



Taking Bangladesh to the World

ANNUAL REPORT 2015-16



MISSION

EACH OF OUR ACTIVITIES MUST BENEFIT AND ADD VALUE TO THE COMMON WEALTH OF OUR SOCIETY. WE FIRMLY BELIEVE THAT, IN THE FINAL ANALYSIS WE ARE ACCOUNTABLE TO EACH OF THE CONSTITUENCIES WITH WHOM WE INTERACT; NAMELY: OUR EMPLOYEES, OUR CUSTOMERS, OUR BUSINESS ASSOCIATES, OUR FELLOW CITIZENS AND OUR SHAREHOLDERS.



Taking Bangladesh to the World

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CORPORATE INFORMATION



left **Salman F Rahman**, Vice Chairman and right **A S F Rahman**, Chairman

BOARD OF DIRECTORS

A S F Rahman

Chairman

Salman F Rahman

Vice Chairman

Iqbal Ahmed

Director

O K Chowdhury

Director

A B S Rahman

Director

Barrister Faheemul Huq

Independent Director

Mohammad Asad Ullah, FCS

Executive Director & Company Secretary

KEY OFFICERS

O K Chowdhury

Director

Group Finance & Corporate Affairs

Syed Naved Hussain

Chief Executive Officer

Textile Division

Parvez Hassan

Chief Executive Officer

Real Estate & Fisheries Division

Syed Samiul Wadood

Chief Executive Officer

IT Division

Anil Kumar Maheshwari

Head of MIS,

Textile Division

Md. Luthfor Rahman

Chief Financial Officer

Azahar Uddin Ahmed

Head of Internal Audit

AUDITORS

*M/s. M. J. Abedin & Co.,
National Plaza (3rd Floor)
109, Bir Uttam C. R. Datta Road,
Dhaka 1205*

COMPLIANCE AUDITORS

*SARashid & Associates
(Chartered Secretaries)
Noakhali Tower, (10th Floor, 11-F), 55/B
Purana Paltan
Dhaka 1000*

LEGAL ADVISERS

*M/s. Huq & Co., 47/1,
Purana Paltan, Dhaka 1000*

BANKERS

*Sonali Bank Ltd.,
Rupali Bank Ltd.,
Jananta Bank Ltd.,
Agrani Bank Ltd.,
IFIC Bank Ltd.*

REGISTERED OFFICE

*House No. 17, Road No. 2,
Dhanmondi R/A, Dhaka 1205*

NOTICE

OF THE 43RD ANNUAL GENERAL MEETING

BANGLADESH EXPORT IMPORT CO. LTD.

17, DHANMONDI R.A, ROAD NO. 2,
DHAKA-1205

NOTICE OF THE 43RD ANNUAL GENERAL MEETING

Notice is hereby given that the 43rd Annual General Meeting of the Shareholders of Bangladesh Export Import Company Ltd. will be held on Saturday, the 19th November, 2016 at 3:00 p.m. at Beximco Industrial Park, Sarabo, Kashimpur, Gazipur to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the period of 18 months ended on 30 June, 2016 together with reports of the Auditors and the Directors thereon;
2. To declare 15% final Stock Dividend for the period of 18 months ended on 30 June, 2016;
3. To elect Directors;
4. To approve the re-appointment of Independent Director;
5. To approve the audit fee for the period of six months from 1st January 2016 to 30th June 2016 and to appoint Auditors for the year 2016-2017 and to fix their remuneration;
6. To adopt changes in Accounting year of the Company from January-December to July-June pursuant to the provision of the Finance Act 2015;
7. To transact any other business of the Company with the permission of the Chair.

By order of the Board,



(MOHAMMAD ASAD ULLAH, FCS)
Executive Director & Company Secretary

Dated: 18 October, 2016

NOTES:

1. The Shareholders whose names appeared in the Share Register of the Company or in the Depository Register on the record date i.e. 12 May, 2016 as announced earlier, will be entitled to receive the dividend.
2. A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting.
3. Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or Proxy-holder(s).
4. No gift or benefit in cash or kind shall be paid to the holders of equity securities in terms of Clause (c) of the Notification No.SEC/SRMI/2000-953/1950 dated 24 October 2000 for attending the AGM of the Company.

PICTORIAL VIEW OF 42ND ANNUAL GENERAL MEETING



চেয়ারম্যানের প্রতিবেদন



A S F Rahman
Chairman

প্রিয় শেয়ারহোল্ডারবৃন্দ,

কোম্পানীর ৪৩তম বার্ষিক সাধারণ সভায় পরিচালক পর্যদের পক্ষ থেকে আমি আপনাদের সকলকে স্বাগত জানাচ্ছি এবং একই সাথে কোম্পানীর ১লা জানুয়ারি ২০১৫ইং হইতে ৩০শে জুন ২০১৬ইং সময় কালের নিরীক্ষিত হিসাব এবং সাথে নিরীক্ষিক ও পরিচালকবৃন্দের প্রতিবেদন উপস্থাপন করছি।

অর্থবিল ২০১৫ এর ধারার সাথে সামঞ্জস্য রেখে জারীকৃত বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের ২৭শে এপ্রিল ২০১৬ইং তারিখের নির্দেশনা (নং-এসইসি/এসআরএমআইসি/২০১১/১২৪০/৪৪৫) অনুযায়ী ১লা জুলাই ২০১৬ইং থেকে আয় বছর জুলাই-জুন অনুসরণকল্পে আমাদের কোম্পানী অর্থবছরে পরিবর্তন এনেছে এবং ১লা জানুয়ারী ২০১৫ইং থেকে ৩০শে জুন ২০১৬ইং পর্যন্ত ১৮ মাসের নিরীক্ষিত হিসাব বিবেচনায় নিয়েছে।

বিদ্যুৎ সরবরাহের উন্নতি স্বত্বেও গ্যাসের সরবরাহ এবং গ্যাসের চাপ সমস্যা অব্যাহত ভাবেই অপরিবর্তনীয়। বিদ্যুৎ-এর উন্নতি স্বত্বেও সরবরাহের বিগ্নতা রয়েছে এবং বিদ্যুৎ বিগ্নতার সময় গ্যাস স্বল্পতার কারণে আমাদের জেনারেটর থেকে পর্যাপ্ত বিদ্যুৎ সঞ্চালন করতে সক্ষম হচ্ছি না। তদুপরি দেশে অস্থিতিশীলতার ইংগিতবাহী কিছু অনাকাঙ্ক্ষিত অসন্তোষ ব্যবসায়িক পরিবেশ নষ্ট করছে।

এই কঠিন সময়গুলোতের গড়ে উঠা সুযোগগুলো হারিয়ে না ফেলি তা নিশ্চিত করার জন্য আমরা এখনও আমাদের তৎপরতা চালিয়ে যাচ্ছি। আমরা আত্মশীল যে, যতশীঘ্র বৈশ্বিক দৃশ্যপটের উন্নতি হবে এবং আমাদের নিজ দেশের আস্থা ফিরে আসবে আর আপনাদের কোম্পানী তা পুরো সুবিধা নিতে সক্ষম হবে।

সামাজিক প্রতিশ্রুতি

বেক্সিমকো লিমিটেড-এ আমাদের কর্মকান্ড সমাজের প্রতি দায়িত্ববোধের দৃষ্টিকোণ থেকে আমরা পরিচালনা করছি বলে বিশ্বাস করি। সেজন্য আমাদের সকল কার্যক্রম প্রধানত: সমাজের মঙ্গলের দিকে লক্ষ্য রেখেই সম্পাদিত হয়ে থাকে। সামাজিক অঙ্গিকারের অংশ হিসাবে কোম্পানী সামাজিক গুরুত্ব সম্পন্ন অনুষ্ঠানাদি উপলক্ষে ক্রোড়পত্র প্রকাশনায় সহযোগিতা করে থাকে। বিভিন্ন প্রতিষ্ঠান ও পেশাদারিত্ব প্রতিষ্ঠানের আর্থ-সামাজিক ও সাংস্কৃতিক উন্নয়ন কার্যক্রমে আমরা একান্ত সহযোগিতা ও সমর্থন যুগিয়ে থাকি। কোম্পানী তার উৎপাদন স্থান এবং ইন্ডাস্ট্রিয়াল পার্কের আশেপাশে অবস্থিত বেশ কিছু বিদ্যালয়ে নিয়মিত সহায়তা দিয়ে যাচ্ছে।

কৃতজ্ঞতা স্বীকার

আমি আমাদের সম্মানিত ক্রেতা, বিক্রেতা, ব্যাংকার, সরকারী সংস্থাসমূহ, বিধিবদ্ধ প্রতিষ্ঠান এবং আমাদের ব্যবসা পরিচালনার সাথে যারা জড়িত তাদের সকলকে আন্তরিক ধন্যবাদ জ্ঞাপন করছি। আমি কোম্পানীর শেয়ারহোল্ডারদের প্রতি কৃতজ্ঞ, যাদের সার্বক্ষণিক মূল্যবান সহযোগিতা এবং সমর্থন কোম্পানীকে আজকের এই অবস্থানে এনেছে। আমরা যে সাফল্য অর্জন করেছি তা সকলের সম্মিলিত প্রচেষ্টারই ফল।

আমি আবারো আমাদের সকল শ্রমিকবাহীকে আন্তরিক ধন্যবাদ জানাই এবং ভবিষ্যতে তাদের অব্যাহত সমর্থন ও সহযোগিতা কামনা করি।

এ এস এফ রহমান
চেয়ারম্যান

তারিখ: ৬ অক্টোবর, ২০১৬

CHAIRMAN'S STATEMENT

Dear Shareholders,

I take this opportunity to welcome you on behalf of the Board of Directors to this 43rd Annual General Meeting of your Company and to present you the Audited Accounts for the period from 01 January, 2015 to 30 June, 2016 and Auditors' and Directors' report thereon.

Pursuant to the Directive issued by the Bangladesh Securities and Exchange Commission (No.SEC/ SRMIC/2011/1240/445) dated April 27, 2016 to follow July - June as income year with effect from July 01, 2016 in compliance with the provision of the Financial Act 2015, the company has adopted the change in financial year and is considering 18 months accounts i, e, audited accounts from January 1, 2015 to June 30, 2016.

The Gas availability and pressure problem is continuing unabated despite improvement in electricity supply. There are power cuts and during power cuts we are not able to generate adequate electricity from our generators as gas is in short supply. Moreover, some unusual unrest in the country signaled instability which is destroying business environment.

We are still continuing our efforts to ensure that we do not loose advantages built up over the years during these difficult times and we are confident that as soon as the global scenario improves and confidence returns in our own country your company will be able to take full advantage of that.

SOCIAL COMMITMENT

In Beximco, we believe in our responsibilities towards the society we operate in. All our activities are therefore directed to the well being of the society in general. As part of the social commitment, the company sponsors news supplements on important social occasions. We also provide active cooperation and support to different organizations and professional institutions in their sociocultural development programs. The Company helps to run many Schools in and around its production sites and Industrial Park.

ACKNOWLEDGEMENT

I take this opportunity to express my sincere thanks to our customers, bankers, suppliers, government agencies, regulatory bodies and everyone with whom the company interacted in conducting its business. We are grateful to you, the shareholders, for extending at all times, your valuable support and cooperation to bring the company to the level it has reached today. The success we have achieved so far was only possible because of the collective efforts of all concerned.

Once again, I convey my heartiest thanks to all our stakeholders and look forward to their continued support and cooperation in future.

Thank you,



A S F Rahman

Chairman

Dated: 06 October, 2016

DIRECTORS' REPORT

TO THE SHAREHOLDERS FOR THE PERIOD FROM 01 JANUARY, 2015 TO 30 JUNE, 2016

Dear Shareholders,

The Directors have pleasure in submitting hereunder their report together with the Audited Accounts of the company for the period from January 1, 2015 to June 30, 2016 and Auditors' Report thereon:

Following a change made through the Finance Act 2015, the accounting year of companies, excluding banks, insurance and non-banking financial institutions (NBFIs), will commence on July 1 and conclude on June 30. For first time adoption of this change, Bangladesh Export Import Co. Ltd.'s reporting period has been extended to June 30, 2016, in accordance with the directives of the Bangladesh Securities and Exchange Commission. Accordingly, we present the audited accounts for the period of 18 months from January 1, 2015 to June 30, 2016.

ANALYSIS OF OPERATING PERFORMANCE

Business Outlook – a general overview

The unfortunate unusual unrest of the country destroyed the business environment and the foreign buyers also become extremely cautious in dealing with Bangladeshis exporters.

However, we still feel that the vertical manufacturers like Beximco having world class facilities will still have the advantage over other producers in the long run. Under the new Zero Tolerance Compliance requirements both building and fire safety will be a central focus. Most marginal players and many buying houses exploiting them will disappear. An industry consolidation will take place.

We still feel that in spite of all the problems, Bangladesh has a long term competitive advantage, and extensive needlework experience, which cannot be easily substituted by any other country in the near future. RMG is definitely a sector which is highly beneficial for the Bangladeshi workers.

The net revenue of the Textile Division increased and other division's revenues slightly decreased during the period.

Domestic and Export Sales

Net sales during the period had increased compared to last year.

Profitability

Pre tax profit of the Company increased due to higher sale and reduction of operating expenses.

CHANGE IN ACCOUNTING YEAR

As mentioned the Finance Act 2015 passed by the Bangladesh Parliament requires companies, excluding banks, insurance and NBFIs to follow July-June as their financial year. This change in the reporting period is effective from July 1, 2016. Consequent to the provision of the Finance Act, we need to adopt an accounting year that will commence from July 1 and conclude on June 30. To comply with the regulation, we propose that effective from July 1, 2016 our accounting year will be a 12-month period starting from July 1 and ending June 30 instead of January 1 to December 31.

WORKING RESULTS

The Directors are pleased to report that the working results of the company for the 18 months ended on June 30, 2016 are as follows:

Taka in million

	For the period from 01.01.2015 to 30.06.2016	For the year 2014
Net profit before tax	1,316.83	656.58
Less: Provision for income tax	202.59	15.35
Net profit after tax	1,114.24	641.23
Add: Balance brought forward from previous year	14,836.79	15,097.09
Profit available for appropriation	15,951.03	15,738.32
Appropriation Recommended		
Stock Dividend (Bonus Share) at 15%	1,036.76	901.53
Balance carried forward	14,914.27	14,836.79
Total	15,951.03	15,738.32

DIVIDEND

The Board of Directors have recommended a stock dividend (Bonus share) @15% per share of Tk.10 each for the 18 months ended on June 30, 2016 subject to approval of the Shareholders in the Annual General Meeting.

DIRECTORS

Retirement and Re-election of Directors

Mr. A S F Rahman and Mr. A B Siddiqui Rahman, Directors of the Company retire by rotation as per Articles 123 and 124 of the Articles of Association of the Company and being eligible offer themselves for re-election.

RE-APPOINTMENT OF THE INDEPENDENT DIRECTOR

As per the Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission dated 7th August, 2012, Barrister Faheemul Huq was appointed as an Independent Director of the Company on 20.12.2012 for a period of 3 years upto 19.12.2015. After completion of the above three years tenure the Board has re-appointed him as an Independent Director of the Company on 20.12.2015 for a further period of 3 years upto 19.12.2018, subject to the approval by the Shareholders in the Annual General Meeting.

AUDITORS

The Directors hereby report that the existing Auditors M/s. M. J. Abedin & Co. , Chartered Accountants, National Plaza (3rd floor), 109, Bir Uttam C R Datta Road, Dhaka-1205 who appointed as Auditors of the Company in Forty Second Annual General Meeting carried out the audit for the year ended 31 December, 2015.

Due to the special requirement, as mentioned earlier, to prepare the 18 months audited accounts for approval in the AGM, M. J. Abedin & Co., Chartered Accountants, National Plaza (3rd floor), 109, Bir Uttam C R Datta Road, Dhaka-1205 was appointed to carry out audit for the period from 1 January 2016 to 30 June 2016 at an agreed fee of Tk. 747,500 including VAT.

M/s. M. J. Abedin & Co. , Chartered Accountants, National Plaza (3rd floor), 109, Bir Uttam C R Datta Road, Dhaka-1205 the Auditors of the Company retire at this meeting and have expressed their willingness to continue in the office for the year 2016-17.

BOARD AUDIT COMMITTEE

Barrister Faheemul Huq	Chairman
Mr. Iqbal Ahmed	Member
Mr. O K Chowdhury, FCA	Member
Mr. Mohammad Asad Ullah, FCS	Secretary

A detail of the activities of the Audit Committee has been provided in "Audit Committee Report".

BOARD MEETING AND ATTENDANCE

18 (eighteen) Board Meetings were held during 18 months from 01 January, 2015 to 30 June, 2016. The attendance record of the Directors of the Company is as follows:

Name of Directors	Meeting Attended
Mr. A S F Rahman	18
Mr. Salman F Rahman	18
Mr. Iqbal Ahmed	18
Mr. O K Chowdhury	18
Mr. A B S Rahman	18
Barrister Faheemul Huq	18

DIRECTORS' REPORT

TO THE SHAREHOLDERS FOR THE PERIOD FROM 01 JANUARY, 2015 TO 30 JUNE, 2016

CORPORATE AND FINANCIAL REPORTING

The Directors are pleased to confirm that:

- (a) The financial statements together with the notes thereon have drawn up in conformity with the Companies Act 1994 and Securities and Exchanges Rules 1987. These statements presents fairly the Company's statement of affairs, the result of its operation, cash flow and statement of changes in equity.
- (b) Proper books of accounts of the company have been maintained.
- (c) Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- (d) The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- (e) Internal Control System is sound in design and has been effectively implemented and monitored.
- (f) No significant doubts about the ability of the Company to continue as a going concern.
- (g) There is no significant deviation in operating result compared to last year.
- (h) The summarized key operating and financial data of last five preceding years is annexed as "Comparative Statistics" in the Annual Report.
- (i) The related party transactions have been disclosed in preparation of the financial statements (Note # 24).
- (j) The Pattern of share holding is as followings:

	Name	Shares held
(i)	Parent/Subsidiary/Associated Companies and other related Parties:	
	Beximco Holdings Ltd.	19,986,504
	New Dacca Industries Ltd.	9,695,607
	Beximco Engineering Ltd.	926,808
	Esses Exporters Ltd.	262,160
	Beximco Pharmaceuticals Ltd.	132,391
	Shinepukur Ceramics Ltd.	2,147,385
	Beximco Apparels Ltd.	333,626
(ii)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:	
	Mr. A S F Rahman, Director	49,851,124
	Mr. Salman F Rahman, Director	55,935,873
	Chief Executive Officer, Spouse and minor children	Nil
	Company Secretary, Spouse and minor children	Nil
	Chief Financial Officer, Spouse and minor children	Nil
	Head of Internal Audit, Spouse and minor children	Nil
(iii)	Executives	Nil
(iv)	Shareholders holding 10% or more Voting interest in the company	Nil

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

Chief Executive Officer and the Chief Financial Officer have certified to the Board that:

- (i) They have reviewed the Financial Statements for the period 01 January, 2015 to 30 June, 2016 and to the best of their knowledge and belief:

- a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transaction entered into by the Company during the period which are fraudulent, illegal or violation of the company's code of conduct.

KEY OPERATING AND FINANCIAL DATA

Particulars	30-06-2016	2014	2013	2012	2011
Paid up Capital	6,911,713	6,010,186	5,226,248	4,544,564	3,555,023
Revenue	32,409,554	22,161,145	21,692,955	24,459,599	27,438,488
Gross Profit	11,492,442	7,006,175	7,602,425	8,719,338	12,425,636
Profit Before Income Tax	1,316,834	656,577	522,952	2,298,296	7,793,010
Net Profit after Income Tax	1,114,242	639,021	354,416	1,689,416	7,164,222
Tangible Assets (Gross)	32,919,655	32,567,603	32,529,678	30,157,548	30,024,132
Cumulative Surplus	15,951,035	17,601,951	16,861,659	17,188,927	16,408,424
Dividend-both Cash and Stock	15%(B)	15%(B)	15%(B)	15%(B)	25%(B)
Return on Paid up Capital	16%	11%	7%	37%	202%
Shareholders' Equity	57,951,100	50,441,976	49,268,675	45,332,071	43,426,941
Earning per Share (Taka)	1.62	1.06	0.68	3.73	23.73
Shareholders' Equity Per Share(Taka)	84	84	94	100	122
Number of Shareholders	162,349	192,160	200,809	181,593	188,726
Number of Employees	6,963	7,852	7,942	7,852	7,561

CORPORATE GOVERNANCE COMPLIANCE STATUS REPORT

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

ACKNOWLEDGEMENT

The Directors has taken this opportunity to express our sincere thanks to our customers, bankers, suppliers, government agencies, regulatory bodies and everyone with whom the company interacted in conducting its business. We are grateful to you, the shareholders, for extending at all times, your valuable support and cooperation.

On behalf of the Board of Directors.



A S F Rahman
Chairman

Dated: 06 October, 2016

CORPORATE GOVERNANCE COMPLIANCE STATUS REPORT

ANNEXURE-I

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status		Remarks (If any)
		("√" in appropriate column)		
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1.1	Board's Size [number of Board members to be 5 – 20]	√		
1.2	Independent Directors			
1.2 (i)	Number of Independent Directors [at least 1/5]	√		
1.2 (ii)	Independent Director (ID) means a director:			
1.2 (ii) (a)	Holding no share or holding less than 1% shares	√		
1.2 (ii) (b)	Not being a sponsor and connected with any sponsor or director or shareholder holding 1% or more shares	√		
1.2 (ii) (c)	Not having any pecuniary or otherwise relationship with the company or its subsidiary/associated companies	√		
1.2 (ii) (d)	Not being member/director/officer of any stock exchange	√		
1.2 (ii) (e)	Not being shareholder/director/officer of any member of stock exchange or intermediary of capital market	√		
1.2 (ii) (f)	Not being partner/executive at present or during the preceding 3 years of the company's statutory audit firm	√		
1.2 (ii) (g)	Not being an ID in more than 3 listed companies	√		
1.2 (ii) (h)	Not convicted as defaulter in any loan of a bank or NBF	√		
1.2 (ii) (i)	Not convicted for a criminal offence	√		
1.2 (iii)	To be appointed by BOD and approved in the AGM	√		
1.2 (iv)	The post cannot remain vacant for more than 90 days	--	--	N/A
1.2 (v)	Laying down of code of conduct of Board members and recording of annual compliance of the code	√		
1.2 (vi)	Tenure of ID : 3 years, may be extended for one term	√		
1.3	Qualification of Independent Director			
1.3 (i)	Being knowledgeable, having integrity, ability to ensure compliance with laws and make meaningful contribution	√		
1.3 (ii)	Being a Business Leader/ Corporate Leader/ Bureaucrat/ University Teacher(Economics/Business/ Law)/CA/CMA/CS having 12 years of management/professional experience	√		
1.3 (iii)	Prior approval of the Commission in special cases	--	--	N/A
1.4	Appointment of Chairman and CEO, defining their roles	√		
1.5	The Director's Report to Shareholders shall include			
1.5 (i)	Industry outlook and possible future developments	√		
1.5 (ii)	Segment-wise or product-wise performance	√		Company operates in Trading, Textile, Denim, Knitting, IT, Fisheries & Real Estate. However, in relevant cases market segment performance has been analyzed
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	Discussion on COGS, Gross Profit and Net Profit Margins	√		
1.5 (v)	Discussion on continuity of Extra-Ordinary gain or loss	--		N/A
1.5 (vi)	Basis for and a statement of related party transactions	√		
1.5 (vii)	Utilization of proceeds from issuing instruments	--	--	N/A
1.5 (viii)	Explanation, if the financial results deteriorate after going for IPO, RPO, Right Offer, Direct Listing, etc	--	--	N/A
1.5 (ix)	Explanation about significant variance between Quarterly Financial performance and Annual Financial Statements	--	--	N/A

