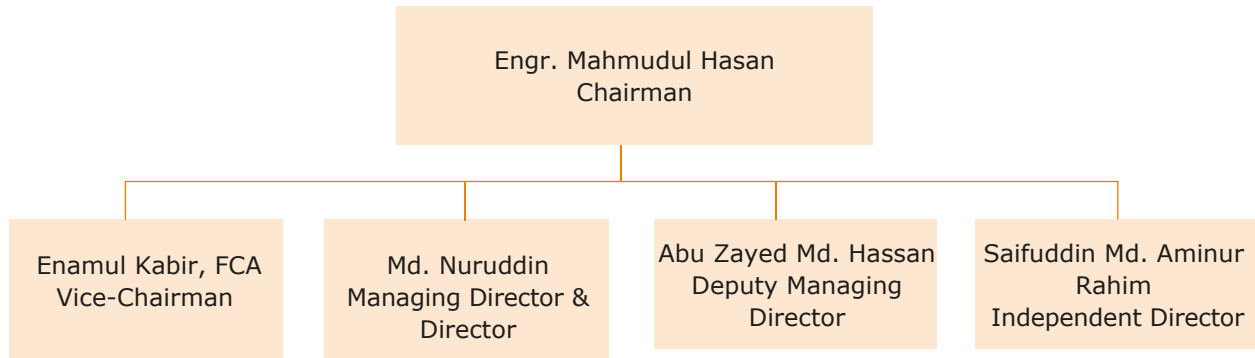
Mission

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.

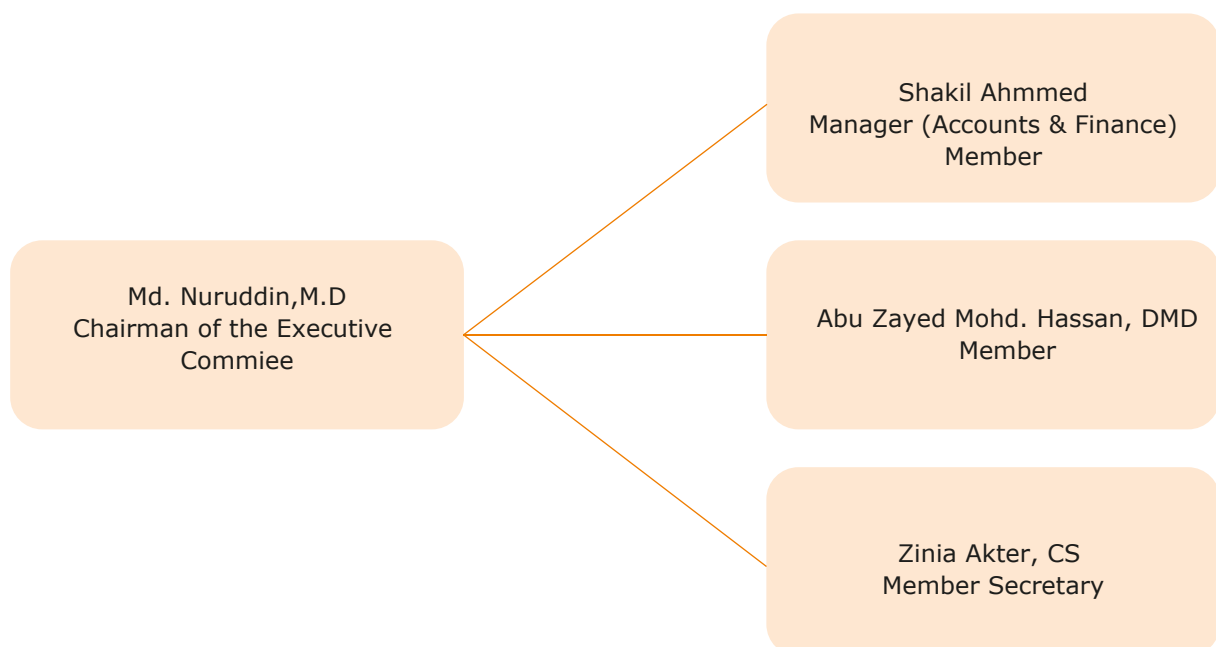
Business Activities

The principle activities of the Company are to carry on the business of manufacturing, developing, service providing and marketing of various products such as PVC film (Pharma grade) for medicine packaging (specially tablet & capsule), PP/ PS film (Food grade), disposable products, ITES (Information Technology Enabled Services), E-Commerce, E-Governance and various software for local and export market thereof.

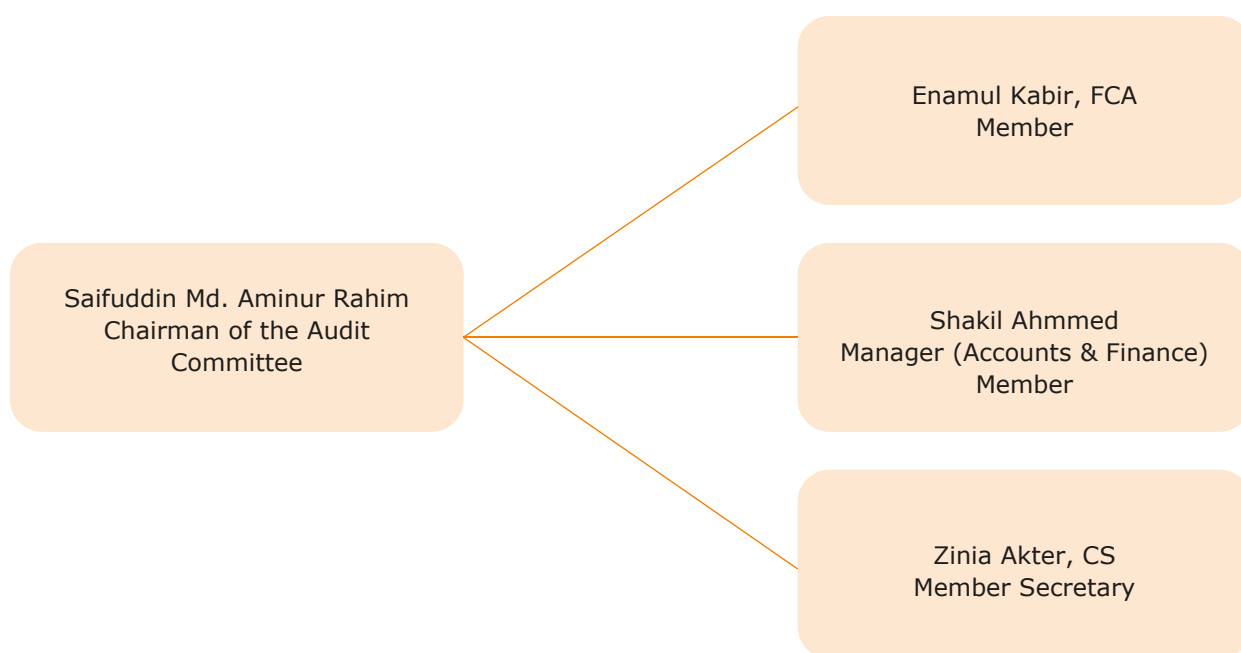
BOARD OF DIRECTORS



EXECUTIVE COMMITTEE



AUDIT COMMITTEE



CORPORATE DIRECTORY

Name of the Company	Shurwid Industries Ltd.
Share Department Office	Rupayan Prime,(B-06),Level-07, House#02, Road#07, Dhanmondi, Dhaka-1205. Contact Number: +88-02-9612213 Fax: +88-02-9612019 Website: www.shurwid.org
Main Office, Registered Office & Factory	Bi-Mile, Konabari, Gazipur. E-Mail: info@shurwid.org
Auditors	A Hoque & Co. Khan Mansion (5th floor) 107 Motijheel C/A,Dhaka- 1000. Ph: +88-02-9564295 E-mail: a.hoquecompany@gmail.com
Date of Incorporation	March 16, 2004
Date of Commercial Operation	May 3, 2008
Bankers	NRB Bank Ltd. Gulshan Branch, Dhaka.
Legal Adviser	Advocate Gazi Mushtaque Ahmed Advocate, Appellate Division Supreme Court of Bangladesh Room # 2004 (Annex Building), Supreme Court Bar Association Building.
Insurer	United Insurance Co. Ltd. Camellia House, 22 Kazi Nazrul Islam Avenue Dhaka 1000

BOARD OF DIRECTORS

Directors Involvement/Interest in other companies

SI No	Name	Designation	Entities Where they have interested
1	Engr. Mahmudul Hasan	Chairman	Chairman of <ul style="list-style-type: none"> ✓ Dhaka Engineering Institute ✓ Shurwid Polymer Ltd. ✓ Aviva Capital Ltd. ✓ EnergySafe Engineering Ltd. Managing Director / Director of <ul style="list-style-type: none"> ✓ Eurodesch Feed Mills Ltd. ✓ Eurodesch Consumer Products Ltd. ✓ Green View Homes Ltd. ✓ Sea orchid beach resorts
2	Enamul Kabir, FCA	Vice-Chairman	Independent Director of <ul style="list-style-type: none"> ✓ Libra Infusions Ltd. Director of <ul style="list-style-type: none"> ✓ Eurodesch Consumer Products Ltd
3	Md. Nuruddin	Managing Director & Director	Director of <ul style="list-style-type: none"> ✓ Afrin Fabrics Ltd. ✓ Aftex Limited. ✓ Eurodesch Consumer Products Ltd.
4	Saifuddin Md.Aminur Rahim	Independent Director	<p>Lawyer Bangladesh Supreme Court</p>
5	Abu Zayed Mohd. Hassan	Deputy Managing 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 award.

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, Thailand, 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. 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, Indonesia Sri Lanka, UAE, Kingdom of Arabia, Germany, U.K, Italy, Austria, Spain, Portugal, Ireland, Sweden, 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 and Public (Law Asia) and a Panel Lawyer of Dhaka City Corporation (North).

Strength



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. 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.



Abu Zayed Mohammad Hassan- Deputy Managing Director & Director

Abu Zayed Mohammad Hassan, Deputy Managing Director & Director of the Company obtained Bachelor of Commerce Degree from Polash Bari Degree Collage and vast experience in business, marketing and public relation. Before joining here, he served many reputed Companies on respected positions. His vast experience is an effective asset for Shurwid Industries Limited.

Zinia Akter, Company Secretary

Zinia Akter is the Company Secretary of the Company since November, 2017. Before joining Shurwid, she served for Euro Desh Group as senior HR & Admin officer. She achieved her Master of Business Administration Degree from International Islamic University Chittagong and completed various short-term courses regarding Compliances, DSE Rules & Regulations, HRMIC from different reputed education Institutions including DSE Training Center, IBA, BIM etc. At present she is studying on Chartered Secretarial Courses from ICSB (Institute of Chartered Secretaries of Bangladesh). She gathered a good knowledge in Corporate Governance Guidelines, Stock Exchange (Listing) Regulations, Companies Act, 1994.

