

ANNUAL REPORT

2020 - 2021

হাৰ মানেনি এ দেশ কোনো বাধায়



মজবুত করেছি মনোবল সামনে এগিয়ে যাবার

M. I. CEMENT FACTORY LTD.

CROWN CEMENT
FOR SOLID FOUNDATION



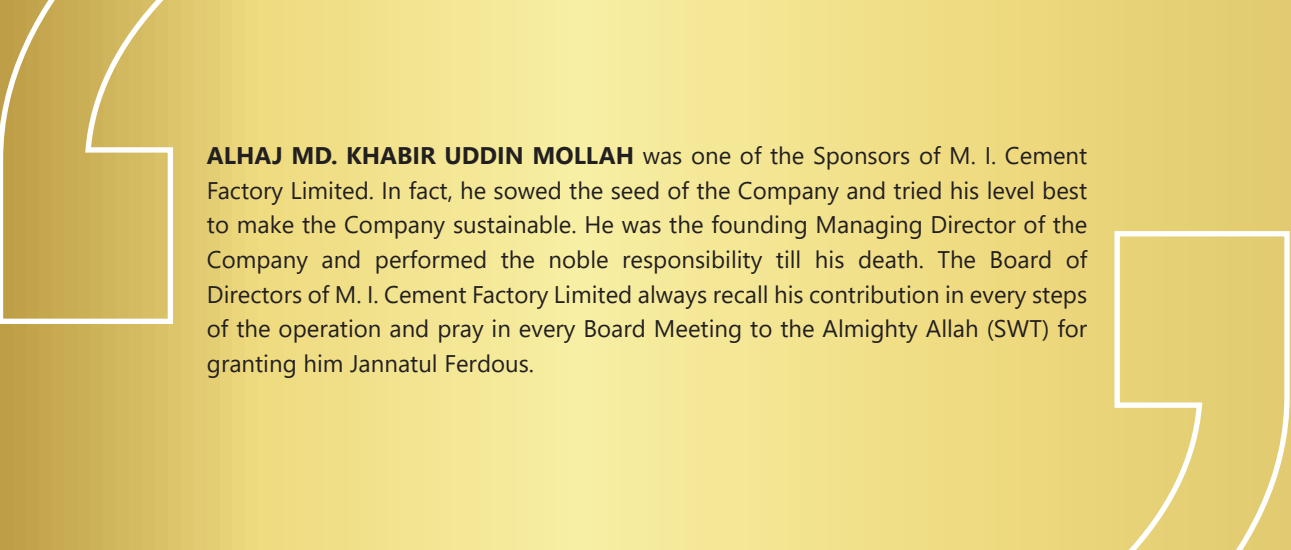
M. I. CEMENT FACTORY LTD.

Corporate Office:

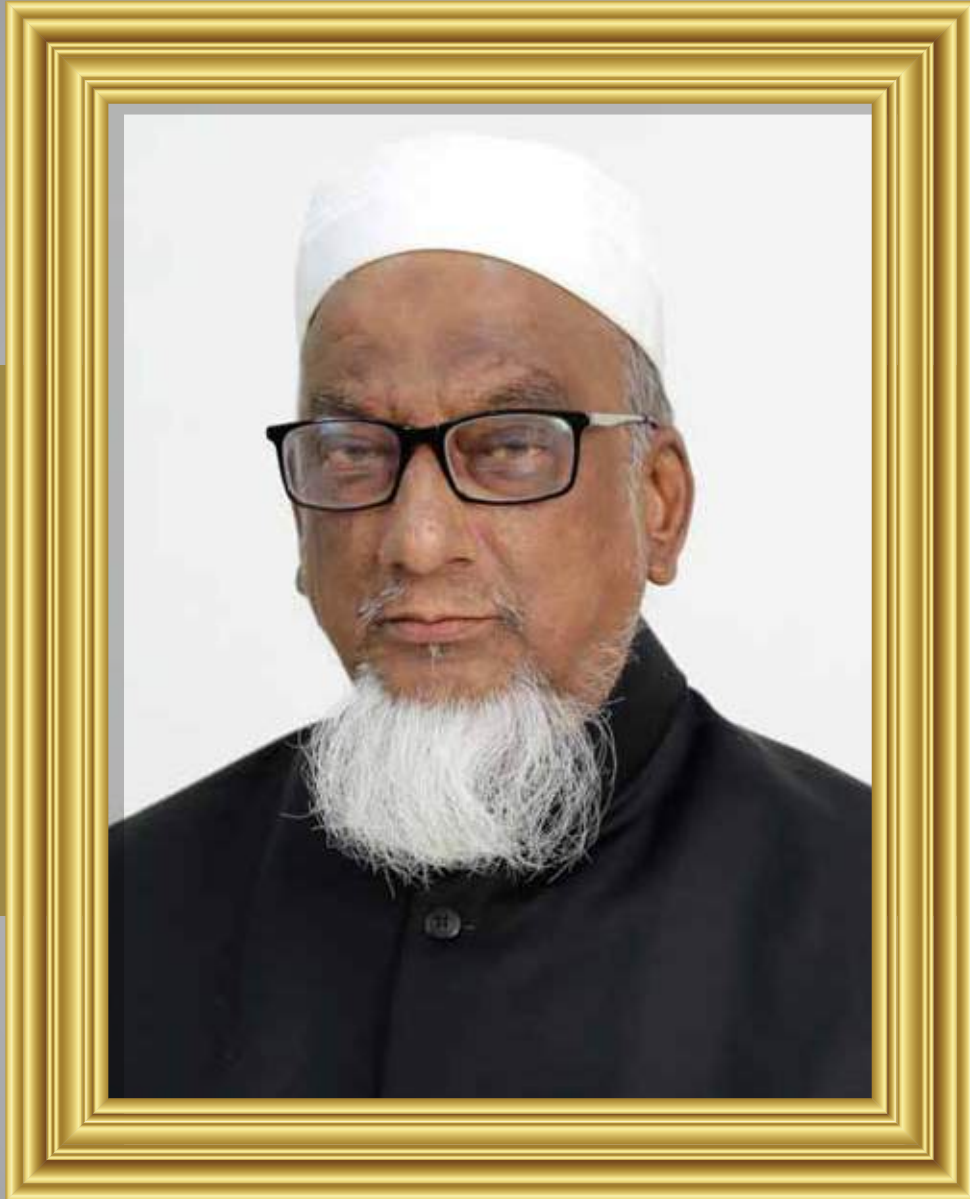
Delta Life Tower (3rd & 6th floor)
Plot No. 37, Road No. 45 (South) & 90 (North), Gulshan- 2, Dhaka- 1212.
Tel: +88-02-222263631, 222261633, 222262634, 222284636, 222290641
Fax: +88-02-222263643, E-mail: info@crowncement.com
Web: www.crowncement.com

Registered Office:

West Mukterpur, Munshiganj
Tel: 880-2-7648077, Fax: 880-2-7648070
E-mail: factory@crowncement.com



ALHAJ MD. KHABIR UDDIN MOLLAH was one of the Sponsors of M. I. Cement Factory Limited. In fact, he sowed the seed of the Company and tried his level best to make the Company sustainable. He was the founding Managing Director of the Company and performed the noble responsibility till his death. The Board of Directors of M. I. Cement Factory Limited always recall his contribution in every steps of the operation and pray in every Board Meeting to the Almighty Allah (SWT) for granting him Jannatul Ferdous.



PICTURE OF OUR DECEASED MANAGING DIRECTOR
ALHAJ MD. KHABIR UDDIN MOLLAH



TABLE OF CONTENT

07 Transmittal Letter	35 Key Financial Matters
08 Brief History	36 Value Added Statement
10 Notice of the 27 th AGM (Bengali)	38 Corporate Governance
11 Notice of the 27 th AGM (English)	48 Annexure of the Corporate Governance
12 Vision, Mission	68 Message from the Chairman
13 Our Values	70 Statement from the Managing Director
14 Goals	73 Directors' Report (English)
15 Corporate History & Achievements	87 Directors' Report (Bengali)
16 Corporate Profile	100 Annexure to the Directors' Report
18 Board of Directors	112 Highlight of the Events
19 Profile of the Board of Directors	115 Auditors' Report
30 Sponsor Shareholders	120 Statement of Financial Position
31 Audit Committee	121 Statement of Profit or Loss & Other Comprehensive Income
32 Nomination and Remuneration Committee	122 Statement of Changes in Equity
33 Advisory Panel	123 Statement of Cash Flows
34 Management Team	124 Notes to the Financial Statements
	173 Attendance Slip and Proxy Form

**QUALITY
CHANGES
THE NATION**

TRANSMITTAL LETTER

24 November 2021

The Valued Members
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Sub: Annual Report for the year ended 30 June 2021

Dear Sir(s)/Madam(s),

We are pleased to enclose a copy of the Annual Report containing the Notice of the 27th Annual General Meeting, Directors' Report, Certificate of Corporate Governance Compliance Auditors, Statutory Auditors' Report along with the Audited Financial Statements including Statement of Financial Position as at 30 June 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June 2021 together with Notes thereon and Proxy Form for your kind information & records.

Thanking you.

Yours faithfully,



(Md. Mozharul Islam, FCS)
Senior General Manager & Company Secretary



BRIEF HISTORY

M. I. Cement Factory Ltd., a public limited company, is one of the leading cement manufacturers in Bangladesh. It started its journey on 31 December 1994 with the commitment of manufacturing high quality cement under the brand name “Crown Cement” that has already won renown both at home and abroad.

Initially, the plant was installed with a capacity of producing 600 MT/Day of Portland Cement. With the passing of time, the demand for Crown Cement has been increasing day-by-day. So, the Sponsors expanded the project gradually to the 2nd Unit started in 2002 with a production capacity of 800 MT/Day, the 3rd Unit in 2008 of 1,400 MT/Day, the 4th Unit in 2011 of 3,000 MT/Day and the 5th Unit in 2017 of 5,200 MT/Day to take the total production capacity to 11,000 MT/Day i.e. 3.3 million Metric Ton per annum.

The company's backward and forward integration endeavors have given new dimensions to its growth platform. With this end in view, the associate industrial units such as Crown Polymer Bagging Ltd., Crown Power Generation Ltd., Crown Mariners Ltd., Crown Transportation and Logistics Ltd. and Crown Cement Concrete and Building Products Ltd. have been set up and are in operation. It has also acquired 2 (Two) Handy Max size Ocean Going Ship to facilitate transportation of raw materials from abroad.



It is hopefully expected that these new growth platforms will facilitate creation of new dimensions and frontiers to the mother company, M. I. Cement Factory Ltd.

M. I. Cement Factory Ltd. pioneered in cement export in 2003 and paved the way for earning hard-earned foreign currency. The company achieved the National Export Trophy thrice for attaining the top most place among the cement exporters in Bangladesh.

The factory possesses well communications facility both through water and road. It is located at West Mukterpur, Munshiganj on the bank of the river Dhaleswari. It is connected by a metalled road (Dhaka-Munshiganj Highway) linked with the whole country.

The company has been listed with the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. in 2011. Its high growth agenda have been highly appreciated by the Shareholders and have won the Investors' confidence.

২৭তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এত দ্বারা জানানো যাচ্ছে যে, এম. আই. সিমেন্ট ফ্যাক্টরী লিমিটেড এর শেয়ারহোল্ডারগণের ২৭তম বার্ষিক সাধারণ সভা নিম্নলিখিত বিষয়াদি সম্মাদনকল্পে আগামী ১৫ ডিসেম্বর ২০২১ রোজ বুধবার বেলা ৩:০০ ঘটিকায় ডিজিটাল প্ল্যাটফর্ম এর লিংক <https://micement.agm.watch> এর মাধ্যমে অনুষ্ঠিত হবে :

আলোচ্য সূচী :

সাধারণ আলোচ্য সূচী :

১. ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক হিসাব বিবরণী এবং নিরীক্ষক ও পরিচালকমণ্ডলীর প্রতিবেদন গ্রহণ ও অনুমোদন।
২. ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের লভ্যাংশ ঘোষণা ও অনুমোদন।
৩. পরিচালকবৃন্দের নির্বাচন।
৪. ৩০ জুন ২০২২ তারিখে সমাপ্তব্য বছরের জন্য নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৫. ৩০ জুন ২০২২ তারিখে সমাপ্তব্য বছরের জন্য কর্পোরেট গভর্ন্যান্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৬. কোম্পানীর স্বতন্ত্র পরিচালকবৃন্দের নিয়োগ।

বিশেষ আলোচ্য সূচী :

কোম্পানীর নাম “এম. আই. সিমেন্ট ফ্যাক্টরী লিমিটেড” হতে “ক্রাউন সিমেন্ট পিএলসি” তে পরিবর্তন।

কোম্পানীর নিবন্ধিত নাম “এম. আই. সিমেন্ট ফ্যাক্টরী লিমিটেড” হতে “ক্রাউন সিমেন্ট পিএলসি” তে পরিবর্তন করা এবং কোম্পানীর সংঘস্মারক এবং সংঘবিধি এর সংশ্লিষ্ট ধারাগুলো সংশোধন করার জন্য নিম্নলিখিত বিশেষ আলোচ্য সূচী গ্রহণ :

“সিদ্ধান্ত গৃহীত হয় যে, কোম্পানীর নিবন্ধিত নাম “এম. আই. সিমেন্ট ফ্যাক্টরী লিমিটেড” হতে “ক্রাউন সিমেন্ট পিএলসি” তে পরিবর্তন করা এবং নিয়ন্ত্রক কর্তৃপক্ষের অনুমোদন স্বাপেক্ষে কোম্পানীর সংঘস্মারক এবং সংঘবিধি এর সংশ্লিষ্ট ধারাগুলো সংশোধন করার প্রস্তাব সর্বসম্মতিক্রমে অনুমোদিত হলো।”

“আরও সিদ্ধান্ত গৃহীত হয় যে, কোম্পানীর পুরাতন নামটি “এম. আই. সিমেন্ট ফ্যাক্টরী লিমিটেড” সমস্ত বিধিবদ্ধ / স্বতন্ত্র সংক্রান্ত নথিসমূহ, বিভিন্ন অনুমতিপত্রসমূহ এবং অন্যান্য প্রাসঙ্গিক নথিসমূহ নতুন নাম “ক্রাউন সিমেন্ট পিএলসি” দ্বারা প্রতিস্থাপিত হবে।”

পরিচালনা পর্ষদের আদেশক্রমে



তারিখ, ঢাকা
২৪ নভেম্বর ২০২১

(মোঃ মজহারুল ইসলাম, এফসিএস)
জ্যেষ্ঠ মহাব্যবস্থাপক এবং কোম্পানী সচিব

নোটি :

১. ১৭ নভেম্বর ২০২১ তারিখে রেকর্ড ডেটে যে সকল শেয়ারহোল্ডারগণের নাম কোম্পানীর শেয়ার রেজিস্টারে/ডিপজিটরী রেজিস্টারে লিপিবদ্ধ থাকবে কেবল তাঁরাই ভার্চুয়াল বার্ষিক সাধারণ সভায় অংশগ্রহণ করার এবং লভ্যাংশ পাওয়ার যোগ্য বলে বিবেচিত হবেন।
২. একজন শেয়ারহোল্ডার তাঁর পক্ষে একজন ব্যক্তিকে প্রক্সি নিয়োগ এবং ভোট প্রদান করার জন্য ২০ (বিশ) টাকার রেভিনিউ স্ট্যাম্প সম্বলিত প্রক্সি ফর্ম যথাযথভাবে পূরণ করে সভা আরম্ভের ৪৮ (আটচল্লিশ) ঘণ্টা পূর্বে cs@crowncement.com এ ই-মেইলের মাধ্যমে অবশ্যই পাঠাবেন।
৩. শেয়ারহোল্ডারগণের প্রশ্নসমূহ ভার্চুয়াল বার্ষিক সাধারণ সভা শুরু হওয়ার কমপক্ষে ২৪ ঘণ্টা পূর্বে এবং সভা চলাকালীন উল্লেখিত লিংকে পাঠাবেন। লিংকটিতে যুক্ত হওয়ার জন্য শেয়ারহোল্ডারগণকে তাঁদের নাম, বিও হিসাব নং এবং শেয়ারের সংখ্যা উল্লেখ করতে হবে।
৪. কোম্পানীর বার্ষিক প্রতিবেদন এর সফট কপি শেয়ারহোল্ডারগণের ই-মেইলে পাঠানো হবে এবং বার্ষিক প্রতিবেদন এর সফট কপি কোম্পানীর ওয়েবসাইট <https://www.crowncement.com> এ পাওয়া যাবে।

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting (AGM) of M. I. Cement Factory Limited will be held at 3:00 P.M. on Wednesday, the 15th December 2021 using Digital Platform through the link <https://micement.agm.watch> to transact the following businesses:

AGENDA:

Ordinary Resolution:

1. To receive and adopt the Directors' Report, Auditors' Report and the Audited Financial Statements of the Company for the year ended 30 June 2021.
2. To declare Dividend for the year ended 30 June 2021.
3. To elect Directors.
4. To appoint the Statutory Auditors for the year ending 30 June 2022 and to fix their remuneration.
5. To appoint the Corporate Governance Compliance Auditors for the year ending 30 June 2022 and to fix their remuneration.
6. To appoint the Independent Directors of the Company.

Special Resolution:

To change the name of the Company to "Crown Cement PLC" from "M. I. Cement Factory Limited."

To adopt the change of the registered name of the Company to "Crown Cement PLC" from "M. I. Cement Factory Limited" and to amend the relevant clauses of the Memorandum and Articles of Association of the Company by adopting the following special resolution:

"RESOLVED THAT the proposal of changing of the registered name of the Company to "Crown Cement PLC" from "M. I. Cement Factory Limited" and to amend the relevant clauses of the Memorandum and Articles of Association of the Company be and is hereby approved subject to approval of regulatory authorities."

RESOLVED FURTHER THAT the old name of the Company "M. I. Cement Factory Limited" will be replaced by the new name "Crown Cement PLC" in all statutory/ title documents, license and other relevant documents."

By Order of the Board



Dated, Dhaka
24 November 2021


(Md. Mozharul Islam, FCS)
Senior General Manager & Company Secretary

Notes:

1. The Shareholders, whose names appeared in the Company's Register or in the Depository Register on the Record Date i.e. 17 November 2021, will be eligible to attend the virtual AGM and to receive the Dividend.
2. A Shareholder entitled to join/attend at the virtual AGM may appoint a Proxy to join/attend & vote in his/her stead. The "Proxy Form" duly filled, signed and stamped with a Revenue Stamp of Tk. 20.00 (Taka twenty) must be sent through e-mail at cs@crowncement.com not later than 48 hours before the time fixed for the AGM.
3. The Shareholders are requested to submit their question(s)/comment(s) into the link <https://micement.agm.watch> before 24 hours of the AGM and during the AGM. For logging into the link, the Shareholders need to put their Name, 16-digit Beneficial Owner (BO) Number and Number of Shares held on the Record Date as proof of their identity.
4. The soft copy of the Annual Report 2020-2021 of the Company will be sent to the respective e-mail address of the Shareholders mentioned in their Beneficiary Owner (BO) Accounts with the Depository. The Annual Report will also be available at the Company's website at <https://www.crowncement.com>.



M. I. CEMENT FACTORY LTD.
IS THE LARGEST CEMENT EXPORTER
OF BANGLADESH SINCE 2007

VISION & MISSION

Vision

Our vision is to make a contribution to the nation by creating opportunities in the arena of industrial growth and development of Bangladesh and to provide a solid foundations for society's future.

Mission

As a modern cement company, we manufacture cement (Brand Name: Crown Cement) to meet the needs of clients through innovative products & services that create value for all of our stakeholders.



OUR VALUES

Commitment

Shareholders – Create sustainable economic value for our shareholders by utilizing an honest and efficient business methodology.

Community – Committed to serve the society through employment creation, support community projects & events and be a responsible corporate citizen.

Customers – Render service to our customers by using state-of-the-art technology, offering diversified products and aspiring to fulfill their needs to the best of our abilities.

Employees – Be reliant on the inherent merit of the employees and honor our relationships. Work together to celebrate and reward the unique backgrounds, viewpoints, skills and talents of everyone at the work place, at each level.

Accountability

We are accountable for providing quality products & excellent services along with meeting the strict requirements of regulatory standards and ethical business practices.

Inspiring, Motivating & Compelling

We are ambitious and innovative. We get excited about our work. We bring energy and imagination to our work in order to achieve a level of performance, not achieved before. We achieve a higher standard of excellence. Everything we produce should look fresh and modern.

Ability

We have the ability to undertake the responsibility to materialize our commitment and goals. In all matters we think ahead & take new initiatives. We can see things from different perspectives; we are open to change and not bounded by how we have done things in the past. We can respond rapidly and adjust our mode of operation to meet stakeholder needs and achieve our goals.

Keep Promises

Everything we do should work perfectly. In all matters, we maintain integrity & excellence. We believe in actions, not in words.

Be Respectful

We respect our customers, shareholders & other stakeholders and want to fulfill their needs. We are respectful in regard to all our interactions with them. We always appreciate comments & suggestions from our stakeholders. We are open, helpful & friendly. We have total commitment to customer satisfaction.



GOALS

- Continually set the latest standards of modern technology in our industry to satisfy the needs of customers through innovative products and services.
- Contribute to the national economy and the infrastructure development of the country.
- Secure the strongest competitive position in our relevant market places through making quality product and operational excellence.
- Be partner with the best suppliers, delivering increased value for both the company and our customers.
- Be recognized as a respected & attractive company & an employer of first choice.
- Provide extensive career opportunities through competitive pay & benefits, training & development and a congenial working environment.
- Empower our employees at every level and integrate them fully into our network.
- Continually demonstrate our commitment to sustainable environmental performance and play a pro-active role in Corporate Social Responsibility (CSR) within our sphere of influence.
- Achieve long-term financial performance.
- Create secured investment opportunity within the country.
- Enhance versatility & diversification through the penetration of new market segments.
- Improve administrative & organization structures to review all business lines regularly and develop the best practice in the industry.
- Earn foreign currency through export.



CORPORATE HISTORY & ACHIEVEMENTS

Our job is to identify ways to increase productivity and efficiency and to promote a sustainable future. No matter how good we are at service, our success depends more than anything on being able to connect with customers. In our journey the following years are the symbol of prosperity and progress:

27 YEARS OF GLORIOUS JOURNEY

2021	Started operation of the 1 st Loading and Unloading Unit at Kazirhaat, Aminpur, Bera, Pabna
2019	Achieved ICMAB Best Corporate Award
2017	<ul style="list-style-type: none"> Launched operation of the 5th Unit with a Production Capacity of 5,200 MT/Day Procured the 3rd Mother Vessel (M.V. Crown Vision) Implementation of SAP Awarded Export Trophy (Bronze) for the year 2013-2014
2016	Achieved ICMAB Best Corporate Award
2015	Procured the 2 nd Mother Vessel (M.V. Crown Victory) for transportation of raw materials
2014	Achieved ICMAB Best Corporate Award
2012	Procured the 1 st Mother Vessel (M.V. Crown Voyager) for transportation of raw materials
2011	<ul style="list-style-type: none"> Launched operation of the 4th Unit with a Production Capacity of 3,000 MT/Day Listed with Dhaka Stock Exchange Ltd. (DSE) & Chittagong Stock Exchange Ltd. (CSE)
2010	Awarded National Export Trophy (Gold) for the year 2009-2010
2009	Awarded National Export Trophy (Gold) for the year 2008-2009
2008	Launched operation of the 3 rd Unit with a Production Capacity of 1,400 MT/Day
2002	Launched operation of the 2 nd Unit with a Production Capacity of 800MT/Day
2000	Started commercial operation with a Production Capacity of 600 MT/Day
1994	Incorporated as a Public Limited Company

CORPORATE PROFILE

Company Name : M. I. Cement Factory Limited
Company Registration No. : C-27586 (1432)/94
Country of Incorporation : Bangladesh
Legal Form : Public Limited Company
Nature of Business : Manufacturing and Marketing of Portland Cement, Portland Composite Cement and Blast Furnace Cement

Board of Directors

Chairman

Mr. Mohammed Jahangir Alam

Managing Director

Mr. Molla Mohammad Majnu

Director

Mr. Md. Alamgir Kabir

Mr. Md. Mizanur Rahman Mollah

Mr. Md. Almas Shimul

Independent Director

Mr. Zakir Ahmed Khan

Prof. Dr. M. Abu Eusuf

Chief Adviser of the Board

Mr. Masud Khan, FCA, FCMA

Chief Executive Officer

Mr. Md. Mukter Hossain Talukder, FCA

Company Secretary

Mr. Md. Mozharul Islam, FCS

Chief Financial Officer

Mr. Mohammad Ahasan Ullah, FCA

Sr. DGM of Internal Audit & Compliance

Mr. Md. Shahid Ullah Khan

Audit Committee

Chairman

Mr. Zakir Ahmed Khan

Member

Mr. Md. Mizanur Rahman Mollah

Mr. Md. Almas Shimul

Member Secretary

Mr. Md. Mozharul Islam, FCS

Nomination & Remuneration Committee

Chairman

Prof. Dr. M. Abu Eusuf

Member

Mr. Md. Mizanur Rahman Mollah

Mr. Md. Almas Shimul

Member Secretary

Mr. Md. Mozharul Islam, FCS

Human Resources

Permanent: 1,218 Persons

Members Composition

Sponsors & Directors: 67.08%

Foreigners: 0.07%

Institutes: 16.88%

General Public: 15.97%

No. of Shareholders: 24,217

CORPORATE PROFILE

Associate Companies

Crown Mariners Ltd.
Crown Transportation and Logistics Ltd.
Crown Power Generation Ltd.
Crown Cement Concrete and Building Products Ltd.

Share Capital

Authorized Capital: Tk. 5,000 million
Subscribed Capital: Tk. 1,485 million
Paid-up Capital: Tk. 1,485 million

Insurers

Pragati Insurance Limited
Green Delta Insurance Company Limited
Reliance Insurance Limited
Pioneer Insurance Company Limited
Rupali Insurance Company Limited

Auditors

Statutory Auditors

M/s. Hoda Vasi Chowdhury & Co.
Chartered Accountants

Corporate Governance Compliance Auditors

M/s. Ahmed Zaker & Co.
Chartered Accountants

Bankers

One Bank Limited
Southeast Bank Limited
Mercantile Bank Limited
Jamuna Bank Limited
State Bank of India
The City Bank Limited
National Bank Limited
Dutch Bangla Bank Limited
Prime Bank Limited
United Commercial Bank Limited
Mutual Trust Bank Limited
Pubali Bank Limited
Janata Bank Limited
Dhaka Bank Limited
Shahjalal Islami Bank Limited
Uttara Bank Limited
BRAC Bank Limited
Islami Bank Bangladesh Limited
IFIC Bank Limited
Hongkong and Shanghai Banking Corporation Limited
National Credit and Commerce Bank Limited
Bank Asia Limited
Arab Bangladesh Bank Limited
Agrani Bank Limited
Eastern Bank Limited
Trust Bank Limited
Premier Bank Limited
NRB Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Standard Chartered Bank
Sonali Bank Limited
Exim Bank Limited
Commercial Bank of Ceylon PLC
IDLC Finance Limited

Corporate Office:

Delta Life Tower (3rd & 6th floor), Plot No. 37, Road No. 45 (South) & 90 (North), Gulshan- 2, Dhaka- 1212.
Tel: +88-02-222263631, 222261633, 222262634, 222284636, 222290641
Fax: +88-02-222263643, E-mail: info@crowncement.com, Web: www.crowncement.com

Registered Office:

West Mukterpur, Munshiganj
Tel: +88-02-7648077, Fax: +88-02-7648070, E-mail: factory@crowncement.com

BOARD OF DIRECTORS



Sitting from right:

Mr. Md. Alamgir Kabir (Vice Chairman), Mr. Molla Mohammad Majnu (Managing Director), Mr. Mohammed Jahangir Alam (Chairman), Mr. Md. Mizanur Rahman Mollah (Additional Managing Director)

Standing from left:

Mr. Zakir Ahmed Khan (Independent Director), Prof. Dr. M. Abu Eusuf (Independent Director), Mr. Md. Almas Shimul (Director), Mr. Md. Mozharul Islam, FCS (Sr. GM & Company Secretary)

PROFILE OF THE BOARD OF DIRECTORS



PROFILE OF THE CHAIRMAN



MOHAMMED JAHANGIR ALAM

Mr. Mohammed Jahangir Alam is a man of wisdom and an energetic businessman. After completing education from the Government College of Commerce, Chattogram, Bangladesh in 1980, he started his career by joining in a private service.

He has derived vast proficiency in trading in Iron & Steel, Cement, Bitumen, C. I. Sheet, Zinc Ingot, Capital Market, Industrial Ventures etc. Initially he established his business house named Jahangir & Others in 1987 which was subsequently incorporated as Jahangir & Others Limited in 2003. He has established himself as one of the business leaders in Bangladesh.

He is the Chairman of Crown Cement Group and Sponsor Director and Chairman of M. I. Cement Factory Limited (Crown Cement), Crown Power Generation Limited, Crown Polymer Bagging Limited, Crown Mariners Limited, Crown Transportation & Logistics Limited and GPH Ship Builders Limited.

He is the Chairman of GPH Group and also the Chairman and Managing Director of GPH Engineers & Development Limited, Chittagong Capital Limited, GPH Power Generation Limited.

He is the Managing Director of GPH Ispat Limited, Jahangir & Others Limited, Indo Steel Re-rolling Industries Limited and Star Allied Venture Limited.

He is also the Director of Crown Cement Concrete and Building Products Limited, Premier Cement Mills PLC, Premier Power Generation Limited, National Cement Mills Limited, Asia Insurance Limited and Chartered Life Insurance Company Limited, Eco Ceramics Industries Limited and Imperial Hospital Limited. He is also the Partner of Crown Enterprise.

As a part of social activities, he is actively involved with the following social organizations:

- Founder Member, Board of Trustee-Bangladesh Centre of Excellence- An initiative of CCCI
- Life Member of Chittagong Press Club
- Founder Member of Independent University of Bangladesh (IUB), Chattogram, Bangladesh
- Donor Member of Gulshan North Club Limited
- Permanent Member of Gulshan Club Limited
- Life Member of Chittagong Maa-o-Shishu Hospital
- Vice President of Bangladesh Small and Captive Power Producers' Association
- Member of Bangladesh German Chamber of Commerce and Industry
- Member of Bangladesh Ex-Cadet Association
- Life Member of Bangladesh National Society for the Blind
- Life Member of Bhatia Golf & Country Club
- Life Member of Gulshan Society
- Adviser of Gulshan Joggers Society
- General Member of FBCCI
- Permanent Member of Banani Club Limited
- Life Member of Dhaka Boat Club Limited

Mr. Mohammed Jahangir Alam is a man of commitment which he strongly maintains in his day to day business activities.

PROFILE OF THE VICE CHAIRMAN



MD. ALAMGIR KABIR

Mr. Md. Alamgir Kabir having educational background of MBA in Marketing is a Sponsor Director and at present holding the position of the Vice Chairman in the management of the Company. Having about three decades of business experience in both trading and manufacturing sectors, he has proved his wisdom and leadership in business. At present he is the Chairman of GPH Ispat Limited. He holds the position of the Managing Director of Crown Cement Concrete and Building Products Limited.

He is also the Director of Premier Cement Mills PLC, Premier Power Generation Limited, Crown Power Generation Limited, Crown Polymer Bagging Limited, Crown Mariners Limited, Crown Transportation and Logistics Limited, GPH Power Generation Limited, GPH Ship Builders Limited, GPH Engineers & Development Limited, Jahangir & Others Limited, Chittagong Capital Limited, Indo Steel Re-rolling Industries Limited, Eco Ceramics Industries Limited, BetaOne Investments Limited and actively participating in their management. He is also the Managing Partner of Crown Enterprise.

He is running his trading house, engaged in trading of cement and other construction materials. He is also associated with some limited companies engaged in trading with his brothers.

Besides success in business, Mr. Kabir has also proving his commitment to the society by attaching himself in social activities like:

- President (for the consecutive 2nd term), Bangladesh Cement Manufacturers Association (BCMA)
- Founder Chairman, GPH International School
- General Member, the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)
- Member, Army Golf Club
- President, Munshiganj Unnayan Forum
- Life Member, Bangladesh Red Crescent Society
- Member, India Bangladesh Chamber of Commerce and Industry
- Member, Bangladesh German Chamber of Commerce and Industry

PROFILE OF THE MANAGING DIRECTOR



MOLLA MOHAMMAD MAJNU

Mr. Molla Mohammad Majnu having Masters Degree in Science from Dhaka University is a Sponsor Director and Managing Director of M. I. Cement Factory Limited which has introduced one of the leading Cement brands of the nation named "Crown Cement". He is also the Managing Director of Crown Transportation and Logistics Limited & Crown Mariners Limited.

He is the Chairman of Crown Cement Concrete and Building Products Limited, Molla Salt (Triple Refined) Industry Limited and Molla Salt Agro Food & Beverage Limited.

He is the Director of Crown Power Generation Limited, Crown Polymer Bagging Limited and BetaOne Investment Limited.

He is the Managing Partner of Molla Salt Industries, Molla & Brothers Co. and also an active partner of Molla Salt Industries Unit-2 and M. M. Salt Industries, from which two branded salt has been leading the market of the nation known as "Molla Super Salt" and "Molla Salt" for long times. He is also the Partner of Crown Enterprise.

He is the highest Tax Payer of Narayanganj District for the consecutive last 6 (Six) years. Apart from the business career, he is a social worker who has founded the "Molla Salt Foundation Limited" and leading the foundation as Chairman, under which lots of social work has been done to privilege the underprivileged community of Mirkadim Municipality like- Charitable Health Care, Free Ambulance, Free School for underprivileged children.

PROFILE OF THE ADDITIONAL MANAGING DIRECTOR



MD. MIZANUR RAHMAN MOLLAH

Mr. Md. Mizanur Rahman Mollah is a Sponsor Director and Additional Managing Director of M. I. Cement Factory Limited.

He is the Managing Director of Crown Polymer Bagging Limited, Crown Power Generation Limited, Molla Salt (Triple Refined) Industry Limited and Molla Salt Agro & Beverage Limited.

He is also the Director of Crown Mariners Limited, Crown Cement Concrete and Building Products Limited and Crown Transportation and Logistics Limited. Together with his other family members, he has been carrying out the trading operations from their reputed organization, dealing in Cement and other Construction Materials.

He is the Managing Partner of Molla Salt Industries Unit-2, M. M. Salt Industries and also an active Partner of Molla Salt Industries and Mollah and Brothers Co., from which two branded salt has been leading the market of the nation named as "Molla Super Salt" and "Molla Salt" for the decades. He is also the Partner of Crown Enterprise.

He is one of the members of the Board's Audit Committee and Nomination and Remuneration Committee of M. I. Cement Factory Limited. He is also the Partner of Crown Enterprise.

He is the highest Tax Payer of Narayanganj District for the consecutive last 6 (Six) years. Other than a businessman, he also loves to work for the underprivileged peoples of the society for which he has cofounded & leading the "Molla Salt Foundation Ltd." as honorable secretary.

PROFILE OF THE DIRECTOR



MD. ALMAS SHIMUL

Mr. Md. Almas Shimul went to Japan for his career development after completion of his education. After two years' successful completion of job in Asahi High Tech, a Japanese IT based Company, he returned to Bangladesh and joined in family business.

During his business history he holds the Chairmanship of Indo Steel Re-rolling Industries Limited. He also holds the position of Additional Managing Director of GPH Ispat Limited and actively participating in its management.

He is one of the Sponsors and Director of M. I. Cement Factory Limited (Crown Cement), GPH Power Generation Limited, GPH Ship Builders Limited, GPH Engineers & Development Limited, Chittagong Capital Limited, Jahangir & Others Limited, Eco Ceramics Industries Limited, Crown Power Generation Limited, Crown Polymer Bagging Limited, Crown Mariners Limited, Crown Transportation and Logistics Limited and Crown Cement Concrete and Building Products Limited. Together with his brothers, he has been carrying out the trading of Construction Materials like Cement, M. S. Rod, C. I. Sheet etc. from their different trading houses from Chattagram Centre.

He is also one of the members of the Board's Audit Committee and Nomination and Remuneration Committee of M. I. Cement Factory Limited.

Being a prominent social worker, he is actively involved with the following social organizations:

- Region Chairperson of Lions District 315-B4, Bangladesh
- President of Chittagong Friends Club
- President of Chittagong Islamia University College Ex-Student Forum
- Founder and Executive Member of Khulshi Club, Chattagram
- Founder Member of Idris Ali Matbar Foundation, Munshiganj
- Life Member of Bhatary Golf and Country Club, Chattagram
- Member of Chittagong Club Limited, Chattagram
- Executive Member of Kidney Foundation, Chattagram

PROFILE OF THE INDEPENDENT DIRECTOR



ZAKIR AHMED KHAN

Mr. Zakir Ahmed Khan, Former Finance Secretary to the Government of Bangladesh joined M. I. Cement Factory Limited as Independent Director on 6 December 2018. He carries with him vast experience and expertise gathered from home and abroad.

Mr. Khan did BA (Hons) and Masters in Economics from the University of Dhaka in 1968. He had graduate study in Development Economics and Development Administration as a Hubert Humphrey North-South Fellow at the Colorado State University, USA. He also did Master of Business Administration from Vrije Universiteit, Brussels, Belgium.

Before joining Government Service in 1970, he briefly worked as a Research Associate in the Bureau of Economic Research and Institute of Education and Research and Lecturer in Economics, University of Dhaka. He also worked as a part time Lecturer in the Department of Finance, University of Dhaka.

Mr. Khan held various senior level positions in the Ministries of Finance, Commerce, Establishment, Energy, Civil Aviation and Tourism, Cabinet Division and Bangladesh Audit and Accounts Department. He served as Finance Secretary and Secretary, Internal Resources Division and Chairman, National Board of Revenue for five years. He also briefly worked for a number of UN Agencies. Prior to his retirement in early 2009, he served as Alternate Executive Director of the World Bank for three and a half years.

He contributed a number of articles on public policy and public sector financial management to a number of national and international journals. He also made several key note presentations on public sector reforms and financial management in seminars and workshops at home and abroad.

PROFILE OF THE INDEPENDENT DIRECTOR



PROF. DR. M. ABU EUSUF

Dr. M. Abu Eusuf is holding the position of Professor & Former Chair in the Department of Development Studies at the University of Dhaka. He is the Director of 'Centre on Budget and Policy' at the University of Dhaka. Dr. Eusuf is an economist by training. He was awarded Ph.D. in Development Policy and Management (Development Economics Cluster) from the University of Manchester as a Commonwealth Scholar. He also completed his MA in Development Studies at the Institute of Social Studies (ISS), Netherlands, under the UN fellowship program.

Dr. Eusuf has been an active member of the Bangladesh Economic Association. His fields of interest include national budget, social protection, SDGs, Governance, women entrepreneurship development, leather sector development, monitoring and evaluation, human

development, human rights, water and sanitation, international trade, urban poverty, green growth and financing, land management, community health, etc. He has published a number of research articles in the reputed journals/books. Dr. Eusuf is an active researcher and has worked for UNDP; World Bank; ADB; ODI, Center on the Budget and Policy Priorities, USA; University of Manchester, The Asia Foundation, Bangladesh Planning Commission, Consumer Unity and Trust Society (CUTS) International, India; ActionAid Bangladesh, Care Bangladesh, Oxfam, World Vision, Sajida Foundation, Institute for Inclusive Finance and Development (InM) and so on.

Over the past many years, Dr. Eusuf has developed a strong network with high level policy makers including Ministers, Secretaries of various ministries, Bangladesh Bank Governor and Deputy Governors, high officials of National and International NGOs etc.

Dr. Eusuf has been conducting research and advocacy activities regularly related to SDGs, pre and post budget analysis and publish Citizen Budget every year under his leadership. He is also working as the country researcher for Bangladesh of Open Budget Survey 2021 being commissioned by Washington DC based International Budget Partnership (IBP). He has also undertaken rigorous research and advocacy works in all divisions in Bangladesh. During April 2020 – March 2021, amid the Covid-19 pandemic – he has completed various studies on 'COVID -19 and New Normal for Women in the Economy in South Asia: Bangladesh Country Report'; 'Political Economy Analysis of the Bangladesh Government's Financial Support Mechanism during COVID-19 and Its Effectiveness in Safeguarding the Women Entrepreneurs' commissioned by The Asia Foundation. He is currently leading the study on 'Fiscal Stimulus Packages in Dealing with COVID-19 Consequences in Bangladesh: An Analysis of Institutional Capacity, Accountability, and Transparency' with the support from the Asia Foundation (November 2020 – October 2021). He has recently completed study on "Preparation of Advocacy Documents for Pre-Budget National Consultation, 2021 with implications for Migrant Workers' Welfare", (April – May 2021) commissioned by WARBE Development Foundation and 'Impact Evaluation – Mental Health Support for COVID-19 Affected Population' (February – March 2021) commissioned by Sajida Foundation. Dr. Eusuf led a field survey-based study on the government's Gratuitous Relief (GR) programme commissioned by the Ministry of Disaster Management and Relief (MoDMR) for which the field work in nine upazilas under nine districts was conducted observing official health guidelines (March - June 2020).

PROFILE OF THE ADVISER OF THE BOARD



MASUD KHAN, FCA, FCMA

Mr. Masud Khan is the Chairman of Unilever Consumer Care Ltd. (ex GSK) and currently working as the Chief Advisor of the Board of Crown Cement Group Bangladesh. He is a seasoned professional with 42 years' work experience in leading multinational and local companies in Bangladesh. Prior to joining Crown Cement Group, he worked in LafargeHolcim Bangladesh as Chief Financial Officer for 18 years. Earlier, he worked for British American Tobacco in finance and related fields for 20 years both at home and abroad.

He is also an independent director of Berger Paints Bangladesh Limited, Singer Bangladesh, Community Bank and Viyellatex Ltd. His articles on professional and industry issues regularly feature in newspapers and international and local magazines. He regularly features on electronic media on talk shows and interviews and is often in the news for comments on industry and professional issues. He also does public speaking on professional issues in educational institutions and all the Professional Institutes such as Institute of Chartered Accountants of Bangladesh, ACCA and ICMA Bangladesh. He is also a lecturer in the Institute of Chartered Accountants of Bangladesh for the past 42 years.

He did his Bachelor of Commerce with Honours from St Xaviers' College under University of Kolkata. Thereafter, he qualified with distinction both as a Chartered as well as a Cost and Management Accountant from the Indian Institutes being a silver medalist at all India level in the Chartered Accountancy Examination in the year 1977.

PROFILE OF THE CHIEF EXECUTIVE OFFICER



MD. MUKTER HOSSAIN TALUKDER, FCA

Mr. Md. Mukter Hossain Talukder, FCA has been appointed as the Chief Executive Officer (CEO) on September 1, 2019. Vastly experienced in business management and administration, Mr. Talukder, re-joined the group as Chief Operating Officer (COO) on February 17, 2019. Prior to that he was the Director (Finance) of Aman Group. He however served the M. I. Cement Factory Ltd. (Crown Cement Group) from 2007 to 2015 as Chief Financial Officer and Executive Director. He also served RANGS Group and Social Marketing Company (SMC) in key positions.

He is a seasoned professional with 23 years of work experience in reputed Companies at various senior management levels. His strong network with highest level of Government and regulators as well as the industry stakeholders helped him to earn fame and respect over the years. As he is a high achiever, he always delivers results under challenging circumstances.

He obtained Master's degree on Accounting and Information Science from Dhaka University and is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants of Bangladesh (ICAB). He was born in 1970 in Sirajganj.

PROFILE OF THE COMPANY SECRETARY



MD. MOZHARUL ISLAM, FCS

Mr. Md. Mozharul Islam born in Thakurgaon District in the year 1962. He has completed his Graduation (Honours) and Masters in Accounting in the year 1983 and 1984 respectively. He has completed his Chartered Accountancy Course and passed the Intermediate Examination. He also studied Executive MBA. He also completed Chartered Secretarial Education from the Institute of Chartered Secretaries of Bangladesh (ICSB) and became a Fellow Member of this Institute.

He started his career with United Insurance Company Ltd., a Public Limited Co. listed with the Stock Exchange of Bangladesh and a concern of Duncan Brothers (Bangladesh) Ltd. (which is a 100% British holding in Bangladesh), where finally he worked as the Head of the Finance & Accounts Department and the Company Secretary. He also worked at AB Bank Limited in the rank of Vice President. He Joined M. I. Cement Factory Ltd. on 15 March 2012 and at present he has been working as the Company Secretary in the rank of Senior General Manager.

