

Annual Report

2013-2014



Standard Ceramic Industries Ltd.
Stoneware Tableware Manufacturer



Standard Ceramic Industries Ltd.

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

ANNUAL REPORT 2013-2014

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

STANDARD CERAMIC INDUSTRIES LTD.

62-63 Motijheel C/A, Dhaka.

Corporate Directory

BOARD OF DIRECTORS



Mr. Helal Uddin Ahmed
Managing Director



Mr. A.K.M. Jahangir Khan
Director



Mr. Lutfur Rahman
Director



Mr. Nasir Uddin Ahmed
Director



Mr. Enamul Maqsood
Director



Mr. A.K.M. Alamgir Khan
Director



Mr. A.Z.M. Nazrul Haque
Independent Director



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

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

Company Secretary : **Jamal Uddin Bhuiyan.**

STANDARD CERAMIC INDUSTRIES LTD.

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

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

Notice of the Thirtieth Annual General Meeting

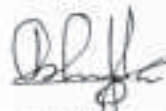
Notice is hereby given that the 30th Annual General Meeting of Standard Ceramic Industries Ltd. will be held on Sunday the 28th December 2014 at 10 A.M. at the Factory premises of the Company at Holding no-738, Ward No-34, Post Office-National University, Saydana, Gazipur City Corporation, Gazipur-1700 to transact the following business:

AGENDA

1. To confirm the proceedings of the 29th Annual General Meeting held on 26th December 2013.
2. To receive, consider and adopt Audited Financial Statements of the Company for the year ended on 30th June, 2014 together with reports of the Auditors and the Directors thereon.
3. To declare 10% Cash dividend to the public shareholders only other than Sponsor / Directors for the year ended 30th June 2014.
4. To elect Directors in place of those retiring by rotation
5. To appoint Auditors of the company for the year 2014-2015 and to fix their remuneration.
6. To approve appointment of Independent Director of the company.
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:
25-11-2014



(Jamal Uddin Bhuiyan)
Company Secretary.

N.B:

- a) 5th November 2014, is the Record Date. Shareholder whose names will appear in the Members Register of the company or in the Depository Register on Record Date will be eligible to attend the Annual General Meeting and receive dividend.
- b) A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her behalf. The proxy form, duly stamped, must be deposited at the Head Office of the Company not later than 48 hours before the time fixed for the meeting.
- c) Admission to the venue of meeting shall be allowed only on presentation of the attendance slip sent with the Annual Report.
- d) Queries on the Annual Report may be sent to the Head Office, 72 hours before the time fixed for the meeting.
- e) No gift or benefit in cash or kind shall be paid to the shareholders of the company at the Annual General Meeting as per BSEC notification no. BSEC/SRMI/2000-953/1950 dated October 24, 2000.

**STATISTICAL PERFORMANCE
OF LAST FIVE YEARS**

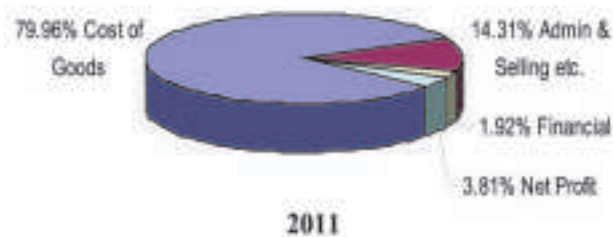
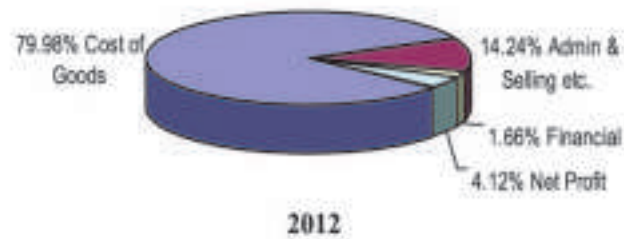
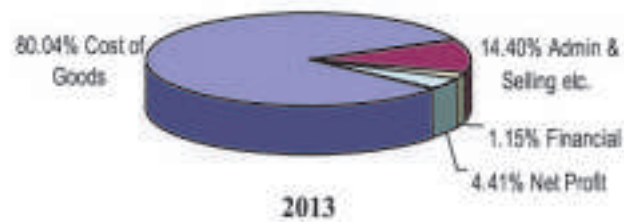
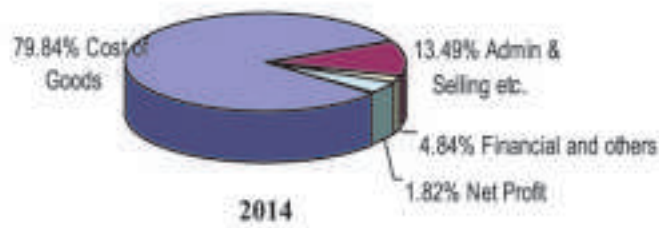
Five Years Key Financial Statistics

Items	As at 30 June Tk./000				
	2014	2013	2012	2011	2010
Fixed Assets	111,355	113,825	111,789	111,756	113,824
Preliminary expenses & Public Issue Exp.	3,910	8,480	4,607	4,607	4,607
Net Current assets	(9,134)	(13,747)	(8,595)	(12,049)	(15,340)
Total Assets	106,131	108,558	107,801	104,314	103,091
Paid-up-Capital	64,607	64,607	64,607	64,607	61,530
Revenue Reserves and surplus	15,140	17,567	16,810	13,132	12,198
Capital reserve	26,384	26,384	26,384	26,384	26,384
Total equity	106,131	108,558	107,801	104,123	100,112
Long Term Loan	0	0	0	191	2,979
Total debt + equity	106,131	108,558	107,801	104,314	103,091
Net Asset Value (NAV) per ShareTk.	15.82	15.49	15.97	15.40	15.52

Face value of share Tk.10/=

Items	Tk./000				
	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Sales	235,978	224,983	210,196	210,283	172,586
Less Cost of goods sold Items	(188,397)	(180,076)	(168,125)	(168,150)	(138,866)
Gross profit	47,581	44,907	42,071	42,133	33,720
Less: Administrative and Selling expenses	(31,834)	(32,405)	(29,937)	(30,087)	(23,809)
Interest charges & write off	(11,447)	(2,630)	(3,489)	(4,029)	(4,754)
Other income	2,398	782	1,555	0	324
	(40,883)	(34,253)	(31,871)	(34,116)	(28,239)
Net Profit/(Loss)	6,698	10,654	10,200	8,017	5,481
Contribution of WPPF	(319)	(507)	(486)	(382)	(274)
	6,379	10,147	9,714	7,635	5,207
Less Provision for Tax	(2,344)	(2,930)	(2,805)	(3,625)	(2,055)
Retained profit/(Loss)	4,035	7,217	6,909	4,010	3,152
Earnings per share(EPS) Tk.	0.62	1.12	1.07	0.62	0.49
Cash Dividend	10%(for Public Shareholders only)	10%	10%	5%	—
Stock Dividend	—	—	—	—	5%

SALES DISTRIBUTION



STANDARD CERAMIC INDUSTRIES LTD.

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

DIRECTORS' REPORT AT THE THIRTIETH ANNUAL GENERAL MEETING

Dear Shareholders,

We, on behalf of the Board of Directors, feel privileged to welcome you at the 30th Annual General Meeting of your Company and have the pleasure in presenting before you the Annual Report together with audited financial statements for the year ended on 30th June 2014.

General Economics & Environmental Situation:

The General economic condition of the country and business environmental situation had a declining tendency during financial year 2013-14. Consequently business could not be accelerated to a satisfactory level. Imports from abroad are adversely affecting growth of industry. At implementation stage of trade policy is more friendly to importers than manufacturers.