**Shakil Ahmmed, Manager (Accounts & Finance)**

Shakil Ahmmed, Manager (Accounts & Finance) of the Company successfully completed Chartered Accountancy Course (CA- CC) under the Institute of Chartered Accountants of Bangladesh (ICAB), Reg No: 25278/15. He gathered vast knowledge on accounts and finance of different Government organizations, Manufacturing, publicly listed, Private Limited Company, Power Sector, NGO & National NGO etc. while conducting external and internal audit, providing accounting and consultancy services on behalf of the Chartered Accountancy firm.

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. Shurwid is the modern manufacturing and service providing industries for World-Class Non-Toxic pharma & food grade PVC/PP/PS sheet, ITES, E-Commerce, E-Governance and Software. 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)
- ✓ ITES (InformationTechnology Enabled Services)
- ✓ E-Commerce
- ✓ E-Governance
- ✓ Software

Products can be customized. We have computerized scanner machine to Check & control the online products thickness, width and quality.

Shurwid has a partnership with Amarroom.com for providing hotel booking facilities for its clients by providing promo-code. Amarroom.com is the largest domestic travel platform in Bangladesh, working tirelessly to meet the overall needs with qualities for the travel thirsty people.

Shurwid jointly branded software system with Infosapex Ltd., one of the leading software Company in Bangladesh and formed joint venture consortium with Devnet Limited. It works in -

- Robotic Process Automation
- Paperless Meeting
- Business Process Automation
- Enterprise Content Management
- Chat Bot
- Internet Banking
- Process Mining & Re-Engineering etc.

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 Phama 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., KumudiniPharma 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., Novertis (Bangladesh), NuvistaPharma Ltd., OponinPharma 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 & Benkiser Bd 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, QuasemDispo 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, 2018 to June, 2019

The directors are pleased to present their report before the shareholders together with the audited accounts of the Company for the year 2018-2019 with Auditors' report thereon.

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

Shurwid Industries Ltd now expanded its new Business to E-Commerce & Software sectors. The Company is working with Amarroom.com for providing various hotel booking services by maintaining <http://www.amarroom.com/shurwid> websites and additional discount is offered for using promo-code holders from SHURWID.

The Company formed a joint venture consortium with Infosapex Limited to sell, promote, branding & further development of the following products:

- Robotic Process Automation (RPA)
- Paperless Meeting
- Business Process Automation
- ITES & Software

Financial Results and Profit Appropriations

(Amount in TK.)

	2018-19	2017-18
Cost of Goods sold	111,084,845	109,314,104
Gross profit	103,660,138	43,672,771
Net Profit after tax	792,461,93	21,245,902

Dividend:

During 2019 the Board of directors recommended 10% cash dividend for the year ended on June 30, 2019

Board Audit Committee:

The Company Audit Committee meets twice in 2018-19 to consider its Annual Financial statement for the year 2018-19

Auditors:

A. Hoque & Co., Chartered Accountants, 107, Motijheel C/A Dhaka-1000 was appointed an Auditor of the company in the 14th AGM of the Company and has carried out Audit for the year 2018-19. The following audit firms have expressed their willingness to act as an Auditor for the year 2019-2020:

- (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 2019-2020 in the 15th 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. 573,677,500 divided into 57,367,750 shares of Tk. 10 each at 30th June, 2019.

Board Meeting and Attendance:

During the year 2018 – 2019, 11(Eleven) board meetings were held.

Name of the Directors	Duration Period	Position	Meeting Held	Attended
Engr. Mahmudul Hasan	01.07.2018-30.06.2019	Chairman	11	11
Enamul Kabir, FCA	01.07.2018-30.06.2019	Vice-chairman	11	11
Md. Nuruddin	01.07.2018-30.06.2019	Director & Managing Director	11	11
Saifuddin Md. Aminur Rahim	01.07.2018-30.06.2019	Independent Director	11	10

Directors' Remuneration:

Name of the Directors	Designation	Meeting Attendance Fees	Allowance	Amount
Engr.Mahmudul Hasan	Chairman	-	-	-
Enamul Kabir, FCA	Vice-chairman	5,000	-	55,000
Md. Nuruddin	Managing Director & Director	5,000	-	55,000
Saifuddin Md. Aminur Rahim	Independent Director	5,000	-	50,000

Directors' Election:

As per Articles of Association of the company, 1/3 directors shall retire in the 15th Annual General Meeting and being eligible offered themselves for election.

Financial data for last five years:

Description	Year				
	Jun-'19	Jun-'18	Jun-'17	Jun-'16	Jun-'15
Sales (Net of VAT)	214,744,983	152,986,875	105,998,275	118,052,943	147,083,792
Net Profit/(Loss) after Tax	79,246,193	21,245,902	(29,833,621)	(2,236,204)	(1,651,050)
EPS	TK. 1.38	0.37	(0.57)	0.04)	(0.03)
NAV	TK. 12.21	10.84	11.51	12.08	12.27

During 2019 the board of directors recommended 10% cash dividend for the year ended on June 30, 2019. In the year ended June 30, 2019 Net Profit and EPS increased because of Company started Information Technology Enabled Services (ITES) & Software business and turnover of regular business is increased, expenses is decreased by the good management

Percentage of shareholding position of different shareholders as on June 30, 2019:

Director/Sponsor:9.99%

General Shareholders: 90.01%

Statement of Directors on Financial Reports:

- a. 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.
- b. 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 economic 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 yet to adopt 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) Labor 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 2018-2019

The Audit Committee consists of the following members:

- | | |
|-------------------------------|------------------|
| 1. Saifuddin Md. Aminur Rahim | Chairman |
| 2. Enamul Kabir, FCA | Member |
| 3. Shakil Ahmmed | 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 2018-2019:

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 2018-2019 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

Declaration by CEO and CFO

Date: 31.10.2019

The Board of Directors
Shurwid Industries Limited
Bi-Mile, Konabari, Gazipur

Subject: Declaration on Financial Statements for the year ended on June 30, 2019

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 3rd 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, 2019 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 judgments 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, 2019 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/-
Shakil Ahmmed
Manager (Accounts & Finance)

**MASUD ALTAF & CO.**

Chartered Accountants

A member firm of LS and Associates

NF 1611, Malaysia.

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 30th June, 2019. 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.


(Md. Altaf Hossain Masud, FCA)Managing Partner
MASUD ALTAF & CO.
Chartered AccountantsDated, Dhaka;
31st October, 2019

16/3, Babor Road (G.Floor), Block-B, Shyamoli, Mohammadpur, Dhaka- 1207, Bangladesh.
Tel : 88-02-9132759, 01711-536193, E-mail : macaudit. 2002@gmail .com

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	
1.0	Board of Directors			
1.1	Board's Size	✓		New Director was appointed by the board and will be approved in 15 th AGM
	Board's Size (number of board members-Minimum-5 and maximum 20).			
1.2	Independent Directors			
	(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) Independent Director means a director			
	(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	✓	
1.4	Chairman of the Board and Chief Executive Officer			
		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.	✓	
1.5	Directors' Report to Shareholders			
	(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)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:			
(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)	In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:			
(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)	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:			
(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.	✓		
1.6	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
(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	✓		
2.0	Subsidiary Company			
(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
3.0	Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)			

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	✓		
3.3	3.3 Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
	(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.	✓		
4.0	Board of Directors' Committee.	✓		
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
	(i) Audit Committee	✓		
	(ii) Nomination and Remuneration Committee.	✓		
5.0	Audit Committee			
5.1	Responsibility to the Board of Directors.			
	(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.	✓		
5.2	Constitution of the Audit Committee			
	(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.	✓		
5.3	Chairperson of the Audit Committee			
(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)	✓		
5.4	Meeting of the Audit Committee			
(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.	✓		
5.5	Role of Audit Committee			
(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.	✓		
5.6	Reporting of the Audit Committee to The Board of Directors			
5.6.1	Reporting to the Board of Directors			
(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		
5.6.2	Reporting to the authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting	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	✓		
6.0	Nomination and Remuneration Committee (NRC).			
(i)	Responsibility to the Board of Directors			
(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)	Constitution of the NRC			
(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)	Chairperson of the NRC			
(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)	Meeting of the NRC			
(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)	Role of the NRC			
(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.	✓		
7.0	External/Statutory Auditors			
7.1	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.	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold 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	
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8.3	Maintaining a website by the Company.			
(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).	✓		
9.0	Reporting and Compliance of Corporate Governance			
(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.	✓		

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A. HOQUE & CO.

CHARTERED ACCOUNTANTS

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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, 2019 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, 2019 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, 2019 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.

Management Responsibilities 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

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

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 : 31st October, 2019
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, 2019

Property and Assets	Note	Amount in Taka	
		30.06.2019	30.06.2018
Assets:			
Non-Current Assets:		394,348,832	408,793,807
Property, Plant & Equipment	4.00	334,794,016	372,729,741
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	36,565,529	13,074,779
Current Assets:	8.00	508,271,825	411,727,099
Inventories	8.01	13,042,254	12,795,960
Trade Receivables	8.02	243,156,242	182,074,087
Advance, Deposits & Pre-payments	8.03	246,439,502	211,004,664
Cash and Cash Equivalents	8.04	5,633,826	5,852,388
Total Property and Assets		902,620,657	820,520,906
Equity and Liabilities	Note	30.06.2019	30.06.2018
Authorized Share Capital	9.00	1,000,000,000	1,000,000,000
Shareholders' Equity:	10.00	700,673,997	621,427,804
Issued, Subsribed & Paid up Share Capital	10.01	573,677,500	521,525,000
Revaluation Surplus	10.02	29,579,923	31,632,926
Retained Earnings	10.03	97,416,574	68,269,878
Non-Current Liabilities:	11.00	112,314,208	114,414,922
Long Term Loan	11.01	61,327,918	58,504,892
Deferred Tax Liabilities	11.02	50,986,290	55,910,030
Current Liabilities:	12.00	89,632,452	84,678,180
Payable to IPO Applicant	12.01	4,823,986	4,823,986
Current Portion of Long Term Loan	12.02	17,691,300	17,916,744
Short Term Loan	12.03	30,711,880	31,141,406
Trade and Other Payables	12.04	9,193,840	9,444,490
Provision for Contribution to W.P.P.F	12.05	3,994,447	2,482,095
Other Liabilities	12.06	23,216,999	18,869,459
Total Equity and Liabilities		902,620,657	820,520,906
Net Asset Value (NAV) per Share	13.00	12.21	10.84

The annexed notes from 1.00 to 36.00 and Annexure "A" form an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
Chairman	Managing Director	Manager (Accounts & Finance)	Company Secretary

