



SHINEPUKUR CERAMICS LIMITED
ANNUAL REPORT 2013





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.

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KEY DATA

- Year of Establishment (registration): 1997
- Commercial Production: 1999
- Status: Public Limited Company
- First Export: 1999 (Porcelain in April & Bone China in November)
- Business Lines: Manufacturing, Marketing and Exporting of Porcelain and Bone China tableware.
- Overseas Offices & Associates: USA and UK
- Current Export Markets: USA, Canada, UK, Germany, France, Italy, Romania, Norway, Sweden, Denmark, Poland, Spain, Turkey, Japan, Australia, New Zealand, Brazil, India, Chile, Egypt, Russia etc.
- Authorized Capital (Taka): 5,000 million
- Paid-up Capital (Taka): 1,469.66 million
- Number of Shareholders: Over 30,000
- Stock Exchange Listing: 2008
- Number of Employees: Around 3,000

HIGHLIGHTS : 2013

NEW CUSTOMERS

- Denby Potteries (UK)
- Nest (New Zealand)
- Designwise (India)
- Qatar Advertising (UAE)

ACHIEVEMENTS

- Awarded as "Asia's Most Promising Brand 2013" award in the Brand & Leadership Summit 2013 (Dubai)
- Received "Aurthokantha Business Award 2013"
- Provided Bone China as official dinnerware to a number of overseas embassies of different countries (other than Bangladesh)
- Successfully accomplished Recertification Audit of ISO 9001:2008 and extended for next 3 years
- Successfully passed CoC audit of Costco (USA)



THIS IS...

SHINEPUKUR CERAMICS LTD.

(A BEXIMCO COMPANY)

From the fellowship of the largest conglomerate in Bangladesh, the Beximco Group brings forth Shinepukur Ceramics Ltd. (SCL). It was in 1997 when the Group ventured into the Global Table-Top Industry with 100% export set-up, and keeping up with the merits of the parenthesis, Shinepukur Ceramics has emerged as the largest manufacturer and exporter of both Porcelain and Bone China tableware in Bangladesh. The glistening company is located inside the Beximco Industrial Park – spread across 21 acres of land area – near to the Dhaka Export Processing Zone (DEPZ) in the outskirts of the capital city of Dhaka.

Since its incorporation in 1997 and commission of the plants in 1998, the commercial production emanated in 1999 for both Porcelain & Bone China in two separate manufacturing units. Soon after commencement of production, Shinepukur has been able to gain substantial headway against its regional competitors by snatching commendable market share both in Porcelain & Bone China to become one of the top-choice global OEM-destinations. Shinepukur was the first company in the entire sub-continent to introduce Bone China technology and products, and that became possible with the direct technology transfer from NIKKO Company of Japan, the master of all Bone China producers. Shinepukur's Bone China contains 52% Bone-Ash in the composition, making the Company enlisted amongst the very few global manufacturers who are still producing the "REAL BONE CHINA". The customer portfolio of the Company now includes world-renowned Tableware companies in USA, Canada, UK, Germany, France, Italy, Japan, Sweden, Norway, Denmark, Finland, Spain, Poland, Mexico, Brazil, Chile, UAE, Australia, New Zealand, Turkey, India, Egypt, Russia and still growing.

KEY ESTABLISHMENTS

- | | |
|----------------|---|
| January 1997 | – Shinepukur Ceramics Ltd. was incorporated |
| April 1999 | – Commercial Production of Porcelain started |
| November 1999 | – Commercial Production of Bone China started |
| August 2001 | – In-house Decal Plant started its production |
| September 2003 | – In-house Packaging Plant started |
| August 2005 | – Expansion of Porcelain Plant |
| December 2010 | – Capacity Increased of Decal Printing |
| June 2012 | – Capacity of Decoration Kiln increased at Bone China Plant |



'SHINEPUKUR' is the name of trust and elegance that brings *A Classic touch in life*

CORPORATE DIRECTORIES

BOARD OF DIRECTORS

A S F Rahman	Chairman
Salman F Rahman	Vice Chairman
Iqbal Ahmed	Director
O K Chowdhury	Director
Masud Ekramullah Khan	Independent Director
Mohammad Asad Ullah, FCS	Executive Director & Company Secretary



MANAGEMENT COMMITTEE

Mohammed Humayun Kabir, FCA Chief Executive Officer

Md. Faruque Ali Executive Director

Md. Luthfor Rahman Executive Director

Auditors

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

Compliance Auditors

Itrat Husain & Associates
Chartered Secretaries in Practice
“Rhinstone” House 6, Road 104 -Lakeside
Gulshan 2, Dhaka-1212

Legal Advisers

M/S Huq & Co.
Barristers & Advocate
47/1 Purana Paltan, Dhaka – 1000

Banker

Sonali Bank Ltd. &
Southeast Bank Ltd.

