

# ANNUAL REPORT

# 2023-24



**Standard Ceramic Industries Ltd.**  
Manufacturer of Stoneware Tableware

# STANDARD CERAMIC INDUSTRIES LTD.

## ANNUAL REPORT 2023-24

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## STANDARD CERAMIC INDUSTRIES LTD.



**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. Lutfur Rahman**  
Chairman



**Mr. Helal Uddin Ahmed**  
Managing Director



**Mr. Nasir Uddin Ahmed**  
Director



**Mr. Enamul Maqsd**  
Director



**Mr. A.K.M. Alamgir Khan**  
Director



**Mrs. Anwarun Nehar**  
Director



**Mr. Md. Aftab Uddin Ahmed, FCA**  
Independent Director



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

**Auditors :** M/s. ARTISAN,  
Chartered Accountants,  
Sonargaon Terrace (2<sup>nd</sup> Floor), House no-52,  
Road no-13/C, Block no-E, Banani,  
Dhaka-1213 bangladesh

**Company Secretary :** Jamal Uddin Bhuiyan

# STANDARD CERAMIC INDUSTRIES LTD.

**Head Office:**

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

**Registered Office:**

Saydana, K.B Bazar, Gazipur Sadar,  
Gazipur-1704.

## **Notice of the 40th Annual General Meeting**

Notice is hereby given that the 40th Annual General Meeting of Standard Ceramic Industries Ltd. will be held on Thursday, December 26, 2024 at 10:30 A.M. (Dhaka Time) through Hybrid System in combination of physical presence (venue: Institution of Diploma Engineers, Bangladesh (IDEB) Social Garden, Room No-502 (5<sup>th</sup> Floor), 160/A, Kakrail VIP Road, Dhaka-1000) and by using Digital platform through link <https://standardceramic.bdvirtualagm.com> to transact the following business:

### **AGENDA**

1. To confirm the proceedings of the 39th Annual General Meeting held on December 30, 2023.
2. To receive, consider and adopt Audited Financial Statements of the Company for the year ended on June 30, 2024 together with reports of the Auditors and the Directors thereon.
3. To elect Directors in place of those retiring by rotation.
4. To appoint statutory auditors of the company for the year 2024-25 and to fix their remuneration
5. To appoint Corporate Governance Auditors of the company for the year 2024-25 and to fix their remuneration.
6. To approve the re-appointment of Independent Director.
7. To transact any other business which may be transacted at an Annual General Meeting with the permission of the Chair

By order of the Board of Directors

Dated: December 01, 2024



(Jamal Uddin Bhuiyan)  
Company Secretary.

**Notes:**

- a) December 05, 2024, is the Record Date. Shareholder whose names will appear in the Members Register of the company or in the Depository Register on Record Date will be eligible to attend the Annual General Meeting.
- b). The 40<sup>th</sup> AGM of the Company shall have been conducted through Hybrid System in line with the Order No. BSEC/ICAD/SRIC/2024/318/09, dt. 16.01.2024 of Bangladesh Securities and Exchange Commission (BSEC) Details login process for the meeting will be available in the Company's website at [www.standardceramic.net](http://www.standardceramic.net) and the Link will be mailed to the respective shareholders email address available with the Registers.
- c). A shareholder eligible to attend the Annual General Meeting (AGM) is entitled to appoint a Proxy to attend and vote on his/her behalf Hybrid System. Forms of Proxy duly filled, signed & stamped must be sent to the Share Department of the Company at least 48 hours before the time fixed for the Meeting.
- d) No gift or benefit in cash or kind shall be paid to the shareholders of the company at the Annual General Meeting as per BSEC notification.

## STATISTICAL PERFORMANCE

### Five Years Key Financial Statistics

Items	As at 30 June Tk./000				
	2024	2023	2022	2021	2020
Fixed Assets	136,917	146,853	160,615	173,841	178,980
Net Current assets	(375,104)	(223,253)	(90,532)	(81,979)	(73,383)
<b>Total Assets</b>	<b>(238,187)</b>	<b>(76,400)</b>	<b>70,083</b>	<b>91,862</b>	<b>105,597</b>
Paid-up-Capital	64,607	64,607	64,607	64,607	64,607
Share Premium	14,650	14,650	14,650	14,650	14,650
Retained Earnings	(349,961)	(201,232)	(62,461)	(42,655)	(44,178)
Tax Holiday Reserve	0	0	0	0	0
General Reserve	615	615	615	615	1,064
Capital reserve	25,592	25,592	25,592	25,592	25,592
<b>Total equity</b>	<b>(244,497)</b>	<b>(95,768)</b>	<b>43,003</b>	<b>62,809</b>	<b>61,735</b>
Deferred Tax Liabilities	6,310	12,453	14,051	14,249	14,283
Long Term Loan	0	15,874	13,029	14,804	29,579
<b>Shareholders' equity and Deferred Tax &amp; long Term Loan .</b>	<b>( 238,187)</b>	<b>(67,441)</b>	<b>70,083</b>	<b>91,862</b>	<b>105,597</b>
<b>Current Assets</b>	<b>110,024</b>	<b>177,708</b>	<b>157,482</b>	<b>138,253</b>	<b>111,220</b>
<b>Current Liabilities</b>	<b>485,128</b>	<b>400,961</b>	<b>248,014</b>	<b>220,232</b>	<b>184,603</b>
<b>Net Asset Value (NAV) per Share Tk.</b>	<b>(37.84)</b>	<b>(14.82)</b>	<b>6.66</b>	<b>9.72</b>	<b>9.56</b>
<b>Net Operating Cash Flow per share(NOCFPS)</b>	<b>(8.94)</b>	<b>(9.10)</b>	<b>(0.94)</b>	<b>1.20</b>	<b>0.56</b>

Items					
	2023-24	2022-23	2021-22	2020-21	2019-20
Revenue	96,296	244,470	311,320	325,336	233,738
Less Cost of goods sold Items	(192,339)	(310,477)	(270,034)	(261,102)	(217,530)
<b>Gross profit</b>	<b>(96,042)</b>	<b>(66,007)</b>	<b>41,286</b>	<b>64,234</b>	<b>16,208</b>
Less: Administrative and Selling expenses	(34,994)	(47,831)	(47,422)	(50,162)	(47,871)
Interest charges	(23,330)	(11,407)	(11,439)	(9,742)	(5,135)
Other income	73	2,147	22	125	123
Written off	0	0	(100)	0	0
	<b>(58,251)</b>	<b>(57,091)</b>	<b>(58,939)</b>	<b>(59,779)</b>	<b>(52,883)</b>
Net Profit/(Loss)	(154,294)	(123,098)	(17,654)	4,455	(36,675)
Contribution of WPPF	0	0	0	(223)	-
	<b>(154,294)</b>	<b>(123,098)</b>	<b>(17,654)</b>	<b>4,232</b>	<b>(36,675)</b>
Less: Provision for Income Tax & Deferred Tax	5,564	132	(1,670)	(2,709)	(4,147)
Net profit/(Loss)	(148,729)	(122,966)	(19,324)	1,523	(40,822)
<b>Earnings per share (EPS) Tk.</b>	<b>(23.02)</b>	<b>(19.03)</b>	<b>(2.99)</b>	<b>0.24</b>	<b>(6.32)</b>
<b>Cash Dividend</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>1% only</b>	<b>1% (for Public Shareholders only)</b>

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

**DIRECTORS' REPORT AT THE  
40TH ANNUAL GENERAL MEETING**

**Dear Shareholders,**

We, on behalf of the Board of Directors, feel privileged to welcome you to the 40th Annual General Meeting of your company and have the pleasure in presenting before you the Annual Report together with Annual audited financial statements for the financial year ended on 30th June 2024.

**General Economics & Economic condition:**

We deeply regret to inform you that we have had the worst financial year in our history. The spiralling cost of operations and the Banking channel crisis has crippled our company. Our company has suffered tremendously through the COVID years. Those years saw production levels drop significantly as social distancing resulted in extreme low turnouts in the factory. We were faced with the difficulty of accepting high fixed costs even with low production.

Like most people, we could not also foresee these troubled times and hence were not able to cope with the challenges. The world has gone into a recession following the COVID era & the Ukraine war that followed (Covid) increased prices of all products beyond expectation – not a single sector has been spared. Fuel costs increased to around 50% and Taka lost a lot of value against the Dollar. The 2022 turmoil of the Banking sector did not surface for many months.

Then came the biggest shock of all – in February 2023 the government increased the price of our main raw material (the Natural Gas) by 150% which pushed up the price of everything all over again including power. Foreign Exchange reserves dropped to such a level that it was difficult to get LCs issued. Bank margin was received in some loans 100% of total L/C value. It was also tough to raise funds to counter the crisis the company was faced with which ultimately led to the temporary closure of the factory in the early part of 2024.

Even with the best intentions and stern efforts of the management and people behind the company could not meet the challenges which we deeply regret.

**Industry outlook**

Directors are trying hard to re-open the factory but due to economic condition, high Gas price, high raw materials cost; liquidity crisis and low product demand have become the main constraint to achieving the objective.

**Possible future development**

Possible future development is depending on change of economic condition and Govt. policy which is beyond the control of Management.

**Cost Reduction**

Directors are thinking to set up fuel efficient kiln. So, production cost will decrease subject to utilization of maximum capacity which will depend on improvement of general economic situation.

**Segment-wise or product-wise performance**

No segmental reporting is applicable for the company as the Company operates in a single industry segment and it is very difficult to separate Product wise performance reporting.



### **Risks and concerns**

Cumulative effect of COVID 19 , Russia & Ukraine war, high Gas price , high cost of raw materials and low demand of products have increased the business Risk in almost all Sectors of business within/outside the country. Failure to supply of energy (Electricity & Gas) is also constraint

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

The rate of interest is increased compared to the previous year but risk of interest remains if there is upward changed in the interest rate.

#### **(b) Exchange rate risk**

Company always adjusts exchange risk for imported raw materials through increasing products price but in the present economic scenario, price increase may not be possible.

#### **(c)Market Risk**

The company is continuously upgrading its quality to minimize the market risks but purchasing power of customers has decreased.

#### **(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. Utilization of plant capacity will depend on improvement of market condition.

#### **(e) Trade Policy risk**

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

#### **(f)Threat to sustainability and negative impact on environment**

There is no foreseeable sustainability threat, though the Ratio between Current Assets & Current Liabilities has distorted due to cumulative effect of COVID 19, Russia & Ukraine war, Dollar rate fluctuation and irregular supply and high rate of Gas & electricity. If the above reasons is continues, so, there is threat to sustainability and negative impact on environment.

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

Turnover amounted to Taka 96.30 million in the year 2023-2024 as against taka 244.47 million in the year 2022-2023. This year cost of goods sold 192.33 Taka million as against 310.477 million in the year 2022-2023. The gross/(Loss) profit for the year was Taka (96.042) million as against Taka (66.00 )million of the previous year.

Figure in Thousand ('000) Tk.

<b><u>Particulars</u></b>	<b><u>2023-2024</u></b>	<b><u>2022-2023</u></b>
Net Profit/(Loss) before Tax etc.	(154,294)	(123,098)
Less: Provision for tax etc.	(578)	(1,467)
Add: Deferred Tax (Exps)/Income	6,142	1,598
<b>Net Profit /(Loss ) after Tax etc.</b>	<b>(148,729)</b>	<b>(122,967)</b>
Add;Prior years adjustment	0	(15,805)
Less: Retained Earnings)/Accumulated Profit / (Loss) b/f	(201,232)	(62,460)
Dividend / Proposed Dividend (From General reserve)	0	0
<b>Accumulated Retained Earning as on 30.06.2024</b>	<b>(349,961)</b>	<b>(201,232)</b>

**Contribution to National Exchequer:**

Your company contributed a total amount of Taka 13.99 million to the National Exchequer in the form of Custom duty, AIT, VAT, except gas, electricity bill etc, during the year under report.

**Continuity of Extra-Ordinary Gain or Loss:**

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

**Related party transaction**

Company was not connected to related party transactions except note no-42.

**Reply to the qualified remarks of the Audit report**

1. Subject to mitigation of constrains to restart the production, the company may be consider as a going concern. The mitigation of constrains is a policy of the government to save the industry shut down for indefinite period. Company may sale part of the unused vacant land of fixed assets to pay off the current liabilities not meet up by current assets.
2. The default loan may be regularized from the surplus of the fund to be generated from sale of unused land and improvement of capacity utilization which depend on market condition domestically and internationally.
3. The solution of the problem is dependent on the whole economic condition of the country which is beyond control of the management.
4. **Work - In – Progress (inventory):**  
Commercial production of the company started in 1993.Damage, obsolete and trial production loss were not written off, hence included in the Work - In – Progress (inventory). No approval to write off the damage stock was taken from VAT authority which was hazardous.
5. Information relating to fixed assets are preserved in the software. The auditor though verified the software and physically visited the factory but did not compare the recorded fixed assets in the software with those fixed assets physically available in the factory.
6. This issue will also be address in the next year .
7. **Bank Statement:**  
We have provided all bank statements to the auditors for balance confirmation.

**8. Unclaimed Dividend**

The matter of extension of time is pending which is dependent on availability of fund by mitigation of constrains of improving the utilization of production capacity.

**Emphasis of Metter:****1. VAT Return-**

We could not submit VAT return due to system of on line VAT return submission which does not allow without deposit of payable amount.

**3. Provident fund**

The Company has taken loan from Provident Fund against which 8% interest being paid. This has been done to minimize borrowing cost & formalities required to obtained fund from alternative source. The Board of Trustees of Provident Fund has approved Loan from Provident Fund to the Company which is shown as Current Liability.

**Dividend**

The Company has a total accumulated loss of taka 349.961 million which lowered our reserve position. In this situation, the Board of Directors has recommended no dividend of this year.



**Utilization 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 2023-2024. However, the company raised its capital in 1996. The proceeds of the issue have been utilized in repaying Long Term Loan.

**Significant variance between Quarterly Financial performances and Annual financial statements**

The variances between Quarterly Financial performances and Annual financial statements were due to cumulative negative effect of COVID 19 and Russia & Ukraine war, high cost of Gas price, high cost of raw materials and low demand of products and fixed cost burden due to factory closure.

**Remuneration of Directors and Independent Director**

Remuneration of the Executive Directors (Managing Director & Operative Director) have been disclosed in the accounts note no.25. On the other hand, Chairman, non-Executive Directors & Independent Directors did not receive any remuneration except meeting fees.

**Directors' Responsibilities Statement :**

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

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

Accordingly, the Directors are pleased to confirm the following:

- \* The Financial Statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994, Financial Reporting Act, 2015 and Bangladesh Securities and Exchange Rules 2020. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.
- \* Proper books of accounts of the Company have been maintained.
- \* Appropriate Accounting Policies have been consistently applied in the preparation of financial statements and the accounting estimates are based on reasonable and prudent judgment.
- \* The Financial Statements have been prepared in accordance with IAS/IFRS as applicable in Bangladesh.
- \* The system of internal control is sound and has been effectively implemented and monitored.
- \* There are no significant doubts upon the Company's ability to continue as a going concern if the constraints remove
- \* The key operating and financial data for the last five years is disclosed in Page no. 5.
- \* No Bonus share or stock dividend has been declared as interim dividend.
- \* The majority shareholders did not oppress any minority shareholders. The interest of minority shareholders was protected as required by Companies Act.