Signed in terms of our separate report of even date annexed

Date: 31.10.2019
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, 2019

Particulars	Note	Amount in Taka	
		01.07.2018 to 30.06.2019	01.07.2017 to 30.06.2018
Sales (Net of VAT)	14.00	214,744,983	152,986,875
Less: Cost of Goods Sold	15.00	(111,084,845)	(109,314,104)
Gross Profit		103,660,138	43,672,771
Less: Operating Expenses		(16,188,435)	(13,155,197)
Administrative Expenses	16.00	11,930,198	12,227,117
Selling and Distribution Expenses	17.00	4,258,237	928,080
Operating Profit / (Loss)		87,471,703	30,517,574
Non-Operating Income	18.00	883,198	587,726
Financial Expenses	19.00	(4,095,513)	(6,284,160)
Less: Net Financial Expenses		(3,212,315)	(5,696,434)
Profit / (Loss) Before Provisions		84,259,388	24,821,140
Provision for Doubtful Debts	12.6.3	0	0
Provision for Contribution to W.P.P.F		4,012,352	1,181,959
Less: Total Provision		(4,012,352)	(1,181,959)
Profit / (Loss) Before Tax		80,247,037	23,639,181
Less: Provision for Income Tax	20.00	1,000,844	2,393,279
Current Tax		5,924,583	4,237,176
Deferred Tax		(4,923,740)	(1,843,897)
Net Profit / (Loss) After Tax		79,246,193	21,245,902
Add: Unrealized Gain / (Loss) on Investment on Shares	12.6.2	0	0
Total Comprehensive Income/(Loss) for the Year		79,246,193	21,245,902
Earnings Per Share (EPS) (Adjusted)		1.38	0.37

The annexed notes from 1.00 to 36.00 and Annexure "A" form an integral part of these financial statements

Sd/- Chairman	Sd/- Managing Director	Sd/- Manager (Accounts & Finance)	Sd/- Company Secretary
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Signed in terms of our separate report of even date annexed

Date: 31.10.2019
Place: Dhaka, Bangladesh

Sd/-
A. Hoque & Co.
Chartered Accountants

SHURWID INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2019

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance as at 1st July, 2017	521,525,000	33,885,000	44,771,902	600,181,902
Net profit after tax	-	-	21,245,902	21,245,902
Depreciation on revalued assets	-	(2,252,074)	2,252,074	-
Balance as at 30th June, 2018	521,525,000	31,632,926	68,269,878	621,427,804
Balance as at 1st July, 2018	521,525,000	31,632,926	68,269,878	621,427,804
Adjustment for Bonus Issue			(52,152,500)	(52,152,500)
Bonus Issue	52,152,500	-	-	52,152,500
Net Profit after tax		-	79,246,193	79,246,193
Depreciation on revalued assets		(2,053,003)	2,053,003	
Balance as at 30th June, 2019	573,677,500	29,579,923	97,416,574	700,673,997

The annexed notes from 1.00 to 36.00 and Annexure "A" form an integral part of these financial statements

Sd/- Sd/- Sd/- Sd/-
Chairman Managing Director Manager (Accounts & Finance) Company Secretary
Signed in terms of our separate report of even date annexed

Date: 31.10.2019
Place: Dhaka, Bangladesh

Sd/-
A. Hoque & Co.
Chartered Accountants

SHURWID INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2019

Particulars	Note	Amount in Taka	
		01.07.2018 to 30.06.2019	01.07.2017 to 30.06.2018
A. Cash flows from operating activities			
Receipts from customers	22	153,662,828	121,315,290
Payments to Suppliers	23	(98,545,209)	(29,943,580)
Payments to Employees & Others	24	(46,516,589)	(88,858,801)
Income tax paid	25	(5,924,583)	(146,185)
Financial expenses paid	26	(4,095,513)	(6,284,160)
Receipts from non-operating income	27	883,198	587,726
Net cash provided from/(used in) operating activities		(535,868)	(3,329,710)
B. Cash flows from investing activities			
Payments for acquisition of property, plant and equipment		(1,850,750)	-
Sales proceeds from vehicle		-	3,521,557
Net cash used in investing activities		(1,850,750)	3,521,557
C. Cash flows from financing activities			
Proceeds/(Repayment) of short term loan		(429,526)	3,844,944
Proceeds/(Repayment) of IPO		-	-
Repayment of Non-Current Portion of Long Term Loan		2,823,026	(3,339,396)
Repayment of Current Portion of Long Term Loan		(225,444)	(13,356)
Net cash provided from/(used in) financing activities		2,168,056	492,192
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)		(218,562)	684,039
E. Cash and cash equivalents at the beginning of the year		5,852,388	5,168,349
F. Cash and cash equivalents at the end of the year		5,633,826	5,852,388
Net Operating cash Flow per share(NOCFPS)	28	(0.01)	(0.06)

The annexed notes from 1.00 to 36.00 and Annexure "A" form an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
Chairman	Managing Director	Manager (Accounts & Finance)	Company Secretary

Signed in terms of our separate report of even date annexed

Date: 31.10.2019
Place: Dhaka, Bangladesh

Sd/-
A. Hoque & Co.
Chartered Accountants

SHURWID INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
FROM 1ST JULY, 2018 TO 30TH JUNE, 2019
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

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. The Company also started new business i.e. Information Technology Enabled Service (ITES) & Software.

1.05 Operating Segments

No segment reporting is applicable for the Company as required by IFRS 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 IAS-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- i) Statement of Financial Position as at 30th June, 2019;
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2019;
- iii) Statement of Changes in Shareholders Equity for the year ended 30th June, 2019; and
- iv) Statement of Cash Flows for the year ended 30th June, 2019; and
- v) Accounting Policies and Explanatory Notes for the year ended 30th June, 2019.

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CHARTERED ACCOUNTANTS

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 (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (IFRS) and Bangladesh Accounting Standard (IAS) 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;
 The Labour Act, 2006;
 DSE/CSE Rule
 Listing Guidelines.

2.03 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.

2.04 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.

2.05 Presentation of Financial Statements

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

2.06 Reporting Year

The financial year of the Company covers its year from 1st July, 2018 to 30th June, 2019.

2.07 Reporting Currency

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

2.08 Key Accounting Estimates and Judgments in Applying Accounting Policies

The preparation of financial statements in conformity with IFRS's including IAS'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.

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CHARTERED ACCOUNTANTS

In particular, information about the significant key areas of estimation, uncertainty 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 IAS-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 IAS 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 IAS / IAS 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.

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CHARTERED ACCOUNTANTS

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 IAS-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 IAS 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:

Category of fixed assets	Rate of Depreciation in (%)
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**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, infect 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.

A. HOQUE & CO.CHARTERED ACCOUNTANTS

(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 IAS/IAS 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.

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(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 then 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 IAS 1 "Presentation of Financial Statements" and IAS 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.

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 CHARTERED ACCOUNTANTS

3.04 Inventories

In compliance with the requirements of IAS 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 IAS-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 IAS-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 IAS 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.

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3.07.2 Provisions

The preparation of financial statements in conformity with IAS-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 IAS-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 recognize 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 IAS -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 IAS 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.

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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 IAS-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 IAS-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:

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

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

No securities owned by the top ten salaried officers. No shares are held by all other officers as a group.

3.13 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 IAS-37 provisions, Contingent Liabilities and Contingent Assets are disclosed in the financial statements.

3.14 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 IAS-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.

3.15 Repairs, Upkeep and Maintenance Charges

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

3.16 Advertisement and Promotional Expenses

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

3.17 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.

3.18 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.

3.19 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 135th Board of Directors' Meeting of Shurwid Industries Limited was held on Saturday, August 31, 2019, at 6:00 pm at Company's Dhaka office: H#2, L#7, F#B-6, Dhanmondhi, Dhaka-1205. and is called 7th Extra-Ordinary General Meeting (EGM) which will be held on 30th December, 2019, for amendment of Memorandum of Association of the company.

3.20 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.

3.21 Approval of Financial Statement

The financial statements were approved by the Board of Directors on 31st October, 2019.

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	
	30.06.2019	30.06.2018
8.00 Current Assets	508,271,825	411,727,099
This is made up as follows:		
8.01 Inventories	13,042,254	12,795,960
8.02 Trade Receivables	243,156,242	182,074,087
8.03 Advances, Deposits & Pre-payments	246,439,502	211,004,664
8.04 Cash & Cash Equivalents	5,633,826	5,852,388
	<u>508,271,825</u>	<u>411,727,099</u>
8.01 Inventories	13,042,254	12,795,960
This is made up as follows:		
8.1.1 Raw Materials	10,090,394	7,975,586
8.1.2 Stock of Work in Progress	717,694	2,679,739
8.1.3 Finished Goods	982,913	699,717
8.1.4 Packing Materials	1,251,253	1,440,918
	<u>13,042,254</u>	<u>12,795,960</u>

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.

8.1.1 Raw Materials **10,090,394** **7,975,586**

This is made up as follows:

Particulars	30th June 2019		30th June, 2018	
	Quantity (kg.)	Amount (TK.)	Quantity (kg.)	Amount (TK.)
PVC Resin	290.00	22,827	365.00	29,200
PS Resin	30.00	5,400	25.00	4,500
Advastab	3,845.00	1,707,180	3,244.30	1,440,469
Processing Aid	1,840.00	694,000	1,750.00	612,500
Tin Stabilizer	3,806.00	1,674,640	2,540.00	1,117,600
Titanium Dioxide	80.00	26,847	76.80	25,773
Master Batch (All)	321.00	192,600	306.00	183,600
Coated Chalk Powder	580.00	23,200	675.00	27,000
Goldstab (Lubricant)	25,700.00	4,626,000	19,545.00	3,518,100
Stearic Acid	35	3,500	36.10	3,610
PVS Foggy Resin	250.00	25,000	150.00	15,000
Calcium Carbonate	200	34,000	100.00	17,000
Impact Modifier	1650	577,500	1,278.00	447,300
Epoxi Oil	20	3,000	15.00	2,250
Aster	940	94,000	900.00	90,000
Loxiol	540	151,200	750.00	210,000
Paint (Black)	0	0	2.26	1,356
LDP	0	0	10.45	3,135
Filler	525	94,500	525.00	94,500
Poly Con (White)	450	135,000	442.31	132,693
	<u>41,102.00</u>	<u>10,090,394</u>	<u>32,736.22</u>	<u>7,975,586</u>

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
8.1.2 Stock of Work in Progress	717,694	2,679,739

This is made up as follows:

Particulars	30th June 2019		30th June 2018	
	Quantity (kg.)	Amount	Quantity (kg.)	Amount
PVC Film Sheet-Glass Clear	750	127,500	575	92,000
PVC Film Sheet- Colour	0	0	0	0
Food Grade PVC, PP & PS	2140	321,000	2045	286,300
Re-usable Goods	4890	269,194	54731	2,301,439
	7780	717,694	57,351	2,679,739