Condition No.	Title	Compliance Status		Remarks (If any)
		("√" in appropriate column)		
		Complied	Not Complied	
1.5 (x)	Remuneration to directors including IDs	√		No remuneration has been paid to any Director during the period under review except Independent Director.
1.5 (xi)	Fair presentation in financial statements	√		
1.5 (xii)	Maintaining proper books of accounts	√		
1.5 (xiii)	Consistent application of appropriate accounting policies, and accounting estimates being reasonable and prudent	√		
1.5 (xiv)	Following applicable IAS/BAS/IFRS/BFRS, and adequate disclosure for any departure there-from, if any	√		
1.5 (xv)	Soundness and monitoring of internal control system	√		
1.5 (xvi)	Statement regarding ability to continue as going concern	√		
1.5 (xvii)	Significant deviations from last year's operating results	√		
1.5 (xviii)	Summary of key operating/financial data of last 5 years	√		
1.5 (xix)	Reason for non declaration of Dividend	--	--	N/A
1.5 (xx)	Number of Board meetings and attendance of directors	√		
1.5 (xxi)	Pattern of shareholding (along with name wise details) by-			
1.5 (xxi) (a)	Parent/Subsidiary/Associate Companies & related parties	√		
1.5 (xxi) (b)	Directors, CEO, CS, CFO, HOIA, their spouses & children	√		
1.5 (xxi) (c)	Executives (Top 5 salaried employees other than above)	√		
1.5 (xxi) (d)	Shareholders holding 10% or more voting interest	√		
1.5 (xxii)	In case of the appointment/re-appointment of a director,			
1.5 (xxii) (a)	A brief resume of the director	√		
1.5 (xxii) (b)	Nature of his/her expertise in specific functional areas	√		
1.5 (xxii) (c)	Names of companies in which he/she holds directorship and the membership of committees of the board	√		
2	CFO, HEAD OF INTERNAL AUDIT AND CS:			
2.1	Appointment of a CFO, a Head of Internal Audit and a CS and defining their roles, responsibilities & duties	√		
2.2	Attendance of CFO and CS in the meetings of the Board	√		
3	AUDIT COMMITTEE:			
3 (i)	Having Audit Committee as a sub-committee of the BOD	√		
3 (ii)	Audit Committee to assist the BOD in ensuring fairness of financial statements and a good monitoring system	√		
3 (iii)	Audit Committee being responsible to the BOD; duties of Audit Committee to be clearly set forth in writing	√		
3.1	Constitution of the Audit Committee			
3.1 (i)	Audit Committee to be composed of at least 3 members	√		
3.1 (ii)	Audit Committee members to be appointed by BOD and at least one Independent Director to be included	√		
3.1 (iii)	Audit Committee members to be "financially literate" and at least one to have accounting/financial experience	√		
3.1 (iv)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within 1 month	√		
3.1 (v)	The CS to act as the secretary of the Audit Committee	√		
3.1 (vi)	No quorum in Audit Committee meeting without one ID	√		
3.2	Chairman of the Audit Committee			
3.2 (i)	Chairman to be an ID, selected by the BOD	√		
3.2 (ii)	Chairman of audit committee to remain present in AGM	√		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		
3.3 (iii)	Monitor Internal Control Risk management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review the annual financial statements	√		
3.3 (vi)	Review the quarterly and half yearly financial statements	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions	√		

CORPORATE GOVERNANCE COMPLIANCE STATUS REPORT

ANNEXURE-I

Condition No.	Title	Compliance Status		Remarks (If any)
		("√" in appropriate column)		
		Complied	Not Complied	
3.3 (ix)	Review Letters issued by statutory auditors	√		
3.3 (x)	Review disclosures/statements/declarations about uses of funds raised through IPO/RPO/Rights Issue	-	-	N/A
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1 (i)	Reporting on the activities of Audit Committee	√		
3.4.1 (ii) (a)	Reporting on conflicts of interests	--	--	N/A
3.4.1 (ii) (b)	Reporting on suspected/presumed fraud or irregularity or material defect in the internal control system	--	--	N/A
3.4.1 (ii) (c)	Reporting on suspected infringement of laws	--	--	N/A
3.4.1 (ii) (d)	Reporting on any other matter to disclose immediately	--	--	N/A
3.4.2	Reporting to BSEC	--	--	N/A
3.5	Reporting to the Shareholders and General Investors	√		
4	EXTERNAL / STATUTORY AUDITORS			
4.00 (i)	Non-engagement in appraisal/valuation/fairness opinions	√		
4.00 (ii)	Non-engagement in designing & implementation of FIS	√		
4.00 (iii)	Non-engagement in Book Keeping or accounting	√		
4.00 (iv)	Non-engagement in Broker-Dealer services	√		
4.00 (v)	Non-engagement in Actuarial services	√		
4.00 (vi)	Non-engagement in Internal Audit services	√		
4.00 (vii)	Non-engagement in services determined by Audit Com.	√		
4.00 (viii)	Possessing no share by any partner or employee of the external audit firm during the tenure of assignment	√		
4.00 (ix)	Non-engagement in Audit/Certification Services on Compliance of Corporate Govrnance as required under clause (i) of condition No. 7	√		
5	SUBSIDIARY COMPANY			
5 (i)	Composition of BOD to be similar to holding company	--	--	Not Similar
5 (ii)	One ID to be in both holding and subsidiary company	--	--	Different Independent Director in holding and subsidiary
5 (iii)	Minutes of Board meetings of subsidiary company to be placed at following Board meeting of holding company	√	--	
5 (iv)	Minutes of respective Board meeting of holding company to state that affairs of subsidiary company be reviewed	√	--	
5 (v)	Audit Committee of holding company to review financial statements / investments of subsidiary company	√	--	
6	DUTIES OF CEO AND CFO:			
6 (i) (a)	To certify that they've reviewed FSs which contain no untrue or misleading statement or omit no material fact	√		
6 (i) (b)	To certify that the statements present a true and fair view of affairs and are in compliance with accounting standards and applicable laws	√		
6 (ii)	To certify that no transaction is fraudulent, illegal or violation of company's code of conduct	√		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	Obtaining certificate regarding compliance and sending it to shareholders along with the Annual Report	√		
7 (ii)	To state, in accordance with annexure, in directors' report whether the conditions has been complied with	√		

CERTIFICATE ON COMPLIANCE

OF CORPORATE GOVERNANCE GUIDELINES

S. Abdur Rashid FCS

BCom (Hons), MBS (Finance & Banking), MBA (Finance), PGDHRM, LLB, AIPM

Chartered Secretary in Practice

Private Practice Certificate No.: 003

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Certificate on Compliance of Corporate Governance Guidelines [Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012]

We have reviewed the Compliance of Conditions of the Corporate Governance Guidelines by **Bangladesh Export Import Company Limited** ("the Company") for the period of 18 months ended 30 June 2016. Such compliance is the responsibility of the Company as stipulated in the above mentioned notification issued by Bangladesh Securities and Exchange Commission (BSEC).

We have conducted our review in a manner that has provided us a reasonable basis for evaluating the compliances and expressing our opinion thereon. This review has been limited to the measures adopted by the Company in ensuring such compliances and this has not been for expression of opinion on the financial statements or future viability of the Company.

According to the information and explanations provided to us by the Company, We hereby certify that all the conditions of the Corporate Governance Guidelines have been complied with by the Company.



S. Abdur Rashid FCS



Dhaka, 24 October 2016

AUDIT COMMITTEE REPORT

REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE FOR THE PERIOD OF 18 MONTHS ENDED ON 30TH JUNE 2016

DEAR SHAREHOLDERS,

I am pleased to present the Report of the Audit Committee for the period of 18 months from 1 January 2015 to 30 June 2016.

The Audit Committee Report presented under condition No.3.5 of the Bangladesh Securities and Exchange Commission(BSEC) Corporate Governance Guidelines provides an insight on the functions of the Audit Committee during the aforesaid period.

COMPOSITION

As mentioned in the Compliance Statement, the Board has formed an Audit Committee in terms of the conditions of BSEC Guidelines which is appended with the Compliance Report and also enclosed with the Directors' Report. The Committee is comprised of Barrister Faheemul Huq, Mr. O. K. Chowdhury, FCA and Mr. Iqbal Ahmed, of whom Barrister Faheemul Huq is an Independent Director and also the Chairman of the Committee. Mr. Mohammad Asad Ullah, FCS, Company Secretary, performs as Secretary to the Audit Committee. The Audit Committee is appointed by the main Board and all the Members are Non-Executive Directors.

As required, all Members of the Audit Committee are 'financially literate' and are able to analysis and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee.

THE ROLE OF AUDIT COMMITTEE

The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review and, when appropriate, make recommendations to the main Board on business risk, internal controls and compliance. The committee satisfies itself, by means of suitable steps and appropriate information, that proper and satisfactory internal control system are in place to identify and contain business risk and that the Company's business is conducted in a proper and economically sound manner. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Audit Committee is responsible to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

The role of the Audit Committee includes the following:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor Internal Control and Risk Management process.
- Oversee hiring and performance of external Auditors.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review statement of significant related party transactions submitted by the management.
- Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.
- To review whether all the applicable Rules, Regulations, Guidelines, Notifications, Directives, etc. framed/issued by the

regulatory authorities have been complied with.

- Other matters as per Terms Of Reference (TOR) of the Audit Committee and also as directed by the Board, from time to time.

AUTHORITY

In terms of Corporate Governance Guidelines, the Audit Committee is authorized by the Board to review any activity within the business as per its Terms Of Reference(TOR). It is authorized to seek any information it requires from, and requires the attendance at any of its meeting of any Director or Member of Management, and all employees are expected to co-operate with any request made by the Committee.

The Committee is also authorized to have information and advice from the Company Legal Advisor, Tax Consultant and Statutory Auditor if required. The TOR of the Audit Committee may be amended from time to time as required for the business in line with BSEC Notifications subject to approval by the Board of the Company.

REPORTING OF THE AUDIT COMMITTEE

Reporting to the Board of Directors: The Audit Committee reports on its activities to the Board of Directors. The Audit Committee immediately reports to the Board of Directors on the following findings, if any:

- Report on conflicts of interests;
- Suspected or presumed fraud or irregularity or material defect in the internal control system;
- Suspected infringement of laws, including securities related laws, rules and regulations;
- Any other matter that it deems necessary.

In compliance with condition No.6 of the Corporate Governance Guidelines of BSEC Notification dated August 7, 2012, the Chief Executive Officer(CEO) and Chief Financial Officer (CFO) have certified before the Board that they have thoroughly reviewed the Financial Statements of the Company for the period of 18 months from 1 January 2015 to 30 June 2016, and state that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws, and
- To the best of their knowledge and belief, the Company has not entered into any transaction during the year which are fraudulent, illegal or in violation of the Company's codes of conduct.

This certificate has been reviewed by the Audit Committee before submitting to the Board.

REPORTING TO THE SHAREHOLDERS AND GENERAL INVESTORS

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1(ii) of the BSEC's Corporate Governance Notification mentioned above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

MAIN ACTIVITIES AND RECOMMENDATIONS OF THE AUDIT COMMITTEE DURING 18 MONTHS ENDED ON 30TH JUNE 2016:

In terms of reference, the Committee in its meeting held on April 17, 2016 reviewed the Annual Financial Statements for the year 2015. During the meeting the Chief Financial Officer presented the draft annual accounts along with the independent auditors report to the Committee and briefed the committee regarding the financial performance of the Company. The Committee after reviewed decided to forward the audited accounts to the Board for their approval.

However, as you are aware, as per provisions of Finance Act 2015, other than Bank, Insurance and Non-Banking Financial Institutions are required to maintain July-June as their financial year. Pursuant to this, Bangladesh Securities and Exchange Commission (BSEC) subsequently issued guidelines for Companies for first time adoption of the change in the Financial Year. To comply with the BSEC Guidelines, the Company is required to prepare and publish audited accounts covering 18 months period i.e. January 1, 2015 to June 30, 2016. Accordingly the accounts for the period January-June 2016 were subsequently audited and combined 18 months audited accounts along with the report of the Auditors were prepared and submitted to the audit Committee for review.

The Audit Committee in its meeting held on September 28, 2016 reviewed the Financial Statements and the report of the Auditor for the 18 months period ending on June 30, 2016. The Audit Committee also had detailed discussion with the members of the accounts and finance department on various aspects of the financial statements and accounts. The Committee in detail looked into the compliance of the disclosure requirements set by the BSEC for the special reporting covering longer than usual accounting period. The Committee also reviewed the financial reporting process, discussed the adequacy of the internal control processes in place to prevent errors and fraudulent activities and thoroughly scrutinized the related party transactions carried out during the year. The committee was fully satisfied that the related party transactions were made on an arm length basis as part of normal course of business and the transactions have been adequately disclosed in the financial statements. The Independent Auditors' report also did not contain any material audit observation that warranted the Boards' attention. The Committee being satisfied, authorized for onward submission of the Audited Financial Statements to the Board for approval.

The Audit Committee met four times during the year 2015. All the Members were present in all meetings of the Committee.

The Committee held its first meeting of 2015 on April 21, to review the Audited Financial Statements of the Company for the year ended December 31, 2014. Detail discussions on the financial statements were held with the representatives of the

Management of the Company. No material audit observation that warrants for Board's attention was noted. The Committee, therefore, recommended for onward submission of the Audited Financial Statements to the Board for its approval.

The second meeting of the Committee was held on May 11, 2015, prior to release of the un-audited First Quarter Financial Statements of the Company for the quarter ended on March 31, 2015. The Committee reviewed the financial progress during the first quarter and examined in detail and recommended the same for approval by the Board to release to the Shareholders of the Company.

The third meeting of 2015 was held on July 13, 2015 to review the un-audited half-yearly financial Statements of the Company. The Committee being satisfied recommended for issue of the financial statements for the half-year ended on June 30, 2015.

The fourth meeting of the Committee was held on October 19, 2015 to release of the un-audited third quarter financial statements of the Company for the quarter ended September 30, 2015. The detailed review of the financial statements was made by the Committee and recommended to the Board for approval of the financial statements for release to the Shareholders of the Company.

The Chief Executive Officers of concerned Divisions, Chief Financial Officer, Internal Auditors of the Company and representatives of the External Auditors had attended all the meetings upon invitation by the Audit Committee. From time to time, other senior Members of Management have also been invited by the Audit Committee to attend in the above Audit Committee meetings. The Audit Committee met with the External Auditors and separately, with the internal Auditors on an annual basis.

The Audit Committee also reviewed, approved and monitored the procedures and task of the internal audit, financial report preparation and the external audit reports. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the Company and did not find any material deviation, discrepancies or any adverse findings/observation in the areas of reporting.

EXTERNAL AUDITORS

The Audit Committee conducted a formal evaluation of the effectiveness of the external audit process. The Committee has considered the tenure, quality and fees of the auditors, considered and made recommendations to the Board on the appointment and remuneration of external Auditors, M/s. M. J. Abedin & Company, Chartered Accountants for the year 2016-17, subject to the approval of shareholders in the 43rd AGM of the Company, who had carried out the audit of the Company for the period of 18 months from 1 January 2015 to 30 June 2016.



(BARRISTER FAHEEMUL HUQ)
CHAIRMAN
AUDIT COMMITTEE
28th September, 2016

STATEMENT OF CORPORATE GOVERNANCE

The maintenance of effective corporate governance remains a key priority of the Board of Bangladesh Export Import Company Limited. Recognizing the importance of it, the board and other senior management remained committed to high standards of corporate governance. To exercise clarity about directors' responsibilities towards the shareholders, corporate governance must be dynamic and remain focused to the business objectives of the Company and create a culture of openness and accountability. Keeping this in mind, clear structure and accountabilities supported by well understood policies and procedures to guide the activities of Company's management, both in its day-today business and in the areas associated with internal control have been instituted.

INTERNAL FINANCIAL CONTROL

The Directors are responsible for the Company's system of internal financial control. Although no system of internal control can provide absolute assurance against material misstatement and loss, the Company's system is designed to provide the directors with reasonable assurance that problems are timely identified and dealt with appropriately. Key procedures to provide effective internal financial control can be described in following heads:

Management structure - The Company is operating through a well defined management structure headed by three CEOs for separate units, under whom Executive Directors, General Managers for various departments and according to hierarchy, various senior and mid level management staffs. The CEOs, Executive Directors, General Managers meet at regular intervals represented also by finance, marketing and personnel heads.

Budgeting - There are comprehensive management reporting disciplines which involve the preparation of annual budgets by all operating departments. Executive management reviews the budgets and actual results are reported against the budget and revised forecasts are prepared at regular intervals.

Asset management - The Company has sound asset management policy, which reasonably assures the safeguarding of assets against unauthorized use or disposition. The Company also follows proper records and policy regarding capital expenditures.

Functional reporting - In pursuance with keeping the reliability of financial information used within the business or for publication, the management has identified some key areas which are subject to monthly reporting to the chairman of the board. These include monthly treasury operations and financial statements. Other areas are also given emphasis by reviewing on a quarterly basis. These include information for strategy, environmental and insurance matters.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the directors and the auditors in relation to the financial statements. The Companies Act, 1994 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit for the year to that date. In preparing those financial statements, the directors:

- select suitable accounting policies and then apply them in a consistent manner;
- make reasonable and prudent judgments and estimates where necessary;
- state whether all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the notes to the financial statements;
- take such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company;

- ensure that the financial statements comply with disclosure requirements of the Companies Act, 1994 and the Securities and Exchange Rules, 1987; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

BOARD COMMITTEES

The Board – The board is responsible to the shareholders for the strategic development of the company, the management of the Company's assets in a way that maximizes performance and the control of the operation of the business.

The board of directors is responsible for approving Company policy and is responsible to shareholders for the Company's financial and operational performance. Responsibility for the development and implementation of Company policy and strategy, day-to-day operational issues is delegated by the board to the management of the Company.

Board structure and procedure - The membership of the board during the period ended on 30th June 2016 stood at six directors. All directors are equally accountable as per law to the shareholders for the proper conduct of the business.

The Company's board currently comprises the Chairman, Vice-Chairman and other four directors. The name of the directors appears on page 3. The quorum for the board is at least three directors present in person.

GOING CONCERN

After making enquires, the directors, at the time of approving the financial statements, have determined that there is reasonable expectation that the Company have adequate resources to continue operation for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the financial statements.

RIGHTS AND RELATIONS WITH SHAREHOLDERS

Control rights of shareholders - At annual general meeting, shareholders have rights of participation. They have the right to ask questions on and request from information from the board regarding item on the agenda to the extent necessary to make an informed judgment of the Company's' affairs.

Relations with shareholders - The annual general meeting are used as an important opportunity for communication with both institutional and general shareholders. In addition, the Company maintains relations with its shareholders through the corporate affairs secretarial department. The following information can be addressed through the secretarial department:

The following information can be addressed through the secretarial department:

- Dividend payment enquires;
- Dividend mandate instruction;
- Loss of share certificate/dividend warrants;
- Notification of change of address; and

The Board believes that it is important to respond adequately to all the queries of both institutional and general shareholders. At the AGM, the shareholders are offered an opportunity to raise with the board any specific question they have concerning the Company. In addition, meetings are also held between individual directors and institutional shareholders at various times during the year.

FINANCIALS





AUDITORS' REPORT

AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS
OF

BANGLADESH EXPORT IMPORT COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

BEXIMCO

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF
BANGLADESH EXPORT IMPORT COMPANY LIMITED AND ITS SUBSIDIARIES

We have audited the accompanying consolidated financial statements of Bangladesh Export Import Company Limited and its Subsidiaries (the Group) which comprise the Statement of Financial Position as at 30 June 2016, the Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the period from 01 January 2015 to 30 June 2016 (18 months) then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the company as at 30 June 2016, and of its financial performance and its cash flows for the period of 18 months then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) as explained in note 2.03 & 3.00, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Other Matter

Financial Statements of the company for the year ended 31 December 2015 and period ended 30 June 2016 have separately been audited by us. As per Finance Act 2015 the company is required to follow accounting year as July to June, therefore, separately audited financial statements have been compiled as per directives of Bangladesh Securities and Exchange Commission.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1994 and the Securities and Exchange Rules 1987, we report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- 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 these books ;
- the Statement of Financial Position (Balance Sheet) and the Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account) dealt with by the report are in agreement with the books of account ; and
- the expenditure incurred was for the purposes of the company's business.

Dated, Dhaka
6-Oct-16


M. J. ABEDIN & CO
Chartered Accountants

BANGLADESH EXPORT IMPORT COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2016

	NOTES	AMOUNT IN TAKA	
		30-Jun-16	31-Dec-14
ASSETS			
Non-Current Assets		42,403,583,005	35,373,742,281
Property, Plant and Equipment	5.00	27,458,927,028	28,116,248,396
Investment Property	6.00	14,013,591,113	5,746,743,113
Investment in Shares	7.00	931,064,864	1,510,750,772
Current Assets		74,431,371,094	65,659,277,574
Inventories	8.00	2,820,676,850	3,077,924,432
Trade and Other Receivables	9.00	27,398,224,199	26,417,218,111
Advances, Deposits and Pre-Payments	10.00	43,898,468,391	36,083,551,099
Cash and Cash Equivalents	11.00	314,001,654	80,583,932
Total Assets		116,834,954,099	101,033,019,855
SHAREHOLDERS' EQUITY, NON-CONTROLLING INTEREST AND LIABILITIES			
Shareholders' Equity		59,317,339,748	50,459,534,578
Issued Share Capital	12.00	6,890,239,690	5,991,512,770
Reserve		36,535,229,928	28,772,585,298
Retained Earnings		15,891,870,130	15,695,436,510
Non-Controlling (Minority) Interest in Subsidiaries	13.00	2,064,427,771	2,132,297,492
Long Term Loans - Net off Current Maturity(Secured)	14.00	31,865,609,537	9,719,259,661
Gratuity Payable	15.00	101,599,302	92,417,698
Deferred Tax Liability	16.00	1,070,129,386	1,136,746,130
Current Liabilities		22,415,848,356	37,492,764,296
Short Term Loans from Banks and Others	17.00	3,381,610,433	14,425,555,672
Long Term Loans - Current Maturity(Secured)	18.00	10,981,684,238	15,790,946,883
Trade and Other Payables	19.00	8,052,553,685	7,276,261,741
Total Equity and Liabilities		116,834,954,099	101,033,019,855

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.


M. J. ABEDIN & CO
Chartered Accountants

Dated : 06 October 2016
Dhaka

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	Notes	AMOUNT IN TAKA			
		01.01.2015 - 30.06.2016	01.01.2016 - 30.06.2016	01.01.2015 - 31.12.2015	01.01.2014 - 31.12.2014
		18 Months	6 Months	12 Months	12 Months
Revenue (Turnover) from net Sales	20.00	34,490,102,247	11,677,127,939	22,812,974,308	23,861,429,595
Cost of Goods Sold	21.00	(22,517,256,154)	(7,658,776,679)	(14,858,479,475)	(16,408,413,689)
Gross Operating Profit		11,972,846,093	4,018,351,260	7,954,494,833	7,453,015,906
Operating Expenses		(1,374,063,818)	(481,234,601)	(892,829,217)	(1,048,854,054)
Administrative Expenses	22.00	(1,275,448,325)	(446,056,988)	(829,391,337)	(935,616,947)
Selling and Distribution Expenses	23.00	(98,615,493)	(35,177,613)	(63,437,880)	(113,237,107)
Operating Profit		10,598,782,275	3,537,116,659	7,061,665,616	6,404,161,852
Finance Cost	24.00	(9,275,954,255)	(3,126,372,590)	(6,149,581,665)	(5,691,868,241)
Net Profit before Contribution to WPPF		1,322,828,020	410,744,069	912,083,951	712,293,611
Contribution to Workers' Profit Participation / Welfare Fund		(66,738,772)	(23,306,203)	(43,432,569)	(33,918,743)
Net Profit before Income Tax		1,256,089,248	387,437,866	868,651,382	678,374,868
Income Tax Expenses	25.00	(174,408,240)	(28,346,565)	(146,061,675)	(39,483,683)
Net Profit after Tax		1,081,681,008	359,091,301	722,589,707	638,891,185
Non-Controlling (Minority) Interest in Loss/ (Income)		16,280,462	19,293,330	(3,012,867)	1,168,115
Net Profit after tax and Non-Controlling (Minority) Interest		1,097,961,470	378,384,630	719,576,840	640,059,300
Other Comprehensive Income					
Revaluation Surplus on Investment Property		7,708,611,028	7,708,611,028	-	885,208,513
Adjustment for Fair Value Loss on Investment in Shares		(335,307,181)	(170,671,777)	(164,635,404)	(350,928,167)
Total Comprehensive Income after Minority Interest		8,471,265,317	7,916,323,881	554,941,436	1,174,339,646
EPS (Par Value of Share Tk. 10/=)	26.00	1.59	0.55	1.04	0.93

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated : 06 October 2016
Dhaka

BANGLADESH EXPORT IMPORT COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	Share Capital	Reserves	Reserve	Total
As on 31 December 2013	5,207,576,310	16,819,943,154	27,960,877,060	49,988,396,524
Deferred Tax Liability up to 2013	-	(980,628,684)	-	(980,628,684)
Balance as on 31 December 2013 after Adjustment	5,207,576,310	15,839,314,470	27,960,877,060	49,007,767,840
As on 31 December 2013	5,207,576,310	15,839,314,470	27,960,877,060	49,007,767,839
Net Profit after Tax and Non-Controlling (Minority) Interest for the Year	-	640,059,300	-	640,059,300
Other Comprehensive Income:				
Revaluation Surplus on Investment Property	-	-	885,208,513	885,208,513
Fair Value loss on Investment in Shares	-	-	(350,928,167)	(350,928,167)
Excess of Fair Value over Book Value on Consolidation	-	-	277,427,892	277,427,892
Transactions with Shareholders:				
Issue of Bonus Shares for the prior Year (2013)	783,937,260	(783,937,260)	-	-
Adjustment for Shinepukur Ceramics Ltd.'s Investments with Beximco Ltd.	(800)	-	-	(800)
As on 31 December 2014	5,991,512,770	15,695,436,510	28,772,585,298	50,459,534,578
As on 31 December 2014	5,991,512,770	15,695,436,510	28,772,585,298	50,459,534,578
Net Profit after Tax and Non-Controlling (Minority) Interest for the period from 01.01.2015 to 30.06.2016 (18 Month)	-	1,097,961,470	-	1,097,961,470
Other Comprehensive Income:				
Revaluation Surplus on Investment Property	-	-	7,708,611,028	7,708,611,028
Fair Value loss on Investment in Shares	-	-	(335,307,181)	(335,307,181)
Excess of Fair Value over Book Value on Consolidation	-	-	389,340,783	389,340,783
Transactions with Shareholders:				
Issue of Bonus Shares for the prior Year (2014)	901,527,850	(901,527,850)	-	-
Adjustment for Shinepukur Ceramics Ltd.'s Investments with Beximco Ltd.	(2,800,930)	-	-	(2,800,930)
As on 30 June 2016	6,890,239,690	15,891,870,130	36,535,229,928	59,317,339,749

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.


