

Annual Report *2014-2015*



Standard Ceramic Industries Ltd.

Manufacturer of Stoneware Tableware

STANDARD CERAMIC INDUSTRIES LTD.

ANNUAL REPORT 2014-2015

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

STANDARD CERAMIC INDUSTRIES LTD.

62-63 Motijheel C/A, Dhaka.

Corporate Directory BOARD OF DIRECTORS



Mr. Helal Uddin Ahmed
Managing Director



Mr. A.K.M. Jahangir Khan
Director



Mr. Lutfur Rahman
Director



Mr. Nasir Uddin Ahmed
Director



Mr. Enamul Maqsud
Director



Mr. A.K.M. Alamgir Khan
Director



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



Mr. M. Ismail
Independent Director

Auditors : **M/s. Artisan**, Chartered Accountants
BSEC Bhaban (Level-10),
102, Kazi Nazrul Islam Avenue
Kawran Bazar, Dhaka-1215.

Company Secretary : Jamal Uddin Bhuiyan.

STANDARD CERAMIC INDUSTRIES LTD.

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

Registered Office:
Holding no-738, Ward No- 34,
Post Office - National University, Saydana,
Gazipur City Corporation, Gazipur-1700.

Notice of the 31st Annual General Meeting


Notice is hereby given that the 31st Annual General Meeting of Standard Ceramic Industries Ltd. will be held on Wednesday the 23rd December 2015 at 10:00 A.M. at the Factory premises of the Company at Holding no-738, Ward No- 34, Post Office-National University, Saydana, Gazipur City Corporation, Gazipur-1700 to transact the following business:

AGENDA

1. To confirm the proceedings of the 30th Annual General Meeting held on 28th December 2014.
2. To receive, consider and adopt Audited Financial Statements of the Company for the year ended on 30th June, 2015 together with reports of the Auditors and the Directors thereon.
3. To declare 10% Cash dividend to the public shareholders only other than sponsors / Directors for the year ended 30th June 2015.
4. To elect Directors in place of those retiring by rotation.
5. To appoint Auditors of the company for the year 2015-2016 and to fix their remuneration.
6. To confirm the appointment of Managing Director.
7. To approve enhancement of remuneration and perquisites of Managing Director and Operative Director
8. To transact any other business which may be transacted at an Annual General Meeting with the permission of the Chair.

By order of the Board of Directors

Dated: 15th November 2015



(Jamal Uddin Bhuiyan)
Company Secretary.

Notes:

- a) 12th November 2015, is the Record Date. Shareholder whose names will appear in the Members Register of the company or in the Depository Register on Record Date will be eligible to attend the Annual General Meeting and receive dividend.
- b) A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her behalf. The proxy form, duly stamped, must be deposited at the Head Office of the Company not later than 48 hours before the time fixed for the meeting.
- c) Admission to the venue of meeting shall be allowed only on presentation of the attendance slip sent with the Annual Report.
- d) Queries on the Annual Report may be sent to the Head Office, 72 hours before the time fixed for the meeting.
- e) No gift or benefit in cash or kind shall be paid to the shareholders of the company at the Annual General Meeting as per BSEC notification no. BSEC/SRMI/2000-953/1950 dated October 24, 2000.
- f) Shareholders are requested to submit their 12 digits Taxpayers Identification Number (TIN) to the Company latest by 23/12/15 failing which, income tax will be deducted from payable dividend 15% instead of 10%.

**STATISTICAL PERFORMANCE
OF LAST FIVE YEARS**

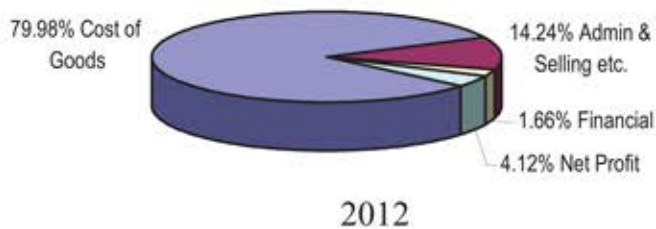
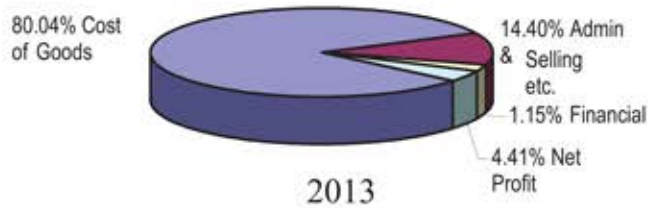
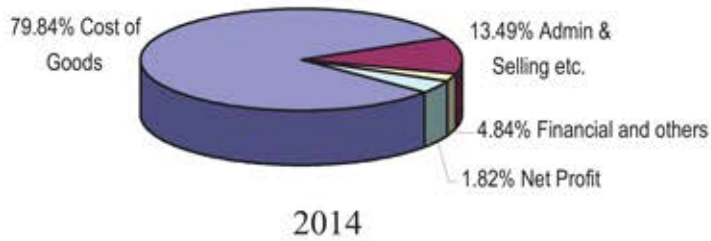
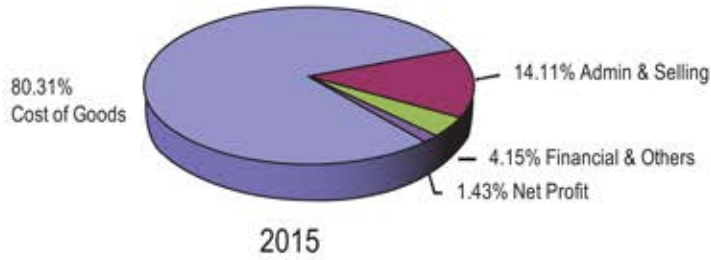
Five Years Key Financial Statistics

Items	As at 30 June Tk./000				
	2015	2014	2013	2012	2011
Fixed Assets	109,366	111,355	113,825	111,789	111,756
Deferred Exp.	3,910	3,910	8,480	4,607	4,607
Net Current assets	(5,455)	(9,134)	(13,747)	(8,595)	(12,049)
Total Assets	107,821	106,131	108,558	107,801	104,314
Paid-up-Capital	64,607	64,607	64,607	64,607	64,607
Share Premium	14,650	14,650	14,650	14,650	14,650
Revenue Reserves and surplus	(10,024)	(574)	1,853	1,096	(2,582)
Tax Holiday Reserve	1,064	1,064	1,064	1,064	1,064
Capital reserve	26,384	26,384	26,384	26,384	26,384
Total equity	96,681	106,131	108,558	107,801	104,123
Deferred Tax Liabilities	11,140	0	0	0	0
Long Term Loan	0	0	0	0	191
Total debt + equity	107,821	106,131	108,558	107,801	104,314
Net Asset Value (NAV) per ShareTk.	14.36	15.82	15.49	15.97	15.40

Face value of share Tk.10/=

Items	Tk./000				
	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Sales	285,359	235,978	224,983	210,196	210,283
Less Cost of goods sold Items	(229,167)	(188,397)	(180,076)	(168,125)	(168,150)
Gross profit	56,192	47,581	44,907	42,071	42,133
Less: Administrative and Selling expenses	(40,253)	(31,266)	(32,405)	(29,937)	(30,087)
Interest charges & write off	(11,830)	(12,015)	(2 630)	(3,489)	(4,029)
Other income	3,101	2,398	782	1,555	0
	(48,982)	(40,883)	(34,253)	(31,871)	(34,116)
Net Profit/(Loss)	7,210	6,698	10,654	10,200	8,017
Contribution of WPPF	(344)	(319)	(507)	(486)	(382)
	6,866	6,379	10,147	9,714	7,635
Add: Provision for Income Tax & Deferred Tax	2,822	(2,344)	(2,930)	(2,805)	(3,625)
Retained profit/(Loss)	9,688	4,035	7,217	6,909	4,010
Earnings per share(EPS) Tk.	1.50	0.62	1.12	1.07	0.62
Cash Dividend	10%(for Public Shareholders only)	10%(for Public Shareholders only)	10%	10%	5%
Stock Dividend	---	---	---	---	---

SALES DISTRIBUTION



STANDARD CERAMIC INDUSTRIES LTD.

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

DIRECTORS' REPORT AT THE THIRTY FIRST ANNUAL GENERAL MEETING

Dear Shareholders,

We, on behalf of the Board of Directors, feel privileged to welcome you at the 31st Annual General Meeting of your Company and have the pleasure in presenting before you the Annual Report together with audited financial statements for the year ended on 30th June 2015.

General Economics & Environmental Situation:

The general economic condition of end users of our products compared to previous year slightly improved but not up to desired level. The political unrest during the year disrupted production and sales. Consequently the Company could not achieve desired growth. The loss could not yet be recovered. Implementation of Environmental Policy has adversely affected Cash Flow and this will increase cost due to deferred expenses to be amortized.

Industry outlook

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

Possible future development

Cost Reduction

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

State of Company's Affairs :

Turnover amounted to taka 285.36 million in the year 2014-2015 as against taka 235.98 million in the year 2013-2014. The gross profit for the year was taka 56.19 million as against taka 47.58 million of the previous year showing increase of 18.10 % only. The gross profit ratio decreased by 0.47% due to increase variable cost.