8.1.3 Finished Goods	982,913	699,717
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This is made up as follows:

Particulars	30th June 2019		30th June 2018	
	Quantity (kg.)	Amount	Quantity (kg.)	Amount
Food Grade PVC, PP & PS	2586	982,913	2186	699,717
	2586	982,913	2,186	699,717

8.1.4 Packing Materials	1,251,253	1,440,918
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This is made up as follows:

Particulars	Qty (KG)	Amount (TK)	Amount (TK)
Printed Poly for 100 ml Ice Cup	50	15,420	26,044
Unprinted Role Poly - 17 Size	120	32,510	52,500
330 ml unprinted poly for 250/220 Ice Cup	240.00	80,250	87,040
330 ml printed poly for (BOPP) for 250 Ice Cup	60	12,403	16,694
Printed poly (BOPP) for 100 Coffee Cup	210	65,820	88,400
420 unprinted (BOPP) 100 Ice Coffee Cup	540	256,450	270,900
Poly 28"x40" for 80 ml Ice Cup	360	42,530	58,740
Poly 26"x40" for 90 ml Ice Cup	450	30,251	57,750
Poly 28"x24" for 180 ml Ice Cup	650	45,250	69,300
25 Pcs.	120	12,530	26,520
50 Pcs.	30	2,456	6,460
Poly 250 ml Single Poly	240	35,640	30,255
Poly Roll 14" (Lunch Box)	720	45,685	231,300
Roll Poly 18"	120	30,250	42,000
Poly 26"x26"	450	24,560	71,610
Poly 29"x40" for 100 ml Ice Cup+Lunch Box	470	66,580	80,355
Poly 24"x24" Led Poly	350	45,720	43,560
Poly 20"x26" 180 ml	130	45,760	24,750
Poly 24"x43"	350	95,860	64,350
Roll Poly 5.5" Water Cup B Grade	40	66,030	14,250
Poly 24"x30"	150	75,860	19,140
Packing Tape 2" Brown Colour	210	24,560	17,600
Leaflet		98,878	41,400
		1,251,253	1,440,918

8.02 Trade Receivables**243,156,242 182,074,087**

This is made up as follows:

Particulars	Amount (TK)	Amount (TK)
Abdul Mojid Store	250,250	359,454
Abdur Rab & Sons	420,350	669,852
Abdur Rashid & Sons	288,350	341,767
Abdus Samad - Mohammadpur	240,125	277,769
Arafat & Co.	490,350	507,640
Alam Brothers	685,354	718,046
Ad-din Pharmaceuticals Ltd.	280,360	398,807
Advance Lami Tube Ltd.	200,120	161,887
Advent Phamra Ltd.	695,750	747,452
Ahmed Enterprise	510,250	499,955
Akota Dispo	197,260	221,547
Alauddin Store	1,505,000	510,338
Al-beny International	12,654,210	1,042,418
Albion Laboratories Ltd.	1,047,520	1,412,677
Alco Pharma Ltd.	402,530	391,029
Alif Verities Store	293,560	384,181
Allahar Dan Store	694,580	763,698
Alonker Niketon	680,650	748,113
Alfa Ballpen Industries	3,745,200	1,011,123
Al-Rabeta Trading	710,253	634,891
Altaf & Brothers-Feni	1,254,862	1,068,685
Alvey Enterprise	795,460	849,819
Ambee Pharmaceuticals Ltd.	1,052,658	1,245,835
Amulat Pharmaceuticals	925,478	1,082,523
Annannya Agency	1,845,782	1,597,925
Anwar Dispo Corner	1,425,621	923,121
Aplec	1,284,125	1,443,907
Appollo Hospitals Ltd.	321,007	384,125
Appayan Food	999,206	421,007
Arabian Store	1,696,519	899,206
Arif Store	1,026,688	796,519
Aristopharma Ltd.	-	3,124
Ashok Brothers	1,698,457	764,164
Astro Pharmaceuticals Ltd.	1,236,589	1,597,747
Ataur & Sons	1,832,654	1,055,506
Atlantic Traders	1,845,200	1,619,478
ATM Enterprise	1,264,520	1,561,836
Azam Securities	980,101	16,372
Aziz Corporation	747,411	812,813
Azmir Packaging (Kr. Bazar)	738,846	747,411
Babul Traders	1,246,058	738,846
Barishal Bari	356,119	481,894
Belal & Brothers	1,034,007	356,119
Beacon Pharmaceuticals Ltd.	962,560	1,034,007
Benham Pharma Ltd.	1,365,230	1,609,910
Beximco Pharmaceuticals Ltd.	672,530	97,409

Particulars	Amount (TK)	Amount (TK)
Bhai Bhai Packets (Kr.B)	1,071,814	799,017
Bibs Pharma	97,409	471,814
Bismillah Dispo	907,687	672,530
Bismillah Store (New Market)	832,816	907,687
Bismillah Packaging (Gulshan)	383,680	832,816
BNF	6,724,226	383,680
Bojlu Trading (Tejgaon)	680,302	224,226
Bridge Consumer Products	2,547,500	680,302
Bristol Pharma	463,904	1,552,006
Brothers Plastic	431,505	463,904
California Foods	471,065	431,505
Chandpur Store	101,980	471,065
Charubitto	264,017	101,980
City General Store	813,707	264,017
Comilla Jory House	3,325,600	813,707
Concord Pharmaceuticals Ltd.	950,000	1,058,919
Cosmic Chemical Industries Ltd.	1,509,635	1,463,474
Creative Bangla	953,418	209,635
Delta Pharma	350,195	953,418
Delwar Store (Shantinagar)	857,117	350,195
Dev Traders	1,256,021	857,117
Dhaka Foil Corporation	499,955	1,403,189
Eakin Consumer Products	221,547	686,700
Elson Foods	105,000	404,016
Eshan Packaging (Mohammadpur)	15,605,926	321,136
Eskayef Bangladesh Ltd.	147,520	255,777
Essential Drugs Company Ltd.	391,029	10,507,439
Eva Store	2,684,181	795,946
Farid Store	763,698	244,907
Farhad Store	748,113	651,211
Fresh Dispo	1,245,200	984,052
G.A. Company	634,891	400,285
Gastro Lever Hospital	1,845,782	401,411
General Pharmaceuticals Ltd.	1,254,862	1,319,434
Gentry Pharmaceuticals Ltd.	558,190	692,054
Globe Pharmaceuticals Ltd.	849,819	1,084,194
Globex Pharmaceuticals Ltd.	1,023,564	810,483
Golden Star	1,925,621	364,994
Guardian Healthcare	652,658	749,876
Haji Abdul Hamid & Sons	1,184,125	556,968
Hamim & Brothers	421,007	1,673,890
Hana Trading	899,206	1,036,668
Haque & Company (Drycell) Ltd.	796,519	271,366
Hasan Paper House	815,937	105,474
Hasan Perfumary Branch	2,000,753	465,964
Helal & Brothers	1,698,457	1,005,002

Particulars	Amount (TK)	Amount (TK)
Incer Trading	1,832,654	1,064,230
Inqul	16,372	667,592
Indo-Bangla Pharmaceuticals Works	845,200	1,064,396
Iqbal & Brothers	1,747,411	898,047
Islam Dispo Enterprise	738,846	688,060
Istiaq Enterprise	481,894	783,458
JMI Syringes & Medical Devices Ltd.	4,007	17,418
JMI Pharma Ltd.	356,119	1,790,131
Jahangir Store-Lalbag	2,592,560	679,808
Jahid Packaging & Plastic	97,409	186,402
Jamal Store (Mirpur)	9,865,230	566,812
Jamal Store (Sylhet)	471,814	1,008,909
James House - Sylhet	672,530	717,573
Jamjam Store	907,687	249,556
Jamuna Store	832,816	356,931
Jonodardi Store-Mohammadpur	383,680	388,504
Jayson Pharmaceuticals Ltd.	224,226	1,790,616
Jilani Store	680,302	722,411
Jishan One Time	2,547,500	494,700
Jonson & Sons	463,904	907,380
Jonoprio Packaging	431,505	721,322
J. K. One Time Store	471,065	438,780
Jsal Chemical	101,980	1,550,249
Jubayer Store	264,017	566,107
Kazi Corporation	813,707	1,482,540
Kenakata Store	3,325,600	692,420
Khulna Dispo	2,250,000	531,517
Kishorgonj Packaging	209,635	278,942
Lavendar Super Store Ltd.	953,418	311,113
Liton Store-Uttara	350,195	249,734
Maa Rixin	857,117	458,390
Madina Packaging	1,256,021	3,619
Mahim & Brothers	250,263	398,722
Mahin Packaging	230,256	471,658
Manik One Time	654,652	408,371
Maliha One Time	298,360	332,014
Mayer Dua (Gulshan)	182,560	267,181
Mayer Dua Traders (Kr.B)	352,650	469,128
Meena Bazar	120,350	157,439
Mehedi Mart	180,250	227,814
Mim Store	150,265	222,905
Mohammad Trading	90,650	114,603
Mollah Enterprise	50,250	132,402
M. R. Dispo Center	350,240	492,254
M/s. Abu Lays Store	425,300	521,563
M/s. Al-Madina Store	2,212,425	216,176

Particulars	Amount (TK)	Amount (TK)
M/s. Amol Store	120,260	45,186
M/s. Amor Shahadat Store	180,250	274,233
M/s. Anik Enterprise	250,260	327,055
M/s. Ankit Store	60,352	101,112
M/s. Ashik & Brothers	114,250	225,953
M/s. Bhai Bhai Store (Ctg.)	825,360	947,757
M/s. Dulal Store	563,652	108,954
M/s. Habib Box House	825,360	89,390
M/s. Hoque & Brothers	4,214,250	256,481
M/s. Kamran Store	485,680	865,301
M/s. Jannath Store	210,250	300,849
M/s. Madina Store-BB	150,260	296,774
M/s. Mamun Brothers	1,325,236	344,066
M/s. Maya Enterprise	150,240	232,192
M/s. Milon Store	250,360	336,825
M/s. Minoti Traders	824,365	99,919
M/s. Morshed Packaging	1,325,650	379,305
M/s. New Tara Store	140,260	262,461
M/s. Nuru Mia Store	180,250	288,730
M/s. Pal Store	480,250	598,899
M/s. RK Electric	150,260	267,050
M/s. Rabbani Store	180,260	260,292
M/s. Rakib Store	90,260	194,849
M/s. Rahi Enterprise	450,260	582,592
M/s. Razib Store-Norsingdi	350,230	445,548
M/s. Rupali Traders	260,350	308,995
M/s. Shofiq Enterprise	213,620	2,325,410
M/s. Shamim Enterprise - Savar	1,152,650	1,237,173
M/s. Shane Madaina Store	250,360	314,629
M/s. Simanto Store	305,260	405,398
M/s. Sreema Store	320,145	353,739
M/s. S. B. Enterprise	250,630	386,503
M/s. Tasfim Dispo Corner	452,650	579,191
M/s. Zia Trading	180,560	250,543
Makka Trading	185,650	288,314
Mobaraq Trading	640,520	789,974
Mohim & Brothers	170,250	279,258
Monica Pharma Ltd.	25,420	27,019
Mundi Pharma (BD.) Pvt. Ltd.	5,685	14,126
Munna Plastic House	4,818,652	720,261
Neptune Laboratories Ltd.	6,356,475	408,731
Nipa Chanachur Factory	2,536,560	231,573
Non Stop Mega Shop	129,360	121,164
Novelta Bestway Pharmaceuticals	220,261	269,948
Novo Healthcare	308,731	362,692
Nowrin Enterprise	731,573	490,701