SPONSOR SHAREHOLDERS



Sitting from left:

Mr. Mohammed Jahangir Alam, Mr. Molla Mohammad Majnu

Standing from right:

Mr. Md. Abdul Ahad, Mr. Md. Almas Shimul, Mr. Md. Alamgir Kabir, Mr. Md. Mizanur Rahman Mollah, Mr. Md. Ashrafuzzaman

AUDIT COMMITTEE



From right:

Mr. Zakir Ahmed Khan (Independent Director), Mr. Md. Mizanur Rahman Mollah (Additional Managing Director), Mr. Md. Almas Shimul (Director), Mr. Md. Mozharul Islam, FCS (Member Secretary)

NOMINATION AND REMUNERATION COMMITTEE



From right:

Mr. Md. Almas Shimul (Director), Mr. Md. Mizanur Rahman Mollah (Additional Managing Director), Prof. Dr. M. Abu Eusuf (Independent Director), Mr. Md. Mozharul Islam, FCS (Member Secretary)

ADVISORY PANEL



From left:

Mr. Masud Khan, FCA, FCMA, Engr. Humayun Kabir Chowdhury

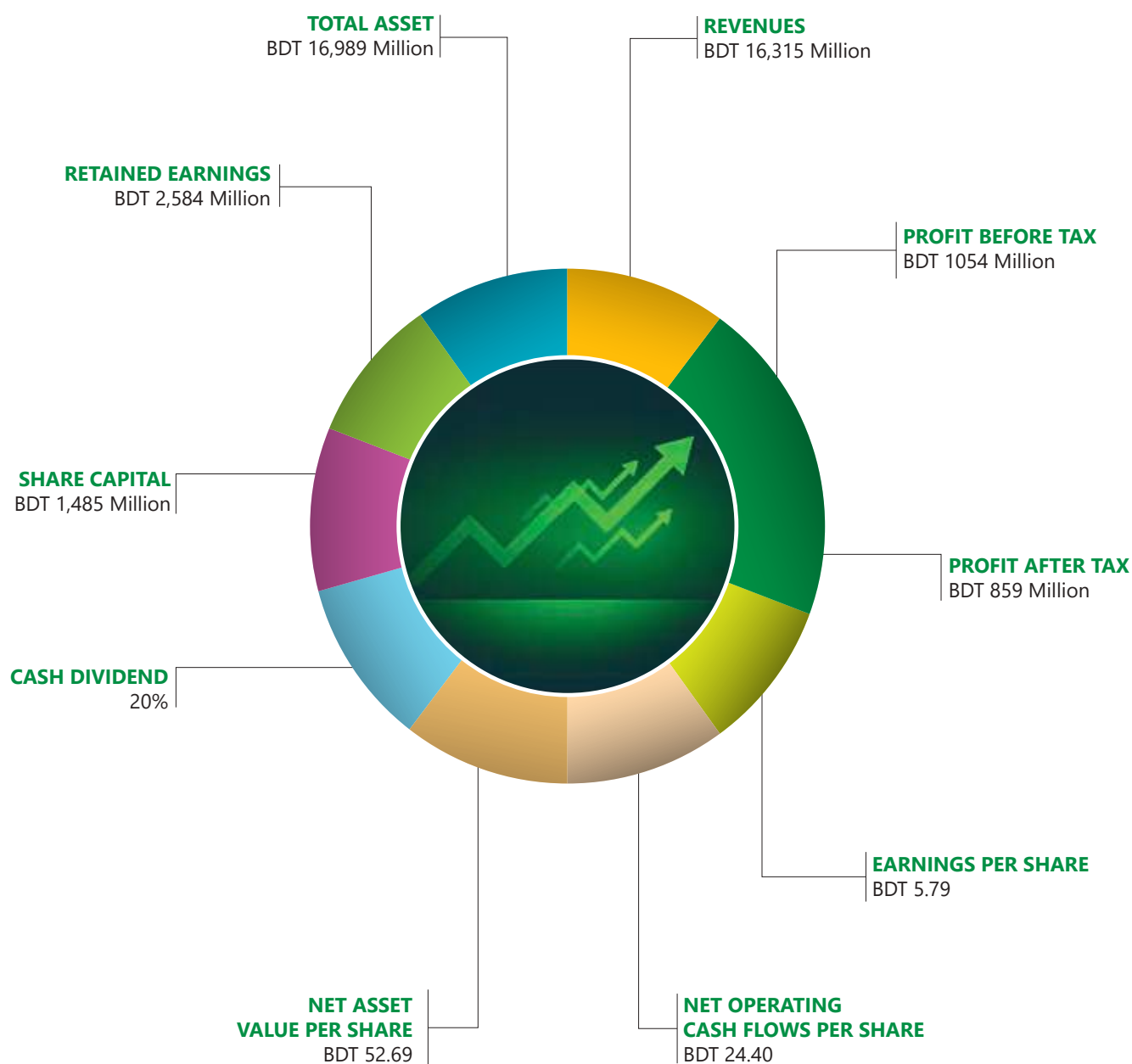
MANAGEMENT TEAM



From right:

Mr. Md. Mozharul Islam, FCS, Sr. GM & Company Secretary, Mr. Md. Mashiur Rahman Russell, Sr. DGM (Marketing & Sales-Trade), Engr. Saiful Alam, Executive Director (Factory Operations), Mr. A.B.M. Yusuf Ali Khan, GM (Human Resources), Mr. Md. Mukter Hossain Talukder, FCA, Chief Executive Officer, Mr. Mohammad Mahfuzul Hoque, GM (Supply Chain Management), Mr. Mohammad Ahasan Ullah, FCA, Sr. GM & Chief Financial Officer, Mr. Noman Ashrafee Rahman, GM (Brand & Marketing), Mr. Md. Shahid Ullah Khan, Sr. DGM (Internal Audit & Compliance)

KEY FINANCIAL MATTERS



VALUE ADDED STATEMENT

For the year ended 30 June 2021

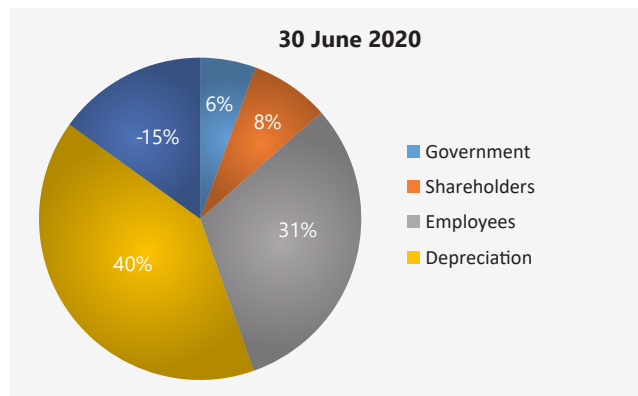
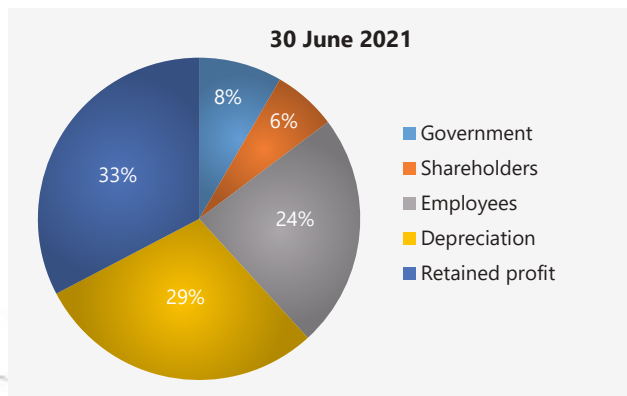
Value added is the extra value created over and above the original value. There are several types of value added metrics:

- Gross Value Added
- Economic Value Added
- Market Value Added

Gross Value Added

Gross Value Added helps to measure the contribution to an economy of an individual Company.

	2021 Taka	2020 Taka
Gross Value Added		
Net revenue	16,315,315,422	13,876,211,430
Cost of materials and service	(14,174,038,426)	(12,714,264,744)
	2,141,276,996	1,161,946,686
Income from mother vessel operation	72,361,552	(22,547,643)
Other income/(expense)	12,395,692	36,578,103
Finance income	52,520,469	110,913,521
Share of profit from associate	49,788,657	17,114,045
Available for distribution	187,066,370	142,058,026
Wealth created	2,328,343,366	1,304,004,712
Distribution		
Government (including income tax & VAT, excluding duty)	194,953,338	104,233,089
Shareholders	148,500,000	148,500,000
Employees	546,368,504	579,503,689
	889,821,842	832,236,778
Value reinvested and retained		
Depreciation	677,580,666	752,721,208
Retained profit	760,940,859	(280,953,274)
	1,438,521,524	471,767,934
	2,328,343,366	1,304,004,712



Economic Value Added

Economic Value Added (EVA) can be defined as the incremental difference between a Company's rate of return and its cost of capital. EVA is used to measure the value that a Company generates from the funds invested in it.

$$\text{EVA} = \text{NOPAT} - (\text{Invested capital} \times \text{WACC})$$

Where:

NOPAT: Net Operating Profit After Tax is the profit generated by a Company through its operations, after adjusting for taxes but before adjusting for financing costs and non cash costs.

Invested Capital: Capital Employed is the amount of cash that is invested in the business.

WACC: Weighted Average Cost of Capital is the minimum rate of return expected by the provider of capital, the investor in the business.

	2021 Taka	2020 Taka
NOPAT (net operating profit after tax)		
Profit after tax	859,221,548	(132,453,274)
Finance cost	561,409,223	992,407,650
Depreciation	677,580,666	752,721,208
	2,098,211,436	1,612,675,584
Capital Employed		
Total assets	16,989,282,543	19,084,838,495
Current liability	8,165,592,558	10,419,742,836
	8,823,689,985	8,665,095,659
Economic Value Added		
NOPAT	2,098,211,436	1,612,675,584
Capital Employed	8,826,448,787	8,665,095,659
Cost of Equity	10%	10%
Capital Charge	882,644,879	866,509,566
Value Added	1,215,566,557	746,166,018

Market Value Added Statement

Market value added statement reflects market's perception on the Company's performance through share price of the Company. A high value addition indicates high value created for its investors on one hand, on the other hand it also means investors have high confidence in the Company's performance.

	2021 Taka	2020 Taka
Market value of share outstanding	10,543,500,000	6,504,300,000
Book value of share outstanding	1,485,000,000	1,485,000,000
Market value added	9,058,500,000	5,019,300,000

CORPORATE GOVERNANCE



Corporate Governance is the system of Rules, Regulations, Practices, and Processes, by which a Company is directed, operated, monitored, controlled and reviewed that helps the Company to achieve Long-term Corporate Success and sustainable Economic Growth. M. I. Cement Factory Limited, being a Listed Company committed to maintaining the highest standards of Corporate Governance across the business for balancing the interests of its Stakeholders such as Shareholders, Customers, Suppliers, Financiers, the Government and the Community etc. The Company believes in adopting the best practices of Corporate Governance and follows the principles of transparency and accountability with effective Risk Mitigation, proper Internal Control Systems for converting the plans in to performance thus for the better business results. The Company's approach to governance is based on a robust foundation of ethical values and the highest levels of professionalism, which the Company has effectively sustained and nurtured since its journey.

CORPORATE GOVERNANCE FRAMEWORK

The Corporate Governance Framework of M. I. Cement Factory Limited is developed and enhanced based on the following statutory requirements, best practices and guidelines:

- i) The Companies Act, 1994 along with the amendment of the Companies Act dated 26th November 2020 and other applicable Corporate Regulations of Bangladesh;
- ii) Dhaka Stock Exchange Ltd.'s and Chittagong Stock Exchange Ltd.'s Listing Regulations 2015;
- iii) Corporate Governance Code, 2018 and Financial Reporting & Disclosure Notification, 2018; issued by the Bangladesh Securities and Exchange Commission (BSEC);
- iv) The Memorandum and Articles of Association of the Company;
- v) The Secretarial Standards issued by the Institute of Chartered Secretaries of Bangladesh;
- vi) Standard of business conduct, policies and guidelines of the Company &
- vii) Other rules, laws and regulations, enforceable in time to time.

BOARD OF DIRECTORS CONSTITUTION

The Board of Directors of the Company consists of eminent and qualified persons who provides the necessary leadership to enable the achievement of business objectives in creating long-term sustainable growth and also satisfying the interests and expectations of the Company's Shareholders by ensuring that the high standards of Corporate Governance is maintained. Currently the Board of Directors comprises of 5 (Five) individuals who has vast experience and competence to lead a Company meticulously. Beside that to ensure the Compliance of the Corporate Governance Code and for a balanced representation, the Board includes two Independent Directors, who provides the policy and strategic support and direction for the entire range of the corporate activities. The present members of the Board of Directors are as follows:

Sl. No.	Name of the Directors	Position
1	Mr. Mohammed Jahangir Alam	Chairman
2	Mr. Md. Alamgir Kabir	Vice Chairman
3	Mr. Molla Mohammad Majnu	Managing Director
4	Mr. Md. Mizanur Rahman Mollah	Additional Managing Director
5	Mr. Md. Almas Shimul	Director
6	Mr. Zakir Ahmed Khan	Independent Director
7	Prof. Dr. M. Abu Eusuf	Independent Director

The Board is re-constituted every year in the each Annual General Meeting when one-third of the members retire and seeks re-election. A Director is liable to be removed, if the conditions of the Articles of Association and the provisions of the Companies Act, 1994 are not fulfilled.

ATTENDANCE OF THE BOARD MEMBERS IN THE BOARD MEETING

The meeting of the Board of Directors shall be held at least once in every 3 (Three) months and minimum 4 (Four) times in a year as per the Companies Act, 1994. The Board of Directors of M. I. Cement Factory Limited, accordingly, met 7 (Seven) times during

the period from 1 July 2020 to 30 June 2021 to transact various agendas. The Board generally has in-person meetings. However, in view of the prevailing pandemic crisis of COVID-19, most of the Board Meetings were also held through the virtual platform during the year 2020-2021. The attendance of the Directors in the Board Meetings are as follows:

Sl. No.	Board Members	Position	Board Meeting Attendance
1	Mr. Mohammed Jahangir Alam Non-executive Director	Chairman	7/7
2	Mr. Md. Alamgir Kabir Executive Director	Vice Chairman	7/7
3	Mr. Molla Mohammad Majnu Executive Director	Managing Director	7/7
4	Mr. Md. Mizanur Rahman Mollah Non-executive Director	Additional Managing Director	7/7
5	Mr. Md. Almas Shimul Non-executive Director	Director	7/7
6	Mr. Zakir Ahmed Khan Independent Director	Independent Director	7/7
7	Prof. Dr. M. Abu Eusuf Independent Director	Independent Director	7/7
8	Mr. Md. Mozharul Islam, FCS Senior General Manager & Company Secretary	Member Secretary	7/7

ROLE & RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors being the highest governing authority within the management structure holds the ultimate responsibility & accountability with due diligence for conducting the overall activities of the Company to achieve the expected financial performance and ensure business sustainability, generate value for Shareholders and contribute to wider society, whilst focusing on governance with the highest regard to the principles of the Code. There are defined roles and responsibilities in the Code of Conduct for the Board of Directors' of the Company as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors. The major Roles and Responsibilities of the Board are mentioned below:

- The Board of Directors evaluates long-term strategies and provides effective guidance and directions to ensure that robust policies and procedures are maintained impeccably to achieve the business objectives and set goals of the Company.
- The Board of Directors reviews adequacy of Internal Control and Risk Response Mechanisms of the Company through its various Committees and confirm implementation of the mitigation measures to manage these risks and ensures integrity in the Company's Accounting and Financial Reporting Systems and Compliance with all relevant laws and regulations.
- The Board of Directors has a fiduciary responsibility to protect the assets of the Shareholders and ensure a decent return on their investment.
- The Board of Directors provides appropriate decisions/directions on the matters which are legally required to be considered or decided by the Board, such as approval of Annual Report and Quarterly/Half Yearly Un-audited Financial Results and the Audited Annual Financial Statements, declaration of Dividends and appointment of new Directors etc.

- The Board of Directors also oversees and monitors operational performance, corporate strategies, business plans, annual budgets, capital expenditure proposals for modernization and expansion of new projects/divisions/product lines, procurement of raw materials, plant & machinery, pricing of products/discounts, procurement of funds by issue of shares or borrowing, recruitment, training, promotion and incentive of the officials and other interests of investors, regulators, management and employees among others.
- The Board of Directors monitors appointment of the top management and proficient officials and review management succession planning to ensure effectiveness of board governance practices thus to expedite the overall business performance of the Company.
- In compliance with Condition No. 1(5) of the Corporate Governance Code and Section 184 of the Companies Act, 1994, the Board of Directors has placed its Report before the Shareholders, which is an integral part of the Annual Report 2021.

CHAIRPERSON OF THE BOARD OF DIRECTORS

Mr. Mohammed Jahangir Alam is the honourable Chairman of the Company who leads the Board of Directors to work meticulously for the long-term benefit of the Company and all its Stakeholders. The Chairman establishes strong Corporate Governance practices and procedures and promotes the highest standards of integrity, probity and Corporate Governance throughout the Company for ensuring the maximum productive contribution of all the Directors towards the Company.

ROLE & RESPONSIBILITIES OF THE CHAIRMAN

The responsibilities of the Chairman is defined through the Articles guided by the Board, the Company's Code of Conduct and the Code of Corporate Governance. The major responsibilities of the Chairman is appended below:

- The primary role of the Chairman is to preside over meetings of the Board of Directors and of the Shareholders of the Company (AGM/EGM) and ensures good Corporate Governance in the conduct of the Board and the Company.
- The Chairman confirms that the Board is operating in accordance with the Memorandum and Articles of Association of the Company along with other applicable laws and conventions.
- The Chairman consulting with the Managing Director and the Company Secretary sets the Board Meeting schedule and Agenda to discuss and approve the important issues of the Company along with the Board of Directors and also ensures that adequate time is available for thorough discussions on critical and strategic issues in the Board Meetings.
- The Chairman encourages constructive challenges and promotes a culture of openness and debate, based on mutual respect, both in and outside the Boardroom and in line with the purpose, values, strategy and culture of the Company.
- Representing the Company from the height level, the Chairman also maintains relationships with the relevant Stakeholders in consultation with the Board as well as the CEO/Managing Director for ensuring that an appropriate balance is maintained between the interests of Shareholders and other Stakeholders.
- As the Chairman of the Board of Directors, he neither personally possess the jurisdiction to apply policy making or executive authority nor he participate in or interfere with the administration or operational and routine affairs of the Company.
- The Chairman may assume any responsibility if the Board assigns it within the purview of the relevant rules, regulations, acts and articles.

MANAGING DIRECTOR OF THE BOARD OF DIRECTORS

The Managing Director is the incharge of the overall operational control of the Company and is responsible for the day-to-day activities of the Company. Mr. Molla Mohammad Majnu is the Managing Director of the Company who provides leadership to ensure execution of the Board's strategies, policies and decisions. The Managing Director has overall responsibility for ensuring and enhancing the performance of the Company's business.

ROLE & RESPONSIBILITIES OF THE MANAGING DIRECTOR

In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) Code, the roles of the Managing Director have been clearly defined by the Board of Directors. The major responsibilities of the Managing Director is mentioned below:

- The Managing Director is responsible for driving business operations, effective development and implementation of strategy and commercial objectives as agreed by the Board with a view to create Shareholder's value.
- The Managing Director also acts as the intermediary between the Board and the Management of the Company and communicates to the Board on behalf of the Management for execution of the Company's strategy and achieving its commercial aims.
- The Managing Director acts reasonably to ensure that the Company operates its business as per the Articles of Association (AoA), decisions made by the Board and Shareholders, as well as according to the policies, procedures and applicable regulatory legislations.
- The Managing Director also communicates on behalf of the Company to the Employees, Government Authorities, Regulators other Stakeholders through the Company Secretary.
- The Managing Director's leadership role also entails regularly reviewing the organisation structure, developing the executive team, succession planning and also to inspire and support the Company's workforce.

INDEPENDENT DIRECTORS

In compliance of the Condition No. 1(2) of the Corporate Governance Code, the Board of Directors has appointed Mr. Zakir Ahmed Khan, Former Finance Secretary to the Government of Bangladesh and Prof. Dr. M. Abu Eusuf, Professor & Former Chairman in the Department of Development Studies at the University of Dhaka, as the 2 (Two) Independent Directors of the Company and approved by the Shareholders in the Annual General Meeting (AGM). Between the 2 (Two) Independent Directors of the Company, Mr. Zakir Ahmed Khan is acting as the Chairman of the Audit Committee and Prof. Dr. M. Abu Eusuf is acting as the Chairman of the Nomination and Remuneration Committee of the Company as per the requirement of the Corporate Governance Code of the Bangladesh Securities and Exchange Commission. The Independent Directors are free from any business or other relationships with the Company that might materially interfere with or affect the exercise of their independent judgments. The Independent Directors are ensuring effectiveness of the Board to maintain high-quality governance of the organization and the effective functioning of the Board. It may be mentioned here that the above noted 2 (Two) Independent Directors will complete their tenure for 3 (Three) years of the first term at the 27th Annual General Meeting and as per Corporate Governance Code they are eligible for reappointment for the second term. The Board of Directors approved their appointment for the second term, which will be placed before the honorable Shareholders in the upcoming 27th Annual General Meeting for approval.

CHIEF EXECUTIVE OFFICER

The Board has appointed Mr. Md. Mukter Hossain Talukder, FCA, a Fellow Chartered Accountant, as the Chief Executive Officer of the Company who is effectively implementing the strategies and policies of the Board of Directors throughout the business to achieve the desired result of the Company. The 'Top Management Leadership Team' consists of all the Functional Heads who are reporting to and headed by the Chief Executive Officer. The Chief Executive Officer is also managing the Risk Factors of the Company, establishing effective Internal Control and ensuring the compliances of all the relevant laws and regulations.

CHIEF FINANCIAL OFFICER

A Fellow Chartered Accountant (FCA), Mr. Mohammad Ahasan Ullah, FCA, with his long service experience and expertise, is leading the Finance Team of the Company as Chief Financial Officer. The Chief Financial Officer oversees the overall financial management of the Company, ensures accuracy of budgetary and financial control system and also monitors the performance of the Company, its flow of funds and adherence to the budget. The Chief Financial Officer also ensures that the Board receives accurate, timely and clear information in respect of the Company's financial performance and position. The Chief Financial Officer also comply the National Regulatory Compliances as well as International Accounting Standards

and Bangladesh Accounting Standards and responding with the every regulatory developments, including financial reporting, capital requirements and other corporate responsibilities. The Chief Financial Officer attends the meetings of the Board of Directors as required under Condition No. 3(2) of the Code.

COMPANY SECRETARY

Mr. Md. Mozharul Islam, FCS, a Fellow Chartered Secretary (FCS), has been appointed by the Board of Directors as the Company Secretary of the Company as per the requirement of Bangladesh Securities and Exchange Commission (BSEC). He is also the Member Secretary of the other sub-committees of the Board. The core responsibility of the Company Secretary is to ensure the compliance with Acts, Rules, Regulations, Notifications, Guidelines, Orders / Directives etc., as issued by the BSEC or Stock Exchange(s) applicable to the conduct of business activities of the Company. The Company Secretary also maintains the necessary liaison with the relevant offices of the Government, Regulatory Authorities and other Stakeholders on matters of corporate interest in a transparent manner and act as a bridge between the Board, Management and Shareholders to facilitate good governance in the Company. He also ensures the Board receives high-quality, timely information in advance of Board Meetings to ensure effective discussion. As per Condition No. 3(2) of the Corporate Governance Code, the Company Secretary also attends each Meeting of the Board of Directors except those which involve consideration of the agenda relating to him.

INCHARGE OF INTERNAL AUDIT & COMPLIANCE

The Internal Audit Function bears the responsibility for independently assessing the adequacy and effectiveness of the Internal Control over financial reporting based on the criteria established under the internal control framework and management of significant risk areas. The Audit Committee clearly defined respective roles, responsibilities and duties of the Head of Internal Audit. The Internal Audit & Compliance Department is directly reporting to the Audit Committee and working independently to acknowledge the Audit Committee, if any discrepancy occurs in the Internal Control System of the Company and also provide their valuable recommendations. Mr. Md. Shahid Ullah Khan, Sr. Deputy Manager, is marshalling the activities of the Internal Audit & Compliance Department of the Company. The Internal Audit & Compliance Department is also responsible for ensuring regulatory compliance of the Company.

MANAGEMENT TEAM

The senior management plays a significant role in managing the business as per the norms of Corporate Governance, the Company's Code of Conduct. The Board is duly assisted by the respective Functional Heads of the Company, i.e. the Management Team. The Chief Executive Officer leads the Management Team. The Management Team drives the responsibility to implement the Board's plan, policies and decisions along with the supervision of operations and development, coordination and execution of corporate business strategies. The Management Team engages in a monthly meeting to review and monitor the performance vis-a-vis the annual plans and budgets, discusses cross functional operational issues, addresses business challenges and ensures daily operational alignment with the corporate plans.

BOARD'S COMMITTEES

The Board has established 2 (Two) sub-committees of the Board for better, quicker and more structured flow of information and thereby exercising effective governance to assist in the execution of its responsibilities. Each of these Committees operates with the defined Terms of Reference (ToR) approved by the Board. The Board has also appointed the Chairman and the members of each Committee. As mentioned, the Board Committees are:

- Audit Committee
- Nomination and Remuneration Committee

AUDIT COMMITTEE OF THE BOARD

The Board has constituted an Audit Committee for the Company according to the conditions of the BSEC guideline and Corporate Governance Code, 2018. The Audit Committee is one of the prime sub-committees of the Board. In the year 2020-2021, the Committee comprises of 1 (One) Independent Director and 2 (Two) Non-Executive Directors.

The Board has appointed Mr. Zakir Ahmed Khan, Independent Director as the Chairman of the Audit Committee in accordance with the Condition No. 5(3)(a) of the Corporate Governance Code. As per regulatory requirements, members of the Audit Committee are 'financially literate' i.e., they are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. The Chief Financial Officer, the Head of Internal Audit & Compliance and the Company Secretary attend all meetings of the Audit Committee and the other senior members of the Board, Top Management and representatives of External Auditors attend the meetings upon invitation by the Audit Committee. Based on the Corporate Governance Code, the Company Secretary acts as the Secretary of the Audit Committee.

The Audit Committee met 5 (Five) times during the period from 1 July 2020 to 30 June 2021 to transact various agendas. The composition of the Audit Committee and their attendance are as follows:

Sl. No.	Name of the Members	Position	Status	No. of Meeting Attended
1	Mr. Zakir Ahmed Khan	Independent Director	Chairman	5/5
2	Mr. Md. Mizanur Rahman Mollah	Non-executive Director	Member	5/5
3	Mr. Md. Almas Shimul	Non-executive Director	Member	5/5
4	Mr. Md. Mozharul Islam, FCS	Company Secretary	Member Secretary	5/5

The key responsibilities and activities of the Audit Committee are elaborated in the report of the Audit Committee to the Board for the year ended 30 June 2021 at the Annexure- I.

NOMINATION AND REMUNERATION COMMITTEE OF THE BOARD

A Nomination & Remuneration Committee (NRC) has been constituted by the Board of Directors in accordance with the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, issued by the Bangladesh Securities and Exchange Commission on Corporate Governance Code. The NRC is a sub-committee of the Board which comprises of 1 (One) Independent Director and 2 (Two) Non-Executive Directors. The Committee assists the Board of Directors in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of the Directors and the Top Level Executives. The Committee, headed by Professor Dr. M. Abu Eusuf, an Independent Director, makes recommendations to the Board in terms of employment of the members of the Executive Committee, Managers and Employees and decides their specific remuneration. The Chief Adviser of the Company, the Chief Executive Officer and the Head of Human Resources attended the meeting of the NRC as invitees and the Company Secretary performed the functions of the Secretary of the Committee.

This Committee met once in the year 2020-2021. The composition of the Nomination and Remuneration Committee is given below:

Sl. No.	Name	Position	Status
1	Prof. Dr. M. Abu Eusuf	Independent Director	Chairman
2	Mr. Md. Mizanur Rahman Mollah	Director	Member
3	Mr. Md. Almas Shimul	Director	Member
4	Mr. Md. Mozharul Islam, FCS	Sr. GM & Company Secretary	Member Secretary

The key responsibilities of the Committee are elaborated in the Nomination & Remuneration Committee Report to the Board of Directors, which is presented at the Annexure- II.

COMMUNICATION WITH THE SHAREHOLDERS AND THE STOCKHOLDERS

The Board acknowledges the importance of an effective communication channel between the Board, Shareholders, Institutional Investors and other Stakeholders at large to provide a clear and complete picture of the Company's business

performance, financial position and earnings as much as possible. The Company encourages communications with Shareholders throughout the year and welcomes their participation at the Shareholders' meetings. The Shareholders are provided with Quarterly Financial Statements, Half Yearly Financial Statements, the Annual Report and any other Price Sensitive Information, which the Company considers as its principal communication with them as well as the other Stakeholders. Quarterly and Half-yearly Accounts information are also published in the newspapers and uploaded on the website and duly notified to all Stakeholders on a timely basis. The Annual Reports are furnished in the soft form to the Shareholders and are also sent to the e-mail addresses of the Shareholders available in their Beneficial Owner (BO) Accounts with the depository. The Shareholders are also provided routine services by the Company Secretariat & Share Department of the Company relating to Shares and payment of Dividends etc. A qualified Chartered Secretary, Mr. Md. Mozharul Islam, FCS is in charge of all these responsibilities as Company Secretary.

SHAREHOLDERS' RIGHTS

The Shareholders are the ultimate authority on decision making. For managing successful and productive relationships with the Shareholders, it is imperative to reinforce the importance of maintaining trust, transparency and accountability. The Board ensures, through the Company Secretary, that Shareholders of the Company are treated fairly and honourably and their rights are protected in all circumstances. The Shareholders are informed all the major issues, decisions and changes in the business that is price-sensitive or may be regarded as undisclosed material information about the Company, which is not disclosed to any party until it is already in the public domain through disclosure. The Board of Directors of M. I. Cement Factory Limited is very much concern about the Shareholders participation in the Company's Annual General Meeting and ensuring of the voting rights of the Shareholders. In this regard, to monitor and ensure the fair voting system of the Shareholders, the Board of Directors has appointed M/s. Mohammad Sanaullah & Associates as the 'Independent Scrutinizer' of the 27th Annual General Meeting of the Company as per the Directive No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021 of the Bangladesh Securities and Exchange Commission.

PARTICIPATION OF SHAREHOLDERS IN THE ANNUAL GENERAL MEETING

The Board of Directors considers the Annual General Meeting (AGM) of the Company as one of the main platform of communications with the Shareholders and welcomes their valuable participation. The Shareholders are entitled to attend at every Annual General Meeting either in person or through a proxy or authorized representative. Each Shareholder is eligible to exercise his/her decision-making authority in the AGM. The Annual Report containing the Notice of the AGM, Directors' Report, Audited Financial Statements and other disclosures are provided to the Shareholders at least 21 days prior to the AGM. Among other things, the Shareholders in the AGM discuss and approve adoption of Annual Financial Statements, Directors' Report, declaration of Dividends, election and re-election of Directors, appointment/re-appointment of Auditors etc. The Shareholders are also at liberty to raise questions regarding all business activities and prospects of the Company to the Chairman, the Committee Chairs and the rest of the Board, during the AGM.

COMPANY WEBSITE

The corporate website of the Company is a comprehensive reference on the Company's Management, Vision, Mission, Products, Promotions, Value Statements, Investor Relations, Sales Network, and other Events etc. The Shareholders can easily understand about the financial details, shareholding patterns, corporate benefits, status of dividend payments etc. in the 'Investor Relations' section of the Company's website i.e. www.crowncement.com.

RELATIONSHIP WITH GOVERNMENT

In its role on accountability to the Government, the Board of Directors are very much cautious and make payment of all dues to Government in the form of import duty, customs duty and port charges, VAT, Corporate Taxes and other levies as and when they become due on the basis of actual operations. This has enabled the Company to enhance its contribution to the National Exchequer at a progressive rate year after year.

RELATIONSHIP WITH FINANCERS/BANKERS

The Board oversees the financial transactions and ensures to meet Company's commitments to the lenders without any default. This has resulted in securing lower interest rates from them that enables the Company to ensure the smooth business operation.

RELATIONSHIP WITH SUPPLIERS

As the Company has to import plant and machinery and almost all the raw materials from abroad, it maintains cordial and mutually beneficial interest with its international as well as local suppliers. This has enabled the Company to avoid any legal disputes in international/local courts and enhanced the Company's image as a good customer.

DIVIDEND DISTRIBUTION POLICY

In pursuance of the BSEC's Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the Board of Directors has established a Dividend Distribution Policy, which forms the basis for the amount to be paid to the eligible Shareholders of the Company as a Dividend, taking into consideration the business performance of the Company and its strategic initiatives. This policy shapes the attitude of the investors and the financial market in general towards the concerned Company. The objective of the policy is to allow the Shareholders to make informed investment decisions. Each Shareholder is entitled to obtain Dividend on the Net Profit of the Company according to his/her Shareholding. The Board of Directors has recommended Cash Dividend @ 20% i.e. Tk. 2.00 (Taka Two) only per share of Tk. 10 (Taka Ten) each for the year ended 30 June 2021 subject to the approval of the Shareholders' in the 27th Annual General Meetings of the Company scheduled to be held on 15 December 2021. The Dividend Distribution Policy of the Company has been disclosed in the Annexure- VI of the Directors Report.

CSR ACTIVITIES

The Board of Directors is very much concern to carry out their responsibilities for the wellbeing of the society and the country. During the year 2020-2021, the Company has performed its Corporate Social Responsibilities specially in the areas of development of autistic and differently challenged children, provided financial assistance to the meritorious student, provided also the financial assistance to the Capital Market Journalist Forum COVID- 19 Fund and Economic Reporters Forum COVID- 19 Fund, provided financial assistance to the CUET Ex-Student Association to arrange their program for focusing on the mental health of the students during COVID- 19 pandemic, distributed blankets and winter clothes among the poor people at different corners of the Country, facilitated interns of different academic backgrounds to groom the potential leaders of the society and many more. Being a responsible corporate citizen, these initiatives of the Company have made a significant beneficial impact in the society and also for the overall development of the country.

STATUTORY AUDITORS

On the basis of the Audit Committee's suggestion, the Board endorses the appointment of an Auditor upon Shareholders' approval at the Annual General Meeting (AGM). The role of the Auditors in certification of the Financial Statements is the most significant aspect of Corporate Governance and protection of interest of the Investors. The appointment of the Statutory Auditors is regulated by the Companies Act, 1994, Securities & Exchange Rules, 1987, and the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code, 2018. As per these regulations, auditors are appointed by the Shareholders at every Annual General Meeting of the Company and their remuneration is also fixed by the Shareholders at the AGM. The Audit Committee of the Company meets with the Statutory Auditors to ensure that the Auditors are acting independently and reviews the Financial Statements before submission to the Board for approval.

As per BSEC's Order, a Statutory Auditor cannot remain in office for more than 3 (Three) consecutive years. The existing Statutory Auditors M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants has completed their 3rd year of audit with the Company consecutively and will retire in the 27th Annual General Meeting. The Board of Directors, on the basis of the suggestions of Audit Committee, recommended the appointment of M/s. MABS & J Partners, Chartered Accountants as the External Auditors of the Company for the year ending 30 June 2022, which will be placed in the 27th Annual General Meeting for the approval of the Shareholders.

Further, to ensure adequate regulatory compliance, a Compliance Certificate is obtained from M/s. Ahmed Zakir & Co., Chartered Accountants who certify on the basis that the Company has duly complied with all the regulatory requirements, as stipulated in the Corporate Governance Code of BSEC. Such report is presented to the shareholders and forms a part of the Annual Report of the Company. The appointment of the Compliance Auditor is also subject to approval of Shareholders in the Annual General Meeting.

REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board, keeping in view its accountability to the Stakeholders and to the Society. To ensure adequate regulatory discharge, every year our Company obtains a certificate from a Practicing Professional regarding compliance of the conditions of Corporate Governance Code. The Compliance Certificate issued by M/s. Ahmed Zaker & Co., Chartered Accountants is appended as Annexure- III to this Report. The status of compliance with the Corporate Governance Code is captured in the checklist appended as Annexure- IV.

The Compliance Auditor is also required to be appointed by the Shareholders at the General Meeting of the Company. In this regard, M/s. Ahmed Zaker & Co., Chartered Accountants expressed their interest to be re-appointed as Corporate Governance Compliance Auditors of the Company for the year ending 2021-2022. The Board of Directors, upon recommendation of the Audit Committee, has accepted the willingness of M/s. Ahmed Zaker & Co., Chartered Accountants for appointment as the Corporate Governance Compliance Auditors for the year ending 30 June 2022, which will be placed in the 27th Annual General Meeting for the approval of the Shareholders.

SUMMARY

M. I. Cement Factory Limited (MICFL) believes that a good corporate reputation is a valuable asset of a Company which is directly linked to uncompromising compliance with applicable laws, regulations, and internal guidelines. Effective governance is a continuous process that must weave all functions and employees of the Company into a unified whole to attain the ultimate corporate goals and objectives. The corporate governance philosophy of the Company stems from the value of openness and transparency which is fundamental to our decision making process and one of our core management tenets. Hence, the Company drives good governance procedures across all functions, as it is a key input in managing the business professionally, effectively and responsibly, which makes it transparent, ethical and law abiding, while ensuring accountability. Compliance is thus a central pillar of MICFL's Management and corporate culture and, at the same time, an integral part of all of its business processes.

Overall, at M. I. Cement Factory Limited, we uphold our commitment to good corporate governance and pledge to continue to work in attaining the best interests of our Shareholders and all other Stakeholder groups.

ANNEXURE OF THE CORPORATE GOVERNANCE

ANNEXURE- I

REPORT OF THE AUDIT COMMITTEE TO THE BOARD

For the year ended 30 June 2021

AS PER BANGLADESH SECURITIES AND EXCHANGE COMMISSION'S NOTIFICATION NO. BSEC/ CMRRCD/ 2006-158/ 207/Admin/80 dated 3 June 2018

The Audit Committee of the Board is duly constituted by the Board of Directors of the Company in accordance with the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission.

ROLE & RESPONSIBILITIES OF THE AUDIT COMMITTEE

In 2021, the Audit Committee reviewed its Terms of Reference (ToR) in line with requirements of the Bangladesh Securities and Exchange Commission's (BSEC) Notification on Corporate Governance Code. The Committee carried out its duties in accordance with the Terms of Reference (ToR) of the Audit Committee. Some of the major responsibilities of the Audit Committee are as follows:

- The Audit Committee ensures compliance with applicable accounting policies, standards and principles and other legal and regulatory requirements.
- The Audit Committee reviews the integrity of the Financial Statements of the Company, including Annual, Half-yearly, Quarterly and other formal announcements relating to its financial performance and reviewing & reporting to the Board on significant financial reporting issues and applicable regulatory requirements.
- The Audit Committee oversees the appointment & re-appointment and performance of the External Auditors and Corporate Governance Auditors including consideration of fees, audit scope and terms of engagement. The Audit Committee also holds meeting with External Auditors for review of the Annual Financial Statements before submission to the Board of Directors for approval or adoption.
- The Audit Committee ensures Business Risks Management Framework adopted by the Company is effective and also monitor and provide recommendations to the Board of Directors to implement sound Internal Control System throughout the Business to mitigate the unexpected risks.
- The Audit Committee ensures Internal Audit has full, free and unrestricted access to all activities, records to perform its duties without any limitations. It also reviews the Internal Audit and Compliance Report to ensure that appropriate actions have been taken to implement the audit recommendations.
- The Audit Committee also reviews and assess the Annual Internal Audit Plan and evaluate its consistency with the Risk Management Framework of the Company.
- The Audit Committee reviews all related party transactions and conflict of interest situations that may arise within the Company including those under the Company's Code of Conduct.
- The Audit Committee has the responsibility to report to the Board of Directors on mistakes, fraud and forgeries and other irregularities to ensure compliance and regularization.
- The Audit Committee also prepares the Annual Committee Report and submit to the Board, which includes summary of its activities and review the Board's statements on compliance with the BSEC's Code of Corporate Governance for inclusion in the Annual Report.

MAJOR ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

In pursuance to its responsibilities & duties, the Audit Committee of the Board held 5 (Five) meetings during the year ended 30 June 2021. The Committee reviewed compliance of policy issues, regulations and applicable laws in general and reports submitted by the Internal Audit Department as well as reports submitted by the External Auditors.

During the year under review, the Audit Committee carried out the following activities:

- Reviewed the quarterly, half yearly and annual financial statements of the Company, to evaluate the Company's financial and business performance before recommending them to the Board of Directors for approval.
- Ensured that the preparation, presentation and submission of financial statements have been made in accordance with the prevailing laws, standards and regulations by assessing the external auditors report on all critical accounting policies, significant judgment and practices used by the Company in producing the financial statements.
- The Internal Audit Reports which encompassed the audit issues, objections and audit recommendations were reviewed by the Audit Committee and also monitored the Management response to implement the audit recommendations to improve Internal Control System of the Company.
- The Annual Internal Audit Plan 2021-2022 and resource allocation for the Internal Audit Services was reviewed and approved by the Audit Committee.
- Discussed with the members of the External Auditors and reviewed the External Auditors' findings of observation, areas of concern highlighted and the Management's response thereto and ensured that the External Auditors remain independent and that appropriate action is being taken on time.
- To enhance good practices in Financial Reporting, the Audit Committee reviewed reports of related party transactions to ensure that all related party transactions are undertaken on an arm's length basis and consistent with the Company's normal course of action.
- The Audit Committee oversaw the hiring and remuneration of Statutory Auditors; M/s. MABS & J Partners, Chartered Accountants, for the year ending 30 June 2022 and made recommendation to the Board of Directors for their appointment.
- Recommended the appointment of M/s. Ahmed Zakir & Co., Chartered Accountants as Corporate Governance Compliance Auditors for the year ending 30 June 2022.
- Prepared and placed the compliance reports/minutes before the Board detailing the decisions are taken/recommendations made by the Committee in various meetings for information/concurrence of the Board quarterly.
- Approved the Dividend Distribution Policy of the Company and reviewed the functioning of treasury related policies.

REPORTING TO THE SHAREHOLDERS AND GENERAL INVESTORS

Based on the activities throughout the year and after reviewing the effectiveness of the internal controls system, the Audit Committee is of the opinion that adequate controls, procedures, risk management and compliance monitoring systems are in place to provide reasonable assurance that the Company's assets are safeguard and that the financial position of the Company is satisfactorily managed.

The minutes of the Committee meetings were placed subsequently before the Board for its approval, on a regular basis, which contained all issues along with various suggestions and recommendations to the Management and the Board.

On behalf of the Audit Committee


(Zakir Ahmed Khan)
Chairman
Audit Committee

Dated, Dhaka
27 October 2021

ANNEXURE- II**REPORT OF THE NOMINATION & REMUNERATION COMMITTEE (NRC)
TO THE BOARD**

For the year ended 30 June 2021

**AS PER BANGLADESH SECURITIES AND EXCHANGE COMMISSION'S NOTIFICATION
NO. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018**

The Board of Directors of M. I. Cement Factory Limited has constituted the Nomination & Remuneration Committee of the Company in pursuant to the Condition No. 6(2) of the Corporate Governance Code, issued by the Bangladesh Securities and Exchange Commission (BSEC) dated 3 June 2018. The Nomination and Remuneration Committee ("the Committee") is a sub-committee of the Board which is independent but appointed by and accountable to the Board of Directors of the Company and to the Shareholders according to the conditions of the "Corporate Governance Code, 2018. The primary responsibility of the Committee is to assist the Board in the formulation and implementation of the Nomination Criteria or Policy. The Nomination and Remuneration Policy sets out, inter alia, criteria for identification of the Directors and Top Level Executives, necessity for Board diversity and criteria for determining remuneration.

COMPOSITION OF THE NRC

In accordance with the requirements of the BSEC's Notification on Corporate Governance, the NRC is appointed by the Board of Directors. The NRC comprises of 2 (Two) Non-executive Directors as the Members and 1 (One) Independent Director as the Chairman of the NRC. The following are the members of the NRC:

Sl. No.	Name	Position	Status
1	Prof. Dr. M. Abu Eusuf	Independent Director	Chairman
2	Mr. Md. Mizanur Rahman Mollah	Additional Managing Director	Member
3	Mr. Md. Almas Shimul	Director	Member
4	Mr. Md. Mozharul Islam, FCS	Sr. GM & Company Secretary	Member Secretary

The Committee held a meeting in the year under review, satisfying both the Conditions No. 6(2)(h) & 6(4) of the Code. The Company Secretary of the Company functioned as the Secretary to the Committee as per the Conditions No. 6(1)(g) of the Corporate Governance Code.

TERMS OF REFERENCE

The detailed jurisdiction, responsibilities and specific duties of the Nomination & Remuneration Committee are well defined in the Terms of Reference (TOR) which were duly adopted by the NRC in compliance with Condition 6(1)(c) of the Code. The Committee oversees, among others, the following matters and makes recommendations for review/approval to the Board:

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend a policy to the Board, relating to the remuneration of the Directors and Top Level Executive, considering the following:
 - i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors and Senior Management to run the Company successfully;
 - ii) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - iii) the 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;
- To devise a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- To identify persons who are qualified to become Directors and who may be appointed in Top Level Executive positions in accordance with the criteria laid down and recommend their appointment and removal to the Board;

- To formulate the criteria for evaluation of performance of Independent Directors and the Board;
- To identify the Company's needs for employees at different levels and determine their recruitment, development, succession and transfer or replacement and promotion criteria;
- To develop, recommend and review annually the Company's human resources and training policies;
- To review and recommend the revision of the Code of Conduct of the Board.

MAJOR ACTIVITIES OF THE NOMINATION & REMUNERATION COMMITTEE DURING THE YEAR

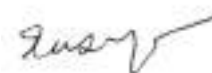
The Committee carried out its functions in accordance with its Charter and applicable laws in key areas of the annual financial reporting cycle. During the year under review, the NRC of the Company ensured/ observed & approved the following activities:

- Reviewed, confirmed and adopted the Terms of Reference (ToR) of the Committee as approved by the Board of Directors of the Company.
- Assisted the Board in formulation of the Nomination Criteria or Policy of the Company as per the approved Terms of Reference (ToR) & Corporate Governance Code.
- Reviewed the policies pertaining to the remuneration and perquisites of the Executive Directors and Senior Management of the Company;
- Reviewed and approved the formulation of a policy on the Boards' Diversity and Inclusion strategy and agenda of the Company.
- Identified meritorious and qualified persons to appoint in the Top Level Executive position in accordance with the criteria laid down and recommend their appointment and removal to the Board.
- Evaluated and approved the performance of the Independent Directors and the Board.
- Identified the Company's needs for employees at different levels and determined their selection, transfer or replacement and promotion criteria.
- The Company's Human Resources and their Training Policies were also developed, recommended and reviewed by the Nomination & Remuneration Committee.
- Reviewed and confirmed the Dividend Distribution Policy of the Company.
- Recommended the Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer pursuant to requirements of Condition No. 1(7) of the BSEC Notification.

NOMINATION AND REMUNERATION POLICY

- The policy of the NRC has been approved by the Board of Directors of the Company.
- The minutes of the Committee Meetings were placed subsequently before the Committee for its approval, on a regular basis, which contained all issues along with discussions and recommendations to the Management and the Board. The matters recommended by the Committee to the Board were considered by the Board and resolutions of the Board were recorded capturing the Committee's recommendations.
- 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.

On behalf of the Nomination and Remuneration Committee



Prof. Dr. M. Abu Eusuf

Chairman

Nomination and Remuneration Committee

Dated, Dhaka
27 October 2021

ANNEXURE- III



AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS

Head Office :

BY Sakat, Ganga City Edge (Level 80), Dhaka 1000, Bangladesh
Website: www.ahmedzaker.com Email: ahmedzaker@ahmedzaker.com
Phone: +880243065014, Fax: +88024306109

Annexure-B

(Certificate as per condition No. 1(5)(xxvi))

Report to the Shareholders of M. I. Cement Factory Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **M. I. Cement Factory Limited** for the year ended on June 30, 2021. This Code relates to the Notification No. BSEC/CMR&CD/2006-158/207/Admin/80 Dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as these standards are not inconsistent with any condition of this Corporate Governance Code.

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

- 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;
- 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;
- 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
- The governance of the company is satisfactory.

Place: Dhaka
Dated: 17 November, 2021
DVC - 211170458AC437129


AKM Mohitul Haq, FCA
Senior Partner
Enrolment No: 0458
Ahmed Zaker & Co.
Chartered Accountants



Chartered Office:

M. S. Mujib Road, Ayazkhali, C/A Chittagong, - 4900. Tel: 031434103 Email: amgchb@chit.com, amgchb@ahmedzaker.com

ANNEXURE- IV

Report on compliance of Corporate Governance Guideline of BSEC [Condition No. 1(5)(xxvii)]

The Status of compliance with the conditions imposed by the Commission's Notification No.SEC / CMRRCD/ 2006-158/207/ Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1 (1)	Size of the Board of Directors			
	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)	√		
1 (2)	Independent Directors			
1 (2) (a)	At least one fifth (1/5) of the total number of Directors in the company's Board shall be Independent Directors	√		
1 (2) (b)	Independent Director means a Director			
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 or 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/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	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	√		
1 (2) (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude	√		
1 (2) (c)	Independent Director(s) shall be appointed by Board of Directors and approved by the shareholders in the Annual General Meeting (AGM)	√		
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 laws, regulatory requirements and corporate laws and can make meaningful contribution to business	√		
1 (3) (b)	Independent Director shall have the following Qualifications:			
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 business association; or	√		
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	√		
1 (3) (b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	√		
1 (3) (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 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 Commission	N/A		
1 (4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
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 Shareholders			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1 (5) (i)	An Industry outlook and possible future developments in the industry	√		
1 (5) (ii)	Segment-wise or product-wise performance	√		
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 extra-ordinary activities and their implications (gain or loss)	N/A		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 from public issues, rights issues and/or through any other instrument	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 occurs between Quarterly Financial Performance and Annual Financial Statements	√		
1 (5) (x)	A statement of remuneration paid to 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) (xii)	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)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed	√		
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) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1 (5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	√		
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	N/A		
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) (xxii)	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) (xxiii) (a)	Parent/ Subsidiary/ Associated Companies and other related parties (name wise details)	√		
1 (5) (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name wise details)	√		
1 (5) (xxiii) (c)	Executives, and	√		
1 (5) (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details); Explanation : For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance	√		
1 (5) (xxiv)	In case of the appointment or re-appointment of a director, a disclosure on the following information to the shareholders:			
1 (5) (xxiv) (a)	A brief resume of the director	√		
1 (5) (xxiv) (b)	Nature of his or her expertise in specific functional areas; and	√		
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 the financial statements, among others, focusing on:			
1 (5) (xxv) (a)	Accounting policies and estimation for preparation of financial statements	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1 (5) (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	√		
1 (5) (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 immediate 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) 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)	Meeting of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		
1 (7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1 (7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1 (7) (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior, confidentiality, conflict of interest, compliance with laws, rules and regulations, prohibition of insider trading, relationship with environment, employees, customers and suppliers and independency	√		
2.0	Governance of Board of Directors of Subsidiary Company			
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 on 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		
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3 (1)	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 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	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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)	√		
3 (2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters	√		
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; and	√		
3 (3) (a) (ii)	These statements together presented 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 in violation of the code of conduct for the company's Board or its members	√		
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	√		
4.0	Board of Directors Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee; and	√		
4 (ii)	Nomination and Remuneration Committee	√		
5.0	Audit Committee			
5 (1)	Responsibilities to the Board of Directors			
5 (1) (a)	The company shall have an Audit Committee as a subcommittee of the Board	√		
5 (1) (b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflected true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 the Audit Committee			
5 (2) (a)	The Audit Committee shall be composed of at least 3 (three) members	√		
5 (2) (b)	The Board of Directors shall appoint members of the Audit Committee who shall be non-executive directors of the company and 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 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	N/A		
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)	Chairman of the Audit Committee			
5 (3) (a)	The Board of Directors shall select 1 (one) member 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	√		
5 (3) (c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the Annual General Meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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)	Role of Audit Committee			
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; and	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee	N/A		
5 (6)	Reporting of the Audit Committee			
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 on the following findings, if any:			
5 (6) (a) (ii) (a)	Reporting on conflicts of interests	N/A		
5 (6) (a) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements	N/A		
5 (6) (a) (ii) (c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	N/A		
5.6 (a) (ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	N/A		
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	N/A		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 No. 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		N/A	
6.0	Nomination and Remuneration Committee (NRC)			
6 (1)	Responsibility to the Board of Directors			
6 (1) (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee 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 3 (three) members including an Independent Director	√		
6 (2) (b)	All 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	√		
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	√		
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 from such external expert and/or member(s) of staff shall be required or valuable for the Committee	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 elected one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall duly be recorded in the minutes	√		
6 (3) (c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders	√		
6 (4)	Meeting of the NRC			
6 (4) (a)	The NRC shall conduct at least 1 (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	√		
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)	Role of the NRC			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	√		
6 (5) (b)	NRC shall oversees, among others, the following matters and make report with recommendation to the Board:			

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6 (5) (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
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 criteria 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; and	√		
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	√		
7.0	External / Statutory Auditors			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7 (1) (i)	Appraisal or valuation services or fairness opinions	√		
7 (1) (ii)	Financial information systems design and implementation	√		
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statements	√		
7 (1) (iv)	Broker-dealer services	√		

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7 (1) (v)	Actuarial services	√		
7 (1) (vi)	Internal audit services or special audit services	√		
7 (1) (vii)	Any service that the Audit Committee determines	√		
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
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 any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members	√		
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	√		
8.0	Maintaining a website by the Company			
8 (1)	The company shall have an official website linked with the website of the stock exchange	√		
8 (2)	The company kept 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 listing regulations of the concerned stock exchange(s).	√		
9.0	Reporting and Compliance of Corporate Governance			
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 conditions 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.	√		

MESSAGE FROM THE CHAIRMAN



Respected Shareholders, Ladies and Gentlemen

Assalamu Alaikum Wa-Rahmatullah.