Particulars

Figure in Thousand ('000) Tk.

	<u>2014-2015</u>	<u>2013-2014</u>
Net Profit/(Loss) before Tax etc.	7,209	6,697
Less:WPPF	(343)	(319)
Less:Provision for tax etc.	(1,802)	(2,344)
Add: Deferred Tax Exps/Income	4,624	0
Net Profit /(Loss)after Tax etc.	9,688	4,034
Less: Proposed Dividend	(3,386)	(0)
Less: Dividend declared		(3,375)
Less:Previous years Accumulated Profit/(Loss)	(3,948)	(4,607)
Prior year's adjustment (Deferred Tax)	(15,764)	
Accumulated Profit / (Loss)	(13,410)	(3,948)

Contribution to National Exchequer:

Your company contributed a total amount of taka 47.42 million to the National Exchequer in the form of Custom duty, AIT, VAT, except gas, electricity bill etc, during the year under report.

Dividend

Despite of the fact that the Company has a total accumulated loss of taka 19.71 million in the opening which lowered our reserve position, the Company earned a net profit of taka 9.69 million during the year. In this situation, the Board of Directors has recommended cash dividend @ 10% on face value of share for the public shareholders only other than Sponsors / Directors from the profit of this year. The Sponsor shareholders relinquished their dividend towards write off.

Retirement of Directors and their Re-election :

(1) Mr. Lutfur Rahman (2) Mr. Helal Uddin Ahmed (3). Mr. A.K.M Alamgir Khan and (4) Mr. AKM Jahangir Khan , Directors of the company who retired by rotation as per Article 44 of the Articles of Association of the Company, offered themselves for re-appointment and being eligible may be re-appointment.

Brief resume of above Directors:

(1) Mr. Lutfur Rahman - Director.

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

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

(2) Mr. Helal Uddin Ahmed – Managing Director.

Mr. Helal Uddin Ahmed is a graduate from BUET in Mechanical Engineering. He is a sponsor Shareholder and a Director of the company. He is also a director of Peoples Ceramic Industries Ltd.. He has been engaged in ceramic line since 1987. He has also gathered vast experience in ceramic production and quality. In addition to his business, he is a member of IEB, BUET-87 Club, Association of BUET Alumni and the International Association of Lions Club. Mr. Helal is also associated with some social organizations.

(3) Mr. A.K.M Jahangir Khan- Director

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

(4) A.K.M Alamgir Khan- Director.

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

Corporate & Financial Reporting :

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

Accordingly, the Directors are pleased to confirm the following:

- (a) The Financial Statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.
- (b) Proper books of accounts of the Company have been maintained.
- (c) Appropriate Accounting Policies have been consistently applied in the preparation of financial statements and the accounting estimates are based on reasonable and prudent judgment.
- (d) The Financial Statement have been prepared in accordance with IAS/BAS/IFRS/BFRS.
- (e) The system of internal control is sound and has been effectively implemented and monitored.
- (f) There are no significant doubts upon the Company's ability to continue as a going concern.
- (g) The key operating and financial data for the last five years are annexed.

(h)Board Meetings and Attendance :

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

The attendance record of the Directors is as follows:

Sl #	Name of the Directors	Position	Meeting attended	Reasons for non attendance
01.	Mr. Helal Uddin Ahmed	Managing Director	5	
02.	Mr. A.K.M. Jahangir Khan	Director	5	
03.	Mr. Lutfur Rahman	Director	5	
04.	Mr. Enamul Maqsd	Operative Director	5	
05.	Mr. Nasir Uddin Ahmed	Director	5	
06.	Mr. A.K.M. Alamgir Khan	Director	5	
07.	Mr. A.K Mizanur Rahman, FCA	Independent Director	4	
08.	Mr.M.Ismail	Independent Director	3	
09.	Mr. A.Z.M Nazrul Haque	Independent Director	3	Retired on 28/12/2014.

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

I. Continuity of Extra-ordinary Gain or Loss:

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

j. There were no significant deviations from last year in the operating results.

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

The Company did not raise share capital through Public Issue, right issue and through any other instruments during the year 2014-2015.However, the company raised its capital in 1996. The proceeds of the issue have been utilized in repaying Long Term Loan.

I. Remuneration of Managing Director and Independent Director

Remuneration of the Managing Director has been disclosed in the accounts note no.20. On the other hand, Independent Directors did not receive any remuneration except meeting attendance fees.

m. Subsidiary Company

The Company has no subsidiary company.

n. Chairman of the Board and Chief Executive Officer

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

o. Duties of CEO and CFO

The provision of SEC regulations has been complied.

p. Risks and concerns

(a) Interest Rate Risk

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

(b) Exchange rate risk

Company adjusts exchange risk for imported raw materials through increasing products price.

(c) Market Risk

The company is continuously upgrading its quality to minimise the market risks.

(d) Operational Risk (Non-availabilities of Materials /Mechanical Failure of Equipments)

The Company has its scientific inventory management system and equipped with power backup which reduces operational risks.

(e) Trade Policy risk

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

(q) The pattern of shareholding is as follows:

Sl #	Namewise details	Shares held
01.	Mr. Helal Uddin Ahmed, Managing Director	3,73,880
02.	Mr. Lutfur Rahman, Director	3,73,880
03.	Mr. Nasir Uddin Ahmed, Director	3,73,880
04.	Mr. A.K.M. Jahangir Khan, Director	2,25,450
05.	Mr. Enamul Maqsd, Director	2,03,960
06.	Mr. A.K.M Alamgir Khan, Director	2,59,080
07.	Mr.A.K Mizanur Rahman,FCA (Independent Director)	nil
08.	Mr. M.Ismail (Independent Director)	nil
09.	Mr. Jamal Uddin Bhuiyan, Company Secretary & CFO	nil
10.	Mr. Abdur Rahim, Internal Auditor	nil
	Executives:	
11.	Mr. Md. Abu Taher	10
12.	Mr.Serajul Islam, Senior Manager (Accounts)	0
13.	Mr. Mushfiqur Rahman, Manager Export	150
14.	Mr. Kazal Or-Rashid, Dy. Manager (Custom)	0
15.	Mr. Mustafizur Rahman ,Dy. Manager (Share)	10
16.	ICB, Unit Fund	10,63,630

Corporate Governance Compliance Report :

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

Appointment of Auditors :

M/s.Artisan, Chartered Accountants, BSEC Bhaban (Level-10)102, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215 was the auditor of the Company for the year 2014-15. They are holding the post for two years only and being eligible they offer themselves for re-appointment for the financial year 2015-16. Accordingly the Board of Directors recommended that M/s.Artisan, Chartered Accountants, be appointed as Auditors for the financial year 2015-2016 subject to the approval of the shareholders in the AGM with Tk.100,000/- (included VAT & Tax) only as their remuneration for audit works only.

Acknowledgement :

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

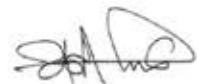
Conclusion :

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

On behalf of the Board of Directors



(A.K.M Alamgir Khan)
Director



(Helal Uddin Ahmed)
Managing Director

Date: 21 October, 2015
Place: Dhaka-1000.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

We have examined the compliances of conditions of the Corporate Governance by Standard Ceramic Industries Ltd. for the year ended 30th June, 2015 as per Corporate Governance guidelines issued by the Bangladesh Securities and Exchange Commission vide Notification No. SEC /CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

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

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

Dhaka -1207
Dated: 21 October 2015



(M. AHMED & CO.)
Chartered Accountants



Standard Ceramic Industries Ltd.

(Manufacturer of Stoneware Tableware)

Amin Court (3rd Floor), 62-63 Motijheel Commercial Area, Dhaka, Bangladesh

Phones: PABX 9561947-8, 9577033, Fax: (880-2)956 1950,

E-mail: info@standardceramic.net Web: www.standardceramic.net & www.standardceramic.org

Factory: Saydana, K.B. Bazar, Joydebpur, Gazipur-1700, Bangladesh

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

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

- (i) We have reviewed the Financial Statements of Standard Ceramic Industries Ltd. for the year ended June 30, 2015 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; and
 - (b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) To the best of our knowledge and belief, there were no transactions entered into by the company during the year 2014-2015 which were fraudulent, illegal or violation of the company's code of conduct.

Dhaka -1000

Dated: 10/10/2015

(Jamal Uddin Bhuiyan)

Deputy General Manager (A&F)
(Discharging the functions of CFO)
Standard Ceramic Industries Ltd.

(Helal Uddin Ahmed)

Managing Director
Standard Ceramic Industries Ltd.

Audit Committee Report

Composition of the Audit Committee

- | | |
|--------------------------------|-------------------|
| 1. Mr. A.K Mizanur Rahman, FCA | Chairman |
| 2. Mr. Lutfur Rahman, | Member |
| 3. Mr. A.K.M Alamgir Khan, | Member |
| 4. Mr. Jamal Uddin Bhuiyan | Company Secretary |

Meeting

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

Summary of Activities & Recommendations

The Audit Committee carried out the following activities and recommendations during the financial year ended June 30, 2015.