M. J. ABEDIN & CO
Chartered Accountants

Dated : 06 October 2016
Dhaka

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	01.01.2015 - 30.06.2016	01.01.2014 - 31.12.2014
	18 Months	12 Months
Cash Flows from Operating Activities :		
Collection from turnover and other income	33,508,909,675	22,767,313,257
Payments for cost and expenses including interest & tax	(39,079,258,882)	(24,783,629,988)
Net Cash Used in Operating Activities	(5,570,349,206)	(2,016,316,731)
Cash Flows from Investing Activities :		
Property, plant and equipment acquired	(490,065,063)	(614,316,958)
Sales Proceeds of Property, plant and equipment	690,000	-
Net Cash Used in Investing Activities	(489,375,063)	(614,316,958)
Cash Flows from Financing Activities :		
Increase in loan	6,293,141,992	2,616,369,025
Net Cash Generated From Financing Activities	6,293,141,992	2,616,369,025
Increase/(Decrease) in Cash and Cash Equivalents	233,417,722	(14,264,664)
Cash and Cash Equivalents at Beginning of the period	80,583,932	94,848,596
Cash and Cash Equivalents at End of the period	314,001,654	80,583,932

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :

**A S F Rahman**
Chairman**Salman F Rahman**
Vice Chairman**Md. Luthfor Rahman**
Chief Financial Officer

As per our separate report of even date annexed.

Dated : 06 October 2016
Dhaka
M. J. ABEDIN & CO
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

1.00 The background and activities of the Company

1.01 Status of the Company

Bangladesh Export Import Company Limited (the Company) was incorporated in Bangladesh in 1972 under the Companies Act, 1913 as a public Limited Company and commenced its commercial operation in the same year. The company listed its shares with Dhaka Stock Exchange in 1989 and with Chittagong Stock Exchange in 1995 on its debut.

On 30-06-2016, the Company holds 50% shares (50% shares on 31-12-2014) of Shinepukur Ceramics Ltd., a company of Beximco Group engaged in manufacturing and marketing of ceramics tableware.

The company has a branch at London which has a subsidiary in USA named Beximco USA Ltd.

The company has its registered office and operational office at Beximco Corporate Head Quarters, 17, Dhanmondi Residential Area, Road No.2, Dhaka - 1205. The London Branch is situated at 12 Barkat House, 116-118 Finchley Road, London NW3 5HT, UK and Beximco USA Ltd. is located at 310, Selvidge Street, Delton, Georgia – 30722, USA.

1.02 Principal Activities

The business activities include investment operation, agency and trading in other commodities and produces and is engaged in manufacturing and marketing of yarn that are consumed by weaving mills of Bangladesh including its own weaving mills producing and marketing of high quality fabric, that are eventually consumed by the export oriented garments industries of Bangladesh including the garments factories of Beximco Group.

2.00 Bases of Financial Statements-Its Preparation and Presentation

2.01 Measurement bases

The financial statements have been prepared on the Historical Cost basis as modified to include the revaluation of certain property, plant and equipments which are stated at revalued amount, investment in shares of listed companies are carried at fair value based on the period end quoted price of Dhaka Stock Exchange Ltd. & investment property are valued at fair value.

2.02 Consolidated Financial Statements of the Group (Parent and Subsidiaries)

(a) Shinepukur Ceramics Ltd. and Beximco USA Ltd. (subsidiaries) and Bangladesh Export Import Co. Ltd. (the Parent)

The financial statements of subsidiaries have been consolidated with those of Bangladesh Export Import Co. Ltd. in accordance with BAS 27: Consolidated and Separate Financial Statements. In respect of the subsidiary undertakings, financial statements for the 18 month period ended 30 June 2016 have been used to draw up these financial statements.

(b) Subsidiary

Subsidiary is an entity controlled by the parent company. Control exists when the parent company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

(c) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions have been eliminated while preparing the consolidated financial statements. Unrealised gains arising from transactions with equity account of investees have been eliminated against the investment to the extent of the parent company's interest in the investee. Unrealised losses were eliminated in the same way as unrealised gains, but only to the extent that there was no evidence of impairment.

(d) Non-Controlling Interest (Minority Interest)

Non Controlling Interest represents minority's share of subsidiary's net assets.

2.03 Reporting Framework and Compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

local laws as applicable, and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.04 Presentation of Financial Statements

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

The Financial Statements Comprises:

- (a) a statement of financial position as at 30 June 2016;
- (b) a statement of profit or loss and other comprehensive income for the period from 01 January 2015 to 30 June 2016 (18 months);
- (c) a statement of changes in equity for the period from 01 January 2015 to 30 June 2016 (18 months);
- (d) a statement of cash flows for the period from 01 January 2015 to 30 June 2016 (18 months); and
- (e) notes, comprising a summary of significant accounting policies and other explanatory information.

2.05 Authorization for Issue

The financial statements have been authorized for issue by the Board of Directors on 06 October 2016.

2.06 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.07 Reporting Period and Comparative Information

The financial Statements have been prepared for 18(Eighteen) months (from 1st January 2015 to 30th June 2016) as per a directive of Bangladesh Securities & Exchange Commission (BSEC) to facilitate the adoption of reporting period of July to June in place of existing reporting period of calendar year (January to December) in compliance to the requirement of the National Board of Revenue (NBR) to follow uniform financial year.

Therefore, the financial statements for the period of 18 months (01.01.2015 to 30.06.2016) are not entirely comparable with the comparative of 12 months (01.01.2014 to 31.12.2014).

Figures for the year 2014 have been re-arranged wherever considered necessary to ensure better comparability with the current period.

2.08 Use of Estimates and Judgments

The preparation of financial statements in conformity with Bangladesh Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payables.

2.09 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS 7: Statement of Cash Flows.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

The cash generating from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of BAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

2.10 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis.

The information as required by BAS 24: Related Party Disclosures has been disclosed in a separate note to the accounts.

2.11 Events after the Reporting Period

In compliance with the requirements of BAS 10: Events after the Reporting Period, post statement of financial position events that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

3.00 Significant Accounting Policies

3.01 Revenue Recognition

In compliance with the requirements of BAS 18: Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Cash dividend income on investment in shares is recognized on approval of said dividend in the annual general meeting / Board meeting of relevant company. Stock dividend income (Bonus Shares) is not considered as revenue.

3.02 Property, Plant and Equipment

3.02.1 Recognition and Measurement

Property, plant and Equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation in compliance with the requirements of BAS 16: Property, Plant and Equipment. The Cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

In terms of paragraph 29 of BAS 16: Property, Plant and Equipment, the Company has chosen "Revaluation Model" for the measurement of Lands, Buildings and Plant and Machinery; and "Cost Model" for the measurement of Furniture and Fixtures and Vehicles. In terms of paragraph 31 of the aforesaid BAS, after recognition as an asset, the aforesaid items of property, plant and equipment whose fair value can be measured reliably has been carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made after every three years to ensure that the carrying amount does not differ materially from that which has been determined using fair value at the end of the reporting period.

3.02.2 Pre-Operating Expenses and Borrowing Costs

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing cost considering the requirement of BAS 23: Borrowing Costs.

3.02.3 Subsequent Expenditure

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, it is probable that the future economic benefits

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the statement of profit or loss and other comprehensive income as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.02.4 Software

Software is generally charged off as revenue expenditure. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.02.5 Disposal of Fixed Assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

3.02.6 Depreciation on Fixed Assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets. Depreciation is calculated on the cost of fixed assets in order to write off such amounts over the estimated useful lives of such assets. Depreciation is provided on all fixed assets except land at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

Building and Other Construction	.5% - 10%
Plant and Machinery	1.5% - 15%
Furniture, Fixture & Equipment	10% - 20%
Transport & Vehicle	20%
Furniture & Equipment of London Branch	15%

3.03 Investment Property

This represents Land & Building held by the company for capital appreciation and/or rental income. The Company has applied BAS 40, "Investment Property" and has adopted "fair value model". The gain arose from a change in the fair value has been recognized in other comprehensive income in compliance with the Bangladesh Securities and Exchange Commission's (BSEC) Notification dated 18 August 2013 on "Revaluation of Assets" which requires that "no dividend shall be issued out of revaluation surplus", although the BAS 40 requires that such gain or loss shall be recognized in profit or loss for the year.

3.04 Impairment

(a) Financial Assets

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.05 Leased Assets

In Compliance with the BAS 17 : Leases, cost of assets acquired under finance lease along with related obligation have been accounted for as assets and liabilities respectively of the company, and the interest element has been charged as expenses.

3.06 Investment in Shares

3.06.1 Investment in shares of Beximco USA Ltd. by Beximco London Branch is carried in this statement of financial position at Net Assets by consolidating assets and liabilities thereof.

3.06.2 Investment in shares of listed companies are carried in the statement of financial position at fair value based on DSE quoted price at the Period end and the gain/loss thereon were accounted for through other comprehensive income considering it as "Available – for – Sale" financial assets.

Investment in other shares is carried in the statement of financial position at cost.

3.07 Financial Instruments

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

3.07.1 Financial Assets

Financial Assets of the company include cash and cash equivalents, accounts receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

(a) Accounts Receivables

Accounts receivables are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, provision experience and general economic conditions. When an accounts receivable is determined to be uncollectible it is written off, firstly against any provision available and then to the statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of profit or loss and other comprehensive income.

(b) Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

(c) Cash and Cash Equivalents

Cash and Cash equivalents are carried in the statement of financial position at cost and include cash in hand and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.07.2 Financial Liability

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

3.08 Inventories

Inventories are valued at the lower of cost or net realizable value with cost determined by weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.09 Provision

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinary measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.10 Borrowing Costs

This has been dealt with the requirements of BAS 23: Borrowing Costs.

Borrowing costs relating to projects in commercial operation are recognized as expenses in the year in which they are incurred. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

3.11 Income Tax Expenses

This is the expected tax payable on the taxable income for the period, using tax rates enacted or subsequently enacted after the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised in compliance with BAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate income taxes levied by the same tax authority on the same taxable entity.

3.12 Employee Benefits

The company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the deed.

The company's employee benefits include the following:

(a) Defined Contribution Plan (Provident Fund)

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

The company contributes to a registered provident fund scheme (defined contribution plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution.

(b) Short-term employee benefits

Short-term employee benefits include salaries, bonuses, leave encashment etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

(c) Contribution to Workers' Participation/Welfare Funds

This represents 5% of net profit before tax contributed by the Company as per provisions of Bangladesh Labor Law, 2013 and is payable to workers as defined in the said law.

3.13 Proposed Dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend per share in accordance with the requirements of the Para 125 of Bangladesh Accounting Standard (BAS) 1 (Revised 2009): Presentation of Financial Statements. Also, the proposed dividend has not been considered as "Liability" in accordance with the requirements of the Para 12 & 13 of Bangladesh Accounting Standard (BAS) 10: Events After The Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board Directors.

3.14 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings (Numerator)

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of Shares in Issue (Denominator)

Current Period

This represents the number of ordinary shares outstanding at the beginning of the Period plus the number of ordinary shares issued during the Period multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the Period. However, the Bonus Shares issued during the period were treated as if they always had been in issue. Hence, in computing the Basic EPS, the total number of bonus shares has been considered.

Earlier Year (2014)

The number of shares outstanding before the bonus shares issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issues had occurred at the beginning of the earliest period reported (2014), and accordingly, in calculating the adjusted EPS of 2014, the total number of shares including the subsequent bonus issue in 2015 has been considered as the weighted Average Number of Shares Outstanding during the year 2014.

The basis of computation of number of shares as stated above, is in line with the provisions of BAS 33: Earnings Per Share. The logic behind this basis, as stated in the said BAS is that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings.

Diluted Earnings Per Share

No diluted EPS is required to be calculated for the period as there was no scope for dilution during the period under review.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

3.15 Foreign Currency Translations

The Financial records of the company are maintained and the financial statements are stated in Bangladesh Taka. The assets and liabilities denominated in foreign currencies at the financial position date are translated at the applicable rates of exchanges ruling at that date. Exchange difference is charged off as revenue expenditure in compliance with the provisions of BAS 21: The Effects of Changes in Foreign Exchange Rates. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

4.00 Financial risk management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

4.01 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. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables are nominal.

4.02 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing.

4.03 Market risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest 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.

(a) Currency risk

As at 30 June 2016 there was no exposure to currency risk as there were no foreign currency transactions made during the period under review.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

5.00 Property, Plant and Equipment : Tk. 27,458,927,028

The details are stated below:

Particulars	Amount in Taka						
	Land and Land Development	Building and Other Construction	Plant & Machinery	Furniture, Fixture & Equipment	Vehicle	Capital Work in Progress	Total
Cost / Valuation							
At 31 December 2014	13,884,140,503	6,925,797,021	16,496,050,858	680,704,861	209,537,383	1,700,331,064	39,896,561,690
Addition during the period	-	340,798,929	324,846,584	34,599,553	-	128,435,869	828,680,935
Disposal during the period	-	-	-	-	(1,090,000)	(338,615,872)	(339,705,872)
At 30 June 2016	13,884,140,503	7,266,595,950	16,820,897,442	715,304,414	208,447,383	1,490,151,061	40,385,536,753
Depreciation							
At 31 Dec, 2014	-	1,756,937,712	9,338,224,586	535,911,041	149,239,955	-	11,780,313,294
Charged during period	-	367,063,038	731,466,011	31,668,713	16,685,154	-	1,146,882,916
Disposal during the period	-	-	-	-	(586,484)	-	(586,484)
At 30 June 2016	-	2,124,000,750	10,069,690,597	567,579,753	165,338,625	-	12,926,609,725
Carrying Value							
At 30 June 2016	13,884,140,503	5,142,595,200	6,751,206,845	147,724,661	43,108,758	1,490,151,061	27,458,927,028
At 31 December 2014	13,884,140,503	5,168,859,309	7,157,826,272	144,793,821	60,297,428	1,700,331,064	28,116,248,396

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14

6.00 Investment Property : Tk. 14,013,591,113

This represents Land & Building held by the company for capital appreciation and/or rental income and is arrived as follows:

Opening Balance	5,746,743,113	4,861,534,600
Transferred from Inventories	8,266,848,000	-
Surplus on Revaluation for the period	-	885,208,513
	14,013,591,113	5,746,743,113

During the period, a portion of land was transferred from Inventory (Cost-558,236,972) to investment property and this portion was included in Investment property at fair value. This revaluation was done by an independent valuer Shiraz Khan Basak & Co., Chartered Accountants, R K Tower, 86 Bir Uttam C R Datta Road (312, Sonargaon), Level 10, Hatirpool, Dhaka-1205, and the valuer has revalued the said land of the Company as of 30 March 2016, following "current cost method". Such revaluation resulted in a revaluation surplus aggregating Tk. 7,708,611,028.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14
7.00 Investment in Shares : Tk. 931,064,864		
This consists of as follows:		
(i) In Associated undertakings :		
(a) In Shares 2,761,841 (2014: 2,630,325) of Beximco Pharmaceuticals Ltd. [Listed company, Market value Tk. 83.50 (2014: Tk. 58.70)per share on 30 June 2016]	230,613,723	154,400,078
(b) In 68,246 (2014: 68,246) Shares of Beximco Synthetics Ltd. [Listed company, Market value Tk. 6.30 (2014: Tk. 12.5) per share on 30 June 2016]	429,950	853,075
(c) In 999,800 Shares of Tk.100/= each of International Knitware and Apparels Ltd. (Cost price per share is Tk. 26.50)	-	26,494,700
(d) In 1,744,490 Shares of Tk.100/= each of Beximco Fashions Ltd. (Cost price per share is Tk. 13.60)	-	23,725,060
(e) In 999,800 Shares of Tk.100/= each of Crescent Fashions and Design Ltd. (Cost price per share is Tk. 24.90)	-	24,895,020
(f) In 158,888 Shares of Tk.100/= each of RR Washing Ltd. (Former Freshtex Bangladesh Ltd.) (Cost price per share is Tk. 34.70)	-	5,513,420
(ii) Others :		
(a) In 35,846,956 Shares of Tk.10/= each Dhaka Shanghai Ceramics Ltd.	358,469,560	422,782,060
(b) In 32,997,800 Shares of Tk.10/= each of GMG Airlines Ltd	299,980,000	299,980,000
(c) In 8,281,153 Shares of Unique Hotel & Resort Ltd.(Face value of Tk. 10.00)	-	545,727,983
(d) In 3,491 Shares of Investment Corporation of Bangladesh (Face value of Tk. 100.00)	-	4,807,456
(e) In 12 (2014: 12) Shares of Jamuna Oil Ltd. (Listed Company) [Market value Tk. 181.80 (2014: Tk. 205.90) per share on 30 June 2016]	2,181	2,471
(f) In 571,181 shares of Central Depository Bangladesh Ltd. [Avg. cost price per share is Tk.2.74 against face value of Tk.10]	1,569,450	1,569,450
(g) In 4,000,000 Shares of Beximco Power Co. Ltd. (Face value of Tk. 10.00)	40,000,000	-
	931,064,864	1,510,750,772

8.00 Inventories : Tk. 2,820,676,850

This represents as follows:

Land (Real Estate Business)	441,517,697	1,144,708,618
Construction work in progress (Real Estate Business)	321,385,478	336,936,615
Land Development and Others (Real Estate Business)	42,926,952	59,317,339
Work in Process	554,634,249	492,401,982
Raw Materials	622,521,924	396,607,187
Stores and Spares	218,838,572	211,723,494
Finished Goods	560,360,605	382,569,389
Fish & Shrimp	7,415,298	4,496,636
Packing Materials	50,800,629	48,987,338
Fish Feed	204,334	104,722
Jute Yarn(London Branch)	71,112	71,112
	2,820,676,850	3,077,924,432

9.00 Trade and Other Receivables - Tk. 27,398,224,199

This is unsecured but considered good.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14
10.00 Advances, Deposits and Pre-payments : Tk. 43,898,468,391		
This consists of as follows:		
(i) Advances:	43,772,180,546	35,924,557,453
Advance Income Tax	243,403,938	191,952,291
L/C Margin & Others	229,860,648	296,466,299
Suppliers	54,140,788	35,812,868
Trade Fair	13,109,321	4,353,717
Marketing Expenses	9,934,661	9,565,101
Other Advances	43,221,731,190	35,386,407,177
(ii) Deposits	89,474,310	122,180,111
(iii) London Branch	36,813,535	36,813,535
	43,898,468,391	36,083,551,099
This is unsecured but considered good.		
No amount was due by the directors (including Managing Director), Managing Agents, Managers and other officers of the company and any of them severally or jointly with any other person.		
No amount was due by the associated undertakings.		
11.00 Cash and Cash Equivalents : Tk. 314,001,654		
This consist of as follows:		
In Hand	45,424,957	23,061,584
In Current Account with banks	256,824,491	36,151,668
In STD account with banks	8,658,670	18,793,610
In fixed deposit and accrued interest with bank	2,825,724	2,309,258
London Branch	267,812	267,812
	314,001,654	80,583,932
12.00 Issued Share Capital : Tk. 6,890,239,690		
(a) Authorised:		
1,000,000,000 Ordinary Shares of Tk. 10/-each	10,000,000,000	10,000,000,000
(b) Issued, Subscribed and Paid-Up:		
4,000,000 Ordinary Shares of Tk.10/- each fully paid-up in cash	40,000,000	40,000,000
515,458,289 (2014: 425,305,504 Ordinary Shares of Tk.10/-each issued as fully paid-up bonus shares	5,154,582,890	4,253,055,040
22,019,999 Ordinary Shares of Tk.10/-each issued in exchange for acquisition of shares of Shinepukur Ceramics Ltd.	220,199,990	220,199,990
12,600,000 Ordinary Shares of Tk. 10/- each issued to the shareholders of Beximco Real Estate Ltd.	126,000,000	126,000,000
650,000 Ordinary Shares of Tk. 10/- each issued to the shareholders of Beximco Fisheries Ltd.	6,500,000	6,500,000
11,909,840 Ordinary Shares of Tk. 10/- each issued to the shareholders of Bangladesh Online Ltd.	119,098,400	119,098,400
9,187,487 Ordinary Shares of Tk. 10/- each issued to the shareholders of Dhaka-Shanghai Ceramics Ltd.	91,874,870	91,874,870
107,282,919 Ordinary Shares of Tk. 10/- each issued to the shareholders of Bextex Ltd.	1,072,829,190	1,072,829,190
2,649,470 Ordinary Shares of Tk. 10/- each issued to the shareholders of International Knitwear & Apparels Ltd.	26,494,700	26,494,700
2,372,506 Ordinary Shares of Tk. 10/- each issued to the shareholders of Beximco Fashions Ltd.	23,725,060	23,725,060
2,489,502 Ordinary Shares of Tk. 10/- each issued to the shareholders of Crescent Fashions & Design Ltd.	24,895,020	24,895,020
551,342 Ordinary Shares of Tk. 10/- each issued to the shareholders of RR Washing Ltd. (Former FreshTex Bangladesh Ltd.)	5,513,420	5,513,420
Adjustment for Shinepukur Ceramics Ltd.'s Investment with Beximco 2,147,385 Ordinary Shares of Tk. 10/- each	(21,473,850)	(18,672,920)
Total 689,023,969 Shares of Tk. 10/= each	6,890,239,690	5,991,512,770

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

(c) Composition of Shareholding:

	30 June 2016		31 December 2014	
	No. of Shares	%	No. of Shares	%
Sponsors:				
A S F Rahman	49,851,124	7.24%	43,348,804	7.24%
Salman F Rahman	55,935,873	8.12%	48,639,890	8.12%
Associates	31,337,096	4.55%	27,249,651	4.55%
Foreign Investors	67,693,862	9.82%	61,238,826	10.22%
ICB including ICB Investors' Account	104,386,951	15.15%	87,227,027	14.56%
General Public & Financial Institutions	379,819,063	55.12%	331,447,079	55.32%
Total :	689,023,969	100%	599,151,277	100%

(d) Distributions Schedule– Disclosures under the Listing Regulations of Stock Exchanges:

The distribution schedule showing the number of shareholders and their shareholdings in percentage has been disclosed below as a requirement of the “Listing Regulations” of Dhaka and Chittagong Stock Exchanges:

Share holding Range in number of Shares	Number of holders	% of total holders	Number of Shares	% of Share Capital
1 to 499	91,459	56.34%	14,265,941	2.07%
500 to 5,000	58,366	35.95%	94,851,846	13.77%
5,001 to 10,000	6,705	4.13%	47,473,583	6.89%
10,001 to 20,000	3,254	2.00%	45,303,366	6.58%
20,001 to 30,000	1,032	0.64%	25,253,460	3.67%
30,001 to 40,000	427	0.26%	14,840,112	2.15%
40,001 to 50,000	278	0.17%	12,710,556	1.84%
50,001 to 100,000	457	0.28%	31,770,902	4.61%
100,001 to 1,000,000	327	0.20%	82,193,740	11.93%
Over 1,000,000	43	0.03%	320,360,463	46.49%
Total :	162,348	100%	689,023,969	100%

(e) Option on Unissued Shares :

There is no option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid-up capital through the issuance of new shares.