Registered Office

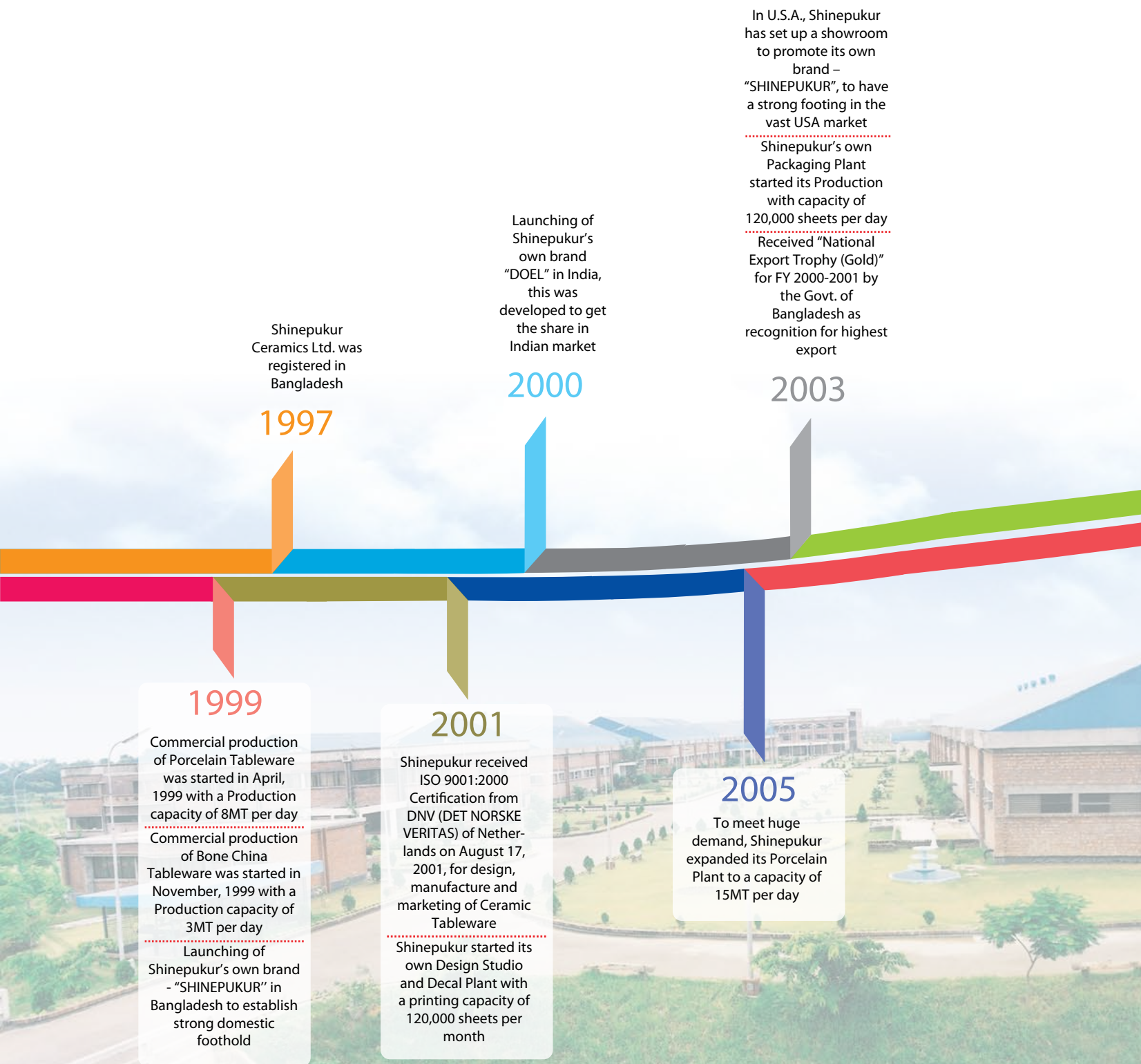
17 Dhanmondi R/A, Road No. 2
Dhaka – 1205, Bangladesh

Plant

Beximco Industrial Park
Sarabo, Kashimpur, Gazipur

PASSAGE OF TIME

HISTORY & MILESTONES



Received "National Export Trophy (Gold)" for FY 2002-2003 by the Govt. of Bangladesh as recognition for highest export
Shinepukur was listed in the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a Public Limited Company

2008

2009
In a major expansion move, Shinepukur signed MOU with a renowned German company to expand its Bone China unit, at worth of Tk. 80 crore
Shinepukur was awarded 'Superbrands' – first and only Ceramic Tableware Manufacturer of Bangladesh to receive such an honour

Shinepukur expanded its Decal Plant to the printing capacity of 180,000 sheets per month

Received "National Export Trophy (Gold)" for FY 2005-2006 by the Govt. of Bangladesh as recognition for highest export

Shinepukur was upgraded to its ISO 2008 version and was certified as ISO 9001:2008

2010

2011

Received 'National Export Trophy (SILVER)' for FY 2009-2010 by the Govt. of Bangladesh as recognition for highest export

Shinepukur was awarded 'Dun & Bradstreet Corporate Award' – first and only listed Ceramic Tableware Manufacturer of Bangladesh to receive such an honour

First-ever Shinepukur Signature Showroom opened in The Westin Dhaka hotel
Supplied to London Olympic Games 2012 as Official Souvenir Products
Provided official dinnerware to Indian Rashtrapathi Bhavan
Launched a new Porcelain body (whiter) – later termed as 'Satin China'

2012

2013

Awarded as "Asia's Most Promising Brand 2013" in the Brand & Leadership Summit 2013 (Dubai)

Received "Aurthokantha Business Award 2013"

Provided Bone China as official dinnerware to a number of overseas embassies of different countries (other than Bangladesh)

Successfully accomplished Recertification Audit of ISO 9001:2008 and extended for next 3 years

PRODUCTION FACILITY



Porcelain Plant

After erection of the plant, the plant resembles precision & quality in its every stage. Currently it has a capacity of 15MT per day production that sum up to 18mil. Pieces annual production.



Bone China Plant

The first ever Bone China plant in the SAARC region, the plant was built with the direct technology-transfer from NIKKO-Company of Japan. From opening to now, the product of this plant is the symbol of exquisite quality, elegance and superiority.