1. The Committee reviewed periodic financial statements as well as Annual Financial Statements of Standard Ceramic Industries Ltd. for the year ended 30 June, 2015 and recommended to place it to the Board for consideration and we found those in order.
2. The Committee reviewed the internal audit findings and recommendations, monitoring system and found in order.
3. The Committee also reviewed the structure of the internal Audit Department and recommended to strengthen it.
4. The Committee considered and made recommendations to the Board on the appointment of existing external Auditors for the year 2015-16.
5. The Committee reviewed Policy and guidelines to comply with the rules and regulations of the BSEC as adopted by the company.
6. The Committee did not find any irregularities or any other matter which should be reported to the Board of Directors / Shareholders.
7. Standard Ceramic Industries Ltd. did not raise any money through initial public offering/Reputed Public Offering/Rights Issue during the period.

Acknowledgement

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

Thanking you,

On behalf of the Audit Committee



A.K.Mizanur Rahman, FCA

Chairman

Audit Committee

Corporate Governance Compliance Report

Status of compliance with a conditions imposed by the

Commission's Notification No. SEC/CMRRC/2006-158/134/Admin/44 dated 7th August 2012.

(Report under Condition No. 7.00)

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

	(v) Discussion on continuity of any Extra-Ordinary gain or loss.	✓	
	(vi) Related party transactions		Not applicable
	(vii) Utilization of proceeds	✓	
	(viii) Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing.		Not applicable
	(ix) Significant variance		Do
	(x) Remuneration to directors	✓	
	(xi) Fairness of state of the affairs	✓	
	(xii) Keeping proper books of accounts	✓	
	(xiii) Consistent application of Accounting Policies and preparation of financial statements	✓	
	(xiv) Observance of Bangladesh Accounting Standards (BAS)	✓	
	(xv) Soundness and efficiency of internal control	✓	
	(xvi) Ability of Standard Ceramic Industries Ltd. to continue as a going concern	✓	
	(xvii) Significant deviations from last year in operation results		No such incidence
	(xviii) Presentation of key operation and financial data for last five years	✓	
	xix) Declaration of dividend	✓	
	(xx) Number of Board Meeting held during the year and attendance by each other	✓	
	(xxi) Shareholding pattern	✓	
	(xxii) Appointment / re-appointment of a Director	✓	
2.1	Appointment of Chief Financial Officer (CFO) and Company Secretary		DGM acting as CFO & CS
2.2	Requirement as to attendance of CFO and Company Secretary in the Board Meeting	✓	
3.00	Formation of Audit Committee	✓	
3 (i)	Sub-committee of the Board of Directors.	✓	
3 (ii)	Assisting the Board of Directors for ensuring true and fair view of the state of affairs;	✓	
3 (iii)	Duties of the audit committee clearly set forth in writing.	✓	
3.1	(i) Numbers of members of audit committee	✓	
	(ii) Inclusion of Independent Director in the Audit Committee	✓	
	(iii) Financially literate & Financial management expertise member	✓	
	(iv) Fill the casual vacancy in Audit Committee	✓	
	(v) Company Secretary as the Secretary of the committee	✓	
	(vi) inclusion of Independent Director in the quorum of the Audit Committee	✓	
3.2	(i) Selection of the Chairman of Audit Committee	✓	
	(ii) Attendance of the Chairman of the audit committee shall remain present in the AGM.	✓	
3.3	(i) Investigate financial reporting process	✓	
	(ii) Monitoring accounting policies and principles	✓	
	(iii) Monitoring Internal Control Risk management process	✓	
	(iv) Investigate hiring and performance of external auditors.	✓	
	(v) Review of annual financial statements.	✓	
	(vi) Review of quarterly and half yearly financial statements	✓	
	(vii) Review of adequacy of internal audit function.	✓	
	(viii) Related party transaction		Not applicable
	(ix) Management Letters/ Letter of Internal Control weakness	✓	
	(x) Purposes of fund utilized	✓	

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

স্ট্যান্ডার্ড সিরামিক ইন্ডাস্ট্রিজ লিঃ

৬২-৬৩ মতিঝিল বা/এ, ঢাকা- ১০০০

৩১তম বার্ষিক সাধারণ সভায় পরিচালক মন্ডলীর প্রতিবেদন

বিস্মিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবন্দঃ

আসসালামু আলাইকুম। প্রথমে পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ৩১তম বার্ষিক সাধারণ সভায় আপনাদেরকে সাদর আমন্ত্রণ জানাচ্ছি। এই সভায় ৩০শে জুন, ২০১৫ইং তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক প্রতিবেদন আমি আনন্দের সহিত উপস্থাপন করছি।

বিশ্ব অর্থনীতি ও সামগ্রিক পরিস্থিতি পর্যালোচনাঃ

বিগত বৎসরের তুলনায় আলোচ্য বৎসরে আমাদের পণ্যের ব্যবহার কিছুটা বৃদ্ধি পেয়েছে কিন্তু কাজিত পর্যায়ে এখনো পৌঁছায়নি। রাজনৈতিক অস্থিরতার জন্য আলোচ্য বৎসরে উৎপাদন ও বিক্রয় ক্ষতিগ্রস্ত হয়েছে। যার ফলে আশঙ্কিত উন্নতি লাভ করা সম্ভব হয়নি। রাজনৈতিক অচলাবস্থার কারণে সৃষ্ট ক্ষতি এখনো কাটিয়ে উঠা সম্ভব হয়নি। তদুপরি পরিবেশগত নানা নীতি আরোপের ফলে নগদ প্রবাহের (Cash Flow) এর উপর বিরূপ প্রভাব পড়েছে। তাছাড়া বিলম্বিত খরচ অবলোপনের কারণে খরচ বৃদ্ধি পেয়েছে।

উন্নয়ন পরিকল্পনাঃ

পরিচালক পর্ষদ দেশে ও বিদেশে বিক্রয় বৃদ্ধির জন্য প্রচেষ্টা অব্যাহত রেখেছেন।

ব্যবসায়িক কার্যক্রমঃ

গত বৎসরে (২০১৩-২০১৪) ২৩ কোটি ৬০ লক্ষ টাকা বিক্রয়ের বিপরীতে আলোচ্য বৎসরে (২০১৪-২০১৫) বিক্রয় দাঁড়ায় ২৮ কোটি ৫৪ লক্ষ টাকা। গত বৎসরের ৪ কোটি ৭৬ লক্ষ টাকার মোট লাভের বিপরীতে আলোচ্য বৎসরে মোট লাভ দাঁড়ায় ৫ কোটি ৬২ লক্ষ টাকা। আলোচ্য বৎসরে Variable Cost বৃদ্ধির ফলে মোট লাভ হ্রাস পায় ০.৪৭%।

আর্থিক প্রতিবেদন ও মুনাফা বন্টনঃ

নিচে কোম্পানীর সামগ্রিক চিত্র দেওয়া হলোঃ

বিবরণ	উপাত্তগুলি ('০০০) হাজারে প্রকাশিত	
	২০১৪-২০১৫	২০১৩-২০১৪
আয়কর পূর্ব নিট মুনাফা/(ক্ষতি)	৭,২০৯	৬,৬৯৭
বিয়োগঃ আয়কর বাবদ সঞ্চিতি	(১,৮০২)	(২,৩৪৪)
বিয়োগঃ WPPF বাবদ সঞ্চিতি	(৩৪৩)	(৩১৯)
যোগঃ বিলম্বিত কর (আয়)	৪,৬২৪	০
আয়কর ইত্যাদি উত্তর নিট মুনাফা	৯,৬৮৮	৪,০৩৪
বিয়োগঃ প্রস্তাবিত লভ্যাংশ	(৩,৩৮৬)	০
বিয়োগঃ লভ্যাংশ	০	(৩,৩৭৫)
বিয়োগঃ পূর্ববর্তী বৎসরের পুঞ্জীভূত লাভ/(লোকসান)	(৩,৯৪৮)	(৪,৬০৭)
পূর্ববর্তী বৎসরের সময় (Deferred Tax)	(১৫,৭৬৪)	০
	(১৯,৭১২)	০
পুঞ্জীভূত লাভ/(লোকসান)	(১৩,৪১০)	(৩,৯৪৮)

রাষ্ট্রীয় কোষাগারে অবদান :

কোম্পানী আলোচ্য আর্থিক বৎসরে (২০১৪-২০১৫) রাষ্ট্রীয় কোষাগারে গ্যাস ও বিদ্যুৎ বাদে কাষ্টম ডিউটি, এ.আই.টি., ভ্যাট ইত্যাদি খাতে ৪ কোটি ৭৪ লক্ষ টাকা প্রদান করে।

লভ্যাংশ ঘোষণা :