With a mind burdened with sorrow I heartily welcome you all at the 27th Annual General Meeting with deep gratitude and inform you that we have lost one of our foundation of the Company, the Sponsor Shareholder & Founder Chairman Late Alhaj Md. Abdur Rouf who support us with his wisdom and knowledge.

I also recall the memories of Founder Managing Director Late Alhaj Md. Khabir Uddin Mollah with deep gratitude, who had not only sowed the seed of the Company since inception of the Company but had also given sweat and sun-shine to its healthy growth that you see and love with heart and soul. His Contribution to the Company's continuous growth and development was not only for financial wealth but also he was motivated by his strong zeal for intrinsic values for ethics and morality in every sphere of activities. Every word and figure of the Annual Report of the Board of Directors sent to you reflect this philosophy of human and social life of our civilization.

I am pleased to write to you as always and I would like to express our gratitude to all our valued shareholders for your continued confidence in M. I. Cement Factory Ltd. to deliver exceptional business performance year-on-year and maximize shareholders value. The financial year 2020-21 (FY'21) was a very difficult one for all of us. Yet your Company withstood the adversity of a global pandemic and delivered increased revenue, profit and volume growth. It is on this note, on behalf of the Board, I take pleasure in welcoming you all to the 27th Annual General Meeting of your company and present to you the Annual Report for FY'21.

The ongoing COVID-19 pandemic besieged most of FY'21, and on behalf of the Board, I take this opportunity to send our thoughts and prayers to all stakeholders affected by this crisis, including the families, friends and relatives of the valued members of your Company. We have not suffered a global health crisis of this magnitude in generations and express our heartfelt gratitude to all those front-line workers – including in our own business – who have worked tirelessly to help keep others safe and provide essential goods and services to all. I am hopeful that soon this crisis will be behind us, but until then, we must all care for each other by following health protocols and COVID discipline including getting vaccinated at the earliest available opportunity.

Your Company delivered another strong year, with a 17.58% revenue growth, 748.70% profit growth along with a 19.70% volume growth and closed with a profit after tax of BDT 85.92 Crore which is a 748.70% growth over last year. In FY'21 we declared the double dividend compared to the last year i.e. 20% and contributed BDT 3,729 crores to the national exchequer.

As we face a dynamic, ambiguous and volatile operating environment, tapping into emerging trends and launching products while competitively growing your Company's core businesses was crucial in enabling us to deliver growth at a consolidated level.

We have committed to invest Tk. 770.00 Crore (Taka seven hundred seventy crore) only approximately for installation of the 6th Unit of your Company which will help your Company in delivering better quality of cement with the increased capacity of 19,280 Metric Tonnes per day. For improving our transportation & delivery of Cement to the Customers' end we have set up Automated Loading and Unloading Unit at Kazirhaat, Aminpur, Bera, Pabna.

I want to thank the management and employees of the Company for their dedication and hard work amid the devastation of COVID-19 pandemic. It is their passionate and committed effort that drives the business forward delivering excellent results and strong growth. The success we have achieved was only possible due to their collective efforts.

In conclusion, let us pray to the almighty Allah Subhanahu Wa Taala that, we may be blessed with success in developing the Company's assets and maximizing the Shareholders' equity and achieving the desired prosperity to help us in the upcoming years.



Mohammed Jahangir Alam
Chairman

STATEMENT FROM THE MANAGING DIRECTOR



Dear Distinguished Shareholders,

Assalamu Alaikum Wa-Rahmatullah.

It is my pleasure to welcome you at the 27th Annual General Meeting for the FY 2020-2021. The Annual Report containing Directors' Report and other statutory statements as the requirements of laws and the regulatory authorities concerned has been sent to you in advance as usual.

I hope everyone has received the Report and had the opportunity to review the operational results of the Company as well as the financial position thereof. I believe the Shareholders have had the satisfaction despite the operational hazards faced by the industrial, commercial, economic and social disorder created by the devastating CORONA VIRUS (Covid-19) that spared none of the countries of the World. Our efforts, however, powered by wisdom, dedication, hard work and determination to serve the nation and the people strengthen by ethical and moral fuel led us to attain the results and hold on to our position as secured by us for several years' back.

The outlook for Bangladesh by global institutions is encouraging with projections of a resilient recovery. However, the operating environment is fragile for the foreseeable future with newer variants of the virus emerging, multiple waves of infection and lockdowns as well as vaccination challenges. We are aware that business rules in the post-covid world are on track to change, and we are reviewing our strategies closely to play in the new normal. Your Company will continue to focus on nurturing and building responsible, authentic and trusted brands for our customers and making them more accessible through agile and resilient execution. We will maintain a collaborative approach with all our partners in the value chain and stay true to our commitment to the community to create sustainable value for all.

In spite of such Covid-19 pandemic with Govt. restrictions on human gathering in anywhere, Strike of repeated Flood, import restrictions and Increase of the Govt. levies in every areas, the Cement Industry has strike back to reach its targets as it wasn't predicted previously. As the operational results would be scanned, it would be clear that the Company's standalone position reflect positive growth in turnover with 17.58%, Gross Profit with 40.26%, Profit from operation with 93.99%, Profit before Tax with 2,426.29% and finally EPS with 748.70%.

With the continuation of this prospect your Company has also made some decision to improve it's business, we have started to expand our capacity with the installation of the 6th Unit and an Automated Loading and Unloading Unit at Kazirhaat which will enable us to improve our market share and support towards the customer.

Besides the achievement your Company earned this year, we have lost one of our Sponsor Shareholder & Founder Chairman Late Alhaj Md. Abdur Rouf who always remained behind the scene but support us with an open heart.

In conclusion, I would like to extend my sincere gratitude to our esteemed shareholders, regulators, industry peers, employees and the consumers of our Company for their sustained trust in M. I. Cement Factory Ltd. and also seek your prayer to the Almighty Allah for my father & past honorable Managing Director, Alhaj Md. Khabir Uddin Mollah for his soul be blessed with Jannatul Ferdous.



Molla Mohammad Majnu
Managing Director

PICTURE OF THE BOARD MEETING





DIRECTORS' REPORT



DIRECTORS' REPORT

to the Members for the year ended 30 June 2021

It is a pleasure and privilege on the part of the Board of Directors to present the Directors' and Auditor's Report together with the audited financial statements of M. I. Cement Factory Limited (MICFL) for the year ended 30 June 2021 for your valued consideration, approval and adoption.

The Directors' Report is prepared in compliance with the provisions of Section 184 of the Companies Act, 1994 and the Listing Rules of the Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE) and Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT IN THE CEMENT INDUSTRY

The World Bank Group in its Global Economic Prospect report has stated that the global economy is set to expand 5.6 percent in 2021-its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies. In many emerging market and developing economies (EMDEs), obstacles to vaccination continue to weigh on activity. By 2022, last year's per capita income losses will not be fully unwound in about two-thirds of EMDEs. The global outlook remains subject to significant downside risks, including the possibility of additional COVID-19 waves and financial stress amid high EMDE debt levels. Policy makers will need to balance the need to support the recovery while safeguarding price stability and fiscal sustainability and to continue efforts toward promoting growth-enhancing reforms.

Before the COVID-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 percent per year during FY 2015-16 to FY 2018-19 and reached a record 8.15 percent growth rate in FY 2018-19. The global economy came to a standstill due to the COVID-19 pandemic, which has also had a huge negative impact on the economy of Bangladesh. According to the final estimations of BBS, the GDP growth in FY 2019-20 has slowed to 3.51 percent. However, Bangladesh's economy is turning around in 2020-21. According to the provisional estimates of BBS, the GDP growth in FY 2020-21 stood at 5.47 percent. Despite the stagnation in the economy caused by the coronavirus, food production and supply chains remained unaffected, leading to inflation at 5.56 percent in FY 2020-21. Both export and import in Bangladesh have showed a sign of recovery after a sharp decline in FY 2019-20. In FY 2020-21, Bangladeshi expatriates remittance stood at US\$ 24,777.72 million, which was significantly higher (36.10%) than the previous fiscal year. In FY 2020-21, current account balance deficit stood at US\$ 3,808 million on the back of robust remittance inflows compared to a US\$ 4,724 million deficit in the previous year. Financial account and capital account showed surplus during this time. Therefore, the overall balance recorded the surplus of US\$ 9,274 million in FY 2020-21 compared to US\$ 3,169 million surplus in the previous year. As a result, the foreign exchange reserves increased to a record US\$ 46.39 billion at 30 June 2021.

The major challenges now facing the economy relates to recent pressure in foreign exchange reserves caused by sharp increase in imports and significant decline in remittances. This is leading to gradual depreciation of the taka against world currencies. Inflation is now creeping up with massive increase in world commodity prices across all front be it industrial or consumer product. This is partly due to rebounding of world economies post resulting in resurgence of demand and partly due to the steep escalation in international freight costs. Sharp increase in industrial raw material cost is expected to result in margin erosion for local industries especially where the higher costs cannot be passed on to the consumers. However, exports are buoyant with record orders coming for RMG. The country's financial sector is still stressed with banks exhibiting low levels of Advance to Deposit ratio. Once loan classification resumes, the results of many banks could deteriorate.

Bangladesh's cement industry has experienced some of the fastest growth in recent years: the industry experienced an approximately 10% growth rate over the last decade. Backed by the country's economic development, rapid urbanization, government infrastructure projects and real estate sector growth, manufacturers are optimistic about the future prospect of the industry. The quick rebound of the sector from the COVID-19 pandemic testifies to their positive outlook and the sector's resilience. Although the sector has suffered from overcapacity and government levies, companies are continuing to invest.

Despite the pandemic, the cement sector's market size reached 33.5 million tonnes in 2020, a marginal degrowth of 0.50% compared to the previous calendar year. However, with the onset of the new year, there was an unprecedented surge in cement demand that caught all the cement players napping. This surge was caused by the pent up demand in the previous year when construction had slowed down due to the pandemic. As a result, in the first quarter of 2021, cement market grew by 20.5% and by 35.6% by June 2021. Growth in the second half will not be the same as the first half since the market had grown very strongly in the second half of the previous year. We still expect that the industry will close with a growth of around 25% compared to 2020, which will stand out as a record for the industry.

Your company however expects its growth to be higher than market thanks to the various marketing and sales initiatives that have been taken this year that has fueled a strong demand from the retail points. We continue to invest in retailer loyalty programs and engaging with our key specifiers of cement so that there is a sustainable demand for our product.

The major challenge currently facing the industry is the skyrocketing price of raw materials such as clinker, slag, fly ash, limestone and gypsum. Margins are now severely eroded. This comes on top of the unfriendly fiscal benefits specially the impact of Section 82C of the Income Tax Ordinance and the imposition of AT on VAT. Unless some relief is forthcoming from the government, the industry will suffer in the coming years.

RISK FACTORS

There are various risk factors associated with the nature of the activities of the company. Although, the risks of the industry are continuously evolving, the company has taken reasonable steps to identify material risks that could hamper the business of the company and has adopted preventive measures in this respect.

Over Capacity Related Risk

Overcapacity in the industry is a matter of concern as it can significantly intensify competition and price confrontation among the cement companies. But our company is well aware of this risk as we strive to explore new locations for export of cement. At the same time, we are leveraging our deep understanding of the market combined with our strong brand equity backed by our high-class sales and marketing workforce to improve our sales. At the same time, our core strength remains in our uncompromising quest for quality.

Technology Related Risks

Technology is evolving at a blistering pace. Our company is keeping a close eye on the evolving technologies, be it manufacturing or IT and implementing the same in a cost-effective manner.

Sales Risk

As explained above, our company is well position to capitalize on sales opportunities in a fast-growing market. Our company utilizes its overcapacity burden to it's assets and made a huge success with the pandemic situation and natural disaster.

Price Risk

Price risk represents the risk of major cost increases that the company is unable to pass on to its customers. The company continually evaluates its product cost and looks for profitable channels of distribution. At the same time, it continuously strives to adjust prices in line with cost increases keeping in mind the market forces that are determining price.

Operational Risk

Operational risks may arise in the supply chain and in the manufacturing process. Our company continually evaluates the risks and takes appropriate steps to mitigate the same. This includes having long term partnerships with suppliers and contracts with them. We also continually explore the option to broaden our supplier base to reduce our dependency and optimize cost. Spare parts planning and management is another crucial area where our company places considerable focus.

Quality Control Risks

Our company's main pillar lies in an uncompromising stance on quality. This has earned the respect of the customers and enhanced the brand equity. Quality is a way of life and a philosophy in our company. Other than production, we continually monitor all business processes so that these can be professionally managed.

Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, aging profile etc. Trade and other receivables are mainly related to the interest receivables and other fees. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position, the details of which has been presented in the Note No. 37 of the Notes to the Financial Statements.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company maintains sufficient cash and cash equivalents to meet expected operational expenses for periods which the company thinks appropriate. The company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters.

Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates and equity prices - will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

The company is exposed to currency risk on sales, purchases and borrowings incurred in foreign currencies. The company's foreign currency transactions are denominated in USD, EUR and GBP.

A reasonably possible strengthening (weakening) of the US dollar, EURO or GBP against all other currencies at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown in the Note No. 37 of the Notes to the Financial Statements. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(ii) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company shown in the Note No. 37 of the Notes to the Financial Statements.

A reasonably possible change in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. All payables of the company are interest free. Therefore no interest rate risk arises for the company as at 30 June 2021.

(iii) Commodity risk

Commodity risk arises from fluctuation of value of commodity in terms of price, quantity, cost and political condition of the market from or to which the Company procure or sell product respectively. Exposure to commodity risk of the Company at the reporting date may not be significant. Our company continuously looks for alternate sources of supply to minimize cost increases. Wherever practicable, contracts are signed to freeze the prices for a certain period.

DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

In the year 2020-2021, the Sales Revenue has increased by 17.58% compared to 2019-2020 mainly due to increase in sales volume by 118%. Cost of Goods Sold (COGS) has increased by 14.60% in the year 2020-2021 over previous year due to increase in sales volume by 18 %. Percentage increasing of COGS is less compared to percentage increase of sales mainly due to lower cost of raw material in international market. Factory overhead cost increased by 15% due to increase of electricity consumption resulting from the increase of sales volume. The Earnings per Share (EPS) of the company increased by Tk. 6.68 i.e. 748.70% and stood at Tk. 5.79 in 2020-2021 where as in 2019-2020 it was Tk. (0.89) due to sharp increase in revenue resulting from volume growth and decrease of operating cost due to lower Raw Material cost and effective cost control initiative by management.

Although the Gross Profit increased by 40.26% from Tk. 1,608.24 million in 2019-2020 to Tk. 2,255.78 million in 2020-2021 and the Gross Profit Margin increased by 19.32% in line with the Gross Profit mainly due to increase in sales volume and the reason of deviation of cost of sales as explained above.

In 2020-2021, In spite of increase in sales volume our company was able to reduce the Administrative Expenses by 8.99% with various cost reduction initiatives. But Selling and Distribution Expenses increased by 2.44% which is very minimal considering to the sales volume.

Finance cost decreased by 43.43% i.e. Tk. 431 million due to decrease of interest rate both in local and international market as well as decrease of loan liabilities.

As a result, in 2020-2021, the Net Profit (after tax) increased by 748.70% from Tk. (132.45) million to Tk. 859.22 million as well as Net Profit Margin (after tax) also increased by 651.72% than that of the previous year.

RELATED PARTY TRANSACTIONS

During the year the company carried out a number of transactions with related parties in the normal course of business. The name of the related parties, relationship, nature and their value are shown in the Note No. 42.0 of the Notes to the Financial Statements.

EXPLANATION ON SIGNIFICANT VARIANCE THAT OCCURS BETWEEN QUARTERLY FINANCIAL STATEMENTS AND ANNUAL FINANCIAL STATEMENTS:

Particulars	First Quarter 2020-2021	Half Year 2020-2021	Third Quarter 2020-2021	July 2020- June 2021
Revenue	3,017,247,611	7,087,362,946	12,199,101,031	16,315,315,422
Gross Profit	408,778,565	968,812,226	1,798,884,079	2,255,776,284
Income Before Tax	133,413,605	435,212,368	963,518,577	1,054,174,886
Net profit After Tax	75,329,299	301,076,266	702,465,967	859,221,549
Shareholders' Equity	6,987,898,894	7,063,747,566	7,465,137,267	7,824,089,839
Total Assets	18,138,793,845	17,937,939,762	16,899,403,783	16,989,282,543
Total Current Assets	9,723,298,657	9,711,862,111	8,936,075,136	8,614,747,906
Total Current Liabilities	9,465,887,590	9,304,916,040	7,975,841,716	8,165,592,558
Total Liabilities	11,150,894,951	10,874,192,196	9,434,266,517	9,165,192,704
Current Ratio (Time)	1.03	1.04	1.12	1.06

REMUNERATIONS OF DIRECTORS

Two Members of the Board namely Mr. Md. Alamgir Kabir and Mr. Molla Mohammad Majnu are working full time as executive directors in the company. Mr. Molla Mohammad Majnu is looking after Marketing & Sales whereas Mr. Md. Alamgir Kabir is looking after the overall operations and Finance. The Directors Remuneration, Meeting Attendance Fees has been mentioned in the Note No. 29.3 and 32.0 of the Notes to the Financial Statements.

THE SYSTEM OF INTERNAL CONTROL

M. I. Cement Factory Ltd. being a listed company, has a well-defined Internal Control System based on its high-tech large scale production capacity to ensure the business operations. The system ensures reasonable assurance of the internal checking system of monetary transactions and safeguarding of assets. The Internal Control Systems are reviewed by the Internal Audit & Compliance Department of the company and reported to the Audit Committee. Annual planning defines budget on the basis of macroeconomic analyses based on market conditions and cost targets. The Internal Control System ensures receiving of quality raw materials, stores & spares and non-current assets and producing quality cement for the customers. Quality of the goods are tested by recognized testing authorities.

In order to establish a strong Internal Control System in the company, Statutory Auditors' play a vital role through reporting of true and fair view of income, expense, assets and liabilities of the Financial Statements. They ensure the interest of the Investors and safeguarding of the company's assets and also ensure complete application of Corporate Governance vide Code No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. The code of *International Accounting Standards (IAS)* and *International Standards of Auditing (ISA)* with stipulated disclosures of important items of Financial Statements. Corporate Governance involves decision making process for any going concern corporate body for the present and future benefit of all stakeholders. These aspects of governance are followed by the Board of Directors, Management, Operational participants and workers and others in achieving common goals like to increase in the profit of the company.

EXPLANATION ON SIGNIFICANT DEVIATION FROM THE LAST YEAR'S OPERATING RESULTS

Revenue:

Revenue increased by Tk. 243.91 Crore i.e. 17.58% in 2020-2021 compared to last year due to various marketing and sales initiatives taken by the company and increase of overall demand in the market.

Cost of Goods Sold:

Cost of goods sold increased by 14.60% due to increase in sales volume by 19.70%. Percentage increasing of COGS is less compared to percentage increase of sales mainly due to lower raw material cost in international market. Factory overhead cost increased by 15% due to increase of electricity consumption resulting from the increase of sales volume.

Gross Profit:

Gross Profit margin increased by 19.29% mainly for increase in sales volume and the reason of deviation of cost of goods sold as explained above.

Operating Profit:

Operating profit increased by 94% i.e. Tk. 752.00 million due to increase of sales volume and less raw material cost and operating cost.

Earnings per Share (EPS):

During 2020-2021, the EPS increased by 749% i.e. Tk. 6.68 from the previous year due to sharp increase in revenue resulting from volume growth and decrease of operating cost due to lower raw material cost and effective cost control initiative by management.

5 YEAR'S OPERATING AND FINANCIAL DATA

Summary of key operating and financial data of preceding five years and the current year are presented in Annexure-I.

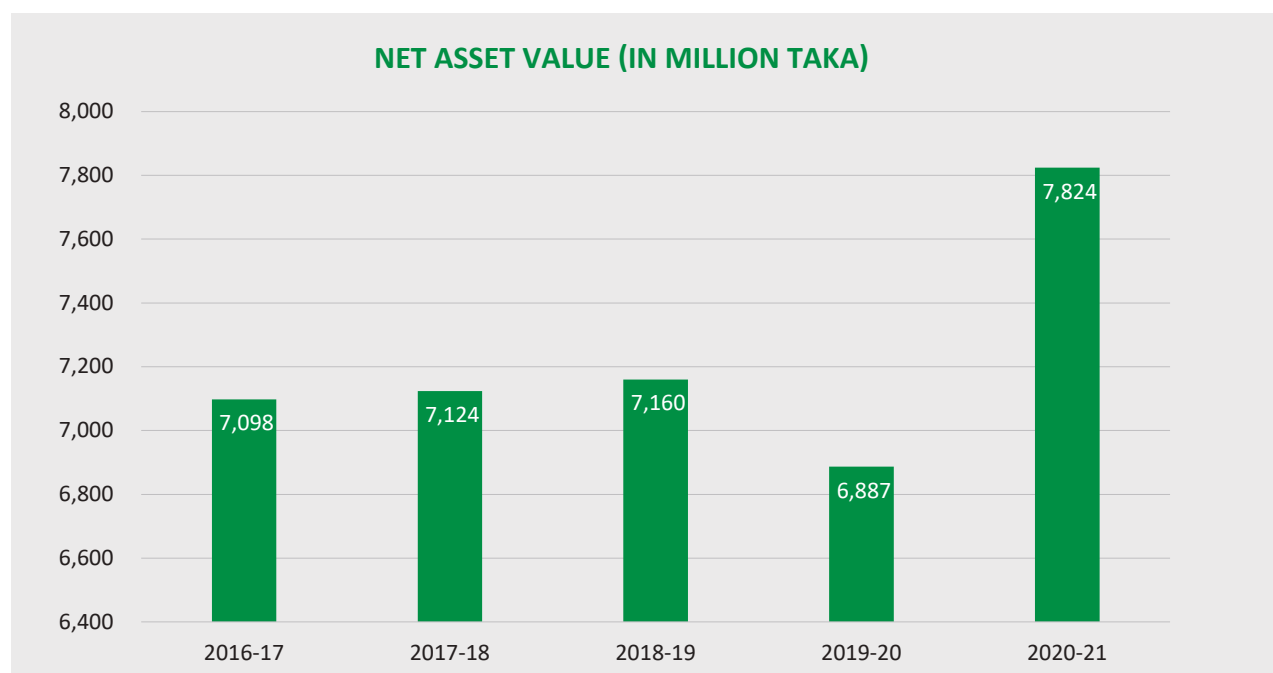
DIVIDEND

Based on the financial performance, the Board of Directors were happy to recommend cash dividend doubled of last year. The Board of Directors in their meeting held on 27 October 2021 has recommended cash dividend @ 20% i.e. Tk. 2.00 (Taka two) only per share of Tk. 10.00 (Taka ten) each aggregating to Tk. 297,000,000 for the year ended 30 June 2021 subject to the approval of the shareholders' in the 27th Annual General Meeting scheduled to be held on 15 December 2021.

The appropriation of the Net Profit earned during the year 2020-2021 is made in the following manner:

Particulars	Amount (Taka)
Retained earnings (Carried forward from previous year)	1,705,589,572
Add: Revaluation Reserve, Adjustment against lease assets and Depreciation on revaluation Assets realized	18,914,585
Total Reserve	1,724,504,157
Add: Net Profit for the year	859,221,549
Total funds available for appropriation	2,583,725,705
Less: Proposed Dividend- Cash Dividend @ 20%	297,000,000
Undistributed Profit	2,286,725,705

The Board of Directors of M. I. Cement Factory Ltd. is committed to ensure maximization of shareholder's wealth over the long term by adequate returns on the capital invested by them. The graphical view of Net Asset Value (NAV) of last five years of our company is given below:



DIVIDEND DISTRIBUTION POLICY

The Board of Directors has established a dividend policy, in accordance of the BSEC's Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, which forms the basis for the proposals on dividend payments to the shareholders taking into consideration the business performance of the company and its strategic initiatives. The Board believes that it is in the best interest of the company to draw up a long-term and predictable dividend policy. The objective of the policy is to make informed the shareholders towards the investment decisions. The Board has approved Dividend Policy has been attached in the Annexure-VI.

ATTENDANCE OF THE BOARD MEETING, AUDIT COMMITTEE MEETING AND NOMINATION & REMUNERATION COMMITTEE MEETING

During the year ended 30 June 2021, Board Meeting, Audit Committee Meeting and Nomination & Remuneration Committee (NRC) Meeting were held as per the compliance of the Corporate Governance Code and the attendance of the Directors are shown below:

Board Members	Position	Board Meeting Attendance	Audit Committee Meeting Attendance	NRC Meeting Attendance
Mr. Mohammed Jahangir Alam Non-executive Director	Chairman	7/7	-	-
Mr. Md. Alamgir Kabir Executive Director	Vice Chairman	7/7	-	-
Mr. Molla Mohammad Majnu Executive Director	Managing Director	7/7	-	-
Mr. Md. Mizanur Rahman Mollah Non-executive Director Member, Audit Committee Member, Nomination & Remuneration Committee	Additional Managing Director	7/7	5/5	1/1
Mr. Md. Almas Shimul Non-executive Director Member, Audit Committee Member, Nomination & Remuneration Committee	Director	7/7	5/5	1/1
Mr. Zakir Ahmed Khan Independent Director Chairman, Audit Committee	Independent Director	7/7	5/5	-
Prof. Dr. M. Abu Eusuf Independent Director Chairman, Nomination & Remuneration Committee	Independent Director	7/7	5/5	1/1
Mr. Md. Mozharul Islam, FCS	Company Secretary	7/7	5/5	1/1

SHAREHOLDING PATTERN

The Shareholding Pattern of the company for the period ended 30 June 2021 is shown in Annexure-II.

DIRECTOR'S ELECTION AND RE-APPOINTMENT

Pursuant to the provisions of the Companies Act, 1994 and Clause No. 81 of the Articles of Association of the company one-third of the Directors shall retire by rotation in every Annual General Meeting. Accordingly, 2 (Two) Directors of the company will retire in the 27th Annual General Meeting. The Retiring Directors are:

1. Mr. Molla Mohammad Majnu
2. Mr. Md. Almas Shimul

Being eligible they offer themselves for re-election. A brief profile of the two Directors is disclosed in Annexure-III as per clause 1(5)(xxiv) of BSEC Notification dated 3 June 2018.

INDEPENDENT DIRECTORS

As per the Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC), considering 5 (five) Shareholder Directors in the Board, two Independent Directors have been appointed, namely-

- a) Mr. Zakir Ahmed Khan
- b) Prof. Dr. M. Abu Eusuf

It may be mentioned here that the above noted two Independent Directors will complete their tenure for 3 (Three) years of the first term at the 27th Annual General Meeting and as per Corporate Governance Code they are eligible for reappointment for the second term. The Board of Directors approved their appointment for the second term, which will be placed before the honorable Shareholders in the upcoming 27th Annual General Meeting for approval. A brief profile of the two Independent Directors is disclosed in Annexure-III.

DIRECTORS' DECLARATION AS TO FINANCIAL STATEMENTS

The Directors are responsible for the governance of the company, and as part of preparation and presentation of the financial statements, the Directors confirm, to the best of their knowledge that:

- As per IAS 1 Presentation of Financial Statements, no items of income and expense are to be presented as "extraordinary gain or loss" in the financial statements. Accordingly, recognized in the financial statements.

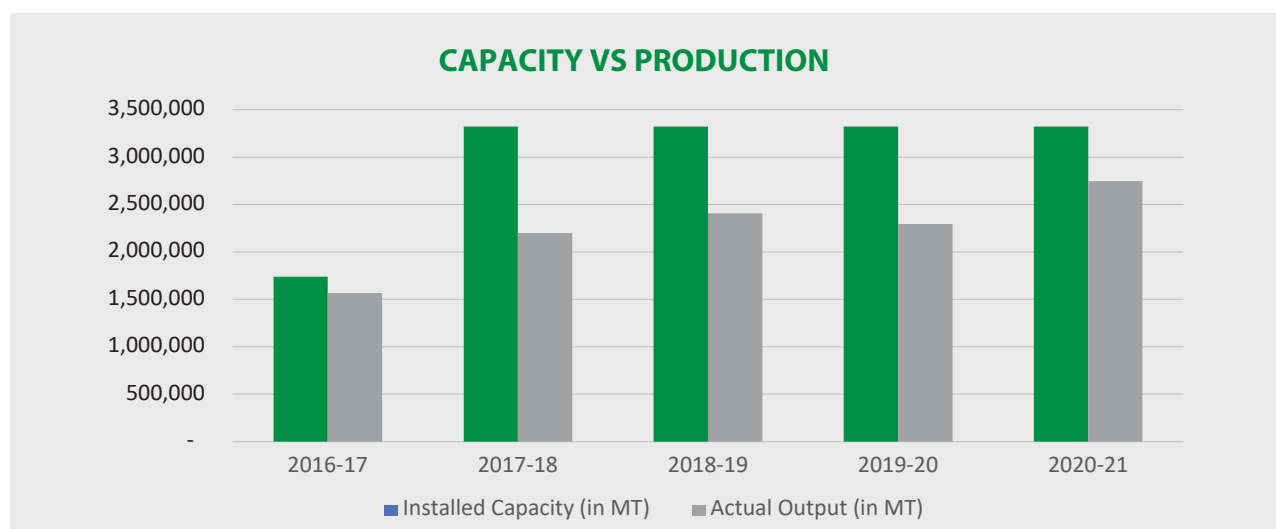
- The financial statements have been prepared by the Management of the company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper Books of Account of the company have been maintained.
- Appropriate Accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- *The 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 disclosed.
- The 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.
- Based on the available information on the future, the directors consider that the company has the plans and resources to manage its business risks successfully, as it has a diverse range of businesses and remains financially strong. The Board of Directors have made appropriate enquiries and analyzed the significant financial, operating as well as other indicators for enabling them to understand the ability of the company to continue its operations for a foreseeable period. Directors are convinced and have a reasonable expectation that the company has adequate resources to continue its operation consistently for the foreseeable future. Therefore, the company adopted the going concern basis in preparing these financial statements.
- No bonus shares or stock dividend has been declared as interim dividend.
- There is no amount left unutilized of the IPO Fund and no deterioration of the IPO Fund took place during the year under review.
- The Auditor has included an emphasis matter in their audit report drawing attention to notes 8.1 to the audited financial statements where the management has explained the accounting treatment of investment in 4 (four) active associate companies considering the relationship of investor and investee as defined in IFRS 10: Consolidated Financial Statements and IAS: 28 Investments in Associates and Joint Ventures. Refer note 8.1 to the accompanying audited financial statement for the detail of basis of accounting treatment applied.

COMPANY'S OPERATIONS

The total installed capacity and actual output of the company for the year ended 30 June 2021 compared to 30 June 2020 was as follows:

Particulars	2020-2021	2019-2020
Installed Capacity (Metric Ton)	3,324,000	3,324,000
Actual Output (Metric Ton)	2,718,526	2,306,260
Capacity Utilization	82%	69%
Growth of actual output in 2020-2021	18%	

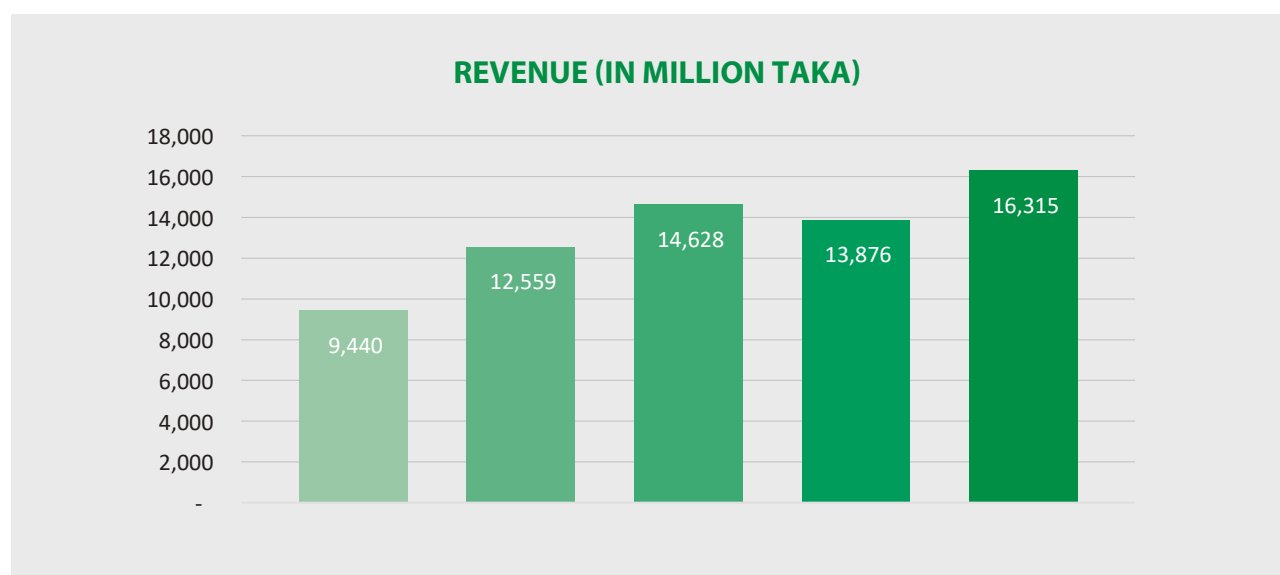
The trend of Production in line with Installed Capacity of last five years is given below:



SALES PERFORMANCE

Over the years the company enjoyed an increase of its sales revenue. This revenue enhancement is a combination of the superior quality of our products and value-added services, the strength of our distribution channel and the promotional activities adopted by the company. The quality of our products is rigorously monitored in order to ensure that these exceeds the parameters set in the standards like ISO 9000:2008, Bangladesh Standards & Testing Institution (BSTI) and Bureau of Indian Standards (BIS).

A graphical view of sales performance of last five years is given below:



FINANCIAL RESULTS

The Company's operating and financial results of 2020-2021 as compared to the previous year of 2019-2020 are summarized hereunder:

Particulars	2020-2021 Taka	2019-2020 Taka
Revenue	16,315,315,422	13,876,211,430
Cost of Goods Sold	(14,059,539,138)	(12,267,970,393)
Gross Profit	2,255,776,284	1,608,241,037
Net Profit/ Loss (Before Tax)	1,054,174,886	(28,220,185)
Net Profit / Loss (After Tax)	859,221,549	(132,453,273)
Total Assets	16,989,282,543	19,084,838,495
Net Asset Value (NAV)	7,824,089,839	6,887,115,714
Net Operating Cash Flow	3,623,507,067	548,157,464
Earnings Per Share (EPS)	5.79	(0.89)
NAV Per Share (NAVPS)	52.69	46.38
Net Operating Cash Flow Per Share (NOCFPS)	24.40	3.69
Gross Margin	13.83%	11.59%
Net Margin (Before Tax)	6.46%	(0.20%)
Net Margin (After Tax)	5.27%	(0.95%)

CSR ACTIVITIES

Being a responsible corporate citizen, M. I. Cement Factory Ltd. has been contributing to different social causes to bring positive changes in the society over many years.

M. I. Cement Factory Ltd. has been providing financial and other material aids to different organizations working for the development of autistic and differently challenged children in Bangladesh. Our company also provides financial assistance to the meritorious students who are facing financial challenges in their study.

In this Covid-19 pandemic situation the Frontline Heroes i.e. Healthcare Professionals, Police Officials, Armed Forces, Journalists, Reporters etc. have all suffered a significant number of casualties during the ongoing pandemic. To support their overwhelming encouragement, our company provides a financial assistance to the Capital Market Journalist Forum Covid- 19 Fund and Economic Reporters Forum Covid-19 Fund.

Being a teenager is difficult no matter what, and the Corona Virus disease (COVID-19) is making it even harder. With school closures and cancelled events, many teens are missing out on some of the biggest moments of their young lives - as well as everyday moments like chatting with friends and participating in class. For teenagers, facing life changes due to the outbreak who are feeling anxious, isolated and disappointed, know this: you are not alone. Keeping this in mind, our company funded the CUET Ex-Student Association to arrange their program for Focusing on themselves and finding ways to use their new-found time in a productive way to look after their mental health.

Additionally, the company has distributed blankets and winter clothes among the poor people at different corners of the country. The company also facilitates interns of different academic backgrounds to let them gain firsthand knowledge and experience of the corporate world and thus groom the potential leaders of the society. These initiatives of M. I. Cement Factory Ltd. have made a significant beneficial impact in the society.

Our company recognizes the need for being a responsible corporate citizen. As a part of sustainable development, it takes seriously its corporate social responsibilities.

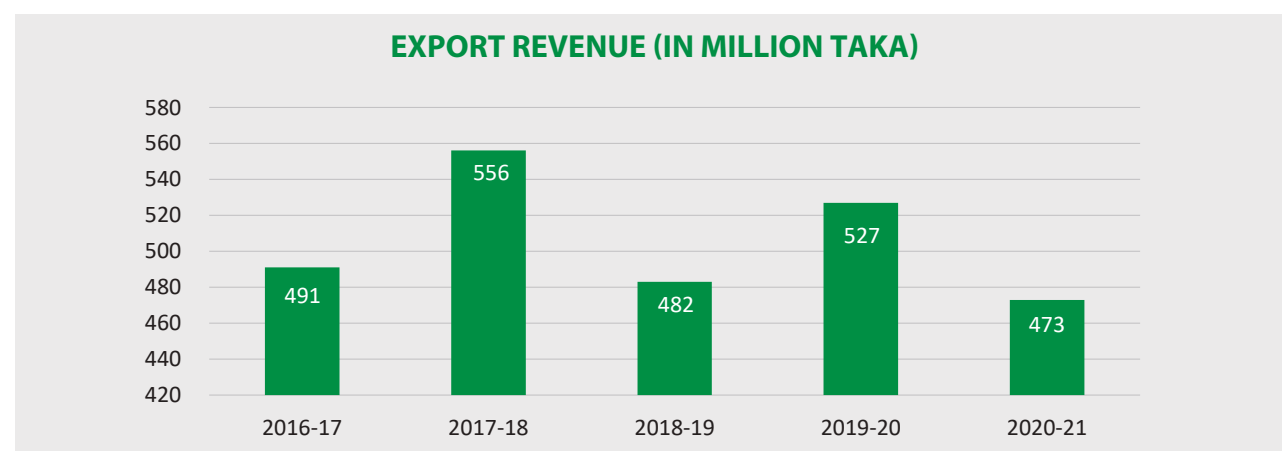
EXPORT

Bangladesh's cement industry has earned export revenue of US\$ 7.26 million in the last fiscal year (July 2020-June 2021), compared to US\$ 9.14 million in the year-ago period, a fall of 20.6 per cent YoY.

Bangladesh exports 90 percent of its cement to India. An increase in local consumption and high cost of exports attributed to lesser export, a research house reported.

The export value for cement decreased by 27.4 percent, underperforming compared with the government target set for the period due to an increase in local consumption. The government had set an advanced export target for the cement industry at US\$ 10 million for FY20-21 (July 2020-June 2021), compared to US\$ 9.14 million for the previous fiscal year.

By taking a Bangladeshi product beyond the Borders, 'Crown Cement' is the only brand, which has been awarded with National Export Trophy (Gold) twice consecutively for the years 2008-2009 and 2009-2010 and National Export Trophy (Bronze) in the year 2013-2014. During the Financial year 2020-2021 under review we earned foreign exchange to the tune of about Tk. 473 million. A graphical view of export sales performance of last five years is given below:



INFORMATION TECHNOLOGY (IT)

"Working from home" have been the new normal during the last fiscal year. Corporates throughout the world had to ensure optimize use of their resources for smooth business operation to cope with the challenges. Due to restrictions in shipping because of Covid-19 pandemic and shortage of supplies, the price of IT devices remained high. The members of Crown Cement Group, IT Department also ensured availability of all resources to overcome the challenges. It also managed and maintained the hardware and software operations without support of third-parties. This reduced significant amount of operational cost.

During the last fiscal year, the IT Department provided support to all concerns of the group through remote communication platform. All units are now under surveillance and were able to reduce the response and support time by a significant margin. A great number of IT devices were upgraded through cost effective solution and those were delivered to new Ghats and Kazirhat Unit.

HUMAN RESOURCES

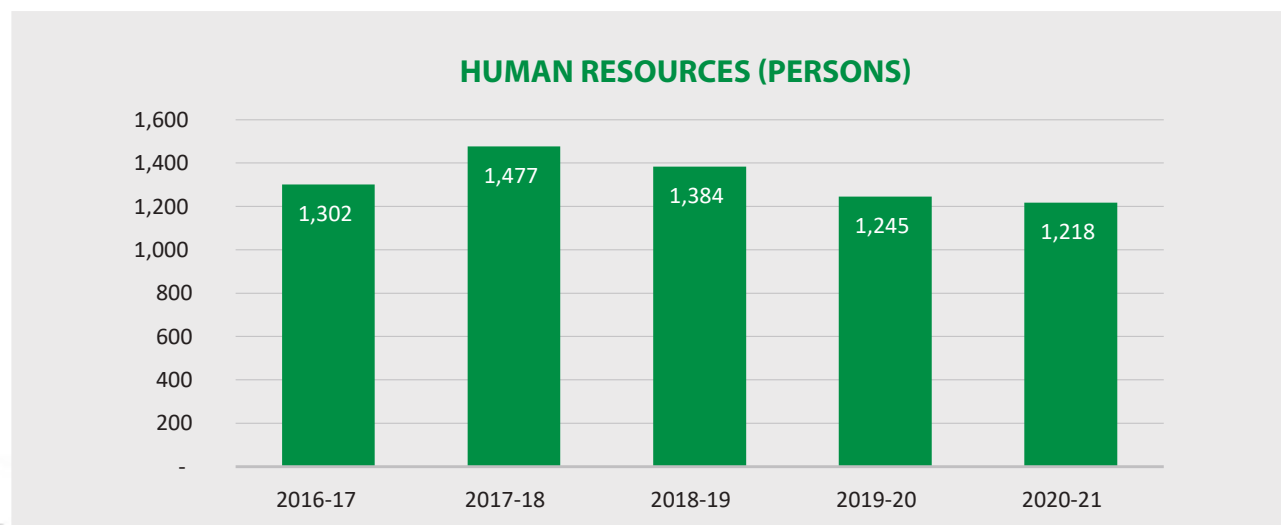
Now a days, Human Resources is treated as a strategic partner of managing organization's most valuable asset. It is considered as the most important resource of an organization comparing among the other resources such as human, physical, financial and information resources. In June 2014, Human Resource Department started its journey at Crown Cement Group with the aim to make a people centric organization where employees are motivated to unleash their best performance and lead the organization to the path of being Employer of Choice.

HR Department has developed a number of policies and procedures for the company. We also amended the existing policies aligning them with the labor law. We keep updated the pay scales after continuously scanning the market.

During the pandemic situation, we took different precautions for our employees to ensure that they are protected from infection. We have facilitate to our employees by providing special leave for Covid-19 affected and suspected cases. We ensured hygiene factors office environment. We also provided financial support toward the employees for their treatment. We encouraged office from home and we ensure transportation facility to all the levels of staffs.

We have provided individual and group training by international & local trainer with the aim of employee's efficiency development. We have arranged soft skill, behavioral improvement, technical and job-related trainings within the company, within the country and even outside of the country as per Training Need Assessment (TNA). We have in-house trainer pool for development of soft skills, technical skill and job-related skills. We have also introduced online-based E-learning platform to boost up corporate ethics, manners and to develop soft skills among the employees for their balanced career. We are continuously uploading learning videos and case studies through ERP system.

To properly evaluate employee performances, we have started Key Performance Indicator (KPI) based performance appraisal through online. Employee get their regular work update. We are continuously monitoring individual KPI along with departmental and company KPI in line with budget & target of the company.



HR Department has started Performance Based Reward Program to keep motivating employees to contribute to the organization. This will help the organization to step ahead to the employer branding and keep cultivating the performance reward culture.

HR Department is committed for employee wellbeing, providing facilities and benefits as per laws and playing role as strategic business partner for organization growth.

SAFETY, HEALTH AND ENVIRONMENT

Health, safety and wellbeing is a foremost priority in fostering a good working environment. Our comprehensive occupational health and safety policy expresses how we action our responsibilities to create a safe workplace for all our employees. This focus was heightened during the COVID-19 pandemic, during which the company's HRD adopted a number of initiatives to minimize the risk of infection, break the chain of transmission and enhance safety for all.

Some of these initiatives included keeping a daily check of employee health via reports, forming an emergency support team, disseminating COVID-19 preventive guidelines and measures with adequate enforcement, arranging telemedicine services and organizing discounted rates for COVID-19 tests. Further, in addition to these initiatives, the company also provided life insurance cover for all employees and also facilitated reimbursement of all treatment expenses related to COVID-19. Moreover, special facilities were also provided to those who needed to come to office premises during the pandemic-induced lockdown period.