(f) Market Price :

The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 24.00 and Tk. 24.00 per share in the Dhaka and Chittagong Stock Exchanges on 30 June 2016.

(g) Voting Rights :

The rights and privileges of the shareholders are stated in the Bye Laws (Articles of Association) of the company.

13.00 Non-Controlling (Minority) Interest in Subsidiaries : Tk. 2,064,427,771

This represents minority's share of subsidiary's net assets.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14
14.00 Long Term Loans - Net off Current Maturity(Secured) : Tk. 31,865,609,537		
This represents Loans from:		
Sonali Bank Ltd. - Long Term (12 years) Interest Bearing Block -A/C-12701	7,330,133,084	-
Janata Bank-Demand Loan Cash 1	-	1,506,194,140
Sonali Bank Ltd. - Short Term (6 years) Interest Bearing Block -A/C-12718	3,609,611,742	-
Janata Bank Ltd. - Long Term Loan-2	2,545,185,256	-
Janata Bank -Demand Loan BBLC	-	874,920,563
Janata Bank-Demand Loan Cash 2	-	735,615,472
National Bank Ltd. - Long Term (12 years) Loan General LD -1293	1,529,093,786	-
Rupali Bank Ltd.- CCP and CCH Segregation	-	298,089,498
Rupali Bank Ltd. - PAD Segregation	-	300,580,000
Rupali Bank Ltd. - Forced Loan 2	-	488,524,042
Rupali Bank Ltd.- Term Loan 1	-	146,132,000
Rupali Bank Ltd.- Term Loan 2	-	96,964,000
AB Bank Ltd- Term Loan (12 Years)	501,985,026	-
Phonix Finance & Investment	254,650,911	-
Bank Asia Ltd. - Term Loan	283,617,019	309,512,312
Rupali Bank Ltd.- Interest Free Block	-	74,246,902
Rupali Bank Ltd. - Forced Loan 1	-	42,614,539
Bangladesh Development Bank Ltd.- Term Loan	22,636,856	34,236,856
Term loan(FILIL)	36,775,428	-
Bangladesh Development Bank Ltd.- Interest Block	18,901,596	24,501,596
Southeast Bank Ltd. - Term Loan	37,343,934	66,763,653
Lease Obligation	2,210,999	-
Sonali Bank Ltd.- Demand loan on PAD	-	3,004,570,192
Sonali Bank Ltd.- PAD Block	-	588,357,057
National Bank Ltd.-Term Loan 2	-	314,408,606
Sonali Bank Ltd.- Interest Bearing Block	-	293,269,732
Sonali Bank Ltd.- IBP Loan	-	283,501,948
National Bank Ltd.-Term Loan 1	-	227,233,866
Sonali Bank Ltd.- Interest Free	-	9,022,687
Rupali Bank Ltd. - Long Term Loan (12 Years)	3,662,350,485	-
Rupali Bank Ltd. - Long Term Loan (6 Years)	4,069,378,450	-
Janata Bank Ltd. - Long Term Loan (12 Years)	7,961,734,965	-
	31,865,609,537	9,719,259,661

Nature of security :

- (i) Equitable mortgage over the immovable property.
- (ii) Hypothecation by way of a floating charge on all other movable assets both present and future.
- (iii) First charge over all the finished stock, work - in - process and current assets excluding book debts.

Terms of Repayment :**Bank Asia Ltd. - Term Loan :**

In 20 (Twenty) equal Quarterly installments commencing from 31 January 2017 as per revised sanction.

Southeast Bank Ltd. - Term Loan :

In 21 (Twenty one) equal monthly installments commencing from 30 September 2016 as per revised sanction.

Phonix Finance & Investment

In 96 (Ninety) equal monthly installments commencing from 25 July 2015, as per revised sanction.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

Rates of Interest:**Bank Asia Ltd. - Term Loan :**

12% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Southeast Bank Ltd. - Term Loan :

12 % p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Phonix Finance & Investment

19.50 % p.a. or the lending rate applicable from time to time based on Bank rate / policy.

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14
15.00 Gratuity Payable : Tk. 101,599,302		
This is arrived at as follows:		
Opening Balance	92,417,698	74,840,687
Add: Addition during the Period	12,410,479	21,339,471
	104,828,177	96,180,158
Less: Payment during the period	(3,228,875)	(3,762,460)
Closing Balance	101,599,302	92,417,698
16.00 Deferred Tax Liability : Tk. 1,070,129,386		
Deferred Tax Liability is arrived at as follows:		
Book Value of Depreciable Fixed Assets	10,755,714,813	11,173,295,235
Less: Tax Base	(3,457,719,944)	(3,714,058,951)
Taxable Temporary Difference	7,297,994,869	7,459,236,284
Effective Tax Rate	15.25%	15.25%
Deferred Tax Liability	1,070,129,386	1,136,746,130
17.00 Short Term Loans from Banks and Others : Tk. 3,381,610,433		
This is secured and consists of as follows:		
Secured:		
Rupali Bank-Overdraft	-	1,483,874,783
Janata Bank- CCH	1,033,930,812	1,079,517,928
Sonali Bank- CC (Hypothecation)	574,623,467	4,060,938,879
Janata Bank Cash Subsidy	147,515,220	119,160,228
Sonali Bank- LTR	74,382,775	137,974,109
Southeast Bank - LTR	72,562,456	66,335,972
Sonali Bank Ltd. -EDF	39,557,890	-
State Bank of India-CCH	-	128,014,902
Janata Bank Ltd. - SBLC (M Bank, Dubai)	-	2,206,277,483
Agrani Bank - SBLC (M Bank, Dubai)	-	1,965,000,000
AB Bank Ltd.	-	369,987,500
Phoenix Finance and Investment Ltd.	-	291,647,057
Sonali Bank Ltd. - PAD	-	41,800,000
Unsecured:		
Beximco Pharmaceuticals Ltd.	1,439,037,813	2,475,026,831
	3,381,610,433	14,425,555,672

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14
18.00 Long Term Loans - Current Maturity(Secured) Tk. 10,981,684,238		
This consists of as follows:		
Exim Bank -Forced Loan	2,656,596,534	2,168,082,458
Agrani Bank-Industrial Credit Loan-1	2,325,791,933	-
Agrani Bank- Forced Loan	2,049,103,729	1,661,193,897
Rupali Bank - Forced Loan-2	-	860,746,373
10% Debentures	908,055,926	853,584,111
AB Bank Ltd. - Term Loan	933,592,426	699,237,203
Sonali Bank Ltd. - Short Term (6 years) Interest Bearing Block -A/C-12718	523,600,000	-
Sonali Bank Ltd. - Long Term (12 years) Interest Bearing Block -A/C-12701	460,800,000	-
Rupali Bank Ltd.- Forced Loan	-	206,233,703
Lease Obligation	143,798,032	125,035,932
AB Bank Ltd. - Time Loan	126,069,848	89,745,565
Southeast Bank Ltd. - Term Loan	29,141,304	71,700,000
Term Loan (FLIL)	82,715,516	96,055,532
National Bank Ltd. - Long Term (12 years) Loan General LD -1293	62,788,151	-
Sonali Bank Ltd. - Project	20,236,264	93,129,957
Bangladesh Development Bank Ltd.- Term Loan	32,240,965	31,085,768
Janata Bank Ltd. - Long Term Loan-2	22,000,000	-
Bangladesh Development Bank Ltd.- Interest Block	19,935,313	17,179,740
AB Bank Ltd- Term Loan (12 Years)	15,416,146	-
Agrani Bank-Industrial Credit Loan-2	4,742,415	-
Janata Bank Ltd- Demand Loan (Cash-1)	-	1,920,716,983
Sonali Bank Ltd.- PAD Block	-	1,298,490,702
Janata Bank Ltd- Demand Loan (BBLC)	-	915,862,149
Janata Bank Ltd- Demand Loan (Cash-2)	-	748,198,151
Rupali Bank Ltd. - PAD Block	-	671,078,422
Sonali Bank Ltd.- CCP & CCH Segregation	-	563,970,635
Sonali Bank Ltd.- IBP Loan	-	520,478,453
National Bank Ltd.- Term Loan 2	-	431,699,261
National Bank Ltd.- Term Loan 1	-	348,857,770
Rupali Bank Ltd.- Term Loan 1	-	328,530,444
Rupali Bank Ltd.- Term Loan 2	-	219,635,112
Rupali Bank Ltd.- Interest Free Block	-	86,068,000
Consortium Loan	-	50,049,239
Sonali Bank Ltd.- Interest Free	-	31,391,830
The City Bank Ltd	-	12,662,322
Sonali Bank Ltd. - PAD Blocked	-	18,184,525
Rupali Bank Ltd. - Long Term Loan (12 Years)	136,645,833	-
Rupali Bank Ltd. - Long Term Loan (6 Years)	303,533,333	-
Janata Bank Ltd. - Long Term Loan (12 Years)	40,000,000	-
Bank Asia Ltd. (Term Loan)	34,999,722	-
Phoenix Finance & Investment Ltd.	49,880,848	-
	10,981,684,238	15,790,946,883

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	As at 30-Jun-16	as at 31-Dec-14
19.00 Trade and Other Payables : Tk. 8,052,553,685		
This consists of as follows:		
Creditors for Goods	6,355,523,424	5,094,402,260
Income Tax Payables	249,725,099	994,432,133
Advance Against sale of Investment in Shares	274,470,348	451,474,440
Other Current Liabilities	1,116,692,355	680,485,449
London Branch	37,152,459	37,152,459
Security Deposit from Distributor	18,990,000	18,315,000
	8,052,553,685	7,276,261,741

	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months
20.00 Revenue : Tk. 34,490,102,247				
This is made-up as follows:				
Sale of Goods (Net)	34,342,819,180	11,589,146,251	22,753,672,929	23,816,555,527
Commission and Other Income	57,413,320	12,896,323	44,516,997	23,218,943
Dividend Income	4,215,631	120	4,215,511	22,270,547
Capital (Loss)/Gain on Sale of Shares	85,654,116	75,085,245	10,568,871	(615,421)
	34,490,102,247	11,677,127,939	22,812,974,308	23,861,429,595

21.00 Cost of Revenue : TK. 22,517,256,154

This represents cost of goods sold against sale of:

Yarn, Fabrics & Others	20,615,671,738	7,028,858,542	13,586,813,197	14,972,349,511
Table Ware (Shinepukur Ceramics Ltd.)	1,600,154,418	527,673,093	1,072,481,325	1,253,443,603
Internet Services & Software	258,279,568	85,634,456	172,645,113	155,331,150
Shrimp and Fish (Fisheries Unit)	37,286,129	10,746,288	26,539,841	27,289,425
Land	5,864,300	5,864,300	-	-
	22,517,256,154	7,658,776,679	14,858,479,475	16,408,413,689

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months
22.00 Administrative Expenses : Tk. 1,275,448,325				
This Consists of as follows:				
Salaries and Allowances	852,829,272	297,502,285	555,326,987	540,351,719
Car Repairs and Maintenance	75,926,661	19,240,509	56,686,152	113,003,722
Fees and Charges	43,912,672	5,493,419	38,419,253	38,232,382
Repairs and Maintenances	51,573,182	18,799,156	32,774,026	35,434,829
Rent, Rates and Taxes	36,866,591	11,752,153	25,114,438	27,438,602
Miscellaneous Overhead	54,173,779	30,175,510	23,998,269	43,911,703
Travelling and Conveyance	39,436,521	15,691,934	23,744,587	41,028,366
Depreciation	21,153,221	9,270,072	11,883,149	17,543,972
Postage, Telegram, Telex and Telephone	18,302,542	6,885,528	11,417,014	12,310,588
General Office Expenses	21,978,462	11,883,587	10,094,875	10,877,656
Welfare Expenses	13,041,739	3,806,151	9,235,588	11,352,816
Entertainment	13,057,583	4,023,006	9,034,577	7,109,358
Insurance	6,794,110	2,240,580	4,553,530	16,293,960
Petrol, Fuel, Electricity, Gas and Water	5,580,083	1,957,769	3,622,314	5,722,129
Printing and Stationery	5,802,164	2,515,735	3,286,429	4,042,042
AGM Expenses	3,204,627	647,165	2,557,462	1,946,474
Audit Fees (Including VAT @ 15%)	3,277,500	1,092,500	2,185,000	2,070,000
Publicity and Advertisement	2,236,757	371,012	1,865,745	140,850
Gratuity	1,287,455	71,215	1,216,240	1,966,028
Subscriptions	3,329,180	2,219,622	1,109,558	3,301,932
Utilities Expenses	905,664	365,675	539,989	541,786
CDBL Charges	519,054	-	519,054	593,021
Training and Conference	259,505	52,405	207,100	403,012
	1,275,448,325	446,056,988	829,391,337	935,616,947

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months

23.00 Selling and Distribution Expenses : Tk. 98,615,493

This consists of as follows:

Salaries & Allowances	47,285,226	19,423,708	27,861,518	20,692,369
Promotional Expenses	18,521,333	5,505,861	13,015,472	47,916,768
Distribution Expenses	-	-	-	21,173,845
Occupancy Expenses	10,766,985	3,436,477	7,330,508	5,032,352
Office Expenses	6,752,524	2,165,412	4,587,112	4,761,613
Welfare Expenses	3,837,434	1,098,503	2,738,931	2,648,927
Transport Expenses	2,935,394	875,816	2,059,578	3,518,339
Travelling & Conveyance Expenses	1,777,976	676,004	1,101,972	2,111,261
Gratuity	1,136,422	62,860	1,073,562	1,610,347
Communication Expenses	1,239,001	481,434	757,567	889,552
Utilities Expenses	1,027,150	365,683	661,467	534,481
Handling & Carrying Expenses	939,101	292,585	646,516	144,290
Show Room Expenses	852,408	256,644	595,764	637,564
Lease Rental	499,930	-	499,930	655,204
Legal & Professional Fees	511,045	302,636	208,409	94,153
Advertising & Publicity	338,880	135,240	203,640	627,724
Product Research	186,684	98,750	87,934	171,318
Training Local	8,000	-	8,000	-
Repairs & Maintenances	-	-	-	17,000
	98,615,493	35,177,613	63,437,880	113,237,107

24.00 Finance Cost : Tk. 9,275,954,255

This Consists of as follows:

Interest on Loan from Banks and Others	8,790,848,738	2,998,476,601	5,792,372,137	4,793,274,937
Bank Charges and Commission	83,594,535	28,288,184	55,306,351	411,225,689
Interest on Loan from Related Company	401,510,982	99,607,805	301,903,177	487,367,615
	9,275,954,255	3,126,372,590	6,149,581,665	5,691,868,241

25.00 Income Tax Expenses : Tk. 174,408,240

This represents:

Current Tax Expenses	225,424,161	73,117,111	152,307,050	104,700,933
Deferred Tax Income	(66,616,744)	(60,371,370)	(6,245,375)	(14,168,880)
Short Provision of Tax for Earlier years	15,600,824	15,600,824	-	32,304,777
Excess Provision of Tax for Earlier years	-	-	-	(83,353,147)
	174,408,240	28,346,565	146,061,675	39,483,683

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months

26.00 Basic Earnings per Share (EPS)

The computation of EPS is given below :

(a) Net Profit for the period after tax and Non-controlling (minority interest)	1,097,961,470	378,384,630	719,576,840	640,059,300
(b) Weighted average number of shares used for EPS (Note - 3.14)	689,023,969	689,023,969	689,023,969	689,023,969
(c) Basic EPS (a/b)	1.59	0.55	1.04	0.93

27.00 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The nature of transactions and their total value is shown below:

Name of the Related Parties	Nature of transactions	Value of transactions during the period	Balance at the end of the period
Beximco Pharmaceuticals Ltd.	Investment in Shares	-	230,613,723
Beximco Pharmaceuticals Ltd.	Short Term Loan	1,035,989,018	(1,439,037,813)
Beximco Pharmaceuticals Ltd.	Interest Expense	401,510,982	-
Beximco Synthetics Ltd.	Investment in Shares	-	429,950

Nature of Relationship

The Company, and the parties as stated above are subject to common control from same source i.e., Beximco Group.

28.00 Contingent Liabilities

There was no sum for which the company is contingently liable as on 30 June 2016.

29.00 Capital Expenditure Commitment

- (a) There was no capital expenditure contracted but not incurred or provided for at 30 June 2016.
 (b) There was no material capital expenditure authorized by the board but not contracted for at 30 June 2016.

30.00 Claims Not Acknowledged As Debt

There was no claim against the Company not acknowledge as debt as on 30 June 2016.

31.00 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed of as on 30 June 2016 other than trade credit available in the ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

32.00 Benefit to Directors

During the period under review

- (i) no compensation was allowed by the company to the Managing Director of the company;
- (ii) no amount of money was spent by the company for compensating any member of the Board for special service rendered; and
- (iii) No board meeting attendance fee was paid to the directors of the Company except to the independent director of Tk. 220,000.

33.00 Events After The Reporting Period

Subsequent to the Statement of Financial Position date, no dividend was recommended by the board on 06 October 2016. However the board of directors recommended 15% stock dividend of Tk. 10/= each (15 Bonus Shares for each 100 shares held) on 20 April 2016 which is subject to shareholders' approval at the forthcoming Annual General Meeting. Except the fact as stated above, no circumstances has arisen since the balance sheet date which would require adjustments to, or disclosure in, the financial statements or notes thereto.



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

Dated : 06 October 2016
Dhaka



AUDITORS' REPORT

AND AUDITED FINANCIAL STATEMENTS
OF

BANGLADESH EXPORT IMPORT COMPANY LIMITED
AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

BEXIMCO

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF BANGLADESH EXPORT IMPORT COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Bangladesh Export Import Company Limited, which comprise the Statement of Financial Position as at 30 June 2016, the Statements of Profit or Loss & Other Comprehensive Income, Changes in Equity and Cash Flows for the period from 01 January 2015 to 30 June 2016 (18 months) then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) as explained in note 2.02 & 3.00, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 30 June 2016, and of its financial performance and its cash flows for the period of 18 months then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) as explained in note 2.02 & 3.00, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Other Matter

Financial Statements of the company for the year ended 31 December 2015 and period ended 30 June 2016 have separately been audited by us. As per Finance Act 2015 the company is required to follow accounting year as July to June, therefore, separately audited financial statements have been compiled as per directives of Bangladesh Securities and Exchange Commission.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1994 and the Securities and Exchange Rules 1987, we report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books;
- (c) the Statement of Financial Position (Balance Sheet) and the Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account) dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the company's business.

Dated, Dhaka
6-Oct-16


M. J. ABEDIN & CO
Chartered Accountants

BANGLADESH EXPORT IMPORT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	NOTES	AMOUNT IN TAKA	
		30-Jun-16	31-Dec-14
ASSETS			
Non - Current Assets		37,506,400,538	30,865,237,760
Property, Plant and Equipment - Carrying Value	4.00	21,915,508,093	22,550,409,994
Investment Property	5.00	14,013,591,113	5,746,743,113
Investment in Shares	6.00	1,577,301,332	2,568,084,653
Current Assets		73,542,324,171	64,614,651,537
Inventories	7.00	2,208,352,560	2,406,572,933
Trade and Other Receivables	8.00	27,303,274,137	26,259,344,971
Advances, Deposits and Pre-Payments	9.00	43,732,991,042	35,889,780,788
Cash and Cash Equivalents	10.00	297,706,432	58,952,845
Total Assets		111,048,724,709	95,479,889,297
EQUITY AND LIABILITIES			
Shareholders' Equity		57,951,099,696	49,463,553,916
Issued Share Capital	11.00	6,911,713,540	6,010,185,690
Reserves	12.00	35,088,351,600	27,715,047,753
Retained Earnings		15,951,034,556	15,738,320,473
Non - Current Liabilities		32,261,024,131	10,321,405,713
Long Term Loans - Net-off Current Maturity (Secured)	13.00	31,289,997,673	9,342,983,696
Deferred Tax Liability	14.00	971,026,458	978,422,017
Current Liabilities		20,836,600,882	35,694,929,668
Long Term Loans - Current Maturity (Secured)	15.00	10,847,426,100	15,607,932,401
Short Term Loans	16.00	2,620,483,845	13,359,897,224
Trade and Other Payables	17.00	7,368,690,937	6,727,100,043
Total Equity and Liabilities		111,048,724,709	95,479,889,297

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated, Dhaka
6-Oct-16

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	Notes	AMOUNT IN TAKA			
		01.01.2015 - 30.06.2016	01.01.2016 - 30.06.2016	01.01.2015 - 31.12.2015	01.01.2014 - 31.12.2014
		18 Months	6 Months	12 Months	12 Months
Revenue	18.00	32,409,544,223	11,022,640,913	21,386,903,310	22,161,145,166
Cost of Revenue	19.00	(20,917,101,736)	(7,131,103,586)	(13,785,998,150)	(15,154,970,086)
Gross Profit		11,492,442,487	3,891,537,327	7,600,905,160	7,006,175,080
Operating Expenses		(10,109,766,612)	(3,402,107,069)	(6,707,659,543)	(6,316,769,209)
Administrative Expenses	20.00	(1,183,489,675)	(406,393,789)	(777,095,886)	(862,603,829)
Selling and Distribution Expenses		(17,340,196)	(9,583,760)	(7,756,436)	(21,173,845)
Finance Cost	21.00	(8,908,936,741)	(2,986,129,520)	(5,922,807,221)	(5,432,991,535)
Profit before WPPF and Income Tax		1,382,675,875	489,430,258	893,245,617	689,405,871
Contribution to WPPF		(65,841,709)	(23,306,203)	(42,535,506)	(32,828,851)
Net Profit before Tax		1,316,834,166	466,124,055	850,710,111	656,577,020
Income Tax Expenses	22.00	(202,592,233)	(68,446,095)	(134,146,138)	(15,349,607)
Net Profit after Tax (NPAT) for the period		1,114,241,933	397,677,959	716,563,973	641,227,413
Other Comprehensive Income:					
Revaluation Surplus on Investment Property (Note 3.03 & 5)		7,708,611,028	7,708,611,028	-	885,208,513
Fair Value Loss on Investment in Shares		(335,307,181)	(170,671,777)	(164,635,404)	(350,928,167)
Total Comprehensive Income for the period		8,487,545,780	7,935,617,210	551,928,569	1,175,507,759
EPS based on NPAT (Adjusted EPS of 2014)	23.00	1.62	0.58	1.04	0.93

The accompanying notes form an integral part of the financial statements.

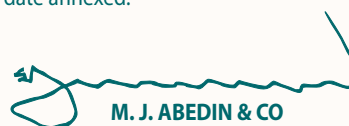
Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :


A S F Rahman
Chairman

Salman F Rahman
Vice Chairman

Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.

Dated, Dhaka
6-Oct-16

M. J. ABEDIN & CO
Chartered Accountants

BANGLADESH EXPORT IMPORT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	Share Capital	Reserves (Note - 12)	Retained Earnings	Total Equity
Balance as on 31 December 2013 before adjustment	5,226,248,430	27,180,767,407	16,861,659,004	49,268,674,841
Deferred Tax Liability up to 2013 (Note -14)	-	-	(980,628,684)	(980,628,684)
Balance as on 31 December 2013 after Adjustment	5,226,248,430	27,180,767,407	15,881,030,320	48,288,046,157
As on 31 December 2013	5,226,248,430	27,180,767,407	15,881,030,320	48,288,046,157
Net Profit after tax for the year 2014	-	-	641,227,413	641,227,413
Other Comprehensive Income:				
Revaluation Surplus on investment property	-	885,208,513	-	885,208,513
Fair Value Loss on Investment in Shares	-	(350,928,167)	-	(350,928,167)
Transaction with Shareholders:				
Issue of Bonus Shares for the prior year (2013)	783,937,260	-	(783,937,260)	-
As on 31 December 2014	6,010,185,690	27,715,047,753	15,738,320,473	49,463,553,916
Number of Shares				601,018,569
Net Assets Value Per Share				82.30
As on 31 December 2014	6,010,185,690	27,715,047,753	15,738,320,473	49,463,553,916
Net Profit after tax for the period ended 30 June 2016	-	-	1,114,241,933	1,114,241,933
Other Comprehensive Income:				
Fair Value Loss on Investment in Shares (Note-12)	-	(335,307,181)	-	(335,307,181)
Revaluation Surplus on Investment Property (Note-12)	-	7,708,611,028	-	7,708,611,028
Transaction with Shareholders:				
Issue of Bonus Shares for the prior year (2014)	901,527,850	-	(901,527,850)	-
As on 30 June 2016	6,911,713,540	35,088,351,600	15,951,034,556	57,951,099,696
Number of Shares				691,171,354
Net Assets Value Per Share				83.84

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated, Dhaka
6-Oct-16

STATEMENT OF CASH FLOWS

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	01.01.2015 - 30.06.2016	01.01.2014 - 31.12.2014
	18 Months	12 Months
Cash Flows From Operating Activities:	(5,855,989,090)	(2,888,797,388)
Cash Received Against Revenue and Others	31,365,615,057	20,550,234,540
Cash Paid to Suppliers and Others	(37,221,604,147)	(23,439,031,928)
Cash Flows From Investing Activities:	(352,351,620)	(37,924,611)
Purchase of Property, Plant and Equipment	(352,351,620)	(37,924,611)
Cash Flows From Financing Activities:	6,447,094,297	2,905,314,584
Increase in Loan	6,447,094,297	2,905,314,584
Increase/(Decrease) in Cash and Cash Equivalents	238,753,587	(21,407,415)
Cash and Cash Equivalents at Opening	58,952,845	80,360,260
Cash and Cash Equivalents at Closing	297,706,432	58,952,845
Net Operating Cash Flow Per Share	(8.47)	(4.81)

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the board of directors on 06 October 2016 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.