আলোচ্য বৎসরের প্রারম্ভ পর্যন্ত কোম্পানী ১.৯৭ কোটি টাকা পুঞ্জীভূত ক্ষতি, যা প্রতিষ্ঠানের সঞ্চিতির পরিমাণকে নিম্নমুখী করেছে। আলোচ্য অর্থ বৎসরে কোম্পানী কর পরবর্তী মুনাফা করেছে ৯৬.৯০ লক্ষ টাকা। এমতাবস্থায় পরিচালক মন্ডলি প্রতিটি ১০ টাকা মূল্যের সাধারণ শেয়ারের বিপরীতে ১ টাকা হারে (১০%) শুধুমাত্র পাবলিক শেয়ার হোল্ডারদেরকে (উদ্যোক্তা/ পরিচালকগণ বাদে) নগদ লভ্যাংশ প্রদানের সুপারিশ করছেন। যা আপনাদের অনুমোদনের অপেক্ষায় রয়েছে। উদ্যোক্তা / পরিচালকগণ প্রাপ্য বীমা দাবি অবলোপনের জন্য তাঁদের লভ্যাংশ পরিত্যাগ করেছেন।

পরিচালকদের অবসর গ্রহন ও নিয়োগ :

পরিচালক (১) জনাব লুৎফর রহমান ২) জনাব হেলাল উদ্দিন আহমেদ (৩) জনাব এ.কে.এম জাহাঙ্গীর খান এবং (৪) জনাব এ.কে.এম আলমগীর খান কোম্পানীর সংঘবিধির ৪৪ ধারা অনুযায়ী অবসর গ্রহন করেছেন এবং যোগ্য বিধায়, পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

কোম্পানীর বিষয়াবলী ও আর্থিক প্রতিবেদন :

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

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

খ. কোম্পানীর হিসাব বহি যথাযথভাবে রক্ষিত হয়েছে।

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

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

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

চ. চলমান প্রতিষ্ঠান হিসাবে কোম্পানীর সক্ষমতা নিঃসন্দেহে প্রমাণিত।

ছ. পরিচালনা পর্ষদের সভা ও উপস্থিতি

কোম্পানীর পরিচালনা পর্ষদ ৮ জন সদস্য দ্বারা গঠিত। আলোচ্য বছরে পরিচালনা পর্ষদের ৫টি সভা অনুষ্ঠিত হয়। উক্ত সভা সমূহে পরিচালকদের উপস্থিতি নিম্নরূপঃ

ক্রঃনং	পরিচালকদের নাম	সভায় উপস্থিতি	পদ মর্যাদা	কারণ
০১.	জনাব হেলাল উদ্দিন আহমেদ	৫	ব্যবস্থাপনা পরিচালক	
০২.	জনাব এ.কে.এম. জাহাঙ্গীর খান	৫	পরিচালক	
০৩.	জনাব লুৎফর রহমান	৫	পরিচালক	
০৪.	জনাব এনামুল মাকছুদ	৫	কর্ম পরিচালক	
০৫.	জনাব নাসির উদ্দিন আহমেদ	৫	পরিচালক	
০৬.	জনাব এ.কে.এম. আলমগীর খান	৫	পরিচালক	
০৭.	জনাব এ.কে.মিজানুর রহমান, এফ.সি.এ	৪	স্বাধীন পরিচালক	
০৮.	জনাব এম. ইসমাইল	৩	স্বাধীন পরিচালক	
০৯.	জনাব এ.জেড.এম নজরুল হক	৩	স্বাধীন পরিচালক	২৮/১২/২০১৪ইং এ অবসর গ্রহন করেন।

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

এং. কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ন ছিল নিম্নরূপঃ

ক্রঃ নং	নামানুসারে বিবরণ	শেয়ারের পরিমাণ
০১.	জনাব হেলাল উদ্দিন আহমেদ, (ব্যবস্থাপনা পরিচালক)	৩৭৩,৮৮০
০২.	জনাব লুৎফর রহমান, (পরিচালক)	৩৭৩,৮৮০
০৩.	জনাব নাসির উদ্দিন আহমেদ, (পরিচালক)	৩৭৩,৮৮০
০৪.	জনাব এ.কে.এম. জাহাঙ্গীর খান, (পরিচালক)	২২৫,৪৫০
০৫.	জনাব এনামুল মাকছুদ, (পরিচালক)	২০৩,৯৬০
০৬.	জনাব এ.কে.এম. আলমগীর খান, (পরিচালক)	২,৫৯,০৮০
০৭.	জনাব এম. ইসমাইল, (স্বাধীন পরিচালক)	নাই
০৮.	জনাব এ.কে. মিজানুর রহমান এফ.সি.এ. (স্বাধীন পরিচালক)	নাই
০৯.	জনাব জামাল উদ্দিন ভূঁইয়া, (সি.এফ.ও এন্ড সি.এস.)	নাই
১০.	জনাব আব্দুর রহিম পাটোয়ারী, (আভ্যন্তরীণ নিরীক্ষক)	নাই
১১.	জনাব মোঃ আবু তাহের, নির্বাহী	১০
১২.	জনাব সিরাজুল ইসলাম, নির্বাহী	নাই
১৩.	জনাব মুশফিকুর রহমান, নির্বাহী	১৫০
১৪.	জনাব কাজল অর রশিদ, নির্বাহী	নাই
১৫.	জনাব মোঃ মোস্তাফিজুর রহমান, নির্বাহী	১০
১৬.	আইসিবি (ইউনিট ফান্ড)	১,০৬৩,৬৩০

কর্পোরেট গভার্নেন্স কমপ্লায়েন্স রিপোর্ট :

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের দিক নির্দেশনা অনুযায়ী “কর্পোরেট গভার্নেন্স কমপ্লায়েন্স রিপোর্ট” সংযুক্ত করা হল।

নিরীক্ষক বৃন্দ :

আমাদের বর্তমান নিরীক্ষক Artisan, Chartered Accountant তার মেয়াদ আসন্ন বার্ষিক সাধারণ সভায় ২ বৎসর পূর্ণ করিবেন। যোগ্য বিধায় ২০১৫-১৬ অর্থ বৎসরের নিরীক্ষক হিসাবে পুনঃ নিয়োগের জন্য প্রস্তাব দিয়েছেন।

পরিচালক পর্ষদ ১০০,০০০/- টাকা (ভ্যাট ও ট্যাক্সসহ) পারিশ্রমিকের বিনিময়ে, মেসার্স আর্টিসান, চার্টার্ড একাউন্ট্যান্টস, বিএসইসি ভবন (লেভেল-১০), ১০২, কাজী নজরুল ইসলাম এভিনিউ, কাওরান বাজার, ঢাকা-১২১৫, ২০১৫-১৬সালের জন্য নিরীক্ষক হিসাবে পুনঃ নিয়োগের জন্য শেয়ার হোল্ডারদের অনুমোদনের জন্য সুপারিশ করছেন।

কৃতজ্ঞতা স্বীকার ও উপসংহার :

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

পরিচালক পর্ষদের পক্ষে-

ঢাকা -১০০০

২১.১০.২০১৫ইং



এ.কে.এম. আলমগীর খান
পরিচালক



হেলাল উদ্দিন আহমেদ
ব্যবস্থাপনা পরিচালক

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

We have audited the accompanying Financial Statement of "STANDARD CERAMIC INDUSTRIES LTD." which comprise the statement of financial position as at 30th June, 2015 and the Statement of Comprehensive Income, Statement of Cash Flows, Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory notes.

The Management's Responsibility for the Financial Statements:

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the companies' act 1994, the securities and exchange rules 1987 regulations its financial performance for the period then ended in accordance with Bangladesh financial reporting standards (BFRSs) and other applicable laws. This responsibility includes: designing, implementing and maintaining internal control relevant the preparation and fair presentation of financial statement that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility:

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statement. Whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the financial statements fairly, in all material respects, the financial position of "STANDARD CERAMIC INDUSTRIES LTD." as at 30th June, 2015 and its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;
- The company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account;
- The expenditure incurred and payments made were for the purposes of the company's business

Date: 21st October, 2015
Place: Dhaka-1000.


ARTISAN
Chartered Accountants

STANDARD CERAMIC INDUSTRIES LTD.

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

DHAKA-1000.


STATEMENT OF FINANCIAL POSITION**AS AT 30TH JUNE, 2015**

ASSETS	NOTES	Amount in Taka	
		30/06/15	30/06/14
<u>Non Current Assets</u>			
Property, Plant & Equipment	2	109,366,244	111,355,479
Deferred Exps	3	3,910,400	3,910,400
		113,276,644	115,265,879
<u>Current Asset</u>			
Inventories	4	43,247,357	31,815,106
Claim receivable	5	4,350,454	14,350,454
Advances, deposits & pre-payments	6	9,570,616	9,413,860
Accounts Receivable	7	441,327	415,249
Short Term Investment	8	36,479,446	30,453,854
Cash & Cash Equivalents	9	9,487,989	10,303,351
		103,577,189	96,751,874
Total Assets		216,853,833	212,017,753
<u>EQUITY & LIABILITIES</u>			
<u>Shareholder's equity:</u>			
Share Capital	10	64,606,500	64,606,500
Reserve & Surplus	11	32,074,283	41,525,062
		96,680,783	106,131,562
<u>Non Current Liabilities</u>			
Deferred Tax Liabilities	12	11,140,016	0
<u>Current Liabilities</u>			
Cash Credit (Secured)	13	8,112,439	7,914,968
Bank Overdraft	14	1,332,669	899,053
Unclaimed Dividend		7,301,994	6,606,036
Creditors, Accrued exps and Others	15	34,512,301	31,073,573
Liabilities for other finance	16	57,773,631	59,392,561
		109,033,034	105,886,191
Total Shareholders' Equity & liabilities		216,853,833	212,017,753
NAV per share		14.36	15.82

The annexed notes 1 to 41 form an integral part of these financial statements . These financial statements were approved by the Board of Directors on 21st October 2015 and were signed on its behalf by:



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director

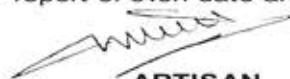


(Lutfur Rahman)
Director

Date:21-10-2015

Place: Dhaka-1000.