Industry outlook

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

Possible future development

Capacity and Quality Improvement

For capacity and quality improvement following machineries shall be installed

- a) Augar Machine
- b) Glazing Machines
- c) Ball Mill- Production capacity to be increased 700 M.Ton per year.
- d) Vacuum de-bubbling Barrels
- e) Building-A new building is under construction for decal plant, staff quarter and canteen etc.

Cost Reduction

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

State of Company's Affairs :

Turnover amounted to taka 235.98 million in the year 2013-2014 as against taka

224.98 million in the year 2012-13. The gross profit for the year was taka 47.58 million as against taka 44.91 million of the previous year showing a increase of 5.95 % only. The gross profit ratio increase 0.20%.

Particulars	Figure in Thousand ('000) Tk.	
	2013-2014	2012-2013
Net Profit/(Loss) before Tax etc.	6,697	10,654
WPPF	(319)	(507)
Provision for tax	(2,344)	(2,930)
Net Profit /(Loss) after Tax etc.	4,034	7,217
Less: Proposed Dividend	(3,375)	0
Less: Dividend declared	0	(6,461)
Less: Previous years Accumulated Profit/(Loss)	(4,607)	(5,363)
Accumulated Profit / (Loss)	(3,948)	(4,607)

Contribution to National Exchequer:

Your company contributed a total amount of taka 40 million to the National Exchequer in the form of Custom duty, AIT, VAT, except gas, electricity etc, during the year under report.

Dividend

Despite of the fact that the Company has a total accumulated loss of taka 4.6 million which lowered our reserve position, the Company earned a net profit of taka 4.03 million during the year. In this situation, the Board of Directors has recommended cash dividend @ 10% on face value of share for the public shareholders only other than Sponsors / Directors from the profit of this year. The Sponsor shareholders relinquished their dividend towards write off.

Retirement of Directors and their Re-election :

(1) Mr. Nasir Uddin Ahmed (2) Mr. Enamul Maqsd and (3) Mr. A.Z.M Nazrul Haque Directors of the company who retired by rotation as per Article 44 of the Articles of Association of the Company, Mr. Nasir Uddin Ahmed , Director and (2) Mr. Enamul Maqsd, Director offered themselves for re-appointment and being eligible may be re-appointment.

Brief resume of above Directors:

(1) Mr. Nasir Uddin Ahmed - Director.

Nasir Uddin Ahmed, a commerce graduate, is the Sponsor 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 27 years experience as ceramic business expert. Having rich experience in various training from abroad like AOTS, Japan in respect of industrial concerns.

(2) Mr. Enamul Maqsd- Operative Director.

Mr. Enamul Maqsd is a graduate from BUET in Mechanical Engineering. He is a sponsor Shareholder and a Operative Director of the company. He is also a director of Peoples Ceramic Industries Ltd.. He has been engaged in ceramic line 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 organisations

Appointment of Independent Director

As per Bangladesh Securities and Exchange Commission Corporate Governance notification dt.07-08-2012, the tenure of office of an Independent Director shall be for a period of 3 years, which may be extended for one term only. Our present Independent Director Mr. A.Z.M Nazrul Haque fulfills the aforesaid condition. Accordingly Mr. A.Z.M Nazrul Haque, Independent Director will retire in the forth coming Annual General Meeting. He is not eligible for next term. Accordingly the Board of Directors appointed Mr.Md.Ismail, as Independent Director on 23rd October 2014 for complying BSEC notification dt.7/8/2012 in the vacant post subject to the approval of valued shareholders.

Brief resume

Mr. Md. Ismail- Independent Director.

Mr. Md. Ismail obtained Post Graduate Degree from Dhaka University and qualified C.A (Int.) Final (law Group) from ICAB. He has over 42 years experience in industrial Project. Mr. Ismail was planning, monitoring & evaluation specialist and financial specialist in many GOs and NGOs. He also designed many industrial projects. Mr. Ismail is the author of two professional books viz (1) Logical Frame Work Approach to the Project Design Monitoring and Evaluation (2) Company meetings and Resolutions for Directors and Secretaries. He is presently Director (Legal, Vat & Company Affairs) of Nitol Niloy Group.

Corporate & Financial Reporting :

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

Accordingly, the Directors are pleased to confirm the following:

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

(h)Board Meetings and Attendance :

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

The attendance record of the Directors is as follows:

Sl #	Name of the Directors	Position	Meeting attended	
01.	Mr. Helal Uddin Ahmed	Managing Director	6	
02.	Mr. A.K.M. Jahangir Khan	Director	6	
03.	Mr. Lutfur Rahman	Director	6	
04.	Mr. Enamul Maqsd	Operative Director	6	
05.	Mr. Nasir Uddin Ahmed	Director	6	
06.	Mr. A.K.M. Alamgir Khan	Director	6	
07.	Mr. A.Z.M Nazrul Haque	Independent Director	6	
08.	Mr. A.K Mizanur Rahman, FCA	Independent Director	6	

I. Continuity of Extra-ordinary Gain or Loss:

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

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

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

The Company did not raise share capital through Public Issue, right issue and through any other instruments during the year 2013-2014. However, the company raised its capital in 1996. The proceeds of the issue have been utilized in repaying Long Term Loan.

l. Remuneration of Managing Director and Independent Director

Remuneration of the Managing Director has been disclosed in the accounts note no.18. On the other hand, Independent Directors did not receive any remuneration except meeting attendance fees.

m. Subsidiary Company

The Company has no subsidiary company.

n. Chairman of the Board and Chief Executive Officer

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

o. Duties of CEO and CFO

The provision of SEC regulations has been complied.

p. Risks and concerns

(a) Interest Rate Risk

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

(b) Exchange rate risk

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

(c) Market Risk

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

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

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

(e) Trade Policy risk

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

(q)The pattern of shareholding is as follows:

Sl #	Namewise details	Shares held
01.	Mr. Helal Uddin Ahmed, Managing Director	3,73,880
02.	Mr. Lutfur Rahman, Director	3,73,880
03.	Mr. Nasir Uddin Ahmed, Director	3,73,880
04.	Mr. A.K.M. Jahangir Khan, Director	2,25,450
05.	Mr. Enamul Maqsood, Director	2,03,960
06.	Mr. A.K.M Alamgir Khan, Director	2,59,080
07.	Mr. A.K Mizanur Rahman, FCA (Independent Director)	nil
08.	Mr. A.Z.M Nazrul Haque, (Independent Director)	nil
09.	Mr. Jamal Uddin Bhuiyan, Company Secretary & CFO	nil
10.	Mr. Abdur Rahim, Internal Auditor	nil
	Executives:	
11.	Mr. Md. Abu Taher	10
12.	Mr. Mrinmoy Barua	540
13.	Mr. Mustafizur Rahman	10
14.	Mr. Mainul Bari	10
15.	ICB, Unit Fund	10,63,630

Corporate Governance Compliance Report :

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

Appointment of Auditors :

M/s.Artisan, Chartered Accountants, BSEC Bhaban (Level-10)102, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215 was the auditor of the Company for the year 2013-14. They are holding the post for one year only and being eligible they offer themselves for re-appointment for the financial year 2014-15. Accordingly the Board of Directors recommended that M/s.Artisan, Chartered Accountants, be appointed as Auditors for the financial year 2014-2015 subject to the approval of the shareholders in the AGM with Tk 78,000/-(included VAT & Tax) as their remuneration for audit works only.

Acknowledgement :

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

Conclusion :

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

On behalf of the Board of Directors

Date: 23 October, 2014
Place: Dhaka-1000.

(A.K.M Alamgir Khan)
Director

(Helal Uddin Ahmed)
Managing Director

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

PHONE: Off : 9111340
Mob : 01817-025963
Res : 9123129
E-mail : mahmed_co.1961@yahoo.com

Mosjid-E-Baitul Ferdous (2nd Floor)
32/8 (Ka) Tajmahal Road
Block-C (West), Mohammadpur
Dhaka-1207.


CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

We have examined the compliances of conditions of the Corporate Governance by Standard Ceramic Industries Ltd. for the year ended 30th June, 2014 as per Corporate Governance guidelines issued by the Bangladesh Securities and Exchange Commission vide Notification No. SEC /CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

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

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

Dhaka -1207
Dated: 23 October 2014



(M. AHMED & CO.)
Chartered Accountants



Standard Ceramic Industries Ltd.

(Manufacturer of Stoneware Tableware)

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

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

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

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

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

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

- (i) We have reviewed the Financial Statements of Standard Ceramic Industries Ltd. for the year ended June 30, 2014 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 together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) To the best of our knowledge and belief, there were no transactions entered into by the company during the year 2013-2014 which were fraudulent, illegal or violation of the company's code of conduct.

Date: 23 October, 2014

Place: Dhaka-1000.

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

(Helal Uddin Ahmed)
Managing Director
Standard Ceramic Industries Ltd.



Standard Ceramic Industries Ltd.

(Manufacturer of Stoneware Tableware)

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

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

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

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

Ref: SCI-HO/14/

Date: 15.10.2014

To
The Chairman
Board of Directors
Standard Ceramic Industries Ltd.
62-63 Motijheel C/A,
Dhaka-1000.

**Sub: Report of the Audit Committee for the year 2013-14 under condition 3.5 of
BSEC Corporate Governance Notification dt. 07.08.2012.**

Dear Sir,

As per BSEC notification dt. 07.08.2012 we hereby submit our report as follows:

1. We reviewed periodic financial statements as well as Annual Financial Statements of Standard Ceramic Industries Ltd. for the year ended 30 June, 2014 and recommended to place to the Board for approval and we found those in order.
2. We reviewed the internal audit findings and recommendations, monitoring system and found in order.
3. We also reviewed the structure of the internal Audit Department and recommended to strengthening it.
4. We considered and made recommendation to the Board on the appointment of external Auditors.
5. We reviewed Policy and guidelines to comply with rules and regulations of the BSEC as adopted by the company.
6. Standard Ceramic Industries Ltd. did not raise any money through initial public offering/Reputed Public Offering/Rights Issue during the period.

Thanking you

AZM Nazrul Hoque
Independent Director & Chairman
Audit Committee
Standard Ceramic Industries Ltd.

Corporate Governance Compliance Report

Status of compliance with a conditions imposed by the
Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012.
(Report under Condition No. 7.00)

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

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

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

স্ট্যান্ডার্ড সিরামিক ইন্ডাস্ট্রিজ লিঃ

৬২-৬৩ মতিঝিল বা/এ, ঢাকা- ১০০০

৩০তম বার্ষিক সাধারণ সভায় পরিচালক মন্ডলীর প্রতিবেদন

বিস্মিলাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ :

আসসালামু আলাইকুম। প্রথমে পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ৩০তম বার্ষিক সাধারণ সভায় আপনাদেরকে সাদর আমন্ত্রণ জানাচ্ছি। এই সভায় ৩০শে জুন, ২০১৪ইং তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক প্রতিবেদন আমি আনন্দের সহিত উপস্থাপন করছি।

বিশ্ব অর্থনীতি ও সামগ্রিক পরিস্থিতি পর্যালোচনাঃ

২০১৩-১৪ অর্থবছরে দেশের অর্থনৈতিক অবস্থা ও ব্যবসায়িক পরিস্থিতি ক্রমব্রাসমান ছিল। ফলে ব্যবসা বাণিজ্য সন্তোষজনক বৃদ্ধি পায়নি। তদুপরি, আমাদের বাস্তব-বাছনাধীন বাণিজ্যনীতি, দেশীয় উৎপাদনকারীদের চেয়ে আমদানীকারকদের অনুকূলে থাকায়, আমদানি বাণিজ্যের প্রসার লাভ করে। এতে দেশীয় শিল্প মারাত্মকভাবে ক্ষতিগ্রস্ত হয়।

উন্নয়ন পরিকল্পনাঃ

পরিচালক পর্ষদ দেশে ও বিদেশে বিক্রয় বৃদ্ধির জন্য প্রচেষ্টা অব্যাহত রেখেছেন। তাছাড়া পণ্যের গুণগত মান উন্নয়ন ও উৎপাদন ক্ষমতা বৃদ্ধির জন্য নিম্নোক্ত নতুন মেশিনারী স্থাপনের সিদ্ধান্ত নেওয়া হয়েছে।

ক) অগার মেশিন।

খ) প্লেজিং মেশিন।

গ) বলমিল - বাৎসরিক ৭০০ মে: টন উৎপাদন ক্ষমতা বৃদ্ধি পাবে।

ঘ) বেকিউম ডি-বাবলিং বেরেলস।

পরিচালক পর্ষদ উৎপাদিত মালের দাম সহনীয় পর্যায়ে রাখার জন্য আরো কিছু নতুন মেশিনারীজ স্থাপনেরও চেষ্টা করছেন।

ব্যবসায়িক কার্যক্রমঃ

গত বৎসরে (২০১২-২০১৩) ২২ কোটি ৫০ লক্ষ টাকা বিক্রয়ের বিপরীতে আলোচ্য বৎসরে (২০১৩-২০১৪) বিক্রয় দাঁড়ায় ২৩ কোটি ৬০ লক্ষ টাকা। এ বৎসরে বিক্রয় বৃদ্ধি পায় ১ কোটি ১০ লক্ষ টাকা। আলোচ্য বৎসরে (২০১৩-২০১৪) মোট লাভের পরিমাণ দাঁড়ায় ৪ কোটি ৭৬ লক্ষ টাকা। আলোচ্য বৎসরে মোট লাভ বৃদ্ধি পেয়েছে ৫.৯৫ শতাংশ।

আর্থিক প্রতিবেদন ও মুনাফা বন্টনঃ

নিচে কোম্পানীর সামগ্রিক চিত্র দেওয়া হলোঃ

বিবরণ	উপাত্তগুলি ('০০০) হাজারে প্রকাশিত	
	২০১৩-২০১৪	২০১২-২০১৩
আয়কর পূর্ব নিট মুনাফা/(ক্ষতি)	৬,৬৯৭	১০,৬৫৪
বিয়োগঃ আয়কর বাবদ সঞ্চিতি	(২,৩৪৪)	(২,৯৩০)
বিয়োগঃ WPPF বাবদ সঞ্চিতি	(৩১৯)	(৫০৭)
আয়কর ইত্যাদি উত্তর নিট মুনাফা	৪,০৩৪	৭,২১৭
বিয়োগঃ প্রস্তাবিত লভ্যাংশ	(৩,৩৭৫)	০
বিয়োগঃ লভ্যাংশ	০	(৬,৪৬১)
বিয়োগঃ পূর্ববর্তী বৎসরের পুঞ্জীভূত লাভ/(লোকসান)	(৪,৬০৭)	(৫,৩৬৩)
পুঞ্জীভূত লাভ/(লোকসান)	(৩,৯৪৮)	(৪,৬০৭)

রাষ্ট্রীয় কোষাগারে অবদান :

কোম্পানী আলোচ্য আর্থিক বৎসরে (২০১৩-২০১৪) রাষ্ট্রীয় কোষাগারে গ্যাস ও বিদ্যুৎ বাদে কাষ্টম ডিউটি, এ.আই.টি., ভ্যাট ইত্যাদি খাতে ৪ কোটি টাকা প্রদান করে।

লভ্যাংশ ঘোষণা :