**Significant deviation in operating results compared to previous year**

Significant deviation in operating results compared to previous year has been disclosed respective notes in the accounts. (note no. 38, 39 , 40 &43)

**Board Meetings and Attendance :**

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

The attendance record of the Directors is as follows:

SI #	Name of the Directors	Position	Meeting attended	
01.	Mr. Lutfur Rahman	Chairman	6	
02.	Mr. Helal Uddin Ahmed	Managing Director	6	
03.	Mr. Nasir Uddin Ahmed	Director	4	
04.	Mr. Enamul Maqsdud	Director	5	
05.	Mr. A.K.M. Alamgir Khan	Director	6	
06.	Mrs. Anwarun Nehar	Director	5	
07.	Mr. Aftab Uddin Ahmed, FCA	Independent Director	4	
08	Mr Mizanur Rahman, FCA	Independent Director	3	.

The Directors not attending the meetings were granted leave of absence

### **Subsidiary Company**

The Company has no subsidiary company.

### **Chairman of the Board and Chief Executive Officer**

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

### **Duties of CEO and CFO**

The provision of BSEC regulations has been complied.

### **Shareholding Structure:**

The pattern of shareholding is as follows:

Sl #	Name wise details	Number of Shares held
01.	Mr Lutfur Rahman, Chairman	3,73,880
02.	Mr. Helal Uddin Ahmed, Managing Director	3,73,880
03.	Mr Nasir Uddin Ahmed, Director	3,73,880
04.	Mr. Enamul Magsud, Director	2,06,892
05.	Mr. A.K.M Alamgir Khan, Director	337,988
06.	Mrs. Anwarun Nehar , Director	129,680
07.	Mr. Aftab Uddin Ahmed, FCA, (Independent Director)	0
08.	Mr. AKM Mizanur Rahman, FCA, (Independent Director)	0
09.	Mr. Jamal Uddin Bhuiyan, Company Secretary.	0
10.	Mr. Abdur Rahim, Chief Financial Officer.	0
11.	Mr. Serajul Islam, Head of Internal Audit and Compliance.	0
	Executives:	
12.	Mr. S.M Mamun Kabir, General Manager.	0
13.	Mr. Md. Abu Taher, Senior Manager (Import).	0
14.	Mr. Hedayet, Manager Admin	0
15.	Mr Mustafizur Rahman ,Dy. Manager (Share)	0
16.	Mir Makhon Ali, Asstt. Manager (Accounts)	0

### **Retirement of Directors and their Re-election :**

Mr. Lutfur Rahman (2) Mrs. Anwarun Nehar, 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.

### **Appointment of Independent Director :**

The Board of Directors in its meeting held on January 20, 2024 unanimously re-appointed Md. Aftab Uddin Ahmed, FCA as Independent Director of the company for next 3 years term from 1<sup>st</sup> February, 2024. The appointment is placed before the 40<sup>th</sup> Annual General Meeting for approval by the shareholders.

### **Brief resume of Directors:**

#### **A) Mr. Lutfur Rahman- Chairman.**

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 Peoples Ceramic Industries Ltd. was general Secretary of Bangladesh Ceramic Wares Manufacturers' Association (BCWMA), life member of IBA of Dhaka University & AOTS, Japan.

#### **B) Helal Uddin Ahmed- Managing Director**

Mr. Helal Uddin Ahmed is a graduate from BUET in Mechanical Engineering. He is 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

#### **C) Mr. Nasir Uddin Ahmed - Director.**

Mr. Nasir Uddin Ahmed, a commerce graduate, is the Director of the company. He started his career in 1985 as management executive (now operative director) in Peoples Ceramic Industries Ltd., pioneer of ceramic sector in the country. He has acquired vast knowledge in technical and manufacturing during his service life and able to hold key position in the same field. He has got long 36 years experience as ceramic business expert. Long acquiring experience including various training from abroad like AOTS, Japan in respect of industrial concerns.

**D) Mr. Enamul Maqsd –Director.**

Mr. Enamul Maqsd is a graduate from BUET in Mechanical Engineering. He is a Shareholder and Operative Director of the company. He is also a director of Peoples Ceramic Industries Ltd. He has been working in ceramic sector since 1989. He has also gathered vast experience in ceramic production and quality. In addition to his business, he is a member of IEB, BUET-88 Club. Mr. Maqsd is also associated with some social organizations.

**E) Mr. A.K.M Alamgir Khan- Director.**

Mr. 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.

**F) Mrs. Anwarun Nehar- Director**

Mrs. Anwarun Nehar was born in a respectable Muslim family in 1954. She is the daughter of Al-haj Ansar Uddin Ahmed, founder Chairman and Managing Director, Standard Ceramic Ind. Ltd. She is the shareholder of Peoples Ceramic Ind. Ltd. Mrs. Anwarun Nehar has completed B.Sc, B.Ed. She is also associated with some social organizations.

**G) Md. Aftab Uddin Ahmed, FCA**

Md. Aftab Uddin Ahmed was born in 1963 in a respectable Muslim family at Chandpur in Cumilla. He is the son of Md. Habibur Rahman & Mrs. Mahmuda Khatun. He obtained Post Graduated Degree and also qualified Chartered Accountancy in 2001. He is the Fellow Member of Institute of Chartered Accountants of Bangladesh (ICAB), Enrolment no. 804. He is presently the independent auditor & Senior Partner of AZIZ HALIM KHAIR CHOUDHURY, Chartered Accountants. He is in practice in the last 20 years. Mr. Aftab Uddin is associated with some social organisations.

**H) Mr A.K Mizanur Rahman, FCA- Independent Director**

Mr. A.K Mizanur Rahman, FCA is Managing Partner of Shafiq Mizan Rahman & Augustine, Chartered Accountants and Official Receiver, People's Republic of Bangladesh. He qualified as Chartered Accountant from the Institute of Chartered Accountants of Bangladesh (ICAB) in the year 1983. Mr. Rahman is a life Member of Bangladesh Red Crescent Society, Diabetic Association of Bangladesh, Bangladesh Society of Hypertension, Bangladesh Lions Foundation and Member of Dhaka Chamber of Commerce and Industry (DCCI), Japan-Bangladesh Chamber of Commerce & Industry. He attended various seminar and conference at home & abroad. He was the Chairman of Dhaka Regional Council of the ICAB in the year 1997 and Past President of Lions Club of Dhaka Shahabagh and OISCA International Japan. He was also a Member of Standing Committee of ICAB, DCCI and International Director, OISCA International, Japan and Director, Sadharan Bima Corporation and Beach Hatchery Ltd.

**MANAGEMENT DISCUSSION AND ANALYSIS ON COMPANY'S POSITION AND OPERATION**

**Refer to Annexure -D Page no-24**

**REPORT OF THE AUDIT COMMITTEE**

**Refer to Annexure- E Page no-25**

**MD & CFO'S Declaration on Financial Statements**

**Refer to Annexure- A Page no-13**

**CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE CODE**

**Refer to Annexure B Page no-14.**

**Report of the Nomination and Remuneration the Nomination committee (NRC)**

**NRC committee consisting of the following members.**

Particulars	Position in the committee
1. Mr. Mizanur Rahman, FCA, Independent Director.	Chairman
2. Mrs. Anwarun Nehar, Director.	Member
3. Mr. A.K.M Alamgir Khan, Director.	Member

One Meeting was held during the year, the committee will play its role as per guide line of BSEC. No top level executive was appointed.

#### **NRC.**

**Refer to annexure-F, Page # 27.**

#### **Corporate Governance Compliance Report:**

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

#### **Appointment of Auditors :**

Presently M/s. ARTISAN, Chartered Accountants, Sonargaon Terrace (2<sup>nd</sup> Floor), House no-52,Road no-13/C, Block no-E, Banani, Dhaka-1213 bangladesh is the auditor of the Company whose period of appointment will expire on 40th AGM as well as they will fulfill two years period. They have offered themselves for re-appointment as auditors of the Company for the year 2024-25. Accordingly, the Board of Directors recommended that M/s. ARTISAN, Chartered Accountants, be re-appointed as Auditors for the year 2024-2025 subject to the approval of the Shareholders in the AGM with Tk 225,000/= (Taka.Two lakh twenty five thousand) only as their remuneration for audit works only.

#### **Appointment of Corporate Governance Auditors**

Presently M/s. M Ahmed & Co , Chartered Accountants, Shakila's Dream, House no-12-13,(Ground Floor) Suit # 103, Road # 5, Block# A Kaderabad Housing Society,Mohammadpur, Dhaka-1207 Bangladesh is the Corporate Governance auditors of the Company whose period of appointment will expire on 40th AGM. They offered themselves for re-appointment as auditors of the Company for the year 2024-25. Accordingly, the Board of Directors recommended that M/s. M Ahmed & Co, Chartered Accountants, be appointed as Corporate Governance Auditors for the financial year 2024-2025 subject to the approval of the Shareholders in the AGM.

#### **Acknowledgement :**

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

#### **Conclusion :**

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

**On behalf of the Board of Directors**

Date: 16 November, 2024  
Place: Dhaka

  
(Enamul Maqsud)  
Director

  
(Helal Uddin Ahmed)  
Managing Director

## MD &amp; CFO'S Declaration on Financial Statements

Date 16 November, 2024  
 The Board of Directors  
 Standard Ceramic Industries Limited  
 62-63 Motijheel C/A  
 Dhaka-1000.

**Subject: Declaration on Financial Statements for the year ended on 30 June 2024.**

Dear Sirs,

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

- (1) The Financial Statements of Standard Ceramic Industries Ltd. for the year ended on 30 June 2024 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 30 June 2024 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



(Helal Uddin Ahmed)  
 Managing Director

Sincerely yours



(Md. Abdur Rahim)  
 Chief Financial Officer



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

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[akmojumder@yahoo.com](mailto:akmojumder@yahoo.com)

Shakila's Dream, House no-12-13,  
(Ground Floor) Suit # 103, Road # 5,  
Block# A Kaderabad Housing,  
Mohammadpur, Dhaka-1207.

### CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE CODE

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

We have examined the compliance status to the Corporate Governance Code by Standard Ceramic Industries Limited for the year ended 30<sup>th</sup> June, 2024. This Code relates to the Notification No.

BSEC/CMRRCD/2006-158/207/Admin/80, dated: 3rd June, 2018 BSEC/CMRRCD/2009-193/66/PRD/148-dated 16 October 2023 and BSEC/CMRRCD/2009-193/76/PRD/151-dated 04 April 2024 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 conditions of this Corporate Governance Code.

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

- a) The Company has complied with the conditions of the- Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory.

Place; Dhaka-1207  
Dated: November 16, 2024.



Md. Abul Kashem Mojumder, FCA  
Managing Partner  
M. Ahmed & Co.  
Chartered Accountants

**Annexure- C**

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/ 2006-158/ 207/ Admin/80, dated 03 June, 2018, No. BSEC/CMRRCD/2009-193/76/PRD/151, Date: 4 April, 2024 and No. BSEC/CMRRCD/2009-193/66/PRD/148, Date: 16 October 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969

(Report under Condition No. 9.00)

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



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

1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/ or through any other instruments;	--	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	-	--
1(5)(x)	statement of remuneration paid to the directors including independent directors;	✓	-	-
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	-
1(5)(ii)	A statement that proper books of account of the issuer company have been maintained;	✓	-	--
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately	✓	-	--
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	-	--
1 (5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	--
1(5)(vi)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓	-	-
1(5)(vi)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	-	-
1 (5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	-	--
1(5)(0)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓	--	
1 (5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓	-	
1(5)(0i)	The total number of Board meetings held during the year and attendance by each director;	✓	--	--
1 (5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by	✓	--	-
1(5)(0i)a)	Parent or Subsidiary or Associated Companies and other related parties (name -wise details);		-	NA
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	✓	-	-
1(5)(0i)c)	Executives;	✓	--	--
1(5)(0i)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).		-	-- NA
1(5)0iv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:	✓	--	-
1(5)xiv)a)	a brief resume of the director	✓	-	--
1 (5)(xxiv){b)	nature of his/her expertise in specific functional areas;	✓	--	-
1 (5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	-	--

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

3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	-	-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	-	-	Noted
3(2)	<b>Requirement to attend Board of Director's Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	✓	-	-
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	-	--
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	--
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	✓	-	--
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	✓	-	--
4	<b>Board of Directors Committee. For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee and ;	✓	-	--
4(ii)	Nomination and Remuneration Committee	✓	-	--
5	<b>Audit Committee</b>			
5(1)	Responsibility to the Board of Directors	✓	--	--
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	-	--
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓	-	--
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	-	--
5(2)	Constitution of Audit Committee Meeting			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	-	--
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	-	--
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	✓	-	--
5(2)(d)	When the term of service of any Committee 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 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;"	✓	-	--
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	-	--
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	-	--
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director.	✓	-	--

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



5(6)(b)	Reporting to the Authorities:			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	✓	–	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓	–	--
6	<b>Nomination and remuneration Committee (NRC).</b>			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓	–	--
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	–	--
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	–	
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	–	--
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;"	✓	–	–
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	–	--
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	--	–	Noted
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 ( one hundred eighty) days of occurring such vacancy in the Committee;	--	–	No such case has arisen after formation of NRC
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member,if the Chairperson feels that advice or suggestion form such external expert and/or member(s) of staff shall be required or valuable for the Committee;	–	–	Noted
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	–	--
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	–	--
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	–	--
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	–	--
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	--	Noted
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓	--	

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



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

**MANAGEMENT DISCUSSION AND ANALYSIS ON COMPANY'S POSITION AND OPERATION**

In order to improve performances, the Management had formal & informal discussions on the affairs of the Company with specific reference to the following: - If gas & electricity are sufficiently and regularly available with required pressure, raw materials are available, Gas and Dollar rate reduces and product demand increase then performance of the company will improve, the company may re-start the production.

**a) Preparation of Financial Statements:**

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

**b) Changes in Accounting policies and Estimations**

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

**c) Financial performance and position of the Company:**

Production and sales of the Factory could not be accelerated at desired level due to Cumulative effect of COVID 19, Russia & Ukraine war, high Gas price and low demand of products and other events mentioned elsewhere. On the other hand, material cost has increased and some fixed costs are ongoing even though the factory is temporary closed. These made negative impact on profitability.

Turnover amounted to Taka 96.30 million in the year 2023-2024 as against taka 244.47 million in the year 2022-2023. This year cost of goods sold 192.34 Taka million as against 310.477 million in the year 2022-2023. The gross loss for the year was Taka (96.04) million as against Taka (66.00) million of the previous year.

Note that detailed performance of the company is stated page no 7. Comparative analysis & presentation of comparative data are placed in the report. Inflation factor in expenses is compensated by increasing revenues.

**d) Financial performance and position with peer industries:**

Comparative figures for each line item are presented in reports page no-7 for better understanding of the readers. We produce stoneware tableware products. Data relating to stoneware tableware of other industries are not publicly available. Therefore exact comparison is not possible.