Decal Plant

This plant within Shinepukur Ceramics Ltd. premises - was established in August 2001 and has shown significant expertise. With its crafty designers continuously showing trendy expertise in its Design Studio, while its printing section prints more than 200,000 sheets per month.



Packaging Plant

After establishment in 2003, in-house Packaging Plant has been showing great skills to produce more than 300,000 cartons every month, ranging from square to round styled 4-5 colored gift-boxes.

PRODUCTS : **CLASS & PERFECTION**





PLAIN PORCELAIN



IVORY CHINA



HI-ALUMINA



SATIN CHINA

BLUE-CHIP CUSTOMERS



GLOBAL FOOTPRINT



ASIA

India
UAE
Japan
Pakistan
Singapore
Saudi Arabia

Australia

Australia
New Zealand

Europe

UK
Italy
Germany
France
Denmark
Sweden
Norway
Finland
Spain
Russia
Poland
Turkey

Latin & Central America

USA
Canada
Mexico
Chile
Brazil
Argentina

Africa

Egypt
South Africa

MAGNIFICENT PRODUCTS





CORPORATE SOCIAL RESPONSIBILITY



Jaago Foundation

Jaago Foundation runs a number of schools to provide free education to the children in slum areas, besides running awareness campaigns on youth leadership, and other important social, environmental and health issues. Shinepukur with its continuous efforts to attach itself for humanity, extended supports to Jaago.



CRP

CRP (Centre for the Rehabilitation of the Paralyzed), the name itself has been contributing to Bangladesh on the highest humanitarian ground. Shinepukur, has been indebted and delighted to be a part of its outstanding endeavours.



Shinepukur Golf Tournament

Shinepukur remains in the front-row to patronize games & sports. Recently it associated itself with Bogra Golf Club in "Shinepukur Spring Golf Tournament 2014".

AWARDS FEATHERS



Shinepukur Ceramics – “Asia’s Most Promising Brand”

Shinepukur Ceramics received the prestigious “Asia’s Most Promising Brand 2013” award at the Asian Brand & Leadership Summit 2013, Dubai. This award was given by World Consulting and Research Corporation (WCRC), where leading Global Audit and Accounting Firm ‘KPMG’ was the process auditor and evaluator along with an eminent panel of international jury members.

Received “Aurthokantha Business Award 2013”

Shinepukur Ceramics received “Aurthokantha Business Award 2013” as **The Most Respected Company of The Year**. Shinepukur is the only Ceramic Tableware Manufacturer of Bangladesh to receive such an honour.



POST 2013 **ACTIVITIES**

Participation at Ambiente

Like every year, Shinepukur exhibited in Ambiente 2014 (February 7 - 11), the Largest Lifestyle Show on Earth and showcased its marvels of variety Ceramic Tableware. With extensive responses received in this particular fair from buyer communities across the globe - upholds a shining future for Shinepukur.



IMPORTANT VISITS

Visit of DG, WTO and Commerce Minister

Director General of World Trade Organization (WTO) Mr. Roberto Azevedo and hon'ble Commerce Minister of Bangladesh Mr. Tofail Ahmed MP visited Shinepukur Ceramics facility and praised highly about the facility and the products.



Visit of Health Minister

Hon'ble Health Minister of Bangladesh Mr. Mohammed Nasim MP paid his invaluable visit to the premises of Shinepukur Ceramics and exchanged effective ideas for improved initiatives.



Visit of National Defence College

A team of 77 NDC Personnel comprising of National and International members of Armed Forces visited at Shinepukur Premises.



NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth Annual General Meeting of the Shareholders of Shinepukur Ceramics Limited will be held on Saturday, the 21st June, 2014 at 12.00 noon 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 year ended 31st December, 2013 together with reports of the Auditors and the Directors thereon.
2. To elect Director.
3. To appoint Auditors for the year 2014 and to fix their remuneration.
4. 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 : 8 May, 2014

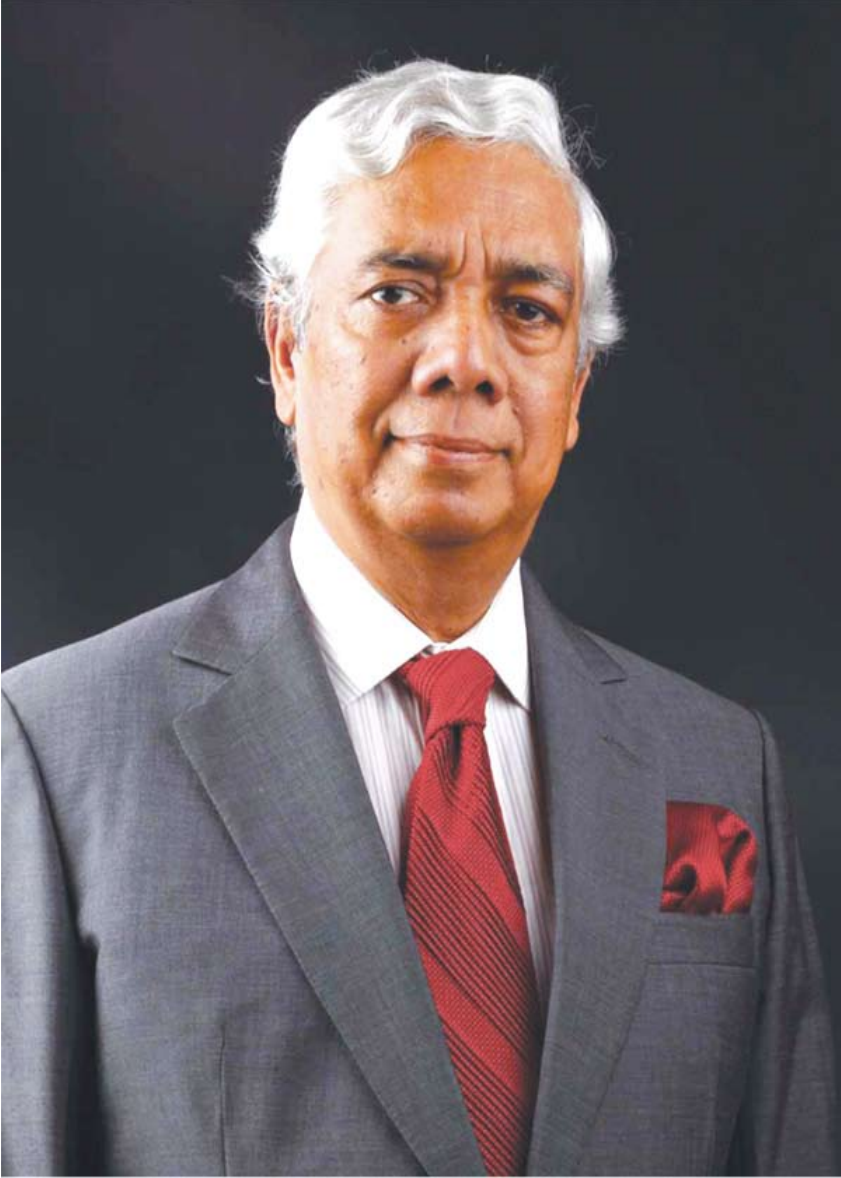
NOTES:

- (1) The Record Date of the Company shall be on 18 May, 2014.
- (2) The Shareholders whose names will appear in the Share Register of the Company or in the Depository Register on the record date i.e. 18 May, 2014, will be entitled to attend at the Annual General Meeting.
- (3) 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.
- (4) 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).
- (5) **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.**





চেয়ারম্যানের প্রতিবেদন



প্রিয় শেয়ারহোল্ডারবৃন্দ,

আমি কোম্পানীর সপ্তদশ বার্ষিক সাধারণ সভায় পরিচালক পর্ষদের পক্ষ থেকে আপনাদের সকলকে স্বাগত জানাচ্ছি। আমি কোম্পানীর ২০১৩ সালের সার্বিক কার্যক্রমের বিবরণী এবং ভবিষ্যৎ পরিকল্পনা আপনাদের সামনে উপস্থাপন করছি।

এ বছর কোম্পানীর নীট বিক্রয়ের পরিমাণ ছিল ১,৭০৪.৫৭ মিলিয়ন টাকা, যা ২০১২ সালে ছিল ১,৯৪২.৩৫ মিলিয়ন টাকা। এ বছর প্রধানত: রাজনৈতিক অস্থিরতার কারণে বিক্রয় প্রবৃদ্ধির হার ছিল ঋণাত্মক। এই অস্থিরতা চরম অস্থিতিশীল অবস্থায় রূপ নেয় এবং বিদেশী ক্রেতাদের মনে ক্রয়াদেশের বিপরীতে সময়মত তাদের পণ্যপ্রাপ্তির বিষয়ে আস্থার সংকট সৃষ্টি করে। তদুপরি মার্কিন ডলারের বিপরীতে টাকার অতিমূল্যায়ন, বেশ কিছু আমদানিকারক দেশের অর্থনৈতিক শ্লথগতি এবং স্থবিরতা ইত্যাদি বিষয়গুলি আমাদের কোম্পানীর বিক্রয়ে বিরূপ প্রভাব ফেলে। ফলশ্রুতিতে, আমাদের কোম্পানী ২০১৩ সালে ১১.৮০ মিলিয়ন টাকার ক্ষতির সন্মুখীন হয়।

সম্প্রসারণ কর্মসূচী

রাজনৈতিক অনিশ্চয়তা এবং আর্থিক তারল্য সীমাবদ্ধতার কারণে বোন চায়না সম্প্রসারণ প্রকল্প এখনও সম্পন্ন করা যায়নি। উল্লেখ্য যে, এই সম্প্রসারণ প্রকল্পে ১,১০০ মিলিয়ন টাকার মত ব্যয় হবে, যার মধ্যে ৮১৭.৯২ মিলিয়ন টাকা আমরা ইতিমধ্যেই ব্যয় করেছি। সম্প্রসারণ প্রকল্পটি বাস্তবায়িত হলে, বোন চায়নার উৎপাদন বৃদ্ধি পাবে ৪.৫০ মেট্রিক টন এবং বাৎসরিক অতিরিক্ত বিক্রির পরিমাণ দাঁড়াবে প্রায় ৭৫০ মিলিয়ন টাকা।

সামাজিক প্রতিশ্রুতি

শাইনপুকুর সিরামিকস্ এ আমাদের কর্মকাণ্ড সমাজের প্রতি দায়িত্ববোধ এর 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।

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 শুভাকাঙ্ক্ষীকে আন্তরিক ধন্যবাদ জানাই এবং ভবিষ্যতে তাদের অব্যাহত সমর্থন ও সহযোগিতা কামনা করি।

X. L. P. Laluna.

এ এস এফ রহমান
চেয়ারম্যান

তারিখ: ২৯ এপ্রিল, ২০১৪



CHAIRMAN'S **STATEMENT**

Dear Shareholders,

I take this opportunity to welcome you on behalf of the Board of Directors to this 17th Annual General Meeting of your Company, and to lay before you a brief resume of the affairs of the company for the year 2013 and its future plan.