As per report of even date annexed



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

DHAKA-1000.

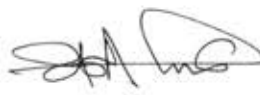
STATEMENT OF COMPREHENSIVE INCOME**FOR THE YEAR ENDED 30TH JUNE, 2015**

		Amount in Taka	
		01/07/14	01/07/13
		to	to
NOTES		30/06/15	30/06/14
Revenue	18	285,359,604	235,977,047
Less: Cost of Goods Sold	19	229,167,333	188,396,641
Gross Profit		56,192,271	47,580,406
Operating Expenses:		42,083,857	33,280,949
Less: Administrative & Selling Expenses	20	40,253,931	31,266,361
Less: Finance cost	21	1,829,926	2,014,588
Operating Profit/(Loss)		14,108,414	14,299,457
Add: Other Income	22	3,101,132	2,397,945
Less: Write off	23	10,000,000	10,000,000
Net Profit / (Loss)		7,209,546	6,697,402
Less: Contribution to Workers P.Participation Fund		343,312	318,924
Net Profit / (Loss) before Tax		6,866,234	6,378,478
Less: Income Tax Expenses:	24	1,802,387	2,344,091
Add: Deferred Tax Expenses/Income:	24(a)	4,624,373	0
Net Profit after Tax- Transferred to Statement of changes in Equity		9,688,220	4,034,387
Earning per share(EPS)	37	1.50	0.62

The annexed notes 1 to 41 form an integral part of these financial statements . These financial statements were approved by the Board of Directors on 21st october 2015 and were signed on its behalf by:



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

Date:21-10-2015

Place: Dhaka-1000.

As per report of even date annexed



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

DHAKA-1000.**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2015****Amount in Taka**

PARTICULARS	SHARE CAPITAL	REVALUATION & TAX HOLIDAY RESERVE	SHARE PREMIUM	RETAINED EARNINGS	TOTAL
As at July 1, 2014	64,606,500	27,447,361	14,650,000	(572,299)	106,131,562
Prior year's adjustment (Deferred Tax)				(15,764,389)	(15,764,389)
Restated	64,606,500	27,447,361	14,650,000	(16,336,688)	90,367,173
<u>Changes during the period</u>					
Cash dividend (2013-14) Transferred to Dividend payable Account				(3,374,610)	(3,374,610)
Profit /(Loss) after tax				9,688,220	9,688,220
As at June 30, 2015	64,606,500	27,447,361	14,650,000	(10,023,078)	96,680,783

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2014**

PARTICULARS	SHARE CAPITAL	REVALUATION & TAX HOLIDAY RESERVE	SHARE PREMIUM	RETAINED EARNINGS	TOTAL
As at July 1, 2013	64,606,500	27,447,361	14,650,000	1,853,964	108,557,825
<u>Changes during the period</u>					
Cash dividend (2012-13) Transferred to Dividend payable Account				(6,460,650)	(6,460,650)
Profit after tax				4,034,387	4,034,387
As at June 30, 2014	64,606,500	27,447,361	14,650,000	(572,299)	106,131,562

The annexed notes 1 to 41 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 21st October 2015 and were signed on its behalf its behalf by:


(Jamal Uddin Bhuiyan)
Company Secretary

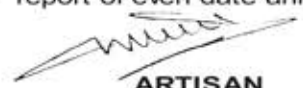
(Helal Uddin Ahmed)
Managing Director

(Lutfur Rahman)
Director

Date: 21-10-2015

Place: Dhaka-1000.

As per report of even date annexed


ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE, 2015

	Amount in Taka	
	<u>2014-15</u>	<u>2013-14</u>
<u>CASH-FLOW FROM OPERATING ACTIVITIES</u>		
Receipts from customers and others	325,340,826	268,488,333
Paid to suppliers, employees & others	(309,632,042)	(233,011,622)
Finance cost paid	(1,829,926)	(2,014,588)
Income Tax paid and/or deducted at source	(3,470,541)	(3,044,677)
Net cash inflow from operating activities	10,408,317	30,417,446
<u>Cash Flow from investing activities.</u>		
Acquisition of Fixed Assets	(6,251,654)	(6,085,399)
Interest Received	3,101,132	2,397,945
Short Term Investment	(6,025,592)	(16,217,380)
Net cash outflow from investing activities	(9,176,114)	(19,904,834)
<u>Cash Flow from Financing activities.</u>		
Cash Credit Loan (Paid)/Received	197,471	(3,725,737)
Dividend Paid	(2,678,652)	(5,743,227)
Bank O/D (Paid)/Received	433,616	(528,949)
Net cash outflow from financing activities	(2,047,565)	(9,997,913)
Net increase/(decrease) in Cash & Cash Equivalents	(815,362)	514,699
Cash and Cash equivalents at beginning	10,303,351	9,788,652
Cash and Cash equivalents at end	<u>9,487,989</u>	<u>10,303,351</u>

Net Operating Cash Flow Per Share

1.61

4.71

The annexed notes 1 to 41 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 21st October 2015 and were signed on its behalf by:



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director

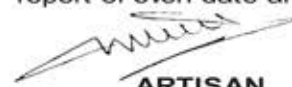


(Lutfur Rahman)
Director

Date: 21-10-2015

Place: Dhaka-1000.

As per report of even date annexed



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30TH JUNE 2015

1.01 (A) **Structure and Objects:**

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

(B) **Nature of Business:**

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

(C) **Enclosures of The Financial Statement:**

(i) Statement of Financial Position as of 30th June, 2015. (ii) Statement of Comprehensive Income for the year ended 30th June, 2015, (iii) Statement of Cash Flows for the year ended 30th June, 2015, (iv) Statement of changes in Equity for the year ended 30th June, 2015 (v) Accounting policies and explanatory notes.

(D) **Comparative Information :**

Comparative information have been furnished in respect of the year 2013-2014 for all numericals in the financial statements and also the narrative and descriptive information considered relevant to understanding of the current year financial statements. Last years figures have been rearranged to conform those of current year.

(E) **Compliance with Local Laws :**

The financial statement have been prepared in compliance with requirements of the Companies Act 1994, Securities and Exchange Rules 1987 and other relevant local laws as applicable.

(F) **Compliance with Auditing and Accounting Standards :**

The financial statements complied with the requirements of the Bangladesh Standard of Auditing (BSA's) and Bangladesh Accounting Standard (BAS's) as for as applicable.

1.02 **Significant Accounting Policies:**

(A) **Basis of preparation:**

These financial statements are prepared as going concern under historical cost convention subject to revaluation of land and land development on 29-02-1996.

(B) **Revenue recognition:**

Sales is recognized at the time of delivery from godown.

(C) **Recognition of Property, Plant & Equipment and Depreciation:**

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

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

The annual depreciation rates applicable to the principal categories are

- | | |
|---------------------------------------|-------------------------------|
| i) Building & Civil Construction 7.5% | v) Car Vehicles 20% |
| ii) Plant & Machinery 10% | vi) Tools 25% |
| iii) Deep Tubewell 5% | vii) Furniture & Fittings 10% |
| iv) Electric Equipment 10% | viii) Office Equipment 15% |

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

Impairment of Assets

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

(D)

Inventories:

The raw materials have been valued at weighted average method. The finished goods have been valued at cost and realizable price which is lower. The work-in-process have been valued at cost of materials with proportion of electricity & gas and factory overhead absorbed in production.

(E) **Revenue (Turnover):**

Turnover are stated at net value.

(F) **Retirement benefits :**

Retirement benefits are incorporated on payment basis.

(G) **Reporting Currency:**

The figures in the financial statements represent Bangladesh Taka Currency.

(H) **Foreign Exchange:**

Transactions in foreign currencies are converted into Taka currency at rates prevailing on the transaction dates.

(I) **Others:**

(i) Amount appearing in these statements are rounded off to the nearest taka. (ii) These notes form an integral part of the annexed statements and accordingly are to be read in conjunction therewith. (iii) Wherever considered necessary, previous year's phrases and figures have been rearranged to conform to the current year's classification.

(J) **Earning per Share:**

The company calculates earnings per share is Tk 1.50 against the previous year Tk 0.62 in 2013-2014 in accordance with the International Accounting Standards (IAS)-33 "Earning per share" as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

(K) **Related Party:**

The Company does not have any transactions, which require to be disclosed under related party disclosure.

(L) **Statement of Cash Flows :**

Statement of Cash Flows has been prepared as per requirement of (IAS)-7 as adopted in Bangladesh following direct method as required by the SEC.