২০১২-২০১৩ অর্থ বৎসর পর্যন্ত কোম্পানী ৪৬.০৭ লক্ষ টাকা পুঙ্খভূত ক্ষতি, যা প্রতিষ্ঠানের সঞ্জিতির পরিমাণকে নিম্নমুখী করেছে। আলোচ্য অর্থ বৎসরে কোম্পানী কর পরবর্তী মুনাফা করেছে ৪০.৩৪ লক্ষ টাকা। এমতাবস্থায় পরিচালক মন্ডল প্রতিটি ১০ টাকা মূল্যের সাধারণ শেয়ারের বিপরীতে ১ টাকা হারে (১০%) শুধুমাত্র পাবলিক শেয়ার হোল্ডারদেরকে (উদ্যোক্তা/ পরিচালকগণ বাদে) নগদ লভ্যাংশ প্রদানের সুপারিশ করছেন। যা আপনাদের অনুমোদনের অপেক্ষায় রয়েছে। উদ্যোক্তা / পরিচালকগণ কিছু বিলম্বিত খরচ ও প্রাপ্য বীমা দাবি অবলোপনের জন্য তাঁদের লভ্যাংশ পরিত্যাগ করেছেন।

পরিচালকদের অবসর গ্রহন ও নিয়োগ :

পরিচালক (১) জনাব নাসির উদ্দীন আহমেদ ২) জনাব এনামুল মাকসুদ এবং (৩) জনাব এ. জেড. এম নজরুল হক কোম্পানীর সংবিধির ৪৪ ধারা অনুযায়ী অবসর গ্রহন করেছেন এবং যোগ্য বিধায়, জনাব নাসির উদ্দীন আহমেদ ও জনাব এনামুল মাকসুদ পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

স্বাধীন পরিচালকের নিয়োগ :

জনাব মোঃ ইসমাইল-স্বাধীন পরিচালক

বাংলাদেশ সিকিউরিটিজ এণ্ড এক্সচেঞ্জ কমিশনের ৭-৮-২০১২ ইং তারিখের নোটিফিকেশন অনুযায়ী জনাব এ.জেড.এম নজরুল হক, স্বাধীন পরিচালক তাঁর মেয়াদ আসন্ন বার্ষিক সাধারণ সভায় পূর্ণ হবে। পরবর্তী মেয়াদের জন্য যোগ্য নন বিধায় পরিচালক পর্ষদ জনাব মোঃ ইসমাইলকে ২৩-১০-২০১৪ ইং তারিখের বোর্ড সভায় স্বাধীন পরিচালক হিসাবে নিয়োগ প্রদান করেছেন, যা আপনাদের অনুমোদনের অপেক্ষায় রয়েছে।

কোম্পানীর বিষয়াবলী ও আর্থিক প্রতিবেদন :

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

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

খ. কোম্পানীর হিসাব বহি যথাযথভাবে রক্ষিত হয়েছে।

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

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

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

চ. চলমান প্রতিষ্ঠান হিসাবে কোম্পানীর সক্ষমতা নিঃসন্দেহে প্রমাণিত।

৬. 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

ক্রমং	পরিচালকদের নাম	সভায় উপস্থিতি
০১.	জনাব হেলাল উদ্দিন আহমেদ	৬
০২.	জনাব এ.কে.এম. জাহাঙ্গীর খান	৬
০৩.	জনাব লুৎফর রহমান	৬
০৪.	জনাব এনামুল মাকসুদ	৬
০৫.	জনাব নাসির উদ্দিন আহমেদ	৬
০৬.	জনাব এ.কে.এম. আলমগীর খান	৬
০৭.	জনাব এ.জেড.এম. নজরুল হক	৬
০৮.	জনাব এ.কে.মিজানুর রহমান, এফ.সি.এ	৬

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

এ. কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ন ছিল নিম্নরূপঃ

ক্রঃ নং	নামানুসারে বিবরণ	শেয়ারের পরিমাণ
০১.	জনাব হেলাল উদ্দিন আহমেদ, (ব্যবস্থাপনা পরিচালক)	৩৭৩,৮৮০
০২.	জনাব লুৎফর রহমান, (পরিচালক)	৩৭৩,৮৮০
০৩.	জনাব নাসির উদ্দিন আহমেদ, (পরিচালক)	৩৭৩,৮৮০
০৪.	জনাব এ.কে.এম. জাহাঙ্গীর খান, (পরিচালক)	২২৫,৪৫০
০৫.	জনাব এনামুল মাকসুদ, (পরিচালক)	২০৩,৯৬০
০৬.	জনাব এ.কে.এম. আলমগীর খান, (পরিচালক)	২,৫৯,০৮০
০৭.	জনাব এ.কে.এম. নজরুল হক, (স্বাধীন পরিচালক)	নাই
০৮.	জনাব এ.কে. মিজানুর রহমান এফ.সি.এ. (স্বাধীন পরিচালক)	নাই
০৯.	জনাব জামাল উদ্দিন খুইয়া, (সি.এফ.ও এন্ড সি.এস.)	নাই
১০.	জনাব আব্দুর রহিম পাটোয়ারী, (আভ্যন্তরীণ নিরীক্ষক)	নাই
১১.	জনাব মোঃ আবু তাহের, নির্বাহী	১০
১২.	জনাব মাইনুল বারী, কর্মকর্তা	১০
১৩.	জনাব মোঃ মোজাফ্জুর রহমান, নির্বাহী	১০
১৪.	জনাব মুন্সয় বড়ুয়া, কর্মকর্তা	৫৪০
১৫.	আইসিবি (ইউনিট ফান্ড)	১,০৬৩,৬৩০

কর্পোরেট গভর্নেন্স কম্প্লায়েন্স রিপোর্টঃ

বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশনের দিক নির্দেশনা অনুযায়ী “কর্পোরেট গভর্নেন্স কম্প্লায়েন্স রিপোর্ট” সংযুক্ত করা হল।

নিরীক্ষক বৃন্দ :

আমাদের বর্তমান নিরীক্ষক Artisan, Chartered Accountant তার মেয়াদ আসন্ন বার্ষিক সাধারণ সভায় ১ বছর পূর্ণ করিবেন। যোগ্য বিধায় ২০১৪-১৫ অর্থ বছরের নিরীক্ষক হিসাবে পুনঃ নিয়োগের জন্য প্রস্তাব দিয়েছেন।

পরিচালক পর্যদ ৭৮,০০০/- টাকা (ভ্যাট ও ট্যাক্সসহ) পারিশ্রমিকের বিনিময়ে, মেসার্স আর্টিসান, চার্টার্ড একাউন্ট্যান্টস, বিএসইসি ভবন (লেভেল-১০), ১০২, কাজী নজরুল ইসলাম এভিনিউ, কাওরান বাজার, ঢাকা-১২১৫, ২০১৪-১৫সালের জন্য নিরীক্ষক হিসাবে পুনঃ নিয়োগের জন্য শেয়ার হোল্ডারদের অনুমোদনের জন্য সুপারিশ করছেন।


কৃতজ্ঞতা স্বীকার ও উপসংহার :


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

পরিচালক পর্যদের পক্ষে-

তারিখঃ ২৩.১০.২০১৪ইং

স্থানঃ ঢাকা


এ.কে.এম. আলমগীর খান
পরিচালক


হেলাল উদ্দিন আহমেদ
ব্যবস্থাপনা পরিচালক

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

We have audited the accompanying Financial Statement of "STANDARD CERAMIC INDUSTRIES LTD." which comprise the statement of financial position as at 30th June, 2014 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

The Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

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

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

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

Opinion:

In our opinion, the financial statements fairly, in all material respects, the financial position of "STANDARD CERAMIC INDUSTRIES LTD." as at 30th June, 2014 and its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

We also report that:

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

Date: 23 October, 2014

Place: Dhaka-1000.


ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

STATEMENT OF FINANCIAL POSITION

AS ON 30TH JUNE, 2014

		<u>Amount in Taka</u>	
<u>ASSETS</u>	<u>NOTES</u>	<u>30/06/14</u>	<u>30/06/13</u>
Non Current Assets			
Property, Plant & Equipment	2	111,355,479	113,825,033
Public Issue and Deferred Exps	3	3,910,400	8,479,769
		115,265,879	122,304,802
Current Asset			
Inventories	4	31,815,106	45,691,425
Claim receivable	5	14,350,454	19,781,085
Advances, deposits & pre-payments	6	9,413,860	8,930,101
Accounts Receivable		415,249	97,957
Short Term Investment	7	30,453,854	14,236,474
Cash & Cash Equivalents	8	10,303,351	9,788,652
		96,751,874	98,525,694
Total Assets		212,017,753	220,830,496
<u>EQUITY & LIABILITIES</u>			
<u>Shareholder's equity:</u>			
Share Capital	9	64,606,500	64,606,500
Reserve & Surplus	10	41,525,062	43,951,325
		106,131,562	108,557,825
<u>Non Current Liabilities</u>			
<u>Current Liabilities</u>			
Cash Credit (Secured)	11	7,914,968	11,640,705
Bank Overdraft	12	899,053	1,428,002
Unclaimed Dividend		6,606,036	5,888,613
Creditors, Accrued exps and Others	13	31,073,573	31,597,840
Liabilities for other finance	14	59,392,561	61,717,511
		105,886,191	112,272,671
Total Shareholders' Equity & liabilities		212,017,753	220,830,496
NAV per share		15.82	15.49

The annexed notes 1 to 38 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23rd October 2014 and were signed on its behalf by:



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

As per report of even date annexed

Date: 23 October, 2014
Place: Dhaka-1000.



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

DHAKA-1000.

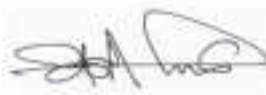
STATEMENT OF COMPREHENSIVE INCOME**FOR THE YEAR ENDED 30TH JUNE, 2014**

		Amount in Taka	
		01/07/13	01/07/12
		to	to
		30/06/14	30/06/13
	NOTES		
Revenue	16	235,977,047	224,983,269
Less: Cost of Goods Sold	17	188,396,641	180,076,297
Gross Profit		47,580,406	44,906,972
Operating Expenses:		33,280,949	34,997,325
Less: Administrative & Selling Expenses	18	31,833,824	32,405,391
Less: Financial Expenses		1,447,125	2,591,934
Operating Profit/(Loss)		14,299,457	9,909,647
Add: Other Income	19	2,397,945	782,157
Less: Write off	20	10,000,000	37,325
Net Profit / (Loss)		6,697,402	10,654,479
Less: Contribution to Workers P. Participation Fund		318,924	507,356
Net Profit / (Loss) before Tax		6,378,478	10,147,123
Less: Income Tax Expenses:	21	2,344,091	2,929,982
Net Profit after Tax- Transferred to Statement of changes in Equity		4,034,387	7,217,141
Earning per share(EPS)	34	0.62	1.12

The annexed notes 1 to 38 form an integral part of these financial statements . These financial statements were approved by the Board of Directors on 23rd October 2014 and were signed on its behalf by;



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

As per report of even date annexed

Date: 23 October, 2014
Place: Dhaka-1000.



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

DHAKA-1000.

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

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2013**

PARTICULARS	SHARE CAPITAL	REVALUATION & TAX HOLIDAY RESERVE	SHARE PREMIUM	RETAINED EARNINGS	TOTAL
As at July 1, 2012	64,606,500	27,447,361	14,650,000	1,097,473	107,801,334
Changes during the period:					
Cash dividend (2011-12) Transferred to Dividend payable Account				(6,460,650)	(6,460,650)
As at June 30, 2013	64,606,500	27,447,361	14,650,000	1,853,964	108,557,825

The annexed notes 1 to 38 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 23rd October 2014 and were signed on its behalf by:



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

Date: 23 October, 2014

Place: Dhaka-1000.

As per report of even date annexed



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE, 2014

Amount in Taka**CASH-FLOW FROM OPERATING ACTIVITIES**

	2013-14	2012-13
Receipts from customers and others	279,434,670	281,303,034
Paid to suppliers, employees & others	(244,525,422)	(239,335,797)
Interest paid	(1,447,125)	(2,591,934)
Income Tax paid	(3,044,677)	(2,878,099)
Net cash inflow from operating activities	30,417,446	36,497,204

Cash Flow from investing activities.

Acquisition of Fixed Assets	(6,085,399)	(11,682,793)
Disposal/Adjustment of Fixed Assets	-	195,200
Deferred Revenue expenditure	-	(3,873,075)
Interest Received	2,397,945	-
Short Term Investment	(16,217,380)	(9,736,474)
Net cash outflow from investing activities	(19,904,834)	(25,097,142)

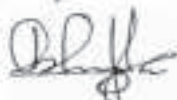
Cash Flow from Financing activities.

Cash Credit Loan (Paid)/Received	(3,725,737)	(7,313,736)
Current portion of long term loan	-	(187,601)
Dividend Paid	(5,743,227)	(5,673,581)
Directors & Other Loan (Paid)/Received	-	(2,251)
Bank O/D (Paid)/Received	(528,949)	1,055,399
Net cash outflow from financing activities	(9,997,913)	(12,121,770)

Net increase/(decrease) in Cash & Cash Equivalents 514,699 (721,708)

Cash and Cash equivalents at begining	9,788,652	10,510,360
Cash and Cash equivalents at end	10,303,351	9,788,652

The annexed notes 1 to 38 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23rd October 2014 and were signed on its behalf by:



(Jamal Uddin Bhuiyan)
Company Secretary

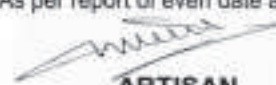


(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

As per report of even date annexed



ARTISAN
(Chartered Accountants)

Date: 23 October, 2014
Place: Dhaka-1000.

STANDARD CERAMIC INDUSTRIES LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014

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

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

(B) **Nature of Business:**

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

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

(i) Statement of Financial Position as of 30th June, 2014. (ii) Statement of Comprehensive Income for the year ended 30th June, 2014, (iii) Statement of Cash Flows for the year ended 30th June, 2014, (iv) Statement of changes in Equity for the year ended 30th June, 2014 (v) Accounting policies and explanatory notes.

(D) **Comparative Information :**

Comparative information have been furnished in respect of the year 2012-2013 for all numericals in the financial statements and also the narrative and descriptive information considered relevant to understanding of the current year financial statements. Last years figures have been rearranged to conform those of current year.

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

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

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

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

1.02 **Significant Accounting Policies:**

(A) **Basis of preparation:**

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

(B) **Revenue recognition:**

Sales is recognized at the time of delivery from godown.

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

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

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

The annual depreciation rates applicable to the principal categories are

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

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

Impairment of Assets

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

(D) Inventories:

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

(E) Revenue (Turnover):

Turnover are stated at net value.

(F) Retirement benefits :

Retirement benefits are incorporated on payment basis.

(G) Reporting Currency:

The figures in the financial statements represent Bangladesh Taka Currency.