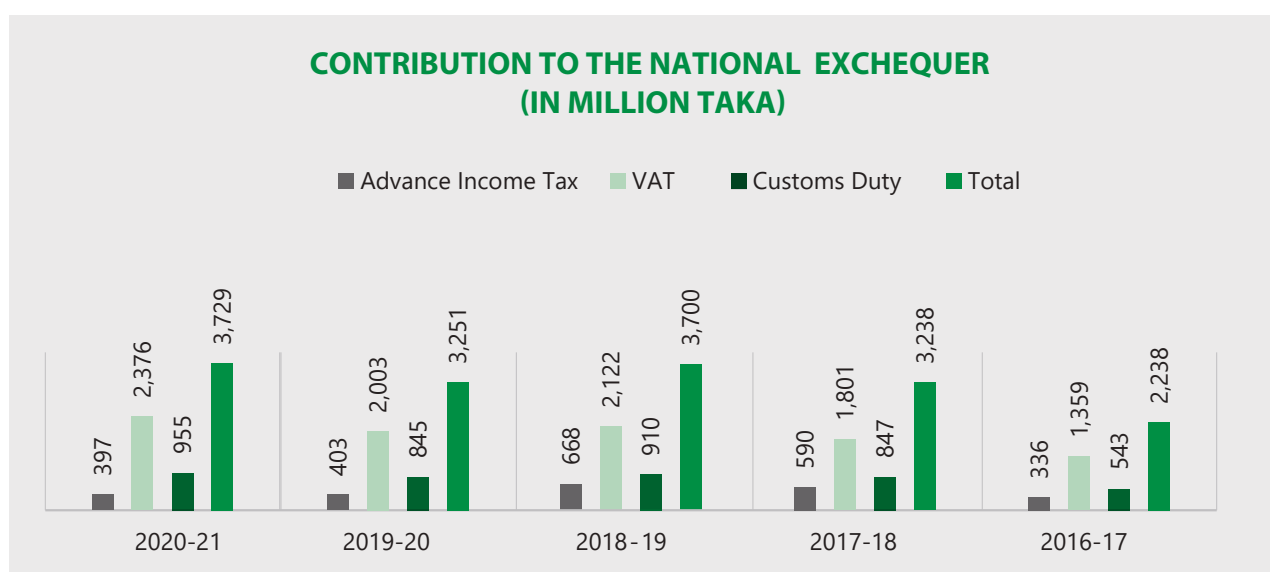
CONTRIBUTION TO THE NATIONAL EXCHEQUER

During the Accounting year ended 30 June 2021, the company has contributed Tk. 3,729 Million to the National Exchequer through following manner:

(In Million Taka)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Advance Income Tax	397	403	668	590	336
VAT	2,376	2,003	2,122	1,801	1,359
Customs Duty	955	845	910	847	543
Total	3,729	3,251	3,700	3,238	2,238

The contribution to the National Exchequer of our company of last five years is shown to the following graph:



UNCLAIMED DIVIDEND

With reference to the BSEC's Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, condition 3 (vii); the list of Unclaimed Dividend has been stated below as on 30 September 2021. It may be mentioned here that we have transferred the Unclaimed Dividend amounts to the Capital Market Stabilization Fund (CMSF) of all the years leaving the current 3 (Three) years, as per the above BSEC's Directive.

Particulars	No. of Shareholders	Unclaimed Dividend
Dividend Account 2020	7,786	905,900
Dividend Account 2019	6,866	806,037
Dividend Account 2018	5,065	910,889

POST BALANCE SHEET EVENTS

The Board of Directors in their meeting held on 27 October 2021 have recommended cash dividend @ 20% i.e. Tk. 2.00 (Taka two) per share of Tk. 10.00 (Taka ten) each aggregating to Taka 297,000,000 for the year ended 30 June 2021 subject to approval of the shareholders' in the 27th Annual General Meeting scheduled to be held on 15 December 2021.

GOVERNANCE, ETHICS AND ITS COMPLIANCE

Good governance and ethical conduct provide the foundation for everything we do at M. I. Cement Factory Ltd. They help us earn trust, manage risks, foster sustainable growth and build a resilient business. We aim to tackle challenging issues head on, make our communications and processes simple, hold everyone accountable and empower all our employees to do what's right. Our Code of Business Conduct as well as our internal ethics upkeeps and tailored training, helps employees make ethical decisions.

We believe continuous supervision in every business practice is the key to sustain in a leadership role. Therefore, our company is directed, administered and complied with the set of laws, policies and procedures exerted in Bangladesh Securities & Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018; Companies Act, 1994 and the Listing Regulations, 2015 of Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE). The Summary of key operating and financial data of preceding five years, Pattern of Shareholding, Resume of Re-appointed Directors, Management's Discussion and Analysis, CEO's & CFO's declaration to the Board and Dividend Distribution Policy for the year ended 30 June 2021 are appended as Annexure-I, II, III, IV, V and VI respectively.

OUR GRATITUDE

The company and its Board of Directors would like to extend its foremost regard and appreciation to the valued shareholders and other stakeholders of the company for their persistent support and guidance to the company that led to the cumulative achievements. The Board also expresses their gratitude to the Government of Peoples Republic of Bangladesh, National Board of Revenue (NBR), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), the company's bankers, and other business partners for their cooperation, positive support and guidance. The company also wishes to express its sincere appreciation to all employees of our company for their contribution towards the development of the company.

We promise that we will continue our journey towards a bright future. We look forward to your continued support in 2021-22 and the days ahead.

On behalf of the Board of Directors



Mohammed Jahangir Alam
Chairman

Dated, Dhaka
27 October 2021

পরিচালকমণ্ডলীর প্রতিবেদন

৩০ জুন ২০২১ তারিখে সমাপ্ত বৎসরের জন্য

পরিচালনা পর্ষদ অত্যন্ত সানুগ্রহ ও আনন্দ সহকারে ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক বিবরণীসহ নিরীক্ষা প্রতিবেদন এবং পরিচালকমণ্ডলীর প্রতিবেদন আপনাদের বিজ্ঞ বিবেচনা, অনুমোদন এবং গ্রহণের জন্য পেশ করছি।

কোম্পানী আইন ১৯৯৪ এর রুল ১৮৪, ঢাকা স্টক এক্সচেঞ্জ ও চিটাগাং স্টক এক্সচেঞ্জ এর তালিকাভুক্তি আইন এবং বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) বিজ্ঞপ্তি নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/প্রশাসন/৮০ তারিখ ৩ জুন ২০১৮ এর প্রবিধান অনুযায়ী পরিচালনা পর্ষদের অত্র প্রতিবেদনটি প্রস্তুত করা হয়েছে।

দেশের সিমেন্ট শিল্পের সামগ্রিক পর্যালোচনা এবং সিমেন্ট শিল্পের ভবিষ্যৎ

বিশ্ব ব্যাংক তার গ্লোবাল ইকোনমিক প্রসপেক্ট রিপোর্টে বলেছে যে বিশ্ব অর্থনীতিতে ৮০ বছরের মধ্যে মন্দা যাবে, পরবর্তীতে ২০২১ সালে গতি প্রসারিত হবে ৫.৬ শতাংশ। এই পুনঃরুদ্ধারটি অসম এবং কিছু প্রধান অর্থনীতিতে ব্যাপকভাবে তীক্ষ্ণ রিবাউন্ড প্রতিফলিত করে। অনেক ‘ইমার্জিং মার্কেট এন্ড ডিভেলপিং ইকোনোমিজ’ (ইএমডিই) উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতিতে কোভিড-১৯ এর টিকাদানের প্রতিবন্ধকতাপ্রাপ্তি অর্থনৈতিক কার্যকলাপের উপর প্রভাব রাখে। ২০২২ সাল নাগাদ, গত বছরের মাথা পিছু আয়ের ক্ষতি প্রায় দুই-তৃতীয়াংশই ইএমডিই-তে সম্পূর্ণভাবে পূরণ হবে না। বৈশ্বিক দৃষ্টিভঙ্গিতে উল্লেখযোগ্য নেতিবাচক ঝুঁকির সম্ভাবনা রয়েছে, যার মধ্যে ভবিষ্যৎ কোভিড-১৯ এর সম্ভাবনার কারণে এবং উচ্চ ইএমডিই খণ্ডের ফলে আর্থিক চাপ বাড়তে পারে। নীতিনির্ধারকগণকে মূল্য স্থিতিশীলতা এবং রাজস্ব স্থায়িত্ব রক্ষা পুনঃরুদ্ধারের মধ্যে ভারসাম্য বজায় রাখতে হবে এবং প্রবৃদ্ধি-বর্ধক সংস্কারের প্রচারের দিকে প্রচেষ্টা চালিয়ে যেতে হবে।

কোভিড-১৯ মহামারীর আগে, বাংলাদেশে একটি স্থির এবং উচ্চ জিডিপি প্রবৃদ্ধি হয়েছিল যা’ ২০১৫-১৬ থেকে ২০১৮-১৯ অর্থ বছরে ছিল গড়ে প্রতি বছর ৭.৪ শতাংশ যা’ ২০১৮-১৯ অর্থ বছরে রেকর্ড হারে বৃদ্ধি পেয়ে ৮.১৫ শতাংশে দাঁড়ায়। কোভিড-১৯ মহামারীর কারণে বিশ্ব অর্থনীতি স্থবির হয়ে পড়েছে, যা বাংলাদেশের অর্থনীতিতেও ব্যাপক নেতিবাচক প্রভাব ফেলেছে। বিবিএসএর চূড়ান্ত হিসাব অনুযায়ী, ২০১৯-২০ অর্থ বছরে জিডিপি প্রবৃদ্ধি কমেছে ৩.৫১ শতাংশ। তবে ২০২০-২১ অর্থ বছরে বাংলাদেশের অর্থনীতি ঘুরে দাঁড়িয়েছে। বিবিএস-এর সাময়িক অনুমান অনুসারে, ২০২০-২১ অর্থ বছরে জিডিপি প্রবৃদ্ধি দাঁড়াবে ৫.৪৭ শতাংশে। করোনাভাইরাস এর কারণে অর্থনীতিতে স্থবিরতা সত্ত্বেও ২০১৯-২০ অর্থবছরে খাদ্য উৎপাদন এবং সরবরাহ ব্যবস্থা অপ্রভাবিত ছিল, যার ফলে ২০২০-২১ অর্থ বছরে মূল্যস্ফীতি পৌঁছেছে ৫.৫৬ শতাংশে। বাংলাদেশে রপ্তানি ও আমদানি উভয় ক্ষেত্রে তীব্র পতন পুনঃরুদ্ধারের লক্ষণ দেখা যাচ্ছে। ২০২০-২১ অর্থবছরে, বাংলাদেশি প্রবাসীদের রেমিট্যান্স ছিল ২৪,৭৭৭.৭২ মিলিয়ন মার্কিন ডলার যা আগের অর্থবছরের তুলনায় উল্লেখযোগ্যভাবে ৩৬.১০% বেশি। আগের বছরের ৪,৭২৪ মিলিয়ন মার্কিন ডলার ঘাটতির তুলনায় শক্তিশালী রেমিট্যান্স প্রবাহের ফলে চলতি হিসাবের ব্যালেন্স ঘাটতি ২০২০-২১ অর্থবছরে ৩,৮০৮ মিলিয়ন মার্কিন ডলারে দাঁড়িয়েছে। এই সময়ে আর্থিক হিসাব এবং মূলধন হিসাব উদ্বৃত্ত দেখায়। অতএব, সামগ্রিক ভারসাম্য উদ্বৃত্ত ২০২০-২১ অর্থবছরে রেকর্ড সংখ্যা ৯,২৭৪ মিলিয়ন মার্কিন ডলার এ দাঁড়িয়েছে যা আগের বছরে ছিল ৩,১৬৯ মিলিয়ন মার্কিন ডলার। ফলস্বরূপ, ৩০ জুন ২০২১ তারিখে বৈদেশিক মুদ্রার রিজার্ভ রেকর্ড পরিমাণ বৃদ্ধি পেয়ে ৪৬.৩৯ বিলিয়ন মার্কিন ডলারে দাঁড়িয়েছে।

বর্তমানে বৈদেশিক মুদ্রার রিজার্ভের সাম্প্রতিক চাপের প্রধান কারণ হলো আমদানি বৃদ্ধি এবং রেমিটেন্সে উল্লেখযোগ্যভাবে হ্রাস পাওয়া। এটি বিশ্ব মুদ্রার বিপরীতে টাকাকে ক্রমান্বয়ে অবমূল্যায়নের দিকে নিয়ে যাচ্ছে। শিল্প বা ভোক্তা পণ্য সব ক্ষেত্রে বিশ্ব জুড়ে দ্রব্যের দাম ব্যাপক বৃদ্ধির সাথে এখন মুদ্রাস্ফীতি ক্রমাগত বাড়ছে। এটি আংশিক ভাবে কোভিড-১৯ পরবর্তী চাহিদার পুনঃরুদ্ধারের কারণে এবং আংশিকভাবে পরিবহন ব্যয়ের আন্তর্জাতিক তীব্র বৃদ্ধির কারণে হয়েছে। শিল্পের কাঁচামালের মূল্যের তীব্র বৃদ্ধির ফলে স্থানীয় শিল্পগুলির জন্য মার্জিন হ্রাস পাবে বলে আশা করা হচ্ছে, বিশেষ করে যেখানে উচ্চ উৎপাদন খরচের চাপ ভোক্তাদের উপর চাপানো সম্ভব হয় না। যা হোক, তৈরি পোশাক শিল্পের জন্য রেকর্ড সংখ্যক অর্ডার পাওয়ায় রপ্তানি বৃদ্ধি পাচ্ছে। দেশের আর্থিক খাত এখনও চাপের মধ্যে রয়েছে কারণ ব্যাংকগুলির অগ্রিম ও আমানত অনুপাত এখনও অনেক কম। খণ্ডের শ্রেণিবিন্যাস আবার শুরু হলে অনেক ব্যাংকের ফলাফল খারাপ হতে পারে।

বাংলাদেশের সিমেন্ট শিল্প সাম্প্রতিক বছরগুলিতে কিছু দ্রুততম প্রবৃদ্ধির অভিজ্ঞতা অর্জন করেছে: গত দশকের চেয়ে এই সিমেন্ট শিল্প প্রায় ১০% প্রবৃদ্ধি পেয়েছে। দেশের অর্থনৈতিক উন্নয়ন, দ্রুত নগরায়ন, সরকারি অবকাঠামো প্রকল্প এবং রিয়েল এস্টেট সেক্টরের প্রবৃদ্ধির কারণে সিমেন্ট উৎপাদনকারীগণ এ শিল্পের ভবিষ্যৎ সম্ভাবনা সম্পর্কে আশাবাদী। কোভিড-১৯ মহামারী থেকে সেক্টরের দ্রুত প্রত্যাবর্তন তাদের ইতিবাচক দৃষ্টিভঙ্গি এবং সেক্টরের স্থিতিস্থাপকতার সাক্ষ্য দেয়। যদিও এই সিমেন্ট শিল্পটি অতিরিক্ত সক্ষমতা এবং সরকারী শুল্কের কারণে ক্ষতিগ্রস্ত হয়েছে, তথাপি কোম্পানিগুলো তাদের স্ব স্ব উৎপাদন ক্ষমতা বৃদ্ধিতে বিনিয়োগ অব্যাহত রেখেছে।

মহামারী সত্ত্বেও, সিমেন্ট সেক্টরের বাজারের আকার ২০২০ অর্থ বছরে ৩৩.৫ মিলিয়ন টনে পৌঁছেছে, যা আগের অর্থ বছরের তুলনায় ০.৫০% প্রান্তিক হ্রাস পেয়েছে। যা' হোক নতুন অর্থ বছর শুরু হওয়ার সাথে সাথে, সিমেন্টের চাহিদার অভূতপূর্ব উত্থান ঘটে যার ফলে সমস্ত সিমেন্ট সেক্টর স্তম্ভিত হয়ে পড়েছে। পূর্ববর্তী বছরে মহামারীর কারণে নির্মাণ কাজ স্থবির হয়ে পড়েছিল তৎপরবর্তীতে নির্মাণ কাজের গতি সঞ্চার হওয়ায় সিমেন্টের চাহিদা বেড়ে যায়। ফলস্বরূপ, ২০২১ অর্থ বছরে প্রথম ত্রৈমাসিকে, সিমেন্টের মার্কেট ২০.৫% এবং ২০২১ অর্থ বছরে জুনের ৩৫.৬% বৃদ্ধি পেয়েছে। উক্ত প্রথমার্ধে সিমেন্টের চাহিদা দ্বিতীয়ার্ধের তুলনায় বেশী বৃদ্ধি পায়। আমরা আশাবাদী যে এই সিমেন্ট শিল্পটি ২০২০ অর্থ বছরের তুলনায় ২০২১ অর্থ বছরে প্রায় ২৫% প্রবৃদ্ধি হবে, যা এই সিমেন্ট শিল্পের জন্য একটি রেকর্ড হিসাবে দাঁড়াবে।

যদিও আপনার কোম্পানী আশা করে যে এর প্রবৃদ্ধি বাজারের চেষ্টা বেশি হবে, ধন্যবাদ এই বছর গৃহীত বিভিন্ন বিপণন এবং বিক্রয় উদ্যোগের জন্য, যা খুচরা বিল্ড থেকে একটি শক্তিশালী চাহিদা বাড়িয়েছে। আমরা আমাদের ডিলার এবং রিটেইলার লেভেল পর্যন্ত চ্যানেল পার্টনারদের প্রোগ্রামে বিনিয়োগ করা এবং আমাদের সিমেন্টের মূল স্পেসিফিকেশনের সাথে থেকে কাজ করছি যাতে আমাদের সিমেন্টের চাহিদা উত্তরোত্তর বৃদ্ধি পায়।

বর্তমানে সিমেন্ট শিল্পের প্রধান চ্যালেঞ্জ হল ক্লিংকার, স্ল্যাগ, ফ্লাই অ্যাশ, চুনাপাথর এবং জিপসামের মতো কাঁচামালের আকাশ ছোঁয়া দাম। এর ফলে কোম্পানীর মার্জিন ব্যাপকভাবে হ্রাস পেয়েছে। এটি বিশেষতঃ আয়কর অধ্যাদেশের ৮২ সি ধারার প্রভাব এবং ম্যুসক ও অগ্রিম আয়কর আরোপ করার ফল। সরকারের তরফ থেকে কিছু সুবিধা না পেলে আগামী বছরগুলোতে এই শিল্প ক্ষতিগ্রস্ত হবে।

ব্যবসায় ঝুঁকি সমূহ

কোম্পানীকে ব্যবসা পরিচালনায় বহুবিধ ঝুঁকির মোকাবেলা করতে হয়। সিমেন্ট শিল্প ও এর ব্যবসায়িক কর্মকাণ্ডে নানাবিধ ঝুঁকির সম্মুখীন হওয়া ক্রমাগতভাবেই ঘটে, কিন্তু এ কোম্পানী তা অবশ্যাব্যী ভাবে যুক্তিসঙ্গত প্রতিকারের পদক্ষেপ পূর্বাঙ্কে অনুধাবন ও চিহ্নিত করে থাকে।

অতিরিক্ত উৎপাদন ক্ষমতা সংশ্লিষ্ট

দেশের শিল্প কারখানার স্থাপিত উৎপাদন ক্ষমতা চাহিদার তুলনায় অনেক বেশী যা পণ্য বাজারজাতকরণ ও বিক্রয়ে সমস্যার কারণ। ইহা প্রতিষ্ঠানগুলোর মধ্যে অহেতুক অশুভ বিক্রয় প্রতিযোগিতার জন্ম দিচ্ছে। এ সমস্যার মোকাবেলায় আমরা আমাদের পণ্যের মান অক্ষুণ্ণ রেখে ন্যেয়ার ব্র্যান্ড ইমেজ সমৃদ্ধ রাখতে তৎপর থাকি। তাছাড়া আমাদের সুদক্ষ বিক্রয় ও বিপণন জনশক্তি গুণগত মানের ভিত্তিতে আমাদের পণ্যের বাজার তৈরিতে বা বাজার ধরে রাখতে প্রচেষ্টা চালিয়ে যায়।

কারিগরি সংশ্লিষ্ট ঝুঁকি

উৎপাদন প্রক্রিয়া ও সংশ্লিষ্ট শৈল্পিক কারিগরি পদ্ধতি প্রতিনিয়ত পরিবর্তনশীল, ইহা ক্রমেই আইটি নির্ভর প্রকৌশলের দিকে ঝুঁকছে। কোম্পানী এ বিষয়টি বিবেচনায় রেখে তাদের পণ্যের মান উন্নয়নে সবিশেষ তৎপর যা সুলভ পণ্য উৎপাদনে সহায়ক হবে।

বিক্রয় ঝুঁকি

দ্রুত সম্প্রসারণশীল বাজারে প্রতিযোগী কোম্পানীর মোকাবেলায় বাজার আয়ত্রে নেয়ার কলাকৌশল ও সুযোগ কোম্পানী নানাভাবে গ্রহণ করে থাকে। আপনার কোম্পানী তার অতিরিক্ত উৎপাদন ক্ষমতা সদ্ব্যবহার করে মহামারী কালীন সময়ে বিশাল সাফল্য অর্জন করেছে।

পণ্য মূল্য নির্ধারণ ঝুঁকি

সমস্যার উদ্ভব হয় যখন নানা কারণে উৎপাদন ব্যয় বর্ধনের কারণ ঘটলেও বিক্রয় মূল্য বৃদ্ধি করা সম্ভব হয় না। কোম্পানী প্রতিনিয়ত তার উৎপাদন ব্যয় পর্যালোচনা করে থাকে এবং লাভজনক পন্থায় ও প্রণালীতে পণ্য পরিবেশনে তৎপর থাকে। উৎপাদন ব্যয় অতিক্রম করে কিভাবে বাজারে পণ্য পরিবেশিত হবে সে অভিজ্ঞতায় কোম্পানীর বিক্রয়ে নিয়োজিত সুদক্ষ জনশক্তি তাদের কর্মকাণ্ড পরিচালনা করে থাকে।

সুষ্ঠু পরিচালন ঝুঁকি

কাঁচামাল সংগ্রহ প্রক্রিয়া এবং উৎপাদন প্রক্রিয়ার সাথে এ ঝুঁকি জড়িত। আপনার কোম্পানী এ ব্যাপারটির উপর সুতীক্ষ্ণদৃষ্টি রাখে। এ বিষয়ে সাফল্যের জন্য কাঁচামাল সরবরাহকারীদের সাথে সৌহার্দপূর্ণ সম্পর্ক বজায় রেখে ব্যবসায়িক চুক্তি সম্পাদন করা হয়। পাশাপাশি সরবরাহকারীদের উপর নির্ভরতা কমাতে এবং প্রতিযোগিতা মূল্যে কাঁচামাল ক্রয়ের জন্য কোম্পানী প্রতিনিয়ত সরবরাহকারীদের তালিকা সম্প্রসারণের কাজটি পর্যালোচনা করে থাকে। একই নীতি অনুসরণ করা হয় কারখানার খুচরা যন্ত্রাংশ সংগ্রহের ব্যাপারেও।

পণ্য মান নিয়ন্ত্রণ ঝুঁকি

কোম্পানীর উন্নয়নের দৃঢ় স্তম্ভ ও ভিত্তি হলো পণ্যের আপোষহীন মান রক্ষা করা। কোম্পানী কোন মূল্যেই তার পণ্যের উৎকর্ষ মান নিচু হতে দেয় না। এ জন্য গ্রাহকের কাছে এ পণ্যের গ্রহণযোগ্যতা বজায় থাকে এবং ব্র্যান্ড ইমেজ সুউচ্চে অবস্থান করে। পণ্যের গুণগত মান সুউচ্চে তুলে ধরাই কোম্পানীর আদর্শ ও দর্শন।

বাকীতে বিক্রয় ঝুঁকি

বাকীতে বিক্রয় ঝুঁকি হল কোম্পানীর আর্থিক ক্ষতির ঝুঁকি। যদি কোনো গ্রাহক বা আর্থিক প্রতিপক্ষতার সাথে চুক্তি অনুযায়ী প্রদেয় দেনা পরিশোধের শর্ত পূরণ করতে ব্যর্থ হয়, তাহলে এই ঝুঁকির উদ্ভব হয়।

কোম্পানীর একটি ক্রেডিট পলিসি রয়েছে এবং ক্রেডিট ঝুঁকির এক্সপোজারটি চলমান ভিত্তিতে পর্যবেক্ষণ করা হয়। ক্রেডিট ঝুঁকি নিরীক্ষণের জন্য, গ্রাহকের ঝুঁকি স্কেফাইল অনুযায়ী শ্রেণীভুক্ত করা হয়, যেমন - তাদের আইনগত অবস্থা, আর্থিক অবস্থা, প্রাপ্য অর্থের দীর্ঘসূত্রীতার স্কেফাইল ইত্যাদি। বিক্রয়ের বিপরীতে অন্যান্য প্রাপ্যগুলি প্রধানত সুদ এবং অন্যান্য ফিগুলির সাথে সম্পর্কিত। ক্রেডিট ঝুঁকির সর্বাধিক এক্সপোজার দ্বারা প্রতিনিধিত্ব করা হয়। আর্থিক অবস্থার বিবৃতিতে প্রতিটি আর্থিক সম্পদের বহনের পরিমাণ, যার বিশদ বিবরণ আর্থিক বিবৃতির নোট নং ৩৭ এ উপস্থাপন করা হয়েছে।

তারল্য ঝুঁকি

তারল্য ঝুঁকি এমন একটি ঝুঁকি যা কোম্পানি তার আর্থিক দায়বদ্ধতার সাথে সম্পর্কিত বাধ্যবাধকতা পূরণ করতে অসুবিধার সম্মুখীন হবে যা নগদ বা অন্য আর্থিক সম্পদ প্রদানের মাধ্যমে নিষ্পত্তি করা হয়। তারল্য পরিচালনার ক্ষেত্রে কোম্পানির দৃষ্টিভঙ্গি হল, যথাসম্ভব নিশ্চিত করা যে, স্বাভাবিক এবং চাপযুক্ত উভয়ই অবস্থাতেই, অগ্রহণযোগ্য ক্ষতি না করে বা কোম্পানির সুনামের ক্ষতির ঝুঁকি না নিয়ে তার দায় মেটানোর জন্য সবসময় পর্যাপ্ত তারল্য থাকবে।

কোম্পানি যথাযথ মনে করে এমন সময়ের জন্য প্রত্যাশিত পরিচালন ব্যয় মেটাতে পর্যাপ্ত নগদ এবং নগদ সমতুল্য বজায় রাখে। কোম্পানি বাণিজ্য এবং অন্যান্য প্রদেয় প্রত্যাশিত নগদ বহিঃপ্রবাহের সাথে বাণিজ্য এবং অন্যান্য প্রাপ্যের প্রত্যাশিত নগদ প্রবাহের স্তরও পর্যবেক্ষণ করে। এটি চরম পরিস্থিতির সম্ভাব্য প্রভাবকে বাদ দেয় যা প্রাকৃতিক দুর্যোগের মতো যুক্তিসঙ্গতভাবে ভবিষ্যদ্বাণী করা যায় না।

বাজার ঝুঁকি

বাজারের ঝুঁকি হল সেই ঝুঁকি যা বাজার মূল্যের পরিবর্তন করে যেমন বৈদেশিক মুদ্রার হার, সুদের হার এবং ইকুইটি মূল্য - যা কোম্পানির আয় বা আর্থিক উপকরণগুলির হোল্ডিংয়ের মূল্যকে প্রভাবিত করবে। ভবিষ্যতে দায় পরিশোধের ব্যাপারে ও বৈদেশিক মুদ্রার দায় পরিশোধের ব্যাপারে এবং সুদ পরিশোধের ব্যাপারেও বিনিময় মূল্য বা সুদহার প্রতিকূলভাবে পরিবর্তিত হলে ঝুঁকিতে পড়তে হয় এবং অবশ্যম্ভাবী ক্ষতির সম্মুখীন হতে হয়।

(ক) বৈদেশিক মুদ্রার বিনিময় হার ঝুঁকি

কোম্পানি বিদেশী মুদ্রায় বিক্রি, ক্রয় এবং ধার নেওয়ার ক্ষেত্রে মুদ্রা ঝুঁকির সম্মুখীন হয়। কোম্পানির বৈদেশিক মুদ্রার লেনদেন ইউএসডি ইউরো এবং জিবিপি এ চিহ্নিত করা হয়।

৩০ জুন ২০২১ তারিখে অন্যান্য সমস্ত মুদ্রার বিপরীতে মার্কিন ডলার, ইউরো বা পাউন্ড এর যুক্তিসঙ্গতভাবে শক্তিশালীকরণ (দুর্বল হওয়া) বিদেশী মুদ্রায় অর্থ প্রদানের পরিমাপকে প্রভাবিত করবে যা' অত্র আর্থিক বিবরণীর নোট ৩৭-এ দেখানো পরিমাণ দ্বারা ইকুইটি এবং লাভ বা ক্ষতি প্রভাবিত করবে। এই বিশ্লেষণটি প্রকাশ করে যে অন্যান্য সকল ভেরিয়েবল, বিশেষ করে সুদের হার যদি স্থির থাকে তবে প্রাক্কলিত বিক্রয় এবং ক্রয়ের উপর কোনো প্রভাব ফেলে না।

(খ) সুদ হার প্রতিকূলভাবে পরিবর্তনের ঝুঁকি

সুদের হারের ঝুঁকি হল সেই ঝুঁকি যা ঋণের সুদের হারের পরিবর্তনের কারণে উদ্ভূত হয়। কোম্পানির সুদ-বহনকারী আর্থিক উপকরণগুলির সুদের হার আর্থিক বিবরণীর নোট ৩৭-এ দেখানো হয়েছে।

রিপোর্টিং তারিখে সুদের হারের যুক্তিসঙ্গত সম্ভাব্য পরিবর্তন দ্বারা কোম্পানির ইকুইটি এবং লাভ বা ক্ষতি বৃদ্ধি হ্রাস হতে পারে। এই বিশ্লেষণ দেখায় যে অন্যান্য সমস্ত ভেরিয়েবল বিশেষ করে বৈদেশিক মুদ্রার বিনিময় হার স্থির থাকে। কোম্পানির সকল প্রদেয়গুলি সুদ মুক্ত। তাই ৩০ জুন ২০২১ তারিখ পর্যন্ত কোম্পানির জন্য সুদের হারের কোনো ঝুঁকি নেই।

(গ) পণ্য ক্রয় বিক্রয়ে ঝুঁকি

এ ঝুঁকির উদ্ভব হয় বাজারে পণ্যের দাম উঠানামাতে যা অনেক সময় রাজনৈতিক পরিস্থিতি নির্ভর। এ ঝুঁকি ক্রয় বিক্রয় উভয় অবস্থাতেই সংঘটিত হতে পারে।

আপনাদের কোম্পানি এ ঝুঁকির প্রতি সজাগ দৃষ্টি রেখে বিভিন্ন উৎস থেকে কাঁচামাল ন্যায্য মূল্যে সংগ্রহের তৎপরতা গ্রহণ করে থাকে। সম্ভব হলে এ অবস্থা এড়ানোর লক্ষ্যে সরবরাহকারীর সাথে স্থির মূল্যে মেয়াদী চুক্তির আশ্রয় গ্রহণ করে।

উৎপাদন খরচ, মোট মুনাফা মার্জিন ও নীতি মুনাফা সংক্রান্ত আলোচনা

২০২০-২০২১ সালে বিক্রয় রাজস্ব ২০১৯-২০২০ এর তুলনায় ১৭.৫৮% বৃদ্ধি পেয়েছে মূলত বিক্রয়ের পরিমাণ ১৮% বৃদ্ধির কারণে। বিক্রয়ের পরিমাণ ১৮% বৃদ্ধির কারণে বিগত বছরের তুলনায় ২০২০-২০২১ সালে পণ্য বিক্রির খরচ ১৪.৬০% বৃদ্ধি পেয়েছে। প্রধানত কাঁচামালের দাম কম হওয়ার কারণে উৎপাদন খরচের বৃদ্ধির হার বিক্রির পরিমাণ বৃদ্ধির হারের তুলনায় কম হয়েছে। বিক্রয়ের পরিমাণ বৃদ্ধির ফলে বিদ্যুৎ খরচ বৃদ্ধি পাওয়ায় কারখানার ওভারহেড খরচ ১৫% বৃদ্ধি পেয়েছে। কোম্পানিটির শেয়ার প্রতি আয় (ইপিএস) বেড়েছে ৬.৬৮ টাকায় অর্থাৎ ৭৪৮.৭০% বেড়ে ২০২০-২০২১ সালে দাঁড়িয়েছে ৫.৭৯ টাকায়, যা' ২০১৯-২০২০ সালে ছিল (০.৮৯) টাকা যার কারণ হিসাবে আমরা বলতে পারি বিক্রয়ের পরিমাণে অনেক বৃদ্ধি, কাঁচামালের মূল্য হ্রাসের কারণে পরিচালন ব্যয় হ্রাস পাওয়া এবং ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক ব্যয় নিয়ন্ত্রণ।

যদিও মোট মুনাফা ২০১৯-২০২০ সালের ১,৬০৮.২৪ মিলিয়ন থেকে ৪০.২৬% বেড়ে ২০২০-২০২১ সালে ২,২৫৬.৭৮ মিলিয়ন টাকায় দাঁড়িয়েছে কিন্তু মোট মুনাফার মার্জিন বৃদ্ধি পেয়েছে ১৯.৩২%। মূলত বিক্রয়ের পরিমাণ বৃদ্ধি এবং উপরে বর্ণিত হিসাবে বিক্রয়ের ব্যয়ের বিচ্যুতির কারণে।

২০২০-২০২১ সালে বিক্রয়ের পরিমাণ বৃদ্ধি হওয়া সত্ত্বেও বিভিন্ন পদক্ষেপ গ্রহণ করার কারণে, আপনার কোম্পানি প্রশাসনিক ব্যয় ৮.৯৯% কমাতে সক্ষম হয়েছে। কিন্তু বিক্রয় এবং বিতরণ ব্যয় ২.৪৪% বৃদ্ধি পেয়েছে যা বিক্রয়ের পরিমাণ বিবেচনায় খুবই কম।

আর্থিক ব্যয় কমেছে ৪৩.৪৩% অর্থাৎ ৪৩১ মিলিয়ন টাকা যা' স্থানীয় ও আন্তর্জাতিক বাজারে সুদের হার হ্রাসের পাশাপাশি ঋণের দায় হ্রাসের কারণে হ্রাস পেয়েছে।

ফলস্বরূপ, ২০২০-২০২১ সালে কর-পরবর্তী নিট মুনাফা বিগত বছরের (১৩২.৪৫) মিলিয়ন টাকা থেকে ৭৪৮.৭০% বেড়ে ৮৫৯.২২ মিলিয়ন টাকায় দাঁড়িয়েছে এবং পাশাপাশি কর পরবর্তী নিট প্রফিট মার্জিন আগের বছরের তুলনায় ৬৫১.৭২% বৃদ্ধি পেয়েছে।

সম্পর্কযুক্ত পার্টিসমূহের সাথে লেনদেন

আলোচ্য বছরে কোম্পানী তার সম্পর্কযুক্ত অনেকগুলো পার্টির সাথে স্বাভাবিকভাবে আদান প্রদান কার্যক্রম চালিয়েছে। তাদের নাম, সম্পর্ক, প্রকৃতি এবং মূল্য আর্থিক বিবরণীর ৪২ নং নোটে বিধৃত করা হয়েছে।

আলোচ্য বছরের তিনটি ত্রৈমাসিক ও বাৎসরিক আর্থিক বিবরণীর উল্লেখযোগ্য বৈষম্যের ব্যাখ্যা নিম্নে প্রদত্ত হলোঃ

বিবরণ	প্রথম কোয়ার্টার ২০২০-২০২১	ষান্মাসিক ২০২০-২০২১	৩য় কোয়ার্টার ২০২০-২০২১	জুলাই ২০২০- জুন ২০২১
আয়	৩,০১৭,২৪৭,৬১১	৭,০৮৭,৩৬২,৯৪৬	১২,১৯৯,১০১,০৩১	১৬,৩১৫,৩১৫,৪২২
গ্রস মুনাফা	৪০৮,৭৭৮,৫৬৫	৯৬৮,৮১২,২২৬	১,৭৯৮,৮৮৪,০৭৯	২,২৫৫,৭৭৬,২৮৪
আয়কর পূর্ব মুনাফা	১৩৩,৪১৩,৬০৫	৪৩৫,২১২,৩৬৮	৯৬৩,৫১৮,৫৭৭	১,০৫৪,১৭৪,৮৮৬
কর পরবর্তী নিট আয়	৭৫,৩২৯,২৯৯	৩০১,০৭৬,২৬৬	৭০২,৪৬৫,৯৬৭	৮৫৯,২২১,৫৪৯
শেয়ার হোল্ডারদের ইকুইটি	৬,৯৮৭,৮৯৮,৮৯৪	৭,০৬৩,৭৪৭,৫৬৬	৭,৪৬৫,১৩৭,২৬৭	৭,৮২৪,০৮৯,৮৩৯
মোট সম্পদ	১৮,১৩৮,৭৯৩,৮৪৫	১৭,৯৩৭,৯৩৯,৭৬২	১৬,৮৯৯,৪০৩,৭৮৩	১৬,৯৮৯,২৮২,৫৪৩
মোট চলতি সম্পদ	৯,৭২৩,২৯৮,৬৫৭	৯,৭১১,৮৬২,১১১	৮,৯৩৬,০৭৫,১৩৬	৮,৬১৪,৭৪৭,৯০৬
মোট চলতি দায়	৯,৪৬৫,৮৮৭,৫৯০	৯,৩০৪,৯১৬,০৪০	৭,৯৭৫,৮৪১,৭১৬	৮,১৬৫,৫৯২,৫৫৮
মোট দায়	১১,১৫০,৮৯৪,৯৫১	১০,৮৭৪,১৯২,১৯৬	৯,৪৩৪,২৬৬,৫১৭	৯,১৬৫,১৯২,৭০৪
কারেন্ট রেশিও	১.০৩	১.০৪	১.১২	১.০৬

ডাইরেক্টরদের রিমুনারেশন

কোম্পানীর দুইজন পরিচালক যথা - জনাব মোঃ আলমগীর কবির ও জনাব মোল্লা মোহাম্মদ মজনু কোম্পানী পরিচালনায় সার্বক্ষণিক নিয়োজিত রয়েছেন। জনাব আলমগীর কবির সামগ্রিকভাবে ফ্যাক্টরীর উৎপাদন ও ফ্যাক্টরী পরিচালনা দেখভাল করছেন। অপরদিকে জনাব মোল্লা মোহাম্মদ মজনু বিক্রয় ও বিপণন কর্মকাণ্ড গুলো দেখভাল করছেন। পরিচালকদের রিমুনারেশন, মিটিং এ্যাটেন্ডেন্স ফি ফাইনেন্সিয়াল স্টেটমেন্ট এর ২৯.৩০ এবং ৩২.০০ নং নোটে বিবৃত করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা

এম. আই. সিস্টেম ফ্যাক্টরী লিঃ একটি লিস্টেট কোম্পানী হিসাবে ব্যবসায় কার্যক্রমকে সঠিকভাবে সহযোগিতা করার প্রয়াসে উচ্চ প্রযুক্তি সম্পন্ন বৃহৎ আকারের উৎপাদন কর্মকাণ্ডগুলোর অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা তৈরী করা হয়েছে। কোম্পানীর আকার, পরিসর ও জটিলতা অনুসারে যাতে অভ্যন্তরীণ কর্মকাণ্ডগুলো সুচারু ও সুষ্ঠুভাবে নিয়ন্ত্রণ থাকে ও দায়িত্বগুলো ঠিকমত পরিচালিত হয় তদ্বিষয়ে অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা তৈরী করা হয়েছে। অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা এমনভাবে তৈরী যাতে আর্থিক লেনদেনের অভ্যন্তরীণ নিয়ন্ত্রণ পালিত হয় এবং কোম্পানীর সম্পদের সুরক্ষা হয়। অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা নিয়ন্ত্রণ সংস্থার বিধিবদ্ধ পালনীয়গুলি নিশ্চিত করে। অভ্যন্তরীণ নিয়ন্ত্রণ ও প্রতিপালন বিভাগ কোম্পানীর অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা পর্যালোচনা করে থাকে এবং অডিট কমিটিতে রিপোর্ট করে। কোম্পানীর বাজারের অবস্থা ও ব্যয়ের লক্ষ্যের ভিত্তিতে দেশের সামগ্রিক অর্থনৈতিক বিশ্লেষণের সাহায্যে বাজেটের ব্যাপক পরিকল্পনা করা হয়ে থাকে। অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা কাঁচামাল, যন্ত্রাংশ এবং নন-কারেন্ট এসেটস্ এর গুণগতমান নিশ্চিত করে, যেন ক্রেতাদের জন্য মানসম্পন্ন সিস্টেম উৎপাদন করা সম্ভব হয়। আমাদের কোম্পানীর সিস্টেমের মান বিভিন্ন সংস্থা কর্তক পরীক্ষিত।

কোম্পানীর আর্থিক বিবরণীর আয়, ব্যয়, সম্পদ ও দায় এর উপর সঠিক ও ন্যায্য মতামত প্রদানের মাধ্যমে কোম্পানীর বিধিবদ্ধ নিরীক্ষক কোম্পানীতে বলিষ্ঠ অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা স্থাপন করতে সহায়তা করে। বিধিবদ্ধ নিরীক্ষক বিনিয়োগকারীগণের স্বার্থে কোম্পানীর সম্পদ সুরক্ষা নিশ্চিত করে এবং কর্পোরেট গভর্ন্যান্স কোড নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ এর প্রয়োগ নিশ্চিত করে। আন্তর্জাতিক হিসাব মান এবং আন্তর্জাতিক নিরীক্ষা মান অনুযায়ী আর্থিক বিবরণীসমূহ প্রস্তুত করা হয়ে থাকে। কোন চলমান প্রতিষ্ঠানের স্বার্থ সংশ্লিষ্ট পক্ষগণের বর্তমান এবং ভবিষ্যৎ লাভের বিষয়ে সিদ্ধান্ত গ্রহণের বিষয়গুলি কর্পোরেট গভর্ন্যান্স অনুযায়ী হয়ে থাকে। কোম্পানীর পরিচালনা পর্ষদ, ব্যবস্থাপনা কর্তৃপক্ষ, কর্মী এবং সকলে মিলে যৌথভাবে মুনাফা অর্জনের লক্ষ্যে কোম্পানী পরিচালনায় সুশাসনের এই বিষয়গুলি মেনে চলে।

বিগত বছরের পরিচালনার ফলাফল থেকে আলোচ্য বছরের পরিচালনার ব্যত্যয় ও পার্থক্য

বার্ষিক আয়

কোম্পানীর গৃহীত বিভিন্ন বিপণন ও বিক্রয় উদ্যোগ এবং বাজারে সিস্টেমের সার্বিক চাহিদা বৃদ্ধির কারণে বিগত বছরের তুলনায় ২০২০-২০২১ সালে রাজস্ব বেড়েছে ২৪৩.৯১ কোটি টাকা অর্থাৎ ১৭.৫৮%।

বিক্রিত পণ্যের ব্যয়

বিক্রয়ের পরিমাণ ১৯.৭০% বৃদ্ধির কারণে বিক্রয় ব্যয় ১৪.৬০% বৃদ্ধি পেয়েছে। আন্তর্জাতিক বাজারে কাঁচামালের দাম কম হওয়ার কারণে বিক্রয় পণ্যের ব্যয় বৃদ্ধির শতকরা হার বিক্রয় বৃদ্ধির শতকরা হারের তুলনায় কম বৃদ্ধি পেয়েছে। বিক্রয় বৃদ্ধির ফলে বিদ্যুৎ খরচ বৃদ্ধির কারণে কারখানার ওভারহেড খরচ ১৫% বৃদ্ধি পেয়েছে।

মোট মুনাফা

মোট মুনাফা বেড়েছে ১৯.২৯% যা 'মূলত বিক্রয়ের পরিমাণ বৃদ্ধির কারণে এবং বিক্রিত পণ্যের ব্যয় বিদ্যুতের কারণে উপরে বিবৃত হয়েছে।

পরিচালন মুনাফা

বিক্রয়ের পরিমাণ বৃদ্ধি এবং কম কাঁচামালের মূল্যের কারণে পরিচালন মুনাফা ৯৪% বৃদ্ধি পেয়েছে যা ' ৭৫২.০০ মিলিয়ন টাকায় দাঁড়িয়েছে।

শেয়ার প্রতি আয়

বিগত বছরের তুলনায় ২০২০-২০২১ সালে শেয়ার প্রতি আয় বেড়েছে ৭৪৯% অর্থাৎ ৬.৬৮ টাকা, যার কারণ হলো আয়ের বৃদ্ধি, কম কাঁচামাল খরচ এবং ব্যবস্থাপনার কার্যকর খরচ নিয়ন্ত্রণ উদ্যোগের কারণে পরিচালন ব্যয় হ্রাস পাওয়া।

বিগত ৫ বৎসরের পরিচালন ও আর্থিক পরিসংখ্যান

বিগত পাঁচ বছরের পরিচালন ও আর্থিক পরিসংখ্যান এবং বিবেচ্য বছরের অবস্থান পরিশিষ্ট-। এ বিবৃত হয়েছে।

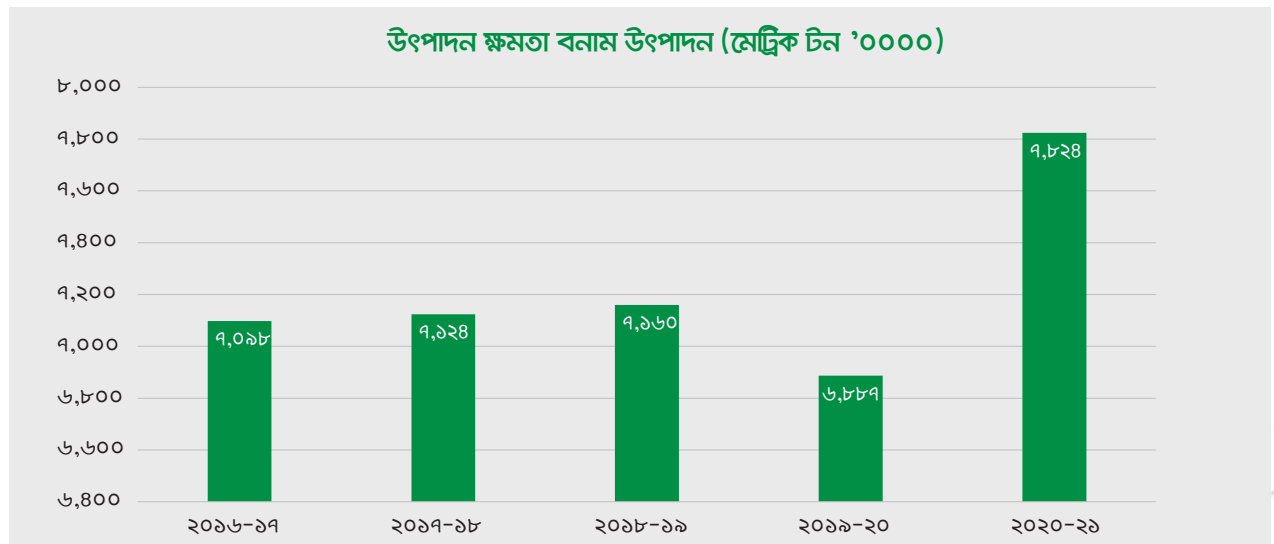
লভ্যাংশ সংক্রান্ত প্রস্তাবনা

আর্থিক ফলাফল বিবেচনা করে, পরিচালনা পর্ষদ বিগত বছরের তুলনায় চলতি বছরে দ্বিগুন হারে লভ্যাংশ ঘোষণার সিদ্ধান্ত গ্রহণ করেছে। কোম্পানির পরিচালনা পর্ষদ তাঁদের ২৭ অক্টোবর ২০২১ তারিখের পর্ষদ সভায় ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের জন্য ২০% নগদ লভ্যাংশ ঘোষণা করেছেন যা ' প্রতি ১০.০০ টাকা অভিজিত মূল্যের শেয়ারের বিপরীতে ২.০০ টাকা মাত্র। তাতে মোট নগদ লভ্যাংশ দাঁড়ায় ২৯৭,০০০,০০০ টাকা যা ১৫ ডিসেম্বর ২০২১ তারিখে অনুষ্ঠিতব্য ২৭তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগণ কর্তৃক অনুমোদন সাপেক্ষ।

২০২০-২০২১ হিসাব বছরের অর্জিত নিট লাভের বন্টন নিম্নে প্রদর্শিত হলো:

বিবরণ	পরিমাণ (টাকা)
পুঞ্জীভূত লভ্যাংশ (পূর্ববর্তী বছর থেকে)	১,৭০৫,৫৮৯,৫৭২
যোগ: পুনঃ মূল্যায়নকৃত রিজার্ভ লিজ সম্পদের সমন্বয় এবং পুনঃমূল্যায়নকৃত সম্পদের অবচয় সমন্বয়	১৮,৯১৪,৫৮৫
মোট রিজার্ভ	১,৭২৪,৫০৪,১৫৭
যোগ: চলতি বছরের নিট মুনাফা	৮৫৯,২২১,৫৪৯
বিভাজনযোগ্য মোট তহবিল	২,৫৮৩,৭২৫,৭০৬
বিয়োগ: প্রস্তাবিত লভ্যাংশ: নগদ লভ্যাংশ ২০% হারে	২৯৭,০০০,০০০
অবশিষ্ট মুনাফা	২,২৮৬,৭২৫,৭০৬