(M) **Reporting Period:**

Financial Statements of the Company cover one year from 1st July to 30th June consistently.

2.00 Property, Plant & Equipment; Tk.109,366,244 .	Amount in Taka	
Details are as under:		
Cost on 01/07/2014	323,615,970	317,530,571
Addition during the year	6,251,654	6,085,399
	329,867,624	323,615,970
Less: Accumulated Depreciation	(220,501,380)	(212,260,491)
	109,366,244	111,355,479

Addition of fixed asset represents are major repairs and replacement of factory building,new building for Decal Plant,staff quarter and canteen, plant & Machinery and Office equipment purchase etc.

3.00 Deferred Expenses: Tk.3,910,400 .

i) Deferred Expenses	3,910,400	3,910,400
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This amount paid as Environmental damage assessment imposed by Environmental Court has been accounted for as deferred expenses which is under litigation (WRIT Petition no-9226 of 2013).

4.00 Inventories: Tk.43,247,357 .

Details are as follows:	Qty in		
	M.ton/Pcs.		
i) Raw Materials (4.01)		8,170,317	8,696,009
ii) Work-in process	67 M.Ton	3,346,637	11,925,727
iii) Finished products	889,326 pcs.	25,422,289	6,802,416
iv) Stores & spares		6,073,120	4,260,210
vi) Packing Materials	7,100 Pcs	234,994	130,744
		43,247,357	31,815,106

The inventories on 30-06-15 was taken and certified by the management and i)inventories(Raw materials)have been valued at weighted average cost.ii) Work-in-process have been valued at cost of raw materials with proportion of electricity, gas and factory overhead absorbed in production. iii) Finished products have been valued at cost and realizable price which is lower and iv)spare parts at cost.Inventories were mortgage to Rupali Bank Ltd , Ramna Corporate Branch as security of working

to slow market stock of finished products also increased.As a result,although the revenue increased value,the finished products also raised both in terms of quantity and value.

4.01 Detail of raw materials:

		Particular	Total value is Tk.
	Opening stock	Body& glaze	4,893,715
		Auxiliary Materials	2,852,556
		Decoration materials	949,738
A	Total		8,696,009
	Purchase	Body& glaze	89,388,299
		Auxiliary Materials	2,864,249
		Decoration materials	20,948,684
B	Total		113,201,232
A+B	Total		121,897,241
	Issued for productio	Body& glaze	89,906,532
		Auxiliary Materials	2,751,809
		Decoration materials	21,068,583
C	Total		113,726,924
	Closing Stock	Body& glaze	4,375,482
		Auxiliary Materials	2,964,996
		Decoration materials	829,839
[A+B]-C			8,170,317

	<u>30/06/15</u>	<u>30/06/14</u>
	<u>Amount in Taka</u>	
5.00		
<u>Claim Receivable :Tk.4,350,454</u>		
Opening balance	14,350,454	19,781,085
Less: Write off	<u>10,000,000</u>	<u>5,430,631</u>
	<u>4,350,454</u>	<u>14,350,454</u>

The Factory has been devastated by tomado on 7th May, 1991. The claim admitted by the Janata Indsurance Co. Ltd. Tk. 3,97,81,085 from which Tk. 2,00,00,000 realised and this year Tk.10,000,000 is written off from the balance.

6.00		
<u>Advance Deposits & Pre-payment:Tk.9,570,616.</u>		
i) Advances	955,410	675,126
ii) Security deposits	2,826,901	2,826,901
iii) Advance Income Tax	4,116,871	2,990,421
iv) Bank Margins	770,000	2,243,182
v) VAT(Value Added Tax)	<u>901,434</u>	<u>678,230</u>
	<u>9,570,616</u>	<u>9,413,860</u>
i) <u>Advances: Tk.955,410.</u>		
a) Advance against works	928,007	647,723
b) Other Advance	<u>27,403</u>	<u>27,403</u>
	<u>955,410</u>	<u>675,126</u>
ii) <u>Security deposits: Tk.2,826,901.</u>		
T&T Board	145,025	145,025
PDB	253,800	253,800
Bangladesh Oxygen Ltd.	8,000	8,000
Amin Mohiuddin Foundation	811,800	811,800
Titas Gas Transmission & Distribution Co. Ltd.	1,408,276	1,408,276
CDBL	<u>200,000</u>	<u>200,000</u>
	<u>2,826,901</u>	<u>2,826,901</u>
iii) <u>Advance Income-Tax: Tk.4,116,871 .</u>		
a) Opening balance	2,990,421	2,875,726
b) Addition during the year	<u>3,470,541</u>	<u>3,044,677</u>
	6,460,962	5,920,403
Less: Adjustment against assessment year 2014-2015	<u>(2,344,091)</u>	<u>(2,929,982)</u>
Total	<u>4,116,871</u>	<u>2,990,421</u>
iv) <u>Bank Margins:TK.770,000.</u>		
L/C Margin	770,000	1,658,000
Bank Guarantee Margin (against Titas Gas)	<u>-</u>	<u>585,182</u>
	<u>770,000</u>	<u>2,243,182</u>
v) <u>VAT (Value Added Tax):Tk.901,434.</u>		
Opening Balance	678,230	570,192
Add:Cash Deposit/ Vat on Raw materials	<u>41,307,730</u>	<u>34,675,675</u>
	41,985,960	35,245,867
Less:Adjustment on local sales	<u>(41,084,526)</u>	<u>(34,567,637)</u>
Closing Balance	<u>901,434</u>	<u>678,230</u>

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

7.00		
<u>Accounts Receivable Tk.441,327</u>	<u>441,327</u>	<u>415,249</u>
The amount represents mainly duty draw back etc. receivable outstanding for a period :Exceeding six months	Tk.275,707	
Below six months	Tk.165,620	

	<u>30/06/15</u>	<u>30/06/14</u>	
8.00	Amount in Taka		
Short Term Investment: Tk. 36,479,446.	<u>36,479,446</u>	<u>30,453,854</u>	
The company has invested this fund in FDR. Such fund has been accumulated for payment of expenses required for heavy repair replacement of depreciated fixed assets especially Kiln.			
9.00	Cash & Cash Equivalents: Tk. 9,487,989 .		
a) Cash in hand	876,332	656,356	
b) <u>Cash at Bank</u>			
In Current Accounts	4,627,022	7,602,365	
In STD Accounts	1,356,196	2,020,630	
In F/C Account	<u>2,628,439</u>	<u>24,000</u>	
	<u>9,487,989</u>	<u>10,303,351</u>	
i) Cash -in-hand has been verified and certified by the Management.			
ii) Balances with Banks are confirmed by the certificates.			
10.00	Share Capital: Tk. 64,606,500.		
(a) Authorized Capital: Tk. 100,000,000			
10,000,000 Ordinary share of Taka 10.00 each	<u>100,000,000</u>	<u>100,000,000</u>	
(b) Issued, Subscribed & Paid-up Capital:			
6,460,650 Ordinary shares of Tk. 10/= each fully paid up:			
5,860,000 ordinary shares of Tk. 10 each fully paid up in cash	58,600,000	58,600,000	
600,650 ordinary shares of Tk. 10 each issued as fully paid Bonus shares	<u>6,006,500</u>	<u>6,006,500</u>	
	<u>64,606,500</u>	<u>64,606,500</u>	
Share holding			
Sponsors: 3,085,540 shares of Tk. 10/= each	30,855,400	30,855,400	
Public: 3,375,110 shares of Tk. 10/= each	<u>33,751,100</u>	<u>33,751,100</u>	
	<u>64,606,500</u>	<u>64,606,500</u>	
(c) The position of Shareholders as on 30th June, 2015 is as follows :			
Description	No. of Shareholders	No. of Shares	Share holding %
Sponsors and directors	41	3,085,540	47.76
Financial Institutions(bank & Insurance)	11	586,276	9.07
Financial Institutions(others)	53	124,148	1.92
BSRS 1st Mutual Fund	1	1,000	0.01
ICB investor's A/c	195	14,350	0.22
IFIC investor's A/c	12	930	0.02
Other investor's A/c	2	1,700	0.03
Foreign investor (company)	1	1,000	0.02
ICB Mutual Fund	9	48,290	0.75
ICB Capital Management	4	440	0.01
ICB Unit Fund	1	1,063,630	16.46
Others Mutual Fund and Unit Fund	1	270	0.00
General Public	<u>7,282</u>	<u>1,533,076</u>	<u>23.73</u>
	<u>7,613</u>	<u>6,460,650</u>	<u>100.00</u>

30/06/15

(d) The Shareholding pattern is as below :

<u>Description</u>	<u>No. of</u>	<u>No. of</u>	<u>Share holding</u>
	<u>Shareholders</u>	<u>Share held</u>	<u>%</u>
Upto 500 Shares	6,743	389,245	6.02
501 to 5000Shares	785	644,228	9.97
5001 to 10000 Shares	21	148,944	2.31
10001 to 20000 Shares	26	371,260	5.75
20001 to 30000 Shares	9	233,694	3.62
30001 to 40000 Shares	7	244,627	3.79
40001 to 50000 Shares	2	88,000	1.36
50001 to 100000 Shares	10	873,466	13.52
100001 to 1000000 Shares	9	2,403,556	37.20
1000001 to above Shares	1	1,063,630	16.46
	<u>7,613</u>	<u>6,460,650</u>	<u>100.00</u>

11.00 Reserve & Surplus Tk.32,074,283.

Make up is as follows

	<u>30/06/15</u>	<u>30/06/14</u>
	<u>Amount in Taka</u>	
Revaluation Surplus	26,383,861	26,383,861
Tax holiday reserve	1,063,500	1,063,500
Share premium	14,650,000	14,650,000
Retained Earnings	<u>(10,023,078)</u>	<u>(572,299)</u>
	<u>32,074,283</u>	<u>41,525,062</u>

11.01 Revaluation Surplus: Tk. 26,383,861.

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

11.02 Tax holiday Reserve: Tk.1,063,500.

The above amount represents last year's balance .