(H) Foreign Exchange:

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

(I) Others:

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

(J) Earning per Share:

The company calculates earnings per share is Tk.0.62 against the previous year Tk 1.12 in 2012-2013 in accordance with the International Accounting Standards (IAS)-33 "Earning per share" as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

(K) Related Party:

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

(L) Statement of Cash Flows :

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

(M) Reporting Period:

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

	30/06/14	30/06/13
2.00 Property, Plant & Equipment: Tk.111,355,479.	Amount in Taka	
Details are as under:		
Cost on 01/07/2013	317,530,571	306,042,978
Addition during the year	6,085,399	11,682,793
	<u>323,615,970</u>	<u>317,725,771</u>
Adjustment / Disposal	-	(195,200)
	<u>323,615,970</u>	<u>317,530,571</u>
Less: Accumulated Depreciation	<u>(212,260,491)</u>	<u>(203,705,538)</u>
	<u>111,355,479</u>	<u>113,825,033</u>

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

3.00 Public Issue and Deferred Expenses: Tk.3,910,400.

i) Preliminary exps	0	37,325
ii) Public Issue Expenses	4,569,369	4,569,369
iii) Deferred Expenses	<u>3,910,400</u>	<u>3,910,400</u>
	8,479,769	8,517,094
Write off	<u>(4,569,369)</u>	<u>(37,325)</u>
	<u>3,910,400</u>	<u>8,479,769</u>

iii) This amount paid as Environmental damage assessment imposed by Environmental Court has been accounted for as deferred expenses which is under litigation (WRIT Petition no-9226 of 2013).

4.00 Inventories: Tk.31,815,106.

Details are as follows:

	Qty in M.ton/Pcs.		
i) Raw Materials (4.01)		8,696,009	8,776,566
ii) Work-in process	270 M.Ton	11,925,727	24,212,242
iii) Finished products	184,829 pcs.	6,802,416	1,306,580
iv) Stores & spares		4,260,210	4,475,305
v) Stock of Mould & Sagger		-	6,678,674
vi) Packing Materials	5,000 Pcs	130,744	242,058
		<u>31,815,106</u>	<u>45,691,425</u>

The inventories on 30-06-14 was taken and certified by the management and i) inventories (Raw materials) have been valued at cost. ii) Work-in-process have been valued at cost of raw materials with proportion of electricity, gas and factory overhead absorbed in production. iii) Finished products have been valued at realizable price and iv) spare parts at cost. Inventories were mortgage to Rupali Bank Ltd., Ramna Corporate Branch as security of working capital.

4.01 Detail of raw materials:

Particular			Total value in Tk.
	Opening stock	Body & glaze	5,524,579
		Auxiliary Materials	2,488,765
		Decoration materials	763,222
A	Total		8,776,566
	Purchase	Body & glaze	56,289,602
		Auxiliary Materials	3,221,128
		Decoration materials	15,832,092
B	Total		75,342,822
A+B	Total		84,119,388
	Issued for production	Body & glaze	56,920,486
		Auxiliary Materials	2,857,337
		Decoration materials	15,645,576
C	Total		75,423,379
	Closing Stock	Body & glaze	4,893,715
		Auxiliary Materials	2,852,556
		Decoration materials	949,738
(A+B)-C			8,696,009

	30/06/14	30/06/13
	Amount in Taka	
5.00 Claim Receivable :Tk. 14,350,454.		
Opening balance	19,781,085	19,781,085
Addition	-	-
	19,781,085	19,781,085
Write off	(5,430,631)	-
	<u>14,350,454</u>	<u>19,781,085</u>

The Factory has been devastated by tornado on 7th May, 1991. The claim admitted by the Janata Indsurance Co. Ltd. Tk. 3,97,81,085 from which Tk. 2,00,00,000 realised and this year Tk.5,430,631 is written off from the balance.

6.00 Advance Deposits & Pre-payment: Tk 9,413,860.

i) Advances	675,126	1,292,016
ii) Security deposits	2,826,901	2,826,901
iii) Advance Income Tax	2,990,421	2,875,726
iv) Bank Margins	2,243,182	1,365,266
v) VAT(Value Added Tax)	678,230	570,192
	<u>9,413,860</u>	<u>8,930,101</u>
i) Advances: Tk.675,126 .		
a) Advance against works	647,723	1,264,613
b) Other Advance	27,403	27,403
	<u>675,126</u>	<u>1,292,016</u>
ii) Security deposits: Tk.2,826,901.		
T&T Board	145,025	145,025
PDB	253,800	253,800
Bangladesh Oxygen Ltd.	8,000	8,000
Amin Mohiuddin Foundation	811,800	811,800
Titas Gas Transmission & Distribution Co. Ltd.	1,408,276	1,408,276
CDBL	200,000	200,000
	<u>2,826,901</u>	<u>2,826,901</u>
iii) Advance Income-Tax: Tk. 2,990,421 .		
a) Opening balance	2,875,726	2,802,762
b) Addition during the year	3,044,677	2,878,099
	5,920,403	5,680,861
Adjustment against assessment year 2013-2014	(2,929,982)	(2,805,135)
Total	<u>2,990,421</u>	<u>2,875,726</u>
iv) Bank Margins:TK. 2,243,182.		
L/C Margin	1,658,000	780,084
Bank Guarantee Margin (against Titas Gas)	585,182	585,182
	<u>2,243,182</u>	<u>1,365,266</u>
v) VAT (Value Added Tax):Tk.678,230.		
Opening Balance	570,192	528,415
Add:Cash Deposit/ Vat on Raw materials	34,675,675	33,445,008
	35,245,867	33,973,423
Less:Adjustment on local sales	(34,567,637)	(33,403,231)
Closing Balance	<u>678,230</u>	<u>570,192</u>

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

	30/06/14	30/06/13
	Amount in Taka	
7.00 Short Term Investment: Tk. 30,453,854.	30,453,854	14,236,474

The company has invested this fund in FDR. Such fund has been accumulated for payment of expenses required for heavy repair replacement of depreciated fixed assets especially Kiln.

8.00 Cash & Cash Equivalents: Tk. 10,303,351.

a) Cash in hand	656,356	291,419
b) <u>Cash at Bank</u>		
In Current Accounts	7,602,365	4,500,238
In STD Accounts	2,020,630	4,787,350
In F/C Account	24,000	209,645
	<u>10,303,351</u>	<u>9,788,652</u>

- i) Cash-in-hand has been verified and certified by the Management.
ii) Balances with Banks are confirmed by the certificates.

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

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

10,000,000 Ordinary share of Taka 10.00 each	<u>100,000,000</u>	<u>100,000,000</u>
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(b) Issued, Subscribed & Paid-up Capital:

6,460,650 Ordinary shares of Tk. 10/= each fully paid up:		
5,860,000 ordinary shares of Tk. 10 each fully paid up in cash	58,600,000	58,600,000
600,650 ordinary shares of Tk. 10 each issued as fully paid Bonus shares	6,006,500	6,006,500
	<u>64,606,500</u>	<u>64,606,500</u>

Share holding

Sponsors: 3,085,540 shares of Tk. 10/= each	30,855,400	30,855,400
Public: 3,375,110 shares of Tk. 10/= each	33,751,100	33,751,100
	<u>64,606,500</u>	<u>64,606,500</u>

(c) The position of Shareholders as on 30th June, 2014 is as follows :

Description	No. of Shareholder	No. of Shares	Share holding %
Sponsors	41	3,085,540	47.76
Financial Institutions(bank & Insurance)	12	366,640	5.67
Financial Institutions(others)	61	181,880	2.82
BSRS 1st Mutual Fund	1	1,000	0.02
ICB investor's A/c	208	19,280	0.29
Foreign investor (company)	1	1,000	0.02
ICB Mutual Fund	9	50,290	0.78
ICB Capital Management	4	440	0.01
ICB Unit Fund	1	1,063,630	16.46
Others Mutual Fund and Unit Fund	2	6,240	0.10
General Public	7,457	1,684,710	26.07
	<u>7,797</u>	<u>6,460,650</u>	<u>100.00</u>

(d) The Shareholding pattern is as below :