এম. আই . সিমেন্ট ফ্যাক্টরী লিমিটেড এর পরিচালনা পর্ষদ তাদের বিনিয়োগকৃত মূলধনের উপর পর্যাপ্ত রিটার্নের মাধ্যমে দীর্ঘ মেয়াদে শেয়ারহোল্ডারদের সম্পদের সর্বাধিক বৃদ্ধি নিশ্চিত করতে প্রতিশ্রুতিবদ্ধ। আপনার কোম্পানির গত পাঁচ বছরের নেট অ্যাসেট ভ্যালু এর গ্রাফিক্যাল ভিউ নিচে দেওয়া হলো:



ডিজিটেল ডিস্ট্রিবিউশন পলিসিঃ

পরিচালনা পর্ষদ একটি লভ্যাংশ বন্টন নীতি ঘোষণা করেছে, যা কোম্পানির ব্যবসায়িক ফলাফল এবং এর কৌশলগত উদ্যোগকে বিবেচনায় নিয়ে শেয়ারহোল্ডারদের লভ্যাংশ প্রদানের বিষয় বিবেচনা করে। পরিচালনা পর্ষদ বিশ্বাস করে যে একটি দীর্ঘমেয়াদি এবং অনুমানযোগ্য লভ্যাংশ নীতি তৈরি করা কোম্পানির সর্বোত্তম লক্ষ্য। পলিসির উদ্দেশ্য হল শেয়ারহোল্ডারদের বিনিয়োগের সিদ্ধান্ত সম্পর্কে অবহিত করা। পরিচালনা পর্ষদ লভ্যাংশ বন্টন নীতিমালা অনুমোদন করেছে, যা 'পরিশিষ্ট-VI এ সংযুক্ত করা হয়েছে।

বোর্ড মিটিং, অডিট কমিটি মিটিং এবং নমিনেশন এন্ড রেজুমারেশন কমিটি মিটিং এ উপস্থিতির তথ্য

৩০ জুন ২০২১ তারিখে সমাপ্ত বছরে বোর্ড মিটিং, অডিট কমিটি মিটিং এবং নমিনেশন এন্ড রেজুমারেশন কমিটি (এনআরসি) মিটিং এ উপস্থিতির তথ্য নিম্নে প্রদত্ত হলো, যা কর্পোরেট গভর্ন্যান্স কোড এর নির্দেশনা অনুযায়ী অনুষ্ঠিত হয়েছে :

পর্ষদ সদস্যগণের নাম	পজিশন	বোর্ড মিটিং এ উপস্থিতি	অডিট কমিটি মিটিং এ উপস্থিতি	এন আর সি মিটিং এ উপস্থিতি
জনাব মোহাম্মদ জাহাঙ্গীর আলম নন-এক্সিকিউটিভ ডিরেক্টর	চেয়ারম্যান	৭/৭	-	-
জনাব মোঃ আলমগীর কবির এক্সিকিউটিভ ডিরেক্টর	ভাইস চেয়ারম্যান	৭/৭	-	-
জনাব মোল্লা মোহাম্মদ মজলু এক্সিকিউটিভ ডিরেক্টর	ব্যবস্থাপনা পরিচালক	৭/৭	-	-
জনাব মোঃ মিজানুর রহমান মোল্লাহ নন-এক্সিকিউটিভ ডিরেক্টর সদস্য, অডিট কমিটি সদস্য, নমিনেশন এন্ড রেজুমারেশন কমিটি	অতিরিক্ত ব্যবস্থাপনা পরিচালক	৭/৭	৬/৬	১/১
জনাব মোঃ আলমাস শিমুল নন-এক্সিকিউটিভ ডিরেক্টর সদস্য, অডিট কমিটি সদস্য, নমিনেশন এন্ড রেজুমারেশন কমিটি	পরিচালক	৭/৭	৬/৬	১/১
জনাব জাকির আহমেদ খান স্বতন্ত্র পরিচালক চেয়ারম্যান, অডিট কমিটি	স্বতন্ত্র পরিচালক	৭/৭	৬/৬	-
প্রফেসর ড. এম. আবু ইউসুফ স্বতন্ত্র পরিচালক চেয়ারম্যান, নমিনেশন এন্ড রেজুমারেশন কমিটি	স্বতন্ত্র পরিচালক	৭/৭	৬/৬	১/১
জনাব মোঃ মজহারুল ইসলাম, এফসিএস	কোম্পানী সচিব	৭/৭	৬/৬	১/১

শেয়ারহোল্ডিং প্যাটার্ন

৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের শেয়ার হোল্ডিং প্যাটার্ন পরিশিষ্ট-II এ বিবৃত হয়েছে।

পরিচালক নির্বাচন এবং পুনঃনির্বাচন

কোম্পানিজ অ্যাক্ট, ১৯৯৪ এর বিধি মোতাবেক এবং কোম্পানির সংঘ স্মারকের ৮১ ধারা অনুসারে প্রতি বাৎসর সাধারণ সভায় চক্রাকারে এক তৃতীয়াংশ পরিচালক অবসরে যাবেন। সেই অনুযায়ী, কোম্পানির নিম্নোক্ত ২ (দুই) জন পরিচালক ২৭তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। অবসরপ্রাপ্ত পরিচালকগণ হলেনঃ

১. জনাব মোল্লা মোহাম্মদ মজলু
২. জনাব মোঃ আলমাস শিমুল

যোগ্য বিধায় তাঁরা পুনঃনির্বাচনের আগ্রহ ব্যক্ত করেন। তাঁদের একটি সংক্ষিপ্ত জীবন বৃত্তান্ত পরিশিষ্ট-III এ দেয়া আছে, যা বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর ৩ জুন ২০১৮ তারিখের নোটিফিকেশন এর ধারা নং ১(৫)(২৪) অনুসরণে বিধৃত আছে।

স্বতন্ত্র পরিচালক

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বি.এস.ই.সি) বিজ্ঞপ্তি নং বি.এস.ই.সি/সি.এম.আর.আর.সিডি/২০০৬-১৫৮/২০৭/প্রশাসন/৮০ তারিখ ৩ জুন ২০১৮ এর প্রবিধান অনুযায়ী এম. আই. সিমেন্ট ফ্যাক্টরী লিমিটেডের ৫ (পাঁচ) জন পরিচালকের অনুপাতে ২ (দুই) জন স্বতন্ত্র পরিচালক নিয়োগ করা হয়েছে। যথা-

- ক) জনাব জাকির আহমেদ খান
খ) অধ্যাপক ড. এম. আবু ইউসুফ

এখানে উল্লেখ্য যে, উপরে উল্লিখিত ২ (দুই) জন স্বতন্ত্র পরিচালক ৩ বছরের তাঁদের প্রথম মেয়াদ ২৭ তম বার্ষিক সাধারণ সভায় শেষ করবেন এবং কর্পোরেট গভর্নেন্স নির্দেশিকা অনুসারে তাঁরা দ্বিতীয় মেয়াদের জন্য পুনরায় নিয়োগের জন্য যোগ্য। পরিচালনা পর্ষদ দ্বিতীয় ৩ বছর মেয়াদের জন্য তাদের নিয়োগ সুপারিশ করেছে, যা অনুমোদনের জন্য ২৭তম বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপন করা হবে। আলোচ্য ২ (দুই) জন স্বতন্ত্র পরিচালকের একটি সংক্ষিপ্ত প্রোফাইল পরিশিষ্ট- III এ প্রকাশ করা হয়েছে।

আর্থিক বিবৃতিতে পরিচালকদের ঘোষণা

কোম্পানীর পরিচালকগণ কোম্পানী পরিচালনার জন্য দায়বদ্ধ, আর্থিক বিবরণীসমূহ প্রস্তুত এবং উপস্থাপনে তাঁরা জ্ঞানতঃ নিশ্চয়তা প্রদান করেন যে-

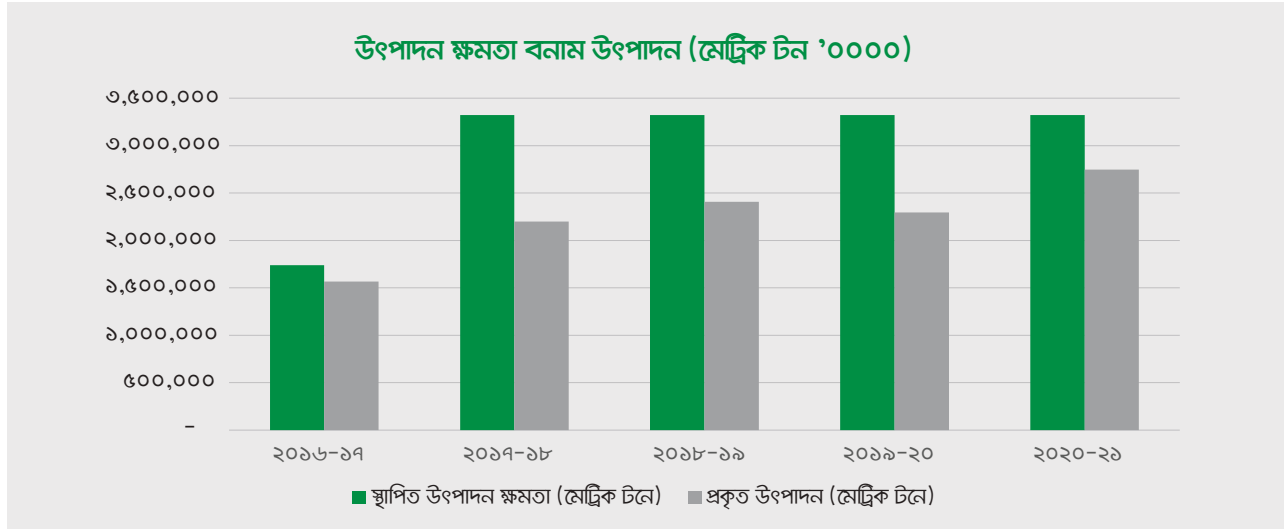
- আই.এ.এস ১ অনুসারে আর্থিক বিবরণীসমূহ প্রস্তুত করা হয়েছে, কোন আয় ও ব্যয় “এক্সট্রা অর্ডিনারী লাভ বা ক্ষতি” হিসাবে দেখানো হয় নি।
- ব্যবস্থাপনা কর্তৃক আর্থিক বিবরণীসমূহ প্রস্তুত করা হয়েছে অত্যন্ত সততার সাথে ও পরিচালনের ফলাফল যথাযথভাবে সংঘটিত হওয়ার প্রতিফলন ঘটিয়ে ক্যাস ফ্লো এবং সমমূলধন এর পরিবর্তন সঠিকভাবে বিবৃত করা হয়েছে।
- কোম্পানীর পরিচালন হিসাবগুলি যথাযথ হিসাব বহিতে সংরক্ষণ করা হয়েছে।
- আর্থিক বিবরণীসমূহ প্রস্তুতে যথোপযুক্ত হিসাব নীতিমালা অনুসরণ করা হয়েছে এবং হিসাবগুলি ন্যায্য সঙ্গত ও বিচার বিবেচনা প্রসূতভাবে বিধৃত হয়েছে।
- আর্থিক বিবরণীসমূহ তৈরিতে বাংলাদেশে অনুসৃত আন্তর্জাতিক একাউন্টিং স্ট্যান্ডার্ড বা আন্তর্জাতিক ফাইনেন্সিয়াল রিপোর্টিং স্ট্যান্ডার্ড অনুসরণ করে প্রস্তুত করা হয়েছে। এ সংক্রান্ত বিষয়ে কোন বিচ্যুতি ঘটলে তা যথাযথভাবে ব্যক্ত করা হয়েছে।
- সংখ্যালঘু অংশীদারদেরকে নিয়ন্ত্রণকারী সংখ্যাগুরু অংশীদারদের স্বার্থে তাদের কর্তৃক প্রত্যক্ষ বা পরোক্ষ কোন অন্যায় কর্মযোগ থেকে সুরক্ষা করা হয়েছে। এ লক্ষ্যে কার্যকরী প্রতিহত পন্থা গ্রহণ করা হয়েছে।
- প্রাপ্ত তথ্যাদির ভিত্তিতে ভবিষ্যতে কোন ক্ষতিকর ঝুঁকি সফলভাবে সামাল দেওয়ার পরিকল্পনা পরিচালকগণ গ্রহণ করেন। এজন্য কোম্পানী তার সুষ্ঠু নীতি ও সম্পদ ব্যবহার করেন। এ জন্যই কোম্পানী আর্থিকভাবে যথেষ্ট শক্তিশালী। পর্ষদ পরিচালকগণ আর্থিক, পরিচালন ইত্যাদি গুরুত্বপূর্ণ উপাদানগুলি বিশ্লেষণ করে কোম্পানীর সক্ষমতা যাচাই করেন আগামী দিনগুলোতে ধারাবাহিকভাবে অগ্রসর হতে। পরিচালকগণ আস্থাভান আগামীতে যুক্তিসংগতভাবে কোম্পানীর কার্যক্রম লাগাতারভাবে চালিয়ে যাওয়ার জন্য কোম্পানীর যথেষ্ট সম্পদ রয়েছে। সুতরাং কোম্পানী ধারাবাহিকভাবে পরিচালিত হবে এই ভিত্তিতে তার আর্থিক বিবরণীসমূহ প্রস্তুত করেছে।
- কোম্পানী কোন অন্তর্বর্তীকালীন বোনাস শেয়ার বা স্টক ডিভিডেন্ড ঘোষণা করে নি।
- বিবেচ্য হিসাব বছরে আইপিও ফান্ডের কোন অব্যবহৃত অর্থ নেই।
- নিরীক্ষক তাদের নিরীক্ষা প্রতিবেদনে “ইমফ্যাসিস অব ম্যাটার্স” উল্লেখ করেছেন, যাতে নিরীক্ষিত আর্থিক বিবৃতিতে নোট ৮.৯-এর প্রতি দৃষ্টি আকর্ষণ করেছে, যেখানে ব্যবস্থাপনা কর্তৃপক্ষ ৪ (চার)টি সক্রিয় সহযোগী কোম্পানিতে বিনিয়োগের বিষয়ে হিসাবরক্ষণের ব্যাখ্যা প্রদান করেছে। আই.এফআর.এস ১০: একীভূত আর্থিক বিবরণী এবং আই.এ.এস ২৮: সহযোগী প্রতিষ্ঠানে বিনিয়োগ। উক্ত বিষয়গুলির বিস্তারিত ৮.৯ দেখানো হয়েছে।

কোম্পানীর পরিচালন কার্যক্রম

৩০ জুন ২০২১ তারিখে সমাপ্ত বছরে কোম্পানীর স্থাপিত উৎপাদন ক্ষমতা এবং প্রকৃত উৎপাদন এর সাথে বিগত ৩০ জুন ২০২০ তারিখে সমাপ্ত বছরের তথ্যের তুলনামূলক চিত্র নিম্নে প্রদত্ত হলো :

বিবরণ	২০২০-২০২১	২০১৯-২০২০
সংস্থাপিত উৎপাদন ক্ষমতা (মে: টন)	৩,৩২৪,০০০	৩,৩২৪,০০০
প্রকৃত উৎপাদন (মে: টন)	২,৭৯৮,৫২৬	২,৩০৬,২৬০
ব্যবহৃত উৎপাদন ক্ষমতা (%)	৮২%	৬৯%
২০২০-২০২১ বছরে প্রকৃত উৎপাদন এর বর্ধন (%)	১৮%	

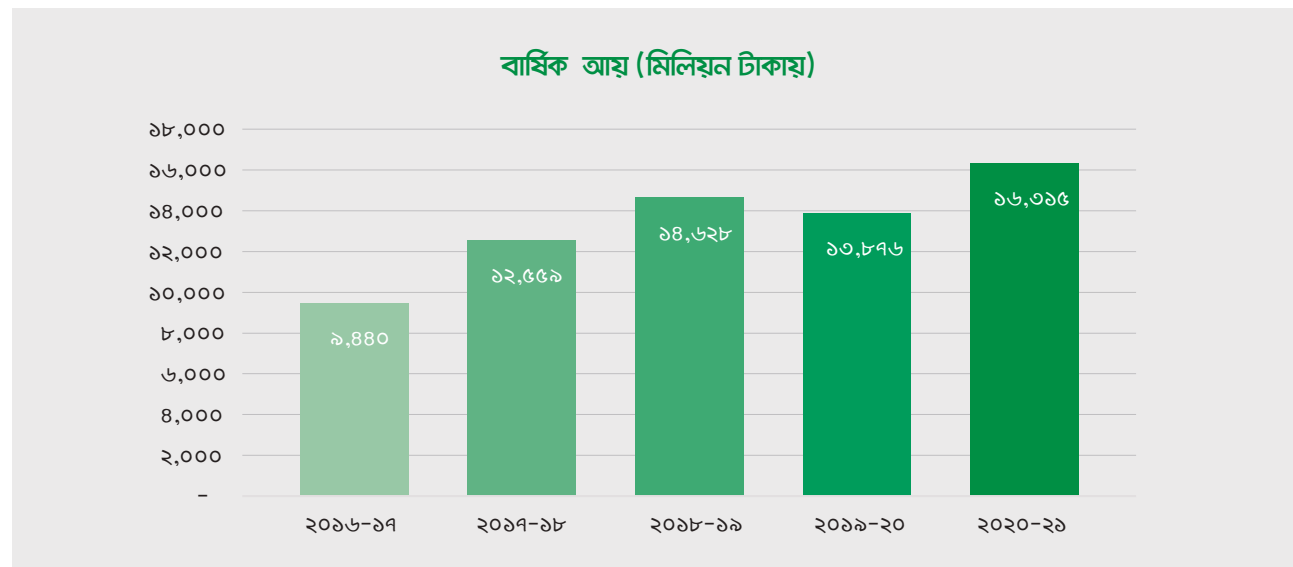
গত ৫ (পাঁচ) বছরের স্থাপিত উৎপাদন ক্ষমতার বিপরীতে প্রকৃত উৎপাদনের ধারা নিম্নে প্রদত্ত হলো :



বিক্রয় কার্যক্রম

সারা বৎসরে কোম্পানী বর্ধিত বিক্রয় রাজস্ব আয় উপভোগ করেছে। এই রাজস্ব বর্ধনে সহায়তা করেছে পণ্যের উন্নত গুণগত মান, গুণ সংযোগকারী গ্রাহক সেবা, শক্তিশালী পরিবেশন চ্যানেল এবং কোম্পানীর গৃহীত প্রমোশনাল কার্যক্রম। পণ্যের গুণগত মান ঠিক রাখতে কঠোরভাবে তদারকি করা হয় যাতে অবলোকন করা হয় যে মানের পরিমাপগুলো আই.এস.ও. ৯০০০:২০০৮, বাংলাদেশ স্ট্যান্ডার্ডস্ এন্ড টেস্টিং ইন্সটিটিউশন ও ব্যুরো অব ইন্ডিয়ান স্ট্যান্ডার্ডস্ এর সংশ্লিষ্ট মানের উর্ধ্ব অবস্থান করে।

গত পাঁচ বছরের বিক্রয়ের গ্রাফিকেল চিত্র নিম্নে প্রদত্ত হলো :



আর্থিক ফলাফল

পূর্ববর্তী ২০১৯-২০২০ হিসাব বছরের সাথে ২০২০-২০২১ এর তুলনামূলক আর্থিক অবস্থা উপস্থাপন করা হলো :

বিবরণ	২০২০-২০২১ টাকা	২০১৯-২০২০ টাকা
বিক্রয়	১৬,৩১৬,৩১৬,৪২২	১৩,৮৭৬,২১১,৪৩০
উৎপাদন ব্যয়	(১৪,০৬৯,৬৩৯,১৩৮)	(১২,২৬৭,৯৭০,৩৯৩)
মোট মুনাফা	২,২৪৬,৭৭৬,২৮৪	১,৬০৮,২৪১,০৩৭
কর পূর্ব নিট মুনাফা	১,০৬৪,১৭৪,৮৮৬	(২৮,২২০,১৮৬)
কর পরবর্তী নিট মুনাফা	৮৬৯,২২১,৬৪৯	(১৩২,৪৬৩,২৭০)
মোট সম্পদ	১৬,৯৮৯,২৮২,৬৪৩	১৯,০৮৪,৮৩৮,৪৯৬
নিট সম্পদ (এনএভি)	৭,৮২৪,০৮৯,৮৩৯	৬,৮৮৭,১১৬,৭১৪
নিট পরিচালন নগদ প্রবাহ	৩,৬২৩,৬০৭,০৬৭	৬৪৮,১৬৭,৬৪৪
শেয়ার প্রতি আয় (ইপিএস)	৫.৭৯	(০.৮৯)
শেয়ার প্রতি নিট সম্পদ (এনএভিপিএস)	৫২.৬৯	৪৬.৩৮
শেয়ার প্রতি নিট পরিচালন নগদ প্রবাহ	২৪.৪০	৩.৬৯
গ্রস মার্জিন	১৩.৮৩%	১১.৬৯%
নিট মার্জিন (কর পূর্ব)	৬.৪৬%	(০.২০%)
নিট মার্জিন (কর পরবর্তী)	৫.২৭%	(০.৯৫%)

প্রাতিষ্ঠানিক সামাজিক দায়বদ্ধতা (সিএসআর) সংক্রান্ত কার্যক্রম

একজন দায়িত্বশীল কর্পোরেট নাগরিক হিসেবে, এমআইসিএফএল বহু বছর ধরে সমাজে ইতিবাচক পরিবর্তন আনতে বিভিন্ন সামাজিক কারণে অবদান রেখে আসছে। এমআইসিএফএল বাংলাদেশে অটোস্টিক এবং ভিনুভাবে প্রতিবন্ধী শিশুদের বিকাশের জন্য কাজ করা বিভিন্ন সংস্থাকে আর্থিক এবং অন্যান্য উপাদান সহায়তা প্রদান করে আসছে। আপনার কোম্পানি তাদের অধ্যয়নে আর্থিক চ্যালেঞ্জের সম্মুখীন হওয়া মেধাবী ছাত্রদের আর্থিক সহায়তাও প্রদান করে।

এই কোভিড মহামারী পরিস্থিতিতে ফুটলাইন হিরো অর্থাৎ স্বাস্থ্যসেবা পেশাদার, পুলিশ কর্মকর্তা, সশস্ত্র বাহিনী, সাংবাদিক, রিপোর্টার ইত্যাদি চলমান মহামারী চলাকালীন উল্লেখযোগ্য সংখ্যক হতাহতের শিকার হয়েছে। তাদের অপ্রতিরোধ্য উৎসাহ সমর্থন করার জন্য, আপনার কোম্পানি ক্যাপিটাল মার্কেট জার্নালিস্ট ফোরাম কোভিড-১৯ তহবিল এবং ইকোনমিক রিপোর্টার্স ফোরাম কোভিড-১৯ তহবিলে আর্থিক সহায়তা প্রদান করে।

কিশোর বয়সকে করোনাভাইরাস রোগ (কোভিড-১৯) মহামারীর কঠোরতা আরও কঠিন করে তুলছে। স্কুল বন্ধ এবং সংশ্লিষ্ট কোন ইভেন্ট না থাকার কারণে, অনেক কিশোর-কিশোরী তাদের তরুণ জীবনের সবচেয়ে বড় মুহূর্তগুলি হারিয়ে ফেলছে, সেইসাথে বন্ধুদের সাথে চ্যাট করা এবং ক্লাসে অংশগ্রহণের মতো দৈনন্দিন মুহূর্তগুলিও হারাচ্ছে। প্রাদুর্ভাবের কারণে জীবনের পরিবর্তনের সম্মুখীন কিশোরদের জন্য যারা উদ্বিগ্ন বোধ করছে, বিচ্ছিন্ন এবং হতাশ, এটি জানুন: আপনি একা নন। এটি মাথায় রেখে, আপনার কোম্পানি চুয়েট প্রাক্তন ছাত্র সমিতিতে তাদের নিজেদের দিকে মনোযোগ দেওয়ার জন্য এবং তাদের মানসিক স্বাস্থ্যের যত্ন নেওয়ার জন্য তাদের নতুন পাওয়া সময়কে একটি উৎপাদনশীল উপায় ব্যবহার করার উপায় খুঁজে বের করার জন্য তাদের প্রোগ্রামের ব্যবস্থা করার জন্য অর্থায়ন করেছে।

এছাড়া দেশের বিভিন্ন প্রান্তে দরিদ্র মানুষের মাঝে কঞ্চল ও শীতবস্ত্র বিতরণ করেছে প্রতিষ্ঠানটি। কোম্পানি বিভিন্ন একাডেমিক ব্যাকগ্রাউন্ডের ইন্টার্নদেরকে তাদের কর্পোরেট জগতের সরাসরি জ্ঞান এবং অভিজ্ঞতা অর্জন করতে দেয় এবং এইভাবে সমাজের সম্ভাব্য নেতাদের তৈরি করে। এমআইসিএফএল এর এই উদ্যোগগুলি সমাজে একটি উল্লেখযোগ্য উপকারী প্রভাব ফেলেছে এবং মিডিয়া দ্বারা ব্যাপক কভারেজ পেয়েছে।

আপনার কোম্পানি একজন দায়িত্বশীল কর্পোরেট নাগরিক হওয়ার প্রয়োজনীয়তা অনুভব করে। টেকসই উন্নয়নের অংশ হিসাবে, আপনার কোম্পানি তার কর্পোরেট সামাজিক দায়িত্বকে গুরুত্ব সহকারে নেয়।

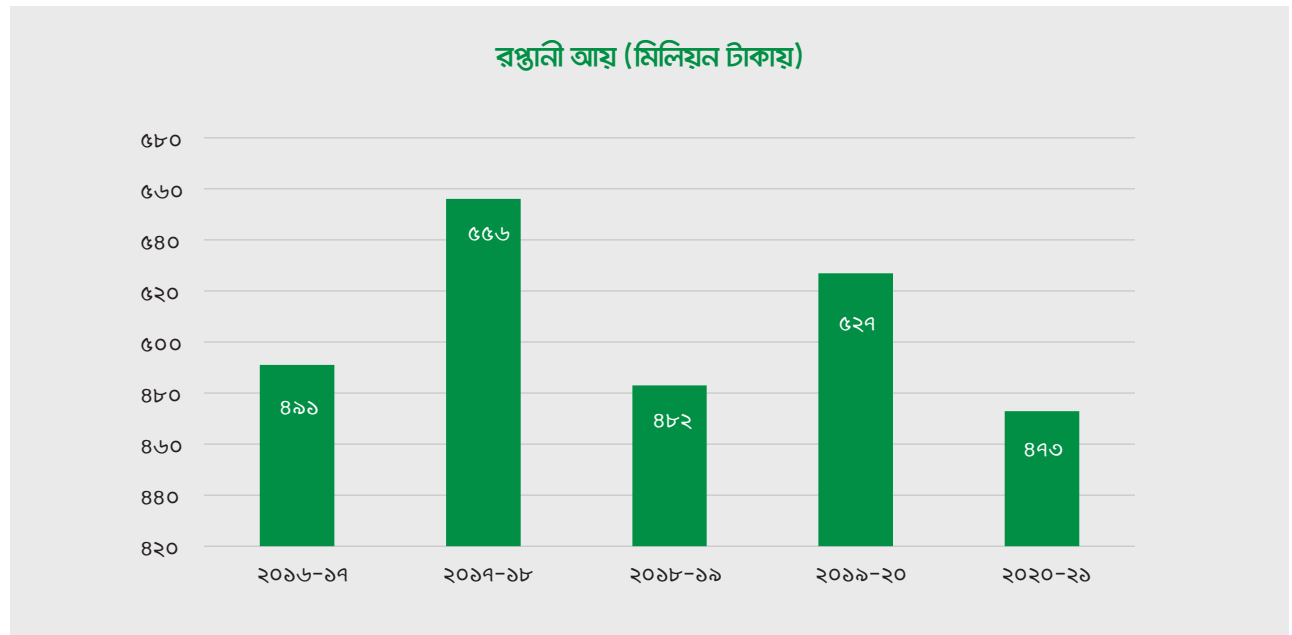
রপ্তানি

বাংলাদেশের সিমেন্ট শিল্প গত অর্থ বছরে (জুলাই ২০২০-জুন ২০২১) ৭.২৬ মিলিয়ন মার্কিন ডলার রপ্তানি আয় অর্জন করেছে, যা গত বছরের ৯.১৪ মিলিয়ন মার্কিন ডলারের তুলনায় ২০.৬ শতাংশ কম।

বাংলাদেশ তার মোট সিমেন্ট রপ্তানির ৯০ শতাংশ সিমেন্ট ভারতে রপ্তানি করে। স্থানীয় খরচ বৃদ্ধি এবং রপ্তানির উচ্চ খরচ কম রপ্তানির জন্য দায়ী, একটি গবেষণা সংস্থা জানিয়েছে।

সিমেন্টের রপ্তানি মূল্য ২৭.৪ শতাংশ কমেছে, স্থানীয় খরচ বৃদ্ধি এবং কোভিড-১৯ ছড়িয়ে পড়া বন্ধ করার জন্য অব্যাহত পদক্ষেপের কারণে এই সময়ের জন্য সরকার নির্ধারিত লক্ষ্যমাত্রার তুলনায় সিমেন্ট শিল্প কম পারফর্ম করেছে। সরকার সিমেন্ট শিল্পের জন্য একটি উন্নত রপ্তানি লক্ষ্যমাত্রা নির্ধারণ করেছে ২০২০-২০২১ অর্থবছরে (জুলাই ২০২০-জুন ২০২১) এর জন্য ইউএস ১০ মিলিয়ন, যা আগের অর্থবছরে ছিল ইউএস ৯.১৪ মিলিয়ন ডলার।

সীমানা ছাড়িয়ে বাংলাদেশী সিমেন্ট 'ক্রাউন সিমেন্ট'ই একমাত্র ব্র্যান্ড, যা ২০০৮-২০০৯ এবং ২০০৯-২০১০ সালে পরপর দু'বার জাতীয় রপ্তানি ট্রফি (স্বর্ণ) এবং ৩য় বার ২০১৩-২০১৪ সালে জাতীয় রপ্তানি ট্রফি (ব্রোঞ্জ) পেয়েছে। পর্যালোচনাধীন ২০২০-২০২১ আর্থিক বছরে আমরা রপ্তানি হতে প্রায় ৪৭৩ মিলিয়ন টাকা বৈদেশিক মুদ্রা অর্জন করেছি। বিগত পাঁচ বছরের রপ্তানি বিক্রয় কর্মক্ষমতার একটি গ্রাফিক্যাল ভিউ নিচে দেওয়া হল :



তথ্য প্রযুক্তি

কোভিড-১৯ মহামারীর কারণে গত অর্থ বছরে “বাড়ি থেকে কাজ করা” একটি নতুন স্বাভাবিক নিয়ম হয়েছে। চ্যালেঞ্জ মোকাবেলা করে সাবলীলভাবে ব্যবসা পরিচালনার জন্য বিশৃঙ্খলে কর্পোরেটদের তাদের সম্পদের সর্বোত্তম ব্যবহার নিশ্চিত করতে হয়েছিল।

কোভিড-১৯ মহামারী কালীন শিপিংয়ে সীমাবদ্ধতা এবং সরবরাহের ঘাটতির কারণে আইটি ডিভাইসের দাম বেশি ছিল। ক্রাউন সিমেন্ট গ্রুপের আইটি বিভাগের সদস্যরাও চ্যালেঞ্জগুলি কাটিয়ে উঠতে সমস্ত সংস্থানের প্রাপ্যতা নিশ্চিত করেছেন। এটি তৃতীয় পক্ষের সমর্থন ছাড়াই হার্ডওয়্যার এবং সফটওয়্যার অপারেশন পরিচালনা ও রক্ষণাবেক্ষণ করে। ফলে অপারেশনাল খরচের উল্লেখযোগ্য পরিমাণ হ্রাস করেছে।

গত অর্থ বছরে, আইটি বিভাগ দূরবর্তী যোগাযোগ প্ল্যাটফর্মের মাধ্যমে গ্রুপের সকল সদস্যকে সহায়তা প্রদান করেছে। সমস্ত ইউনিট এখন নজরদারির অধীনে এবং বিভিন্ন সমস্যা উল্লেখযোগ্য পরিমাণে সময় কমাতে সক্ষম হয়েছে। সামগ্রী সমাধানের মাধ্যমে প্রচুর সংখ্যক আইটি ডিভাইস আপগ্রেড করা হয়েছিল এবং সেগুলি নতুন ঘাট এবং কাজের হাট ইউনিটে সরবরাহ করা হয়েছিল।

মানব সম্পদ

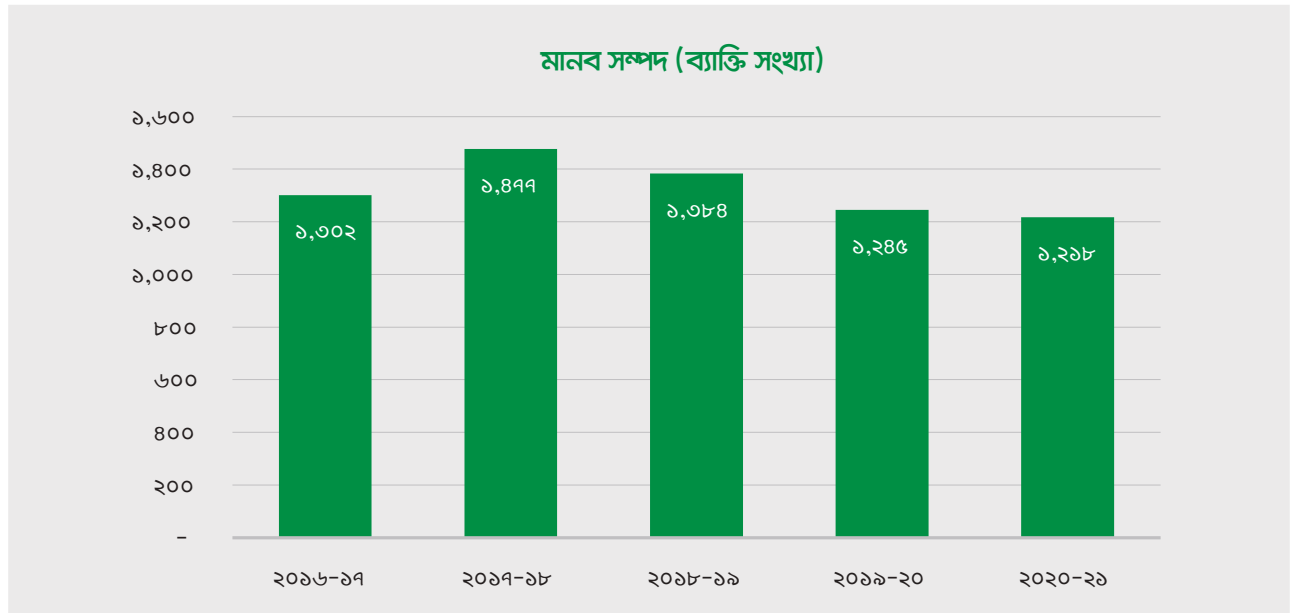
আজকাল, মানব সম্পদকে সংগঠনের কৌশলগত পরিচালনার অংশীদার হিসাবে সবচেয়ে মূল্যবান সম্পদ বিবেচনা করা হয়। মানব সম্পদ, শারীরিক, আর্থিক এবং তথ্য সম্পদের মতো অন্যান্য সম্পদের সাথে তুলনা করে এটি একটি সংস্থার সবচেয়ে গুরুত্বপূর্ণ সম্পদ হিসাবে বিবেচিত হয়। জুন ২০১৪ সালে, মানবসম্পদ বিভাগ ক্রাউন সিমেন্ট গ্রুপকে একটি জনকেন্দ্রিক সংস্থা করার লক্ষ্যে যাত্রা শুরু করে, যেখানে কর্মচারীরা তাদের সেবা কর্মক্ষমতা প্রকাশ করতে এবং প্রতিষ্ঠানকে পছন্দের নিয়োগকর্তা হওয়ার পথে নিয়ে যেতে অনুপ্রাণিত হয়।

এইচআর বিভাগ কোম্পানির জন্য বেশ কিছু নীতি ও পদ্ধতি তৈরি করেছে। আমরা শ্রম আইনের সাথে সামঞ্জস্য রেখে বিদ্যমান নীতিগুলিও সংশোধন করেছি। আমরা ক্রমাগত বাজার পর্যালোচনা করার পরে বেতন স্কেল আপডেট রাখি।

কোভিড-১৯ মহামারী পরিস্থিতিতে, আমরা আমাদের কর্মীদের সংক্রমণ থেকে সুরক্ষিত রাখার জন্য বিভিন্ন সতর্কতা অবলম্বন করেছি। কোভিড-১৯ আক্রান্ত ও সন্দেহভাজন ক্ষেত্রে বিশেষ ছুটি প্রদান করে আমরা আমাদের কর্মীদের সুবিধা প্রদান করেছি। আমরা স্বাস্থ্যবিধি সম্পন্ন অফিস পরিবেশ নিশ্চিত করেছি। আমরা কর্মীদের তাদের চিকিৎসার জন্য আর্থিক সহায়তাও দিয়েছি। আমরা বাড়ি থেকে অফিস করাকে উৎসাহিত করেছি এবং আমরা সকল স্তরের কর্মীদের পরিবহন সুবিধা নিশ্চিত করেছি।

আমরা কর্মীদের দক্ষতা উন্নয়নের লক্ষ্যে আন্তর্জাতিক এবং স্থানীয় প্রশিক্ষক দ্বারা পৃথক এবং দলগত প্রশিক্ষণ প্রদান করেছি। আমরা ট্রেনিং নিড অ্যাসেসমেন্ট অনুযায়ী কোম্পানির মধ্যে, দেশের মধ্যে এমনকি দেশের বাইরেও সফট স্কিল, আচরণগত উন্নতি, প্রযুক্তিগত এবং চাকরি সংক্রান্ত প্রশিক্ষণের ব্যবস্থা করেছি। সফট স্কিল, টেকনিক্যাল স্কিল এবং চাকরি সংক্রান্ত দক্ষতার বিকাশের জন্য আমাদের ইন-হাউস প্রশিক্ষক পুল রয়েছে। কর্পোরেট নৈতিকতা, আচার-ব্যবহার বৃদ্ধি এবং কর্মীদের মধ্যে তাদের ভারসাম্যপূর্ণ কর্মজীবনের জন্য অনলাইন দক্ষতা বিকাশের জন্য আমরা অনলাইন-ভিত্তিক ই-লার্নিং প্ল্যাটফর্মও চালু করেছি। আমরা ইআরপি সিস্টেমের মাধ্যমে বিভিন্ন শিক্ষণীয় ভিডিও এবং কেস স্টাডি ক্রমাগত আপলোড করছি।

কর্মকর্তা/কর্মচারীদের কর্মক্ষমতা সঠিকভাবে মূল্যায়ন করার জন্য আমরা অনলাইনের মাধ্যমে কী পারফরম্যান্স ইডিক্টর (কেপিআই) ভিত্তিক কর্মক্ষমতা মূল্যায়ন শুরু করেছি। এর মাধ্যমে তারা তাদের কাজের নিয়মিত আপডেট পান। আমরা কোম্পানির বাজেট এবং লক্ষ্যের সাথে সামঞ্জস্য রেখে বিভাগীয় এবং কোম্পানির কেপিআই এর সাথে ক্রমাগত পৃথক কেপিআই পর্যবেক্ষণ করছি।



কোম্পানিতে অবদান রাখার জন্য কর্মীদের অনুপ্রাণিত করতে এইচআর বিভাগ কর্মক্ষমতা ভিত্তিক পুরস্কার প্রোগ্রাম শুরু করেছে। এটি প্রতিষ্ঠানটিকে নিয়োগকর্তার ব্যাডিন্গে এগিয়ে যেতে এবং পারফরম্যান্স পুরস্কারের সংস্কৃতি গড়ে তুলতে সাহায্য করবে।

এইচআর বিভাগ কর্মচারীদের সুস্থতা, আইন অনুযায়ী সুযোগ-সুবিধা প্রদান এবং কৌশলগত ব্যবসায়িক অংশীদার হিসেবে প্রতিষ্ঠানের প্রবৃদ্ধির ভূমিকা পালনের জন্য প্রতিশ্রুতিবদ্ধ।

জীবন নিরাপত্তা, স্বাস্থ্য ও কর্ম পরিবেশ

একটি ভাল কাজের পরিবেশ গড়ে তোলার ক্ষেত্রে স্বাস্থ্য, নিরাপত্তা এবং সুস্থতা একটি অগ্রাধিকার যোগ্য বিষয়। আমাদের সামগ্রিক পেশাগত স্বাস্থ্য এবং নিরাপত্তা নীতি প্রকাশ করে যে আমরা আমাদের সমস্ত কর্মীদের জন্য একটি নিরাপদ কর্মক্ষেত্র তৈরি করার জন্য আমাদের দায়িত্বগুলি কীভাবে পালন করি। এই ফোকাসটি কোভিড-১৯ মহামারীর সময় বৃদ্ধি পায়, যে সময়ে সংক্রমণের ঝুঁকি কমাতে, সংক্রমণের শৃঙ্খল ভাঙতে এবং সবার জন্য নিরাপত্তা বাড়াতে কোম্পানির এইচআরডি বেশ কিছু উদ্যোগ গ্রহণ করেছেন।

এই উদ্যোগগুলির মধ্যে রয়েছে রিপোর্টের মাধ্যমে কর্মচারীদের স্বাস্থ্যের দৈনিক পরীক্ষা করা, একটি জরুরি সহায়তা দল গঠন করা, কোভিড-১৯ প্রতিরোধমূলক নির্দেশিকা এবং প্রয়োগের ব্যবস্থা প্রচার করা, টেলিমেডিসিন পরিষেবার ব্যবস্থা করা এবং কোভিড-১৯ পরীক্ষার জন্য খরচ প্রদানের ব্যবস্থা করা। এই উদ্যোগগুলি ছাড়াও, কোম্পানি সমস্ত কর্মচারীদের জন্য জীবন বীমা কভারেজও প্রদান করেছে এবং কোভিড-১৯ সম্পর্কিত সমস্ত চিকিৎসার খরচ পরিশোধের সুবিধাও দিয়েছে। অধিকন্তু, মহামারী-প্ররোচিত লকডাউন সময়ের মধ্যে যাদের অফিস প্রাঙ্গণে আসতে হবে তাদের জন্য বিশেষ পরিবহন সুবিধাও দেওয়া হয়েছিল।

এইচআরডি লকডাউনের পর্যায়-ভিত্তিক উত্তোলনের সাথে কাজে ফিরে যাওয়ার বিষয়ে একটি সম্পূর্ণ নির্দেশিকা প্রস্তুত করেছে, কর্মীদের জন্য কাজের পরিবেশ নিরাপদ এবং সুরক্ষিত রাখার সমস্ত দিককে কভার করে।

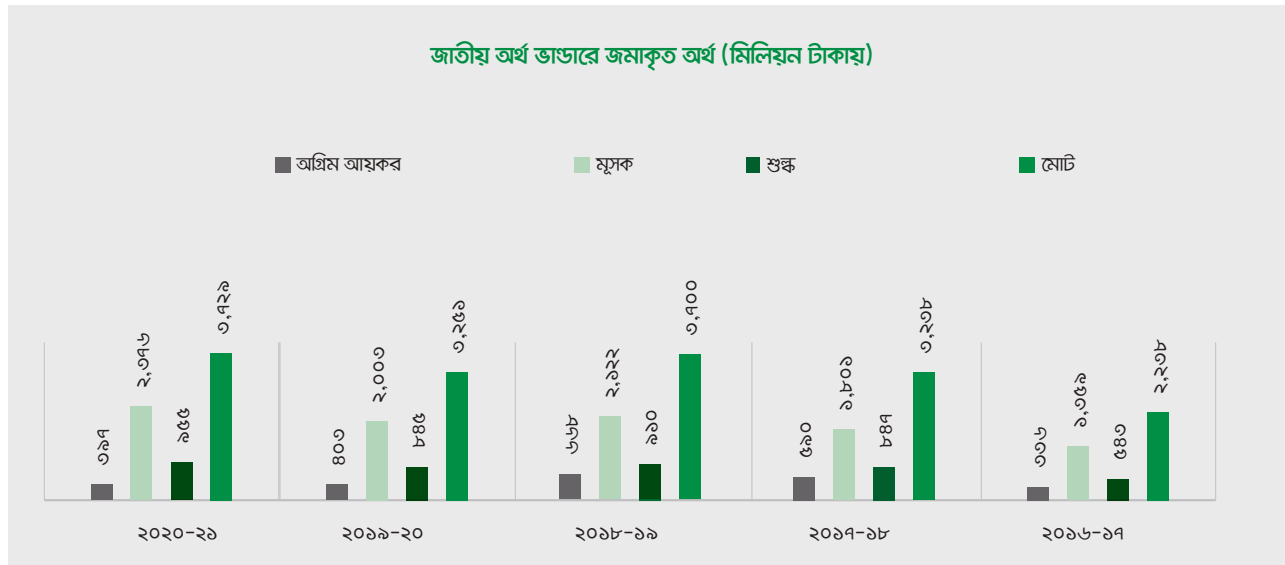
জাতীয় অর্থ ভাণ্ডারে আর্থিক অবদান

৩০ জুন ২০২১ অর্থ বছরে কোম্পানি ৩,৭২৯ মিলিয়ন টাকা জাতীয় অর্থ ভাণ্ডারে জমা করেছে, যার বিস্তারিত বিবরণ নিম্নরূপ :

(মিলিয়ন টাকায়)

বিবরণ	২০২০-২১	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭
অগ্রিম আয়কর	৩৯৭	৪০৩	৬৬৮	৫৯০	৩৩৬
মুসক	২,৩৭৬	২,০০৩	২,১২২	১,৮০৯	১,৩৫৯
শুল্ক	৯৫৫	৮৪৫	৯১০	৮৪৭	৫৪৩
মোট	৩,৭২৯	৩,২৫১	৩,৭০০	৩,২৪৬	২,২৩৮

বিগত পাঁচ বছরে জাতীয় অর্থ ভাণ্ডারে কোম্পানির জমাকৃত অর্থের তথ্য নিম্নে গ্রাফের মাধ্যমে উপস্থাপন করা হলো:



অদাবীকৃত লভ্যাংশ

বিএসইসি এর নির্দেশিকা নং বিএসইসি/সিএমআরআরসিডি/২০২১-৩৮৬/০৩ তারিখ ১৪ জানুয়ারী ২০২১, শর্ত ৩ (এ) অনুযায়ী অদাবীকৃত লভ্যাংশের তালিকা নিচে উল্লেখ করা হলো :

বিবরণ	শেয়ারহোল্ডারদের সংখ্যা	অদাবীকৃত লভ্যাংশ (টাকা)
লভ্যাংশ হিসাব ২০২০	৭,৭৮৬	৯০৬,৯০০
লভ্যাংশ হিসাব ২০১৯	৬,৮৬৬	৮০৬,০৩৭
লভ্যাংশ হিসাব ২০১৮	৫,০৬৫	৯১০,৮৮৯

এখানে উল্লেখ্য যে, আমরা বিএসইসি-এর নির্দেশনা অনুযায়ী চলতি তিন বছরের অদাবীকৃত লভ্যাংশ ব্যতিত পূর্বের সকল বছরের অদাবীকৃত লভ্যাংশ নির্দিষ্ট সময়ের মধ্যে 'ক্যাপিটেল মার্কেট স্টেবিলাইজেশন ফান্ডে' স্থানান্তর করেছি।

ব্যালেন্স শীট উত্তর ঘটনাবলী

কোম্পানীর পরিচালনা পর্ষদ তাঁদের ২৭ অক্টোবর ২০২১ তারিখের পর্ষদ সভায় ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের জন্য ২০% নগদ লভ্যাংশ ঘোষণা করেছেন অর্থাৎ যা' প্রতি ১০.০০ টাকা অভিজিত মূল্যের শেয়ারের বিপরীতে ২.০০ টাকা মাত্র। তাতে মোট নগদ লভ্যাংশ এর পরিমাণ দাঁড়ায় ২৯৭,০০০,০০০ টাকা যা ১৫ ডিসেম্বর ২০২১ তারিখে অনুষ্ঠিতব্য ২৭তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগণ কর্তৃক অনুমোদন সাপেক্ষ।