**Comparative analysis of cash Flows**

Particulars	Amount in Tk. (000)				
	2023-24	2022-23	2021-22	2020-21	2019-20
Net cash inflow from operating activities	(57,727)	(58,790)	(6,066)	7,741	3,623
Net Cash Out Flow from Investing Activities	(430)	1,969	(1,753)	(10,852)	(59,892)
Net Cash out Flow from Financing Activities	22,143	90,907	6,429	4,667	50,763
Net increase/ (decrease) in cash and cash equivalents	(36,014)	34,086	(1,391)	1,555	(5,507)
Net Operating Cash Flow per share	(8.94)	(9.10)	(0.94)	1.20	0.56

**c) Global and Local Economic Scenario:**

The economic activities suffered adversely due to Liquidity Crisis for cumulative effect of COVID-19, high gas price, Dollar rate high and Russia – Ukraine war. As a result the Purchasing power of customers reduced substantially.

**d) Risk and mitigation**

No major risk is foreseen to remain as going concern if Financial and Trade policies remain unchanged and Gas & Electricity supply are sufficient. If the constraints referred in paragraph continues then there is a risk and mitigation may not be possible.

**e) Future planning**

The future planning will be decided by the shareholders in the AGM considering the constraints of re-starting the production while approving the accounts.

**Financial and economic scenario of the Globe:**

Since the Ceramic Industry requires 94% of Raw materials to be imported, there is an uncertainty factor of sustainability of business and increasing capacity of international competitiveness. Further Dollar price is increasing every year which will adversely affect sustainability of going concern of international competitiveness. Further Dollar price is increasing every year which will adversely affect this year.



Perai Uddin Ahmed  
Managing Director

## **Standard Ceramic Industries Limited**

### **REPORT OF THE AUDIT COMMITTEE**

For the year ended 30 June 2024.

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

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

#### Composition and Meetings

Mr. Aftab Uddin Ahmed FCA, Independent Director  
Mrs. Anwarun Nehar, Director  
Mr. A.K.M Alamgir Khan, Director  
Mr. Jamal Uddin Bhuiyan

Chairman  
Member  
Member  
Company Secretary

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

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

- (a) To review the quarterly and annual financial statements before submission to the Board for approval, adequacy of internal audit function, Management's Discussion and Analysis, statement of all related party transactions and Management Letters or Letter of Internal Control weakness issued by statutory auditors etc.;
- (b) To oversee the financial reporting process, hiring and performance of external auditors;
- (c) To monitor choice of accounting policies, principles, Internal Audit and Compliance process etc.;

The Audit Committee reports on its activities to the Board of Directors. Audit Committee also immediately reports to the Board of Directors on

- a) report on conflicts of interests,
- b) suspected or presumed fraud or irregularity or material defect in the internal control system,
- c) suspected infringement of laws, including securities related laws, rules and regulations,
- d) any other matter which shall be disclosed to the Board of Directors.

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

The audit committee has recommended the Board to appoint external auditor of the company, M/s. ARTISAN, Chartered Accountants, Sonargaon Terrace (2<sup>nd</sup> Floor), House no-52, Road no-13/C, Block no-E, Banani, Dhaka-1213 Bangladesh as the statutory auditors for the year 2024-2025.

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

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

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

#### **Summary of activities during the year**

During the year under review the Committee, inter alia, focused on the following activities:

- a) The Committee supervised the hiring and performance of external or statutory auditors including determination of their audit fees hold meeting with them for review of annual financial statements before submission to the Board for approval.
- b) Reviewed and recommended the Annual Financial Statements for the year ended 30 June 2024 to the Board for approval.
- c) Reviewed the Management Letter from external auditors for the year under review along with management's responses on the findings.
- d) Reviewed the Auditors' Certification on Corporate Governance compliance for the year ended 30 June 2024.
- e) Reviewed and ascertained that the internal control system including financial and operational controls, accounting system, and reporting structure are adequate and effective.
- f) Reviewed the periodical reports submitted by the Internal Auditors and recommended to the management regarding proper and prompt resolution of the irregularities/issues stated therein.
- g) Reviewed the actions taken by the management for implementation of Audit Committee observations on issues deliberated in Audit Committee reports.
- h) The Committee placed its reports regularly to the Board for reviewing and monitoring the activities recommended on internal control system, compliance with rules and regulation of the regulatory bodies.
- i) The Committee reviewed relevant quarterly Financial Statements during the year under review and recommended to the Board for their approval.
- j) Based on the above review and discussion, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the Company.
- k) ) The Audit Committee always assisted the Board of Directors in ensuring that the financial statements of the company reflect true and fair view of the state of affairs of the company.
- l) The Company did not raise any money during the year 2023-2024 through Initial Public Offering (IPO), Repeat Public Offering (RPO) and issuance of Rights Shares.



**Aftab Uddin Ahmed, FCA**

Chairman

Audit Committee and Independent Director

Dated: 16th November, 2024

## **REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC)**

For the year ended 30 June 2024.

Under Condition No. 6 (5)(C) of the Corporate Governance Code as adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC)

NRC in **Standard Ceramic Industries Limited (SCIL)** is a sub-committee of the Board of Directors, The NRC assists the Board in formulating the nomination criteria/ policy for determining the qualification, positive attributes, experiences and independence of Directors and senior level executives as well as a policy for a formal process of considering the remuneration of directors and senior level executives.

### **CONSTITUTION OF THE NRC**

- (a) The Committee shall comprise of at least three members including an independent director;
- (b) All the members of the Committee shall be non-executive directors;
- (c) Members of the Committee shall be nominated and appointed by the Board;
- (d) The Board shall have authority to remove and appoint any member of the Committee;
- (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;
- (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;
- (g) The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;
- (h) 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.
- (i) The Company Secretary shall act as the secretary of the Committee;

### **CRITERIA FOR BOARD NOMINATION**

The Nomination and Remuneration Committee (N & R Committee) is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued services. The following are the qualifications, positive attributes and independence criteria laid down by the N&R Committee of the Company to be considered for nominating candidates for Board positions/re-appointment of directors:

### **CRITERIA FOR REMUNERATION OF BOARD MEMBERS, KEY MANAGERIAL PERSONNEL**

The directors' remuneration/honorarium for exercising their supervision and decision-making functions should be based on the following principles:

- the remuneration/honorarium should be sufficient and confirm to the directors' dedication, qualification and responsibilities but not compromising their independent criteria;
- The remuneration/honorarium must be adequate to attract and retain directors with the talent and profile as desired by the Company;
- The directors may be paid sitting fees for attending the Board meetings.



**CRITERIA FOR BOARD EVALUATION** The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once in a year of its work, functions, performance, as well as monitoring of internal control over financial reporting for the preparation of external financial statements and the safeguarding of assets. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with the management.

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

1. No member of the NRC will be allowed to receive either directly or indirectly any remuneration for any advisory or consultancy role or otherwise, other than Board Meetings attendance fees from the company.
2. The Committee shall be independent, responsible and accountable to the board and the shareholders.
3. Formulating the criteria/policy for fixing up fair remuneration for directors and senior level management which need to be vetted and accepted by the board of Directors.
4. Obtaining the Board approval for recruiting suitable candidates to fill up the vacancies.
5. Reporting to the Board of Directors on the committee's activities and findings.

### Summary of activities during the year

#### Composition and Meetings:

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

One (1) meeting was held during the year. Company Secretary of the Company functioned as the Secretary to the Committee as per regulatory requirements. In addition to that the Chief Financial Officer, Head of Internal Audit and Compliance attended the meetings on invitation and other officials were invited to attend the meetings as and when the Committee required their presence.

During the year under review the Committee, inter alia, focused on the following activities:

- a) Discussed the policy relating to the renewal of contract of top level executives.
- b) Developed, recommended and reviewed the company's annual human resource capital and training policies as well as involvement of financial matter regarding the increment and promotion;
- c) Followed the ToR of NRC as approved by the Board of Directors
- d) Reviewed the recommendation of directors who shall resign by rotation, 1. Mr.Lutfur Rahman, Director, 2.Mrs. Anwarun Nehar, Director and eligible for re-election as per provisions of Articles of Association of the company
- e) Reviewed its charter to satisfy itself that they enable the committee to fulfill its responsibilities
- f) Reviewed the scope and effectiveness of internal human resource functions.
- g) Overseen other issues within the terms of reference of the NRC.
- h) Recommended to reappoint Independent Director Md. Aftab Uddin Ahmed, FCA.

### Acknowledgement

The NRC expresses their sincere thanks to the members of the Board of Directors and the management of the Company for their outstanding support and co-operation.



**AKM Mizanur Rahman, FCA**

Chairman of the NRC Committee and Independent Director

Dated: 20<sup>th</sup> October, 2024

**স্ট্যান্ডার্ড সিরামিক ইন্ডাস্ট্রিজ লিঃ**  
৬২-৬৩ মতিঝিল বা/এ, ঢাকা- ১০০০

**৪০তম বার্ষিক সাধারণ সভায় পরিচালক মন্ডলীর প্রতিবেদন**

বিস্মিল্লাহির রাহমানির রাহিম

**সম্মানিত শেয়ারহোল্ডারবন্দঃ**

আসসালামু আলাইকুম। প্রথমে পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ৪০তম বার্ষিক সাধারণ সভায় আপনাদেরকে সাদর আমন্ত্রণ জানাচ্ছি। এই সভায় ৩০শে জুন, ২০২৪ইং তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক প্রতিবেদন আমি আনন্দের সহিত উপস্থাপন করছি।

**সামগ্রিক পরিস্থিতি পর্যালোচনাঃ**

আমরা অত্যন্ত দুঃখের সঙ্গে জানাচ্ছি যে, আমাদের কোম্পানি ইতিহাসের সবচেয়ে খারাপ আর্থিক বছরে পড়েছে। ক্রমবর্ধমান উৎপাদন ব্যয় এবং ব্যাংকিং চ্যানেলের সংকট আমাদের কোম্পানিকে চরম বিপর্যস্ত করেছে। তাছাড়া কোভিড সময়কালেও আমাদের কোম্পানি প্রচণ্ড ক্ষতির শিকার হয়েছে। ওই সময়ে সামাজিক দূরত্বের কারণে কারখানায় কর্মীদের উপস্থিতি অত্যন্ত কমে যাওয়ায়, উৎপাদন উল্লেখযোগ্যভাবে হ্রাস পেয়েছিল।

কম উৎপাদনের মধ্যেও উচ্চ স্থায়ী খরচ মেনে নিতে বাধ্য হওয়ায় কঠিন সমস্যার মুখোমুখি হয়েছিলাম। অনেকের মতো আমরাও এই সংকটময় সময়গুলো পূর্বাভাস করতে পারিনি এবং সেই অনুযায়ী চ্যালেঞ্জ মোকাবিলা করতে পারিনি। কোভিড পরবর্তী সময়ে বিশ্ব মন্দায় পড়ে এবং এর পরপরই ইউক্রেন যুদ্ধের ফলে প্রত্যাশার চেয়েও বেশি পরিমাণে সব পণ্যের দাম বেড়ে যায়, কোনো খাতই এর থেকে রেহাই পায়নি। জ্বালানির খরচ প্রায় ৫০% বৃদ্ধি পায় এবং টাকার মান ডলারের বিপরীতে অনেকটাই কমে যায়। তাছাড়া ২০২২ সালে ব্যাংকিং খাতের অস্থিরতা অনেক মাস পর সামনে আসে।

এরপর সবচেয়ে বড় ধাক্কা আসে ২০২৩ সালের ফেব্রুয়ারিতে, যখন সরকার আমাদের প্রধান কাঁচামাল (প্রাকৃতিক গ্যাস) এর মূল্য ১৫০% বাড়িয়ে দেয়, যা বিদ্যুৎ সহ সবকিছুর দাম আবারও বাড়িয়ে দেয়। বৈদেশিক মুদ্রার রিজার্ভ এমন পর্যায়ে নেমে আসে যে এলসি (লেটার অব ক্রেডিট) ইস্যু করা কঠিন হয়ে পড়ে। তদুপরি কিছু ঋণে ব্যাংক মার্জিন পুরো এলসি মূল্যের ১০০% নেওয়া হয়। কোম্পানির এই সংকট মোকাবিলার জন্য তহবিল সংগ্রহ করাও কঠিন হয়ে পড়ে, যা শেষ পর্যন্ত ২০২৪ সালের শুরুর দিকে কারখানা সাময়িক বন্ধের জন্য পরিস্থিতি বাধ্য করে।

আমাদের আন্তরিক প্রচেষ্টা ও দৃঢ় মনোভাব নিয়ে কাজ করা সত্ত্বেও চ্যালেঞ্জগুলো মোকাবিলা করতে ব্যর্থ হয়েছি, যার জন্য আমরা গভীরভাবে দুঃখিত।

**ভবিষ্যৎ উন্নয়ন পরিকল্পনাঃ**

ভবিষ্যৎ উন্নয়ন মূলত অর্থনৈতিক অবস্থা ও সরকারী নীতিমালার উপর নির্ভরশীল, যা ব্যবস্থাপনার নিয়ন্ত্রনের বাহিরে।

**ব্যবসায়িক কার্যক্রমঃ**

গত বৎসরে (২০২২-২০২৩) ২৪ কোটি ৪৫ লক্ষ টাকা বিক্রয়ের বিপরীতে আলোচ্য বৎসরে (২০২৩-২৪) বিক্রয় দাঁড়ায় ৯ কোটি ৬৩ লক্ষ টাকা। গত বৎসরের ৬ কোটি ৬০লক্ষ টাকার মোট ক্ষতি বিপরীতে আলোচ্য বৎসরে মোট ক্ষতি দাঁড়ায় ৯ কোটি ৬০ লক্ষ টাকা।

**আর্থিক প্রতিবেদন ও মুনাফা বন্টনঃ**

নিচে কোম্পানীর সামগ্রিক চিত্র দেওয়া হলোঃ

উপাত্তগুলি (‘০০০) হাজারে প্রকাশিত

বিবরণ	২০২৩-২০২৪	২০২২-২০২৩
আয়কর পূর্ব নিট মুনাফা/(ক্ষতি)	(১৫৪,২৯৪)	(১২৩,০৯৭)
বিয়োগঃ আয়কর বাবদ সঞ্চিতি	(৫৭৮)	(১৪৬৭)
বিয়োগঃ WPPF বাবদ সঞ্চিতি	০	(০)
যোগ/(বিয়োগ)ঃ বিলম্বিত কর- আয়	৬,১৪২	১৫৯৮
আয়কর ইত্যাদি উত্তর নিট মুনাফা/(ক্ষতি)	(১৪৮,৭২৯)	(১২২,৯৬৬)
অনাদায়ী বৈদেশিক মুদ্রার উঠানামায় লাভ	০	০
পূর্ববর্তী বৎসরের সমন্বয়	০	(১৫,৮০৫)
বিয়োগঃ পূর্ববর্তী বৎসরের পুঞ্জীভূত লাভ/(লোকসান)	(২০১,২৩২)	(৬২,৪৬০)
প্রস্তাবিত লভ্যাংশ (সাধারণ সঞ্চিতি থেকে সুপারিশ করা হয়েছে)	০	(০)
পুঞ্জীভূত লাভ/(লোকসান)	(৩৪৯,৯৬১)	(২০১,২৩১)