Description	No. of Shareholders	No. of Share held	Share holding %
Upto 500 Shares	6,897	398,800	6.17
501 to 5000 Shares	808	680,180	10.53
5001 to 10000 Shares	23	170,730	2.64
10001 to above	69	5,210,940	80.66
	<u>7,797</u>	<u>6,460,650</u>	<u>100.00</u>

	30/06/14	30/06/13
10.00	<u>Reserve & Surplus Tk.41,525,062.</u>	
Make up is as follows	Amount in Taka	
Revaluation Surplus	26,383,861	26,383,861
Tax holiday reserve	1,063,500	1,063,500
Share premium	14,650,000	14,650,000
Retained Earnings	(572,299)	1,853,964
	<u>41,525,062</u>	<u>43,951,325</u>
10.01	<u>Revaluation Surplus: Tk. 26,383,861.</u>	
Capital Reserve represents revaluation surplus arising out of revaluation of land & land development of the company as of 29 Feb, 1996 by M/s. Golam Mostafa & Associates (professional valuers) following market rate.		
10.02	<u>Tax holiday Reserve: Tk.1,063,500.</u>	<u>1,063,500</u>
The above amount represents last year's balance .		
11.00	<u>Cash Credit (secured): Tk.7,914,968.</u>	
i) Cash Credit (Hypo)	3,908,225	5,490,000
ii) Cash Credit (Pledge)	4,006,743	4,935,442
iii) LIM	-	1,215,263
	<u>7,914,968</u>	<u>11,640,705</u>
The Company is enjoying cash credit facilities from Rupali Bank Ltd., Ramna Corporate Branch,Dhaka. Interest charge on all credit at 15.50% to 16% . All the fixed assets (both present and future) furnished as collateral and floating assets and book debts (both present and future) charged out as primary securities.		
12.00	<u>Bank Overdraft: Tk.889,053.</u>	
AB Bank Ltd	117,743	-
Rupali Bank Ltd.	-	976,680
United Commercial Bank Ltd	781,310	363,008
City Bank Ltd.	-	88,314
	<u>889,053</u>	<u>1,428,002</u>
13.00	<u>Creditors ,Accrued Exps and Others:Tk. 31,073,573.</u>	
i) Directors' remuneration	470,000	295,000
ii) Salary & O.T	5,669,338	5,553,370
iii) Gas bill	3,696,992	3,570,988
iv) Electric bill	801,654	780,382
vi) Audit fees	62,500	62,500
vii) Workers Profit Participation Fund	826,280	507,356
viii) Providend Fund	14,479,024	16,159,464
ix) Others payable	5,067,785	4,668,780
	<u>31,073,573</u>	<u>31,597,840</u>

	30/06/14	30/06/13
14.00	<u>Liabilities for other finance: Tk. 59,392,561.</u>	
	<u>Amount in Taka</u>	
i) Advance against sales	-	57,885,382
ii) Security money employee	577,870	565,066
iii) Security money (Agency)	56,305,091	202,000
iv) <u>Provision for Income Tax:</u>		
a) 2012-2013: Income Tax	-	2,929,982
b) 2013-2014: Income Tax	2,344,091	-
v) Others	165,509	135,081
	<u>59,392,561</u>	<u>61,717,511</u>
15.00	<u>Proposed dividend: Tk. 3,375,110.</u>	<u>6,460,650</u>

The Board of Directors has recommended cash dividend Tk. 1.00 (Taka one) per share (10%) to public shareholders only other than sponsors shareholder/directors for the year ended 30th June 2014 at the Board Meeting held on October 23, 2014 subject to the shareholder's approval at the forth coming Annual General Meeting. The proposed dividend is not recognized as a liability at the Balance Sheet date in accordance with Bangladesh Accounting Standard (BAS) 10 "Events after the Balance Sheet Date".

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

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

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

	01/07/13 to 30/06/14	01/07/12 to 30/06/13
16.00 Revenue: Tk. 235,977,047.	Amount in Taka	
<u>Break-up as follows</u>		
Net local sales	230,450,924	222,688,181
Export Sales	5,208,830	2,197,131
Duty Draw Back	317,293	97,957
Total	235,977,047	224,983,269
17.00 Cost of Goods Sold: Tk. 188,396,641		
<u>Materials Consumed:</u>		
Stock on 01-07-13	8,776,566	5,382,348
Purchased during the year	75,342,822	73,257,660
	84,119,388	78,640,008
Less: Stock on 30-06-14	8,696,009	8,776,566
	75,423,379	69,863,442
Add: Work-in -process on 01-07-13	24,212,242	33,488,102
	99,635,621	103,351,544
Less: Work-in-process on 30-06-14	11,925,727	24,212,242
	87,709,894	79,139,302
<u>Factory Overhead:</u>		
Wages, Salaries, O.T & Bonus	39,110,707	37,331,744
P.F Contribution.	1,227,762	1,099,059
Gratuity	2,365,843	498,440
Packing Materials	6,962,649	5,246,881
Power, Water & Gas	28,855,531	26,840,199
Insurance	232,413	314,825
Consumable stores	5,547,716	1,597,245
Miscellaneous factory expenses	2,311,323	1,557,139
Repairs & Maintenance	4,420,561	4,111,650
Depreciation	8,469,404	9,393,893
	99,503,909	87,991,075
	187,213,803	167,130,377
Add: Stock of finished products on 01-07-13	1,306,580	3,010,800
	188,520,383	170,141,177
Less: Stock of finished products on 30-06-14	6,802,416	1,306,580
	181,717,967	168,834,597
Add: Stock of Mould and Sagger on 01-07-13	6,678,674	17,920,374
	188,396,641	186,754,971
Less: Stock of Mould and Sagger on 30-06-14	-	6,678,674
	188,396,641	180,076,297
Total production	2,428 M.Ton	2,409 M.Ton
Gratuity treated on cash basis.		

	<u>Total</u> <u>01/07/13</u> to <u>30/06/14</u>	<u>Total</u> <u>01/07/12</u> to <u>30/06/13</u>
18.00 Administrative & Selling	Amount in Taka	
<u>expenses:</u> TK.31,833,824.		
Director's Emolument	5,302,364	4,241,012
Office Salaries	12,527,901	13,458,859
P.F. Contribution.	251,415	243,777
Gratuity	-	1,475,200
Travelling & Conveyance	873,637	383,588
Business Promotional expenses	1,204,543	861,931
Trade Fair expenses	3,351,223	1,817,656
Rent, Rates & Taxes	1,579,540	1,510,740
Postage, Telegram & Telephone	514,626	429,752
Printing & Stationery	176,756	226,362
Religious & Festival Expenses	160,060	-
Legal & Professional and Other fees	359,625	324,500
Audit fees	62,500	62,500
Bank charges	567,463	590,201
Forms & Fees	545,101	1,839,128
Utility bill	224,713	192,258
Motor Vehicles maintenance	498,679	795,219
Petrol, Oil & Lubricant	357,112	310,233
Office Maintenance etc.	94,175	64,850
Research & Development Expenses	-	155,450
AGM & other meeting Expenses etc	1,378,671	1,297,585
Selling exps	1,360,583	1,773,220
Entertainment expenses	280,334	202,623
Miscellaneous expenses	77,254	53,860
Depreciation	85,549	94,887
	<u>31,833,824</u>	<u>32,405,391</u>

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

b) Gratuity treated on cash basis.

	<u>Total</u> <u>01/07/13</u> to <u>30/06/14</u>	<u>Total</u> <u>01/07/12</u> to <u>30/06/13</u>
	Amount in Taka	
19.00 <u>Other Income: Tk. 2,397,945.</u>		
Interest on STD Account	44,302	61,122
Interest on FDR	<u>2,353,643</u>	<u>721,035</u>
	<u>2,397,945</u>	<u>782,157</u>

Interest income is recognized on accrual basis.