গভর্ন্যান্স, নৈতিকতা এবং তার পরিপালন

সুশাসন এবং নৈতিক আচরণ এম. আই. সিমেন্ট ফ্যাক্টরি লিমিটেডের সকল কর্মকাণ্ডের ভিত্তি। ইহা বিশ্বাস, ঝুঁকি ব্যবস্থাপনা, স্থিতিশীল বিস্তার এবং ক্রমিক ব্যবসা প্রসারের সহায়তা প্রদান করে। নীতিমালা হলো চ্যালেঞ্জিং ইস্যুর মুখোমুখি সংগ্রাম করা, আমাদের আদান-প্রদান ও যোগাযোগের সহজ পদ্ধতি অনুসরণ, সবার জন্য জবাবদিহিতা এবং কর্মকর্তা / কর্মচারীদেরকে সার্বিক কর্মপন্থা অনুসরণের সাহস প্রদান। আমাদের ব্যবসায়িক নৈতিকতার পাশাপাশি নিজস্ব নৈতিকতা, নীতি প্রশিক্ষণ কর্মকর্তা / কর্মচারীদের নৈতিকভাবে সিদ্ধান্ত নিতে সাহস যোগায়। আমাদের কাজের দায়িত্ব পালনে ক্রমাগত তত্ত্বাবধান করার পদ্ধতি, অনুসরণ করার আচরণ নেতৃত্ব গ্রহণে সহায়তা করে।

সুতরাং আমাদের কোম্পানীর দায়িত্বশীল কর্মকর্তাগণ নির্দেশ প্রদান করেন ও প্রশাসন পরিচালনা করেন লিখিত প্রনয়নকৃত আইন, নীতি এবং নির্ধারিত পদ্ধতি অনুসরণ করে, যা বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) বিজ্ঞপ্তি নং : বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/প্রশাসন/৮০ তারিখ ৩ জুন ২০১৮, কোম্পানি আইন, ১৯৯৪ এবং ঢাকা এবং চিটাগাং স্টক এক্সচেঞ্জ এর লিস্টিং রেগুলেশনস, ২০১৫ নির্দেশিকাগুলিতে নির্ধারণ করা হয়েছে। আলোচ্য অর্থ বছর তথা ৩০ জুন ২০২১ হিসাব বছরের জন্য পরিচালকদের ঘোষণাপত্র, বর্তমান এবং পূর্ববর্তী ৫ (পাঁচ) বছরের মূল পরিচালন এবং আর্থিক তথ্যের সংক্ষিপ্ত বিবরণী, শেয়ারধারণের পরিমাণ ও ধরণ, পুনঃনির্বাচিত পরিচালকবৃন্দের সংক্ষিপ্ত জীবনবৃত্তান্ত, ব্যবস্থাপনা সংক্রান্ত আলোচনা এবং বিশ্লেষণ, পর্ষদের নিকট প্রধান নির্বাহী কর্মকর্তা এবং সি.এফ.ও.এর ঘোষণাপত্র এবং লভ্যাংশ বিতরণ নীতি পরিশিষ্ট- ১, ২, ৩, ৪, ৫ এবং ৬ এ ধরাবাহিকভাবে বিবৃত করা হয়েছে।

আমাদের কৃতজ্ঞতা প্রকাশ

কোম্পানি এবং পরিচালনা পর্ষদ কোম্পানীর সম্মানিত শেয়ারহোল্ডার এবং কোম্পানির অন্যান্য স্টেকহোল্ডারদের প্রতি তাদের অবিরাম সমর্থন এবং দিকনির্দেশনার জন্য তাদের প্রতি সর্বাত্মক প্রজ্ঞা ও কৃতজ্ঞতা জানাতে চায়, কারণ তাদের সমর্থন কোম্পানিকে ক্রমবর্ধমান সাফল্যের দিকে পরিচালিত করেছে। এছাড়াও কোম্পানীর পরিচালনা পর্ষদ গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, জাতীয় রাজস্ব বোর্ড (এনবিআর), জয়েন্ট স্টক কোম্পানিজ অ্যান্ড ফার্মসের নিবন্ধক (আরজেএসসি), বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি), সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিমিটেড (সিডিবিএল), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসই), কোম্পানির ব্যাংকার এবং অন্যান্য ব্যবসায়িক অংশীদার তাদের সহযোগিতা, ইতিবাচক সমর্থন এবং নির্দেশনার জন্য কৃতজ্ঞতা প্রকাশ করেন। আমাদের কোম্পানির সকল কর্মকর্তা/কর্মচারীদের কোম্পানির উন্নয়নে তাদের অবদানের জন্য আন্তরিক কৃতজ্ঞতা প্রকাশ করছি।

আমরা প্রতিশ্রুতি দিচ্ছি যে আমরা একটি উজ্জ্বল ভবিষ্যতের দিকে আমাদের যাত্রা অব্যাহত রাখব। আমরা ২০২১-২২ এবং সামনের দিনগুলিতে আপনাদের অব্যাহত সমর্থনের জন্য অপেক্ষা করছি।

পরিচালনা পর্ষদের পক্ষে

(মোহাম্মদ জাহাঙ্গীর আলম)
চেয়ারম্যান

তারিখ, ঢাকা

২৭ অক্টোবর ২০২১

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE I

Summary of key operating and financial data of preceding five years and the current year:

Income and Expenses:

(Taka in '000)

Particulars	2020-21	2019 - 20	2018-19	2017-18	2016-17	2015-16
Revenue	16,315,315	13,876,211	14,628,433	12,559,312	9,439,820	9,016,549
Gross Profit	2,255,776	1,608,241	1,929,824	1,643,420	1,610,438	1,659,355
Operating Profit	1,551,099	799,582	1,177,413	1,001,290	1,109,777	1,196,135
Net Profit Before Tax	1,054,175	(28,220)	435,412	410,225	859,884	980,009
Net Profit After Tax	859,222	(132,453)	251,150	315,613	661,079	744,248
Earnings Per Share (Taka)	5.79	(0.89)	1.69	2.13	4.45	5.01

Assets and Liabilities

(Taka in '000)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Assets						
Non-Current Assets	8,043,490	8,299,906	8,390,082	8,142,906	7,582,097	5,416,696
Intangible Asset	31,743	36,825	41,908	34,530	-	-
Investment in Associate Companies	331,045	281,256	256,342	232,155	198,585	133,919
Current Assets	8,614,748	10,503,676	10,631,559	11,304,321	10,138,765	8,609,003
Total Assets	16,989,283	19,084,838	19,277,984	19,713,912	17,919,447	14,159,619
Equity and Liabilities						
Shareholders' Equity	7,824,090	6,887,116	7,160,478	7,124,354	7,097,795	6,724,824
Liabilities						
Non-Current Liabilities	999,600	1,777,980	2,442,641	2,760,000	2,448,881	713,546
Current Liabilities & Provision	8,165,593	10,419,743	9,674,866	9,829,558	8,372,771	6,721,249
Total Liabilities	9,165,193	12,197,723	12,117,506	12,589,558	10,821,652	7,434,795
Total Equity and Liabilities	16,989,283	19,084,839	19,277,984	19,713,912	17,919,447	14,159,619

ANNEXURE II

PATTERN OF SHAREHOLDING

- (a) Parent/Subsidiary/Associated Companies and other related parties (name wise details): Not applicable.
- (b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Incharge of Internal Audit and Compliance and their Spouses and Minor Children (name-wise details):

Name	Position	No. of Shares		
		Self	Spouse	Minor Children
Mr. Mohammed Jahangir Alam	Chairman	23,024,925	Nil	N/A
Mr. Molla Mohammad Majnu	Managing Director	12,127,500	N/A	N/A
Mr. Md. Alamgir Kabir	Director	14,397,075	Nil	Nil
Mr. Md. Mizanur Rahman Mollah	Director	12,127,500	Nil	N/A
Mr. Md. Almas Shimul	Director	7,276,500	Nil	Nil
Alhaj Md. Khabir Uddin Mollah	Former Managing Director (Died on 25.5.2019)	23,388,750	Nil	N/A
Mr. Zakir Ahmed Khan	Independent Director	Nil	Nil	N/A
Prof. Dr. M. Abu Eusuf	Independent Director	Nil	Nil	Nil
Mr. Md. Mukter Hossain Talukder, FCA	Chief Executive Officer	Nil	Nil	Nil
Mr. Mohammad Ahasan Ullah, FCA	Sr. GM & Chief Financial Officer	Nil	Nil	Nil
Mr. Md. Mozharul Islam, FCS	Sr. GM & Company Secretary	Nil	Nil	Nil
Mr. Md. Shahid Ullah Khan	Sr. DGM of Internal Audit & Compliance Department	Nil	Nil	Nil

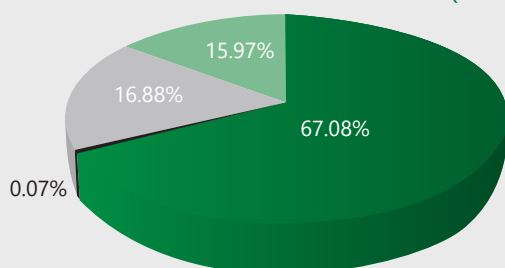
- (c) Executives (top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance):

Name	No. of Shares
Executives	Nil

Shareholders holding ten percent (10%) or more voting interest in the company (name wise details):

Name	Position	No. of Shares
Mr. Mohammed Jahangir Alam	Chairman	23,024,925
Alhaj Md. Khabir Uddin Mollah	Former Managing Director (Died on 25.5.2019)	23,388,750

SHAREHOLDING COMPOSITION OF THE MEMBERS (AS AT 30 JUNE 2021)



■ Sponsors and Director ■ Foreigners ■ Institute ■ General Public

Category of Shareholders	No. of Shares	% of Shares
Sponsors and Directors	99,618,750	67.08%
Foreigners	92,356	0.07%
Institute	25,077,818	16.88%
General Public	23,711,076	15.97%

ANNEXURE III

RESUME OF RE-APPOINTED DIRECTORS

Profile of the Directors who seek re-appointment

Mr. Molla Mohammad Majnu

Managing Director

Mr. Molla Mohammad Majnu having Masters Degree in Science from Dhaka University is a Sponsor Director and Managing Director of M. I. Cement Factory Limited which has introduced one of the leading Cement brands of the nation named "Crown Cement". He is also the Managing Director of Crown Transportation and Logistics Limited & Crown Mariners Limited.

He is the Chairman of Crown Cement Concrete and Building Products Limited, Molla Salt (Triple Refined) Industry Limited and Molla Salt Agro Food & Beverage Limited.

He is the Director of Crown Power Generation Limited, Crown Polymer Bagging Limited and BetaOne Investment Limited.

He is the Managing Partner of Molla Salt Industries, Molla & Brothers Co. and also an active partner of Molla Salt Industries Unit-2 and M. M. Salt Industries, from which two branded salt has been leading the market of the nation known as "Molla Super Salt" and "Molla Salt" for long times. He is also the Partner of Crown Enterprise.

He is the highest Tax Payer of Narayanganj District for the consecutive last 6 (Six) years. Apart from the business career, he is a social worker who has founded the "Molla Salt Foundation Limited" and leading the foundation as Chairman, under which lots of social work has been done to privilege the underprivileged community of Mirkadim Municipality like- Charitable Health Care, Free Ambulance, Free School for underprivileged children.

Mr. Md. Almas Shimul

Director

He is one of the Sponsors and Director of M. I. Cement Factory Limited (Crown Cement), GPH Power Generation Limited, GPH Ship Builders Limited, GPH Engineers & Development Limited, Chittagong Capital Limited, Jahangir & Others Limited, Eco Ceramics Industries Limited, Crown Power Generation Limited, Crown Polymer Bagging Limited, Crown Mariners Limited, Crown Transportation and Logistics Limited and Crown Cement Concrete and Building Products Limited. Together with his brothers, he has been carrying out the trading of Construction Materials like Cement, M. S. Rod, C. I. Sheet etc. from their different trading houses from Chattagram Centre.

He is also one of the members of the Board's Audit Committee and Nomination and Remuneration Committee of M. I. Cement Factory Limited.

Being a prominent social worker, he is actively involved with the following social organizations:

- Region Chairperson of Lions District 315-B4, Bangladesh
- President of Chittagong Friends Club
- President of Chittagong Islamia University College Ex-Student Forum
- Founder and Executive Member of Khulshi Club, Chattagram
- Founder Member of Idris Ali Matbar Foundation, Munshiganj
- Life Member of Bhatary Golf and Country Club, Chattagram
- Member of Chittagong Club Limited, Chattagram
- Executive Member of Kidney Foundation, Chattagram

Mr. Zakir Ahmed Khan

Independent Director

Mr. Zakir Ahmed Khan, Former Finance Secretary to the Government of Bangladesh joined M. I. Cement Factory Limited as Independent Director on 6 December, 2018. He carries with him vast experience and expertise gathered om home and abroad.

Mr. Khan did BA (Hons) and Masters in Economics from the University of Dhaka in 1968. He had graduate study in Development Economics and Development Administration as a Hubert Humphrey North-South Fellow at the Colorado State University, USA. He also did Master of Business Administration from Vrije Universiteit, Brussels, Belgium.

Before joining Government Service in 1970, he briefly worked as a Research Associate in the Bureau of Economic Research and Institute of Education and Research and Lecturer in Economics, University of Dhaka. He also worked as a part time Lecturer in the Department of Finance, University of Dhaka.

Mr. Khan held various senior level positions in the Ministries of Finance, Commerce, Establishment, Energy, Civil Aviation and Tourism, Cabinet Division and Bangladesh Audit and Accounts Department. He served as Finance Secretary and Secretary, Internal Resources Division and Chairman, National Board of Revenue for five years. He also briefly worked for a number of UN Agencies. Prior to his retirement in early 2009, he served as Alternate Executive Director of the World Bank for three and a half years.

He contributed a number of articles on public policy and public sector financial management to a number of national and international journals. He also made several key note presentations on public sector reforms and financial management in seminars and workshops at home and abroad.

Prof. Dr. M. Abu Eusuf

Independent Director

Dr. M. Abu Eusuf is holding the position of Professor & Former Chair in the Department of Development Studies at the University of Dhaka. He is the Director of 'Centre on Budget and Policy' at the University of Dhaka. Eusuf is an economist by training. He was awarded Ph.D. in Development Policy and Management (Development Economics Cluster) from the University of Manchester as a Commonwealth Scholar. He also completed his MA in Development Studies at the Institute of Social Studies (ISS), Netherlands, under the UN fellowship program.

Dr. Eusuf has been an active member of the Bangladesh Economic Association. His fields of interest include national budget, social protection, SDGs, Governance, women entrepreneurship development, leather sector development, monitoring and evaluation, human development, human rights, water and sanitation, international trade, urban poverty, green growth and financing, land management, community health, etc. He has published a number of research articles in the reputed journals/books. Eusuf is an active researcher and has worked for UNDP; World Bank; ADB; ODI, Center on the Budget and Policy Priorities, USA; University of Manchester, The Asia Foundation, Bangladesh Planning Commission, Consumer Unity and Trust Society (CUTS) International, India; ActionAid Bangladesh, Care Bangladesh, Oxfam, World Vision, Sajida Foundation, Institute for Inclusive Finance and Development (InM) and so on.

Over the past many years, Dr. Eusuf has developed a strong network with high level policy makers including Ministers, Secretaries of various ministries, Bangladesh Bank Governor and Deputy Governors, high officials of National and International NGOs etc.

Dr. Eusuf has been conducting research and advocacy activities regularly related to SDGs, pre and post budget analysis and publish Citizen Budget every year under his leadership. He is also working as the country researcher for Bangladesh of Open Budget Survey 2021 being commissioned by Washington DC based International Budget Partnership (IBP). He has also undertaken rigorous research and advocacy works in all divisions in Bangladesh. During April 2020 – March 2021, amid the Covid-19 pandemic – he has completed various studies on 'COVID -19 and New Normal for Women in the Economy in South Asia: Bangladesh Country Report'; 'Political Economy Analysis of the Bangladesh Government's Financial Support Mechanism during COVID-19 and Its Effectiveness in Safeguarding the Women Entrepreneurs' commissioned by The Asia Foundation. He is currently leading the study on 'Fiscal Stimulus Packages in Dealing with COVID-19 Consequences in Bangladesh: An Analysis of Institutional Capacity, Accountability, and Transparency' with the support from the Asia Foundation (November 2020 – October 2021). He has recently completed study on "Preparation of Advocacy Documents for Pre-Budget National Consultation, 2021 with implications for Migrant Workers' Welfare", (April – May 2021) commissioned by WARBE Development Foundation and 'Impact Evaluation – Mental Health Support for COVID-19 Affected Population' (February – March 2021) commissioned by Sajida Foundation. Dr. Eusuf led a field survey-based study on the government's Gratuitous Relief (GR) programme commissioned by the Ministry of Disaster Management and Relief (MoDMR) for which the field work in nine upazilas under nine districts was conducted observing official health guidelines (March - June 2020).

ANNEXURE IV

MANAGEMENT'S DISCUSSION AND ANALYSIS

In compliance with the Condition No. 5(xxv) of the Corporate Governance Code as issued by BSEC vide its notification dated 3 June 2018, a brief Management analysis is given on company's position on the operations and financial statements focusing, in particular, on the following issues:

(a) Accounting policies and estimation for preparation of financial statements;

The company has consistently applied the accounting policies to all the years presented. The specific accounting policies selected and applied by the company's management for significant transactions and events that have a material effect in preparation and presentation of financial statements are in compliance with the framework of the *International Financial Reporting Standards* (IFRS).

Basis of preparation of the financial statement

Accounting standards

The financial statements of the company have been prepared in accordance with *International Financial Reporting Standards* (IFRSs) and the requirements of Securities and Exchange Rules, 1987, the Companies Act, 1994 and other applicable laws and regulations.

Accounting convention

The financial statements are prepared under the historical cost model except property, plant and equipments which have been measured under revaluation model.

Critical accounting estimates, assumptions and judgments

The preparation of financial statements, complying IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise their judgment in ascertaining assumption in the process of applying the company's accounting policies and reported amount of assets, liabilities, income and expenses. Such estimates are prepared on the assumption of going concern and are established based on currently available information. Changes in facts and circumstances may result in revised estimates and actual results could differ from the estimates.

Estimates are made by management in the preparation of the financial statements include assumptions used for depreciation, allowance for receivables, deferred taxes and provisions for employees benefits.

Property, plant and equipments (PPE)

Recognition and measurement

Items of property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner. Cost also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipments is recognised in profit or loss.

Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipments is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of the property, plant and equipments are recognized in profit or loss as incurred.

Revaluation of PPE

Property, plant and equipments have been revalued as on 30 June 2021. The revaluation was done by an independent valuer S. F. Ahmed & Co., Chartered Accountants and the valuer has revalued the property, plant, and equipments of the Company following "Current cost method". Such revaluation resulted an incremental revaluation surplus of Tk. 212,955,665 as on 30 June 2021.

Carrying amount of any asset is increased as a result of a revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. The increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Carrying amount of any asset is decreased as a result of a revaluation, the decrease is recognized in profit or loss; or the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Details of the significant accounting policies are available in Note No. 3 of the Notes to the Financial Statements.

(b) Changes in accounting policies and estimation:

Trade receivable, intercompany receivables and other receivables

Trade receivables are recognized and carried at original invoiced amount. Receivables are stated at net off expected credit loss (ECL). ECL is calculated in these accompanying financial statements complying the company's policy & provision of IFRS -9 and receivables are written off when the debts became finally irrecoverable. Further, management has assessed the objective evidence regarding capacity of repayment of its sister concerns and impairment provision, is made in these accompanying financial statements complying the company's policy. The effect of such changes in estimates is mentioned below:

Sl. No.	Particulars	Amount (Taka)
A	Provision as per previous rate	23,052,142
B	Provision as per new rate (ECL)	120,057,807
C	Profit decreased for the year ended 30 June 2021	97,005,665

Employee benefits

Defined benefit plans (Gratuity)

The company operates an unfunded gratuity scheme. The company's net obligation in respect of defined plans is calculated separately for each plan by estimating benefit that employees have earned in the current period, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation was performed this year by a qualified actuarial firm using the Projected Unit Credit (PUC) method to assess the Plan's liabilities. All actuarial gains and losses are recognized immediately in other comprehensive income (Tk. 6,507,821 net of deferred tax). Relevant tax impacts of such re-measurements are also recognized in other comprehensive income. The actuarial calculation was performed according to IAS-19: Employee Benefits. Members of this fund become eligible to receive gratuity on completion of 6 months of continuous services with the company.

(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 immediate preceding five years explaining reasons thereof has been described below:

(Taka in '000)

Financial Results	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Revenue	16,315,315	13,876,211	14,628,433	12,559,312	9,439,820	9,016,549
Gross Profit	2,255,776	1,608,241	1,929,824	1,643,420	1,610,438	1,659,355
Profit before Tax	1,054,175	(28,220)	435,412	410,225	859,884	980,009
Net profit for the year	859,222	(132,453)	251,150	315,613	661,079	744,248
Shareholders' Equity	7,824,090	6,887,116	7,160,478	7,124,354	7,097,795	6,724,824
Total Assets	16,989,283	19,084,838	19,277,984	19,713,912	17,919,447	14,159,619
Total Current Assets	8,614,748	10,503,676	10,631,559	11,304,321	10,138,765	8,609,003
Total Current Liabilities	8,165,593	10,419,743	9,674,866	9,829,558	8,372,771	6,721,249
Current ratio (Time)	1.06	1.01	1.10	1.15	1.21	1.28

Increase in total revenue by 17.58% has mainly arisen from increase in volume of sales by 18 % considering the previous years'. Gross profit is increased by Tk. 647,535,247 with a percentage of 40.26% in comparing with previous years' gross profit. EPS has increased by Tk. 6.68 (749%) from the previous year due to sharp increase in revenue resulting from volume growth and decrease of operating cost due to lower raw material cost and effective cost control initiative by management.

Cash flow Movement

(Taka in '000)

Cash flow Movement	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Net cash flows from operating activities	3,623,507	548,158	266,849	201,913	257,125	1,586,198
Net cash flows used in investing activities	604,179	156,733	1,723,576	(818,548)	(2,687,081)	(1,119,968)
Net cash flows used in financing activities	(4,429,436)	(613,915)	(1,915,678)	1,073,466	2,603,234	(285,310)
Net Increase in cash and cash equivalents	(201,749)	90,976	74,747	456,831	173,278	180,920
Cash and cash equivalents at 01 July	371,749	280,774	206,027	3,856,614	3,683,336	3,502,416
Cash and cash equivalents at 30 June	169,999	371,749	280,774	4,313,445	3,856,614	3,683,336
Net operating cash inflows per share	24.40	3.69	1.80	1.36	1.73	10.68

M. I. Cement Factory Ltd. has been generating cash flow from its operating activities. However, to support the growth momentum and retain its market share to meet consumer expectation, M. I. Cement Factory Ltd. has been investing in capital expenditure over the years.

Dividend

Due to optimized usage of capacity we have obtained a great success considering the previous years' with Covid pandemic and terrible flood situation. The Board of Directors in their meeting held on 27 October 2021 has recommended cash dividend @ 20% i.e. Tk. 2.00 (Taka two) only per share of Tk. 10.00 (Taka ten) each aggregating to Tk. 297,000,000 for the year ended 30 June 2021 subject to the approval of the shareholders' in the 27th Annual General Meeting scheduled to be held on 15 December 2021.

With this recommendation of proposed cash dividend, the summary of the total dividend in 2021 is represented below:

(Taka in '000)

Financial Results	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Net Profit After Tax	859,222	(132,453)	251,150	315,613	661,079	744,248
Earnings Per Share	5.79	(0.89)	1.69	2.13	4.45	5.01
Final Cash Dividend	297,000	148,500	148,500	222,750	297,000	297,000
Number of Shares	148,500,000	148,500,000	148,500,000	148,500,000	148,500,000	148,500,000
Cash Dividend per Share	2.00	1.00	1.00	1.50	2.00	2.00

(d) Comparison of the financial performance or results and financial position as well as cash flows with the peer industry scenario:

Listed cement companies in Bangladesh comprises of the following:

Name of the Company	Market Category	Year of listing on DSE	Year of listing on CSE	Year end
M. I. Cement Factory Ltd. (MICFL)	A	2011	2011	30-June
Premier Cement Mills Ltd. (PCML)	A	2013	2013	30-June
Meghna Cement Mills Ltd. (MCML)	A	1995	1996	30-June
LafargeHolcim Bangladesh Ltd. (LHBL)	A	2003	2003	31-December
Heidelberg Cement Bangladesh Ltd. (HCBL)	A	1989	1995	31-December
Confidence Cement Ltd. (CCL)	A	1998	1995	30-June
Aramit Cement Ltd. (ACL)	Z	1998	1998	30-June

(Taka '000)

Sl. No.	Items	MICFL	PCML	MCML	LHBL	HCBL	CCL	ACL
1	Net Profit After Tax	859,222	651,681	74,377	1,983,982	(80,839)	1,240,803	20,265
2	Dividend	20% C	20% C	5% B & 5% C	10% C	20% C	25% C	Nil
3	EPS	5.79	6.18	2.73	1.71	(1.43)	15.86	0.60
4	NAVPS	52.69	79.83	70.14	12.46	68.10	74.26	29.13
5	NOCFPS	24.40	6.31	42.66	3.43	26.53	2.13	3.16

EPS = Earnings Per Share, NAVPS = Net Asset Value Per Share, NOCFPS = Net Operating Cash Flows Per Share, C= Cash Dividend, B= Stock Dividend, N/A= Not Available.

(e) Financial and economic scenario of the country and the globe has been discussed briefly in the following manner:

The World Bank Group in its Global Economic Prospect report has stated that the global economy is set to expand 5.6 percent in 2021-its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies. In many emerging market and developing economies (EMDEs), obstacles to vaccination continue to weigh on activity. By 2022, last year's per capita income losses will not be fully unwound in about two-thirds of EMDEs. The global outlook remains subject to significant downside risks, including the possibility of additional COVID-19 waves and financial stress amid high EMDE debt levels. Policy makers will need to balance the need to support the recovery while safeguarding price stability and fiscal sustainability and to continue efforts toward promoting growth-enhancing reforms.

Before the COVID-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 percent per year during FY 2015-16 to FY 2018-19 and reached a record 8.15 percent growth rate in FY 2018-19. The global economy came to a standstill due to the COVID-19 pandemic, which has also had a huge negative impact on the economy of Bangladesh. According to the final estimations of BBS, the GDP growth in FY 2019-20 has slowed to 3.51 percent. However, Bangladesh's economy is turning around in 2020-21. According to the provisional estimates of BBS, the GDP growth in FY 2020-21 stood at 5.47 percent. Despite the stagnation in the economy caused by the coronavirus, food production and supply chains remained unaffected, leading to inflation at 5.56 percent in FY 2020-21. Both export and import in Bangladesh have showed a sign of recovery after a sharp decline in FY 2019-20. In FY 2020-21, Bangladeshi expatriates

remittance stood at US\$ 24,777.72 million, which was significantly higher (36.10%) than the previous fiscal year. In FY 2020-21, current account balance deficit stood at US\$ 3,808 million on the back of robust remittance inflows compared to a US\$ 4,724 million deficit in the previous year. Financial account and capital account showed surplus during this time. Therefore, the overall balance recorded the surplus of US\$ 9,274 million in FY 2020-21 compared to US\$ 3,169 million surplus in the previous year. As a result, the foreign exchange reserves increased to a record US\$ 46.39 billion at 30 June 2021.

The major challenges now facing the economy relates to recent pressure in foreign exchange reserves caused by sharp increase in imports and significant decline in remittances. This is leading to gradual depreciation of the taka against world currencies. Inflation is now creeping up with massive increase in world commodity prices across all front be it industrial or consumer product. This is partly due to rebounding of world economies post resulting in resurgence of demand and partly due to the steep escalation in international freight costs. Sharp increase in industrial raw material cost is expected to result in margin erosion for local industries especially where the higher costs cannot be passed on to the consumers. However, exports are buoyant with record orders coming for RMG. The country's financial sector is still stressed with banks exhibiting low levels of Advance to Deposit ratio. Once loan classification resumes, the results of many banks could deteriorate.

(f) Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company:

The recent escalation in industrial raw material prices does not auger well for the cement industry and indeed for the company. Due to the prevailing excess capacity in the market, despite the sharp increase in raw material and other costs, the cement players are unable to pass on the cost increase to the consumers. This is leading to a severe margin erosion for all players. Overnight, almost all the players are now facing losses as opposed to the profit scenario in the first half of 2021. Fiscal risk continues to plague the company especially the impact of Section 82C of the Income Tax Ordinance that treats the advance income tax on imports of raw materials as final tax.

The company is trying to optimize costs as much as possible under the prevailing circumstances and focusing on increasing sales to offset the erosion in contribution margins. The company has also filed a writ petition to the High Court against National Board of Revenue on the issue of AIT paid at import stage for which the Honourable High Court has issued a rule to the concerned officials. The matter is subjudice.

(g) Future plan or projection or forecast:

In view of the sharp increase in demand in the year 2021, the company has announced the plan to expand its capacity. The company remains a strong player in the market with a strong brand equity, high quality of cement, focused sales and marketing backed by seamless logistics ensuring timely deliveries to its consumers.

In view of the pressure on the taka and the escalating international raw material prices, the profitability of the industry and indeed the company will come under pressure in the following year. The industry will need support from the government to tide over this difficult situation. The company will continue to focus on efficiencies in marketing and operations to strengthen its bottom line.

As a socially responsible citizen, the company does its business ethically creating an enabling environment for its employees and the community through its myriad social initiatives. At the same time, the company emphasizes on controlling the quality of air and water in its operations. It is also fully mindful of the 17 pillars of sustainable development goals and making a mark in contributing to most of these pillars.

ANNEXURE V

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER'S (CFO) STATEMENT OF RESPONSIBILITIES

27 October 2021

The Board of Directors
M. I. Cement Factory Limited

Subject: Declaration on Financial Statements for the year ended on 30 June 2021.

Dear Sir(s),

Pursuant to the Condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of M. I. Cement Factory Ltd. for the year ended on 30 June 2021 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 concerns 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 2021 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.


(Mohammad Ahasan Ullah, FCA)
Chief Financial Officer


(Md. Mukter Hossain Talukder, FCA)
Chief Executive Officer

ANNEXURE VI

M. I. CEMENT FACTORY LIMITED DIVIDEND DISTRIBUTION POLICY

Background and applicability

Bangladesh Securities and Exchange Commission (BSEC) requires the listed companies to disclose Dividend Distribution Policy.

This document, adopted by the Board of Directors of M. I. Cement Factory Limited, lays down the Dividend Distribution Policy ("the Policy") of the company.

The Policy is subject to review as and when considered appropriate by the Board.

Dividend Distribution Philosophy

The company believes in long term value creation for its shareholders while maintaining the desired liquidity and leverage ratios and protecting the interest of all the stakeholders including customers, debtors, suppliers, employees and the Government. Accordingly, the focus will continue to be on sustainable returns in terms of dividend, in consonance with the dynamics of business environment.

Dividend

Dividend represents the profit of the company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

Circumstances under which shareholders can expect Dividend

The Board will assess the company's financial requirements, including its growth opportunities and other pertinent factors for the purpose of considering dividend. The dividend for any financial year shall ordinarily be paid out of the company profits for that year in terms of the regulatory provisions.

If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with regulatory provisions, as applicable

Interim and Final Dividend

The Board may declare one or more Interim Dividends and recommend Final Dividend for the approval of the shareholders at the Annual General Meeting.

Financial parameters and other internal and external factors to be considered for declaration of dividend

- Distributable surplus available as per the Companies Act, 1994, Listing Regulations, 2015 and other applicable regulations.
- The company's liquidity position and future cash flow needs.
- Track record of Dividends distributed by the company.
- Pay-out ratios of comparable companies.
- Prevailing taxation policy and legal requirements with respect to Dividend distribution.
- Capital expenditure requirements.
- Stipulations/ Covenants of loan agreements, if any.
- Macro-economic and business conditions in general.
- Any other relevant factor that the Board may deem fit to consider.

Utilization of retained earnings

Subject to applicable Regulations, the company's retained earnings may be applied for:

- Organic growth needs including working capital, capital expenditure, repayment of debt, etc.
- Inorganic growth needs such as acquisition of businesses, establishment of joint ventures, etc.
- Buy back of shares subject to applicable limits.
- Payment of Dividend in future years.
- Issue of Bonus shares.
- Any other permissible purpose.

Circumstances under which the shareholders may not expect dividend

In line with the Dividend Distribution Philosophy, there may be certain circumstances under which the shareholders may not expect dividend, including:

- The company has sufficient avenues to generate significantly higher returns on surplus than what a common shareholder can generate himself.
- In case of utilization of retained earnings as mentioned in this Policy.
- The company has incurred losses or there is inadequacy of profits.

Modification of the Policy

The Board may modify this policy from time to time at its discretion or in line with any amendment made in the Act or applicable Regulations.

Disclaimer

This document does not solicit investments in the company's securities, nor is it an assurance of guaranteed returns (in any form), for investments in the company's shares.

HIGHLIGHT OF THE EVENTS

A view of the 26th Virtual Annual General Meeting held on 29 December 2020.



A snapshot of the Family Night on the occasion of the Dealers Conference.



M. I. Cement Factory Limited was selected for the ICMA Corporate Award 2019.



HIGHLIGHT OF THE **EVENTS**



A view of the
Dealers Meeting
of the Company.



Technical Meet of
M. I. Cement Factory Limited.



Masion Meet of
M. I. Cement Factory Limited.



LATE ALHAJ MD. ABDUR ROUF

Alhaj Md. Abdur Rouf was the Founder Chairman and one of the Sponsor Shareholders of M. I. Cement Factory Limited. He played an important role towards the development of the Company. He breathed his last on 11 May 2021. The Board of Directors of M. I. Cement Factory Limited recalls his contribution to the Company and pray to the Almighty Allah (SWT) for granting him Jannatul Ferdous.



AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF M. I. CEMENT FACTORY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of M. I. Cement Factory Limited (hereinafter referred to as "the Company" or "MICFL"), which comprise the statement of financial position as at 30 June 2021 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 a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2021 and its financial performance and its cash flows for the year then ended in accordance with *International Financial Reporting Standards* (IFRSs) and other applicable laws and regulations.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), we have fulfilled our ethical responsibilities in accordance with the IESBA code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence has obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTERS

We draw attention to note 8.1 to the accompanying financial statements where the management has explained why they did not consolidate 4 (four) Active Associate Companies. Definition of effective control as stipulated in IFRS 10: Consolidated Financial Statements appears to be unclear on its applicability for MICFL for consolidation purposes and may need further review.

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 year. 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.

1) Revenue and trade and other receivables

Revenue recognition and collection have significant and wide influence on financial statements. The Company reported revenue and trade and other receivables amounting Tk. 16,315,315,422 and Tk. 2,802,789,682 respectively. Revenue is recognised when the amounts and the related costs are reliably measured and the performance obligation is completed through passing of control to the customers. While the risk and rewards are being transferred for the performance obligations at the delivery point and control has passed, there is a risk that the Company might misstate or manipulate sales quantity or price in the financial statements. There is also a risk that revenue may be overstated or understated through various discounts and incentives. However, the management of the Company informed us that they do not have any policy that allows to give any such incentives to dealers.

How our audit addressed the key audit matter:

- We assessed the reporting environment of the Company as well as other relevant systems supporting the accounting or revenue;
- We examined customer invoice (Mushak 6.3), sales account book (6.2), VAT submission form (Mushak 9.1) and receipts of payment on a test basis;
- We summarized of Mushak 9.1, Mushak 6.7, Mushak 6.8 month wise and cross checked with financial statements booked as revenue;
- We obtained and verified supporting documents for sales transactions recorded;
- We enquired that the Company did not offer any discount to dealers during the year;
- We tested the timing of revenue recognition as well as cut off checked;
- We reviewed the collection of trade and other receivables and its subsequent status as well;
- We reviewed age analysis and calculation of expected credit loss/allowance for bad and doubtful debts of trade and other receivables; and
- We assessed whether the sufficient disclosure has been given;

2) Loan (long term and short term)

Working capital of the Company is dependent on the short-term loan and bank overdraft. Most of the loans are floating interest bearing and, in the future, if the rates change (increases), the Company might face difficulties in providing the interest payments. The total long term loan is Tk. 894,861,954 and short term loan is Tk. 5,922,894,599. Total finance cost is Tk. 561,409,223 which is 41.94% of the expenses (administrative, selling and finance cost). That is indicating a major portion of the cost is interest cost, which concludes the too much dependency on the loans. The Company is legally bound for the interest cost and any default may cause reputational and legal issues. Enough profit should be available to make the interest payment and any default may hamper the bargaining power of the Company to get new loans.

How our audit addressed the key audit matter:

- We sent balance confirmations to respective banks and also obtained few balance confirmations from certain banks with majority transactions;
- We reviewed and checked the sanction letters and repayment schedules;
- Cross checked with liability certificate provided by financial institutions, bank confirmations and financial statements booked as individual bank loan;
- We performed recalculation of finance cost and checked its accuracy; and
- We also reviewed the disclosure requirements with obtaining all terms and conditions of the loan.

REPORTING ON OTHER INFORMATION

Management is responsible for the other information. The other information comprises all of the information in the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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.

The other information comprises all of the information in the annual report other than the consolidated and separate financial statements and our auditors' report thereon.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with *International Financial Reporting Standards* (IFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditors' 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 International Standards on Auditing (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 International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Companies Act, 1994 and International Standards on Auditing (ISAs), we also report the following:

- a) 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;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes 1 to 46 dealt with by the report are in agreement with the books of account; and
- d) the expenditures incurred and payments made were for the purposes of the Company's affairs.

Dated, Dhaka
27 October 2021
DVC: 2111110469AS180214



A F Nesaruddin, FCA
Senior Partner
Enrolment # 469
Hoda Vasi Chowdhury & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	30.06.2021 Taka	30.06.2020 Taka
Assets			
Non-current assets			
Property, plant and equipment (PPE), net	4	6,915,719,747	7,505,811,507
Right-of-use asset (RoU), net	5	310,934,058	314,929,576
Capital work in progress	6	785,093,220	442,339,580
Intangible asset	7	31,742,584	36,825,332
Total non-current assets		8,043,489,608	8,299,905,995
Investment in associate and subsidiary companies	8	331,045,029	281,256,372
Current assets			
Investment in shares	9	61,080,713	44,723,353
Inventories	10	1,687,722,887	1,768,067,235
Trade and other receivables	11	2,802,789,682	3,927,759,329
Intercompany receivables	12	-	11,031,555
Advances, deposits and prepayments	13	319,259,375	425,972,816
Advance income tax	14	2,842,919,010	2,445,513,518
Short term investment- FDRs	15	730,976,784	1,508,859,370
Cash and cash equivalents	16	169,999,455	371,748,953
Total current assets		8,614,747,906	10,503,676,128
Total assets		16,989,282,543	19,084,838,495
Equity & liabilities			
Shareholders' equity			
Share capital	17	1,485,000,000	1,485,000,000
Share premium	18	2,956,560,000	2,956,560,000
Retained earnings		2,583,725,705	1,854,089,572
Revaluation reserve		798,804,134	591,466,142
Total equity		7,824,089,839	6,887,115,714
Non-current liabilities			
Employee benefits - Gratuity Scheme	19	221,073,919	198,049,350
Long term borrowing net off current portion	20	140,575,975	821,295,223
Lease obligation	21	21,343,845	51,060,108
Deferred tax liability	22	616,606,407	707,575,264
Total non-current liabilities		999,600,146	1,777,979,946
Current liabilities and provision			
Short term loan	23	5,922,894,599	8,793,832,714
Long term borrowing - current portion	20.1	754,285,979	598,179,855
Lease obligation - current portion	21	296,732,909	289,642,806
Trade and other payables	24	684,148,633	527,995,990
Intercompany payables	25	-	62,679,643
Provision for tax liabilities	26	374,816,815	108,699,353
Provision for workers' profit participation fund	27	50,219,311	-
Payable to IPO applicants		12,850,753	12,836,987
Unclaimed dividend	27.1	69,643,559	25,875,488
Total current liabilities		8,165,592,558	10,419,742,836
Total liabilities		9,165,192,704	12,197,722,782
Total equity and liabilities		16,989,282,543	19,084,838,495
Net Asset Value per share (NAV)	39	52.69	46.38

These financial statements should be read in conjunction with the annexed notes.


Molla Mohammad Majnu
 Managing Director



Md. Alamgir Kabir
 Director


Mohammad Ahasan Ullah, FCA
 Chief Financial Officer


Md. Mozharul Islam, FCS
 Company Secretary

 Dated, Dhaka
 27 October 2021

As per our report of same date


A F Nesaruddin, FCA
 Senior Partner
 Enrolment # 469
 Hoda Vasi Chowdhury & Co.
 Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Notes	2020-2021 Taka	2019-2020 Taka
Revenue	28	16,315,315,422	13,876,211,430
Cost of sales	29	(14,059,539,138)	(12,267,970,393)
Gross profit		2,255,776,284	1,608,241,037
Other operating income/(expense)	30	72,361,552	(22,012,166)
Administrative expenses	31	(229,377,829)	(252,038,375)
Selling and distribution expenses	32	(547,661,405)	(534,608,700)
		(704,677,682)	(808,659,241)
Operating profit		1,551,098,602	799,581,796
Non-operating income and expenses	33	12,395,692	36,578,103
Finance cost	34.1	(561,409,223)	(992,407,650)
Financial income	34.2	52,520,469	110,913,521
		(496,493,062)	(844,916,025)
Net profit/(loss) before WPPF & Income tax		1,054,605,540	(45,334,230)
Workers' profit participation fund (WPPF)		(50,219,311)	-
Net profit/(loss) before tax		1,004,386,229	(45,334,230)
Share of profit from associates	36	49,788,657	17,114,045
Profit/(loss) before income tax		1,054,174,886	(28,220,185)
Income tax			
Current tax expense	26	(266,117,462)	(94,370,185)
Deferred tax income/(expense)	22	71,164,125	(9,862,903)
		(194,953,337)	(104,233,088)
Net profit/(loss) after tax for the year		859,221,549	(132,453,273)
Profit/(Loss) for the year		859,221,549	(132,453,273)
Add: Other comprehensive income			
Revaluation of property, plant and equipment		212,955,665	-
Deferred tax expense on revalued asset		(8,518,227)	-
Remeasurement defined benefit liability (net of tax)		(6,507,821)	-
Other comprehensive income for the year, net of tax		197,929,617	-
Total comprehensive profit/(loss) for the year		1,057,151,166	(132,453,273)
Earnings per share (EPS)	38	5.79	(0.89)

These financial statements should be read in conjunction with the annexed notes.


Molla Mohammad Majnu
 Managing Director


Md. Alamgir Kabir
 Director


Mohammad Ahasan Ullah, FCA
 Chief Financial Officer


Md. Mozharul Islam, FCS
 Company Secretary

Dated, Dhaka
 27 October 2021

As per our report of same date


A F Nesaruddin, FCA
 Senior Partner
 Enrolment # 469
 Hoda Vasi Chowdhury & Co.
 Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

[Amount in Taka]

Particulars	Share Capital (Taka)	Retained Earnings (Taka)	Share Premium (Taka)	Revaluation Reserve (Taka)	Total Equity (Taka)
Balance as at 01 July 2020	1,485,000,000	1,854,089,572	2,956,560,000	591,466,142	6,887,115,714
Cash dividend paid	-	(148,500,000)	-	-	(148,500,000)
Depreciation on revalued assets	-	25,422,406	-	(25,422,406)	-
Deferred tax adjustment against depreciation on revalued assets	-	-	-	5,720,041	5,720,041
Deferred tax adjustment on revalued assets	-	-	-	22,602,918	22,602,918
Deferred tax expense on revalued asset	-	-	-	(8,518,227)	(8,518,227)
Revaluation of property, plant and equipment	-	-	-	212,955,665	212,955,665
Profit for the year 2020-2021	-	859,221,549	-	-	859,221,549
Remeasurement of defined benefit liability (net of tax)	-	(6,507,821)	-	-	(6,507,821)
Balance as at 30 June 2021	1,485,000,000	2,583,725,705	2,956,560,000	798,804,134	7,824,089,839
Balance as at 01 July 2019	1,485,000,000	2,106,437,216	2,956,560,000	612,480,492	7,160,477,708
Cash dividend paid	-	(148,500,000)	-	-	(148,500,000)
Loss for the year 2019-2020	-	(132,453,273)	-	-	(132,453,273)
Adjustment against lease assets	-	586,496	-	-	586,496
Depreciation on revalued assets	-	28,019,133	-	(28,019,133)	-
Deferred tax adjustment against depreciation on revalued assets	-	-	-	7,004,783	7,004,783
Balance as at 30 June 2020	1,485,000,000	1,854,089,572	2,956,560,000	591,466,142	6,887,115,714


Molla Mohammad Majnu
 Managing Director


Md. Alamgir Kabir
 Director


Mohammad Ahasan Ullah, FCA
 Chief Financial Officer


Md. Mozharul Islam, FCS
 Company Secretary

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	2020-2021 Taka	2019-2020 Taka
Cash flows from operating activities		
Cash received from customers	17,414,121,807	13,541,320,928
Cash received from other operating income	290,175,479	221,913,983
Cash received from non operating income	29,191,128	48,089,694
Cash paid to suppliers and employees	(13,357,654,597)	(12,249,045,546)
Cash paid for operating expenses	(354,921,258)	(610,900,963)
Income tax paid	(397,405,492)	(403,220,632)
Net cash flows from operating activities	3,623,507,067	548,157,464
Cash flows from investing activities		
Acquisition of property, plant and equipment	(411,323,388)	(177,553,021)
Proceeds from sale of property, plant and equipment	300,869,614	3,451,718
Payment for capital work in progress	(136,305,808)	(179,884,183)
Interests received	83,243,890	99,273,701
Encashment of short term investment- FDRs	777,882,586	411,451,403
Investment in shares	(10,187,926)	(6,236)
Net cash flows from investing activities	604,178,969	156,733,382
Cash flows from financing activities		
Receipt/(repayment) of short term loan	(2,870,938,115)	1,125,783,842
Repayment of term loan	(524,613,124)	(896,383,001)
Paid to/received from sister concerns	(51,648,088)	328,563,509
Repayments against lease obligation	(289,642,806)	(40,767,572)
Payment of Interest and other finance costs	(587,875,237)	(983,411,400)
Increase of IPO application funds due to foreign exchange fluctuation	13,765	(7,704)
Dividend paid	(104,731,930)	(147,693,049)
Net cash flows used in financing activities	(4,429,435,534)	(613,915,376)
Net (decrease)/increase of cash and cash equivalents	(201,749,498)	90,975,469
Cash and cash equivalents at beginning of the year	371,748,953	280,773,483
Cash and cash equivalents at end of the year (note: 16)	169,999,455	371,748,953
Net operating cash flows per share (NOCFPS)	24.40	3.69


Molla Mohammad Majnu
 Managing Director


Md. Alamgir Kabir
 Director


Mohammad Ahasan Ullah, FCA
 Chief Financial Officer


Md. Mozharul Islam, FCS
 Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1.0 Incorporation and legal status

M. I. Cement Factory Limited (hereinafter referred to as "the Company" or "MICFL") was incorporated on 31 December 1994 under the Companies Act, 1994 as a public limited Company in Bangladesh. The Company subsequently went for Initial Public Offering (IPO) of shares in January 2011 which was fully subscribed and issued. The Company was listed with Chittagong Stock Exchange Limited (CSE) on 5 May 2011 and Dhaka Stock Exchange Limited (DSE) on 18 May 2011.

The Registered Office of the Company is situated at West Mukterpur, Munshiganj and the Corporate Office is situated at Delta Life Tower, (3rd & 6th Floor), Plot # 37, Road # 45 (South) and 90 (North), Gulshan-2, Dhaka-1212.

The Company has four Associate Companies namely Crown Power Generation Limited (CPGL), Crown Mariners Limited (CML), Crown Cement Concrete and Building Products Limited (CCCBPL) and Crown Transportation & Logistics Limited (CTLL). Pursuant to recent amendment to the Companies Act, 1994 incorporating certain amendments, among others, is to change of the word 'Limited' by the word 'PLC' in case of Public Limited Companies including listed ones. Necessary formalities are in progress in implementing these changes.