### রাষ্ট্রীয় কোষাগারে অবদান :

কোম্পানী আলোচ্য আর্থিক বৎসরে (২০২৩-২০২৪) রাষ্ট্রীয় কোষাগারে গ্যাস ও বিদ্যুৎ বাদে কাষ্টম ডিউটি, এ.আই.টি, ভ্যাট ইত্যাদি খাতে ১ কোটি ৪০ লক্ষ টাকা প্রদান করে।

### পণ্যের উৎপাদন ব্যয় হ্রাস :

পরিচালনা পর্ষদ প্রত্যাশা করেন যে, জ্বালানী বন্ধক কিলন বসানো হলে এবং পণ্যের সর্বোচ্চ উৎপাদন ক্ষমতা ব্যবহার সাপেক্ষে পণ্যের উৎপাদন ব্যয় কমানো সম্ভব হবে, যা দেশের অর্থনৈতিক উন্নতির উপর নির্ভরশীল।

### অপ্রত্যাশিত লাভ/ক্ষতি :

আলোচ্য বৎসরে কোন অপ্রত্যাশিত লাভ বা ক্ষতি নাই।

### সংশ্লিষ্ট পক্ষের সাথে লেনদেন :

৪২নং নোটে বর্ণিত বিষয়টি ছাড়া আলোচ্য বৎসরে কোন সংশ্লিষ্ট পক্ষের লেনদেন নাই।

### শেয়ার ইস্যু/রাইট ইস্যু মাধ্যমে প্রাপ্ত টাকার ব্যবহার :

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

### ত্রৈমাসিক ও বার্ষিক প্রতিবেদনের মধ্যে উল্লেখযোগ্য বিচ্যুতি :

আলোচ্য বৎসরে কোভিড-১৯ ও রাশিয়া-ইউক্রেন যুদ্ধের ক্রমবর্ধমান নেতিবাচক প্রভাব, গ্যাসের মূল্য বৃদ্ধি, কাঁচা মালের মূল্য বৃদ্ধি, ২০২৪ইং সালের শুরুর দিকে কারখানা বন্ধের কারন ও পণ্যের চাহিদা হ্রাসের কারনে কোম্পানীর ত্রৈমাসিক ও বার্ষিক প্রতিবেদনের মধ্যে বিচ্যুতি ঘটেছে।

### স্বতন্ত্র পরিচালকসহ সকল পরিচালকদের বেতন :

ব্যবস্থাপনা পরিচালক ও কর্ম পরিচালকের বেতনের বিস্তারিত বিবরণ নোট নং-২৫ এ দেখানো হয়েছে। উল্লেখ্য যে, আলোচ্য বৎসরে চেয়ারম্যান, নন-এক্সিকিউটিভ ডাইরেক্টর এবং স্বতন্ত্র পরিচালকদেরকে সভার ফিস ছাড়া অন্য কোন ভাতা দেওয়া হয়নি।

### ভবিষ্যৎ তহবিল থেকে ঋণ :

এ সংক্রান্ত বিস্তারিত ৮নং পৃষ্ঠায় দেওয়া হয়েছে।

### অদাবীকৃত লভ্যাংশ :

এ সংক্রান্ত বিস্তারিত ৮নং পৃষ্ঠায় ও নোট নং ১৮ তে দেওয়া হয়েছে।

### লভ্যাংশ ঘোষণা :

কোম্পানীর আলোচ্য বৎসর শেষে পুঞ্জীভূত লোকশান ৩৪.৯৯ কোটি টাকা। এমতাবস্থায় পরিচালকমন্ডলী কোন লভ্যাংশ সুপারিশ করেননি।

### পরিচালকদের অবসর গ্রহণ ও নিয়োগ :

পরিচালক (১) জনাব লুৎফর রহমান ও (২) জনাব আনোয়ারুন নেহার কোম্পানীর সংঘবিধির ৪৪ ধারা অনুযায়ী অবসর গ্রহণ করেছেন এবং যোগ্য বিধায়, পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

### কোম্পানীর বিষয়াবলী ও আর্থিক প্রতিবেদন :

কোম্পানী কর্পোরেট গভর্নেন্স প্রতিষ্ঠান বাংলাদেশ 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, ফাইনেনসিয়াল রিপোর্টিং আইন ২০১৫ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নীতিমালা ১৯৮৭ এর আলোকে প্রস্তুত করা হয়েছে। এই সকল বিবরণীসমূহে কোম্পানী সংক্রান্ত বিষয়াবলী, এর পরিচালন নীতিমালা, অর্থ প্রবাহ এবং তারল্যের পরিবর্তন সঠিকভাবে উপস্থাপিত হয়েছে।

খ. কোম্পানীর হিসাব বহি যথাযথভাবে রক্ষিত হয়েছে।

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

ঘ. আর্থিক বিবরণী প্রস্তুতকালে 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. কোন বোনাস/স্টক ডিভিডেন্ড অস্ত্রবর্তীকালীন ডিভিডেন্ড হিসাবে ঘোষণা করা হয়নি।

জ. সংখ্যাগরিষ্ঠ শেয়ারহোল্ডারগণ ক্ষুদ্র শেয়ারহোল্ডারগণের উপর কোন প্রভাব বিস্তার করেনি। আইনানুযায়ী ক্ষুদ্র শেয়ারহোল্ডারগণের স্বার্থ সংরক্ষণ করা হয়েছে।

ঝ. বিগত পাঁচ বছরের পরিচালন ও আর্থিক ফলাফলসমূহ সংযুক্ত করা হয়েছে। (পাতা নং ৫)

বিগত বছরের তুলনায় কার্যক্রমে ও ফলাফলের উল্লেখযোগ্য বিচ্যুতিঃ

আলোচ্য বৎসরে কোম্পানীর বিগত বছরের তুলনায় বিচ্যুতি ঘটেছে। নোট নং-৩৮, ৩৯, ৪০ এবং ৪৩ এ Disclose করা হয়েছে।

পরিচালনা পর্ষদের সভা ও উপস্থিতি

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

ক্রঃনং	পরিচালকদের নাম	পদবী	সভায় উপস্থিতি	মন্তব্য
০১.	জনাব লুৎফর রহমান	চেয়ারম্যান	৬	
০২.	জনাব হেলাল উদ্দিন আহমেদ	ব্যবস্থাপনা পরিচালক	৬	
০৩.	জনাব নাসির উদ্দিন আহমেদ	পরিচালক	৪	
০৪.	জনাব এনামুল মাকসুদ	পরিচালক	৫	
০৫.	জনাব এ.কে.এম. আলমগীর খান	পরিচালক	৬	
০৬.	জনাব আনোয়ারুন নেহার	পরিচালক	৫	
০৭.	জনাব আফতাব উদ্দিন আহমেদ-এফসিএ	স্বতন্ত্র পরিচালক	৪	
০৮.	জনাব এ.কে.এম মিজানুর রহমান-এফসিএ	স্বতন্ত্র পরিচালক	৩	

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

সাবসিডিয়ারি কোম্পানীঃ

প্রতিষ্ঠানের কোন সাবসিডিয়ারি কোম্পানী নাই।

চেয়ারম্যান ও প্রধান নির্বাহী কর্মকর্তার অবস্থানঃ

কোম্পানীতে চেয়ারম্যান ও প্রধান নির্বাহী কর্মকর্তার অবস্থান সম্পূর্ণ আলাদা।

সিইও ও সিএফও এর কর্তব্যঃ

কমিশনের (বিএসইসি) রেগুলেশন কমপ্লাই করা হয়েছে।

এও. কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ন ছিল নিম্নরূপঃ

ক্রঃ নং	নামানুসারে বিবরণ	শেয়ারের পরিমাণ
০১.	জনাব লুৎফর রহমান, (চেয়ারম্যান)	৩৭৩,৮৮০
০২.	জনাব হেলাল উদ্দিন আহমেদ, (ব্যবস্থাপনা পরিচালক)	৩৭৩,৮৮০
০৩.	জনাব নাসির উদ্দিন আহমেদ, (পরিচালক)	৩৭৩,৮৮০
০৪.	জনাব এনামুল মাকসুদ, (পরিচালক)	২০৬,৮৯২
০৫.	জনাব এ.কে.এম. আলমগীর খান, (পরিচালক)	৩৩৭,৯৮৮
০৬.	জনাব আনোয়ারুন নেহার (পরিচালক)	১,২৯,৬৮০
০৭.	জনাব আফতাব উদ্দিন আহমেদ-এফসিএ, (স্বতন্ত্র পরিচালক)	নাই
০৮.	জনাব এ.কে.এম মিজানুর রহমান-এফসিএ, (স্বতন্ত্র পরিচালক)	নাই
৯.	জনাব জামাল উদ্দিন ভূঁইয়া, (কোম্পানী সেক্রেটারী)	নাই
১০.	জনাব আব্দুর রহিম পাটোয়ারী, (সি.এফ.ও)	নাই
১১.	জনাব সিরাজুল ইসলাম, (প্রধান আভ্যন্তরীণ নিরীক্ষক)	নাই
১২.	জনাব মোঃ আবু তাহের, সিনিয়র ম্যানেজার (আমদানী)	নাই
১৩.	জনাব এস.এম মামুন কবীর, জেনারেল ম্যানেজার।	নাই
১৪.	জনাব আসাদুজ্জামান, ডিপুটি ম্যানেজার (রপ্তানী)	নাই
১৫.	জনাব জিয়াউল হক, পি.পি.ও	নাই
১৬.	জনাব মোঃ মোস্তাফিজুর রহমান, ডিপুটি ম্যানেজার	নাই
১৭.	জনাব মীর মাখন আলী, সহকারী ব্যবস্থাপক (হিসাব)	নাই

পরিচালকদের জীবন বৃত্তান্ত :

১০-১১নং পাতায় বিস্তারিত দেওয়া হয়েছে।

ব্যবস্থাপনা আলোচনা ও বিশ্লেষণ :

কোম্পানীর কার্যক্রম ও পরিস্থিতি নিয়ে আলোচনা ও বিশ্লেষণ রিপোর্টের ২৪নং পাতায় দেওয়া হলো।

### অডিট কমিটির প্রতিবেদন :

প্রতিবেদনটি ২৫-২৬নং পাতায় দেওয়া হলো।

### সিইও ও সিএফও কর্তৃক প্রত্যয়ন :

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

### নমিনেশন ও রিমুনারেশন কমিটি গঠন :

নিম্নলিখিত পরিচালকগণের সমন্বয়ে Nomination and Remuneration (NRC) সভা অনুষ্ঠিত হয়।

নাম	কমিটিতে অবস্থান
১। জনাব এ.কে.এম মিজানুর রহমান, এফসিএ- সত্ত্ব পরিচালক	চেয়ারম্যান
২। মিসেস আনোয়ারুন নেহার- পরিচালক	সদস্য
৩। জনাব এ.কে.এম আলমগীর খান-পরিচালক	সদস্য

আলোচ্য বৎসরে কমিটির ১টি সভা হয়। কমিটি কমিশনের (বিএসইসি) নির্দেশনা অনুযায়ী কার্যক্রম পরিচালনা করেন। কোন উচ্চ পদস্থ নির্বাহীর নিয়োগ হয়নি।

### NRC প্রতিবেদনঃ প্রতিবেদনটি ২৭নং পৃষ্ঠায় দেওয়া হয়েছে।

### কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট :

বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশনের দিক নির্দেশনা অনুযায়ী “কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট” ১৪-২৩নং পাতায় সংযুক্ত করা হল।

### সংবিধিবদ্ধ নিরীক্ষক নিয়োগ :

বর্তমানে মেসার্স আর্টিসান, চার্টার্ড একাউন্ট্যান্টস, সোনারগাঁও ট্যারাস, তৃতীয় তলা, বাড়ি নং-৫২, রোড নং-১৩/সি, ব্লক-ই, বনানী, ঢাকা-১২১৩, বাংলাদেশ, কোম্পানীর নিরীক্ষক যার মেয়াদ ৪০তম বার্ষিক সভায় শেষ হবে। যোগ্য বিধায় ২০২৪-২৫ অর্থ বৎসরে নিরীক্ষক হিসাবে পুনঃনিয়োগের জন্য প্রস্তাব করেছেন। পরিচালক মণ্ডলী ২,২৫,০০০/- টাকা পারিশ্রমিকের বিনিময়ে মেসার্স আর্টিসান, চার্টার্ড একাউন্ট্যান্টস এর প্রস্তাবের প্রেক্ষিতে ২০২৪-২৫ সালের নিরীক্ষক হিসাবে পুনঃনিয়োগের জন্য শেয়ার হোল্ডারদের অনুমোদনের সুপারিশ করছেন।

### কর্পোরেট গভর্নেন্স নিরীক্ষক নিয়োগ :

বর্তমানে এম. আহমেদ এন্ড কোং, চার্টার্ড একাউন্টেন্টস, শাকিলার ড্রীম, বাড়ি নং-১২-১৩ (নীচ তলা), সুট নং-১০৩, রোড নং-০৫, ব্লক নং-এ, কাদেয়াবাদ হাউজিং সোসাইটি, মোহাম্মদপুর, ঢাকা-১২০৭, বাংলাদেশ কোম্পানীর কর্পোরেট গভর্নেন্স কমপ্লায়েন্স নিরীক্ষক। তারা ২০২৪-২৫ সালের জন্য নিরীক্ষক হিসাবে পুনঃ নিয়োগের প্রস্তাব করেছেন। যোগ্য বিধায় পরিচালনা পর্ষদ এম. আহমেদ এন্ড কোং, চার্টার্ড একাউন্টেন্টসকে পুনঃ নিয়োগের জন্য আপনাদের অনুমোদনের সুপারিশ করছে।


### কৃতজ্ঞতা স্বীকার ও উপসংহার :


কোম্পানীর পরিচালক মণ্ডলী, সম্মানিত শেয়ার হোল্ডার, বিনিয়োগকারী, ব্যাংক এবং আর্থিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন, স্টক এক্সচেঞ্জ, আই.সি.বি, সরকারী প্রতিষ্ঠান, সংবাদ সংস্থা, সরবরাহকারী এবং ক্রেতা সাধারণ এর সাহায্য সহযোগিতার জন্য আন্তরিক ধন্যবাদ এবং কৃতজ্ঞতা জ্ঞাপন করছে। পরিচালকমণ্ডলী 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

১৬.১১.২০২৪ইং

  
(এনামুল মাকসুদ)  
পরিচালক

  
হেলাল উদ্দিন আহমেদ  
ব্যবস্থাপনা পরিচালক

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS' OF STANDARD CERAMIC INDUSTRIES LIMITED

## Qualified Opinion:

We have audited the financial statements of Standard Ceramic Industries Limited ("the Company"), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies.