Particulars	Amount (TK)	Amount (TK)
One Time Collection	221,164	287,246
One Time Corner-Bogura	269,948	689,234
Orbit Pharmaceuticals Ltd.	62,692	95,542
Organic Health Care Ltd.	490,701	628,189
Orion Laboratories Ltd.	954,652	1,075,254
Paul Traders -Moulvibazar	587,246	218,812
Pharmasia Limited	28,189	73,928
Popular Pharmaceuticals Ltd.	9,234	9,766
Popy Pharmaceuticals Ltd.	15,542	16,350
Porshuram Packaging	1,265,350	245,904
Pran RFL Group	818,812	143,954
Prestige Home Made Food Products	753,928	301,224
Prince Food Ltd.	89,766	761,634
Prince Plastic & Packaging	16,350	1,283,373
Prolific Accessories Pvt. Ltd.	245,904	10,655
Purno Traders	143,954	195,966
Quasem Dispo Corner	301,224	616,800
Quasem Drycells Ltd.	761,634	311,460
Quasem Lamps Limited	53,650	96,247
Raihan Store	10,655	886,448
Raiyan Enterprise	1,000,000	304,622
Rajdhani Store	195,966	188,483
Razib Store- Kalabagan	265,320	410,108
Raju Plastic-Comilla	311,460	1,026,773
RAK Pharmaceuticals Ltd.	96,247	629,380
Rani Printing	886,448	504,452
Razib Store	304,622	353,173
Razzak & Sunny Packaging	188,483	314,607
Reneta Ltd.	410,108	1,377,640
Rephco Lab Ltd.	1,125,460	415,834
Ria Box	629,380	118,843
Rouf Enterprize	504,452	655,199
Royal Restaurant	353,173	304,376
Ruma Aluminium Store	314,607	293,347
Ruma Store-New Market	244,530	856,863
Ruma Chemicals	415,834	712,664
S.I. Dispo Center	118,843	1,004,958
S. K. Plastic Products	655,199	273,939
Sabbir Packaging (J)	304,376	306,347
Saikat Store	293,347	305,146
Samin Dispo	856,863	659,804
Samira Enterprise	712,664	315,729
Sangram Enterprise	1,156,520	524,290
Sanofi Aventies Bangladesh Ltd.	273,939	324,211
Sanota Trading	306,347	1,234,784
Samiya Verities Store	305,146	214,46

Particulars	Amount (TK)	Amount (TK)
Seven Star	659,804	1,456,878
Shah Amanat Polythene Store	315,729	1,873,435
Shariatpur Store	739,710	349,509
Sharif Pharmaceuticals Ltd.	-	4,148
Shikder & Brothers	230,250	1,071,454
SL Marketing	1,234,784	378,939
Sultan & Sons	214,462	1,072,983
Sonear Laboratories Ltd.	169,149	270,800
Square Trading	1,149,509	391,201
Standard Laboratoties Ltd.	4,148	982,469
Sujon Packaging	265,980	244,716
Suman Bakary	378,939	955,301
Suman Store	1,564,523	810,502
Sunshine (Ay) Laboratories	270,800	653,408
Swadesh Foods Products	500,000	401,633
Tamim One Time Store	391,201	420,413
Tania One Time Store	982,469	882,292
Tania One Time Store (2)	500,000	311,901
Tasnim Store	244,716	456,532
Tasuka Jeans	456,860	353,160
Tatka Basket	810,502	261,774
Tauhed Store	653,408	483,439
Techno Drug Ltd.	401,633	107,609
Third Eye International	420,413	515,849
Total Herbal & Nutraceuticals	25,350	446
Tropical Pharmaceuticals	101	244
Twinkle Store	398,360	218,218
Umber Bread Food	353,160	325,666
Unimed & Uni Health Manufactures Ltd.	61,774	86,392
Veritas Pharmaceuticals Ltd.	8,650	32,476
Virgo Pharmaceuticals Ltd.	90,560	376,825
Zafor Pan Bitan	1,392,560	230,393
Zaxon Laboratories Ltd.	1,614,520	1,769,800
Zennatunnessa Kashmiry Store	825,450	789,869
Ziska Pharmaceuticals Ltd.	218,218	1,986,458
Monjur Trading	325,666	504,453
LR Dispo Center	86,392	353,174
Mr. Shayamal	32,476	314,608
M/s. Abu Store	376,825	1,377,641
M/s. Allahar Dan Perfumary & Chemicals	230,393	415,835
M/s. Madina Store	256,862	118,844
M/s. Shahadat Enterprise	789,869	655,200
M/s. Anil Store	56,865	304,377
M/s. A & Brothers	504,453	293,349
M/s. Maa Enterprise	353,174	856,864
M/s. Mintu Store	314,608	712,665

Particulars	Amount (TK)	Amount (TK)
M/s. Min Traders	244,560	1,004,959
M/s. Morshed	415,835	273,940
M/s. New Tara Store	118,844	306,348
M/s. Electric Store	655,200	305,147
M/s. Sharif Enterprise	304,377	659,805
M/s. Shamim Enterprise	293,349	315,731
M/s. Shane Madina Store	856,864	524,291
Mundipharma (BD.) Pvt. Ltd.	712,665	324,214
Mr. Rahul Reza	255,650	1,234,785
M/s. Abu Layes Store	273,940	214,463
M/s. Anik Enterprise	306,348	1,456,879
M/s. Bhai Bhai Store (Ctg.)	305,147	1,873,436
M/s. Box House	659,805	349,510
Pharmik Laboratories Ltd.	3,731	4,149
Pie Home (Uttara)	655,250	1,071,455
Popular Store	324,212	378,940
Probir (Unani)	234,785	894,986
Manik Store (Kawran Bazar)	625,450	270,801
Mayer Dua Traders (Kawran Bazar)	162,494	391,202
Md. Ripon	967,350	982,470
Total	243,156,242	182,074,087

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
8.03 Advances, Deposits & Pre-payments	246,439,502	211,004,664
This is made up as follows:		
Lease Advance	734,415	1,437,686
VAT Current Account 8.3.1	13,608	19,202
Advance for Raw Materials	61,399,987	41,399,987
Advance to Rent-Sales Center	240,530	55,000
Advance to Rent-Godown -1	450,000	20,000
Advance to Rent-Godown -2	657,250	400,000
Advance to Employees & Others	1,245,860	407,964
Advanc for Expenses	8,564,253	1,848,798
Advance for Gas Line Expansion	3,500,000	1,500,000
Advance for Lease Land	2,575,860	1,308,567
Advance for Land	44,450,279	40,000,000
Security Deposits 8.3.2	3,733,144	3,733,144
Suspense Accounts	118,874,316	118,874,316
	246,439,502	211,004,664
8.3.1 VAT Current Account	13,608	19,202
This is made up as follows:		
Balance as on 1st July, 2018	19,202	102,004
Add: Addition during the year:	910,056	2,296,373
VAT Rebate on Purchase-Local	885,230	1,872,173
VAT Rebate on Electricity, Gas, Telephone & C&F Bills	23,576	149,968
Deposit during the year through Treasury Challan	0	270,000
Others	1,250	4,232
Less: Adjustment during the year:	(915,650)	(2,379,175)
VAT on Sales	0	1,396,233
Others Adjustment-Due/Accrued/Penalty	915,650	982,942
Balance 30th June, 2019	13,608	19,202
8.3.2 Security Deposits	3,733,144	3,733,144
This is made up as follows:		
Gazipur Polli Bidyut Samaty	2,002,324	2,002,324
Titas Gas T & D - Gas	1,670,050	1,670,050
Essential Drugs Company Ltd.	55,770	55,770
United Insurance Company	5,000	5,000
	3,733,144	3,733,144
8.04 Cash and Cash Equivalent	5,633,826	5,852,388
This is made up as follows:		
8.4.1 Cash in Hand	746,262	46,285
8.4.2 Cash at Bank	4,887,564	5,806,103
	5,633,826	5,852,388
8.4.1 Cash in Hand	746,262	46,285
This is made up as follows:		
Head Office	27,928	43,965
Factory Office	718,334	2,320
	746,262	46,285

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
8.4.2 Cash at Bank	4,887,564	5,806,103

This is made up as follows:

Particulars	Amount in Taka	
Al-Arafah Islami Bank Ltd., A/c. 0311020011477	0	651
Al-Arafah Islami Bank Ltd., A/c. 0311020016498	13,648	203,751
City Bank Ltd., A/c. 2921236469001	4,476,922	4,480,687
City Bank Ltd., A/c. 5121236469001	367,923	367,923
City Bank Ltd., A/c. 5121236469002	11	11
Dutch-Bangla Bank Ltd., A/c. 0171110000000558	0	717,344
Prime Bank Ltd., A/c. 13811080001786	29,060	30,785
NRB Bank Ltd., A/c. 1021030033112	0	4,951
	4,887,564	5,806,103

9.00 Authorized Share Capital	1,000,000,000	1,000,000,000
100,000,000 Ordinary Shares of Tk. 10 each		

10.00 Shareholder's Equity	700,673,997	621,427,804
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This is made up as follows:

10.01 Issued, Subscribed & Fully Paid up Share Capital	573,677,500	521,525,000
10.02 Revaluation Surplus	29,579,923	31,632,926
10.03 Retained Earnings	97,416,574	68,269,878
	700,673,997	621,427,804

10.01 Issued, Subscribed & Fully paid up Share Capital	573,677,500	521,525,000
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Details are given below:

52,152,500 Ordinary shares of Tk. 10 each	521,525,000	521,525,000
5,215,250 Issue of Bonus Shares of Tk. 10 each	52,152,500	0
57,367,750 Ordinary shares of Tk. 10 each issued for cash and bonus	573,677,500	521,525,000