During the year the company earned net sales of Tk. 1,704.57 million as against Tk. 1,942.35 million in 2012. During the year, the sales had a negative growth primarily due to prevailing political unrest. The unrest signaled instability and eroded foreign buyer's confidence in executing on time delivery against their orders. The impact of appreciation of taka against US dollar and economic slowdown and stagnancy in some of the importing countries had also negative impact on company's sales. Consequently our company incurred a loss of Tk. 11.80 million in 2013

Expansion Program

Due to political uncertainty and liquidity constrains the expansion of Bone China unit could not be completed yet. It may be noted that the expansion plant will cost totaling around Tk. 1,100.00 millions against which we have already incurred Tk. 817.92 millions. After completion of the expansion unit additional Bone China production capacity will increase 4.50 Metric Tons and will generate additional annual sales of Tk. 750.00 millions approximately.

Social Commitment

In Shinepukur Ceramics, 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 provided active co-operation and support to different organizations and professional institutions in their socio-cultural development programs.

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 invaluable 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.



A S F Rahman
Chairman

Dated: 29 April, 2014



CORPORATE GOVERNANCE

The maintenance of effective Corporate Governance remains a key priority to the Board of Shinepukur Ceramics Ltd. Recognizing the importance of it, the board and other senior management remained committed to high standards of Corporate Governance. To exercise about clarity of director's responsibilities towards the shareholders, Corporate Governance must be dynamic and focus 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-to-day 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 a Managing

Director (MD) / Chief Executive Officer (CEO) under whom there are Executive Directors (ED) and Managers for various departments and according to hierarchy, various senior & mid level management staffs. The Managing Director / CEO, ED and Managers meet at regular interval represented also by Administration, Finance, Marketing & Production heads.

Financial Reporting – 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 expenditure.

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, Financial Statements. Other areas are also given emphasis by reviewing on quarterly basis. These include information 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 are required:

- to select suitable accounting policies and the apply them in a consistent manner;
- to make reasonable and prudent judgements and estimates where necessary;
- to state whether all applicable accounting standards have been followed, subject to any material departures disclosed

and explained in the notes to the financial statements;

- to 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;
- to ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with disclosure requirements to the Companies Act 1994 and the Securities and Exchange Rules 1987; and
- to prepare the financial statements on a going concern basis unless it is inappropriate to presume 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 responsible to the 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 year ended 31 December 2013 stood at five directors. All directors are equally accountable at law to the shareholders for the proper conduct of the business.

The Company's Board currently comprises the Chairman, Vice-Chairman and three Directors. The name of the Directors appears on page 6.

Appraisal Review Board – Appraisal review board annually appraises the performances of every level of employees as per established policy. It determines the annual increment, promotion and parameter of remuneration for all level of executives.

GOING CONCERN

After making enquiries, 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 and supervision. They have the right to ask questions of and request of 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 shareholders through the corporate affairs 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

Transfer of shares

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

DIRECTORS' REPORT TO THE SHAREHOLDERS

For the year ended 31 December, 2013

Dear Shareholders,

The Directors have pleasure in submitting hereunder their report together with the Audited Accounts for the year ended on 31st December, 2013 and Auditors' Report thereon:

WORKING RESULTS

The Directors are pleased to report that the working results of the Company for the year 2013 are as follows:

	Taka in Thousand	
	For the year 2013	For the year 2012
Net profit before tax	(29.07)	175.13
Less: Income tax (Expenses)/ Income	17.27	84.85
Net profit after tax	(11.80)	90.28
Add: Balance brought forward from previous year	167.07	268.48
Balance carried forward	155.27	358.76

Dividend

The Directors recommended no dividend for the year as the Company incurred a loss and the directors do not consider the retained earnings to be adequate to distribute any dividend from it as this will not be prudent.

Analysis of Operating Performance

Business Outlook - a general overview

Though the Bangladeshi Ceramic Tableware manufacturing industry dates back to 1960's, but started to flourish from late 1990's, where all the manufacturing set-ups were mainly set up towards export oriented business. Traditionally, the tableware industry is labour-intensive and companies in developed countries experienced difficulties to remain competitive and began to search for alternative manufacturing destinations. Bangladesh, being a gas-rich and low labour-cost economy, has become perfectly positioned to be a strategic partner in production and supply of ceramic products to top-brands of Europe, USA, Japan etc.

Majority of export market for Bangladesh Ceramic Tableware have been Europe and the USA, where widespread economic recession forced all Ceramics export businesses to slow down, or this trend is continuing from 2010 to this year. SCL for the first-time experienced a tougher reality in 2013 with a negative growth of export business. However in Bangladesh, the political crisis that started during 2013 centring the election poses some degree of uncertainty in the overall

economic environment of the country and is seen as an impediment to the growth of business. Continuous nation-wide strikes following confrontation between agitated political groups & law-enforcers etc. are directly impacting negatively towards on-time availability of imported raw-materials, manufacturing productivity, timely delivery to export destinations, cash-flow etc

Export and Domestic Sales

There were various global reasons and internal political crisis that negatively put the performance down. Our Export Sales in 2013 has reduced by 9% and dropped down to Tk. 1,540 million as against Tk. 1,687 million of 2012. Export sales still continue to remain as the key driver with 90% of the total revenue in 2013. This continuity has been maintained mainly through strengthening trusts with existing customers & manufacturing of more of their newer product ranges, quickly seizing opportunity with strong new brands through professional liaison & fast product development, and strategically focusing into markets that are less impacted by recession. Moreover, a thorough improvement of the product quality initiating cross-quality check on every production stages and innovating the products & packaging in-line with up-to-date international standards etc. also contributed towards export performance. The most challenging part to achieve reliability from among the buyers' fraternity has been to establish Shinepukur Ceramics Ltd. as the most compliant facility, into fast changing global mindset reality to this particular matter. Shinepukur has been proven quite successful in this field after series of Social Accountability audits from Sedex and buyers. These relentless & on-going endeavours will significantly & positively contribute in the upcoming confirmed export businesses.