2.0 Nature of activities

The principal activities of the Company are manufacturing and marketing of Ordinary Portland Cement (OPC) and Portland Composite Cement (PCC), the Company has been marketing its products with the brand name "Crown Cement". In addition to sale of Company's products in the local market, the Company also exports its products to India. The plant of the Company is equipped with state of the art Vertical Roller Mill (VRM).

3.0 Summary of significant accounting and valuation policies

The accounting policies applied in the preparation of the financial statements are set out below. These policies have been applied consistently to all the years presented. The specific accounting policies selected and applied by the Company's management for significant transactions and events that have a material effect in preparation and presentation of financial statements are in compliance with the framework of *International Financial Reporting Standards* (IFRSs).

3.1 Basis of preparation of the Financial Statements

(a) Accounting standards

The financial statements of the Company have been prepared in accordance with *International Financial Reporting Standards* (IFRSs) and the requirements of Securities and Exchange Rules, 1987; the Companies Act, 1994 and other applicable laws and regulations.

(b) Accounting convention

The financial statements are prepared under the historical cost model except property, plant and equipment which have been measured under revaluation model.

(c) Critical accounting estimates, assumptions and judgments

The preparation of financial statements, complying IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise their judgment in ascertaining assumption in the process of applying the Company's accounting policies and reported amount of assets, liabilities, income and expenses. Such estimates are prepared on the assumption of going concern and are established based on currently available information. Changes in facts and circumstances may result in revised estimates and actual results could differ from the estimates.

Estimates are made by management in the preparation of the financial statements include assumptions used for depreciation, allowance for receivables, deferred taxes and provisions for employees benefits.

(d) Re-arrangement of figures

Previous year figures have been re-arranged wherever necessary to conform to the current year's presentation.

3.2 Foreign currency translation/transaction

Foreign currency transactions are recorded at the applicable rates of exchange prevailing at the transaction date in accordance with IAS-21: The effects of changes in foreign exchange rates and the resultant gain/loss is recognized in the financial statements. Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the reporting date. Exchange differences at the statement of financial position date are recognized in the statement of comprehensive income.

3.3 Property, plant and equipments (PPE)

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner. Cost also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day to day servicing of the property, plant and equipment are recognised in profit or loss as incurred.

Revaluation of PPE

Property, plant and equipment has been revalued as on 30 June 2021. The revaluation was done by an independent valuer S. F. Ahmed & Co., Chartered Accountants and the valuer has revalued the property, plant, and equipment of the Company following "current cost method". Such revaluation resulted an incremental revaluation surplus of Tk. 212,955,665 as on 30 June 2021.

Carrying amount of any asset is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

Carrying amount of any asset is decreased as a result of a revaluation, the decrease is recognised in profit or loss; or the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Depreciation

Items of property, plant and equipment are depreciated from the month when they are available for use while no depreciation is charged for the month in which an asset is disposed off.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using either the straight-line basis or reducing balance method over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated except for leasehold land.

Depreciation on assets other than land is calculated using the reducing balance method or straight line method over their estimated useful lives at the following rates:

Category of PPE	Depreciation method	Rate (%)	
		2021	2020
Building	Reducing balance	5%	5%
Plant & machineries	Reducing balance	10%	10%
Electrical equipments and tools	Reducing balance	10%-20%	10%-20%
Vessel	Straight line	10%	10%
Air conditioners	Reducing balance	15%	15%
Decoration	Straight line	20%	20%
Office equipments	Straight line	20%	20%
Computer	Straight line	33%	33%
Furniture & fixtures	Reducing balance	10%	10%
Motor vehicles	Reducing balance	10%-15%	10%-15%
Silo	Reducing balance	5%-15%	5%-15%
Sundry assets	Reducing balance	10%-20%	10%-20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Impairment

The carrying amount of the entity's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

An impairment loss is recognised through the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the higher of value-in-use of the cash-generating unit and also the net realisable value.

Impairment indicators comprise:

- reduced earnings compared to expected future outcome;
- material negative development trends in the sector or the economy in which the Company operates;
- damage to the asset or changed use of asset.

Asset under construction

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use. Capital work-in-progress is recorded at cost to the extent of expenditure incurred to date of statement of financial position. The amount of capital work-in-progress is transferred to appropriate asset category and depreciated when the asset is completed and commissioned.

Initial application of new standards

The Company has initially applied IFRS 16: Leases from 1 July 2019. Due to the transition methods chosen by the Company in applying the standard, comparative information throughout these financial statements has not been restated to reflect the requirements of this new standard.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.4 Intangible assets

Intangible fixed assets are accounted for according to IAS-38: Intangible Assets. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

Intangible assets include cost of acquired computer software capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Amortization is recognized in profit or loss on a straight line basis over the estimated useful lives of the intangible assets, from the month they are available for use. Enterprise Resource Plan (ERP) software is amortized at the rate of 10%.

3.5 Inventories

Inventories are valued in accordance with IAS-2: Inventories at the lower of cost and net realizable value. The cost of inventories is based on weighted average method. The cost of finished goods comprises raw materials, packing materials, direct labour, other direct and related production overheads (based on normal capacity) and production related depreciation.

3.6 Trade receivable, interCompany receivables and other receivables

Trade receivables are recognised and carried at original invoiced amount. Receivables are stated at net off expected credit loss (ECL). ECL is calculated in these accompanying financial statements complying the Company's policy & provision of IFRS -9 and receivables are written off when the debts became finally irrecoverable. Further, management has assessed the objective evidence regarding capacity of repayment of its sister concerns and impairment provision, is made in these accompanying financial statements complying the Company's policy.

3.7 Cash and cash equivalents

It includes cash in hand and bank deposits those are available for use by the Company having no potential risk of changes in value of these current assets.

3.8 Employee benefits

3.8.1 Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.8.2 Defined contribution plans (Provident fund)

The Company operates a recognised provident fund in which employees and employer contribute equally. The Company has no legal or constructive obligation to pay further amount. Obligations for contributions to the recognised provident fund are recognised in profit or loss in the period during which related services are rendered by employees.

3.8.3 Defined benefit plans (Gratuity)

The Company operates an unfunded gratuity scheme. The Company's net obligation in respect of defined plans is calculated separately for each plan by estimating benefit that employees have earned in the current period, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation was performed this year by a qualified actuarial firm using the Projected Unit Credit (PUC) method to assess the Plan's liabilities. All actuarial gains and losses are recognised immediately in other comprehensive income. Relevant tax impacts of such remeasurements are also recognised in other comprehensive income. The actuarial calculations was performed according to IAS 19-Employee Benefits. Members of this fund become eligible to receive gratuity on completion of 6 months of continuous services with the Company.

Workers' Profit Participation Fund

Workers' Profit Participation Fund (the "WPPF") also qualifies as defined contribution plan. The Company is required to provide 5% of net profit before tax after charging such expense in accordance with Bangladesh Labour Act, 2006 (amended in 2013).

3.9 Trade payable , interCompany payable and other payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

3.10 Provisions

Provisions are recognized in accordance with IAS-37: Provisions, Contingent Liabilities and Contingent Assets). The Company recognizes a provision when there is a present obligation, legal or constructive, as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

3.11 Revenue recognition

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, the Company follows the five-steps model as below:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods is considered as transfer when (or as) the customer obtains control of that goods. Then the Company recognises the net revenue from sale of goods in its financial statements.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and Value Added Tax.

3.12 Advertising and promotional expenses

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

3.13 Allocation of Directors' remuneration

' remuneration is allocated to different departments like administration, factory and selling and distribution on the basis of the functions performed by them for the Company.

3.14 Allocation of depreciation

Depreciation is allocated to factory, administrative and selling & distribution overheads on the basis of utilization of assets by the function of the Company.

3.15 Income tax

3.15.1 Current tax

The Company qualifies as a "Publicly Traded Company" as defined in income tax laws. The applicable tax rate for the Company is 22.5% and hence provision for taxation has been made on this basis which is in compliant with the Finance Act, 2021.

As per 82 (C), sub section 2(ii) of the Income Tax Ordinance 1984, tax deducted under section 53 from import goods by an industrial undertaking, (except an industrial undertaking engaged in producing cement, iron or iron products cannot carry forward) instructed by Finance Act 2021 as raw materials for its own consumption. Any tax deducted or collected at source under the provisions of sections mentioned in clause (b) shall be the minimum tax on income from the source or sources for which tax has been deducted or collected. To comply with the above mentioned rule, we have to consider total income tax deducted in import stage during the year as our minimum current income tax under 82C. However, the Company has not considered this amount in our current tax computation since the Company has filed a writ petition, the Company has considered tax liability on the basis of applicable tax rate on taxable income.

3.15.2 Deferred tax

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference, deductible or taxable, for the events or transaction is recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying reported amount in the statement of financial position. Deferred tax assets or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period.

The deferred tax liability/expense does not create a legal liability/recoverability to and from the income tax authority in the current period. Deferred tax provision has been calculated as per IAS-12.

3.16 Investment in associate Companies

Associate Companies are those where the Company has direct investment in those entities.

Associate Companies use similar accounting policies and investment in Associate Companies are accounted for following the equity method and recognized in the statement of financial position at cost plus proportionate share of post acquisition profit or loss wherever applicable.

3.17 Investment in shares

Investment in shares which are actively traded on a quoted market are designated at fair value (market price) through statement of profit or loss and other comprehensive income. Gains or losses arising from a change in the fair value of such financial assets are recognized in the statement of profit or loss and other comprehensive income accordingly.

3.18 Financial instruments

Pursuant to the guidance in IFRS 9, the Company records in the statement of financial position derivative instruments at their fair values. The accounting of changes in fair value of a derivative depends on the intended use of the derivative and the resulting designation. The Company designates its derivatives based on the criteria established under IFRS 9.

3.19 Cash flows statement

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

3.20 Segment information

The Company is primarily engaged in the manufacturing and selling of similar type of products. The Company's business is not organized in different products/ geographical components. Hence, segmentation within a wide portfolio of products/geographical location is not a part of the regular internally reported financial information to the operating decision makers. Therefore, it is not possible to segment the Company's results by products/geographic location which might involve a high degree of estimation.

3.21 Earnings per share

The Company separately presented separate basic and diluted (when dilution is applicable) earnings per share (EPS) data for its ordinary shares according to IAS-33.

3.22 Finance expenses and income

Finance expenses comprise bank interest. All finance expenses are recognised in the profit and loss statement along with interest income from fixed deposit and from saving or current account.

3.23 Date of authorization

The Board of Directors has authorized the financial statements on 27 October 2021 for publication.

3.24 General

- i) These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT), which is functional and presentation currency of the Company. Figures have been rounded off to the nearest Taka.
- ii) Profit recognized from the associates Company are based on the audited financial statements.

4.0 Property, plant and equipments, net

Particulars	Cost				Rate %	Accumulated Depreciation				Written down Value As at 30 June 2021	Written down Value As at 30 June 2020
	As at 1 July 2020	Addition during the year	Disposal during the year	As at 30 June 2021		As at 1 July 2020	Charged during the year	Adjustment during the year	As at 30 June 2021		
	1	2	3	4=(1+2-3)	5	6	7	8	9=(6+7-8)	10=(4-9)	
A. Cost											
Land & land development	627,940,653	160,536,350	-	788,477,003	-	-	-	-	-	788,477,003	627,940,653
Building	1,042,101,430	578,880	-	1,042,680,310	5%	304,311,047	36,332,497	-	340,643,544	702,036,767	737,790,384
Plant & machineries	3,786,605,001	15,469,630	-	3,802,074,630	10%	1,585,628,035	217,131,073	-	1,802,759,108	1,999,315,522	2,200,976,966
Electrical equipments and tools	1,136,864,638	7,470,029	-	1,144,334,667	10%-20%	586,530,815	75,325,233	-	661,856,047	482,478,620	550,333,824
Vessel	2,167,314,957	-	347,050,023	1,820,264,934	10%	610,560,523	186,856,508	40,113,205	757,303,827	1,062,961,107	1,556,754,434
Air conditioners	35,020,040	322,400	-	35,342,440	15%	16,181,154	2,700,014	-	18,881,168	16,461,272	18,838,886
Decoration	73,725,312	-	-	73,725,312	20%	37,095,755	14,745,062	-	51,840,817	21,884,495	36,629,558
Office equipments	10,630,966	593,646	-	11,224,612	20%	8,871,083	1,723,756	-	10,594,839	629,773	1,759,883
Computer	49,767,295	1,141,322	-	50,908,617	33.33%	45,328,884	4,536,667	-	49,865,551	1,043,066	4,438,411
Furniture & fixtures	17,111,761	35,500	-	17,147,261	10%	8,233,587	863,040	-	9,096,628	8,050,633	8,878,174
Motor vehicles	1,031,977,072	12,219,966	30,278,306	1,013,918,732	10%-15%	475,974,207	73,885,822	13,380,640	536,479,390	477,439,342	556,002,861
Silo	896,130,666	-	-	896,130,666	5%-15%	288,647,235	35,264,458	-	323,911,693	572,218,972	607,483,431
Sundry assets	28,402,701	-	-	28,402,701	10%-20%	8,715,789	2,794,129	-	11,509,918	16,892,783	19,686,912
Sub Total	10,903,592,491	198,367,723	377,328,329	10,724,631,885		3,976,078,114	652,158,260	53,493,844	4,574,742,530	6,149,889,355	6,927,514,375
B. Revaluation											
Land & land development	389,568,382	212,955,665	-	602,524,047	-	-	-	-	-	602,524,047	389,568,382
Factory and buildings	114,363,274	-	-	114,363,274	5%	36,392,662	3,898,531	-	40,291,193	74,072,081	77,970,612
Mother vessels	(104,480,613)	-	-	(104,480,613)	5%	-	-	-	-	(104,480,613)	(104,480,613)
Plant & machineries and others	326,325,419	-	-	326,325,419	10%-20%	111,086,668	21,523,875	-	132,610,543	193,714,876	215,238,751
Sub Total	725,776,462	212,955,665	-	938,732,127		147,479,330	25,422,406	-	172,901,736	765,830,391	578,297,132
As at 30 June 2021	11,629,368,953	411,323,388	377,328,329	11,663,364,012		4,123,557,444	677,580,666	53,493,844	4,747,644,265	6,915,719,746	7,505,811,507
As at 30 June 2020:											
Sub total - cost	10,691,932,419	222,251,180	10,591,108	10,903,592,491		3,257,227,959	724,702,075	5,851,920	3,976,078,114	6,927,514,375	
Sub total - revaluation	725,776,462	-	-	725,776,462		119,460,197	28,019,133	-	147,479,330	578,297,132	
As at 30 June 2020	11,417,708,881	222,251,180	10,591,108	11,629,368,953		3,376,688,155	752,721,208	5,851,920	4,123,557,444	7,505,811,507	

5.0 Right-of-use asset (ROU), net

A. At cost

Opening balance
Add: Additions made during the year
Less: Disposals during the year

B. Accumulated depreciation

Opening balance
Add: Charged during the year
Less: Disposals during the year

C. Carrying amount (A-B)

A separate schedule of Right-of-use asset (RoU) is given in **Annexure-A**.

6.0 Capital work in progress

Opening balance
Add: Additions made during the year

Less: Transfer to property, plant and equipment (PPE)

Closing balance

7.0 Intangible assets

A. At cost

Opening balance
Add: Additions made during the year

B. Accumulated amortization

Opening balance
Add: Charged during the year

C. Carrying amount (A-B)

8.0 Investment in associate and subsidiary companies

(i) Investment in associate Companies

(a) Crown Power Generation Limited (CPGL)

Add: Share of profit during the year

(b) Crown Mariners Limited (CML)

Add: Share of profit during the year
Add: Share money deposit

(c) Crown Cement Concrete and Building Products Limited (CCCBPL)

Add: Share of profit during the year

	30.06.2021 Taka	30.06.2020 Taka
5.0 Right-of-use asset (ROU), net		
A. At cost		
Opening balance	382,056,982	382,056,982
Add: Additions made during the year	267,016,646	-
Less: Disposals during the year	-	-
	649,073,628	382,056,982
B. Accumulated depreciation		
Opening balance	67,127,406	-
Add: Charged during the year	271,012,164	67,127,406
Less: Disposals during the year	-	-
	338,139,570	67,127,406
C. Carrying amount (A-B)	310,934,058	314,929,576
6.0 Capital work in progress		
Opening balance	442,339,580	307,153,556
Add: Additions made during the year	404,877,469	135,186,024
	847,217,049	442,339,580
Less: Transfer to property, plant and equipment (PPE)	62,123,829	-
Closing balance	785,093,220	442,339,580
7.0 Intangible assets		
A. At cost		
Opening balance	50,827,478	50,827,478
Add: Additions made during the year	-	-
	50,827,478	50,827,478
B. Accumulated amortization		
Opening balance	14,002,146	8,919,398
Add: Charged during the year	5,082,748	5,082,748
	19,084,894	14,002,146
C. Carrying amount (A-B)	31,742,584	36,825,332
8.0 Investment in associate and subsidiary companies		
(i) Investment in associate Companies		
(a) Crown Power Generation Limited (CPGL)		
Add: Share of profit during the year	9,103,930	8,162,729
	1,277,956	941,201
	10,381,886	9,103,930
(b) Crown Mariners Limited (CML)		
Add: Share of profit during the year	258,636,242	247,679,628
Add: Share money deposit	28,037,562	10,956,614
	6,300,000	6,300,000
	292,973,804	264,936,242
(c) Crown Cement Concrete and Building Products Limited (CCCBPL)		
Add: Share of profit during the year	5,716,230	500,000
	20,473,139	5,216,230
	26,189,369	5,716,230

	30.06.2021 Taka	30.06.2020 Taka
(d) Crown transportation and Logistics Limied (CTLL) 8(d)		
Add: Share of profit during the year	-	-
Sub-Total (i)	329,545,059	279,756,402

8(d) As share of losses of MICFL in Crown Tranporation and Logistics Ltd. (CTLL) exceeded its interest thereof, MICFL discontinues recognising its share of further losses as per clause 38 of IAS 28: Investment in Associate and Joint Ventures.

(ii) Investment in subsidiary Companies

(a) Ocean Vision Shipping Lines Limited	-	-
Share money deposit	499,990	499,990
	499,990	499,990
(b) Ocean Victory Shipping Lines Limited	-	-
Share money deposit	499,990	499,990
	499,990	499,990
(c) Ocean Voyager Shipping Lines Limited	-	-
Share money deposit	499,990	499,990
	499,990	499,990
Sub-Total (ii)	1,499,970	1,499,970
Total investment in associate and subsidiary Companies (i+ii)	331,045,029	281,256,372

Details of associate Companies

Crown Power Generation Limited (CPGL)	CPGL is supplying 100% of its Power generation to MICFL at BPDB Government tariff, which is 7% of MICFL's total consumption.
Crown Mariners Limited (CML)	CML has leased out its lighter vessel to MICFL for carrying raw materials of MICFL from Chittagong outer anchor to MICFL factory, Muktarpur. MICFL is paying lease rent to CML at price agreed by both parties.
Crown Cement Concrete and Building Products Limited (CCCBPL)	MICFL is Supplying 90% of CCCBPL Cement RM at market price. Cement is 25% of (CCCBPL) total RM Cost.
Crown Transportation and Logistic Limited (CTLL)	CTLL is providing transportation service to the customers of MICFL. Customers are directly paying the freight bill to CTLL.

8.1

MICFL owns 20% ordinary shares in Crown Power Generation Limited (CPGL), Crown Mariners Limited (CML), Crown Cement Concrete and Building Products Limited (CCCBPL) and Crown Transportation & Logistics Limited (CTLL). Remaining shares are owned by the Directors of MICFL and their close relatives. Additionally, MICFL has trade relationship with the above-mentioned Companies. Under the circumstances, MICFL has reviewed the applicability of the provisions of IFRS 10: "Consolidated Financial Statements" or under IAS 28: "Investments in Associates and Joint ventures" to account for the investment in these Companies.

As per para-5 of IFRS 10, an investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. The first of the three elements of control focuses on the power over the investee, i.e. current ability of the investor's to direct the investee's relevant activities arises from rights. For the purpose of assessing power, only substantive rights (that is having the practical ability to exercise that right) shall be considered.

Following factors need to be considered in determining whether rights are substantive:

- i) Whether there are any barriers that prevent the holders from exercising their rights;
- ii) Whether a mechanism is in place that provides the holders with the practical ability to exercise their rights collectively;
- iii) Whether the holders would benefit from the exercise of their rights.

There is no such agreement or a mechanism is in place with other shareholders in writing which would enable MICFL to control or direct the collective decision-making of the individuals holding voting's rights in the related entities, especially in the interest of MICFL. Moreover, when the Company has an investment in a Company where its Directors have individual investment in the same Company, in this case - two or more investors must act together to direct activities that affect returns if none of the investor has full control over the investee through individual capacity (IFRS 10.9). Hence, it can be concluded that MICFL does not have absolute control over the Associate Companies.

As per IAS- 28: "Investment in Associates and Joint Ventures" when a Company holds approximately 20% to 50% of a Company's ordinary stock, it is considered to have significant influence. The equity method is the standard technique used when one Company-the investor, has a significant influence over another Company, the investee. The equity method is an accounting technique used by a Company to record the profits earned through its investment in another Company. With the equity method of accounting, the investor Company reports the profit or loss earned by the other Company on its income statement, in an amount proportional to the percentage of its equity investment in the other Company. As a result, application of the equity method provides more informative reporting of the investor's net assets and profit or loss.

Therefore, the equity method of accounting as per IAS- 28 is more appropriate for accounting of investment of MICFL in the 4 Associate Companies, as it provides more informative reporting of the investor's net assets and profit or loss in this particular scenario.

8.2 Ocean Vision Shipping Lines Limited, Ocean Victory Shipping Lines Limited and Ocean Voyager Shipping Lines Limited have been formed in the financial year 2019-2020 with 99.99% investement from MICFL. The operations of these Companies have not been started since its incorporation and the Company in its 26th AGM approved the liquidation of these Companies. Accordingly, the process of winding up of these Companies has been started and three separte notices for liquidation process has been published in the Bangladesh Gazette Notification on 31 August 2021.

The above subsidiaries have not been consolidated considering the materiality of investment size and also there subsequent liquidation status. As per the Conceptual Framework for Financial Reporting, which sets the essential concepts of IFRS statements, the information is considered to be immaterial if, when omitted, it would not influence decision the users make about the entity based on the financial statements. Since the concept of materiality is valid throughout all standards, it shall also applied here in the porcess of taking consolidation decision of those subsidiaries.

9.0 Investment in shares

Opening balance
Add: Additions made during the year
Less: Disposals during the year

Less: Unrealized gain/(loss) from fair valuation

30.06.2021 Taka	30.06.2020 Taka
44,723,353	54,941,236
15,203,816	45,670
5,015,890	39,434
54,911,279	54,947,471
6,169,434	(10,224,119)
61,080,713	44,723,353

10.0 Inventories

Raw material (note - 10.1)
Stores and spare parts
Finished cement
Goods in transit

30.06.2021 Taka	30.06.2020 Taka
1,158,818,365	1,150,240,988
464,618,864	362,000,032
41,293,633	57,706,027
22,992,024	198,120,187
1,687,722,887	1,768,067,235

10.1 Raw material (cement plant)

A. Cement plant	UOM	2021 Quantity	2020 Quantity	2021 Taka	2020 Taka
Clinker	MT	76,422	115,474	372,922,892	618,016,133
Gypsum	MT	15,337	26,056	47,366,391	81,610,354
Slag	MT	87,946	91,923	265,863,044	281,852,687
Fly ash	MT	58,717	4,589	152,090,309	11,892,454
Lime stone	MT	42,269	25,343	95,722,580	61,996,887
Cement grinding aid	MT	877	877	84,271,644	84,271,644
Izonil	MT	61	90	5,909,244	8,645,036
Bags	PCS	-	115,374	-	1,955,793
				1,024,146,104	1,150,240,988
B. Cement bag	UOM	2021 Quantity	2020 Quantity	2021 Taka	2020 Taka
Polypropylene Yarn Grade	MT	542	-	61,342,646	-
Polypropylene Lamination Grade (Coating)	MT	195	-	24,177,792	-
Calcium Carbonate (Ca Co3)	MT	50	-	2,112,654	-
Master Beige	MT	4	-	495,226	-
Low Density Polyethylene (LDPE)	MT	30	-	3,937,115	-
Printing Ink	MT	2	-	526,567	-
Thinner	MT	21	-	3,464,162	-
Sewing Thread	MT	0.08	-	15,388	-
Liner	MT	0.13	-	19,667	-
Kraft Paper	MT	194	-	9,461,558	-
Finished Bag	PCS	1,750,836	-	29,119,486	-
				134,672,261	-
C. Carrying amount (A+B)				1,158,818,365	1,150,240,988

11.0 Trade and other receivables

Trade receivables (note - 11.1)
Other receivables (note - 11.3)

30.06.2021 Taka	30.06.2020 Taka
2,638,724,004	3,737,530,389
164,065,678	190,228,940
2,802,789,682	3,927,759,329

11.1 Trade receivables

Receivables from customers (note - 11.2)
Less: Expected credit loss

30.06.2021 Taka	30.06.2020 Taka
2,758,781,811	3,760,582,531
120,057,807	23,052,142
2,638,724,004	3,737,530,389
1,015,716,405	999,662,091
906,906,224	917,780,188
538,089,645	621,368,988
140,415,355	908,690,095
157,654,183	313,081,169
2,758,781,811	3,760,582,531

11.2 Ageing of the trade receivables is as follows:

Receivable due up to one month
Receivable due above (1) one month up to (3) three months
Receivable due above (3) three months up to (6) six months
Receivable due (6) six months up to (1) one year
Receivable due above (1) one year

Trade receivables as at 30 June 2021 has been presented after adjusting advances received from customers amounting Tk. 84,138,474.

11.3 Other receivables

Interest receivable on short term investment - FDRs
Receivable from Alunited Maritime Business (Pvt) Limited
Income receivable from Major Shipping PTE Ltd.
Duty drawback receivable

11,450,318	42,173,739
2,956,940	2,956,940
73,917,756	105,341,267
75,740,664	39,756,993
164,065,678	190,228,940

For the reason of changes duty draw back policy, the Company could not able to adjust duty draw back into VAT current account. So, this amount has considered as other receivables.

12.0 Inter company receivables

Crown Cement Concrete and Building Products Limited
Crown Cement Trading Company

Less: Impairment allowance

-	19,005,602
-	12,903,738
-	31,909,340
-	20,877,785
-	11,031,555

Current account with sister concerns balance is "Zero" for the reporting period of first quarter financial statement of FY 2020-2021.

13.0 Advances, deposits and prepayments

A. Advances

Advance against land purchase (note- 13.1)
Advance to parties and contractors
Advance to employee against works
Advance to employee against salary
Advance against rent
Value Added Tax (VAT)
Advance to other

69,668,319	109,428,632
98,277,425	8,737,213
5,802,190	13,808,723
4,944,758	602,792
2,735,164	4,504,360
18,770,852	57,814,855
7,073,228	162,643,595
207,271,936	357,540,171

	30.06.2021 Taka	30.06.2020 Taka
B. Deposits		
Security deposit and other deposits	61,312,467	21,381,391
Margin for bank guarantee	6,197,716	4,834,196
L/C margin deposits	4,322,745	10,319,075
	71,832,928	36,534,663
C. Pre-payments		
Insurance premium	328,439	505,029
Bangladesh Standard Testing Institution (BSTI) expense	6,198,077	1,234,108
Bureau of Indian Standard (BIS) expense	338,802	7,442
Central Depository Bangladesh Limited (CDBL) expense	597,000	597,000
Light Emitting Diode (LED) Liners	13,612,450	26,982,487
Others	19,079,743	2,571,917
	40,154,511	31,897,982
Total (A+B+C)	319,259,375	425,972,816
14.0 Advance income tax		
Opening balance	2,445,513,518	2,750,180,449
Add: Paid during the year	397,405,492	403,220,632
	2,842,919,010	3,153,401,081
Less: Adjustments made during the year (note - 14.1)	-	707,887,563
	2,842,919,010	2,445,513,518

14.1 Adjustments made during the year ended 30 June 2020

Advance income tax has been adjusted against final assesment amount as per section 83 (2)/156/159 under the Income Tax Ordinance, 1984.

Financial year	Assesment year	Final assesment amount by DCT	Adjusted as at date	Year of adjustment	Balance
2006-2007	2007-2008	25,838,661	25,838,661	2011-2012	-
2007-2008	2008-2009	48,287,322	56,117,467	2012-2013	(7,830,145)
2008-2009	2009-2010	98,260,484	95,390,047	2012-2013	2,870,437
2009-2010	2010-2011	184,787,887	179,703,497	2012-2013	5,084,390
2010-2011	2011-2012	232,919,203	226,650,449	2012-2013	6,268,754
2011-2012	2012-2013	121,820,733	121,820,733	2014-2015	-
2012-2013	2013-2014	124,007,810	124,007,810	2014-2015	-
2013-2014	2014-2015	164,522,612	-	-	164,522,612
2014-2015	2015-2016	159,537,293	-	-	159,537,293
2015-2016	2016-2017	214,942,520	-	-	214,942,520
2016-2017	2017-2018	162,491,702	-	-	162,491,702
		1,537,416,227	829,528,664		707,887,563

As per 82(C), sub section 2(ii) of the Income Tax Ordinance 1984, tax deducted under section 53 from import of raw materials by an industrial undertaking engaged in producing cement, iron or iron products shall be treated as minimum tax.

To comply with the above mentioned rule, we have to consider total income tax deducted in import stage during the year as our current income tax. But we have not considered this amount as our current tax as we have filed a writ petition numbering 7591/2020, 7592/2020 and 9369/2021.

15.0 Short term investment- FDRs

One Bank Limited
Shahjalal Islami Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Standard Chartered Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Eastern Bank Limited

30.06.2021
Taka

30.06.2020
Taka

369,394,691	364,814,660
-	106,444,407
124,851,305	337,842,615
-	62,044,471
236,730,788	306,587,512
-	52,562,004
-	278,563,702
730,976,784	1,508,859,370

16.0 Cash and cash equivalents

Cash in hand (note - 16.1)
Cash at banks (note - 16.2)

1,232,590	204,392
168,766,865	371,544,561
169,999,455	371,748,953

16.1 Cash in hand

Cash in hand, Head office
Cash in hand, Factory

748,409	49,979
484,181	154,413
1,232,590	204,392

16.2 Cash at banks

One Bank Limited
South East Bank Limited
Mercantile Bank Limited
Jamuna Bank Limited
State Bank of India
Habib Bank Limited
The City Bank Limited
Sonali Bank Limited
National Bank Limited
Dutch Bangla Bank Limited
Prime Bank Limited
United Commercial Bank Limited
Mutual Trust Bank Limited
Pubali Bank Limited
Janata Bank Limited
Dhaka Bank Limited
Shahjalal Islami Bank Limited
Uttara Bank Limited
BRAC Bank limited
Exim Bank Limited
Islami Bank Bangladesh Limited
Standard Chartered Bank
IFIC Bank Limited

9,725,678	178,336
-	600,736
9,012,138	729,705
27,020	202,757
75,226	5,101,285
503	-
1,515,015	251,893
350,505	-
4,049,800	2,566,971
1,177,995	7,100,081
59,424,835	281,496,278
6,793,466	82,050
113,765	611,365
-	788,147
-	3,215,211
3,194,319	1,410,548
3,746,127	5,845,837
4,112	5,607
17,108,705	16,975,839
520,237	-
3,301,057	2,609,890
55,466	55,675
1,855,916	2,285,829

	30.06.2021 Taka	30.06.2020 Taka
The Hongkong And Shanghai Banking Corporation Limited	1,183	1,692,099
National Credit and Commerce Bank Limited	-	2,575,624
One Bank Limited (Dividend Account)	6,130,069	5,992,437
Dutch bangla Bank Limited (Dividend Account)	5,962,962	5,902,233
United Commercial Bank Limited (Dividend Account)	17,462,692	16,645,229
South East Bank Limited (Dividend Account)	2,966,101	2,910,154
Bank Asia Limited	12,352,476	1,570,222
Arab Bangladesh Bank Limited	284,659	282,824
Agrani Bank Limited	3,573	5,177
Eastern Bank Limited	34	-
Trust Bank Limited	2,470	3,160
Premier Bank Limited	1,276,223	1,208,094
NRB Bank Limited	272,538	643,270
	168,766,865	371,544,561

16.3 A number of cheques received from customers are appearing in the bank statement for a long period. These relate to deposits from retailers on behalf of dealers that cannot be traced to the dealers. With the number of untraced deposits have gone up. The Company is now in the process of identifying these deposits and clearing these outstanding amount of Tk. 25,773,189.

17.0 Share capital

Authorized Capital

500,000,000 Ordinary Shares of Taka 10 each

30.06.2021
Taka

30.06.2020
Taka

5,000,000,000

5,000,000,000

Issued, Subscribed & Paid-up Capital

148,500,000 Ordinary Shares of Taka 10 each fully paid-up and Share holding position is as under:

Sl. No.	Name	As at 30 June 2021		Face Value (Taka)	
		Holding %	No. of Shares	30 June 2021	30 June 2020
1	Mohammed Jahangir Alam	15.50%	23,024,925	230,249,250	230,249,250
2	Late Alhaj Md. Khabir Uddin Mollah	15.75%	23,388,750	233,887,500	233,887,500
3	Md. Alamgir Kabir	9.70%	14,397,075	143,970,750	143,970,750
4	Molla Mohammad Majnu	8.17%	12,127,500	121,275,000	121,275,000
5	Md. Mizanur Rahman Mollah	8.17%	12,127,500	121,275,000	121,275,000
6	Md. Almas Shimul	4.90%	7,276,500	72,765,000	72,765,000
7	Late Alhaj Md. Abdur Rouf	1.75%	2,598,750	25,987,500	25,987,500
8	Md. Ashrafuzzaman	1.75%	2,598,750	25,987,500	25,987,500
9	Md. Abdul Ahad	1.40%	2,079,000	20,790,000	20,790,000
10	General Public	32.92%	48,881,250	488,812,500	488,812,500
Total		100%	148,500,000	1,485,000,000	1,485,000,000

The transfer of the Shares of Late Alhaj Md. Khabir Uddin Mollah and Late Alhaj Md. Abdur Rouf is yet to be executed.

30.06.2021
Taka30.06.2020
Taka

The Company increased its paid-up capital from Taka 1,350 million to Taka 1,485 million by issuing 13,500,000 No. of Ordinary Shares as bonus share of Taka 10 each to the Shareholders as declared at 18th Annual General Meeting held on 23 December 2012.

Shareholding range	No. of Shareholders		Holdings	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Less than 499 shares	22,853	25,399	2,729,733	3,062,018
500 to 5,000 shares	1,157	1,252	1,674,805	1,776,496
5,001 to 10,000 shares	84	68	609,215	473,852
10,001 to 20,000 shares	35	37	504,439	548,873
20,001 to 30,000 shares	15	18	360,621	447,658
30,001 to 40,000 shares	8	6	275,631	201,417
40,001 to 50,000 shares	8	8	384,766	368,492
50,001 to 100,000 shares	9	10	632,398	743,903
100,001 to 1,000,000 shares	30	28	11,422,558	11,116,824
Over 1,000,000 shares	18	18	129,905,834	129,760,467
Total	24,217	26,844	148,500,000	148,500,000

18.0 Share premium

This represents share premium of Taka 3,048 million raised by issuing 30 million of Ordinary Shares @ Taka 101.60 per Share through IPO during the year 2010-2011. The break-up of the balance of Share Premium is given below:

Share premium realized during the year 2010-2011
Less: Income tax paid on share premium

3,048,000,000	3,048,000,000
91,440,000	91,440,000
2,956,560,000	2,956,560,000

19.0 Employee benefits - Gratuity Scheme

Opening balance
Add : Provision made for remeasurement of defined benefit liability
Add : Provision made during the year

198,049,350	162,593,243
8,397,189	-
30,007,721	44,534,662
236,454,260	207,127,905
Less : Payment/adjustments made during the year	15,380,341
221,073,919	198,049,350

A details breakdown of employee benefits is given in **Annexure- B**

20.0 Long term borrowing net off current portion

A) Term loan

Standard Chartered Bank (note - 20.2)
Prime Bank Limited (note - 20.3)
Dhaka Bank Limited (note - 20.4)
Pubali Bank Limited (note - 20.5)

112,250,806	336,752,419
637,139,049	840,822,623
-	112,506,519
159,025	901,452
749,548,880	1,290,983,012

	30.06.2021 Taka	30.06.2020 Taka
B) Hire Purchase loan		
Prime Bank Limited (note - 20.6)	7,526,762	19,458,189
Dhaka Bank Limited (note - 20.7)	137,786,312	109,033,877
	145,313,074	128,492,066
Total (A+B)	894,861,954	1,419,475,078
Less: Current portion of long term borrowing (note - 20.1)	754,285,979	598,179,855
	140,575,975	821,295,223

20.1 Current portion of long term borrowings

A) Term loan

Standard Chartered Bank (note - 20.2)	112,250,806	224,501,613
Prime Bank Limited (note - 20.3)	538,811,087	259,452,779
Dhaka Bank Limited (note - 20.4)	51,631,346	52,511,895
Pubali Bank Limited (note - 20.5)	159,025	732,000

702,852,264 **537,198,286**

B) Hire Purchase loan

Prime Bank Limited (note - 20.6)	5,619,014	14,323,037
Dhaka Bank Limited (note - 20.7)	45,814,702	46,658,531

51,433,715 **60,981,568**

Total (A+B) **754,285,979** **598,179,855**

Details of long term borrowing is presented below:

20.2 Standard Chartered Bank

Nature of facility : Term loan

Loan limit : Taka 2,320 million i.e: Equivalent consisting of USD 16,488,500 and Taka 1,000,256,000;

Purpose : Capital Expenditure;

Tenure : Upto 5 years for USD facility and Upto 7 years for Taka facility.

Securities for the facilities are as follows:

- Registered mortgage in favor of the security agent supported by an irrevocable general power of attorney;
- The deed of hypothecation (Fixed Assets) in favor of the security agent supported by an irrevocable general power of attorney;
- The promissory note in favor USD facility agent covering USD facility supported by letter of continuation;
- The promissory note in favor BDT facility agent covering USD facility supported by letter of continuation;
- Guarantee from guarantors covering the facilities;
- Any other document evidencing or creating or expressed to evidence or create security over any asset to secure any obligation of any obligor to a secured party under the finance documents;
- Any other document designated as such by the intercredited agent and the Company; and
- Schedule of the property to be mortgaged total land measuring 296.43.

20.3 Prime Bank Limited

- (a) Nature of facility : Term loan.
 Loan limit : USD 5 million equivalent to Tk. 400 million;
 Purpose : For retirement of L/C related shipping documents relating to import of capital machinery for the new project;
 Tenure : Upto 5 years including 1 year grace period;
 Repayment : By equal quarterly installment from sale proceeds and cash flow from your own sources.

Securities for the facilities are as follows:

- i) Post dated cheque covering the limit; and
- ii) Other usual charge documents.

- (b) Nature of facility : Term loan.
 Loan limit : Tk. 600 million or upto 75% of total civil construction, whichever is lower;
 Purpose : To meet up expenditure for construction of new factory building and other civil works;
 Tenure : Upto 5 years including 1 year grace period;
 Repayment : By equal quarterly installment from sale proceeds and cash flow from your own sources.

Securities for the facilities are as follows:

- i) Post dated cheque covering the limit; and
- ii) Other usual charge documents.

- (c) Nature of facility : Term loan.
 Loan limit : Tk. 200 million only or upto 75% cost of local machinery, spare parts, accessories, whichever is lower;
 Purpose : To procure capital machinery, spare parts, accessories from local sources for the new project;
 Tenure : Upto 5 years including 1 year grace period;
 Repayment : By equal quarterly installment from sale proceeds and cash flow from your own sources.

Securities for the facilities are as follows:

- i) Post dated cheque covering the limit; and
- ii) Other usual charge documents.

- (d) Nature of facility : Term loan.
 Loan limit : Tk.160 million only;
 Purpose : To meet any advance LC payment required for the capital machinery to be imported for this expansion project;
 Tenure : Upto 5 years including 1 year grace period;
 Repayment : By equal quarterly installment from sale proceeds and cash flow from your own sources.

Securities for the facilities are as follows:

- i) Post dated cheque covering the limit; and
- ii) Other usual charge documents.

20.4 Dhaka Bank Limited

- Nature of facility : Term loan.
 Loan limit : Tk. 389.50 million only;
 Purpose : For retirement/settlement of import documents;
 Tenure : 5 years from the date of disbursement including 12 months moratorium period;
 Repayment : Term loan liability along with interest to be adjusted through 16 Nos. equal quarterly installments starting from 15th month from the date of disbursement;

Securities for the facilities are as follows:

- i) Registered mortgage of the imported ocean-going vessel "MV OMICRON PRIDE" in favor of Dhaka Bank Limited, Gulshan Circle-2 Branch with the registrar of the Mercantile Marine Department (MMD) duly insured under the bank mortgage clause;
- ii) Notarized IGPA empowering the bank to sale the assets of the Company's Factors only against the bank created charge;

- iii) Personal guarantee of all Directors of the Company;
- iv) Un-dated cheque covering facility along with letter of authorization to insert date; and
- v) Standard charge documents.

20.5 Pubali Bank Limited

- Nature of facility : Term loan.
- Loan limit : Tk. 50 million only;
- Purpose : To procure factory vehicles like pay-loader, dump truck etc., equipments and those vehicles will not be registered through BRTA;
- Tenure : For a period of 5 years but the concerned term loan limit will have to be utilized within one year from the date of sanction in phase out manner or at a time;
- Repayment : Monthly installment basis to be started from the following month of respective disbursement. Installment size will be fixed up by us.

Securities for the facilities are as follows:

- i) One post dated cheque of Pubali Bank in favor of Pubali Bank Limited covering the limit plus estimated interest;
- ii) Personal guarantee of Mr. Mohammad Jahangir Alam, Chairman of the Company;
- iii) Other necessary charge documents.

20.6 Prime Bank Limited

- Nature of facility : Hire Purchase (Revolving).
- Loan limit : Tk. 100 million only;
- Purpose : To procure vehicles and machineries;
- Tenure : Individual HP facility shall have validity not exceeding 3 (Three) years from the date of disbursement;
- Repayment : Each HP facility shall be adjusted by maximum 36 Nos. equally monthly installments.

Securities for the facilities are as follows:

- i) Registration/Ownership of the machinery under higher purchase along with insurance policy covering the risk of fire;
- ii) Joint ownership of the vehicles to be procured duly insured covering 1st party comprehensive insurance;
- iii) Post dated cheque for Tk. 60 million;
- iv) Other usual charge documents.

20.7 Dhaka Bank Limited

- Nature of facility : Hire Purchase (Revolving).
- Loan limit : Tk. 190 million only;
- Purpose : To retire or settle import sight LC documents for import/locally procure cover van, truck and other vehicles (ownership will be in the name of Dhaka Bank Limited);
- Tenure : 5 years including 6 months moratorium period;
- Repayment : Through 54 EMIs starting from 7th month from the date of disbursement.

Securities for the facilities are as follows:

- i) 1st ranking Pari-Passu charge by way of hypothecation on the fixed and floating assets of the Company with other existing lenders;
- ii) Personal guarantee of all Directors of the Company;
- iii) Undated cheque covering facility limit;
- iv) Standard charge documents.

21.0 Lease obligation

i) Lease liabilities recognized in statement of financial position

Lease obligation - non current portion
Lease obligation - current portion

30.06.2021
Taka

30.06.2020
Taka

21,343,845

51,060,108

296,732,909

289,642,806

318,076,754

340,702,914

ii) Amounts recognized in profit or loss

Interest on lease liabilities
Depreciation expense:
Factory overhead
Administrative expenses

18,886,664

11,948,786

244,661,720

40,776,954

26,350,448

26,350,452

289,898,832

79,076,192

iii) Amounts recognized in statement of cash flows

Total cash-outflow for leases

289,642,806

40,767,572

A separate schedule of Lease obligation is given in **Annexure-A**.

22.0 Deferred tax liabilities

Deferred tax liability has been recognized in accordance with the provision of IAS-12: "Income Taxes" based on temporary differences arising due to difference in the carrying amounts of the assets or liabilities and their tax base.