Dated, Dhaka
6-Oct-16



M. J. ABEDIN & CO
Chartered Accountants

1.00 The background and activities of the Company

1.01 Status of the Company

Bangladesh Export Import Company Limited (the company) is a public limited company incorporated in Bangladesh in 1972 under the Companies Act, 1913 and launched its commercial operation in the same year. The company listed its shares with Dhaka Stock Exchange in 1989 and with Chittagong Stock Exchange in 1995 on its debut.

The company has a branch at London which has a subsidiary in USA named Beximco USA Ltd.

The company has its registered office and operational office at Beximco Corporate Head quarters, 17, Dhanmondi Residential Area, Road No.2, Dhaka - 1205. The London Branch is situated at 12 Barkat House, 116-118 Finchley Road, London NW3 5HT, UK and Beximco USA Ltd. is located at 310, Selvidge Street, Delton, Georgia – 30722, USA.

1.02 Principal Activities

The business activities include investment operation, agency and trading in other commodities and produces and is engaged in manufacturing and marketing of yarn that are consumed by weaving mills of Bangladesh including its own weaving mills producing and marketing of high quality fabric, that are eventually consumed by the export oriented garments industries of Bangladesh including the garments factories of Beximco Group.

2.00 Bases of Financial Statements-Its Preparation and Presentation

2.01 Measurement bases

The financial statements have been prepared on the Historical Cost basis as modified to include the revaluation of certain Property, Plant and Equipments which are stated at revalued amount, investment in shares of listed companies are carried at fair value based on the period end quoted price of Dhaka Stock Exchange Ltd. and investment property are valued at fair value.

2.02 Reporting Framework and Compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws as applicable, and in accordance with the Bangladesh Financial Reporting Standards (BFRSs) as explained in Note-3.

2.03 Presentation of Financial Statements

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

The Financial Statements Comprises:

- (a) a statement of financial position as at 30 June 2016;
- (b) a statement of profit or loss and other comprehensive income for the period from 01 January 2015 to 30 June 2016 (18 months);
- (c) a statement of changes in equity for the period from 01 January 2015 to 30 June 2016 (18 months);
- (d) a statement of cash flows for the period from 01 January 2015 to 30 June 2016 (18 months); and
- (e) notes, comprising a summary of significant accounting policies and other explanatory information.

2.04 Authorization for Issue

The financial statements have been authorized for issue by the Board of Directors on 6 October 2016.

2.05 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

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2.06 Reporting Period and Comparative Information

The financial Statements have been prepared for 18(Eighteen) months (from 1st January 2015 to 30th June 2016) as per a directive of Bangladesh Securities & Exchange Commission (BSEC) to facilitate the adoption of reporting period of July to June in place of existing reporting period of calendar year (January to December) in compliance to the requirement of the National Board of Revenue (NBR) to follow uniform financial year.

Therefore, the financial statements for the period of 18 months (01.01.2015 to 30.06.2016) are not entirely comparable with the comparative of 12 months (01.01.2014 to 31.12.2014).

Figures for the year 2014 have been re-arranged wherever considered necessary to ensure better comparability with the current period.

2.07 Use of Estimates and Judgments

The preparation of financial statements in conformity with Bangladesh Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payables.

2.08 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS 7: Statement of Cash Flows.

The cash generating from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of BAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

2.09 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis.

The information as required by BAS 24: Related Party Disclosures has been disclosed in a separate note to the accounts.

2.10 Events after the Reporting Period

In compliance with the requirements of BAS 10: Events after the Reporting Period, post statement of financial position events that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

3.00 Significant Accounting Policies

3.01 Revenue Recognition

In compliance with the requirements of BAS 18: Revenue, revenue receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Cash dividend income on investment in shares is recognized on approval of said dividend in the annual general meeting / Board meeting of relevant company. Stock dividend income (Bonus Shares) is not considered as revenue.

3.02 Property, Plant and Equipment

3.02.1 Recognition and Measurement

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation in compliance with the requirements of BAS 16: Property, Plant and Equipment. The Cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

In terms of paragraph 29 of BAS 16: Property, Plant and Equipment, the Company has chosen "Revaluation Model" for the measurement of Lands, Buildings and Plant and Machinery; and "Cost Model" for the measurement of Furniture and Fixtures and Vehicles. In terms of paragraph 31 of the aforesaid BAS, after recognition as an asset, the aforesaid items of property, plant and equipment whose fair value can be measured reliably has been carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made after every three years to ensure that the carrying amount does not differ materially from that which has been determined using fair value at the end of the reporting period.

3.02.2 Pre-Operating Expenses and Borrowing Costs

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing cost considering the requirement of BAS 23: Borrowing Costs.

3.02.3 Subsequent Expenditure

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the statement of profit or loss and other comprehensive income as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.02.4 Software

Software is generally charged off as revenue expenditure. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.02.5 Disposal of Fixed Assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

3.02.6 Depreciation on Fixed Assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets. Depreciation is calculated on the cost of fixed

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assets in order to write off such amounts over the estimated useful lives of such assets. Depreciation is provided on all fixed assets except land at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

Building and Other Construction	2% - 10%
Plant and Machinery	5%-15%
Furniture, Fixture & Equipment	10% - 20%
Transport & Vehicle	20%
Furniture & Equipment of London Branch	15%

3.03 Investment Property

This represents Land & Building held by the company for capital appreciation and/or rental income. The Company has applied BAS 40, "Investment Property" and has adopted "fair value model". The gain arose from a change in the fair value has been recognized in other comprehensive income in compliance with the Bangladesh Securities and Exchange Commission's (BSEC) Notification dated 18 August 2013 on "Revaluation of Assets" which requires that "no dividend shall be issued out of revaluation surplus", although the BAS 40 requires that such gain or loss shall be recognized in profit or loss for the year.

3.04 Impairment

(a) Financial Assets

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.05 Leased Assets

In Compliance with the BAS 17: Leases, cost of assets acquired under finance lease along with related obligation has been accounted for as assets and liabilities respectively of the company, and the interest element has been charged as expenses.

3.06 Financial Instruments

Non-derivative financial instruments comprise investment in shares, accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

3.06.1 Financial assets

Financial assets of the company include investment in shares, cash and cash equivalents, accounts receivable and other receivables.

(a) Investment in Shares

Investment in shares of listed companies are carried in the statement of financial position at fair value based on DSE quoted price at the period end and the gain/loss thereon were accounted for through other comprehensive income considering it as "Available – for – Sale" financial assets.

Investment in other shares is carried in the statement of financial position at cost.

(b) Accounts Receivables

Accounts receivables are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, provision experience and general economic conditions. When an accounts receivable is determined to be uncollectible it is written off, firstly against any provision available and then to the statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of profit or loss and other comprehensive income.

(c) Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to the statement of profit or loss and other comprehensive income.

(d) Cash and Cash Equivalents

Cash and Cash equivalents are carried in the statement of financial position at cost and include cash in hand and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.06.2 Financial Liability

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

3.07 Inventories

Inventories are valued at the lower of cost or net realizable value with cost determined by weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.08 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.09 Borrowing Costs

This has been dealt with the requirements of BAS 23: Borrowing Costs.

Borrowing costs relating to projects in commercial operation are recognized as expenses in the period in which they are incurred. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

3.10 Income Tax Expenses

Current Tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or subsequently enacted after the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised in compliance with BAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.11 Employee Benefits

The company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the deed.

The company's employee benefits include the following:

(a) Defined Contribution Plan (Provident Fund)

The company contributes to a registered provident fund scheme (defined contribution plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution.

(b) Short-term employee benefits

Short-term employee benefits include salaries, bonuses, leave encashment, etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

(c) Contribution to Workers' Participation/Welfare Funds

This represents 5% of net profit before tax contributed by the Company as per provisions of Bangladesh Labor Law, 2013 and is payable to workers as defined in the said law.

3.12 Proposed Dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend per share in accordance with the requirements of the Para 125 of Bangladesh Accounting Standard (BAS) 1 (Revised 2009): Presentation of Financial Statements. Also, the proposed dividend has not been considered as "Liability" in accordance with the requirements of the Para 12 & 13 of Bangladesh Accounting Standard (BAS) 10: Events After The Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board Directors.

3.13 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings (Numerator)

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of Shares in Issue (Denominator)

Current Period

This represents the number of ordinary shares outstanding at the beginning of the period plus the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the period. However, the Bonus Shares issued during the Period were treated as if they always had been in issue. Hence, in computing the Basic EPS, the total number of bonus shares has been considered.

Earlier Year (2014)

The number of shares outstanding before the bonus shares issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issues had occurred at the beginning of the earliest period reported (2014), and accordingly, in calculating the adjusted EPS of 2014, the total number of shares including the subsequent bonus issue in 2015 has been considered as the weighted Average Number of Shares Outstanding during the year 2014.

The basis of computation of number of shares as stated above is in line with the provisions of BAS 33 Earnings Per Share. The logic behind this basis, as stated in the said BAS is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings.

Diluted Earnings Per Share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

3.14 Foreign Currency Translations

The Financial records of the company are maintained and the financial statements are stated in Bangladesh Taka. The assets and liabilities denominated in foreign currencies at the financial position date are translated at the applicable rates of exchanges ruling at that date. Exchange difference is charged off as revenue expenditure in compliance with the provisions of BAS 21: the Effects of Changes in Foreign Exchange Rates. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

3.15 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS 7: Statement of Cash Flows. The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as encouraged by BAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.16 Events after the Reporting Period

In compliance with the requirements of BAS 10: Events after the Reporting Period, post balance sheet events that provide additional information about the company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material.

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4.00 Property, Plant and Equipment : Tk. 21,915,508,093

The details are stated below:

Particulars	Amount in Taka						
	Land and Land Development	Building and other construction	Plant & Machinery	Furniture, Fixture & Equipment	Vehicle	Capital Work in Progress	Total
Cost/Valuation :							
At 31 December 2014	12,187,111,000	5,545,116,752	13,713,701,871	596,319,521	186,737,904	338,615,872	32,567,602,920
Addition in 2015	-	338,615,872	166,803,423	19,326,112	-	(338,615,872)	186,129,535
At 31 December 2015	12,187,111,000	5,883,732,624	13,880,505,294	615,645,633	186,737,904	-	32,753,732,455
Addition in 2016	-	-	148,028,718	12,909,924	-	5,283,443	166,222,085
At 30 June 2016	12,187,111,000	5,883,732,624	14,028,534,012	628,555,557	186,737,904	5,283,443	32,919,954,540
Depreciation :							
At 31 December 2014	-	1,456,168,782	7,966,651,624	462,886,624	131,485,896	-	10,017,192,926
Charged in 2015	-	218,790,693	420,348,967	19,240,976	11,006,924	-	669,387,560
At 31 December 2015	-	1,674,959,475	8,387,000,591	482,127,600	142,492,820	-	10,686,580,486
Charged in 2016	-	106,260,489	198,608,461	8,590,514	4,406,497	-	317,865,961
At 30 June 2016	-	1,781,219,964	8,585,609,052	490,718,114	146,899,317	-	11,004,446,447
Carrying Value :							
At 30 June 2016	12,187,111,000	4,102,512,660	5,442,924,960	137,837,443	39,838,587	5,283,443	21,915,508,093
At 31 December 2015	12,187,111,000	4,208,773,149	5,493,504,703	133,518,033	44,245,084	-	22,067,151,969
At 31 December 2014	12,187,111,000	4,088,947,970	5,747,050,247	133,432,897	55,252,008	338,615,872	22,550,409,994

Details of Revaluation done during the years 1977, 1988, 2011 & 2013 :

Particulars	Amount in Tk.
Increase by re-valuation in 1977	1,733,120
Increase by re-valuation in 1988	4,617,873
Increase by re-valuation in 2011	5,988,990,434
Increase by re-valuation in 2013	2,133,194,757
Increase by revaluation	8,128,536,184

	AMOUNT IN TAKA	
	30-Jun-16	31-Dec-14

5.00 Investment Property: Tk. 14,013,591,113

This represents Land & Building held by the company for capital appreciation and/or rental income and is arrived as follows:

Opening Balance	5,746,743,113	4,861,534,600
Transferred from Inventories	8,266,848,000	-
Surplus on Revaluation for the period	-	885,208,513
	14,013,591,113	5,746,743,113

During the period, a portion of land was transferred from Inventory (Cost-558,236,972) to investment property and this portion was included in Investment property at fair value. This revaluation was done by an independent valuer Shiraz Khan Basak & Co., Chartered Accountants, R K Tower, 86 Bir Uttam C R Datta Road (312, Sonargaon), Level 10, Hatirpool, Dhaka-1205, and the valuer has revalued the said land of the Company as of 30 March 2016, following "current cost method". Such revaluation resulted in a revaluation surplus aggregating Tk. 7,708,611,028.

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	AMOUNT IN TAKA	
	As at 30-Jun-16	As at 31-Dec-14
6.00 Investment in Shares : Tk. 1,577,301,332		
This consists of as follows:		
(a) In Associated undertakings :		
(i) In 73,483,009 Shares of Shinepukur Ceramics Ltd. (Subsidiary Company-50% Shares) (Face value of Tk. 10.00) {Listed company, Market value Tk. 8.80 per share on 30 June 2016}	646,650,479	1,058,155,330
(ii) In 2,761,841 Shares of Beximco Pharmaceuticals Ltd. (Face value of Tk. 10.00) {Listed company, Market value Tk. 83.50 per share on 30 June 2016}	230,613,723	154,400,078
(iii) In 999,800 Shares -costs per share is Tk. 26.50 against face value of Tk. 100/= each of International Knitwear & Apparels Ltd.	-	26,494,700
(iv) In 1,744,490 Shares - costs per share is Tk. 13.60 against face value of Tk.100/= each of Beximco Fashions Ltd.	-	23,725,060
(v) In 999,800 Shares - costs per share is Tk. 24.90 against face value of Tk. 100/= each of Crescent Fashions & Design Ltd.	-	24,895,020
(vi) In 158,888 Shares - costs per share is Tk. 34.70 against face value of Tk. 100/= each of RR Washing Ltd. (Former Freshtex Bangladesh Ltd.)	-	5,513,420
(vii) In 2,530 Shares of Beximco Synthetics Ltd. (Face value of Tk. 10.00) {Listed company, Market value Tk. 6.30 per share on 30 June 2016}	15,939	31,625
	877,280,141	1,293,215,233
(b) Others		
(i) In 8,281,153 Shares of Unique Hotel & Resort Ltd.(Face value of Tk. 10.00)	-	545,727,983
(ii) In 3,491 Shares of Investment Corporation of Bangladesh (Face value of Tk. 100.00)	-	4,807,456
(iii) In 12 Shares of Jamuna Oil Ltd. (Face value of Tk. 10.00) {Listed company, Market value Tk. 181.80 per share on 30 June 2016}	2,181	2,471
(iv) In 32,997,800 Shares of GMG Airlines Ltd. (Average cost price per share is Tk. 9.09 against face value of Tk.10.00)	299,980,000	299,980,000
(v) In 571,181 Shares of Central Depository Bangladesh Ltd. (Average cost price per share is Tk. 2.74 against face value of Tk. 10.00)	1,569,450	1,569,450
(vi) In 35,846,956 Shares of Tk.10/= each of Dhaka Shanghai Ceramics Ltd.	358,469,560	422,782,060
(vii) In 4,000,000 Shares of Beximco Power Co. Ltd. (Face value of Tk. 10.00)	40,000,000	-
	700,021,191	1,274,869,420
Total=(a+b)	1,577,301,332	2,568,084,653

(c) The basis of valuation is stated in Note 3.06.1(a).

Disclosure in Respect of Subsidiary Company Under Section 186 of The Companies Act 1994

- (d)** Investment in subsidiary company Shinepukur Ceramics Ltd. of 73,483,009 shares represents 50.00% of the paid-up capital of the said Company (146,966,055 shares of Tk. 10/ each). The accumulated loss of Shinepukur Ceramics Ltd. as on 30 June 2016 of Tk. (194,475,671) including net loss after tax for the eighteen month period ended 30 June 2016 of Tk. 32,560,925 as per its audited financial statements for the eighteen month period ended 30 June 2016 is being carried forward to the next year's accounts of the said subsidiary company and has not been dealt with in or for the purpose of the accounts of Bangladesh Export Import Company Limited.

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	AMOUNT IN TAKA	
	As at 30-Jun-16	As at 31-Dec-14
7.00 Inventories : Tk. 2,208,352,560		
This consists of as follows:		
Land (Real Estate Business)	441,517,697	1,144,708,618
Construction work in progress (Real Estate Business)	321,385,478	336,936,615
Land Development and Others (Real Estate Business)	42,926,952	59,317,339
Work in Process	390,431,119	293,668,443
Raw Materials	457,009,091	219,972,057
Stores and Spares	217,029,712	201,114,957
Finished Goods	326,610,103	145,455,641
Fish & Shrimp	7,415,298	4,496,636
Packing Materials	3,751,664	726,793
Fish Feed	204,334	104,722
Jute Yarn(London Branch)	71,112	71,112
	2,208,352,560	2,406,572,933
8.00 Trade and Other Receivables : Tk. 27,303,274,137		
This is unsecured but considered good.		
No amount was due by the directors (including Managing Director), Managing Agents, Managers and other officers of the company and any of them severally or jointly with any other person.		
No amount was due by the associated undertakings.		
9.00 Advances, Deposits and Pre-payments : Tk. 43,732,991,042		
This consists of as follows:		
Advances against Purchase of Land and Others	43,152,444,332	35,349,509,475
L/C Margin	201,986,916	261,303,687
Advance Income Tax	227,464,105	161,398,596
Security Deposit	55,975,765	56,733,901
Other Advances	50,219,760	15,934,966
London Branch	36,813,535	36,813,535
Lease Deposit	7,801,220	7,801,220
Bank Guarantee Margin	285,409	285,409
	43,732,991,042	35,889,780,788
This is unsecured but considered good.		
No amount was due by the directors (including Managing Director), Managing Agents, Managers and other officers of the company and any of them severally or jointly with any other person.		
No amount was due by the associated undertakings.		
10.00 Cash and Cash Equivalents : Tk. 297,706,432		
This consist of as follows:		
Cash in Hand	45,282,060	21,871,248
In Current Account with Banks	246,343,724	19,584,969
In STD Account with Banks	4,201,983	15,854,712
In Fixed Deposit and Accrued Interest thereon with a Bank	1,610,853	1,374,104
London Branch	267,812	267,812
	297,706,432	58,952,845

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	AMOUNT IN TAKA	
	As at 30-Jun-16	As at 31-Dec-14
11.00 Issued Share Capital : Tk. 6,911,713,540		
(a) Authorised		
1,000,000,000 Ordinary Shares of Tk. 10/-each	10,000,000,000	10,000,000,000
(b) Issued, Subscribed and Paid-up		
4,000,000 Ordinary Shares of Tk.10/-each fully paid-up in cash	40,000,000	40,000,000
515,458,289 (2014: 425,305,504 Ordinary Shares of Tk.10/-each issued as fully paid-up bonus shares	5,154,582,890	4,253,055,040
22,019,999 Ordinary Shares of Tk.10/-each issued in exchange for acquisition of shares of Shinepukur Ceramics Ltd.	220,199,990	220,199,990
12,600,000 Ordinary Shares of Tk.10/-each issued to the shareholders of Shinepukur Holdings Ltd.	126,000,000	126,000,000
650,000 Ordinary Shares of Tk.10/-each issued to the shareholders of Beximco Fisheries Ltd.	6,500,000	6,500,000
11,909,840 Ordinary Shares of Tk.10/-each issued to the shareholders of Bangladesh Online Ltd.	119,098,400	119,098,400
9,187,487 Ordinary Shares of Tk.10/-each issued to the shareholders of Dhaka-Shanghai Ceramics Ltd.	91,874,870	91,874,870
107,282,919 Ordinary Shares of Tk. 10/-each issued to the shareholders of Bextex Ltd.	1,072,829,190	1,072,829,190
2,649,470 Ordinary Shares of Tk. 10/-each issued to the shareholders of International Knitwear & Apparels Ltd.	26,494,700	26,494,700
2,372,506 Ordinary Shares of Tk. 10/-each issued to the shareholders of Beximco Fashions Ltd.	23,725,060	23,725,060
2,489,502 Ordinary Shares of Tk. 10/-each issued to the shareholders of Crescent Fashions & Design Ltd.	24,895,020	24,895,020
551,342 Ordinary Shares of Tk. 10/-each issued to the shareholders of Freshtex Bangladesh Ltd.	5,513,420	5,513,420
Total 691,171,354 Shares of Tk. 10/= each	6,911,713,540	6,010,185,690

	30 June 2016		31 December 2014	
	No. of Shares	%	No. of Shares	%
(c) Composition of Shareholding				
Sponsor:				
A S F Rahman	49,851,124	7.21%	43,348,804	7.21%
Salman F Rahman	55,935,873	8.09%	48,639,890	8.09%
Associates	33,484,481	4.84%	29,116,943	4.84%
Foreign Investors	67,693,862	9.79%	61,238,826	10.19%
Institutions	104,386,951	15.10%	87,227,027	14.51%
General Public	379,819,063	54.95%	331,447,079	55.15%
	691,171,354	100%	601,018,569	100%

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(d) Distributions Schedule–Disclosures under the Listing Regulations of Stock Exchanges:

The distribution schedule showing the number of shareholders and their shareholdings in percentage has been disclosed below as a requirement of the “Listing Regulations” of Dhaka and Chittagong Stock Exchanges:

Share holding Range in number of Shares	30-Jun-16			31-Dec-14		
	Number of			Number of		
	Shares	Holders	% of total holding	Shares	Holders	% of total holding
1 to 499	14,265,941	91,459	2.06%	18,517,433	116,620	3.08%
500 to 5,000	94,851,846	58,366	13.72%	98,697,536	62,864	16.42%
5,001 to 10,000	47,473,583	6,705	6.87%	43,198,317	6,154	7.19%
10,001 to 20,000	45,303,366	3,254	6.55%	40,477,584	4,372	6.73%
20,001 to 30,000	25,253,460	1,032	3.65%	21,890,134	879	3.64%
30,001 to 40,000	14,840,112	427	2.15%	11,905,808	340	1.98%
40,001 to 50,000	12,710,556	278	1.84%	10,433,452	229	1.74%
50,001 to 100,000	31,770,902	457	4.60%	28,603,733	403	4.76%
100,001 to 1,000,000	82,193,740	327	11.89%	2,243,843	6	0.37%
Over 1,000,000	322,507,848	44	46.66%	325,050,729	293	54.08%
Total	691,171,354	162,349	100.00%	601,018,569	192,160	100.00%

(e) Option on un issued shares

There is no option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid-up capital through the issuance of new shares.

(f) Market Price

The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 24.00 and Tk. 24.00 per share in the Dhaka and Chittagong Stock Exchanges on 30 June 2016.

(g) Voting rights

The rights and privileges of the shareholders are stated in the Bye Laws (Articles of Association) of the company.