Our Domestic Sales have been passing through hard times due to political dilemma and various country-specific socio-economic issues. The difficult political situation i.e. continued strikes compelled the dealer-shops to remain closed at a stretch, sometimes there was no sales as no customer was available and no physical distribution of products to desired sales locations was possible. As a result domestic gross sales also reduced in 2013.

Significant Accreditations

To maintain consistency in the sales performance by ensuring all the required tough compliance in-place, is truly difficult proposition especially being an original equipment manufacturing (OEM) of world's top brands. Shinepukur has been quite successful in excelling in its performance in every endeavours, crossing one benchmark to the other. Shinepukur efficiently passed the 3rd phase of SMETA (Sedex Members' Ethical Trade Audit) in August 2012 and completed twice the thorough review of 6 months' periodic ISO audits from DNV (Det Norske Veritas) in 2013.

Profitability / Loss

Loss incurred due to lower sale which was resulted from political turmoil and economic slowdown / stagnancy in the importing countries.

Directors

Resignation, Retirement and Re-election

Mr. Nazmul Hassan, Managing Director of the Company tendered his resignation on his personal ground and his resignation was accepted by the Board on 14.11.2013. We are thankful to Mr. Nazmul Hassan for his valuable contribution and guidance made by him during long tenure as Managing Director of the Company.

Mr. Iqbal Ahmed, Director of the Company retires by rotation as per Articles 127 and 128 of the Articles of Association of the Company and being eligible offers himself for re-election.

Board Audit Committee

The Company had an Audit Committee, which constituted in terms of the provisions of Corporate Governance Guidelines dated 07-08-2012 issued by BSEC which is as follows:

Mr. Masud Ekramullah Khan	- Chairman
Mr. Iqbal Ahmed	- Member
Mr. O K Chowdhury, FCA	- Member
Mr. Mohammad Asad Ullah, FCS	- Secretary

The detail of the activities of the audit committee has been provided in "Audit Committee Report".

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 was appointed as Auditors of the Company in Sixteenth Annual General Meeting carried out the audit for the year ended on 31 December, 2013.

M/s. M. J. Abedin & Co., Chartered Accountants, National Plaza (3rd floor), 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 2014.

Board Meetings and Attendance

During the year 12 (twelve) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meetings attended
Mr. A S F Rahman	12
Mr. Salman F Rahman	12
Mr. Iqbal Ahmed	12
Mr. O K Chowdhury	10
Mr. Nazmul Hassan	9
Mr. Masud Ekramullah Khan	7

Corporate and Financial Reports

The Directors are pleased to confirm that:

- The financial statements together with the notes thereon have drawn up 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.
- Proper books of accounts of the company have been maintained.
- Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and judgement.
- The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- Internal Control System is sound in design and has been effectively implemented and monitored.
- There is no significant doubts about the ability of the Company to continue as a going concern.
- There is no significant deviations in operating result compared to last year.
- The summarised key operating and financial data of last five preceding years is annexed as "Comparative Statistics" in the Annual Report.
- The related party transaction have been disclosed in preparation of the financial statement (Note 31)
- The Pattern of shareholding is as followings.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

For the year ended 31 December, 2013

The Pattern of Shareholding

Name	Shares held
i) Parent/Subsidiary/Associate Companies and other related parties:	
Bangladesh Export Import Co. Ltd.	
As on 31-12-2013	73,483,009
ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:	
Mr. A S F Rahman, Chairman	2
Mr. Salman F Rahman, Vice-Chairman	1
Mr. O K Chowdhury, Director	1
Chief Executive Officer, Spouse and minor children	Nil
Company Secretary, Spouse and minor children	Nil
Chief Financial Officer, Spouse and minor children	
Head of Internal Audit, Spouse and minor children	Nil
iii) Executives:	Nil
iv) Shareholders holding ten percent (10%) or more voting interest in the company	
Bangladesh Export Import Co. Ltd (Mentioned in SL. No. (i) above.)	73,483,009

Key operating and Financial Data

Taka in '000

Particulars	2013	2012	2011	2010	2009
Paid Up Capital	1,469,661	1,277,966	1,111,275	966,326	840,283
Revenue	1,704,567	1,942,351	1,901,129	1,926,746	1,695,711
Gross Profit	477,671	674,038	653,104	659,097	559,200
Profit / (Loss) Before Income Tax	(29,072)	175,134	214,966	305,074	249,187
Net Profit / (Loss) after Income Tax	(11,802)	90,285	168,768	253,247	172,372
Tangible Assets (Gross)	5,939,973	5,920,505	5,905,581	4,190,249	4,086,437
Cumulative Surplus	155,265	358,761	435,167	411,348	284,143
Dividend	-	15% (B)	15% (B)	15% (B)	15% (B)
Return on Paid up Capital	-1%	7%	15%	26%	21%
Shareholders Equity	4,487,867	4,544,462	4,499,760	2,731,959	2,478,711
Earning per Share (Taka)	(0.08)	0.71	1.52	2.62	2.05
Shareholders Equity Per Share (Taka)	31	36	40	28	29
Number of Shareholders	30,822	27,040	28,730	24,172	27,803

all figures in thousand Taka except indicate otherwise

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 Board of Directors have 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 invaluable support and cooperation to bring the company to the level it has reached today.