Balance at 30 June 2020-deferred tax liability

Add: Deferred tax (income)/expense during the year

603,417,504

593,554,602

(71,164,125)

9,862,903

532,253,379

603,417,504

Deferred tax on revaluation

Opening balance
Less: Prior year deferred tax adjustment
Add: Addition during the year
Less: Deferred tax adjustment realization

104,157,760

111,162,543

(22,602,918)

-

8,518,227

-

(5,720,041)

(7,004,783)

84,353,028

104,157,760

Balance at 30 June 2021- deferred tax liability

616,606,407

707,575,264

22.1 Details of deferred tax calculation

For the year ended 30 June 2021

Property, plant and equipment
Provision for gratuity
Allowance for doubtful debt and impairment allowance
Right of use asset

Carrying amount on balance sheet date	Tax base	(Taxable)/ deductible temporary difference
6,149,889,356	3,449,670,140	(2,700,219,216)
221,073,919	-	221,073,919
120,057,807	-	120,057,807
32,041,758	25,558,668	(6,483,089)
		(2,365,570,579)

	Carrying amount on balance sheet date	Taxbase	(Taxable)/deductible temporary difference
Applicable tax rate			22.5%
Deferred tax liability as on 30 June 2021			(532,253,380)
Deferred tax liability as on 30 June 2020			603,417,504
Deferred tax income for the year ended 30 June 2021			71,164,124
For the year ended 30 June 2020			
Property, plant and equipment	6,927,514,375	4,193,624,915	(2,733,889,460)
Provision for gratuity	198,049,350	-	198,049,350
Allowance for doubtful debt and impairment allowance	43,929,927	-	43,929,927
Temporary difference arise from business loss	78,240,165	-	78,240,165
			(2,413,670,017)
Applicable tax rate			25%
Deferred tax liability as on 30 June 2020			(603,417,504)
Deferred tax liability as on 30 June 2019			(593,554,602)
Deferred tax expenses for the year ended 30 June 2020			(9,862,903)

23.0 Short term loan

	30.06.2021 Taka	30.06.2020 Taka
Cash credit - hypothecation (note - 23.1)	166,522,226	1,448,885,002
Loan against trust receipts (note - 23.2)	163,043,961	42,038,536
Time loan (note - 23.3)	1,652,550,755	4,334,014,981
Offshore loan (note - 23.4)	3,939,555,109	2,895,795,889
Security overdraft (note - 23.5)	1,222,548	73,098,306
	5,922,894,599	8,793,832,714

23.1 Cash credit (hypothecation)

One Bank Limited	102,913	8,848,140
Prime Bank Limited	948,386	9,807,408
The Hongkong and Shanghai Banking Corporation Limited	11,939,180	7,724,067
Eastern Bank Limited	4,966,912	17,226,037
Jamuna Bank Limited	2,230,427	7,588,511
Bank Alfalah Limited	32,537,931	36,582,673
Southeast Bank Limited	822,904	-
Mutual Trust Bank Limited	434,568	-
Janata Bank Limited	367,817	-
Standard Chartered Bank	430,646	4,808,533
United Commercial Bank Limited	5,452,460	1,772,528
National Credit and Commerce Bank Limited	762,354	-
Dhaka Bank Limited	2,367,976	19,910,904
Dutch Bangla Bank Limited	4,982,593	4,829,680
Habib Bank Limited	22,746,831	27,681,244
Pubali Bank Limited	4,137,242	11,393,301
BRAC Bank Limited	3,811,588	11,806,161
Agrani Bank Limited	34,484,140	1,243,952,257
Commercial Bank of Ceylon, PLC	17,166,954	3,232,407
The City Bank Limited	15,828,404	31,721,150
	166,522,226	1,448,885,002

23.2 Loan against trust receipts

The Hongkong And Shanghai Banking Corporation Limited
One Bank Limited
Jamuna Bank Limited
Dhaka Bank Limited
BRAC Bank Limited
Commercial Bank of Ceylon, PLC

30.06.2021
Taka

30.06.2020
Taka

39,458,950	-
34,274,271	-
57,216,165	-
-	4,390,005
-	33,318,417
32,094,575	4,330,114

163,043,961

42,038,536

23.3 Time loan

Prime Bank Limited
Eastern Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Dhaka Bank Limited
Habib Bank Limited
Standard Chartered Bank
Pubali Bank Limited
Dutch Bangla Bank Limited
Jamuna Bank Limited
Bank Alfalah Limited
BRAC Bank Limited
IDLC Finance Limited
The City Bank Limited
Commercial Bank of Ceylon, PLC

513,290,653	583,305,561
33,750	852,126,995
-	637,263,167
140,887,957	86,795,481
-	161,747,667
78,516,485	389,383,244
16,038,582	-
30,465,595	-
85,849,617	-
170,000,000	320,000,000
101,132,550	32,386,118
27,490,207	358,677,083
359,980,088	887,274,188
128,865,271	25,055,478

1,652,550,755

4,334,014,981

23.4 Offshore loan

Prime Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Dutch Bangla Bank Limited
Standard Chartered Bank
BRAC Bank Limited
Dhaka Bank Limited
Bank Alfalah Limited
The City Bank Limited
United Commercial Bank Limited
Commercial Bank of Ceylon, PLC

509,323,387	932,029,350
531,323,921	-
323,618,052	250,835,552
843,346,222	478,388,419
349,519,554	443,765,772
266,458,418	214,601,115
143,528,122	-
823,209,037	409,955,958
41,552,147	32,518,860
107,676,249	133,700,864

3,939,555,108

2,895,795,889

23.5 Security overdraft

Bank Alfalah Limited
Habib Bank Limited
Eastern Bank Limited

1,222,548	29,576,333
-	43,516,050
-	5,923

1,222,548

73,098,306

23.6 The Company has been enjoying the following short term facilities from various bank under the terms and conditions given below:

Sl. No.	Name of the bank	Type of loan	Purpose of loan	Nature	Tenure	Limit of loan
1	One Bank Limited	Cash Credit (Hypothecation)	Working Capital	Revolving	One year	150,000,000
2	One Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	120 days	750,000,000
3	One Bank Limited	Time Loan	Working Capital	Revolving	120 days	300,000,000
4	One Bank Limited	Bank Guarantee	To issue guarantee for tender and utilities facilities	Revolving	One year	10,000,000
5	Prime Bank Limited	Short Term Loan	Working Capital	Revolving	One year	150,000,000
6	Prime Bank Limited	Bank Overdraft	Working Capital	Revolving	One year	50,000,000
7	Prime Bank Limited	Time Loan	Working Capital	Revolving	120 days	300,000,000
8	Prime Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	1,200,000,000
9	Prime Bank Limited	Bank Guarantee	To issue guarantee for tender and utilities facilities	Revolving	One year	50,000,000
10	Commercial Bank of Ceylon, PLC	Overdraft- 1	Working Capital	Revolving	One year	50,000,000
11	Commercial Bank of Ceylon, PLC	Short Term Loan	Working Capital	Revolving	One year	230,000,000
12	Commercial Bank of Ceylon, PLC	Letter of credit (non funded)	Working Capital	Revolving	180 days	550,000,000
13	The Hongkong and Shanghai Banking Corporation Limited	Bank overdraft	Working Capital	Revolving	One year	60,000,000
14	The Hongkong and Shanghai Banking Corporation Limited	Letter of Credit (non funded)	Working Capital	Revolving	120 days	124,000,000
15	The Hongkong and Shanghai Banking Corporation Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	800,000,000
16	Jamuna Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	400,000,000
17	Jamuna Bank Limited	Loan against trust receipts	Working Capital	Revolving	120 days	100,000,000
18	Jamuna Bank Limited	Time Loan	Working Capital	Revolving	120 days	250,000,000
19	Jamuna Bank Limited	Cash Credit (Hypothecation)	Working Capital	Revolving	One year	280,000,000
20	Eastern Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	150,000,000
21	Eastern Bank Limited	Overdraft	Working Capital	Revolving	One year	50,000,000
22	Eastern Bank Limited	Demand Loan	Working Capital	Revolving	180 days	1,000,000,000
23	Shahjalal Islami Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	600,000,000
24	Shahjalal Islami Bank Limited	Bank Guarantee	To issue guarantee for tender and utilities facilities	Revolving	One year	100,000,000

Sl. No.	Name of the bank	Type of loan	Purpose of loan	Nature	Tenure	Limit of loan
25	United Commercial Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	600,000,000
26	United Commercial Bank Limited	Loan against trust receipts	Working Capital	Revolving	180 days	500,000,000
27	United Commercial Bank Limited	Cash Credit (Hypothecation)	Working Capital	Revolving	One year	100,000,000
28	Standard Chartered Bank	Letter of Credit (non funded)	Working Capital	Revolving	180 days	1,330,403,000
29	Standard Chartered Bank	Overdraft	Working Capital	Revolving	One year	30,000,000
30	Bank Alfalah Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	450,000,000
31	Bank Alfalah Limited	Secured Overdraft	Working Capital	Revolving	One year	100,000,000
32	Habib Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	350,000,000
33	Habib Bank Limited	Overdraft	Working Capital	Revolving	One year	50,000,000
34	Dhaka Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	1,000,000,000
35	Dhaka Bank Limited	Overdraft	Working Capital	Revolving	One year	100,000,000
36	Dhaka Bank Limited	Short Term Loan	Working Capital	Revolving	150 days	300,000,000
37	Dhaka Bank Limited	Bank Guarantee	To issue guarantee for tender and utilities facilities	Revolving	One year	100,000,000
38	Dhaka Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	250,000,000
39	Pubali Bank Limited	Overdraft	Working Capital	Revolving	One year	100,000,000
40	Agrani Bank Limited	Cash Credit (Hypothecation)	Working Capital	Revolving	One year	1,400,000,000
41	BRAC Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	786,000,000
42	BRAC Bank Limited	Overdraft	Working Capital	Revolving	One year	50,000,000
43	BRAC Bank Limited	Letter of Credit (non funded)	Working Capital	One off Limit	360 days	39,000,000
44	The City Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	180 days	1,500,000,000
45	The City Bank Limited	Short Term Loan	Working Capital	Revolving	180 days	500,000,000
46	The City Bank Limited	Overdraft	Working Capital	Revolving	One year	50,000,000
47	Dutch Bangla Bank Limited	Letter of Credit (non funded)	Working Capital	Revolving	One year	1,000,000,000
48	Dutch Bangla Bank Limited	Cash Credit (Hypothecation)	Working Capital	Revolving	One year	100,000,000
49	Dutch Bangla Bank Limited	Short Term Loan	Working Capital	Revolving	120 days	200,000,000
50	IDLC Finance Limited	Short Term Loan	Working Capital	Revolving	One year	90,000,000

	30.06.2021 Taka	30.06.2020 Taka
24.0 Trade and other payables		
Trade payables (note - 24.1)	360,259,880	181,511,026
Other payables (note - 24.2)	323,888,753	346,484,964
	684,148,633	527,995,990
24.1 Ageing of the above trade payables is as follows:		
Payable due up to (1) one month	335,359,234	127,295,569
Payable due above (1) one month up to (3) three months	18,537,054	29,586,325
Payable due above (3) three months up to (6) six months	580,882	11,731,496
Payable due above (6) six months	5,782,710	12,897,635
	360,259,880	181,511,026
24.2 Other payables		
Creditors for other finance (note- 24.2.1)	154,280,339	168,564,644
Creditors for expenses (note- 24.2.2)	169,608,414	177,920,320
	323,888,753	346,484,964
24.2.1 Creditor for other finance		
VAT deduction at source	103,777,953	105,665,315
Tax deduction at source	8,071,016	9,106,101
Payable to employees provident fund	4,067,026	13,212,934
Advance against motor car and motor cycle	36,999,386	31,229,484
Employee tax payable	1,364,958	9,350,811
	154,280,339	168,564,644
24.2.2 Creditor for expenses		
Salaries, wages and overtime payable	10,481,841	46,225,368
Audit and professional fees	1,450,000	1,747,500
Electricity bill	79,137,333	61,065,990
Utility bill	-	156,308
Payable against advertisement expenses	1,237,728	2,064,285
Payable against revenue expenses	1,323,214	20,160,045
Payable against financial expenses	72,375,084	45,909,069
Others	3,603,214	591,754
	169,608,414	177,920,320
25.0 Inter company payables		
Crown Polymer Bagging Limited	-	5,944,839
Crown Transportation and Logistics Limited	-	56,734,804
	-	62,679,643

26.0 Provision for tax liabilities

Opening balance
Add: Provision made during the year

Less: Adjustments made during the year

30.06.2021 Taka	30.06.2020 Taka
108,699,353	722,216,731
266,117,462	94,370,185
374,816,815	816,586,916
-	707,887,563
374,816,815	108,699,353

27.0 Provision for workers' profit participation fund (WPPF):

Opening balance
Less: Payments made during the year

Add: Provision made during the year

-	20,561,259
-	20,561,259
-	-
50,219,311	-
50,219,311	-

27.1 Necessary steps are in process for depositing unclaimed dividend amount to Capital Market Stabilization Fund as per BSEC notification dated 01 June 2021.

28.0 Revenue

Domestic sales (note - 28.1)
Export sales (note - 28.2)

2020-2021 Taka	2019-2020 Taka
15,842,352,474	13,349,691,043
472,962,948	526,520,387
16,315,315,422	13,876,211,430
15,795,372,377	13,349,691,043
46,980,097	-
15,842,352,474	13,349,691,043

28.1 Domestic sales net of VAT

Cement sales
Bag sales
Domestic sales

28.2 Export sales

Cement sales

2021 USD	2020 USD	2021 Taka	2020 Taka
5,567,545	6,207,763	472,962,948	526,520,387

28.3 Quantity wise sales

	UOM	2021 Quantity	2020 Quantity	2021 Taka	2020 Taka
Domestic sales (Cement)	MT	2,675,171	2,214,829	15,795,372,377	13,349,691,043
Domestic sales (Bags)	PCS	3,389,070	-	46,980,097	-
Export sales	MT	72,915	80,948	472,962,948	526,520,387
				16,315,315,422	13,876,211,430

28.4 Category wise quantity sold

	UOM	2021 Quantity	2020 Quantity
Bag cement	MT	2,417,281	1,977,865
Bulk cement	MT	330,804	317,911
Bag (Empty)	PCS	3,389,070	-

29.0 Cost of sales

	2020-2021 Taka	2019-2020 Taka
Cost of sales (Cement plant) (note- 29.1)	13,304,890,937	12,267,970,393
Cost of bag manufacturing (note- 29.4)	754,648,201	-
	14,059,539,138	12,267,970,393

29.1 Cost of sales (Cement plant)

Opening stock of raw materials	1,150,240,988	949,720,281
Add: Purchase of raw materials during the year	11,324,329,775	10,939,263,794
Less: Closing stock of raw materials	(1,024,146,104)	(1,150,240,988)
Raw material consumed (note - 29.2)	11,450,424,658	10,738,743,086
Factory overhead (note - 29.3)	1,874,037,557	1,626,687,882
Cost of production	13,324,462,214	12,365,430,969
Add: Opening finished goods	57,706,027	2,445
Cost of goods available for sale	13,382,168,241	12,365,433,414
Less: Closing finished goods	(41,293,633)	(57,706,027)
Cost of sales	13,340,874,609	12,307,727,386
Less: Duty draw back for export	(35,983,671)	(39,756,993)
	13,304,890,937	12,267,970,393

29.2 Raw material consumed (Cement plant)

	UOM	2021 Quantity	2020 Quantity	2021 Taka	2020 Taka
Opening stock of raw materials					
Clinker	MT	115,474	19,204	618,016,133	96,619,498
Gypsum	MT	26,056	6,061	81,610,354	16,822,850
Slag	MT	91,923	108,166	281,852,687	336,252,543
Fly ash	MT	4,589	43,918	11,892,454	105,419,915
Lime stone	MT	25,343	116,723	61,996,887	295,177,029
Cement grinding aid	MT	877	877	84,271,644	84,271,644
Izonil	MT	90	110	8,645,036	10,644,502
Bags	PCS	115,374	269,544	1,955,793	4,512,300
				1,150,240,988	949,720,281
Add: Purchased during the year					
Clinker	MT	1,538,823	1,388,597	7,454,571,849	7,437,941,275
Gypsum	MT	101,688	68,500	312,913,943	216,714,887
Slag	MT	654,833	513,670	1,975,607,143	1,570,419,058
Fly ash	MT	270,882	224,124	701,637,157	589,165,065
Lime stone	MT	262,905	185,948	590,769,164	445,253,384
Bulk cement	MT	27,365	243	150,361,005	1,418,361
Bags	PCS	7,965,857	40,013,223	138,469,514	678,351,764
				11,324,329,775	10,939,263,794
Less: Closing stock of raw materials					
Clinker	MT	76,422	115,474	372,922,892	618,016,133
Gypsum	MT	15,337	26,056	47,366,391	81,610,354
Slag	MT	87,946	91,923	265,863,044	281,852,687
Fly ash	MT	58,717	4,589	152,090,309	11,892,454
Lime stone	MT	42,269	25,343	95,722,580	61,996,887
Cement grinding aid	MT	877	877	84,271,644	84,271,644
Izonil	MT	61	90	5,909,244	8,645,036
Bags	PCS	-	115,374	1,955,793	1,955,793
				1,024,146,104	1,150,240,988
Raw material consumed					
Clinker	MT	1,577,874	1,292,328	7,699,665,091	6,916,544,640
Gypsum	MT	112,407	48,506	347,157,906	151,927,382
Slag	MT	658,809	529,913	1,991,596,786	1,624,818,914
Fly ash	MT	216,754	263,452	561,439,302	682,692,526
Lime stone	MT	245,979	277,328	557,043,470	678,433,527
Izonil	MT	28	21	2,735,792	1,999,466
Bulk cement	MT	27,365	243	150,361,005	1,418,361
Bags	PCS	8,081,231	40,167,393	140,425,307	680,908,271
				11,450,424,659	10,738,743,086

29.3 Factory overhead (Cement plant)

	2020-2021 Taka	2019-2020 Taka
Wages, salaries and allowances	144,981,442	162,587,977
Bedding and uniform	479,033	79,516
BIWTA expense	6,952,166	7,265,209
Computer accessories	422,801	338,655
Contribution to provident fund	5,339,634	5,916,566
Conveyance	186,011	97,436
Depreciation	402,561,885	451,086,016
Depreciation on ROU assets	244,661,720	40,776,954
Directors' remuneration	7,346,820	7,373,879
Donation and subscription	-	21,460
Electricity and power	942,988,253	824,117,556
Entertainment	3,654,621	3,173,682
Festival bonus	15,214,234	16,488,553
Fuel for motor vehicle and motor cycle	2,676,320	2,120,010
Gratuity	11,241,365	16,718,167
Insurance premium	3,911,322	3,945,593
Group insurance premium	858,985	772,332
Labour charges	9,753,089	7,666,838
Leave encashment	2,121,367	2,208,011
Lubricants, diesel oil, gear oil and fuel etc.	17,421,289	16,928,635
Medical expenses	239,347	129,273
Gift and presentation	3,351,072	4,020,123
Mobile phone bill	686,004	727,156
Office maintenance	1,099,382	1,134,747
Rent and rates	4,507,713	5,250,934
Overtime	3,876,164	3,601,075
Printing, stationeries, schedule and forms	1,103,097	703,573
Quality testing expenses	366,740	326,852
BIS expenses	33,585	-
Registration, license and renewals	594,648	1,841,825
Repair and maintenance, vehicle and motor cycle	1,456,182	1,827,972
Spare parts and store expenses	32,845,683	36,735,146
Training and education	3,536	12,749
Travelling expenses	248,121	313,412
Professional fees	853,926	380,000
	1,874,037,557	1,626,687,882

29.4 Cost of sales (Bag plant)

Opening stock of raw materials	-	-
Add: Purchase of raw materials during the year	654,879,597	-
Less: Closing stock of raw materials	(105,552,775)	-
Raw material consumed	549,326,822	-
Factory overhead	205,967,511	-
Cost of production	755,294,333	-
Add: Opening finished goods	28,473,354	-
Cost of goods available for sale	783,767,687	-
Less: Closing finished goods	(29,119,486)	-
Cost of sales	754,648,201	-

30.0 Other operating income

Income from mother vessel operation
Less: Depreciation

31.0 Administrative expenses

Salaries and allowances
Advertisement and publicity
Annual general meeting expenses
Annual picnic
Audit fees
Professional fees
Amortization of intangible asset
Bedding and uniform
Board meeting attendance fees
Computer accessories
Contribution to provident fund
Conveyance
Corporate social responsibility (CSR)
Depreciation
Depreciation on ROU assets
Donation and subscription
DSE/ CSE/ CDBL expenses
Entertainment
Festival Bonus
Fuel for motor vehicle and motor cycle
Gratuity
Insurance premium
Group insurance premium
Internet
Leave encashment
Gift and presentation
Mobile phone bill
Office maintenance
Rent and rates
Overtime

2020-2021 Taka	2019-2020 Taka
258,751,968	164,378,250
(186,390,416)	(186,390,416)
72,361,552	(22,012,166)
102,019,585	112,998,122
834,494	778,193
619,625	915,888
-	557,621
700,000	747,500
2,678,746	1,727,263
5,082,748	5,082,748
208,000	167,936
1,205,040	1,005,000
179,768	74,026
3,345,396	3,984,614
1,259,479	1,165,931
45,820	248,000
30,427,280	36,925,935
26,350,448	26,350,452
613,000	615,000
1,300,000	1,300,000
2,674,443	2,131,059
10,281,778	12,135,188
3,527,341	3,443,076
6,607,012	9,003,118
158,368	143,434
292,932	261,952
1,164,508	1,129,576
1,348,813	1,614,462
845,127	638,199
1,078,697	1,283,064
4,437,244	3,968,272
8,395,914	8,374,384
217,727	209,014

	2020-2021 Taka	2019-2020 Taka
Printing, stationeries, schedules and forms	1,767,520	1,850,231
Registration, license and renewals	1,036,023	1,776,274
Repair and maintenance, vehicle and motor cycle	2,887,973	2,249,880
Software Maintenance fees	1,510,012	3,414,664
Telephone/ fax expenses	26,579	32,543
Training and education	782,302	117,736
Travelling expenses	866,747	1,088,249
Utility expenses	2,601,340	2,529,772
	229,377,829	252,038,375

32.0 Selling and distribution expenses

Salaries and allowances	162,255,199	179,916,677
Advertisement and publicity	82,042,383	82,709,610
Bad debt expense	76,127,880	-
Audit and professional/ consultancy/legal fees	-	57,788
Annual picnic	-	651,426
BIS expense	200,330	641,905
BSTI fees	2,092,559	1,699,896
C&F expenses for export	2,134,500	2,498,600
Computer accessories	367,010	167,326
Contribution to provident fund	6,257,424	6,500,637
Conveyance	11,637,637	11,512,787
Corporate social responsibility (CSR)	358,300	5,110,465
Carriage expense	7,716,207	9,835,650
Depreciation	58,201,085	78,318,841
Directors' remuneration	7,346,820	7,373,879
Donation and subscription	198,000	90,000
Entertainment	10,986,723	11,182,783
Festival bonus	16,161,309	17,963,477
Fuel for motor vehicle and motor cycle	8,622,006	7,924,197
Gratuity	12,159,344	18,813,377
Group insurance premium	777,205	696,011
Gift and presentation	2,787,110	4,361,826
Insurance premium	375,250	370,211
Labour charges	34,464,272	39,571,260
Leave encashment	2,609,290	2,685,061
Medical expenses	-	31,055
Mobile phone bill	5,876,711	6,028,991

	2020-2021 Taka	2019-2020 Taka
Office maintenance	2,117,430	3,344,075
Rent and rates	7,230,396	6,250,615
Outstation allowance/ house rent/ TA-DA	5,802,129	4,592,308
Overtime	275,411	400,176
Printing stationeries, schedule and forms	2,714,243	3,110,578
Promotional expenses	1,121,973	3,873,410
Quality testing expenses	748,002	606,369
Registration, license and renewals	9,878,335	9,004,847
Repair and maintenance, vehicle and motor cycle	2,387,267	2,005,212
Training and education	72,415	1,195,370
Travelling expenses	3,559,251	3,512,004
	547,661,405	534,608,700
33.0 Non operating income and expenses		
Non operating income (note - 33.1)	18,920,752	48,095,439
Non operating expenses (note - 33.2)	(6,525,060)	(11,517,336)
	12,395,692	36,578,103
33.1 Non operating income		
Sales of scrap	4,456,217	10,492,933
Other income	14,222,849	37,495,074
Dividend on share	241,686	107,432
	18,920,752	48,095,439
33.2 Non operating expenses		
Realized profit/(loss) on sale of share	10,270,376	(5,746)
Unrealized profit/(loss) on investment on share	6,169,434	(10,224,119)
Loss on disposal of property, plant and equipment	(22,964,870)	(1,287,471)
	(6,525,060)	(11,517,336)
34.0 Financial cost and income		
34.1 Finance cost		
Net foreign exchange loss	(2,878,590)	(44,618,078)
Bank charge and commission	(12,747,800)	(12,049,018)
Bank interest	(526,896,168)	(923,791,768)
Interest on lease obligation	(18,886,664)	(11,948,786)
	(561,409,223)	(992,407,650)

34.2 Finance income

Interest income from FDRs

2020-2021 Taka	2019-2020 Taka
52,520,469	110,913,521
266,117,462 (71,164,125)	94,370,185 9,862,903
194,953,337	104,233,088

35.0 Income tax

Major components of tax expenses

In compliance with the requirements of para-79 of IAS - 12: Income tax, the major components of tax expenses are given below:

Current tax expenses (note - 26)	266,117,462	94,370,185
Deferred tax expenses (note - 22)	(71,164,125)	9,862,903
	194,953,337	104,233,088

35.1 Current Tax Expenses

Current Tax expenses has been computed in accordance with the Income Tax Ordinance, 1984 by considering applicable rate for the Income year 2020-2021.

35.2 Deferred Tax Expenses

The tax effects of temporary differences arise from tax base and accounting base of relevant assets and liabilities.

36.0 Share of profit from associates

Crown Power Generation Limited (CPGL)	1,277,956	941,201
Crown Mariners Limited (CML)	28,037,562	10,956,614
Crown Cement Concrete and Building Products Limited (CCCBPL)	20,473,139	5,216,230
	49,788,657	17,114,045

Share of profit or loss from investment in associates is not considered in computation of current tax expense since, these are separate entities having separate Taxpayer Identification Number (TIN) and being taxed separately. Income from investment in associates will be taken into account for tax computation upon receipt of the dividend from respective entities.

37.0 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Further, for the current year the fair value disclosure of lease liabilities is also not required.



In Taka

Particulars	Carrying amount							Total
	Note	Fair value- hedging instruments	Mandatorily at FVTPL- others	FVOCI- debt instruments	FVOCI- equity instruments	Financial assets at amortized cost	Other financial liabilities	
30 June 2021								
Financial assets measured at fair value								
Investment in shares	9	-	61,080,713	-	-	-	-	61,080,713
Financial assets not measured at fair value								
Trade and other receivables	11	-	-	-	-	2,802,789,682	-	2,802,789,682
Cash and cash equivalents	16	-	-	-	-	169,999,455	-	169,999,455
Short term investment- FDRs	15	-	-	-	-	730,976,784	-	730,976,784
						3,703,765,921	-	3,703,765,921
Financial liabilities not measured at fair value								
Trade and other payables	24	-	-	-	-	-	(684,148,633)	(684,148,633)
Long term borrowing	20	-	-	-	-	-	(894,861,954)	(894,861,954)
Short term loan	23	-	-	-	-	-	(5,922,894,599)	(5,922,894,599)
							(7,501,905,186)	(7,501,905,186)
30 June 2020								
Financial assets measured at fair value								
Investment in shares	9	-	44,723,353	-	-	-	-	44,723,353
Financial assets not measured at fair value								
Trade and other receivables	11	-	-	-	-	3,927,759,329	-	3,927,759,329
Cash and cash equivalents	16	-	-	-	-	371,748,953	-	371,748,953
Short term investment- FDRs	15	-	-	-	-	1,508,859,370	-	1,508,859,370
						5,808,367,652	-	5,808,367,652
Financial liabilities not measured at fair value								
Trade and other payables	24	-	-	-	-	-	(527,995,990)	(527,995,990)
Long term borrowing	20	-	-	-	-	-	(1,419,475,078)	(1,419,475,078)
Short term loan	23	-	-	-	-	-	(8,793,832,714)	(8,793,832,714)
							(10,741,303,782)	(10,741,303,782)

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents and trade and other payables because their carrying amounts are a reasonable approximation of fair values.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (B)(ii));
- liquidity risk (see (B)(iii)); and
- market risk (see (B)(iv)).

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

ii. Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile i.e. their legal status, financial condition, aging profile etc. Trade and other receivables are mainly related to the interest receivables and other fees.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Notes	2020-2021 Taka	2019-2020 Taka
Trade and other receivables	11	2,802,789,682	3,927,759,329
Cash and cash equivalents	16	169,999,454	371,748,953
Short term investment- FDRs	15	730,976,784	1,508,859,370
		3,703,765,921	5,808,367,651

(a.1) Trade and other receivables

The exposure to credit risk for Trade and other receivables at the end of the reporting year by external and intercompany was:

	Notes	2020-2021 Taka	2019-2020 Taka
Trade receivables	11	2,638,724,004	3,737,530,389
Other receivables	11	164,065,678	190,228,940
Intercompany receivables	12	-	11,031,555
		2,802,789,682	3,938,790,884

(a.1) Trade receivables

The exposure to credit risk for trade receivables at the end of the reporting year by external customer was:

	Notes	2020-2021 Taka	2019-2020 Taka
Trade receivables	11	2,638,724,004	3,737,530,389
		2,638,724,004	3,737,530,389
The aging of trade receivables (gross) at 30 June			
Past due 1-30 days		1,015,716,405	999,662,091
Past due 31-90 days		906,906,224	917,780,188
Past due 91-180 days		538,089,645	621,368,988
Past due 181-365 days		140,415,355	908,690,095
Past due over 365 days		157,654,183	313,081,169
Gross trade receivable		2,758,781,812	3,760,582,531
Less: Loss allowance		(120,057,807)	(23,052,142)
Net Trade Receivable		2,638,724,005	3,737,530,389

Expected credit loss assessment for corporate and individual customers

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 30 June 2021.

30 June 2021

In Taka	Average Loss Rate	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	0%	1,015,716,405	-	No
Past due up to 90 days	2%	906,906,224	18,138,124	No
Past due 91-180 days	5%	538,089,645	26,904,482	No
Past due 181-365 days	10%	140,415,355	14,041,535	No
Past due over 365 days	39%	157,654,183	60,973,665	No
		2,758,781,812	120,057,806	

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 30 June 2020.

30 June 2020

In Taka	Average Loss Rate	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	0%	999,662,091	-	No
Past due up to 90 days	0.5%	917,780,188	4,588,901	No
Past due 91-180 days	0.5%	621,368,988	3,106,845	No
Past due 181-365 days	0.5%	908,690,095	4,543,450	No
Past due over 365 days	3.5%	313,081,169	10,812,946	No
		3,760,582,531	23,052,142	

Loss rates are based on actual credit loss experience over the past years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

(a.2) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents at the end of the reporting year was:

	Notes	2020-2021 Taka	2019-2020 Taka
Cash in hand	16	1,232,590	204,392
Cash at bank	16	168,766,865	371,544,561
		169,999,455	371,748,953

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains sufficient cash and cash equivalents to meet expected operational expenses for periods which the Company thinks appropriate. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Particulars	From 6 to 12 months Taka	More than one year and less than 5 years (Taka)
Trade payables (note: 24)	360,259,880	-
Other payables (note: 24)	323,888,753	-
Payable to IPO applicants	-	12,850,753
Unclaimed dividend	43,791,379	25,852,179
Provision for tax liabilities (note: 26)	374,816,815	-
Bank overdraft (note: 23)	166,522,226	-
Short term loan from banks (note: 23)	5,922,894,599	-
Long term borrowing (note: 20)	754,285,979	140,575,976
As at 30 June 2021	7,946,459,631	179,278,907

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings incurred in foreign currencies. The Company's foreign currency transactions are denominated in USD, EUR and GBP.

(b) Exposure to currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

Particulars	Balance at 30 June 2021	
	USD	BDT
Assets		
Prime Bank Limited (ERQ)	503,539	42,775,602
The State Bank of India (ERQ)	0.14	12
Standard Chartered Bank	653	55,466
BRAC Bank Limited	16,438	1,396,428
Liability		
Term Loan- Standard Chartered Bank	1,321,375	112,250,806
Term Loan- Prime Bank Limited	488,207	41,473,149
Short Term Loan (note:23)	46,294,058	3,932,680,248

Particulars	Balance at 30 June 2021	
	EUR	BDT
Assets		
BRAC Bank Limited	247	25,319
Liability		
Prime Bank Limited	81,617	8,354,753

Particulars	Balance at 30 June 2021	
	GBP	BDT
Assets		
BRAC Bank Limited	1,022	121,695

Particulars	Balance at 30 June 2021	
	USD	BDT
Commitment & contingencies		
BRAC Bank Limited	146,897	12,478,900
Commercial Bank of Ceylon PLC	885,516	75,224,566
The City Bank Limited	578,853	49,173,562
The Hong Kong and Shanghai Banking Corporation Limited	7,771,247	660,167,411
Dhaka Bank Limited	36,000	3,058,200
Dutch Bangla Bank Limited	130,521	11,087,759
Habib Bank Limited	8,861	752,763
Jamuna Bank Limited	332,227	28,222,684
One Bank Limited	231,110	19,632,773
Prime Bank Limited	72,000	6,116,400
Standard Chartered Bank	2,365,503	200,949,437
	12,558,735	1,066,864,456

Particulars	Balance at 30 June 2021	
	EUR	BDT
Commercial Bank of Ceylon PLC	95,601	9,786,258

Particulars	Balance at 30 June 2021		
	Currency	FC Unit	BDT
Exchange rate as per The Hong Kong and Shanghai Banking Corporation Limited	USD	1	84.95
	EURO	1	102.37
	GBP	1	119.02

C. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings incurred in foreign currencies. The Company's foreign currency transactions are denominated in USD, EUR and GBP.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar, EURO or GBP against BDT at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in Taka	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2021				
USD (1% movement)	(81,728,084)	81,728,084	(81,728,084)	81,728,084
EUR (1% movement)	(83,294)	83,294	(83,294)	83,294
GBP (1% movement)	(1,217)	1,217	(1,217)	1,217
30 June 2020				
USD (1% movement)	(29,430,480)	29,430,480	(29,430,480)	29,430,480
EUR (1% movement)	(1,033,281)	1,033,281	(1,033,281)	1,033,281
GBP (1% movement)	(1,095)	1,095	(1,095)	1,095

(d) Market risk-interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

In Taka	30 June 2021	30 June 2020
Fixed-rate instruments		
Short term loan	696,835,664	73,098,306
Long term loan	741,137,999	979,951,906
Variable-rate instruments		
Short term loan	5,226,058,934	8,720,734,408
Long term loan	153,723,955	439,523,172

Cash flow sensitivity analysis for interest rate change

A reasonably possible change in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

In Taka'2021	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Fixed-rate instruments				
Short term loan	6,968,357	6,968,357	6,968,357	6,968,357
Long term loan	7,411,380	7,411,380	7,411,380	7,411,380
Variable-rate instruments				
Short term loan	52,260,589	(52,260,589)	52,260,589	(52,260,589)
Long term loan	1,537,240	(1,537,240)	1,537,240	(1,537,240)

In Taka'2020	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Fixed-rate instruments				
Short term loan	730,983	(730,983)	730,983	(730,983)
Long term loan	9,799,519	(9,799,519)	9,799,519	(9,799,519)
Variable-rate instruments				
Short term loan	87,270,344	(87,270,344)	87,207,344	(87,207,344)
Long term loan	4,395,232	(4,395,232)	4,395,232	(4,395,232)

All payables of the company are interest free. Therefore no interest rate risk arises for the company as at 30 June 2021.

38.0 Earnings per share**Basic earnings per share:**

Earning attributable to ordinary shareholders

Weighted average number of ordinary shares (note - 38.1)

2020-2021 Taka	2019-2020 Taka
859,221,547	(132,453,273)
148,500,000	148,500,000
5.79	(0.89)

No diluted earning per share is required to be calculated for the year as there was no convertible securities for diluting during the year.

38.1 Calculation of weighted average number of ordinary shares outstanding during the period from 01 July 2020 to 30 June 2021 is given below:

Nature of Share holdings	Number of shares	Days of share holding	No. of shares outstanding	
			2021	2020
Ordinary shares	148,500,000	365 days	148,500,000	148,500,000
	148,500,000		148,500,000	148,500,000

39.0 Net Asset Value (NAV) per share

Net assets (total assets - total liabilities)

Number of ordinary shares

NAV per share

40.0 Cash flows from operating activities under indirect method

Reconciliation of net operating Cash flows

Net profit before tax

Add: Items not involving movement of cash

Depreciation on property, plant and equipment

Depreciation on ROU assets

Amortization on intangible assets

Loss on disposal of property, plant and equipment

Finance cost

Interest income

Loss on sale of share

Income from associate company

Provision for WPPF

Provision for Gratuity

Cash generated from operations before changes in working capital

Changes in working capital:

(Increase) in inventories

(Increase) in trade receivables

Decrease in other receivables

Decrease in advances, deposits and prepayments

Increase/(decrease) in trade payables

Increase in other payables

Cash generated from operating activities

Tax paid

WPPF paid

Gratuity paid

Net cash inflows from operating activities

41.0 Commitments and Contingent liabilities

Commitments (note - 41.1)

Contingent liabilities (note - 41.3)

41.1 Commitments:

Outstanding letters of credit (note - 41.2)

Capital expenditure commitments

	2020-2021 Taka	2019-2020 Taka
	7,824,089,839	6,887,115,714
	148,500,000	148,500,000
	52.69	46.38
	1,054,174,886	(28,220,185)
	677,580,666	752,721,208
	271,012,168	67,127,406
	5,082,748	5,082,748
	22,964,870	1,287,471
	561,409,223	992,407,650
	(52,520,469)	(110,913,521)
	(6,169,434)	10,224,119
	(49,788,657)	(17,114,045)
	50,219,309	-
	38,404,910	44,534,662
	1,518,195,333	1,745,357,699
	2,572,370,220	1,717,137,514
	80,344,348	(470,189,535)
	1,098,806,385	(334,890,502)
	(4,560,160)	17,778,739
	106,713,440	10,548,950
	178,748,854	22,113,557
	3,869,813	18,519,186
	1,463,922,680	(736,119,605)
	4,036,292,900	981,017,910
	(397,405,492)	(403,220,632)
	-	(20,561,259)
	(15,380,341)	(9,078,555)
	(412,785,833)	(432,860,446)
	3,623,507,067	548,157,464
	1,150,746,646	1,989,512,273
	770,777,820	146,491,259
	1,921,524,467	2,136,003,532
	1,076,650,712	800,758,390
	74,095,934	1,188,753,883
	1,150,746,646	1,989,512,273

41.2 Outstanding letters of credit

Commercial Bank of Ceylon PLC
The Hongkong and Shanghai Banking Corporation Limited
One Bank Limited
Prime Bank Limited
Standard chartered bank
The City Bank Limited
BRAC Bank Limited
Dhaka Bank Limited
Dutch Bangla Bank Limited
Habib Bank Limited
Jamuna Bank Limited

41.3 Contingent liabilities:

(i) Bank guarantee:

One Bank Limited
Prime Bank Limited
Dhaka Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

(ii) Tax and VAT claim:

A) Claim of VAT Authority for declared wastage percentage relating to the different financial years against which various writ petitions have been filed by the Company before the Hon'ble High Court, Dhaka.

B) Finance Act 2019 provides that tax deducted under section 53 from import of raw materials by an industrial undertaking engaged in producing cement, iron or iron products shall be treated as minimum tax. The Company has filed three writ petitions numbering 7591/2020, 7592/2020 and 9369/2021 before the Hon'ble High Court, Dhaka, challenging the provision of section 82(C), sub section 2(ii) of the Income Tax Ordinance 1984 treating the tax deducted under Section 53 as the minimum tax, on the grounds that this law goes against the fundamental principles of taxation and business practice where tax is payable on the income and cannot be the minimum tax on the basis of imports. As such, on the basis of writ petitions, the Company has not considered the amount deducted under section 53 as minimum tax, rather computed the tax liability as per rate applicable for the company. Accordingly, the company has made income tax provision of Taka 445 million for the financial years 2019, 2020 and 2021. On the other hand, tax deducted under section 53 of the ITO 1984 amounts to Taka 1,116 million. Subsequent to the filing, three hearing dates were listed but no hearing took place and as such no judgement was passed. The Company will continue to pursue for a hearing date and obtain a judgement.

2020-2021 Taka	2019-2020 Taka
85,010,823	19,203,084
660,167,411	-
19,632,773	20,961,413
6,116,400	9,939,150
200,949,437	115,124,240
49,173,562	130,683,852
12,478,900	213,455,495
3,058,200	6,583,625
11,087,759	190,288,000
752,763	-
28,222,684	94,519,532
1,076,650,712	800,758,390
4,033,656	1,533,106
26,977,478	42,540,716
3,133,318	3,133,318
-	33,464,088
34,144,451	80,671,228
65,820,031	65,820,031
670,813,338	623,082,968
736,633,369	688,902,999
770,777,820	769,574,227

All tax assesement has been finalized from the financial year 2006-2007 to 2016-2017.

42.0 Related parties transactions

During the year, the Company carried out a number of transactions with related parties within the normal course of business. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS-24:Related party disclosure

Individual:

Name of the individuals	Relationship	Nature of transactions	Transaction value (Taka)	
			2021	2020
Mohammed Jahangir Alam	Chairman	Cash dividend, board meeting attendance fees & remuneration	23,153,263	23,189,925
Md. Alamgir Kabir	Director	Cash dividend, board meeting attendance fees & remuneration	21,872,233	21,935,954
Molla Mohammad Majnu	Managing Director	Cash dividend, board meeting attendance fees & remuneration	19,602,658	31,360,754
Md. Mizanur Rahman Mollah	Director	Cash dividend, board meeting attendance fees & remuneration	12,347,508	24,023,538
Md. Almas Shimul	Director	Cash dividend, board meeting attendance fees & remuneration	7,496,508	7,441,500
Late Alhaj Md. Abdur Rouf	Shareholder	Cash dividend	2,598,750	2,598,750
Md. Asrafuzzaman	Shareholder	Cash dividend	2,598,750	2,598,750
Md. Abdul Ahad	Shareholder	Cash dividend	2,079,000	2,079,000

Institution:

Name of the individuals	Relationship	Nature of transactions	Transaction value (Taka)	
			2021	2020
Crown Power Generation Ltd.	Associate Company	Sale of power	77,512,362	63,250,587
Crown Polymer Bagging Ltd.	Associate Company	Lease rent	213,376,313	733,936,242
Crown Mariners Ltd.	Associate Company	Lease rent	339,204,000	736,729,088
Crown Cement Concrete and Building Products Ltd.	Associate Company	Sale of cement	777,021,892	820,549,773
Crown Transportation and Logistics Ltd.	Associate Company	For providing related service	-	9,835,650
GPH Ispat Limited	Common Directorship	For MS rod purchased	36,897,193	49,173,000

43.0 Number of employees engaged for drawing remuneration

Disclosure as per requirement of schedule XI Part II of Para 3 is as follows:

- (a) Above Taka 3,000 per month
(b) Below Taka 3,000 per month

2020-2021 Number	2019-2020 Number
1,218	1,245
-	-
1,218	1,245

During the year the company paid as salaries, wages and benefits (note - 29.3 , 29.6 , 31 and 32)

Directors emolument

Salary and benefits

2020-2021 Taka	2019-2020 Taka
439,563,871	455,502,776
14,693,640	14,747,758

44.0 Capacity and production

Installed capacity in metric tons (300 days basis)

Actual production in metric tons-during the year

% of capacity utilization

2020-2021 M.Ton	2019-2020 M.Ton
3,324,000	3,324,000
2,718,526	2,306,260
81.78%	69.38%


45.0 Number of Board Meetings held during the year 2021 and 2020

Quarter	Date of meeting		No. of directors attended	
	2021	2020	2021	2020
1 st Quarter	-	6-Jul-19	-	05
	-	26-Aug-19	-	05
	-	7-Sep-19	-	06
2 nd Quarter	8-Oct-20	1-Oct-19	07	06
	14-Nov-20	27-Oct-19	07	06
	26-Nov-20	12-Nov-19	07	07
		19-Dec-19		07
3 rd Quarter	30-Jan-21	28-Jan-20	07	06
	13-Feb-21		07	
4 th Quarter	25-May-21	20-Jun-20	07	07
	5-Jun-21		07	

46.0 Events after the reporting period

The Board of Directors in their meeting held on 27 October 2021 have recommended cash dividend 20% i.e. Taka 2.00 (Two) per share of Taka 10 (Ten) each aggregating to Taka 297,000,000 for the year ended 30 June 2021 subject to approval of the shareholders' in the Annual General Meeting scheduled to be held on 15 December 2021. The financial statements for the year ended 30 June 2021 do not include the effect of the cash dividend which will be accounted for in the period when shareholders' right to receive payment is established.

There is no other significant events after the reporting date that may affect the reported amounts in the financial statements of the Company for the year ended 30 June 2021.


Molla Mohammad Majnu
Managing Director


Md. Alamgir Kabir
Director


Mohammad Ahasan Ullah, FCA
Chief Financial Officer


Md. Mozharul Islam, FCS
Company Secretary

SCHEDULE OF LEASES

As at 30 June 2021

Leases as lessee (IFRS 16)

The company has taken leases for head office and vessel operations. The lease for head office runs for 5 years and vessel operations for 1 year with an option to renew. The leases for head officer were entered in 2017. Previously, these leases were classified as operating leases under IAS 17.

Information about leases for which the Company is a lessee is presented below:

i) RoU Assets (At cost)

Particulars	2020-2021			2019-2020		
	Vessel	Office	Total	Vessel	Office	Total
ROU Asstets Cost opening bal.	285,438,673	96,618,309	382,056,982	285,438,673	96,618,309	382,056,982
Addition (at cost)	267,016,646	-	267,016,646	-	-	-
ROU asset cost closing (A)	552,455,319	96,618,309	649,073,628	285,438,673	96,618,309	382,056,982
Accumulated Depreciation opening bal.	40,776,954	26,350,452	67,127,406	-	-	-
Addition during the year	244,661,720	26,350,444	271,012,164	40,776,954	26,350,452	67,127,406
Accumulated Depreciation closing (B)	285,438,674	52,700,896	338,139,570	40,776,954	26,350,452	67,127,406
WDV (A-B)	267,016,645	43,917,413	310,934,058	244,661,719	70,267,857	314,929,576

Annexure-A

ii) Lease obligation

Particulars	2020-2021			2019-2020		
	Vessel	Office	Total	Vessel	Office	Total
Lease liability opening bal.	267,016,645	73,686,269	340,702,914	285,438,673	96,618,309	382,056,982
Interest	13,195,354	5,691,310	18,886,664	4,212,756	7,736,030	11,948,786
Payment	(280,212,000)	(28,317,470)	(308,529,470)	(22,634,783)	(30,081,567)	(52,716,350)
Advance adjustment	-	-	-	-	(586,504)	(586,504)
Addition	267,016,646	-	267,016,646	-	-	-
Lease Liability closing bal.	267,016,645	51,060,108	318,076,754	267,016,645	73,686,269	340,702,914

C. Expenses:

Particulars	Vessel	Office	Total	Vessel	Office	Total
Interest	13,195,354	5,691,310	18,886,664	4,212,756	7,736,030	11,948,786
Depreciation	244,661,720	26,350,444	271,012,164	40,776,954	26,350,452	67,127,406
Total	257,857,074	32,041,754	289,898,827	44,989,710	34,086,482	79,076,192

iv. Extension options

Some property leases contain extension options exercisable by the Company. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

B. Leases as lessor

The Company does not provide any lease facility to other entity.

DETAILS BREAKDOWN OF EMPLOYEE BENEFITS

As at 30 June 2021

Employee benefits

A. Movement in net defined benefit asset and liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Annexure-B

In Taka	Defined benefit obligation		Fair value of plan assets		Net defined (asset)/liability	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Balance at 1 July	198,049,350	162,593,243	-	-	198,049,350	162,593,243
Included in profit or loss	-	-	-	-	-	-
Current service cost	30,007,721	44,534,662	-	-	30,007,721	44,534,662
Past service costs	-	-	-	-	-	-
Interest cost/(income)	-	-	-	-	-	-
	30,007,721	44,534,662	-	-	30,007,721	44,534,662
Included in OCI	-	-	-	-	-	-
Actuarial (gain)/loss arising from:	-	-	-	-	-	-
Return on plan assets	-	-	-	-	-	-
Financial assumption	-	-	-	-	-	-
Experience adjustment	8,397,189	-	-	-	8,397,189	-
	38,404,910	44,534,662	-	-	38,404,910	44,534,662
Other	-	-	-	-	-	-
Contribution paid by the employer	-	-	-	-	-	-
Benefits paid	(15,380,341)	(9,078,555)	-	-	(15,380,341)	(9,078,555)
	(15,380,341)	(9,078,555)	-	-	(15,380,341)	(9,078,555)
Balance at 30 June	221,073,919	198,049,350	-	-	221,073,919	198,049,350

B. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

Particulars	2020-2021
Financial assumptions:	
Discount rate	6.60%
Salary escalation rate	8.00%
Demographic assumptions:	
Withdrawal rate	3%-15%

Assumptions regarding future mortality have been used based on published statistics and mortality tables. Report on Bangladesh Sample Vital Statistics 2019 by Bangladesh Bureau of Statistics Published June 2020 were used in valuing the liabilities and benefits under the scheme.

C. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	30 June 2021 Decrease		30 June 2020 Increase	
	Amount	%	Amount	%
Discount rate (-/+ 5% movement)	13,526,995	6.12%	(12,586,617)	-5.69%
Future salary growth (-/+ 5% movement)	(15,012,781)	-6.79%	16,243,634	7.35%

Although the analysis does not take of full distribution of cash flows expected under the plan, it does provide an approximation of sensitivity of the assumptions shown.

M. I. CEMENT FACTORY LIMITED

Registered Office: West Mukterpur, Munshiganj
Head Office: Delta Life Tower (3rd & 6th floor), Plot No. 37
Road No. 45 (South) & 90 (North), Gulshan- 2, Dhaka- 1212.

PROXY FORM

Shareholders BO A/C No.	No. of Shares held

I/We
of (Address)
being shareholder(s) of M. I. Cement Factory Limited hereby appoint Mr./Ms.
as my/our proxy to attend and vote for me/us and on my/our behalf at the 27th Annual General Meeting to be held on
Wednesday, the 15th December 2021 at 3:00 P.M. using Digital Platform through the link
<https://micement.agm.watch> and at any adjournment thereof and the poll may be taken in consequence thereof.
As witness my/our hand this day of2021.

(Signature of the Proxy)
BO Account No.

Revenue
Stamp of
Tk. 20.00

(Signature of the Shareholder)

Note: The proxy form duly completed must be sent through e-mail at **cs@crowncement.com** not later than 48 hours before the time fixed for the meeting, otherwise the proxy form will not be accepted.

Signature Verified

Authorized Signature
M. I. Cement Factory Ltd.

M. I. CEMENT FACTORY LIMITED

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company to be held at 3:00 PM. on
Wednesday, the 15th December 2021 using Digital Platform through the link **<https://micement.agm.watch>**
Name of Shareholder/Proxy
BO Account No. holding of
Ordinary shares of M. I. Cement Factory Limited.

N.B:

Signature of Shareholder(s)/Proxy

- Please note that AGM can only be attended by the honorable Shareholder or properly constituted proxy.
- For logging into the link **<https://micement.agm.watch>**, the Shareholders/Proxyholders need to put their Name, 16-digit Beneficial Owner (BO) Number and Number of Shares held on the Record Date as proof of their identity.

M. I. CEMENT FACTORY LTD.

Corporate Office:

Delta Life Tower (3rd & 6th Floor)

Plot No. 37, Road No. 45 (South) & 90 (North), Gulshan -2, Dhaka -1212

Tel: +88-02-222263631, 222261633, 222262634, 222284636, 222290641

Fax: + 88-02-222263643, E-mail: info@crowncement.com

Web: www.crowncement.com

Registered Office:

West Mukterpur, Munshiganj

Tel: +88-02-7648077, Fax: +88-02-7648070

E-mail: factory@crowncement.com