In our opinion, except for the incomplete disclosure of the information described under the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2024 and its financial performance & its cash flows for the year then ended in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

## Basis for Qualified Opinion:

The understated situations indicate that several material uncertainty exists those may cast significant doubt on the company's ability to continue as a going concern, which facts have not been adequately disclosed in the Financial Statements nevertheless the management of the company has prepared the Financial Statement of the company on the assumption that the entity is a going concern and will continue its business for the foreseeable future and the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operation as stated in note # 2.04:

1. Statement of Financial Position as on 30 June 2024 exhibits Current Liabilities Tk. 485,127,724, including bank liabilities of Tk. 202,705,734, against Current Assets of Tk. 110,023,741 including Inventories of Tk. 96,848,455 which is significantly overstated. This indicates available current assets of Tk. 1.00 only compared to current liabilities Tk. 4.41 considering the full value of inventories are realizable. This is reflecting acute financial insolvency of the company and ultimately the company has been unable to pay off those liabilities, which already been interrupted the supply chain of the company.
2. The company's retained earnings has been mounted up to Tk. (349,961,114) as 30 June 2024 from Tk. (201,231,658) as was on 30 June 2023 and Shareholders' Equity has been dropped down to Tk. (244,497,759) as on 30 June 2024 from Tk. (95,768,303) as was on 30 June 2023. Beside this bank liability of Tk. Tk. 90,660,170 have been classified as Sub Standard and Bad Loss out of total amount of bank loans Tk. 202,705,734. Moreover, the company has been unable to conclude re-negotiations or obtain replacement financing, which has been gripped the company in distress from acute financial catastrophe and twisted indispensable hurdles to the BMRE of the operational unit.
3. The factory of the company has been temporarily shut down from 26 January 2024, due the disconnection of power lines, both Gas and Electricity for non-payment of overdue bills. Moreover, cost of production has been exceeded products selling price due to the increased rate of Gas & Electricity and increasing of raw materials cost in consequence to the significant adverse impact of foreign currency conversion to BDT, as mentioned in the notice of shut down of the factory. In consequence of which revenue of the company has been reduced to Tk. 96,296,422 during the year 2023-24 from Tk. 244,470,330 during the year 2022-23 which has compelled the company in suffering Net Loss before Tax Tk. 154,293,508.



4. Note # 4.00 of the financial statement shows Inventories of Tk. 96,848,455 which includes Work in Process around 1,061 MT of Tk. 78,055,800 and Mould, Saggars, & Stores Spares of Tk. 10,609,000. Yearly installed production capacity of the factory has been shown as 6,500 MT. During the year under audit the company could produce 925 MT in 7 months till closure of the factory on 26 January 2024. Quantity of Work in Process have been shown in the inventories representing more than 8 months' equivalent production, which expressively exaggerated in comparison with the production during this year. If we consider 15 days' production as work in process, it would be maximum 65 MT to 70 MT (925 MT/209 Days x 15 Days) and the value of which be around Tk. 5,150,000. This indicates overstatement of WIP by Tk. 72,905,800, which has been under stated Net Loss of the company and overstated net assets, inventory by the equivalent amount. During the course of our audit we were not provided with any registers and scope to verify and confirm existence and value of those. We were not also provided with any other appropriate documents or audit evidence to satisfy ourselves in providing our opinion and conclude that there are no undetected material misstatements in the financial statements in this regard using alternative approach.
5. Note # 3.00 of the financial statement shows Property; Plant & Equipment of Tk. 136,916,800 which includes Land & Land Development of Tk. 30,555,601 as revalued on 29 February 1996 but impairment of other assets carried over at WDV Tk. 106,361,199 have not been done by the company as required by IAS-16. As such we are unable to conclude that there are no undetected material misstatements in the financial statements in this regard.
6. The company has been kept provision for gratuity Tk. 30,395,351 as shown under Note # 22.00 of the Statement of Financial Position as on 30 June 2024 against their estimated provision requirement of Tk. 60,395,351. The amount of provision short fall for gratuity Tk. 30,000,000 has been overstated both of the Retained Earnings & Equity and overstated Current Liabilities by the equivalent amount.
7. Note # 17.00 showing Bank Overdraft Tk. 337,645 which includes Balance under Southeast Bank PLC A/C No. 98 Tk. 61,222 and Rupali Bank PLC, Tongi Branch, A/C No. 1650 Tk. 276,423 as on 30 June of the company but we have received reply only form Southeast Bank PLC confirming the balance in reply to our confirmation letter, whereas Rupali Bank PLC have not responded to our confirmation letters.
8. Note # 18.00 showing Unclaimed Dividend of Tk. 8,366,759 out of Tk. 8,370,560 has not been transferred to the Capital Market Stabilization Fund (CMSF) as directed by the Bangladesh Securities and Exchange Commission's directive no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules 2021 and Commission's letter no SEC/SRMIC/165-2020/Part-1/166 dated 06 July 2021 and Commission's letter no. SEC/SRMIC/165-2020/part-1/182 dated 9 July 2021, which has been overstated both the amount of total assets and liabilities by the equivalent amount.

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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**Emphasis of Matter:**

1. Note # 21.00 of the Statement of Financial Position has been showing Vat Payable Tk 9,400,442 where the company didn't submit VAT return (Mushak 9.1) except July 2023 & August 2023 without showing sells Qty mentioning sales revenue. Income tax assessment status have also not been disclosed in the financial statement. The company should comply with the Income Tax and VAT rules.
2. During the course of our audit, we found that, books of accounts as required under section 181 of the Companies Act-1994 have not been maintaining properly. Without modifying our opinion our advice to the management is to comply with the requirements of the companies Act.
3. Note # 21.00 showing that the company has a contributory Provident Fund recognized by Tax Authority. The employer's contribution along with employees' contribution are required to transfer to the Provident Fund under the conditions of the fund recognition and Rule 250 (2) of the Bangladesh Labor Rules 2015. The company didn't transfer the both employers and employees' contribution totaling Tk. 26,904,017 to the Provident Fund account rather used as a loan during the year. However, the company made provision @ 8% interest of undisbursed amount of the contributions.

**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 a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS	How our audit addresses the Key Audit Matter
<b>Measurement of Deferred Tax Liability</b>	
The company reports net deferred tax liability to the totaling TK. 6,310576 as at 30 June 2024. Significant judgment is required in relation to deferred tax liabilities as it is probable that taxable profit will be reduced against which the taxable profit will be reduced against which the taxable temporary differences can be recognized over a number of years. See note no. 14.00 to the financial statements	We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the recognition and measurement of DTLs and the assumptions used in estimating the company's future taxable income. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. We involved tax specialties to assess key assumptions controls, recognition and measurement of DTL's. Finally assessed the appropriateness and presentation of disclosure against IAS 12 & Income Tax.

KEY AUDIT MATTERS	How our audit addresses the Key Audit Matter
<b>Valuation of Property, Plant &amp; Equipment</b>	
<p>The Carrying value of PPE was TK 136,916,800 as at 30 June 2024. Expenditures are capitalized if they create new assets or enhance the existing assets and expensed if they relate to repair or maintenance of the assets and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> <p>The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements and that there is significant measurement uncertainty involved in this valuation. See Note No. 3.00 to the financial statements</p>	<p>Our audit included the following procedure:</p> <ul style="list-style-type: none"> <li>▶ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS 16 and found them to be consistent.</li> <li>▶ We inspected a sample of invoices and L/C documents to determine whether the classification between capital and revenue expenditure was appropriate.</li> <li>▶ We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li> <li>▶ We checked whether the depreciated of PPE items was commence timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.</li> </ul>

KEY AUDIT MATTERS	How our audit addresses the Key Audit Matter
<b>Valuation of Revenue</b>	
<p>Revenue of BDT 96,296,422 (BDT 244,470,330 for the year ended June 30, 2023) is recognized in the Statement of Profit and Loss and Comprehensive Income of Standard Ceramic Industries Limited. The Company's revenue recognition policies and procedures are not complex, and revenue is recognized at a point in time when the control of the manufactured goods is transferred to the customer. However, Revenue is highly material to the financial statement users and is the primary driver of key investor metrics such as Earnings per Share etc. This account is also subject to some risk on depending on single buyer and material supplier due to the risks such as management override and bias.</p> <p>Details of the Revenue Section are summarized in Note 23 to the Financial Statements.</p>	<p>Our audit included the following procedure: Understanding the process of estimating, recording and reassessing going concern.</p> <ul style="list-style-type: none"> <li>▶ Obtain an understanding of Company's internal controls specifically geared towards adoption of the new accounting standard.</li> <li>▶ Examine customer contracts to determine key arrangements between the Customer and Company to understand when control of the goods manufactured transfer from Company to Customer.</li> <li>▶ Reviewing Invoices, Shipping Documents and other supporting documentation to ensure revenue recognition is occurring appropriately</li> <li>▶ Examine Payment documentation to ensure completion of revenue cycle is documented appropriately.</li> </ul>

KEY AUDIT MATTERS	How our audit addresses the Key Audit Matter
<b>Valuation of Inventory</b>	
<p>The inventory of TK 96,848,455 as at 30 June 2024 held in factory. Inventories are carried at the lower of cost and net realizable value.</p> <p>As a result, the management apply judgment in determining the appropriate values for slow-moving or obsolete items.</p> <p>Since the value of inventory is significant to the financial statements and there is significant to the measurement uncertainty involved in this valuation, the valuation of inventory was significant to our audit.</p> <p>See Note No. 4.00 to the financial statements.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> <li>▶ Evaluating the design and implementation of key inventory controls operating across the company;</li> <li>▶ Attending in surprise inventory counts and reconciling the count results to the inventory listings to test the completeness of data;</li> <li>▶ Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year- end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete.</li> <li>▶ Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year</li> </ul>

KEY AUDIT MATTERS	How our audit addresses the Key Audit Matter
<b>Impairment of PPE</b>	
<p>The economic climate and levels of the competition remain challenging for the company. The company has completed a strategic review and as a result has decide to close or curtail some of its operations. Therefore, there is a risk that the impairment charge may be misstated.</p> <p>Determining the level of impairment involves forecasting and discounting future cash flows and estimation of recoverable amounts which are inherently uncertain. This is one of the key judgmental areas that our audit has concentrated on.</p> <p>See Note # 2.06 and 3.00 to the financial statements.</p>	<p>Our audit procedure included, among others, considering the impairment risk associated with the following different type of assets:</p> <ul style="list-style-type: none"> <li>▶ We critically assessed and checked the company's impairment model. The included consideration of discounted cash flow forecast;</li> <li>▶ We have also consideration the adequacy of the company's disclosures about the degree of estimation involved in determining the amount of impairment and the sensitivity to key assumptions involved.</li> </ul>

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the 2024 Annual Report. The Annual Report comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations 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 and those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's 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.

As part of an audit in accordance with ISAs, we exercise professional judgement 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.
- ▶ 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 material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's 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.

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 auditor's 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, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, without modifying our basis for qualified opinion as mentioned above, 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 and made due verification thereof except for those mentioned under the "Basis for Qualified Opinion" above;
- In our opinion, proper books of accounts as required by law have been kept by the Company so far except mentioned in the Matter of Emphasis as it appeared from our examination of those books;
- The 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 and returns; and
- The expenditures incurred were for the purpose of the Company's business.

**Date:** 21 November 2024  
Dhaka, Bangladesh



**Md. Harun Or Rashid FCA (697)**

Partner

ARTISAN

Chartered Accountants





**DVC: 2411210697AS382098**



**Standard Ceramic Industries Limited**  
**Statement of Financial Position**  
As at 30 June 2024


Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
<b>Assets:</b>			
<b>A. Non-current Assets</b>		<b>136,916,800</b>	<b>146,853,420</b>
Property, Plant and Equipment	3	136,916,800	146,853,420
<b>B. Current Assets</b>		<b>110,023,741</b>	<b>177,707,674</b>
Inventories	4	96,848,455	123,170,628
Advances, Deposits and Prepayments	5	12,079,528	16,864,392
Accounts Receivable	6	330,775	330,775
Short Term Investment	7	-	562,657
Cash and Cash Equivalents	8	764,983	36,779,222
<b>Total Assets (A+B)</b>		<b>246,940,541</b>	<b>324,561,094</b>
<b>Equity &amp; Liabilities:</b>			
<b>C. Shareholders' equity</b>		<b>(244,497,759)</b>	<b>(95,768,303)</b>
Share Capital	9	64,606,500	64,606,500
Revaluation Reserve	10	25,592,345	25,592,345
General Reserve	11	614,510	614,510
Share Premium	12	14,650,000	14,650,000
Retained Earnings	13	(349,961,114)	(201,231,658)
<b>D. Non-current Liabilities</b>		<b>6,310,576</b>	<b>19,368,508</b>
Deferred Tax	14	6,310,576	12,452,845
Long Term Loan	15	-	6,915,663
<b>E. Current Liabilities</b>		<b>485,127,724</b>	<b>400,960,889</b>
Cash Credit (Secured)	16	184,576,535	166,854,814
Bank Overdraft	17	337,645	4,988,146
Unclaimed Dividend Account	18	8,366,759	8,370,560
Directors & Others Loan	19	7,158,000	-
Current Portion -Long Term Loan	20	17,791,554	8,958,612
Creditors, Accrued expenses and Others	21	138,073,875	107,469,466
Other Liabilities and Provisions	22	128,823,356	104,319,291
<b>Total Shareholders' Equity and Liabilities (C+D+E)</b>		<b>246,940,541</b>	<b>324,561,094</b>
<b>Net Asset Value Per Share</b>	43	<b>(37.84)</b>	<b>(14.82)</b>

The annexed notes form an integral part of these financial statements. These financial statements were approved and authorized for issue by the Board of Directors on 16/11/2024 and were signed on its behalf by:

 <b>Chief Financial Officer</b> (MD. Abdur Rahim)	 <b>Company Secretary</b> (Jamal Uddin Bhuiyan)	 <b>Managing Director</b> (Helal Uddin Ahmed)	 <b>Director</b> (A.K.M Alamgir Khan)
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As per our separate report of even date annexed.

21 November 2024  
Dhaka, Bangladesh  
**DVC No: 2411210697AS382098**

  
**Md. Harun Or Rashid FCA (697)**  
Partner  
ARTISAN  
Chartered Accountants

# Standard Ceramic Industries Limited


## Statement of Profit or Loss

For the year ended 30 June 2024

Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
<b>Revenue</b>	23	96,296,422	244,470,330
Less: Cost of Goods Sold	24	192,338,775	310,477,184
<b>Gross Profit</b>		<b>(96,042,353)</b>	<b>(66,006,854)</b>
<b>Less: Operating Expenses</b>		<b>34,994,057</b>	<b>47,830,976</b>
Administrative Expenses	25	31,656,004	39,318,953
Selling and Distribution Expenses	26	3,338,053	8,512,023
<b>Operating Profit/(Loss)</b>		<b>(131,036,410)</b>	<b>(113,837,830)</b>
Add: Other Income	27	73,060	2,147,241
Less: Finance Cost	28	23,330,158	11,407,088
<b>Net Profit/(Loss) before WPPF</b>		<b>(154,293,508)</b>	<b>(123,097,677)</b>
<b>Net Profit/(Loss ) before Tax</b>		<b>(154,293,508)</b>	<b>(123,097,677)</b>
<b>Less: Income Tax Expense</b>		<b>5,564,052</b>	<b>(131,533)</b>
Current Tax	29	(578,217)	1,466,872
Deferred Tax (Expenses)/Income	30	6,142,269	1,598,405
<b>Net Profit/(Loss) after Tax</b>		<b>(148,729,456)</b>	<b>(122,966,144)</b>
<b>Earning Per Share(EPS)</b>	38	<b>(23.02)</b>	<b>(19.03)</b>

The annexed notes form an integral part of these financial statements. These financial statements were approved and authorized for issue by the Board of Directors on 16/11/2024 and were signed on its behalf by:

  
**Chief Financial Officer**  
(MD. Abdur Rahim)

  
**Company Secretary**  
(Jamal Uddin Bhuiyan)

  
**Managing Director**  
(Helal Uddin Ahmed)

  
**Director**  
(A.K.M Alamgir Khan)

As per our separate report of even date annexed.