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-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Director	5,731,038	5,211,777	9.99%	9.99%	57,310,380	52,117,770
General Shareholders	51,636,712	46,940,723	90.01%	90.01%	516,367,120	469,407,230
	57,367,750	52,152,500	100%	100%	573,677,500	52,152,500

Details are given below:

SL.NO.	Name of Shareholders	Position	No. of shares holding	Percentage of share holding	Amount in Taka	
					30-Jun-19	30-Jun-18
01	Mahmudul Hasan	Chairman	1367850	2.38%	13,678,500	12,435,000
02	Enamul Kabir, FCA	Director & Vice Chairman				

Particulars					Amount in Taka	
					30.06.2019	30.06.2018
03	Md. Nuruddin	Nominee Directors of Eurodesch Consumer Products	2296844	4.00%	22,968,440	20,880,400
04	Zahedul Hoque	Sponsor	2068255	3.62%	20,682,550	18,802,320
05	Abul Hasan Masud	Sponsor	5	0.00%	50	50
06	General Shareholders	Shareholder	38552348	67.20%	385,523,480	469,407,230
07	Institute	Shareholder	13082448	22.80%	130,824,480	0
			57367750	100.00%	573,677,500	521,525,000

10.1.2 Classification of shareholders by holding

Nature of Shareholders	No. of shares holding		No. of shares holders		Amount in Taka	
	30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Less than 500 shares	202243	282820	1318	1260	2022430	2828200
500-5,000 shares	4456444	4817386	2532	2687	44564440	48173860
5,001-10,000 shares	3414836	3692452	445	478	34148360	36924520
10,001-20,000 shares	4903876	3958623	336	272	49038760	39586230
20,001-30,000 shares	3146976	2709791	125	109	31469760	27097910
30,001-40,000 shares	1896944	1589764	54	46	18969440	15897640
40,001-50,000 shares	2226242	2096731	48	45	22262420	20967310
50,001-100,000 shares	5621709	6500917	80	91	56217090	65009170
100,001-1,000,000 shares	19637975	14434083	76	47	196379750	144340830
Over 1,000,000 shares	11860505	12069933	7	8	118605050	120699330
	57367750	52152500	5,021	5,043	573,677,500	521,525,000

10.02 Revaluation Surplus

This is made up as follows:

Opening Balance

Add: Reserved made during the year

Less: Adjustment for depreciation

29,579,923 **31,632,926**

31,632,926 33,885,000

0 0

31,632,926 33,885,000

(2,053,003) (2,252,074)

29,579,923 **31,632,926**

10.03 Retained Earnings

This is made up as follows:

Opening Balance

Add: Net Profit/(Loss) After Tax for the year

Add: Revaluation Surplus

Less: Adjustment for Bonus Issue

97,416,574 **68,269,878**

68,269,878 44,771,902

79,246,193 21,245,902

2,053,003 2,252,074

149,569,074 68,269,878

(52,152,500) -

97,416,574 **68,269,878**

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
11.00 Non-Current Liabilities	112,314,208	114,414,922
This is made up as follows:		
11.01 Long Term Loan	61,327,918	58,504,892
11.02 Deferred Tax Liabilities	50,986,290	55,910,030
	<u>112,314,208</u>	<u>114,414,922</u>
11.01 Long Term Loan	61,327,918	58,504,892
This is made up as follows:		
NRB Bank Limited	52,029,175	49,951,301
United Finance Limited	9,088,543	8,298,096
Nitol Motors Limited	210,200	255,495
	<u>61,327,918</u>	<u>58,504,892</u>
11.02 Deferred Tax Liabilities	50,986,290	55,910,030
This is made up as follows:		
Opening Balance	55,910,030	57,753,927
Add: Provision/(Income) made during the year 11.2.1	(4,923,740)	(1,843,897)
	<u>50,986,290</u>	<u>55,910,030</u>
Less: Adjustment during the year	-	-
	<u>50,986,290</u>	<u>55,910,030</u>

Deferred Tax Liability as on 30.06.2019 is arrived at as follows:

Particulars	As per Accounting Base	As per tax Base	Temporary Difference Taxable/ (Deduction)
A. Property, Plant & Equipment	277,045,504	120,581,548	156,463,956
Land	10,331,738	10,331,738	-
Other than Land	266,713,766	110,249,810	156,463,956
Tax Rate			
On Land			15%
On Other than Land			25%
Deferred Tax Liability (A)			
For Land			-
For Other than Land			39,115,989
Deferred Tax Liability for Normal Temporary Difference			<u>39,115,989</u>
Revaluation of Property, Plant & Equipment	57,748,511		57,748,511
Revalued value of Land	25,668,262		25,668,262
Revalued value of Other than Land	32,080,249		32,080,249
Tax Rate			
On Land			15%
On Other than Land			25%
Deferred Tax Liability (B)			
For Land			3,850,239
For Other than Land			8,020,062
Deferred Tax Liability for Normal Temporary Difference			<u>11,870,302</u>
Total Deferred Tax Liability as on 30.06.2019 (A+B)			<u>50,986,291</u>

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)
A. Property, Plant & Equipment	312,928,225	138,822,314	174,105,911
Land	10,331,738	10,331,738	0
Other than Land	302,596,487	128,490,576	174,105,911
Tax Rate			
On Land			15%
On Other than Land			25%
Deferred Tax Liability (A)			
For Land			0
For Other than Land			43,526,478
Deferred Tax Liability for Normal Temporary Difference			43,526,478
B. Revaluation of Property, Plant & Equipment		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
Tax Rate			
On Land			15%
On Other than Land			25%
Deferred Tax Liability (B)			
For Land			3,850,239
For Other than Land			8,533,313
Deferred Tax Liability for Normal Temporary Difference			12,383,552
Total Deferred Tax Liability as on 30.06.2018 (A+B)			55,910,030

11.2.1 Deferred Tax Expenses/(Income) for the year ended 30th June, 2019

Deferred Tax Liability as on 30th June, 2019	50,986,291
Deferred Tax Liability as on 30th June, 2018	55,910,030
Deferred Tax Expenses/(Income)	(4,923,740)

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
Deferred Tax Expenses/(Income)	(1,843,897)

Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of IAS-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	
	30.06.2019	30.06.2018
12.00 Current Liabilities	89,632,452	84,340,680
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	17,691,300	17,916,744
12.03 Short Term Loan	30,711,880	31,141,406
12.04 Trade and Other Payables	9,193,840	9,444,490
12.05 Provision for Contribution to W.P.P.F	3,994,447	2,482,095
12.06 Other Liabilities	23,216,999	18,531,959
	<u>89,632,452</u>	<u>84,340,680</u>
12.01 Payable to IPO Applicant	4,823,986	4,823,986

It indicates the total balance of Payable to IPO Applicant as on 30th June, 2019.

12.02 Current Portion of Long Term Loan	17,691,300	17,916,744
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	0	225,444
	<u>17,691,300</u>	<u>17,916,744</u>
12.03 Short Term Loan	30,711,880	31,141,406
This is made up as follows		
Overdraft (NRB Bank Ltd.)	24,701,829	24,386,733
Demand Loan (NRB Bank Ltd.)	6,010,051	6,754,673
	<u>30,711,880</u>	<u>31,141,406</u>
12.04 Trade and Other Payables	9,193,840	9,444,490

This is made up as follows:

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
Bandhu Engineering Workshop	10,000	15,000
Bangladesh Association of Publicly Listed Companies	20,000	30,000
Bhumika Corporation	20,000	28,000
Biniyog Barta	40,000	46,000
Dhaka Tribune	256,000	394,489
Borak Sanitary	2,000	1,450
Feedback Control & Automation	5,000	10,000
Freedom Trade Link	15,000	27,000
Habib Enterprise	245,000	345,000
Jamal Tawhid	50,000	68,000
Jamuna Fire Fighting	2,000	3,243
Legend Power Limited	25,000	37,000
Md. Aminul Islam (Liability)	12,000	40,000
Media Circle Marketing Solution	45,000	70,155
Jony Transport & Trading	42,220	82,000
M/s. Shofik Enterprise	125,000	241,000

M/s S.R Impex Co.	-	100,000
Nahid Enterprise	158,222	285,949
Pacific Enterprise	45,000	90,620
Rahman Enterprise	15,000	320,720
Riana Trading Corporation	25,000	198,000
Rokeya Begum -Liability	12,500	53,820
Shah Amanat Polithine Store	293,000	793,000
Shahida Enterprise	9,920	9,920
Square informatix Ltd.	39,000	39,000
Sun Yad Poly Vinyal Industries Ltd.	11,389	211,390
Super Cooling Engineering & Refregeration	5,000	12,000
The Tool Master & Engineering Co.	-	11,000
Wave Tech Engineering	15,000	30,000
Continent Express	-	2,500
Dainik Arthoniteer Kagoj	1,500	46,000
Ekushe Express	3,500	3,500
Eurodesch Feed Mills Ltd.	7,405,689	5,042,734
Faith Courier Service	4,200	4,200
Shahjalal Courier Service	3,700	3,700
Share Biz Korcha	7,000	17,000
Shurwid Industries Employees Provident Fund	225,000	725,000
SME Foundation	-	1,000
Samoy Express Ltd.	-	3,300
Speed Express	-	1,800
	9,193,840	9,444,490

12.05 Provision for Contribution to W.P.P.F

This is made up as follows:

Balance as on 01.07.2018

Add: Provision made during the year

Less: Payments to workers during the year

Balance as on 30.06.2019

3,994,447**2,482,095**

2,482,095

1,300,136

4,012,352

1,181,959

6,494,447

2,482,095

2,500,000

0

3,994,447

2,482,095

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.