20.00 Write Off: Tk. 10,000,000.

The write off amount consists of two componants viz :

Claim Receivable	5,430,631	0
Public Issue Expenses	4,569,369	0
Preliminary Expenses	<u>0</u>	<u>37,325</u>
	<u>10,000,000</u>	<u>37,325</u>

The Sponsor Shareholders/ Directors decided not to take dividend but to reduce the unrealizable Receivable against insurance claim and deferred Public Issue expenses. This is how the Sponsors Shareholders/ Directors responded to comments of DSE for writing off the said unrealizable Insurance claim & deferred Public Issue Expenses.

21.00 Income Tax Expenses: Tk. 2,344,091.

Current year tax	2,344,091	2,929,982
	<u>2,344,091</u>	<u>2,929,982</u>

Income Tax Expenses:

Income tax expense comprises current . Income tax expense is recognised in the profit and loss account .

22.00 Credit facilities:

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

23.00 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.

24.00 Aggregate amount due by Directors & Officers:

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

25.00 Capacity of the industrial unit:

Installed capacity - 4000 M/Tons. Capacity utilisation for the year was 60.70 % (Approx).as against 60.22 %(approx) of the previous year.

26.00 Auditors Remuneration for auditing:

The fees were for audit service only.

27.00 Sales - Item-wise:

The company sells Stonewares under the brand name Classic Stone.

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

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

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

i) Workers/Employees drawings Tk. 3000.00 or more per month 841 Nos.

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

29.00 Claims against the company not acknowledgement as debt:

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

30.00 Aggregate amount of contracts for capital expenditure:

There was no contractor & contract for capital expenditure on 30-06-14.

31.00 Expenses incurred in Foreign Currency:

There was no expenses in foreign currency for royalty, technical expert, professional advising fees, interest etc. except imported items of US\$ 623,695 Euro 12,588 and £ 4800.

32.00 Value of imported Raw Materials:

The value of imported raw materials was Tk.55,905,231/= including duty ,clearing charge, insurance and carrying etc.

33.00 Amount of Foreign Exchange Earned:

US\$ 66,951 was earned during the financial year under review against export of goods.

34.00 Basic Earnings per Share (EPS) :

Basic earnings per shares has been calculated as follows:

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

Divided by number of Ordinary Shares outstanding during the year.

EPS - Taka

30.06.14	30.06.13
EPS	EPS
4,034,387	7,217,141
6,460,650	6,460,650
0.62	1.12

35.00 During the year under review 6 (six) board meeting and four audit committee meeting were held and each Director present was paid Tk.4,000/= and Tk. 8,000/= per meeting as Board Meeting.

36.00 Salaries and perquisites to Directors and Officers

30.06.2014

	<u>Directors</u>	<u>Officers</u>
Board Meeting Fee	256,000	0
Remuneration & allowances	4,856,364	12,753,754
Bonus	446,000	1,167,224
Company's Contribution to Providend Fund	0	432,214

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

37.00 Contingent Liabilities:

	<u>30.06.14</u>	<u>30.06.13</u>
L/C liabilities	4,346,000	4,886,000
Bank Guarantee(Titas Gas)	2,770,598	2,770,598
	<u>7,116,598</u>	<u>7,656,598</u>

38.00 Management information:
Ratio analysis:

30.06.14 30.06.13
Amount in Taka

a) Net Profit/(Loss) - Turnover ratio	$= \frac{\text{Net Profit/(Loss)}}{\text{Sales}} \times 100$		
	$= \frac{4,034,387}{235,977,047} \times 100$	1.71%	3.21%
b) Current ratio	$= \frac{\text{Current Assets}}{\text{Current Liabilities}}$		
	$= \frac{96,751,874}{105,886,191}$	91.37:100	87.76:100
c) Gross Profit - Turnover ratio	$= \frac{\text{Gross profit}}{\text{Sales}} \times 100$		
	$= \frac{47,580,406}{235,977,047} \times 100$	20.16%	19.96%
d) Turn-over /total Assets ratio	$= \frac{\text{Sales}}{\text{Total assets}} \times 100$		
	$= \frac{235,977,047}{212,017,753} \times 100$	111.30%	101.88%
e) Inventory turn-over ratio	$= \frac{\text{Inventory}}{\text{Sales}} \times 100$		
	$= \frac{31,815,106}{235,977,047} \times 100$	13.48%	20.31%
f) Return on Investment ratio	$= \frac{\text{Net profit/(Loss)}}{\text{Net Investment}} \times 100$		
	$= \frac{4,034,387}{102,221,162} \times 100$	3.95%	7.21%



(Jamal Uddin Bhuiyan)
Company Secretary



(Helal Uddin Ahmed)
Managing Director



(Lutfur Rahman)
Director

Date: 23 October, 2014
Place: Dhaka-1000.

As per report of even date annexed



ARTISAN
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

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

DHAKA-1000.

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT AS AT 30TH JUNE, 2014

(Refer to Note No.2.00)

Particulars	COST				Rate of Depreciation.
	Balance as at 01-07-13	Addition during the year	Sales/ Adjustment	Total as at 30-06-14	
Land and Land development	30,555,601	0	0	30,555,601	
Building & Civil constructions	77,267,447	3,067,088	0	80,334,535	7.5%
Plant & Machinery	182,322,533	2,869,761	0	185,192,294	10%
Deep Tube Well	1,105,519	0	0	1,105,519	5%
Electric Equipment	6,859,887	15,500	0	6,875,387	10%
Car & other vehicles	15,452,549	0	0	15,452,549	20%
Tools	338,065	0	0	338,065	25%
Office Equipment	1,819,127	133,050	0	1,952,177	15%
Furniture & Fixture	1,765,371	0	0	1,765,371	10%
Other Assets	44,472	0	0	44,472	20%
	317,530,571	6,085,399	0	323,615,970	

Particulars	DEPRECIATION				Written down value on 30-06-14
	Balance as at 01-07-13	Addition during the year	Sales/ Adjustment	Total as at 30-06-14	
Land and Land development	0	0	0	-	30,555,601
Building & Civil constructions	47,206,876	2,301,343	0	49,508,219	30,826,316
Plant & Machinery	143,127,107	4,018,138	0	147,145,245	38,047,049
Deep Tube Well	422,555	34,148	0	456,703	648,816
Electric Equipment	2,815,142	405,767	0	3,220,909	3,654,478
Car & other vehicles	7,145,926	1,661,325	0	8,807,251	6,645,298
Tools	337,416	162	0	337,578	487
Office Equipment	1,368,964	81,142	0	1,450,106	502,071
Furniture & Fixture	1,238,068	52,730	0	1,290,798	474,573
Other Assets	43,484	198	0	43,682	790
	203,705,538	8,554,953	0	212,260,491	111,355,479

Notes:

Depreciation is charged on fixed assets for full year on opening written down value and on addition during the year from the date of use. Depreciation is charged Tk. 8,469,404 /- & Tk.85,549/- to Mfg A/C & P/L A/C respectively.

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 30th Annual General Meeting of the Company to held
on **28 th December 2014** at **10.00 A.M** and at any adjournment thereof. As witness my hand this
..... day of 2014.

(Signature of the Proxy)

Date :

Revenue
Stamp
Tk. 10.00

(Signature of the Shareholder)

Holder of Share(s)

Dated :

(Signature of the witness)

Register Folio/BO ID No.

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

SIGNATURE VERIFIED

(AUTHORISED SIGNATURE)

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

Identification card to attend 30th AGM on 28.12.2014

I, the under signed or my Proxy or Mr./Mrs./Ms.
hereby record(s) presence at the 30th Annual General Meeting of 2014.

Name of Shareholder:

Address :

Numbers of Share:

Register Folio/BO ID No.

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(Signature of the Proxy)

Signature of the Shareholder

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