1,063,5001,063,500**12.00 Deferred Tax Liabilities Tk.11,140,016.**

Book Value of Depreciated Assets	76,810,483
Tax Base of Depreciated Assets	<u>(32,250,421)</u>
Net Taxable Temporary Difference	44,560,062
Effective Rate	25%

Deferred Tax Liability closing	11,140,016
Deferred Tax Liability opening	<u>(15,764,389)</u>
Deferred Tax Expenses / (Income)	<u>(4,624,373)</u>

*Prior year adjustment regarding deferred tax expenses has been calculated @ 35% irrespective of the year.

13.00 Cash Credit (secured): Tk.8,112,439 .

i) Cash Credit (Hypo)	3,833,044	3,908,225
ii) Cash Credit (Pledge)	3,228,036	4,006,743
iii) LIM	1,051,359	-
	<u>8,112,439</u>	<u>7,914,968</u>

The Company is enjoying cash credit facilities from Rupali Bank Ltd., Ramna Corporate Branch, Dhaka. Interest charge on all credit at 15.00% . All the fixed assets (both present and future) furnished as collateral and floating assets and book debts (both present and future) charged out as primary securities.

	<u>30/06/15</u>	<u>30/06/14</u>
14.00	Amount in Taka	
<u>Bank Overdraft: Tk.1,332,669.</u>		
AB Bank Ltd	-	117,743
United Commercial Bank Ltd	1,332,669	781,310
	<u>1,332,669</u>	<u>899,053</u>
15.00	<u>Creditors ,Accrued Exps and Others:Tk.34,512,301.</u>	
i) Directors' remuneration	940,000	470,000
ii) Salary & O.T	8,926,592	5,669,338
iii) Gas bill	5,551,635	3,696,992
iv) Electric bill	683,115	801,654
v) Audit fees	78,000	62,500
vi) Workers Profit Participation Fund	343,312	826,280
vii) Providend Fund	12,084,162	14,479,024
ix) Others payable	5,905,485	5,067,785
	<u>34,512,301</u>	<u>31,073,573</u>
16.00	<u>Liabilities for other finance:Tk.57,773,631 .</u>	
i) Security money employees	729,050	577,870
ii) Security money (Agency) and advances etc.	55,031,490	56,305,091
iii) <u>Provision for Income Tax:</u>		
iv) b) 2014-2015: Income Tax	1,802,387	2,344,091
v) Others	210,704	165,509
	<u>57,773,631</u>	<u>59,392,561</u>
Income Tax finalised upto Assessment year 2013-14.		
17.00	<u>3,385,630</u>	<u>3,374,610</u>
<u>Proposed dividend:Tk. 3,385,630.</u>		

The Board of Directors has recommended cash dividend Tk.1.00(Taka one) per share (10%) to public shareholders only other than sponsors shareholder/directors for the year ended 30th June 2015 at the Board Meeting held on October 21, 2015 subject to the shareholder's approval at the forth coming Annual General Meeting. The proposed dividend is not recognized as a liability at the Balance Sheet date in accordance with Bangladesh Accounting Standard (BAS) 10 "Events after the Balance Sheet Date".

Bangladesh Accounting Standard (BAS) 1 "Presentation of Financial Statements" also require that the dividend proposed after the Balance Sheet date but before the financial statements are authorized for issue, be disclosed either on the face of the Balance Sheet as separate component of equity or in the notes to the financial statements.

The provision of Companies Act, 1994, requires that dividend stated to be in respect of period covered by the financial statements and that are proposed or declared after the balance sheet date but before approval of the financial statements should be either adjusted or disclosed.

Considering the requirements of BAS-1, BAS-10 and Companies Act 1994 dividend proposed have been disclosed as notes in the financial statements and not shown as liability.

	<u>01/07/14</u> to <u>30/06/15</u>		<u>01/07/13</u> to <u>30/06/14</u>	
	<u>Amount in Taka</u>		<u>Amount in Taka</u>	
18.00 Revenue: Tk. 285,359,604.				
<u>Break-up as follows</u>				
	<u>Quantity/ Assorted pcs. 2014-15</u>		<u>Quantity/ Assorted pcs. 2013-14</u>	
Net local Sales	9,017,774	273,896,375	8,212,537	230,450,924
Export Sales	135,216	11,119,859	101,632	5,208,830
Duty Draw Back		343,370		317,293
Total		<u>285,359,604</u>		<u>235,977,047</u>

19.00 Cost of Goods Sold: Tk., 229,167,333.

Materials Consumed:

Stock on 01-07-14	8,696,009	8,776,566
Purchased during the year	113,201,232	75,342,822
	121,897,241	84,119,388
Less: Stock on 30-06-15	8,170,317	8,696,009
	113,726,924	75,423,379
Add: Work-in -process on 01-07-14	11,925,727	24,212,242
	125,652,651	99,635,621
Less: Work-in-process on 30-06-15	3,346,637	11,925,727
	<u>122,306,014</u>	<u>87,709,894</u>

Factory Overhead:

Wages, Salaries, O.T & Bonus	52,532,325	39,110,707
P.F Contribution.	1,030,363	1,227,762
Gratuity	1,616,622	2,365,843
Packing Materials	9,962,008	6,962,649
Power, Water & Gas	30,789,726	28,855,531
Insurance	162,133	232,413
Consumable stores	10,045,942	5,547,716
Miscellaneous factory	1,561,800	2,311,323
Repairs & Maintenance	9,621,792	4,420,561
Depreciation	8,158,481	8,469,404
	125,481,192	99,503,909
	<u>247,787,206</u>	<u>187,213,803</u>

Add: Stock of finished products on 01-07-14	6,802,416	1,306,580
	254,589,622	188,520,383

Less: Stock of finished products on 30-06-15	25,422,289	6,802,416
	229,167,333	181,717,967

Add: Stock of Mould & Sagger on 01-07-14	-	6,678,674
	<u>229,167,333</u>	<u>188,396,641</u>

Total production	2,686 M.Ton	2,428 M.Ton
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Gratuity treated on cash basis.

Repairs & Maintenance includes all factory building repairs and maintenance and factory machineries etc. repairs and maintenance.

**20.00 Administrative & Selling
expenses: TK.40,253,931.**

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	<u>Total</u> <u>01/07/14</u> to <u>30/06/15</u>	<u>Total</u> <u>01/07/13</u> to <u>30/06/14</u>
<u>Amount in Taka</u>		
Director's Emolument	6,477,400	5,302,364
Office Salaries	18,756,892	12,527,901
P.F. Contribution.	185,065	251,415
Gratuity	1,017,173	-
Travelling & Conveyance	1,087,382	873,637
Business Promotional expenses	1,293,261	1,204,543
Trade Fair expenses	2,029,634	3,351,223
Rent, Rates & Taxes	1,618,650	1,579,540
Postage, Telegram & Telephone	626,307	514,626
Printing & Stationery	303,865	176,756
Religious & Festival Expenses	230,240	160,060
Legal & Professional and Other fees	119,000	359,625
Audit fees	78,000	62,500
Forms & Fees	672,559	545,101
Utility bill	250,857	224,713
Motor Vehicles maintenance	1,369,687	498,679
Petrol, Oil & Lubricant	534,483	357,112
Office Maintenance etc.	58,186	94,175
AGM & Other meeting Expenses etc	1,423,713	1,378,671
Selling exps	1,305,277	1,360,583
Entertainment expenses	334,091	280,334
Miscellaneous expenses	399,800	77,254
Depreciation	82,409	85,549
	<u>40,253,931</u>	<u>31,266,361</u>

a) M.D.'s Remuneration was Tk. @ 250,000 per month.

b) Gratuity treated on cash basis.