  
**Md. Harun Or Rashid FCA (697)**

Partner

ARTISAN

Chartered Accountants

21 November 2024

Dhaka, Bangladesh

DVC No: 2411210697AS382098

**Standard Ceramic Industries Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2024

Particulars	Share Capital	Revaluation Reserve	General Reserve	Tax Holiday Reserve	Share Premium	Retained Earnings	Total Equity
As at 01 July 2023	64,606,500	25,592,345	614,510	-	14,650,000	(201,231,658)	(95,768,303)
Changes during the Year:							
Profit/(Loss) After Tax	-	-	-	-	-	(148,729,456)	(148,729,456)
As at 30 June 2024	64,606,500	25,592,345	614,510	-	14,650,000	(349,961,114)	(244,497,759)

**For the year ended 30 June 2023**


Particulars	Share Capital	Revaluation Reserve	General Reserve	Tax Holiday Reserve	Share Premium	Retained Earnings	Total Equity
As at 01 July 2022	64,606,500	25,592,345	614,510	-	14,650,000	(62,460,963)	43,002,392
Changes during the Year:							
Prior Years adjustment	-	-	-	-	-	(15,804,551)	(15,804,551)
Profit/(Loss) After Tax	-	-	-	-	-	(122,966,144)	(122,966,144)
As at 30 June 2023	64,606,500	25,592,345	614,510	-	14,650,000	(201,231,658)	(95,768,303)

The annexed notes form an integral part of these financial statements. These financial statements were approved and authorized for issue by the Board of Directors on 16/11/2024 and were signed on its behalf by:

  
**Chief Financial Officer**  
(MD. Abdur Rahim)

  
**Company Secretary**  
(Jamal Uddin Bhuiyan)

  
**Managing Director**  
(Helal Uddin Ahmed)

  
**Director**  
(A.K.M Alamgir Khan)







**Md. Harun Or Rashid FCA (697)**  
Partner  
ARTISAN  
Chartered Accountants

21 November 2024  
Dhaka, Bangladesh  
DVC No: 2411210697AS382098

**Standard Ceramic Industries Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2024

Particulars	Note	Amount in Taka	
		30 June 2024	30 June 2023
<b>Cash Flows from Operating Activities</b>			
Receipts from customers and others		106,346,755	292,886,624
Paid to suppliers, employees & others		(139,504,679)	(337,771,192)
Finance cost paid		(23,330,158)	(11,407,088)
Income Tax paid and/or deducted at source etc.		(1,239,312)	(2,498,551)
<b>A. Net Cash Generated from Operating Activities</b>	37	<b>(57,727,394)</b>	<b>(58,790,207)</b>
<b>Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment etc		(1,065,260)	(162,300)
Other income Received		73,060	2,147,241
Short Term Investment		562,657	(16,074)
<b>B. Net Cash Used in Investing Activities</b>		<b>(429,543)</b>	<b>1,968,867</b>
<b>Cash Flows from Financing Activities</b>			
Cash Credit Loan (Paid)/Received		17,721,721	98,544,411
Long Term Loan		1,917,279	(6,113,539)
Directors Loan		7,158,000	0
Dividend Paid		(3,801)	(1,000,009)
Bank overdraft (Paid)/Received		(4,650,501)	(523,457)
<b>C. Net Cash Generated from Financing Activities</b>		<b>22,142,698</b>	<b>90,907,406</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(36,014,239)</b>	<b>34,086,066</b>
Cash and Cash Equivalents at Beginning of the Year		36,779,222	2,693,156
<b>Cash and Cash Equivalents at End of the Year</b>	8	<b>764,983</b>	<b>36,779,222</b>
<b>Net Operating Cash Flow Per Share</b>	44	<b>(8.94)</b>	<b>(9.10)</b>

The annexed notes form an integral part of these financial statements. These financial statements were approved and authorized for issue by the Board of Directors on 16/11/2024 and were signed on its behalf by:

			
<b>Chief Financial Officer</b> (MD. Abdur Rahim)	<b>Company Secretary</b> (Jamal Uddin Bhuiyan)	<b>Managing Director</b> (Helal Uddin Ahmed)	<b>Director</b> (A.K.M Alamgir Khan)

  
**Md. Harun Or Rashid FCA (697)**

Partner  
ARTISAN  
Chartered Accountants

21 November 2024  
Dhaka, Bangladesh  
**DVC No: 2411210697AS382098**

**Standard Ceramic Industries Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**1.0 Structure and Objects:**

The company is a public limited company registered on 13-08-84 with authorized Share capital of Tk. 10 crores divided into 1 crore ordinary shares of Tk.10.00 each for manufacturing 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 the Bangladesh Securities & Exchange Commission (BSEC) had been obtained on 14th September 1996. The company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on 7th December, 1996 and on 4th December 1996 respectively.

**1.01 Nature of Business:**

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

**2.00 Significant Accounting Policies:**

**2.01 Basis for Preparation, Presentation and Disclosure of the Financial Statements**

The financial statements have been prepared and the disclosures of information are made in accordance with the requirements of the Companies Act, 1994, International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS)). The Statement of Financial Position and Statement of profit or loss have been prepared according to IAS and IFRS. "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows according to IAS 7.

**2.02 Legal Compliance:**

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

**2.03 Accounting Estimates, Assumptions & Judgments:**

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

**2.04 Going Concern:**

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

**2.05 Components of the Financial Statements:**

According to the International Accounting Standards (IAS) 1, the complete set of Financial Statements includes the following components:

1. Statement of Financial Position as at 30 June, 2024;
2. Statement of Profit or Loss for the year ended 30 June, 2024;
3. Statement of Changes in Equity for the year ended 30 June, 2024;
4. Statement of Cash Flows for the year ended 30 June, 2024 and
5. Notes, comprising a summary of significant Accounting Policies and Other Explanatory Information.



## **2.06 Recognition of Property, Plant and Equipment and Depreciation:**

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

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

The annual depreciation rates applicable to the principal categories are:

• Building & Civil Construction	7.5%
• Plant & Machinery	10%
• Deep Tube well	05%
• Electric Equipment	10%
• Other Asset	20%
• Car and Vehicles	20%
• Tools	25%
• Furniture & Fittings	10%
• Office Equipment	15%

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

### **Impairment of Assets**

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

## **2.07 Inventories:**

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

## **2.08 Cash and Cash Equivalents:**

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

## **2.09 Creditors & Accrued Expenses:**

### **2.09.1 Trade & Other Payables:**

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

### **2.09.2 Provisions:**

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

### **2.10 Employee Benefits:**

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

#### **2.10.1 Defined contribution plan (Providend fund):**

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

#### **2.10.1 Gratuity benefits:**

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

### **2.11 Income Tax:**

#### **2.11.1 Current Tax:**

Provision for taxation has been made as per rates prescribed in the Finance Act, 2024, the Income Tax Law, 2023 and as per IAS 12 Income Tax.

#### **2.11.2 Deferred Tax:**

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

### **2.12 Related Party Transactions:**

Company is not connected to any related party transaction except as mentioned in Note 42. Benefit of key management personnel includes officials in the ranks of Managing Director, Operative Director, General Manager, Deputy General Manager, Company Secretary, CFO, Manager and Deputy Manager.

### **2.13 Contingent Liabilities & Contingent Assets:**

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

**2.14 Revenue Recognition:**

Revenue has been recognized as per IFRS 15: Revenue from contracts with customers under 05 (five) step approach of recognizing revenue. According to the core principal of IFRS 15, the entity has recognized revenue to depict the transfer of promise goods or service to custom in an amount that reflects the consideration (payment) to which the entity expects to be entitled in exchanging for those goods or services. 05 (five) step approach applied are as follows:

- i. Identify the contract;
- ii. Identify the separate performance obligation;
- iii. Determine the transaction price;
- iv. Allocate the price to the performance obligations; and
- v. Recognize revenue.

**2.15 Statements of Cash Flows:**

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

**2.16 Earnings per Share:**

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

**2.17 Segment Reporting:**

No segmental reporting is applicable for the company as required by IAS 14: "Segment Reporting" as the company operates in a single industry segment.

**2.18 Comparative:**

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

**2.19 Reporting Period:**

The financial statements cover one year from 01 July 2023 to 30 June 2024.

Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023

### 3.00 Property, Plant and Equipment: Tk. 136,916,800.

Details are as under:

Opening Balance	449,807,169	449,644,869
Addition during the year	1,065,260	162,300
Less: Adjustment made during the year	(5,254,474)	-
	<b>445,617,955</b>	<b>449,807,169</b>
Less: Accumulated Depreciation:	<b>308,701,155</b>	<b>302,953,749</b>
Opening	<b>302,953,750</b>	<b>289,029,582</b>
Add : Charged during the year	11,001,879	13,924,167
Less: Adjustment:	(5,254,474)	-
<b>Written Down Value</b>	<b>136,916,800</b>	<b>146,853,420</b>

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

### 4.00 Inventories: Tk. 96,848,455

Details are as follows:

30 June 2024		30 June 2023	
Qty in M.T	Value (Tk.)	Qty in M.T	Value (Tk.)
Raw Materials (4.01)	8,014,139		9,050,050
Work-in process M.T 1061	78,055,800	M.T 1099	89,811,447
Finished products M.Ton 0.40	169,516	M.T 46	6,543,200
Stores & spares , Mould & Sagger etc	10,609,000		16,246,881
Packing Materials 0	0	30,381 pcs	1,519,050
	<b>96,848,455</b>		<b>123,170,628</b>

The inventories were physically verified on 30 June 2024 and certified by the management. Raw materials have been valued at Weighted Average Cost. Work-in-process have been valued at cost of raw materials with proportion of electricity, gas and factory overhead absorbed in production. Finished products have been valued at cost and realizable price which is lower and spare parts have been valued at cost. Inventories were mortgaged to Rupali Bank Ltd , Ramna Corporate Branch as security of working capital loan.

### 4.01 Raw Materials Quantity:

30 June 2024		30 June 2023	
Body, Glaze and Auxiliary (M.T)	Decal Sheet (pcs)	Body, Glaze and Auxiliary (M.T)	Decal Sheet (pcs)
Opening Balance	119	159	-
Add: Purchased during the year	1,344	3,423	247,250
Available for use	1,463	3,582	247,250
Less: Issued for Production	1,394	3,463	187,250
<b>Closing Balance</b>	<b>69</b>	<b>119</b>	<b>60,000</b>

Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023
<b>5.00</b>	<b>Advance Deposits and Pre-payment: Tk. 12,079,528.</b>		
	Details are as under:		
	i) Advances	619,516	2,167,417
	ii) Security deposits	3,561,902	3,561,902
	iii) Advance Income Tax	7,049,910	9,811,218
	iv) Bank Margins etc	848,200	1,323,855
	v) VAT	-	-
		<b>12,079,528</b>	<b>16,864,392</b>
<b>i)</b>	<b>Advances: Tk. 619,516</b>		
	Details are as under:		
	Advance against works	619,516	2,167,417
		<b>619,516</b>	<b>2,167,417</b>
<b>ii)</b>	<b>Security deposits: Tk. 3,561,902</b>		
	Details are as under:		
	T&T Board	145,025	145,025
	PDB	253,800	253,800
	Bangladesh Oxygen Ltd.	8,000	8,000
	Amin Mohiuddin Foundation	811,800	811,800
	Titas Gas Transmission & Distribution Co. Ltd.	2,143,277	2,143,277
	CDBL	200,000	200,000
		<b>3,561,902</b>	<b>3,561,902</b>
<b>iii)</b>	<b>Advance Income Tax: Tk. 7,049,910</b>		
	Details are as under:		
	Opening balance	9,811,218	7,312,667
	Addition during the year	1,239,312	2,498,551
		11,050,530	9,811,218
	Adjustment Year -2021-22 Tk.25,33,748		-
	Adjustment Year - 2022-23 TK. 14,66,872	(4,000,620)	-
	<b>Closing Balance</b>	<b>7,049,910</b>	<b>9,811,218</b>
<b>iv)</b>	<b>Bank Margins etc: Tk. 848,200</b>		
	Details are as under:		
	L/C Margin	-	475,655
	Bank Guarantee Margin	848,200	848,200
		<b>848,200</b>	<b>1,323,855</b>
<b>v)</b>	<b>VAT (Value Added Tax): Tk. 0</b>		
	Opening Balance	-	-
	Add: Cash Deposit and VAT on Raw materials etc.	13,615,923	34,525,207
		<b>13,615,923</b>	<b>34,525,207</b>
	Less: Adjustment on local sales	(13,615,923)	(34,525,207)
	<b>Closing Balance (transfer to note no. 20)</b>	<b>-</b>	<b>-</b>

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.



**6.00 Accounts Receivable: Tk. 330,775**

The amount represents receivable against duty draw back.

Opening Balance

Less: Write off

**Total**

330,775	330,775
-	-
<b>330,775</b>	<b>330,775</b>

**7.00 Short Term Investment: Tk. 0**

Southeast Bank PLC - A/C No. 67015

Al Arafah Islami Bank Ltd. - A/C No. 56251

-	562,657
-	-
-	<b>562,657</b>

**8.00 Cash & Cash Equivalents: Tk. 764,983**

Details are as under:

Cash in hand

**Cash at Bank**

Al-Arafah Islami Bank CD A/C No.-11866

Rupali Bank Ltd. CD A/C No.-1650

Rupali Bank Ltd. CD A/C No.-7662

United Commercial Bank CD A/C No. 928

Mutual Trust Bank CD A/C No.0020210027324

City Bank Ltd. STD A/C No.31000453/7001

NCCBL A/C No. -10025

City Bank Ltd. STD A/C No.7004

City Bank Ltd. A/C No.5001

Southeast bank- A/C No. 47598

AB Bank , Principal Branch- A/C No. 201000

Rupali Bank Ltd. F/C A/C No.-95/05 (US\$ 725.14)

83,850	2,371,059
3,375	4,242
-	-
23,479	33,608,991
15,419	-
-	29,022
96,285	102,915
5,354	
23,376	24,807
478	466,611
-	4,417
457,069	11,860
56,298	155,298
<b>764,983</b>	<b>36,779,222</b>

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

**9.00 Share Capital: Tk. 64,606,500**

Details are as under:

**(a) Authorized Capital: Tk. 100,000,000**

10,000,000 Ordinary share of Taka 10.00 each

<b>100,000,000</b>	<b>100,000,000</b>
--------------------	--------------------

**(b) Issued, Subscribed & Paid-up Capital:**

6,460,650 Ordinary shares of Tk. 10/= each fully paid up:

1) 5,860,000 (2,930,000 ordinary shares before public issue i.e. before 4.11.1996 and 2,930,000 ordinary shares public issue i.e. 4.11.1996) ordinary shares of Tk.10/= each fully paid up in cash.

2) 600,650 (293,000 ordinary shares in 2010 and 307,650 ordinary share in 2011) ordinary shares of Tk. 10 each issued as fully paid as Bonus Shares.