12.00 Reserves : Tk. 35,088,351,600

This is arrived at as follows:

	AMOUNT IN TAKA				
	Fair Value Gain/ (Loss) on Investment in Shares	Capital Reserve	Revaluation Reserve on PPE	Revaluation Reserve on Investment property	Total
As on 31-12-2013	551,118,030	15,420,659,353	8,128,536,184	3,080,453,840	27,180,767,407
Surplus/(Loss) during the year	(350,928,167)	-	-	885,208,513	534,280,346
As on 31-12-2014	200,189,863	15,420,659,353	8,128,536,184	3,080,453,840	27,715,047,753
Surplus/(Loss) during the Period	(335,307,181)	-	-	7,708,611,028	7,373,303,847
As on 30-06-2016	(135,117,318)	15,420,659,353	8,128,536,184	10,789,064,868	35,088,351,600

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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	AMOUNT IN TAKA	
	As at 30-Jun-16	As at 31-Dec-14
13.00 Long Term Loans - Net-off Current Maturity (Secured) : Tk. 31,289,997,673		
This is secured and consists of as follows:		
Sonali Bank Ltd. - Long Term (12 years) Interest Bearing Block -A/C-12701	7,330,133,084	-
Janata Bank-Demand Loan Cash 1	-	1,506,194,140
Sonali Bank Ltd. - Short Term (6 years) Interest Bearing Block -A/C-12718	3,609,611,742	-
Janata Bank Ltd. - Long Term Loan(6 years)	2,545,185,256	-
Janata Bank -Demand Loan BBLC	-	874,920,563
Janata Bank-Demand Loan Cash 2	-	735,615,472
National Bank Ltd. - Long Term (12 years) Loan General LD -1293	1,529,093,786	-
Rupali Bank Ltd.- CCP and CCH Segregation	-	298,089,498
Rupali Bank Ltd. - PAD Segregation	-	300,580,000
Rupali Bank Ltd. - Forced Loan 2	-	488,524,042
Rupali Bank Ltd.- Term Loan 1	-	146,132,000
Rupali Bank Ltd.- Term Loan 2	-	96,964,000
AB Bank Ltd- Term Loan (12 Years)	501,985,026	-
Rupali Bank Ltd.- Interest Free Block	-	74,246,902
Rupali Bank Ltd. - Forced Loan 1	-	42,614,539
Bangladesh Development Bank Ltd.- Term Loan	22,636,856	34,236,856
Term loan(FILIL)	36,775,428	-
Bangladesh Development Bank Ltd.- Interest Block	18,901,596	24,501,596
Lease Obligation	2,210,999	-
Sonali Bank Ltd.- Demand loan on PAD	-	3,004,570,192
Sonali Bank Ltd.- PAD Block	-	588,357,057
National Bank Ltd.-Term Loan 2	-	314,408,606
Sonali Bank Ltd.- Interest Bearing Block	-	293,269,732
Sonali Bank Ltd.- IBP Loan	-	283,501,948
National Bank Ltd.-Term Loan 1	-	227,233,866
Sonali Bank Ltd.- Interest Free	-	9,022,687
Rupali Bank Ltd. - Long Term Loan (12 Years)	3,662,350,485	-
Rupali Bank Ltd. - Long Term Loan (6 Years)	4,069,378,450	-
Janata Bank Ltd. - Long Term Loan (12 Years)	7,961,734,965	-
	31,289,997,673	9,342,983,696

Nature of security:

Pursuant to supplemental Lender's Pari-passu Security Sharing Agreement between the Company and the Lenders, the loans are secured by:

- first pari-passu charges of immovable property of present and future; and
- first pari-passu charge by way of hypothecation of all other assets of the company both present and future terms of repayment.

BANGLADESH EXPORT IMPORT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

14.00 Deferred Tax Liability : Tk. 971,026,458

	30.06.2016	31.12.2014	31.12.2013
(a) Deferred Tax Liability is arrived at as follows:			
Book Value of Depreciable Fixed Assets	9,838,162,137	10,110,170,665	10,420,010,892
Less: Tax Base	(3,332,990,688)	(3,555,643,601)	(3,847,906,098)
Taxable Temporary Difference	6,505,171,449	6,554,527,064	6,572,104,794
Effective Tax Rate	14.93%	14.93%	14.93%
Deferred Tax Liability	971,026,458	978,422,017	980,628,684
(b) Deferred Tax Expense is arrived at as follows:			
Closing Deferred Tax Liabilities	971,026,458	978,422,017	980,628,684
Opening Deferred Tax Liabilities	978,422,017	980,628,684	-
Deferred Tax (Income) / Expense	(7,395,559)	(2,206,667)	980,628,684
(c) Deferred Tax Liability upto 2014 : Tk. 978,422,017			
This has been adjusted with opening balance of retained earnings of 01.01. 2015 in the Statement of Changes in Equity in compliance with the provisions of Bangladesh Accounting Standard (BAS)-8 "Net Profit or Loss for the period, Fundamental Error and Changes in Accounting Policies".			
(d) Deferred Tax Income of 2014 : Tk. 2,206,667			
This represents the decrease of Deferred tax Liability in 2016 in comparison to 2014 which has been shown by restating comparative figures of 2016 in the statement of profit or loss and other comprehensive income in accordance with the requirements of above referred BAS-8.			
(e) Deferred Tax Income of 2016 : Tk. 7,395,559			
This represents the decrease of Deferred tax liability in 2016 in comparison to 2014.			

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA	
	As at 30-Jun-16	As at 31-Dec-14
15.00 Long Term Loans - Current Maturity (Secured) : Tk. 10,847,426,100		
This is secured and consists of as follows:		
Exim Bank -Forced Loan	2,656,596,534	2,168,082,458
Agrani Bank-Industrial Credit Loan-1	2,325,791,933	-
Agrani Bank- Demand Loan	2,049,103,729	1,661,193,897
Rupali Bank - Forced Loan-2	-	860,746,373
10% Debentures	908,055,926	853,584,111
AB Bank Ltd. - Term Loan	933,592,426	699,237,203
Sonali Bank Ltd. - Short Term (6 years) Interest Bearing Block -A/C-12718	523,600,000	-
Sonali Bank Ltd. - Long Term (12 years) Interest Bearing Block -A/C-12701	460,800,000	-
Rupali Bank Ltd.- Forced Loan	-	206,233,703
Lease Obligation	143,798,032	125,035,932
AB Bank Ltd. - Time Loan	126,069,848	89,745,565
Term Loan (FLIL)	82,715,516	96,055,532
National Bank Ltd. - Long Term (12 years) Loan General LD -1293	62,788,151	-
Bangladesh Development Bank Ltd.- Term Loan	32,240,965	31,085,768
Janata Bank Ltd. - Long Term Loan-2	22,000,000	-
Bangladesh Development Bank Ltd.- Interest Block	19,935,313	17,179,740
AB Bank Ltd- Term Loan (12 Years)	15,416,146	-
Agrani Bank-Industrial Credit Loan-2	4,742,415	-
Janata Bank Ltd- Demand Loan (Cash-1)	-	1,920,716,983
Sonali Bank Ltd.- PAD Block	-	1,298,490,702
Janata Bank Ltd- Demand Loan (BBLIC)	-	915,862,149
Janata Bank Ltd- Demand Loan (Cash-2)	-	748,198,151
Rupali Bank Ltd. - PAD Block	-	671,078,422
Rupali Bank Ltd.- CCP and CCH Segregation	-	652,062,646
Sonali Bank Ltd.- CCP &CCH Segregation	-	563,970,635
Sonali Bank Ltd.- IBP Loan	-	520,478,453
National Bank Ltd.- Term Loan 2	-	431,699,261
National Bank Ltd.- Term Loan 1	-	348,857,770
Rupali Bank Ltd.- Term Loan 1	-	328,530,444
Rupali Bank Ltd.- Term Loan 2	-	219,635,112
Rupali Bank Ltd.- Interest Free Block	-	86,068,000
Consortium Loan	-	50,049,239
Sonali Bank Ltd.- Interest Free	-	31,391,830
The City Bank Ltd	-	12,662,322
Rupali Bank Ltd. - Long Term Loan (12 Years)	136,645,833	-
Rupali Bank Ltd. - Long Term Loan (6 Years)	303,533,333	-
Janata Bank Ltd. - Long Term Loan (12 Years)	40,000,000	-
	10,847,426,100	15,607,932,401

This represents that portion of term loan which has been due for repayment up to the date of statement of financial position and the amount repayable within 12 (twelve) months from the date of statement of financial position.

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	AMOUNT IN TAKA	
	As at 30-Jun-16	As at 31-Dec-14
16.00 Short Term Loan : Tk. 2,620,483,845		
This consists of as follows:		
Secured:		
Rupali Bank Ltd. - Overdraft	-	1,483,874,783
Janata Bank Ltd. - CCH	1,033,930,812	1,079,517,928
Janata Bank Ltd. - Cash Subsidy	147,515,220	119,160,228
State Bank of India - CCH	-	128,014,902
Sonali Bank Ltd. - CCH	-	3,491,237,569
Janata Bank Ltd. - SBLC (M Bank, Dubai)	-	2,206,277,483
Agrani Bank - SBLC (M Bank, Dubai)	-	1,965,000,000
AB Bank Ltd.- (Noor I Bank)	-	369,987,500
Sonali Bank Ltd. - PAD	-	41,800,000
Unsecured:		
Beximco Pharmaceuticals Ltd.	1,439,037,813	2,475,026,831
	2,620,483,845	13,359,897,224

Loan from Beximco Pharmaceuticals Ltd. represents temporary loan, carrying interest @ 15.50% for 1 January 2015 to 31 March 2015, 14% for 01 April 2015 to 26 April 2016 and 12.50% for 26 April 2016 to onward, computed on day's product basis. This loan is repayable as and when required by the lender.

17.00 Trade and Other Payables : Tk. 7,368,690,937

This is made-up as follows:

Creditors for Goods	6,202,104,743	4,953,678,422
Income Tax Payables	197,064,854	906,950,198
Advance Against sale of Investment in Shares	274,470,348	451,474,440
Other Current Liabilities	642,898,533	362,844,524
London Branch	37,152,459	37,152,459
Security Deposit from Distributor	15,000,000	15,000,000
	7,368,690,937	6,727,100,043

	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months

18.00 Revenue : Tk. 32,409,544,223

This is made-up as follows:

Sale of Goods (Note - 18.01)	32,289,319,250	10,947,518,026	21,341,801,224	22,138,897,853
Dividend Income	4,215,631	120	4,215,511	22,270,547
Capital Gain/(Loss) on Sale of Shares	85,654,116	75,085,245	10,568,871	(615,421)
Other Income	30,355,226	37,522	30,317,704	592,188
	32,409,544,223	11,022,640,913	21,386,903,310	22,161,145,166

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months
18.01 Sale of Goods : Tk. 32,289,319,250				
This represents sales of:				
(a) Yarn, Fabrics & Others	31,952,678,916	10,835,354,416	21,117,324,500	21,910,961,984
(b) Internet Service	218,699,238	95,054,850	123,644,388	120,806,709
(c) Software Sale	81,505,471	-	81,505,471	79,441,175
(d) Fish & Shrimp	28,373,125	9,046,260	19,326,865	27,687,985
(e) Sale of Land	8,062,500	8,062,500	-	-
	32,289,319,250	10,947,518,026	21,341,801,224	22,138,897,853
19.00 Cost of Revenue : Tk. 20,917,101,736				
This represents cost of goods sold against sale of:				
(a) Yarn, Fabrics & Others (Including depreciation of Tk. 959,175,532)	20,615,671,738	7,028,858,542	13,586,813,196	14,972,349,511
(b) Internet Service and Software (Including depreciation of Tk 11,327,581)	258,279,568	85,634,456	172,645,113	155,331,150
(c) Shrimp and Fish (Including depreciation of Tk. 3,585,454)	37,286,130	10,746,288	26,539,841	27,289,425
(d) Land	5,864,300	5,864,300	-	-
	20,917,101,736	7,131,103,586	13,785,998,150	15,154,970,086
20.00 Administrative Expenses : Tk. 1,183,489,675				
This consists of:				
Salaries and Allowances	824,261,458	285,891,221	538,370,237	515,522,128
Car Repairs and Maintenance	75,926,661	19,240,509	56,686,152	113,003,722
Fees and Charges	42,708,545	5,219,894	37,488,651	37,902,982
Repairs and Maintenances	51,485,802	18,797,276	32,688,526	35,417,369
Rent, Rates and Taxes	36,866,591	11,752,153	25,114,438	27,438,602
Travelling and Conveyance	35,242,731	13,066,801	22,175,930	35,276,905
Miscellaneous Overhead	41,922,944	25,874,599	16,048,345	35,654,702
Postage, Telegram, Telex & Telephone	18,302,542	6,885,528	11,417,014	12,310,588
Entertainment	13,057,584	4,023,006	9,034,578	7,109,358
Depreciation	11,513,333	4,157,046	7,356,287	7,626,557
Insurance	6,794,110	2,240,580	4,553,530	16,293,960
Petrol, Fuel, Electricity, Gas and Water	5,580,083	1,957,769	3,622,314	5,722,129
Printing and Stationery	5,802,164	2,515,735	3,286,429	4,042,042
Publicity and Advertisement	2,236,757	371,012	1,865,745	140,850
Staff Welfare	2,393,377	724,039	1,669,338	2,000,262
AGM Expenses	2,160,100	603,340	1,556,760	740,228
Audit Fee (Including VAT @ 15%)	2,242,500	747,500	1,495,000	1,380,000
Subscription	3,329,180	2,219,622	1,109,558	3,301,932
Contribution to Provident Fund	768,288	-	768,288	660,120
CDBL Charges	519,054	-	519,054	593,021
Training	259,505	52,405	207,100	403,012
Local Travel	116,366	53,754	62,612	63,360
	1,183,489,675	406,393,789	777,095,886	862,603,829

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21.00 Finance Cost : Tk. 8,908,936,741

This consists of as follows:

	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months
Interest on Loan from Banks and Others	8,434,496,005	2,861,187,891	5,573,308,114	4,545,226,785
Interest on Loan from Related Company	401,510,982	99,607,805	301,903,177	487,367,615
Bank Charges	72,929,754	25,333,824	47,595,930	400,397,135
	8,908,936,741	2,986,129,520	5,922,807,221	5,432,991,535

22.00 Income Tax Expense : Tk. 202,592,233

This represents:

Provision for the Period	209,987,792	69,267,343	140,720,449	99,600,080
Short provision for the earlier Years	-	-	-	1,309,341
Excess provision for the earlier Years	-	-	-	(83,353,147)
Deferred Tax (Income) / Expenses	(7,395,559)	(821,248)	(6,574,311)	(2,206,667)
	202,592,233	68,446,095	134,146,138	15,349,607

23.00 Basic Earnings Per Share (EPS)

The computation of EPS is given below :

(a) Net Profit after Tax for the Period	1,114,241,933	397,677,959	716,563,973	641,227,413
(b) Number of Shares in issue(Note-3.13)	691,171,354	691,171,354	691,171,354	691,171,354
(c) Basic EPS (a/b) (Par Value of Share Tk. 10/=) (Adjusted EPS of 2014)	1.62	0.58	1.04	0.93

24.00 Related Party Transactions

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis.

The nature of transactions and their total value is shown below:

Name of the Related Parties	Nature of transactions	AMOUNT IN TAKA	
		Value of transactions during the Period	Receivable / (Payable) at the end of the Period
Beximco Pharmaceuticals Ltd.	Investment in Shares	-	230,613,723
Beximco Pharmaceuticals Ltd.	Short Term Loan	1,035,989,018	(1,439,037,813)
Beximco Pharmaceuticals Ltd.	Interest Expense	401,510,982	-
Shinepukur Ceramics Ltd	Investment in Shares	-	646,650,479
Beximco Synthetics Ltd.	Investment in Shares	-	15,939

The Company, and the parties as stated above are subject to common control from same source i.e., Beximco Group.

25.00 Contingent Liabilities

There was no sum for which the Company is contingently liable as on 30 June 2016.

26.00 Capital Expenditure Commitment

- (a) There was no capital expenditure contracted but not incurred or provided for at 30 June 2016.
- (b) There was no material capital expenditure authorized by the Board but not contracted for at 30 June 2016.

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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	AMOUNT IN TAKA			
	01.01.2015 – 30.06.2016	01.01.2016 – 30.06.2016	01.01.2015 – 31.12.2015	01.01.2014 – 31.12.2014
	18 Months	6 Months	12 Months	12 Months

27.00 Finance Lease Commitment

At 30th June 2016, the company has annual commitment under finance Leases as set out below :

Leases expiring within 1 year	2,210,999
Leases expiring within 2-5 years (Inclusive)	143,798,032
Tk.	146,009,031

28.00 Claims Not Acknowledged As Debt

There was no claim against the Company not acknowledge as debt as on 30 June 2016.

29.00 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed of as on 30 June 2016 other than trade credit available in the ordinary course of business.

30.00 Payments in Foreign Currency

- As the company has no loan in foreign currency, no loan and interest was remitted during the Period.
- No dividend was remitted in foreign currency, during the Period.
- No other expenses including royalty, technical expert and professional advisory fee, etc. was incurred or paid by the company in foreign currency during the Period.
- Payment against Imported Raw Material & Spares: USD 40,493,509 (Equivalent BDT 3,158,493,690).

31.00 Commission, Brokerage or Discount Against Sales

No commission, brokerage or discount was incurred or paid by the company against sales during the Period.

32.00 Production Capacity, Actual Production and reason of Excess/Short Fall

Yarn				Woven Fabric				Knit Fabric (Quantity In Kgs.)		Denim Fabric (Capacity in Lm.)	
Spindles		Quantity in '000 Lbs (40's equivalent)		Looms		Output Capacity (Lm.)		Installed Capacity	Actual Production	Installed Capacity	Actual Production
No. of Spindles installed	No. of Spindles Actually Operated	Installed Capacity	Actual Production	No. of looms Installed	No. of looms Actually Operated	Installed Capacity	Actual Production				
119,520	119,520	43,200,000	27,689,500	293	293	40,800,000	30,486,980	9,000,000	4,458,690	12,000,000	8,149,288

Reason for Shortfall : Production as per market demand.

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33.00 Payments/Perquisites to Managers & Directors

- (a) The aggregate amounts paid / provided during the Period in respect of managers and directors of the company as defined on the Securities and Exchange Rules, 1987 are disclosed below :

	AMOUNT IN TAKA	
	01.01.2015 - 30.06.2016 18 Months	01.01.2014 - 31.12.2014 12 Months
Basic Salary	153,298,178	93,860,495
House rent allowance	69,544,815	50,667,023
Other allowances and benefits	41,667,040	15,644,932
	264,510,033	160,172,450

- (b) During the Period under review:
- (i) No compensation was allowed by the company to the Managing Director of the company;
 - (ii) No amount of money was spent by the company for compensating any member of the Board for special service rendered; and
 - (iii) No board meeting attendance fee was paid to the directors of the Company except to the independent director of Tk. 220,000.

34.00 Financial Risk Management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

34.01 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. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables are nominal.

34.02 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing.

BANGLADESH EXPORT IMPORT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

34.03 Market Risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest 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.

(a) Currency Risk

As at 30 June 2016 there was no exposure to currency risk as there were no foreign currency transactions made during the Period under review.

(b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

35.00 Events after the Reporting Period

- (a) Subsequent to the Statement of Financial Position date, no dividend was recommended by the board on 06 October 2016. However, the board of directors recommended 15% stock dividend of Tk. 10/= each (15 Bonus Shares for each 100 shares held) on 20 April 2016 which is subject to shareholders' approval at the forthcoming Annual General Meeting.
- (b) Except the above fact, no circumstances have arisen since this statement of Financial Position date which would require adjustments to, disclosure in, the financial statements or notes thereto.



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

Dated, Dhaka
6-Oct-16



AUDITORS' REPORT

AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS
OF

SHINEPUKUR CERAMICS LIMITED
AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

BEXIMCO

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF SHINEPUKUR CERAMICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Shinepukur Ceramics Limited, which comprise the Statement of Financial Position as at 30 June 2016, the Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the period from 01 January 2015 to 30 June 2016 (18 months) then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 30 June 2016 and of its financial performance and its cash flows for the period of 18 months then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Other Matter

Financial Statements of the company for the year ended 31 December 2015 and period ended 30 June 2016 have separately been audited by us. As per Finance Act 2015 the company is required to follow accounting year as July to June, therefore, separately audited financial statements have been compiled as per directives of Bangladesh Securities and Exchange Commission.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1994 and the Securities and Exchange Rules 1987, we report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books ;
- (c) the Statement of Financial Position (Balance Sheet) and The Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account) dealt with by the report are in agreement with the books of account ; and
- (d) the expenditure incurred was for the purposes of the company's business.

Dated, Dhaka
06 October 2016


M. J. ABEDIN & CO
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

		AMOUNT IN TAKA		
	NOTES	30 June-16	31-Dec-15	31-Dec-14
ASSETS				
Non-Current Assets		5,595,370,184	5,712,745,542	5,644,821,352
Property, Plant and Equipment - Carrying Value	4.00	4,058,551,315	4,183,283,265	4,204,123,208
Investment in Shares	5.00	51,951,251	62,793,316	78,982,952
Capital Work in Progress	6.00	1,484,867,618	1,466,668,961	1,361,715,192
Current Assets		889,046,924	971,049,785	1,044,626,037
Inventories	7.00	612,324,290	643,476,833	671,351,499
Accounts & Other Receivables	8.00	94,950,062	100,330,772	157,873,140
Advances, Deposits & Prepayments	9.00	165,477,349	211,237,197	193,770,311
Cash and Cash Equivalents	10.00	16,295,223	16,004,983	21,631,087
Total Assets		6,484,417,108	6,683,795,327	6,689,447,389
EQUITY AND LIABILITIES				
Shareholders' Equity		4,128,855,541	4,254,431,082	4,264,594,984
Issued Share Capital	11.00	1,469,660,550	1,469,660,550	1,469,660,550
Revaluation Surplus on Property, Plant and Equipment	12.00	2,966,690,015	2,966,690,015	2,966,690,015
Fair Value Loss on Investment in Shares		(113,019,353)	(102,177,288)	(85,987,652)
Retained Earnings		(194,475,671)	(79,742,195)	(85,767,929)
Non-Current Liabilities		776,314,094	925,453,103	627,017,777
Long Term Loan - Net-off Current Maturity(Secured)	13.00	575,611,864	665,559,225	376,275,965
Gratuity Payable	14.00	101,599,302	101,240,828	92,417,698
Deferred Tax Liability	15.00	99,102,928	158,653,050	158,324,114
Current Liabilities		1,579,247,473	1,503,911,142	1,797,834,628
Short Term Loans from Banks (Secured)	16.00	761,126,588	803,957,492	1,065,658,448
Long Term Loan-Current Maturity (Secured)	17.00	134,258,138	130,350,223	183,014,482
Creditors, Accruals and Other Payables	18.00	683,862,747	569,603,427	549,161,698
Total Equity and Liabilities		6,484,417,108	6,683,795,327	6,689,447,389

The accompanying notes form an integral part of these financial statements.

Approved and authorized for issue by the board of directors on 06 October 2016 and signed for and on behalf of the Board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated, Dhaka
06 October 2016

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	NOTES	AMOUNT IN TAKA			
		01.01.2015- 30.06.2016	01.01.2016- 30.06.2016	01.01.2015- 31.12.2015	01.01.2014- 31.12.2014
		18 Months	6 Months	12 Months	12 Months
Revenue	19.00	2,053,499,930	641,628,225	1,411,871,705	1,677,657,674
Cost of Goods Sold	20.00	(1,600,154,418)	(527,673,093)	(1,072,481,325)	(1,253,443,603)
Gross Profit		453,345,512	113,955,132	339,390,380	424,214,071
Other Income	21.00	27,058,094	12,858,801	14,199,293	22,626,755
Operating Expenses		(173,233,947)	(65,257,052)	(107,976,895)	(165,076,380)
Administrative Expenses	22.00	(91,958,650)	(39,663,199)	(52,295,451)	(73,013,118)
Selling & Distribution Expenses	23.00	(81,275,297)	(25,593,853)	(55,681,444)	(92,063,262)
Profit from Operations		307,169,659	61,556,881	245,612,778	281,764,446
Finance Cost	24.00	(367,017,513)	(140,243,070)	(226,774,443)	(258,876,706)
Profit/(Loss) before contribution to WPPF		(59,847,854)	(78,686,189)	18,838,335	22,887,740
Contribution to Workers' Profit Participation		(897,064)	-	(897,064)	(1,089,892)
Net Profit/(Loss) Before Tax		(60,744,918)	(78,686,189)	17,941,271	21,797,848
Income Tax Income/(Expense)	25.00	28,183,993	40,099,530	(11,915,537)	(24,134,076)
Net Profit/(Loss) After Tax for the period		(32,560,925)	(38,586,659)	6,025,734	(2,336,228)
Other Comprehensive Income:					
Fair Value (Loss)/Gain on Investment in Shares	5.00	(27,031,701)	(10,842,065)	(16,189,636)	17,761,266
Total Comprehensive (Loss) /Income for the period		(59,592,626)	(49,428,724)	(10,163,902)	15,425,038
Earning Per Share	26.00	(0.22)	(0.26)	0.04	(0.02)

The accompanying notes form an integral part of these financial statements.