12.06 Other Liabilities

This is made up as follows:

Provision for Income Tax

Provision for Investment Fluctuation in Shares

Provision for Doubtful Debts

Liabilities for Accrued Expenses

12.6.1

12.6.2

12.6.3

12.6.4

23,216,999**18,869,459**

11,146,587

5,368,189

0

337,500

7,520,125

7,520,125

4,550,287

5,643,645

23,216,999

18,869,459

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
12.6.1 Provision for Income Tax	11,146,587	5,368,189
This is made up as follows:		
A. Provision		
Balance at 1st July, 2018	21,294,306	17,057,130
Add: Provision made during the year	5,924,583	4,237,176
	27,218,889	21,294,306
Less: Settlement of previous year's liability	0	0
Balance at 30th June, 2019	27,218,889	21,294,306
B. Advance tax		
Balance at 1st July, 2018	15,926,117	15,779,932
Add: Provision made during the year	146,185	146,185
	16,072,302	15,926,117
Less: Adjustment during the year	0	0
Balance at 30th June, 2019	16,072,302	15,926,117
Net Liabilities at 30th June, 2019 (A-B)	11,146,587	5,368,189
12.6.2 Unrealized Gain / (Loss) on Investment on Shares	0	337,500
This is made up as follows:		
Balance at 1st July, 2018	0	0
Add: Provision made during the year	0	337,500
	0	337,500
Less: Adjustment made during the year	0	0
	0	337,500
12.6.3 Provision for Doubtful Debts	7,520,125	7,520,125
This is made up as follows:		
Balance at 1st July, 2018	7,520,125	7,520,125
Add: Provision made during the year	0	0
	7,520,125	7,520,125
Less: Adjustment made during the year	0	0
	7,520,125	7,520,125
12.6.4 Liabilities for Accrued Expenses	4,550,287	5,643,645
This is made up as follows:		

Particulars	Amount in Taka	
Salaries and Allowances	453,673	952,105
Remuneration Payable	45,000	300,000
Annual Listing Fee	846,032	0
Audit & Consultancy Fees	25,680	30,000
Provident Fund Payable	67,137	67,137
Gas Charges	453,265	568,757
Electricity Charges	2,502,472	3,573,118
TDS Payable	74,528	74,528
VDS Payable	82,500	78,000
	4,550,287	5,643,645

Particulars	Amount in Taka	
	01.07.2018 To 30.06.2019	01.07.2017 To 30.06.2018
13.00 Net Asset Value (NAV) per Share	12.21	10.84
This is made up as follows:		
Total Assets	902,620,657	820,520,906
Less: Total Outside Liabilities	(201,946,660)	(198,755,602)
Net Assets	700,673,997	621,765,304
Divided by Number of Ordinary Shares	57,367,750	52,152,500
Net Asset Value (NAV) per Share	12.21	11.92
Net Asset Value (NAV) per Share (Adjusted)	12.21	10.84

14.00 Sales (Net of VAT)	214,744,983	152,986,875
This is made up as follows:		
Food Grade PVC, PP, PS & IT	214,744,983	152,986,875
	214,744,983	152,986,875

14.01	Food Grade PVC, PP, PS & IT		214,744,983	152,986,874
	This is made up as follows:			
	Food Grade PVC, PP, PS & IT	Note	Amount in Taka	Amount in Taka
	With VAT	14.1.1	0	8,139,056
	Without VAT	14.1.2	214,744,983	144,847,818
		214,744,983	152,986,874	

14.1.1 With VAT	0	8,139,056
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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)	-	-	-	-	-	104,688
Container-4.00"(All size of mm)	-	-	-	-	-	122,376
ICE Cup-Unprinted	-	-	-	-	-	5,277,843
ICE Cup-Printed	-	-	-	-	-	2,634,149
	-	-	-	-	-	8,139,056

14.1.2 Without VAT	214,744,983	144,847,818
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	503,646	1.70	856,198	-	856,198	857,091
Lunch Box O/W-XL-1	961,552	2.40	2,307,725	-	2,307,725	3,267,725
Lunch Box O/W-XL-2	702,653	3.00	2,107,959	-	2,107,959	1,802,202
Lunch Box Glass Clear-L	682,365	3.00	2,047,095	-	2,047,095	1,564,119
Lunch Box Glass Clear-XL-1	925,654	3.00	2,776,962	-	2,776,962	2,137,593
Lunch Box Glass Clear-XL-2	536,521	3.00	1,609,563	-	1,609,563	1,318,860
Colure Plate-L	3,000,236	0.98	2,940,231	-	2,940,231	1,764,031
Colure Plate-XL	1,526,350	3.15	4,808,003	-	4,808,003	6,434,874
Container-5.25" (All size of mm)	95,362	5.21	496,836	-	496,836	464,841

Particulars	Amount in Taka	
	01.07.2018 To 30.06.2019	01.07.2017 To 30.06.2018

Food Grade PVC, PP & PS	Quantity (Pcs.)	Average Rate	Total Sales	VAT (Tk.)	Amount in taka	Amount in taka
Container-4.00" (All size of mm)	10,523	5.15	54,193	-	54,193	33,490
Coffee Cup-(T/P)	8,132,650	0.52	4,228,978	-	4,228,978	3,107,514
Coffee Cup-(O/W)	15,612,560	0.52	8,118,531	-	8,118,531	11,258,864
ICE Cup-Printed	599,926	1.10	659,918	-	659,918	550,000
1 kg Bati-OW	1,437,375	7.00	10,061,625	-	10,061,625	11,717,664
Rimber Brush Cover	2,350,000	2.50	5,875,000	-	5,875,000	5,875,000
Water Cup-Printed	9,029,564	1.22	10,986,495	-	10,986,495	7,336,321
Water Cup-OW	19,013,909	1.08	20,561,465	-	20,561,465	9,949,444
Water Cup-TP	44,245,260	1.17	51,908,729	-	51,908,729	53,939,998
1/2 kg Bati-OW	1,532,650	5.06	7,755,209	-	7,755,209	6,822,398
1 kg Bati-TP	857,000	7.20	6,170,400	-	6,170,400	6,400,800
1/2 kg Bati-TP	1,150,000	5.15	5,922,385	-	5,922,385	8,244,990
ITES	-	-	-	-	25,274,350	-
Software	-	-	-	-	35,325,650	-
	112,905,755	63.11	152,253,501	-	214,744,983	144,847,818

15.00 Cost of Goods Sold

This is made up as follows:

		111,084,845	109,314,104
Opening Stock of Raw Materials		7,975,587	9,582,501
Add: Raw Material Purchased during the period	15.01	75,200,061	13,981,153
Raw Materials available for use		83,175,648	23,563,654
Less: Closing Stock of Raw Materials	8.1.1	(10,090,394)	(7,975,587)
Raw Materials Consumed		73,085,254	15,588,067
Add: Packing Materials Consumed	15.2	1,702,115	669,710
Add: Direct Expenses	15.3	6,124,117	4,687,181
Prime cost		80,911,486	20,944,958
Add: Manufacturing Overhead	15.4	28,494,510	30,291,149
Total Manufactured cost		109,405,996	51,236,107
Add: Opening Work in Progress		2,679,739	55,971,560
Cost of Goods Process during the year		112,085,735	107,207,667
Less: Closing Work in Progress	8.1.2	(717,694)	(2,679,739)
Cost of Goods Manufactured		111,368,041	104,527,928
Add: Opening Finished Goods		699,717	5,485,893
Cost of Goods available for sales		112,067,758	110,013,821
Less: Closing Finished Goods	8.1.3	(982,913)	(699,717)
Cost of Goods Sold		111,084,845	109,314,104

15.01 Raw Material Purchased

This is made up as follows:

	75,200,061	13,981,153
15.1.2 Local Purchase	75,200,061	13,981,153
	75,200,061	13,981,153

Particulars	Amount in Taka	
	01.07.2018 To 30.06.2019	01.07.2017 To 30.06.2018

15.1.2 Local Purchase**75,200,061 13,981,153**

This is made up as follows:

Particulars	Amount in Taka	
PP Resin	67,524,365	10,925,667
PS Resin	2,914,260	912,690
Calcium Carbonate	526,350	175,500
Lubricants (Internal & External	825,650	377,180
Finawax PE 3 & Finawax C	55,079	17,420
Epoxi oil	868,250	168,000
Stearic Acid	-	6,760
PP Compound	902,800	502,800
Masterbatch	871,387	471,387
PVC Film for Container	501,570	309,869
Titenium Di-Oxide	210,350	113,880
	75,200,061	13,981,153

15.02 Packing Materials Consumed**1,702,115 669,710**

This is made up as follows:

Opening Stock of Packing Materials	1,440,918	1,697,228
Add: Packing Materials Purchased during the year	1,512,450	413,400
Packing Materials available for use	2,953,368	2,110,628
Less: Closing Stock of Packing Materials	(1,251,253)	(1,440,918)
Packing Materials Consumed	1,702,115	669,710

15.03 Direct Expenses**6,124,117 4,687,181**

This is made up as follows:

Wages	5,279,566	4,385,033
Carriage inward	658,425	203,481
Spare Parts	186,126	98,667
	6,124,117	4,687,181

15.3.1

15.3.1 Spare Parts Consumed**186,126 98,667**

This is made up as follows:

Opening stock of Spare Parts	98,667	0
Add: Spare Parts purchased during the year	87,459	98,667
Spare Parts available for use	186,126	98,667
Less: Closing stock of Spare Parts	0	0
	186,126	98,667

15.04 Manufacturing Overhead
28,494,510 30,291,149

This is made up as follows:

Particulars	Amount in Taka	
Indirect Wages	520,653	141,439
Repairs & Maintenance	110,230	130,487
Gas Bill	2,564,580	1,967,796
Entertainment	11,250	22,360
Medical Expenses	5,470	7,580
Telephone and Mobile Bill	36,500	49,200
Electricity Bill	6,610,650	5,920,338
Conveyance	120,510	137,887
Godown Rent	850,340	561,600
Cleaning & Washing Expenses	25,630	31,226
Bonus	14,520	20,750
Labor Charge	687,580	309,464
Uniform and Leverage	1,450	2,450
Over Time	1,585,640	1,060,613
Fire Insurance Premium	254,860	270,235
Fuel, Oil & Lubricants	845,680	494,216
Printing & Stationary	40,350	50,660
Electrical Materials	134,664	34,664
Loading and Unloading Expenses	2,100	2,100
Misecellannous Expenses	952,450	270,794
Internet Bill	82,823	30,000
Depreciation	13,036,580	18,775,290
	28,494,510	30,291,149

Particulars	Amount in Taka	
	01.07.2018 To 30.06.2019	01.07.2017 To 30.06.2018

16.00 Administrative Expenses**11,930,198****12,227,117**

This is made up as follows:

Particulars	Amount in Taka	
Salaries & Allowance	3,754,526	3,866,824
Meeting Expenses	254,250	97,605
Annual Listing Fee	-	521,526
Bonus	440,520	368,250
Cleaning & Washing	2,560	3,101
Contribution to Provident Fund	4,510	6,216
Office rent	685,720	312,000
Fuel, Oil & Lubricants	298,560	108,680
Office Expenses	45,720	76,829
Audit Fees	100,000	100,000
Legal & Professional charges	386,504	250,000
Telephone, Mobile and Fax bill	48,750	72,026
Garage rent	54,620	68,200
Gift, Donation & Subscription	45,721	65,200
Internet bill	198,650	106,500
Postages & Courier Charges	22,568	33,589
Electricity charges	98,570	90,975
Conveyance	75,000	202,717
Computer Accessories	96,504	9,650
Insurance charges	55,000	440
Entertainment	14,520	23,658
Iftar bill	9,820	11,760
Printing & Stationery	145,740	52,129
News Paper & pericals	2,450	1,480
Repairs & Maintenance	25,642	70,340
Stamp expenses	44,571	3,050
Registration & Renewals	25,640	23,906
Medical expenses	54,650	2,961
Miscellaneous expenses	765,864	260,794
Warehouse Rent	754,700	558,000
Lunch Expenses	159,203	164,889
Depreciation	3,259,145	4,693,822
	11,930,198	12,227,117