58,600,000	58,600,000
6,006,500	6,006,500
<b>64,606,500</b>	<b>64,606,500</b>

(c) The position of Shareholders as on 30th June, 2024 is as follows :

Description	30 June 2024			30 June 2023		
	No. of Share holders	No. of Shares	Share holding in %	No. of Share holders	No. of Shares	Share holding in %
Sponsors and directors	6	1,824,210	28.24	8	1,970,752	30.50
Financial Institutions (Bank & Insurance)	8	14,001	0.22	11	20,156	0.31
Financial Institutions (Others)	74	347,252	5.37	68	252,129	3.90
BSRS 1st Mutual Fund	1	1,000	0.02	1	1,000	0.02
ICB investor's A/c	188	12,800	0.19	189	12,840	0.20
IFIC investor's A/c	10	820	0.02	10	820	0.01
ICB Mutual Fund	2	2,020	0.03	2	2,020	0.03
ICB Capital Management	3	420	0.01	3	420	0.01
ICB Unit Fund	1	13,000	0.20	1	13,000	0.20
Others Mutual Fund and Unit Fund	1	270	0.00	1	270	0.00
General Public	8,780	4,244,857	65.70	9,132	4,187,243	64.82
	<b>9,074</b>	<b>6,460,650</b>	<b>100.00</b>	<b>9,426</b>	<b>6,460,650</b>	<b>100.00</b>

(d) The Shareholding pattern is as below :

Description	30 June 2024			30 June 2023		
	No. of Share holders	No. of Shares	Share holding in %	No. of Share holders	No. of Shares	Share holding in %
Upto 500 Shares	7716	585,976	9.07	7984	619,493	9.59
501 to 5000Shares	1230	1,575,301	24.38	1304	1,620,843	25.09
5001 to 10000 Shares	61	442,834	6.86	72	524,113	8.11
10001 to 20000 Shares	26	350,266	5.42	30	403,517	6.24
20001 to 30000 Shares	13	332,371	5.15	15	379,473	5.87
30001 to 40000 Shares	5	187,433	2.90	2	79,480	1.23
40001 to 50000 Shares	4	172,906	2.67	3	140,700	2.18
50001 to 100000 Shares	12	953,761	14.76	8	645,109	9.99
100001 to above Shares	7	1,859,802	28.79	8	2,047,922	31.70
	<b>9,074</b>	<b>6,460,650</b>	<b>100.00</b>	<b>9,426</b>	<b>6,460,650</b>	<b>100</b>

(e) **Preference Share:**

There was no preference share issued by the company.

(f) **Market Price:**

The shares of the company are listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Quoted market price was Tk.97.80 at Dhaka Stock Exchange Limited and Tk.92.60 at Chittagong Stock Exchange Limited as on 30 June 2024.

Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023
<b>10.00</b>	<b>Revaluation Reserve: Tk. 25,592,345</b>		
	Details is as follows:		
	Opening Balance	25,592,345	25,592,345
		-	-
		<b>25,592,345</b>	<b>25,592,345</b>
	Revaluation Reserve represents revaluation surplus arising out of revaluation of land & land development of the company as of 29 Feb, 1996 by M/s. Golam Mostafa & Associates (professional valuers) following market rate.		
<b>11.00</b>	<b>General Reserve: Tk. 614,510</b>		
	Details are as under:		
	Opening Balance	614,510	614,510
		-	-
		<b>614,510</b>	<b>614,510</b>
<b>12.00</b>	<b>Share Premium: Tk. 14,650,000</b>		
	Details are as under:		
	Represents Share Premium	<b>14,650,000</b>	<b>14,650,000</b>
<b>13.00</b>	<b>Retained Earnings: Tk. (349,961,114)</b>		
	Details are as under:		
	Opening Balance	(201,231,658)	(62,460,963)
	Prior year adjustment	-	(15,804,551)
	Profit /(Loss) After Tax for the Year	(148,729,456)	(122,966,144)
	<b>Closing Balance</b>	<b>(349,961,114)</b>	<b>(201,231,658)</b>
<b>14.00</b>	<b>Deferred Tax: Tk. (6,310,576)</b>		
	Details are as under:		
	Deferred Tax Liabilities (Note-14.01)	<b>6,310,576</b>	<b>12,452,845</b>
<b>14.01</b>	<b>Deferred Tax</b>		
	Book Value of Depreciated Assets	106,361,199	116,297,817
	Tax Base of Depreciated Assets	(44,412,968)	(52,986,143)
		<b>61,948,231</b>	<b>63,311,674</b>
	Provision for Retirement benefits ( Gratuity )	(30,395,351)	(1,047,451)
	<b>Net Taxable Temporary Difference</b>	<b>31,552,880</b>	<b>62,264,223</b>
	Effective Rate	20.00%	20.00%
	<b>Deferred Tax Liability at Closing</b>	<b>6,310,576</b>	<b>12,452,845</b>
	Deferred Tax Liability at Opening	(12,452,845)	(14,051,250)
	<b>Deferred Tax Expenses/(Income)</b>	<b>(6,142,269)</b>	<b>(1,598,405)</b>
<b>15.00</b>	<b>Non Current Portion of Long Term Loan (Secured) : Tk. 0</b>		
	Rupali Bank Ltd. A/c no-027, Total Term Loan	17,791,554	15,874,275
	Current Portion of Long Term Loan:	(17,791,554)	(8,958,612)
	<b>Non Current portion of Long Term Loan:</b>	<b>-</b>	<b>6,915,663</b>

The Term Loan has been taken for rebuilding of old Glost Kiln. The Loan is secured by land, building and machineries of the factory as collateral security and the personal guarantee of all the Directors other than the independent Directors. Balance of Term Loan (Secured) TK 17,791,554 has been allocated as Non Current Portion TK 0 and Current Portion (Payable within 30 June, 2024) TK 17,791,554 which has been shown under Note 20.

**16.00 Cash Credit (secured): Tk. 184,576,535**

Details are as under:

Cash Credit (Hypo) A/c no-04

Cash Credit (Pledge) A/c no-02

Business Loan A/C No- 46

Working Capital Loan under stimulus package(Covid- loan) A/C No-03

28,670,237	25,530,894
27,096,323	25,088,219
111,707,919	100,150,000
17,102,056	16,085,701
<b>184,576,535</b>	<b>166,854,814</b>

The Company is enjoying cash credit facilities from Rupali Bank Ltd., Ramna Corporate Branch, Dhaka. Interest charged on all credit @ 12.75% to 13.00%. All the Property, Plant and Equipment (both present and future) furnished as collateral and floating assets and book debts (both present and future) charged out as primary securities.

**17.00 Bank Overdraft: Tk. 337,645**

Details are as follows:

NCC Bank Ltd, A/c no-0025

Southeast Bank Ltd, A/c no-98

City Bank Ltd, A/c no- CD-5001

AB Bank Ltd A/c no- 201000

United Commercial Bank-928

Rupali Bank Ltd, Tongi Br. A/c no- 1650

Rupali Bank Ltd, Ramna A/c no- 7662

-	4,518,650
61,222	-
-	-
-	-
-	93,991
276,423	375,505
-	-
<b>337,645</b>	<b>4,988,146</b>

This represents temporary overdrawn from current account

**18.00 Unclaimed Dividend Account : Tk. 8,366,759**

Opening Balance

Less; Paid during the year

<b>8,370,560</b>	<b>9,370,569</b>
(3,801)	(1,000,009)
<b>8,366,759</b>	<b>8,370,560</b>

The unclaimed dividend represents the dividends for which the warrants are either lying with the Shareholders and have not been presented as yet by them to the bank for encashment or have been returned to the Company undelivered due to change of address of those shareholders and their new address have not yet been communicated to the Company.

**19.00 Directors & Others Loan : TK 7,158,000**

Opening Balance

Addition During the Year

Adjustment During the year

**Total**

-	-
7,158,000	-
-	-
<b>7,158,000</b>	<b>-</b>

**20.00 Current Portion- Long Term Loan : TK**

Rupali Bank Ltd. A/c no-027, Total Term Loan  
Non Current portion of Long Term Loan:

**Current Portion of Long Term Loan:**

17,791,554	15,874,275
-	(6,915,663)
<b>17,791,554</b>	<b>8,958,612</b>

Balance of Term Loan ( Secured) TK 17,791,554 has been allocated as Non Current Portion TK O shown under note 15 and Cureent Portion (Payable withing 30 June, 2024) TK 17,791,554.

**21.00 Creditors, Accrued Expenses and Others: Tk. 138,073,875**

Details are as under:

. Directors' remuneration  
. Salary & EL  
. Gas bill  
. Electric bill  
. Artisan  
. Provident Fund  
. Vat Payable  
. Other payables

27,965,050	18,987,500
28,364,267	32,879,407
19,782,045	12,210,411
1,257,273	812,232
225,000	225,000
34,690,270	26,904,017
9,400,442	2,144,128
16,389,528	13,306,771
<b>138,073,875</b>	<b>107,469,466</b>

**22.00 Other Liabilities and Provisions: Tk. 128,823,356**

Details are as under:

Security money employees  
Security money (Agency) and advance etc.  
Provision for Income Tax  
Grtuity payable  
Other Provisions

1,217,045	1,072,451
95,546,112	97,232,682
578,217	4,000,621
30,395,351	1,047,451
1,086,631	966,086
<b>128,823,356</b>	<b>104,319,291</b>

Income Tax finalized upto Assessment year 2020-21.



Notes	Particulars	Amount in Taka			
		30 June 2024		30 June 2023	
23.00	Revenue: Tk. 96,296,422				
	Break-up as follows				
		Quantity	Value	Quantity	Value
	Net Local Sales	M.T 970.60	96,296,422	M.T 2,505	244,470,330
	Total		96,296,422		244,470,330
24.00	Cost of Goods Sold: Tk. 192,338,775.				
	Details are as under:				
	Materials Consumed:				
	Opening Stock		9,050,000		7,423,079
	Purchase during the year		34,871,036		101,426,460
			43,921,036		108,849,539
	Less: Closing stock		8,014,139		9,050,000
			35,906,897		99,799,539
	Add: Opening Work-in -process		89,811,447		99,700,130
			125,718,344		199,499,669
	Less: Closing Work-in-process		78,055,800		89,811,447
			47,662,544		109,688,222
	Factory Overhead:				
	Wages, Salaries, Over time , EL& Gratuity		70,165,567		65,335,064
	P.F Contribution.		517,119		1,060,829
	Packing Materials		6,913,786		18,188,708
	Power & Gas		36,145,570		68,569,107
	Consumable stores		3,182,039		11,427,436
	Miscellaneous factory expenses		465,625		3,491,905
	Repairs & Maintenance		5,367,343		14,107,465
	Depreciation		10,891,860		12,050,948
	Total Overhead		133,648,909		194,231,462
			181,311,453		303,919,684
	Add: Opening Stock of finished goods		6,543,000		10,200,500
			187,854,453		314,120,184
	Less: Closing Stock of finished goods		169,516		6,543,000
			187,684,937		307,577,184
	Add: Opening stock of Mould & Sagger		13,394,084		16,294,084
			201,079,021		323,871,268
	Less: Closing stock of Mould & Sagger		8,740,246		13,394,084
			192,338,775		310,477,184
	Total production		M.T 925		M.T 2,463

\* Repairs & maintenance during the year includes all factory building Tk. 251,564/- & machinery repairs and maintenance Tk.555,425/= and fuel & lubricant expenses etc.Tk. . 3,771,807/- car running exps Tk.788,547/- respectively.

**25.00 Administrative expenses: Tk. 31,656,004**

Director's Emolument	11,175,000	13,260,000
Rent, Rates & Taxes	2,362,008	502,705
Postage, Telegram & Telephone	120,097	231,943
Office Salaries , EL & Gratuity	13,674,890	20,032,688
P.F Contribution	152,961	200,130
Stationery	122,345	254,794
Religious & Festival Expenses	30,400	342,780
Legal & Professional and Other fees	149,260	447,300
Audit fees(VAT included)	258,750	258,750
Forms & Fees ( Note no-23.01)	719,322	405,979
Utility bill	350,990	321,060
Motor Vehicles maintenance	51,731	88,625
Petrol, Oil & Lubricant	203,026	237,214
Office Maintenance etc.	24,238	-
Software service charges	135,000	-
AGM & Other meeting Expenses etc.	684,573	598,156
Entertainment expenses	644,891	250,100
Miscellaneous expenses	686,503	13,510
Depreciation	110,019	1,873,219
	<b>31,656,004</b>	<b>39,318,953</b>

Forms & Fees includes Various Licence fees etc, UP Tax, CDBL Annual Fees, BPLC fees, Documentation fees, Gazipur City corporation Tax, IRC /ERC Renewal Fees, Water testing fees, Environment Certificate fee, Association Subscription, Listing fees of DSE & CSE, Stamp & Govt. certified Copy Fees etc.

**26.00 Selling and Distribution Expenses: Tk. 3,338,053.**

Details are as under:

Office Salaries	1,498,864	5,052,220
P.F. Contribution.	214,098	68,500
Conveyance	466,045	544,115
Business Promotional expenses	374,983	211,588
Transport exp.	784,063	2,635,600
	<b>3,338,053</b>	<b>8,512,023</b>

**27.00 Other Income: Tk. 73,060**

Details are as under:

Interest on FDR	73,060	22,117
Land acquisition compensation	-	2,125,124
	<b>73,060</b>	<b>2,147,241</b>

**28.00 Finance cost: Tk. 23,330,158**

Details are as under:

Bank interest	20,530,334	10,840,633
Bank charges etc.	2,799,824	566,455
	<b>23,330,158</b>	<b>11,407,088</b>

Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023

#### 29.00 Income Tax Expenses: Tk. 578,217

Details are as under:

Current year's tax (1) -\*

578,217	1,466,872
-	-
<b>578,217</b>	<b>1,466,872</b>

#### i) Calculation of Income Tax Provision Year 2023-24

**Tax payable under regular assessment :**

Net Profit before tax during the year

Income tax provision on net Profit/before tax @ 20%

(154,293,508)	(123,097,677)
-	-

Minimum tax is payable as per Income tax Law U/S 82-C :

#### ii) Calculation of Minimum tax :

Revenue

Add: Other income

**Total Receipts**

96,296,422	244,462,240
73,060	16,529
<b>96,369,482</b>	<b>244,478,769</b>

1. Minimum tax on total receipt as per income tax law @ 0.60% on Tk. .96,369,482.

578,217	1,466,872
---------	-----------

a) There are laws for minimum tax payable. Hence, provision for Income tax expense of the company for the year has been determined based on the minimum tax payable by the company. Minimum tax payable by the company is higher of the following:

i) Turnover tax at the rate of 0.60% total gross receipts U/S 82C

ii) Tax payable under regular assessment

Since minimum tax payable is higher than the tax payable under regular assessment so, we have provided minimum tax for the year 2023-24 as income tax provision.

#### 30.00 Deferred Tax Expenses/(Income): Tk. 6,142,269

Details are as under:

Deferred Tax Expenses/( income) (note-14.01)

<b>(6,142,269)</b>	<b>(1,598,405)</b>
--------------------	--------------------

#### 31.00 Credit Facilities:

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

#### 32.00 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.

#### 33.00 Aggregate amount due by Directors & Officers:

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

**34.00 Sales - Item-wise:**

The company sales Stonewares approx. 117 different items with different shapes and different prices under the brand name Classic Stone.