Approved and authorized for issue by the board of directors on 06 October 2016 and signed for and on behalf of the Board:



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated, Dhaka
06 October 2016

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

Amount in Taka

Particulars	Share Capital	Revaluation Surplus on PPE	Fair Value Loss on Investment in Shares	Retained Earnings	Total Equity
Balance as on 31 December 2013	1,469,660,550	2,966,690,015	(103,748,918)	(83,431,701)	4,249,169,946
Net Loss after tax for the year	-	-	-	(2,336,228)	(2,336,228)
Fair Value Gain on Investment in Shares	-	-	17,761,266	-	17,761,266
Total Balance as on 31 December 2014	1,469,660,550	2,966,690,015	(85,987,652)	(85,767,929)	4,264,594,984
Number of Shares					146,966,055
Net Assets Value (NAV) Per Share					29.02
Balance as on 31 December 2014	1,469,660,550	2,966,690,015	(85,987,652)	(85,767,929)	4,264,594,984
Net Profit after tax for the year	-	-	-	6,025,734	6,025,734
Fair Value Loss on Investment in Shares (Note - 5)	-	-	(16,189,636)	-	(16,189,636)
Total Balance as on 31 December 2015	1,469,660,550	2,966,690,015	(102,177,288)	(79,742,195)	4,254,431,082
Number of Shares					146,966,055
Net Assets Value (NAV) Per Share					28.95
Balance as on 31 December 2015	1,469,660,550	2,966,690,015	(102,177,288)	(79,742,195)	4,254,431,082
Prior Year Adjustment of Depreciation	-	-	-	(76,146,817)	(76,146,817)
Net Loss after tax for the period ended 30 June 2016	-	-	-	(38,586,659)	(38,586,659)
Fair Value Loss on Investment in Shares (Note - 5)	-	-	(10,842,065)	-	(10,842,065)
Total Balance as on 30 June 2016	1,469,660,550	2,966,690,015	(113,019,353)	(194,475,671)	4,128,855,541
Number of Shares					146,966,055
Net Assets Value (NAV) Per Share					28.09

The accompanying notes form an integral part of these financial statements.

Approved and authorized for issue by the board of directors on 06 October 2016 and signed for and on behalf of the Board:

**A S F Rahman**
Chairman**Salman F Rahman**
Vice Chairman**Md. Luthfor Rahman**
Chief Financial Officer

As per our separate report of even date annexed.

**M. J. ABEDIN & CO**
Chartered AccountantsDated, Dhaka
06 October 2016

STATEMENT OF CASH FLOWS

FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015- 30.06.2016	01.01.2016- 30.06.2016	01.01.2015- 31.12.2015	01.01.2014- 31.12.2014
	18 Months	6 Months	12 Months	12 Months
Cash Flows From Operating Activities:				
Collections from turnover and other income	2,143,294,618	659,867,736	1,483,426,882	2,217,078,717
Payments for costs, expenses & others	(1,446,828,107)	(365,153,492)	(1,081,674,615)	(1,070,864,322)
Interest Paid	(356,352,732)	(137,288,710)	(219,064,022)	(248,048,152)
Income-Tax paid and /or deducted at sources	(51,245,019)	(6,968,665)	(44,276,354)	(25,685,587)
Net cash generated from operating activities	288,868,760	150,456,869	138,411,891	872,480,656
Cash Flows From Investing Activities:				
Property, Plant and Equipment acquired	(14,561,017)	(2,769,622)	(11,791,395)	(10,615,917)
Disposal of Vehicles	690,000	-	690,000	3,096,207
Capital Work in Progress	(123,152,426)	(18,198,657)	(104,953,769)	(568,872,637)
Net cash used in investing activities	(137,023,443)	(20,968,279)	(116,055,164)	(576,392,347)
Cash Flows From Financing Activities:				
Decrease in Loan	(153,952,305)	(128,870,350)	(25,081,955)	(285,183,099)
Gratuity Payment	(3,228,875)	(328,000)	(2,900,875)	(3,762,460)
Net cash used in financing activities	(157,181,180)	(129,198,350)	(27,982,830)	(288,945,559)
(Decrease) /Increase in Cash and Cash Equivalents	(5,335,863)	290,240	(5,626,103)	7,142,750
Cash and Cash Equivalents at the beginning of the year	21,631,087	16,004,983	21,631,087	14,488,336
Cash and Cash Equivalents at the end of the period	16,295,223	16,295,223	16,004,983	21,631,087
Net Operating Cash Flows Per Share	1.96	1.02	0.94	5.94

The accompanying notes form an integral part of these financial statements.

Approved and authorized for issue by the board of directors on 06 October 2016 and signed for and on behalf of the Board:



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated, Dhaka
06 October 2016

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

1. The background and activities of the Company**1.1 Status of the Company**

Shinepukur Ceramics Limited (SCL/the company) was incorporated in Bangladesh on 26 January 1997 under the Companies Act, 1994 as a Private Limited Company and launched its manufacturing operation in 1999. The Company was converted into a Public Limited Company on 7 May 2008. The Shares of the Company have been listed in the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 18 November 2008 under the DSE and CSE Direct Listing Regulations 2006.

The registered office of the company is located at House No.17, Road No.2, Dhanmondi R/A, Dhaka. The industrial units are located at Sarabo of Gazipur.

1.2 Principal Activities

The company operates in a single industry segment. It is engaged in manufacturing and marketing of high quality Porcelain and high value added Bone China Tableware, which it sells in the local as well as international markets.

2. Bases of Financial Statements – Preparation and Presentation**2.1 Measurement Bases**

The financial statements have been prepared on the Historical Cost basis, except lands, buildings and plant & machinery re-stated at current cost and investment in shares of listed companies are carried at fair value based on the period end quoted price of Dhaka Stock Exchange Limited

2.2 Reporting Framework and Compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws and regulations as applicable and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.3 Presentation of Financial Statements

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

The Financial Statements Comprises:

- (a) a statement of financial position as at 30 June 2016;
- (b) a statement of profit or loss and other comprehensive income for the period from 01 January 2015 to 30 June 2016 (18 months);
- (c) a statement of changes in equity for the period from 01 January 2015 to 30 June 2016 (18 months);
- (d) a statement of cash flows for the period from 01 January 2015 to 30 June 2016 (18 months); and
- (e) notes, comprising a summary of significant accounting policies and other explanatory information.

2.4 Authorization for Issue

The financial statements have been authorized for issue by the Board of Directors on 06 October 2016.

2.5 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

2.6 Reporting Period and Comparative Information

The financial Statements have been prepared for 18(Eighteen) months (from 1st January 2015 to 30th June 2016) as per a directive of Bangladesh Securities & Exchange Commission (BSEC) to facilitate the adoption of reporting period of July to June in place of existing reporting period of calendar year (January to December) in compliance to the requirement of the National Board Of Revenue (NBR) to follow uniform financial year.

Therefore, the financial statements for the period of 18 months (01.01.2015 to 30.06.2016) are not entirely comparable with the comparative of 12 months (01.01.2014 to 31.12.2014).

Figures for the year 2014 have been re-arranged wherever considered necessary to ensure better comparability with the current period.

2.7 Use of Estimates and Judgments

The preparation of financial statements in conformity with BFRSs / BASs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during the period and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors prescribes that the effects of the revision of accounting estimates has to be recognized in the period in which the estimates are revised.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and other payables.

3. Significant Accounting Policies**3.1 Revenue Recognition**

In compliance with the requirements of BAS 18: Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Receipts from customers comprise sales price against export sales and domestic sales.

Export sales are considered as revenue at FOB value. Usually export sales are transacted in FOB basis. Where export sales are carried out other than at FOB price, additional costs are added to FOB price, accordingly those added costs (Ocean Freight, Commission Payable, Cost of Insurance etc.) if any, are net off to arrive at FOB value of the said export sales in order to be uniformed in revenue recognition.

3.2.0 Property, Plant and Equipment**3.2.1 Recognition and Measurement**

Property, plant and equipment (including assets acquired under finance lease) are capitalized at cost of acquisition and subsequently stated at cost revalued amount less accumulated depreciation in compliance with the requirements of BAS 16: Property, Plant and Equipment. The Cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

3.2.2 Pre-Operating Expenses and Borrowing Costs

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing cost considering the requirement of BAS 23: Borrowing Costs.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

3.2.3 Subsequent Expenditure

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenances is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the statement of profit or loss and other comprehensive income as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.2.4 Software

Software is generally charged off as revenue expenditure. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.2.5 Disposal of Fixed Assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

3.2.6 Depreciation on Fixed Assets

Depreciation is provided on all fixed assets except Land & Land Development at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

Building and Other Construction	0.5% to 5%
Plant and Machinery	1.5% to 7.5%
Furniture & Fixture	20%
Transport & Vehicle	20%
Office Equipment	20%

3.3 Leased Assets

In compliance with the BAS: 17 Leases, costs of assets acquired under finance lease along with obligation there against have accounted for as assets and liabilities respectively of the company, and the interest element has been charged as expenses.

3.4 Financial Instruments

Non-derivative financial instruments comprise investment in shares, accounts and other receivables, cash and cash equivalents, borrowings and other payables.

3.4.1 Financial Assets

- (a) **Investment in Shares**
Investment in Shares of listed companies are carried in the statement of financial position at fair value based on DSE quoted price at the period end and the gain / loss thereon were accounted for through other comprehensive income considering it as "Available – for - Sale" financial assets.
- (b) **Accounts Receivable**
Accounts receivable are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, provision experience and general economic conditions. When an accounts receivable is determined to be uncollectible it is written off, firstly against any provision available and then to the statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

(c) Advances and Deposits

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

(d) Cash and Cash Equivalents

Cash and Cash equivalents are carried in the statement of financial position at cost and include cash in hand and with banks on current and deposit accounts, which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.4.2 Financial Liability

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

3.5 Impairment**(a) Financial Assets**

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.6 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by BAS 2: Inventories. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.7 Provisions

A provision is recognized in the statement of financial position when the company has legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditure expected to be required to settle the obligation.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

3.8 Income Tax Expenses**Current Tax – 30 June 2016**

Applicable Income Tax Rate is 25% on taxable income. However, Tax deducted at source (TDS) as per Section 53BBBB under Income Tax Ordinance, 1984 is minimum tax u/s 82(C).

Deferred Tax

Deferred tax is recognised in compliance with BAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate income taxes levied by the same tax authority on the same taxable entity.

3.9 Interest Income

Interest Income is recognized on accrual basis.

3.10 Borrowing Costs

This has been dealt with the requirements of BAS 23: Borrowing Costs.

Borrowing costs relating to projects in commercial operation are recognized as expenses in the period in which they are incurred. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

3.11 Employee Benefits

The company maintains both contribution plan and defined benefit plan for its eligible permanent employees. The company's employee benefits include the following:

(a) Defined Contribution Plan (Provident Fund)

The company contributes to a registered provident fund scheme (defined contribution plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrecoverable trust. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution.

The company recognizes contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

(b) Defined Benefits Plan (Gratuity)

Employees are entitled to gratuity benefit after completion of minimum five years of services in the company. The gratuity is calculated on the latest applicable basic pay and is payable at the rate of one month basic pay for every completed year of service.

(c) Short-term Employee Benefits

Short-term employee benefits include salary, bonuses, leave encashment etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

(d) Contribution to Workers' Participation/Welfare Funds

This represents 5% of net profit before tax contributed by the Company as per provisions of Bangladesh Labor Act 2013 (amendment) and is payable to workers as defined in the said law.

(e) Group Insurance Scheme

Employees of the company are covered under group life insurance scheme.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

3.12 Proposed Dividend

No dividend was proposed for the period ended 30 June 2016.

3.13 Earnings per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings (Numerator)

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of Ordinary Shares Outstanding during the period (Denominator)

Current Period

The total number of shares has been considered as the Weighted Average number of Shares outstanding during the period.

Earlier Year (2014)

The total number of shares has been considered as the Weighted Average Number of Shares outstanding during the year 2014.

The basis of computation of number of shares as stated above is in line with the provisions of BAS 33: "Earnings Per Share".

Diluted Earnings per Share

No diluted EPS is required to be calculated for the period, as there was no scope for dilution during the period under review.

3.14 Foreign Currency Transactions

The Financial records of the company are maintained and the financial statements are stated in Bangladesh Taka. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

The monetary assets and liabilities, if any, denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are charged off as revenue expenditure in compliance with the provisions of BAS 21: The Effects of Changes in Foreign Exchange Rates. However, as a requirement of the companies Act 1994, exchange loss relating to foreign currency loan has been capitalized to relevant fixed assets being procured under the said obligation.

3.15 Segmental Reporting

No segmental reporting is applicable for the company as required by BAS 14: Segmental Reporting, as the company operates in a single industry segment and within a single geographical segment.

3.16 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS 7: Statement of Cash Flows. The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as encouraged by BAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.17 Events after the Reporting Period

In compliance with the requirements of BAS 10: Events after the Reporting Period, post balance sheet events that provide additional information about the company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

4.00 Property, Plant and Equipment : Tk. 4,058,551,315

Amount in Tk.

	Land & Land Development	Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Fixture	Transport & Vehicle	Total
Cost or Valuation:							
At 31 December 2014	1,697,029,503	1,380,680,269	2,782,348,987	56,045,266	28,340,072	22,799,479	5,967,243,576
Addition during the year	-	2,183,057	7,276,038	1,085,432	1,246,868	-	11,791,395
Disposal during the year	-	-	-	-	-	(1,090,000)	(1,090,000)
At 31 December 2015	1,697,029,503	1,382,863,326	2,789,625,025	57,130,698	29,586,940	21,709,479	5,977,944,971
Addition during the period	-	-	2,738,405	31,217	-	-	2,769,622
Disposal during the period	-	-	-	-	-	-	-
At 30 June 2016	1,697,029,503	1,382,863,326	2,792,363,430	57,161,915	29,586,940	21,709,479	5,980,714,593
Depreciation:							
At 31 December 2014	-	300,768,931	1,371,572,961	48,968,142	24,056,274	17,754,059	1,763,120,367
Depreciation for the year	-	6,016,335	22,803,859	1,702,904	1,076,704	528,020	32,127,822
Disposal during the year	-	-	-	-	-	(586,484)	(586,484)
At 31 December 2015	-	306,785,266	1,394,376,820	50,671,046	25,132,978	17,695,595	1,794,661,705
Prior year Depreciation	-	22,241,812	53,565,608	(70,393)	29,429	380,361	76,146,817
Depreciation for the period	-	13,753,709	36,139,116	656,126	442,453	363,352	51,354,756
Disposal during the period	-	-	-	-	-	-	-
At 30 June 2016	-	342,780,787	1,484,081,544	51,256,779	25,604,859	18,439,308	1,922,163,278
Carrying Amount as at 30 June 2016	1,697,029,503	1,040,082,539	1,308,281,885	5,905,136	3,982,081	3,270,171	4,058,551,315
Carrying Amount as at 31 December 2015	1,697,029,503	1,076,078,060	1,395,248,204	6,459,652	4,453,963	4,013,884	4,183,283,265
Carrying Amount as at 31 December 2014	1,697,029,503	1,079,911,338	1,410,776,025	7,077,124	4,283,799	5,045,420	4,204,123,208

Disclosure on Revaluation:**(a) The break-up of total revaluation surplus as included in the carrying amount is stated below:**

	Land & Land Development	Building & other Construction	Plant & Machinery	Total Taka
Surplus on Revaluation in 2004	192,466,272	-	-	192,466,272
Surplus on Revaluation in 2008	376,892,108	351,072,849	433,853,724	1,161,818,681
Surplus on Revaluation in 2011	953,362,500	547,975,861	111,066,701	1,612,405,062
Total Surplus on Revaluation	1,522,720,880	899,048,710	544,920,425	2,966,690,015

- (b) M/S G.K.Adjusters Ltd.(Insurance Surveyors, Loss Adjusters, Controllers, Consultants and Valuers) of Chand Mansion (5th floor) , 66, Dilkusha Commercial Area, was involved to carry out the revaluation of 2004.
- (c) SF Ahmed & Co, Chartered Accountants, House 25, Road 13A, Block - D, Banani, Dhaka - 1213 and valuers have revalued the lands, buildings and plant & machinery of the Company as of 31 December 2008, following "current cost method". Such revaluation resulted in a revaluation surplus aggregating Tk. 1,161,818,681."
- (d) Ata Khan & Co, Chartered Accountants, 67 Motijheel Commercial Area, Dhaka - 1000 and valuers have revalued the lands, buildings and plant & machinery of the Company as of 31 December 2011, following "current cost method". Such revaluation resulted in a revaluation surplus aggregating Tk. 1,612,405,062.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA		
	as at		
	30 June-16	31-Dec-15	31-Dec-14

5.00 Investment in Shares : Tk. 51,951,251

The basis of valuation is stated in Note 3.4.1 (a).

This consists of Investment in Shares of listed Companies as follows :

(a) In 65,716 (2014: 65,716) Shares of Beximco Synthetics Ltd.(Face value Tk. 10.00)	414,011	519,156	821,450
(b) In 2,147,385 (2014: 1,867,292) Shares of Bangladesh Export Import Co. Ltd. (Face value Tk. 10.00)	51,537,240	62,274,159	78,161,502
	51,951,251	62,793,316	78,982,952

This is arrived at as follows:

	30.06.2016			31-Dec-15		
	Beximco Synthetics Ltd.	Beximco Ltd.	Total	Beximco Synthetics Ltd.	Beximco Ltd.	Total
At Cost Opening	519,156	62,274,159	62,793,316	821,450	78,161,502	78,982,952
Adjustment for Sales during the period	-	-	-	-	-	-
	519,156	62,274,159	62,793,316	821,450	78,161,502	78,982,952
Less: Quoted Price on period end	414,011	51,537,240	51,951,251	519,156	62,274,159	62,793,316
Fair Value Loss on Investment in Shares	(105,146)	(10,736,919)	(10,842,065)	(302,294)	(15,887,343)	(16,189,636)

6.00 Capital Work in Progress : Tk. 1,484,867,618

This represents as follows:

Opening Balance	1,466,668,961	1,361,715,192	817,919,156
Add: Addition during the period	18,198,657	104,953,769	568,872,637
	1,484,867,618	1,466,668,961	1,386,791,793
Less: Transferred to PPE during the period	-	-	(25,076,601)
Closing Balance	1,484,867,618	1,466,668,961	1,361,715,192

7.00 Inventories : Tk. 612,324,290

This represents as follows:

Raw Material & Chemical	165,512,833	183,413,938	176,635,130
Finished Goods	233,750,502	216,201,210	237,113,748
Work-In- Process	164,203,130	197,001,903	198,733,539
Stores & Spares	1,808,860	3,235,138	10,608,537
Packing Material	47,048,965	43,624,644	48,260,545
	612,324,290	643,476,833	671,351,499

8.00 Accounts & Other Receivables : Tk. 94,950,062

This is considered good and is falling due within the period.

No amount was due by the directors (including Managing Director), managing agent, managers and other officers of the company and any of them severally or jointly with any other person.

No amount was due by any associated undertaking.

9.00 Advances, Deposits & Prepayments : Tk. 165,477,349

This is considered good and consists of as follows:

Advances (Note - 9.01)	140,065,433	172,031,818	136,410,730
Deposits (Note - 9.02)	25,411,916	39,205,379	57,359,581
	165,477,349	211,237,197	193,770,311

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA		
	as at		
	30 June-16	31-Dec-15	31-Dec-14
9.01 Advances : Tk. 140,065,433			
This represents as follows:			
Suppliers	54,140,788	35,005,608	35,812,868
L/C-Margin & Others	27,873,732	45,738,517	35,162,612
Advance Income Tax (Note - 9.01.01)	15,939,833	51,330,050	30,553,696
Employees (other than officers)	18,706,878	19,885,725	20,652,956
Marketing Expenses	9,934,661	10,580,799	9,565,101
Trade Fair	13,109,321	9,108,899	4,353,717
Advance Travel	360,220	382,220	309,780
	140,065,433	172,031,818	136,410,730

No amount was due by the Directors (including Managing Director), Managing Agent, Managers and other Officers of the Company and any of them severally or jointly with any other person.

No amount was due by any associated undertaking.

Advances to employees (other than officers) are realisable from monthly salary in installments.

9.01.01 Advance Income Tax : Tk. 15,939,833

This has been arrived at :

Opening Balance	51,330,050	30,553,696	37,805,998
Add : Paid / Deducted during the period under review	6,968,665	20,776,354	13,185,587
	58,298,715	51,330,050	50,991,585
Less : Adjustment made during the period under review	(42,358,882)	-	(20,437,889)
Closing Balance	15,939,833	51,330,050	30,553,696

9.02 Deposits : Tk. 25,411,916

This represents as follows:

VAT Deposit	7,547,803	21,341,266	39,495,468
Security Deposit	11,388,261	11,388,261	11,388,261
Lease Deposit	3,700,134	3,700,134	3,700,134
Bank Guarantee Margin	2,755,718	2,755,718	2,755,718
Earnest Money Deposit	20,000	20,000	20,000
	25,411,916	39,205,379	57,359,581

10.00 Cash and Cash Equivalents : Tk. 16,295,223

This consists of :

(a) In Hand	142,897	43,939	1,190,336
(b) At Banks in :	16,152,326	15,961,044	20,440,751
(i) Current Account	10,480,768	10,277,290	16,566,699
(ii) STD Account 4,456,687	4,468,883	2,938,898	
(iii) FDR Account	1,214,871	1,214,871	935,154
	16,295,223	16,004,983	21,631,087

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA		
	as at		
	30 June-16	31-Dec-15	31-Dec-14

11.00 Issued Share Capital : Tk. 1,469,660,550

This represents :

(a) Authorised :

500,000,000 Ordinary Shares of Tk.10/-each 5,000,000,000 5,000,000,000 5,000,000,000

(b) Issued, subscribed and paid -up:

66,060,000 Ordinary Shares of Tk.10/-each fully paid-up in cash 660,600,000 660,600,000 660,600,000
 61,736,571 Ordinary Shares of Tk.10/-each fully paid-up bonus shares 617,365,700 617,365,700 617,365,700
 19,169,485 Ordinary Shares of Tk.10/-each fully paid-up bonus shares 191,694,850 191,694,850 191,694,850
Total 146,966,055 shares of Tk. 10/- each fully paid-up **1,469,660,550** **1,469,660,550** **1,469,660,550**

(c) Statement of Share Position:

Name of the Shareholders	30-June-16		31-Dec-15		31-Dec-14	
	No. Of Shares	Holding %	No. Of Shares	Holding %	No. Of Shares	Holding %
Bangladesh Export Import Co.Ltd.	73,483,009	50.00%	73,483,009	50.00%	73,483,009	50.00%
Sponsors & Directors	4	0.00%	4	0.00%	4	0.00%
Institutions	25,237,684	17.17%	24,619,091	16.75%	21,824,142	14.85%
General Public	48,245,358	32.83%	48,863,951	33.25%	51,658,900	35.15%
	146,966,055	100%	146,966,055	100.00%	146,966,055	100.00%

(d) Distribution Schedule:

Share holdings	30 - JUN - 16		
	No. of Shareholders	No. of Shares	Holding %
Less than 500 shares	13,522	1,733,925	1.18
500 to 5,000 shares	7,820	12,790,090	8.70
5001 to 10,000 shares	875	6,356,426	4.33
10,001 to 20,000 shares	480	6,912,332	4.70
20,001 to 30,000 shares	137	3,385,486	2.30
30,001 to 40,000 shares	73	2,501,568	1.70
40,001 to 50,000 shares	39	1,747,480	1.19
50,001 to 100,000 shares	78	5,433,848	3.70
100,001 to 1,000,000 shares	55	16,589,240	11.29
Over 1,000,000 shares	6	89,515,660	60.91
	<u>23,085</u>	<u>146,966,055</u>	<u>100.00</u>

12.00 Revaluation Surplus on Property, Plant and Equipment : Tk. 2,966,690,015

This is as per last accounts. Details are stated in Note -4.

13.00 Long Term Loan - Net-Off Current Maturity (Secured) : Tk. 575,611,864

This represents loans from :

Bank Asia Ltd. - Term Loan 283,617,019 306,794,710 309,512,312
 Southeast Bank Ltd. - Term Loan 37,343,934 14,232,755 66,763,653
 Phonix Finance & Investment 254,650,911 344,531,760 -
575,611,864 **665,559,225** **376,275,965**

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

Nature of Security :

- (i) Equitable mortgage over the immovable property.
- (ii) Hypothecation by way of a floating charge on all other movable assets both present and future.
- (iii) First Charge over all the finished stock, Work-In-Process and current assets excluding book debts.

Terms of Repayment :**Bank Asia Ltd. - Term Loan :**

In 20 (Twenty) equal Quarterly installments commencing from 31 January 2017 as per revised sanction.