	<u>Total</u>	<u>Total</u>
	<u>01/07/14</u>	<u>01/07/13</u>
	<u>to</u>	<u>to</u>
	<u>30/06/15</u>	<u>30/06/14</u>
	<u>Amount in Taka</u>	
21.00 Finance cost: Tk.1,829,926.		
Bank interest	1,263,560	1,447,125
Bank charges	566,366	567,463
	<u>1,829,926</u>	<u>2,014,588</u>
22.00 Other Income: Tk.3,101,132 .		
Interest on STD Account etc.	71,919	44,302
Interest on FDR	3,029,213	2,353,643
	<u>3,101,132</u>	<u>2,397,945</u>
Interest income is recognized on accrual basis.		
23.00 Write Off: Tk.10,000,000.		
The write off amount consists of as follows:		
Claim Receivable	10,000,000	5,430,631
Public Issue Expenses	0	4,569,369
	<u>10,000,000</u>	<u>10,000,000</u>
The Sponsor Shareholders/ Directors decided not to take dividend but to reduce the unrealizable Receivable against insurance claim . This is how the Sponsors Shareholders/ Directors responded to comments of DSE for writing off the said unrealizable Insurance claim .		
24.00 Income Tax Expenses: Tk.1,802,387.		
Current year tax	1,802,387	2,344,091
	<u>1,802,387</u>	<u>2,344,091</u>
Income Tax Expenses:		
Income tax expense represents current tax only. Income tax expense is recognised in the profit and loss account.		
24(a) Deferred Tax Expenses/ Income Tk.4,624,373.		
Deferred Tax Income (note-12)	<u>4,624,373</u>	<u>0</u>
25.00 Credit facilities:		
There was no credit facilities that has not been availed of at the date of Statement of Financial Position.		

26.00 Trade Debtors Statement:

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

27.00 Aggregate amount due by Directors & Officers:

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

28.00 Capacity of the industrial unit:

Installed capacity - 4000 M/Tons. Capacity utilisation for the year was 68 % (Approx).as against 60.70 %(approx) of the previous year.

29.00 Auditors Remuneration for auditing:

The fees were for audit service only.

30.00 Sales - Item-wise:

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

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

The factory is labour intensive. There are permanent labours as well as daily labours.

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

i) Workers/Employees drawings Tk. 3000.00 or more per month 710 Nos.

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

32.00 Claims against the company not acknowledgement as debt:

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

33.00 Aggregate amount of contracts for capital expenditure:

There was no contractor & contract for capital expenditure on 30-06-15.

34.00 Expenses incurred in Foreign Currency:

There was no expenses in foreign currency for royalty, technical expert, professional advising fees, interest etc. except imported items of US\$ 698,193 Euro19,980, JPY1,785,700 £ 6,991

35.00 Value of imported Raw Materials:

The value of imported raw materials was Tk.59,111,347/= including duty ,clearing charge, insurance and carrying etc.

36.00 Amount of Foreign Exchange Earned:

US\$ 144,331 was earned during the financial year under review against export of goods.

37.00 Basic Earnings per Share (EPS) :

Basic earnings per shares has been calculated as follows:

Earnings attributable to the Ordinary Shareholders Net Profit/(Loss) after tax

Divided by number of Ordinary Shares

	30.06.15	30.06.14
<u>EPS</u>	<u>EPS</u>	<u>EPS</u>
9,688,220	4,034,387	
6,460,650	6,460,650	

EPS - Taka

1.50 0.62

38.00 During the year under review 5 (five) board meeting and four audit committee meeting were held and each Director present was paid Tk. 8,000/= per meeting as Board Meeting. Fee.**39.00**

	30.06.2015		30.06.2014	
	Directors	Officers	Directors	Officers
Board Meeting Fee	320,000	0	256,000	0
Remuneration & allowances	5,807,400	12,792,726	4,856,364	12,753,754
Bonus	670,000	1,014,736	446,000	1,167,224
Company's Contribution to Providend Fund	0	408,252	0	432,214

Managing Director, Director and GM are provided transport facilities along with their remuneration.

40.00 Contingent Liabilities:

L/C liabilities

Bank Guarantee(Titas Gas)

	30.06.15	30.06.14
4,672,000	4,346,000	
0	2,770,598	
4,672,000	7,116,598	

41.00 Management information:Ratio analysis:

30.06.15 30.06.14.

Amount in Taka

a) Net Profit/(Loss) - Turnover ratio	=	$\frac{\text{Net Profit/(Loss)}}{\text{Sales}} \times 100$		
		$\frac{9,688,220}{285,359,604} \times 100$	=	3.40% 1.71%
b) Current ratio	=	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$		
		$\frac{103,577,189}{109,033,034}$	=	95:100 91.37:100
c) Gross Profit - Turnover ratio	=	$\frac{\text{Gross profit}}{\text{Sales}} \times 100$		
		$\frac{56,192,271}{285,359,604} \times 100$	=	19.69% 20.16%
d) Turn-over /total Assets ratio	=	$\frac{\text{Sales}}{\text{Total assets}} \times 100$		
		$\frac{285,359,604}{216,853,833} \times 100$	=	131.59% 111.30%
e) Inventory turn-over ratio	=	$\frac{\text{Inventory}}{\text{Sales}} \times 100$		
		$\frac{43,247,357}{285,359,604} \times 100$	=	15.16% 13.48%
f) Return on Investment ratio	=	$\frac{\text{Net profit/(Loss)}}{\text{Net Investment}} \times 100$		
		$\frac{9,688,220}{92,770,383} \times 100$	=	10.44% 3.95%



(Jamal Uddin Bhuiyan)
Company Secretary



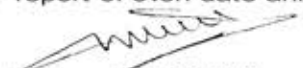
(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

Date:21-10-2015
Place: Dhaka-1000.

As per report of even date annexed



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT AS AT 30TH JUNE, 2015

(Refer to Note No.2.00)

Amount in Taka

Particulars	COST/Valuation				Rate of Depreciation.
	Balance as at 01-07-14	Addition during the year	Sales/ Adjustment	Total as at 30-06-15	
Land and Land development	30,555,601	0	0	30,555,601	0%
Building & Civil constructions	80,334,535	559,474	0	80,894,009	7.5%
Plant & Machineries	185,192,294	3,441,500	0	188,633,794	10%
Deep Tube Well	1,105,519	0	0	1,105,519	5%
Electric Equipment	6,875,387	23,420	0	6,898,807	10%
Car & other vehicles	15,452,549	0	0	15,452,549	20%
Tools	338,065	0	0	338,065	25%
Office Equipment	1,952,177	134,550	0	2,086,727	15%
Furniture & Fixture	1,765,371	92,550	0	1,857,921	10%
Other Assets	44,472	0	0	44,472	20%
Capital Work In Progress	0	2,000,160	0	2,000,160	0%
Total as on 30 June 2015	323,615,970	6,251,654	0	329,867,624	
Total as on 30 June 2014	317,530,571	6,085,399	0	323,615,970	

Particulars	DEPRECIATION				Written down value on 30-06-15
	Balance as at 01-07-14	Addition during the year	Sales/ Adjustment	Total as at 30-06-15	
Land and Land development	0	0	0	0	30,555,601
Building & Civil constructions	49,508,219	2,331,662	0	51,839,881	29,054,128
Plant & Machinery	147,145,245	4,045,474	0	151,190,719	37,443,075
Deep Tube Well	456,703	32,441	0	489,144	616,375
Electric Equipment	3,220,909	365,839	0	3,586,748	3,312,059
Car & other vehicles	8,807,251	1,329,060	0	10,136,311	5,316,238
Tools	337,578	122	0	337,700	365
Office Equipment	1,450,106	88,332	0	1,538,438	548,289
Furniture & Fixture	1,290,798	47,801	0	1,338,599	519,322
Other Assets	43,682	158	0	43,840	632
Capital Work In Progress	0	0	0	0	2,000,160
Total as on 30 June 2015	212,260,491	8,240,889	0	220,501,380	109,366,244
Total as on 30 June 2014	203,705,538	8,554,953	0	212,260,491	111,355,479

Notes:

1. Depreciation is charged on fixed assets for full year on opening written down value and on addition during the year from the date of use . Depreciation is charged Tk. 8,158,481/= & Tk.82,409/= to Mfg A/C & P/L A/C respectively.

2.No depreciation has been charged on capital work in progress as it is under construction.

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

PROXY FORM

I
of being a member hereby appoint
Mr. /Mrs. /Ms.
of
as my proxy to attend and vote for me and on my behalf at the 31st Annual General Meeting of the Company to held
on **23rd December 2015** at **10.00 A.M** and at any adjournment thereof. As witness my hand this
.....
..... day of 2015.

(Signature of the Proxy)

Date :



(Signature of the Shareholder)

Holder of _____ Share(s)
Dated : _____

(Signature of the witness)

Register Folio/BO ID No.

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

SIGNATURE VERIFIED

(AUTHORISED SIGNATURE)

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

Identification card to attend 31st AGM on 23.12.2015

I, the under signed or my Proxy or Mr./Mrs./Ms.....
hereby record(s) presence at the 31st Annual General Meeting of 2015.

Name of Shareholder:

Address :

Numbers of Share:

Register Folio/BO ID No.

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(Signature of the Proxy)

Signature of the Shareholder

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



Standard Ceramic Industries Ltd. (Manufacturer of Stoneware Tableware)

Amin Court (3rd Floor), 62-63 Motijheel Commercial Area, Dhaka, Bangladesh.
Phones: PABX 9561947-8, 9577033, Fax: (880-2)956 1950

E-mail: info@standardceramic.net **Web:** www.standardceramic.net & www.standardceramic.org
Factory: Saydana, K.B. Bazar, Joydebpur, Gazipur-1700, Bangladesh.