On behalf of the Board of Directors



A S F Rahman
Chairman

29 April, 2014
Dhaka.



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 ("√" in appropriate column)		Remarks (If any)
		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 NBFIs	√		
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 a single product segment-Ceramics. 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	--		N/A
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 ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5 (x)	Remuneration to directors including IDs	√		No remuneration has been paid to any Director during 2013 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	--	--	N/A
1.5 (xviii)	Summary of key operating/financial data of last 5 years	√		
1.5 (xix)	Reason for non declaration of Dividend	√		
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	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
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	√		
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 Governance as required under clause (i) of condition No. 7	√		
5	SUBSIDIARY COMPANY			
5 (i)	Composition of BOD to be similar to holding company	--	--	N/A
5 (ii)	One ID to be in both holding and subsidiary company	--	--	N/A
5 (iii)	Minutes of Board meetings of subsidiary company to be placed at following Board meeting of holding company	--	--	N/A
5 (iv)	Minutes of respective Board meeting of holding company to state that affairs of subsidiary company be reviewed	--	--	N/A
5 (v)	Audit Committee of holding company to review financial statements / investments of subsidiary company	--	--	N/A
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	√		

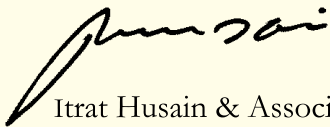
CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

1. We have examined the compliance of conditions of Corporate Governance by **SHINEPUKUR CERAMICS LIMITED** (“the Company”) for the year ended 31 December, 2013 as per the Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the BSEC notification mentioned above.

4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.



Itrat Husain & Associates
Chartered Secretaries in Practice

Signed by : Itrat Husain FCMA, FCS
Chief Executive

Dhaka, 15 May 2014

REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE

to the Shareholders

Dear Shareholders,

I am pleased to present the Report of the Audit Committee for the year 2013.

The Board of Directors of Shinepukur Ceramics Limited has constituted an Audit Committee in terms of the conditions of Bangladesh Securities and Exchange Commission's (BSEC) Guidelines which is appended with the Compliance Report and also enclosed with the Directors' Report. The Committee comprise of Mr. Masud Ekramullah Khan, Mr. O K Chowdhury, FCA and Mr. Iqbal Ahmed, of whom Mr. Masud Ekramullah Khan is an Independent Director and also the Chairman of the Committee. Mr. Mohammad Asad Ullah, FCS, Company Secretary, function as the Secretary of the Committee. The Audit Committee is appointed by the main Board and all the Members are Non-Executive Directors. 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 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.

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.

Main Activities and recommendations of the Audit Committee in 2013:

The Audit Committee met four times during the year 2013. All the Members were present in all meetings of the Committee.

The Committee held its first meeting of 2013 on April 20, to review the Audited Financial Statements of the Company for the year ended December 31, 2012. 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 12, 2013 prior to release of the un-audited First Quarter Financial Statements of the Company for the quarter ended on March 31, 2013. 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 2013 was held on July 28, 2013 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, 2013.

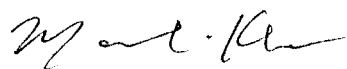
The fourth meeting of the Committee was held on October 28, 2013 to release of the un-audited third quarter financial statements of the Company for the quarter ended September 30, 2013. The detailed review of the financial statements was made by the Committee and recommended to the Board for approval of the financial statements for release to the Shareholders of the Company.

The Managing Director, Chief Executive Officer 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 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 2014, subject to the approval of shareholders in the 17th AGM of the Company, who had carried out the audit of the Company for the year 2013.



(MASUD EKRAMULLAH KHAN)
Chairman
Audit Committee

Date: 20 April, 2014

Financials



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 31 December 2013, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year 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 31 December 2013, and of its financial performance and its cash flows for the year 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.

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 Statement of 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

Dhaka, 29 April, 2014


M. J. ABEDIN & CO.
Chartered Accountants

SHINEPUKUR CERAMICS LIMITED

STATEMENT OF FINANCIAL POSITION

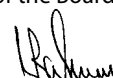
as at 31 December 2013

		Amount in Taka	
	Notes	31-Dec-2013	31-Dec-2012
ASSETS			
Non-Current Assets		5,163,868,663	5,323,600,351
Property, Plant and Equipment - Carrying Value	4	4,284,727,821	4,384,003,402
Investment in Shares	5	61,221,686	121,705,206
Capital Work in Progress		817,919,156	817,891,743
Current Assets		1,710,385,576	1,796,412,804
Inventories	6	912,642,408	845,059,407
Accounts & Other Receivables	7	674,987,355	853,413,145
Advances, Deposits & Prepayments	8	108,267,477	81,930,381
Cash and Cash Equivalents	9	14,488,336	16,009,871
Total Assets		6,874,254,239	7,120,013,155
EQUITY AND LIABILITIES			
Shareholders' Equity		4,487,866,589	4,544,462,049
Issued Share Capital	10	1,469,660,550	1,277,965,700
Revaluation Surplus on Property, Plant and Equipment	11	2,966,690,015	2,966,690,015
Fair Value loss on Investment in Shares		(103,748,918)	(58,955,026)
Retained Earnings		155,264,942	358,761,360
Non-Current Liabilities		629,397,933	803,483,989
Long Term Loan - Net-off Current Maturity(Secured)	12	321,383,411	296,189,631
Long Term Loan (Unsecured)	13	301,584,151	498,837,779
Deferred Tax Liability	14	6,430,371	8,456,579
Current Liabilities		1,756,989,717	1,772,067,117
Short Term Loan from Banks (Secured)	15	964,471,449	1,183,795,749
Long Term Loan-Current Maturity (Secured)	16	322,692,983	143,242,382
Creditors, Accruals and Other Payables	17	469,825,285	445,028,986
Total Equity and Liabilities		6,874,254,239	7,120,013,155
Net Asset Value Per Share		30.54	35.56

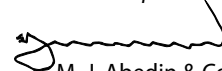
The notes are an integral part of the Financial Statements.