Southeast Bank Ltd. - Term Loan :

In 21 (Twenty one) equal monthly installments commencing from 30 September 2016 as per revised sanction.

Phonix Finance & Investment

In 96 (Ninety six) equal monthly installments commencing from 25 July 2015 as per revised sanction.

Rate of interest :**Bank Asia Ltd. - Term Loan :**

12% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Southeast Bank Ltd. - Term Loan :

12 % p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Phonix Finance & Investment

19.50 % p.a. or the lending rate applicable from time to time based on Bank rate / policy.

	AMOUNT IN TAKA		
	as at		
	30 June-16	31-Dec-15	31-Dec-14

14.00 Gratuity Payable : Tk. 101,599,302

This is arrived at as follows:

Opening Balance	101,240,828	92,417,698	74,840,687
Add: Addition during the period	686,474	11,724,005	21,339,471
	101,927,302	104,141,703	96,180,158
Less: Payment during the period	(328,000)	(2,900,875)	(3,762,460)
Closing Balance	101,599,302	101,240,828	92,417,698

15.00 Deferred Tax Liability : Tk. 99,102,928

Deferred Tax Liability is arrived at as follows:

Opening Deferred Tax Liabilities	158,653,050	158,324,114	170,286,327
Deferred Tax Expense /(Income): (Note-25)	(59,550,122)	328,936	(11,962,213)
Closing Deferred Tax Liabilities	99,102,928	158,653,050	158,324,114

16.00 Short Term Loans From Banks (Secured) : Tk. 761,126,588

This is secured and consists of as follows:

Sonali Bank Ltd. - CC (H)	574,623,467	570,426,317	569,701,310
Sonali Bank Ltd. - LTR	74,382,775	116,086,516	137,974,109
Southeast Bank Ltd. - LTR	72,562,456	68,358,578	66,335,972
Phoenix Finance & Investment Ltd.	-	-	291,647,057
Sonali Bank Ltd. -EDF	39,557,890	49,086,081	-
	761,126,588	803,957,492	1,065,658,448

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA		
	as at		
	30 June-16	31-Dec-15	31-Dec-14

17.00 Long Term Loan - Current Maturity (Secured) : Tk. 134,258,138

This consists of as follows:

Sonali Bank Ltd. - Project Loan	20,236,264	53,689,459	93,129,957
Bank Asia Ltd. (Term Loan)	34,999,722	-	-
Southeast Bank Ltd. - Term Loan	29,141,304	76,660,764	71,700,000
Phoenix Finance & Investment Ltd.	49,880,848	-	-
Sonali Bank Ltd. - PAD Blocked	-	-	18,184,525
	134,258,138	130,350,223	183,014,482

Terms of Repayment :**Sonali Bank Ltd. - Project Loan :**

In 41 (Forty-one) equal quarterly installments commencing from 31 March 2005.

Sonali Bank Ltd. - PAD Blocked Loan :

In 64 (Sixty-four) equal monthly installments commencing from 31 March 2010, as per revised sanction.

Rate of interest :

Sonali Bank Ltd. - Project Loan :

13% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Sonali Bank Ltd. - PAD Block Loan :

16% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

18.00 Creditors, Accruals and Other Payables : Tk. 683,862,747

This consists of as follows:

Gas & Electricity	132,087,539	135,250,978	151,430,913
Creditors for Goods	153,418,680	201,015,798	140,723,838
Other Payables	182,736,978	54,043,113	115,983,606
Income Tax Payable (Note - 18.01)	52,660,246	75,568,536	87,481,935
Salaries & Wages	34,343,924	18,364,301	26,058,899
Employees' Provident Fund	42,687,375	42,592,914	16,007,864
Interest due	79,189,272	35,728,615	3,942,336
Security Deposit	3,990,000	3,390,000	3,315,000
Tax Deducted at source (Employee Tax)	427,324	1,271,492	2,374,106
Group Insurance Payable	984,359	1,385,630	850,201
Audit Fee (Including VAT @15%)	1,035,000	690,000	690,000
Provision for Legal Fees	302,050	302,050	303,000
	683,862,747	569,603,427	549,161,698

18.01 Income Tax Payable : Tk. 52,660,246

This is arrived at as follows :

Opening Balance	75,568,536	87,481,935	84,323,535
Add: Tax provided for the period (Note - 25)	19,450,592	11,586,601	36,096,289
	95,019,128	99,068,536	120,419,824
Less: Adjustments for earlier years' tax	(42,358,882)	-	(20,437,889)
Less: Tax paid	-	(23,500,000)	(12,500,000)
Closing Balance	52,660,246	75,568,536	87,481,935

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

Status of Tax Assessment & Provisions made there against and effective tax rate of 6 years are as follows:

Accounting Year	Net Profit/(Loss) Before Tax	Total Tax Provision	Tax Liability as per Assessment	Short/(Excess) Provision	Effective Income Tax Rate	Remarks
2011	214,965,537	58,442,423	49,893,855	(8,548,568)	23.21%	Final Assessed
2012	175,133,762	58,667,708	52,680,188	(5,987,520)	30.08%	Final Assessed
2013	(29,072,368)	8,522,836	18,207,058	9,684,222	∞ (Infinity)	Final Assessed
2014	21,797,848	5,100,853	29,392,280	24,291,427	134.84%	Final Assessed
2015	17,941,271	11,586,601	-	-	64.58%	On Provision
2016	(78,686,189)	3,849,768	-	-	∞ (Infinity)	On Provision

	AMOUNT IN TAKA			
	01.01.2015-30.06.2016	01.01.2016-30.06.2016	01.01.2015-31.12.2015	01.01.2014-31.12.2014
	18 Months	6 Months	12 Months	12 Months

19.00 Revenue : Tk. 2,053,499,930

This is made up as follows :

A. Local Sales	712,839,735	258,469,656	454,370,079	442,049,371
B. Export Sales	1,340,660,195	383,158,569	957,501,626	1,235,608,303
	2,053,499,930	641,628,225	1,411,871,705	1,677,657,674

20.00 Cost of Goods Sold : Tk. 1,600,154,418

This is arrived at as follows:

Opening WIP	198,733,539	197,001,903	198,733,539	184,461,835
Raw Material Issued (Note- 20.01)	633,893,629	192,238,214	441,655,415	551,007,502
Material available for consumption	832,627,168	389,240,117	640,388,954	735,469,337
Closing WIP	(164,203,130)	(164,203,130)	(197,001,903)	(198,733,539)
Consumption	668,424,038	225,036,987	443,387,051	536,735,798
Manufacturing overhead (Note- 20.02)	928,367,134	320,185,398	608,181,736	709,214,583
Cost of production	1,596,791,172	545,222,385	1,051,568,787	1,245,950,381
Opening Finished Goods	237,113,748	216,201,210	237,113,748	247,144,124
Cost of Goods Available for Sale	1,833,904,920	761,423,595	1,288,682,535	1,493,094,505
Closing Finished Goods	(233,750,502)	(233,750,502)	(216,201,210)	(237,113,748)
Cost of Free Distribution of Sample	-	-	-	(2,537,154)
Cost of Goods Sold	1,600,154,418	527,673,093	1,072,481,325	1,253,443,603

20.01 Raw Material Issued : Tk. 633,893,629

This is arrived at as follows:

Opening Stock of Raw Material	176,635,130	183,413,938	176,635,130	359,070,527
Purchased of Raw Material	622,771,332	174,337,109	448,434,223	368,572,105
	799,406,462	357,751,047	625,069,353	727,642,632
Closing Stock of Raw Material	(165,512,833)	(165,512,833)	(183,413,938)	(176,635,130)
Raw Material Issued	633,893,629	192,238,214	441,655,415	551,007,502

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015- 30.06.2016	01.01.2016- 30.06.2016	01.01.2015- 31.12.2015	01.01.2014- 31.12.2014
	18 Months	6 Months	12 Months	12 Months

20.02 Manufacturing Overhead :Tk. 928,367,134

This consists of as follows :

Depreciation	73,842,690	46,241,730	27,600,960	103,603,436
Salaries ,Wages,etc	441,553,876	132,712,176	308,841,700	261,263,040
Gratuity	9,986,602	552,399	9,434,203	17,763,096
Power & Fuel	130,198,479	54,673,391	75,525,088	116,162,827
Packing Materials	111,503,098	33,462,155	78,040,943	89,808,900
Consumable Store & Spares	60,199,510	19,445,585	40,753,925	48,063,776
Transport Expenses	50,282,280	17,432,218	32,850,062	30,817,626
Office Expenses	9,319,066	3,076,282	6,242,784	7,007,405
Welfare Expenses	20,030,334	6,773,593	13,256,741	17,852,244
Insurance Expenses	4,256,027	1,819,663	2,436,364	3,731,059
Communication Expenses	994,974	398,374	596,600	807,246
Occupancy Expenses	622,191	303,350	318,841	57,350
Travelling & Conveyance	2,706,384	504,828	2,201,556	1,442,004
Training & Conference	20,000	-	20,000	-
Handling & Carrying Expenses	215,274	92,173	123,101	105,845
Repairs & Maintenances	12,586,357	2,697,481	9,888,876	9,397,944
Lease Rental	49,993	-	49,993	1,328,990
General Expenses	-	-	-	1,795
	928,367,134	320,185,398	608,181,736	709,214,583

21.00 Other Income: Tk. 27,058,094

This consists of as follows :

Duty Drawback	18,872,656	5,376,056	13,496,600	21,923,527
Misc. Insurance Claims	1,436,496	1,436,496	-	319,927
Profit on Sale of Fixed Assets	186,484	-	186,484	-
Misc. Income	5,852,943	5,852,943	-	-
Interest Receipts	709,515	193,306	516,209	383,301
	27,058,094	12,858,801	14,199,293	22,626,755

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015- 30.06.2016	01.01.2016- 30.06.2016	01.01.2015- 31.12.2015	01.01.2014- 31.12.2014
	18 Months	6 Months	12 Months	12 Months

22.00 Administrative Expenses : Tk. 91,958,650

This consists of as follows :

Depreciation	9,639,888	5,113,026	4,526,862	9,917,415
Salaries & Allowances	27,799,526	11,611,064	16,188,462	24,169,471
Gratuity	1,287,455	71,215	1,216,240	1,966,028
Welfare Expenses	10,648,362	3,082,112	7,566,250	9,352,554
Office Expenses	21,935,947	11,871,022	10,064,925	10,791,006
Transport Expenses	8,910,088	2,998,994	5,911,094	5,925,242
Legal Fees, Prof. & Others Fees	1,204,127	273,525	930,602	329,400
AGM Expenses	1,044,527	43,825	1,000,702	1,206,246
Communication Expenses	686,273	254,383	431,890	900,476
Occupancy Expenses	2,652,824	1,046,984	1,605,840	1,419,983
Travelling & Conveyance Expenses	4,077,424	2,571,379	1,506,045	5,688,101
Utilities Expenses	905,664	365,675	539,989	541,786
Repairs & Maintenances	87,380	1,880	85,500	17,460
Audit Fee (Including VAT @15%)	1,035,000	345,000	690,000	690,000
General Expenses	42,515	12,565	29,950	86,650
Handling & Carrying Expenses	1,650	550	1,100	11,300
	91,958,650	39,663,199	52,295,451	73,013,118

23.00 Selling & Distribution Expenses : Tk. 81,275,297

This consists of as follows :

Promotional Expenses	18,521,333	5,505,861	13,015,472	47,916,768
Salaries & Allowances	29,943,235	9,839,948	20,103,287	20,692,369
Gratuity	1,136,422	62,860	1,073,562	1,610,347
Advertising & Publicity	338,880	135,240	203,640	627,724
Occupancy Expenses	10,766,985	3,436,477	7,330,508	5,032,352
Office Expenses	6,752,524	2,165,412	4,587,112	4,761,613
Transport Expenses	2,935,394	875,816	2,059,578	3,518,339
Travelling & Conveyance Expenses	1,777,976	676,004	1,101,972	2,111,261
Welfare Expenses	3,837,434	1,098,503	2,738,931	2,648,927
Communication Expenses	1,239,001	481,434	757,567	889,552
Utilities Expenses	1,027,150	365,683	661,467	534,481
Show Room Expenses	852,408	256,644	595,764	637,564
Training Local	8,000	-	8,000	-
Handling & Carrying Expenses	939,101	292,585	646,516	144,290
Repairs & Maintenances	-	-	-	17,000
Legal & Professional Fees	511,045	302,636	208,409	94,153
Product Research	186,684	98,750	87,934	171,318
General Expenses	1,795	-	1,795	-
Lease Rental	499,930	-	499,930	655,204
	81,275,297	25,593,853	55,681,444	92,063,262

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

	AMOUNT IN TAKA			
	01.01.2015- 30.06.2016	01.01.2016- 30.06.2016	01.01.2015- 31.12.2015	01.01.2014- 31.12.2014
	18 Months	6 Months	12 Months	12 Months
24.00 Finance Cost : Tk. 367,017,513				
This consists of as follows :				
Interest on Loan from Banks & Others	356,352,732	137,288,710	219,064,022	248,048,152
Bank Commission & Charges	10,664,781	2,954,360	7,710,421	10,828,554
	367,017,513	140,243,070	226,774,443	258,876,706
25.00 Income Tax Expenses : Tk. -28,183,993				
This represents:				
(a) Current Tax				
Tax for the period under review	15,436,369	3,849,768	11,586,601	5,100,853
Short Provision for earlier years	15,600,824	15,600,824	-	30,995,436
Current Tax	31,037,193	19,450,592	11,586,601	36,096,289
(b) Deferred Tax (Income) / Expenses	(59,221,186)	(59,550,122)	328,936	(11,962,213)
	(28,183,993)	(40,099,530)	11,915,537	24,134,076
26.00 Earning Per Share (EPS):				
(a) Earning Attributable to the Ordinary Shareholders (Net Loss After Tax)	(32,560,925)	(38,586,659)	6,025,734	(2,336,228)
(b) Weighted Average Number of Ordinary Shares outstanding during the period (Note 3.13)	146,966,055	146,966,055	146,966,055	146,966,055
(c) EPS (a/b)	(0.22)	(0.26)	0.04	(0.02)
The calculation of the basic earnings per share is made in accordance with BAS 33 (Earning Per Share), dividing the Profit / (Loss) for the period by weighted average number of the shares outstanding during the period.				
27.00 Payments / Perquisites to Directors and Officers				
(a) Directors				
During the period no amount of money was expended by the company for compensating any member of the board for special services rendered. (2014 - Nil)				
During the period no board meeting attendance fee was paid to the directors of the company except the Independent Director of Tk. 140,000. (2014 - Tk. 140,000)				
(b) No remuneration was paid to CEO during the period. (2014 - Nil)				
(c) Officers				
Managerial Remuneration	77,741,051	23,016,749	54,724,302	56,169,732
Bonus	11,196,623	3,636,125	7,560,498	7,819,375
Perquisites				
Housing	24,582,247	8,357,300	16,224,947	19,773,934
Transport	5,653,555	1,792,635	3,860,920	3,682,995
	119,173,476	36,802,809	82,370,667	87,446,036

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

28.00 Production Capacity and Actual Production

	30.06.2016				31.12.2015			
	Production Capacity (in Pieces)	Actual Production (in Pieces)	Shortfall (in Pieces)	Capacity Utilization	Production Capacity (in Pieces)	Actual Production (in Pieces)	Shortfall (in Pieces)	Capacity Utilization
Porcelain	7,200,000	5,117,814	(2,082,186)	71.08%	15,000,000	10,815,595	(4,184,405)	72.10%
Bone China	1,620,000	1,356,893	(263,107)	83.76%	3,000,000	2,770,578	(229,422)	92.35%

Reason for Shortfall : Production as per market demand.

29.00 Capital Expenditure Commitment

There was capital expenditure contracted but not incurred or provided for as on 30 June 2016.

There was no material capital expenditure authorised by the board but not contracted for as on 30 June 2016.

30.00 Contingent Liabilities

There was no sums for which the company is contingently liable as on 30 June 2016 (2014 - Nil), except the facts as stated in Note - 3.8 .

31.00 Claims not Acknowledged

There was no claim against the company not acknowledged as debt as on 30 June 2016. (2014 - Nil)

32.00 Credit Facilities not Availed

There was no credit facilities available to the company but not availed of as on 30 June 2016 under any contract, other than trade credit available in the ordinary course of business.

33.00 Related Party Disclosure

Name of Related Party	Nature of Transactions	Value of Transactions During the period	Balance at the period end 30 June 2016
Bangladesh Export Import Co. Ltd.	Investment in Shares	-	51,537,240
Beximco Synthetics Ltd.	Investment in Shares	-	414,011

34.00 Financial Risk Management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

Credit risk

Liquidity risk

Market risk

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. Management has a credit policy in place

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables are nominal.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing.

Market Risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency Risk

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw material, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and EURO and relate to procurement of raw materials, machineries and equipment from abroad.

Exposure to Currency Risk

Foreign Currency Denominated Assets	30-Jun-16		31-Dec-15		31-Dec-14	
Trade Debtors- Foreign	Foreign Currency	Equivalent Local Currency (Tk.)	Foreign Currency	Equivalent Local Currency (Tk.)	Foreign Currency	Equivalent Local Currency (Tk.)
US\$	276,309	21,552,113	894,206	69,837,521	1,190,107	92,173,808
EURO	39,385	3,426,495	13,683	1,161,583	10,322	966,002
GBP	-	-	2,284	263,673	13,065	1,566,981
Total Equivalent US\$	320,239	24,978,608	912,455	71,262,777	1,222,812	94,706,791

(b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There is no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE PERIOD OF 18 MONTHS ENDED 30 JUNE 2016

Payments Made in Foreign Currency

	2016		2015	
	Amount in Foreign Currency	Equivalent in Tk.	Amount in Foreign Currency	Equivalent in Tk.
Import of Machinery, Equipments & Spares:	-	-	US\$ 40,000	3,160,000
	-	-	Euro 469,006	42,210,000
Import of Raw & Packing Material :	US\$ 1,856,142	142,922,934	US\$ 3,185,395	251,646,205
	Euro 175,230	15,245,010	Euro 412,394	37,115,460
	JP¥ 17,895,803	9,842,692	JP¥ 62,340,697	42,391,674
	GBP 100,673	10,937,115	GBP 174,097	20,021,115

No other expenses including royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies except as stated above.

35.00 Foreign Exchange Earned / Received against Collection from Export Sales

	2016		2015	
	Amount in Foreign Currency	Equivalent in Tk.	Amount in Foreign Currency	Equivalent in Tk.
	US\$ 5,482,026	427,418,230	US\$ 11,623,880	900,515,926
	Euro 13,683	1,161,583	Euro 201,912	17,140,289
	GBP 2,284	263,673	GBP 27,706	3,198,791

36.00 Particulars of Disposal of Property, Plant and Equipment

The following assets were disposed off during the period of 18 months ended 30 June 2016

Particulars of Assets	Cost	Accumulated Depreciation	Written Down Value	Sales Price	Profit	Mode of Disposal	Name of Parties
Transport & Vehicle	1,090,000	586,484	503,516	690,000	186,484	Negotiation	Various Individuals

37.00 Events After The Reporting Period

No circumstance have arisen since this statement of financial position date which would require adjustment to, or disclosure in, the financial statements or notes thereto.



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



Md. Luthfor Rahman
Chief Financial Officer

Dated, Dhaka
06 October 2016

BANGLADESH EXPORT IMPORT CO. LTD.

Registered Office: 17 Dhanmondi R/A, Road # 2, Dhaka-1205

PROXY FORM

I/We _____ of _____

being a member of **BANGLADESH EXPORT IMPORT CO. LTD.** hereby appoint Mr./Mrs./Miss _____

_____ of _____

as my/our Proxy to attend and vote for me/us on my/our behalf at the **43rd ANNUAL GENERAL MEETING** of the Company to be held on Saturday, the 19th November, 2016 at 3:00 p.m. at Beximco Industrial Park, Sarabo, Kashimpur, Gazipur and at any adjournment thereof.

As witness my/our hand this _____ day of June, 2016.

Signed by the said in presence of _____

(Signature of the Proxy)

Dated _____

(Signature of the witness)

Signature of the Shareholder(s)

Register BO ID/Folio No. _____

Dated _____

Revenue
Stamp
Tk. 20.00

NOTE :

A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature verified

Authorized Signatory

BANGLADESH EXPORT IMPORT CO. LTD.

Registered Office: 17 Dhanmondi R/A, Road # 2, Dhaka-1205

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my/our attendance at the **43rd ANNUAL GENERAL MEETING** being held on Saturday, the 19th November, 2016 at 3:00 p.m. at Beximco Industrial Park, Sarabo, Kashimpur, Gazipur.

Name of Member/Proxy _____

Register BO ID/Folio No. _____

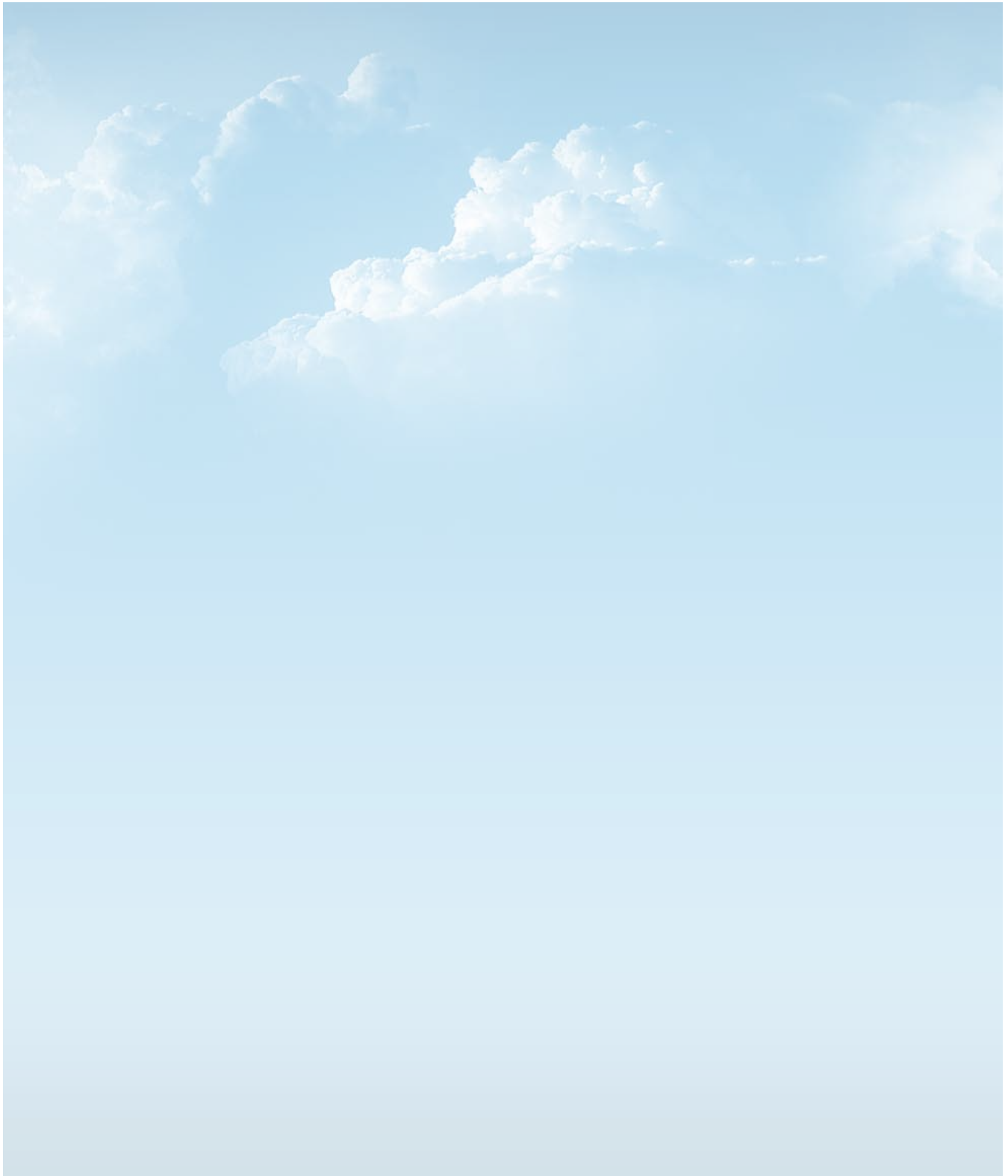
holding of _____ ordinary Shares of BANGLADESH EXPORT IMPORT CO. LTD.

Signature of Shareholder(s)

N. B.

Please present this slip at the reception desk. Children and non-members will not be allowed at the meeting.

শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/যাতায়াত ভাতা প্রদানের ব্যবস্থা থাকবে না।





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REGISTERED OFFICE

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