**35.00 Number of employees drawing more than Tk. 3,000 & less than Tk. 3,000 per month:**

The factory is labor intensive. There are permanent labors as well as daily labors. The daily labor 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 and/or daily):

i) Workers/Employees drawings Tk. 3,000 or more per month 715 Nos.

ii) Workers & Employees drawing less than Tk. 3,000 per month nil.

**36.00 Claims against the company not acknowledgement as debt:**

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

**37.00 Aggregate amount of contracts for capital expenditure:**

There was no contract for capital expenditure on 30-06-2024.

**38.00 Basic Earnings per Share (EPS): Tk. (23.02)**

Basic earnings per shares has been calculated as follows:

Earnings attributable to the Ordinary Shareholders: Net Profit/(Loss) after tax	(148,729,456)	(122,966,144)
Number of Ordinary Shares outstanding during the year	6,460,650	6,460,650
Basic Earning per Share (EPS)	<u>(23.02)</u>	<u>(19.03)</u>

Basic Earnings Per Share (EPS) has become negative figure for the period as the overall economic condition was dull for COVID-19 and Russia - Ukraine War, high cost of imported rawmaterials due to high cost of sea transport & Dollar rate fluctuation and abnormal increase of gas price(around 155% increased) etc. have adversely reduced sales and gross profit. But the company had to pay full salary and all other fixed cost. As a result, productions and sales of the factory has decreased which resulted in decreased Earning per share of the Company. Note that Fctory has been temporary shut down since 26 January 2024.

Notes	Particulars	As at	
		30 June 2024	30 June 2023
<b>39.00 Reconciliation of Net Operating Cash Flow:</b>			
<b>Net Profit /(Loss) after tax</b>		<b>(148,729,456)</b>	<b>(122,966,144)</b>
Depreciation		11,001,879	13,924,167
Deferred Tax Expenses/(Income )		(6,142,269)	(1,598,405)
Previous year adjustment		0	(15,804,550)
Other income		(73,060)	(2,147,241)
		<b>4,786,550</b>	<b>(5,626,029)</b>
(Increase)/Decrease in inventories		26,322,173	14,819,262
(Increase)/Decrease in short term Investment			-
(Increase)/Decrease in Advance Deposits Prepayment		4,784,864	(942,334)
Increase/(Decrease) in Creditors Accrued Expense and Others		30,604,409	31,110,637
Increase/(Decrease) in Liabilities for Others Finance		24,504,065	24,814,402
		<b>86,215,511</b>	<b>69,801,967</b>
Net cash inflow from operating activities		<b>(57,727,395)</b>	<b>(58,790,206)</b>

**40.00 Explanation of GP (Gross Profit) reduction:**

Gross Profit (GP) has become lowered for the year compared to the previous year as the overall economic condition was dull for COVID-19 and Russia & Ukrain war. But the company had to pay full salary and all other fixed cost. Furthermore low gas pressure of Gas supply & irregular supply of Electricity/ low voltage have been major constant for improving production. Apart from this, price of all imported raw materials have increased (as international shipping, freight charges and Dollar price have gone up) and local raw materials and abnormal increase of gas price((around 155% increased) have also increased but we could not increase our products' price accordingly due to dull economic condition for COVID- 19 and Russia & Ukrain war etc. As a result, production and sales of the factory have decreased which resulted in decreased GP of the company compared to the previous year. Note that Fctory has been temporary closed since 26th of January 2024.

**41.00 Board Meeting Fee:**

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

**42.00 Related party transactions**

**a)Key management personnel compensation**

**Short term employee benefits (Salary and allowances etc.)**

Particulars	30.06.2024		30.06.2023	
	Directors	All managers	Directors	All managers
Remuneration & allowances	11,175,000	7,200,290	11,175,000	7,551,612
Bonus	-	-	2,085,000	840,840
	<b>11,175,000</b>	<b>7,200,290</b>	<b>13,260,000</b>	<b>8,392,452</b>

**43.00 Net Asset Value Per Share: Tk. (37.84)**

Details are as under:

Net Asset (43.1)	(244,497,759)	(95,768,303)
Number of Ordinary shares outstanding during the year	6,460,650	6,460,650
Net Asset Value Per Share	<b>(37.84)</b>	<b>(14.82)</b>

The cumulative effect of Covid -19, Russia - Ukraine War, high cost of imported raw materials adversely reduces Sales, Gross Profit and Net profit. Beside this high cost of gas price(around 155% increased) and irregular supply and low pressure of electricity also constrain of production and sales. As a result company has incurred loss and consequently NAVPS has deviated. Note that Fctory has been temporary closed since 26 January 2024

**43.01 Net Asset: Tk. ( 244,497,759)**

Details are as under:

Total assets	246,940,541	324,561,094
Less: Total liabilities	491,438,300	420,329,397
<b>Net Asset</b>	<b>(244,497,759)</b>	<b>(95,768,303)</b>



**44.00 Net Operating Cash Flow Per Share: Tk. ( 8.94 ).****Details are as under:**

Net cash generated from operating activities  
 Number of ordinary share outstanding during the year.

(57,727,394)	(58,790,206)
6,460,650	6,460,650
<b>(8.94)</b>	<b>(9.10)</b>

**Net Operating cash flow per share**

**45.00** Net Operating Cash Flow per share has decreased as collection (advance) against sales are decreased . As a result, collection of the factory was less compared to the preceding period, which resulted in decreased Net Operating Cash Flow per share of the Company. Note that Fctory has been temporary closed since 26th January 2024.

**46.00 Disclosure under IAS-10: Events after Reporting Period:**

The Board of Directors of the Company has approved the Financial Statements as on 16/11/2024 Recommended "No Dividend" for the year ended on June 30, 2024.

The following circumstances and issues which are required to disclose in the financial statements or notes thereto.

**a) Temporary Shutdown of the Factory:**

The company temporarily suspended factory operations from 26 January 2024 due to the post-corona financial crisis, the current global negative situation, shortage of raw materials and closure of gas and electricity supply. Due to which the authority has decided to temporarily close the factory as per the Board of Directors' decision (Board Meeting held on 20.01.2024).

**b) Going Concern Threat:**

Though the Financial Statements have been prepared considering the entity as a going concern assuming that it will continue it's operation for the foreseeable future and the management has neither any intention nor the necessity to liquidate the company or curtail it's operational scale materially. But the management acknowledge the following issues which may cast significant threat on it's Going Concern due to the following situations:

**i) Financial Insolvency:**

Current Liabilities: Tk. 485,127,724 including Bank Liabilities Tk. 202,705,734, directors' Loan Tk. 7,158,000, and Creditors, Accrued expenses Tk. 138,073,875, unclaimed dividend TK. 8,366,759 and liabilities for other finance Tk.128,823,356. Current Assets: Tk. 110,023,741. This results in a current ratio of 1:4.41, indicating severe financial insolvency. The company is facing significant challenges in meeting its short-term obligations, which could disrupt its supply chain and operational continuity.

**ii) Financial Performance:**

Net Sales: decreased by 60.61% to Tk. 96,296,422 compared to the previous year. As a consequence of this % of Cost of Goods Sold has increased this year to 200% of Revenue as it was 127% in the year 2022-23, due to the higher utility expenses and raw materials cost and fixed cost burden for factory closure.

Utility Costs: Gas & Electricity Expenses decreased by Tk. 32,423,537 due to low gas pressure and limited generator use & closure of factory operation. Production Efficiency: 62.44% dropped in production, inefficiencies in plant and machinery led to elevated variable costs.

Net Loss After Tax: Tk. (148,729,456), resulting in a negative EPS of Tk. (23.02). This has eroded retained earnings, which increased from Tk. (201,231,658) negative in 2022-2023 to Tk. (349,961,114) negative in 2023-2024.

Despite of acknowledgement of the material uncertainties outlined above, the management asserts its commitment to addressing these challenges through the following measures:

1. Financial Restructuring: Efforts are underway to renegotiate terms with creditors and secure additional financing to alleviate liquidity constraints.
2. Operational Efficiency: Management are thinking to enhance plant and machinery performance, fuel efficient Kiln installation, reduce wastage, and optimize production processes.
3. Cost Control: Management is prioritizing cost control measures, including energy efficiency initiatives and supplier negotiations.
4. Market Positioning: Management are also thinking to develop and maintain competitive pricing while exploring new revenue streams to improve profitability

# Standard Ceramic Industries Limited

## Schedule of Property, Plant & Equipment

As at 30 June 2024

Annexure-A

Amount in Taka

Particulars	COST				Rate of Dep.	DEPRECIATION				Written down value on 30-06-2024
	Balance as at 01-07-2023	Addition during the year	Adjustment during the year	Total as at 30-06-24		Balance as at 01-07-2023	Charged during the year	Adjustment during the year	Total as at 30-06-2024	
Land and Land development	30,555,601	-	-	30,555,601	0%	-	-	-	-	30,555,601
Building & Civil constructions	102,033,476	1,065,260	-	103,098,736	7.5%	72,385,827	2,236,890	-	74,622,717	28,476,019
Plant & Machinery	277,642,610	-	-	277,642,610	10%	198,760,141	7,888,247	-	206,648,388	70,994,222
Deep Tube Well	1,105,519	-	-	1,105,519	5%	696,603	20,446	-	717,049	388,470
Electric & Security Equipment	12,669,797	0	-	12,669,797	10%	7,707,923	496,187	-	8,204,110	4,465,687
Car & other vehicles	14,577,549	-	-	14,577,549	20%	13,657,051	184,100	-	13,841,151	736,398
Tools	338,065	-	-	338,065	25%	338,065	0	-	338,065	(0)
Office Equipment	2,788,325	-	-	2,788,325	15%	2,220,979	85,102	-	2,306,081	482,244
Furniture & Fixture	2,797,281	0	-	2,797,281	10%	1,888,215	90,907	-	1,979,122	818,159
RoUA	5,254,474	-	5,254,474	-	33%	5,254,474	-	5,254,474	-	-
Other Assets	44,472	-	-	44,472	20%	44,472	0	-	44,472	(0)
<b>Total as on 30 June 2024</b>	<b>449,807,169</b>	<b>1,065,260</b>	<b>5,254,474</b>	<b>445,617,955</b>		<b>302,953,750</b>	<b>11,001,879</b>	<b>5,254,474</b>	<b>308,701,155</b>	<b>136,916,800</b>
<b>Total as on 30 June 2023</b>	<b>449,644,869</b>	<b>162,300</b>	<b>-</b>	<b>449,807,169</b>		<b>289,029,584</b>	<b>13,924,167</b>	<b>-</b>	<b>302,953,751</b>	<b>146,853,418</b>

Notes:

Allocation of Depreciation	Amount
Cost of Goods Sold	10,891,860
Administrative Expenses	110,019
<b>Total</b>	<b>11,001,879</b>

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

Disclosure as per requirement of Schedule XI, Part II, Para-3, Note 4 (i) and (ii)

Employees position of the company as at 30 June 2024:

Complied -Disclosed in Note No-35

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

Para	Details	Compliance status of disclosure of Schedule XI, Part II, Para 3
3(i)(a)	The turnover	
3 (i)(b) t	Commission paid to the selling agent	Not Applicable
3(i)(c )	Brokerage and discount on sales, other than the usual trade discount.	Not Applicable
3(i)(d)(i)	The value of the raw materials consumed, giving item wise breakup as possible.	Complied -Disclosed in Note No-4.01 and 24
3(i)(d)(ii)	The opening and closing stocks of goods produced.	Complied - Disclosed in Note No-24
3(i)(e)	In the case of trading companies, the purchase made and the opening and closing stocks.	Not applicable
3(i)(f)	In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied.	Not Applicable
3(i)(g)	Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading.	Complied -Disclosed in Note No- 4.01 and 24
3(i)(h)	In the case of other companies, the gross income derived under different heads.	Not Applicable
3(i)(i)	Work-in-progress, which have been completed at the commencement and at the end of the accounting period.	Complied- Disclosed in Note No-24
3(i)(j)	Provision for depreciation, renewals or diminution in value of fixed assets.	Complied -Disclosed in Schedule of Property, Plant & Equipment (Schedule-1)
3(i)(k)	Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager.	Not Applicable
3(i)(l)	Charge of income tax and other taxation on profits.	Complied -Disclosed in Note No- 29 & 30
3(i)(m)	Revised for repayment of share capital and repayment of loans	Not Applicable
3(i)(n)(i)	Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	Not Applicable

3(i)(n)(ii)	Amount withdrawn from above mentioned reserve	Not Applicable
3(i)(o)(i)	Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Not Applicable
3(i)(o)(ii)	Amount withdrawn from above mentioned provisions, as no longer required.	Not Applicable
3(i)(p)	Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	Complied -Disclosed in Note From 22 & 24 and in the Statement of Profit or Loss

Disclosure as per requirement of Schedule XI, Part II, Para 4:

Payment/Perquisites to Directors & Managers

Complied and Disclosed in Note- 39

**Disclosure as per requirement of Schedule XI, Part II, Para 7:**

Details of production capacity utilization:

Particulars		Installed Capacity (In MT)	Actual Production (In MT)	Capacity Utilization
<b>2023-2024</b>	Annual Production capacity	6,500	925	14.23%
<b>2022-2023</b>	Annual Production capacity	6,500	2,463	37.89%

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

Raw materials:

Items	Total Purchase (BDT)		Consumption (BDT)		% of consumption of total purchase	
	2023-24	2022-23	2023-2024	2022-23	2023-2024	2022-23
Raw materials	34,871,036	101,426,460	35,906,897	99,799,539	102.97%	98.40%
Spare parts	2,197,996	11,528,336	3,182,039	11,427,436	144.77%	99.12%
Packing materials	5,394,736	18,087,558	6,913,786	18,188,708	128.16%	100.56%
<b>Total</b>	<b>42,463,768</b>	<b>131,042,354</b>	<b>46,002,722</b>	<b>129,415,683</b>		

i) The company did not incurred expenditure in foreign currencies for the period from 01 July 2023 to 30 June 2024 on account of professional fees amounting .

ii) The company did not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees and interest;

iii) The Company has not remitted any foreign currencies on account of dividend.





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

**PROXY FORM**

I .....  
of ..... being a member hereby appoint  
Mr. /Mrs. /Ms. ....  
of .....  
as my proxy to attend and vote for me and on my behalf at the 40<sup>th</sup> Annual General Meeting of the Company to held on  
December 26, 2024 at 10:30 A.M and at any adjournment thereof. As witness my hand this .....  
..... day of 2024.

\_\_\_\_\_  
(Signature of the Proxy)

Date :

\_\_\_\_\_  
(Signature of the witness)

Register Folio/BO ID No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Revenue  
Stamp  
Tk. 20.00

\_\_\_\_\_  
(Signature of the Shareholder)

Holder of \_\_\_\_\_ Share(s)

Dated : \_\_\_\_\_

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.**

**Manufacturer of Stoneware Tableware**

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Factory: Saydana, K.B. Bazar, Gazipur Sadar, Gazipur-1704.