17.00 Selling and Distribution Expenses**4,258,237****928,080**

This is made up as follows:

Particulars	Amount in Taka	
Advertisements	850,240	0
Sample Expenses	775,850	52,886
Business Promotion Expenses	958,750	187,005
Carriage Outwards	755,820	489,552
Sales Discount	917,577	198,637
	4,258,237	928,080

Particulars	Amount in Taka	
	01.07.2018 To 30.06.2019	01.07.2017 To 30.06.2018
18.00 Non-Operating Income	883,198	587,726
This is made up as follows:		
Bank Interest	12,450	11,346
Other Income	870,748	576,380
	883,198	587,726
19.00 Financial Expenses	4,095,513	6,284,160
This is made up as follows:		
Particulars	Amount in Taka	
Interest on Factoring & Lease	1,245,820	2,111,230
Interest on Term Loan, Demand Loan & Ovedraft	2,849,693	4,172,930
	4,095,513	6,284,160
20.00 Income Tax Expenses	1,000,844	2,393,279
This is made up as follows:		
Current Tax	5,924,583	4,237,176
Deferred Tax	(4,923,740)	(1,843,897)
	1,000,844	2,393,279
21.00 Earning Per Share (EPS)	1.38	0.37
This is made up as follows		
Net Profit /(Loss) After Tax	79,246,193	21,245,902
Profit Attributable to the Ordinary Shareholders	79,246,193	21,245,902
Weighted Average Number of Ordinary Shares	57,367,750	52,152,500
Earning Per Share	1.38	0.41
Earning Per Share (Adjusted)	1.38	0.37

Earnings Per Share is calculated in accordance with IAS 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 57,367,750.

Net profit after tax and EPS are increased because of Company started Information Technology Enabled Service (ITES) & Software business and turnover of regular business is increased, expenses is decreased by the good management.

Particulars	Amount in Taka	
	01.07.2018 To 30.06.2019	01.07.2017 To 30.06.2018
22.00 Cash receipts from customers :	153,662,828	121,315,290
Opening balance of accounts receivable	182,074,087	150,402,502
Add : Sales of goods	214,744,983	152,986,875
	396,819,070	303,389,377
Less : Closing balance of accounts receivable	243,156,242	182,074,087
	153,662,828	121,315,290
23.00 Payments to Suppliers :	98,545,209	29,943,580
Cost of goods sold	98,048,265	90,538,814
Add : Increase/(Decrease) in Inventory	246,294	(59,941,224)
(Increase)/Decrease of Account Payable	250,650	(654,010)
	98,545,209	29,943,580
24.00 Payments to Employees & others :	46,516,589	88,858,801
Operating Expenses	12,929,290	8,461,375
Add : Increase/(Decrease) in Advance, deposits & prepayments	35,772,339	81,634,918
(Increase)/Decrease in Accrued Expenses	(4,685,040)	(1,237,492)
Payment to WPPF	2,500,000	-
	46,516,589	88,858,801
25.00 Income Tax Paid :	5,924,583	(146,185)
Provision for Income Tax Expenses	5,924,583	-
Add : (Increase)/Decrease in Income tax payable	-	(4,237,176)
Increase/(Decrease) in Advance Income Tax	-	4,090,991
	5,924,583	(146,185)
26.00 Financial expenses paid :	4,095,513	6,284,160
Interest on Factoring & Lease	1,245,820	2,111,230
Interest on Term Loan, Demand Loan and Overdraft	2,849,693	4,172,930
	4,095,513	6,284,160
27.00 Receipts from other operating activities :	883,198	587,726
Bank interest receipts	12,450	11,346
Other Income	870,748	576,380
	883,198	587,726
28.00 Net Operating cash Flow per share (NOCFPS) :		
Net cash provided from/(used in) operating activities	(535,868)	(3,329,710)
Weighted Average Number of Ordinary Shares	57,367,750	52,152,500
Net Operating cash Flow per share (NOCFPS)	(0.01)	(0.06)
Net Operating cash Flow per share (NOCFPS) (Adjusted)	(0.01)	(0.06)

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CHARTERED ACCOUNTANTS

29.00 Weighted Average Number of Ordinary Shares

This is made up as follows:

Particulars	Share Numbers	Outstanding Period	Length in Days	Daily Product	Yearly Product Weighted Average number of share	
					30.06.2019	30.06.2018
Shares at beginning	57,367,750	July - June	365	20,939,228,750	57,367,750	52,152,500
Total	57,367,750				57,367,750	52,152,500

30.00 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.
- (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:
 - (a) Short-term employee benefits;
 - (b) Post employment benefits;
 - (c) Other long term benefits;
 - (d) Termination benefits; and
 - (e) Share based payment,

31.00 Contingent Assets:

There was no Contingent Assets as on 30th June, 2019.

31.00 Contingent Liabilities:

There was no Contingent Liability as on 30th June, 2019.

33.00 Claim against the Company:

There was no Claim as on 30th June, 2019.

34.00 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
Mahmudul Hasan	Chairman	01.07.2018-30.06.2019	11	11
Md. Nuruddin	Managing Director	01.07.2018-30.06.2019	11	11
Enamul Kabir, FCA	Director	01.07.2018-30.06.2019	11	11
Saifuddin Md. Aminur Rahim	Indp.Director	01.07.2018-30.06.2019	11	10

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CHARTERED ACCOUNTANTS
35.00 Disclosures as per requirement of Schedule XI, part II of the Companies Act, 1994 (Employee position as on 30th June, 2019)
(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	83	99
Below 3,000	0	0	0
Total	16	83	99

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

Name	Position	Meeting Attending Fee	Allowance	Amount (Tk.)
Mahmudul Hasan	Chairman	0	0	0
Md. Nuruddin	Managing Director	5,000	0	55,000
Enamul Kabir, FCA	Director	5,000	0	55,000
Saifuddin Md. Aminur Rahim	Independent Director	5,000	0	50,000

(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.) 30.06.2019	Amount (Tk.) 30.06.2018
1	Within 3 Months	14,550,300	13,204,959
2	Within 6 Months	14,005,000	11,103,885
3	Within 12 Months	23,088,393	17,930,481
4	More than 12 Months	191,512,550	139,834,762
		243,156,242	182,074,087

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.

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CHARTERED ACCOUNTANTS
(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	15,000,000	9,408,813	63%	37%

(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	75,200,061	0	75,200,061	65,109,667	87%
Total	75,200,061	0	75,200,061	65,109,667	87%

(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.

36.00 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;

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CHARTERED ACCOUNTANTS

- 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.



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CHARTERED ACCOUNTANTS

SHURWID INDUSTRIES LIMITED

ANNEXURE NO. A.

SCHEDULE OF FIXED ASSETS FOR THE YEAR ENDED 30TH JUNE, 2019

i) COST

PARTICULARS	COST			R A T E	DEPRECIATION				WRITTEN DOWN VALUE AS ON 30.06.2019	WRITTEN DOWN VALUE AS ON 30.06.2018
	BALANCE AS ON 01.07.2018	ADDITION DURING THE YEAR	ADJUSTMENT DURING THE YEAR		TOTAL AS ON 30.06.2019	BALANCE AS ON 01.07.2018	CHARGED DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL AS ON 30.06.2019	
Land & Land Development	10,331,738	-	-	0%	10,331,738	-	-	-	-	10,331,738
Factory Building	177,423,652	-	-	2%	177,423,652	20,163,053	3,145,212	-	23,308,265	154,115,387
Plant & Machinery	202,224,225	-	41,245,650	10%	160,978,575	90,730,318	7,024,826	17,754,900	80,000,244	80,978,331
Furniture and Fixture	1,600,854	-	-	10%	1,600,854	929,245	67,161	-	996,406	604,448
Office Equipment	3,529,241	-	-	10%	3,529,241	1,844,098	168,514	-	2,012,612	1,516,629
Generator	31,333,054	1,850,750	-	10%	33,183,804	9,442,998	2,281,543	-	11,724,541	21,459,263
Electric Installation	5,671,208	-	-	20%	5,671,208	4,674,963	199,249	-	4,874,212	796,996
Air Conditioner & Compressor	7,489,933	-	-	10%	7,489,933	3,854,247	363,569	-	4,217,816	3,272,117
Software & Webpage Development	116,000	-	-	20%	116,000	95,286	4,143	-	99,429	16,571
Vehicles	6,374,559	-	-	20%	6,374,559	4,014,502	472,011	-	4,486,513	1,888,046
Substation (Factory)	6,636,697	-	-	20%	6,636,697	4,054,225	516,494	-	4,570,719	2,065,978
TOTAL	452,731,161	1,850,750	41,245,650		413,336,261	139,802,935	14,242,722	17,754,900	136,290,757	277,045,504

ii) REVALUATION

PARTICULARS	COST			R A T E	DEPRECIATION				WRITTEN DOWN VALUE AS ON 30.06.2019	WRITTEN DOWN VALUE AS ON 30.06.2018
	BALANCE AS ON 01.07.2018	ADDITION DURING THE YEAR	ADJUSTMENT DURING THE YEAR		TOTAL AS ON 30.06.2019	BALANCE AS ON 01.07.2018	CHARGED DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL AS ON 30.06.2019	
Land & Land Development	25,668,262	-	-	0%	25,668,262	-	-	-	-	25,668,262
Factory Building	20,502,049	-	-	2%	20,502,049	3,409,506	341,851	-	3,751,357	16,750,692
Plant & Machinery	35,775,656	-	-	10%	35,775,656	21,920,643	1,385,501	-	23,306,144	12,469,512
Generator	8,043,094	-	-	10%	8,043,094	4,928,206	311,489	-	5,239,695	2,803,399
Electric Installation	528,119	-	-	20%	528,119	457,311	14,162	-	471,473	56,646
TOTAL	90,517,180	-	-		90,517,180	30,715,666	2,053,003	-	32,768,669	57,748,511
TOTAL (i+ii)	543,248,341	1,850,750	41,245,650	-	503,853,441	170,518,601	16,295,725	17,754,900	169,059,426	334,794,016
										374,981,813

Note:

Allocation of Depreciation:

Amount (Tk.)	30.06.2019	30.06.2018
Manufacturing overhead (80%)	13,036,580	20,960,781
Administrative expenses (20%)	3,259,145	5,240,195
Total	16,295,725	26,200,976



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/weof..... 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 15th Annual General Meeting of the Company to be held on Monday, 30th December,
2019 and at any adjournment thereof or at any ballot to be taken in consequence thereof.

Signed thisday of2019.

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 15th Annual General Meeting of the company being held on Monday, 30th December, 2019 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.org, **Web site:** www.shurwid.org