Approved and authorized for issue by the Board of Directors on 29 April, 2014 and signed for and on behalf of the Board:


A S F Rahman
Chairman

Salman F Rahman
Vice-Chairman

Md. Luthfor Rahman
Executive Director

Per our report of even date.


M. J. Abedin & Co.
Chartered AccountantsDhaka
29 April, 2014

SHINEPUKUR CERAMICS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	Notes	Amount in Taka	
		2013	2012
Revenue	18	1,704,567,234	1,942,350,752
Cost of Goods Sold	19	(1,226,896,190)	(1,268,312,998)
Gross Profit		477,671,044	674,037,754
Operating Expenses		(107,644,738)	(105,872,312)
Administrative Expenses	20	(56,577,523)	(54,107,127)
Selling and Distribution Expenses	21	(51,067,215)	(51,765,185)
Profit from Operations		370,026,306	568,165,442
Loss on Sale of Shares		(6,191,823)	(19,649,764)
Finance Cost		(392,906,851)	(364,625,228)
Profit/(Loss) before contribution to WPPF	22	(29,072,368)	183,890,450
Contribution to Workers' Profit Participation / Welfare Funds		-	(8,756,688)
Net (Loss) / Profit before Tax		(29,072,368)	175,133,762
Income Tax Income/(Expense)		17,270,800	(84,848,705)
Net (Loss) / Profit After Tax for the year	23	(11,801,568)	90,285,057
Other Comprehensive Income:			
Fair Value Loss on Investment in Shares	5	(44,793,892)	(45,583,431)
Total Comprehensive (Loss) / Profit for the year		(56,595,460)	44,701,626
Earning per share (Adjusted EPS of 2012) Tk.	24	(0.08)	0.61

The notes are an integral part of the Financial Statements.

Approved and authorized for issue by the board of directors on 29 April, 2014 and signed for and on behalf of the Board:



A S F Rahman
Chairman

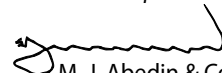


Salman F Rahman
Vice-Chairman



Md. Luthfor Rahman
Executive Director

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

Dhaka
29 April, 2014

SHINEPUKUR CERAMICS LIMITED

Statement of Changes in Equity

for the year ended 31 December 2013

Particulars	Share Capital	Revaluation Surplus on PPE	Fair Value Loss on Investment in Shares	Amount in Taka	
				Retained Earnings	Total Equity
Balance as on 31 December 2012	1,277,965,700	2,966,690,015	(58,955,026)	358,761,360	4,544,462,049
Net Loss after tax for the year	-	-		(11,801,568)	(11,801,568)
Other Comprehensive Income:					
Fair Value Loss on Investment in Shares (Note - 5)	-		(44,793,892)	-	(44,793,892)
Transaction with Share Holders:					
Issue of Bonus Shares for the prior year (2012)	191,694,850	-		(191,694,850)	-
Total Balance as on 31 December 2013	1,469,660,550	2,966,690,015	(103,748,918)	155,264,942	4,487,866,589

The accompanying notes form an integral part of this financial statement.

Approved and authorized for issue by the board of directors on 29 April 2014 and signed for and on behalf of the Board:



A S F Rahman
Chairman

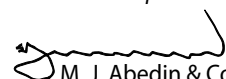


Salman F Rahman
Vice-Chairman



Md. Luthfor Rahman
Executive Director

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

Dhaka
29 April, 2014

SHINEPUKUR CERAMICS LIMITED

Statement of Cash Flows

for the year ended 31 December 2013


	Amount in Taka	
	2013	2012
Cash Flows From Operating Activities :		
Collections from turnover and other income	1,882,993,023	1,676,871,496
Payments for costs, expenses & others	(1,213,006,959)	(1,124,027,465)
Interest Paid	(402,285,732)	(402,474,727)
Short Term Loan (decreased)	(143,939,852)	(1,900,347)
Income-Tax paid and /or deducted at sources	(47,290,057)	(71,152,032)
Net cash Generated from operating activities	76,470,423	77,316,925
Cash Flows From Investing Activities:		
Property, Plant and Equipment acquired	(19,468,655)	(14,924,231)
Sale of Shares	9,497,805	39,127,960
Capital Work in Progress	(27,413)	-
Net cash (used in) / generated from investing activities	(9,998,263)	24,203,729
Cash Flows From Financing Activities:		
Decrease in Loan	(67,993,695)	(110,943,563)
Net cash used in financing activities	(67,993,695)	(110,943,563)
Decrease in Cash and Cash Equivalents	(1,521,535)	(9,422,909)
Cash and Cash Equivalents at the beginning of the year	16,009,871	25,432,780
Cash and Cash Equivalents at the end of the year	14,488,336	16,009,871
Net Operating Cash Flow Per Share	0.52	0.61

The accompanying notes form an integral part of this financial statement.

Approved and authorized for issue by the board of directors on 29 April 2014 and signed for and on behalf of the Board:



A S F Rahman
Chairman

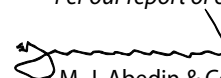


Salman F Rahman
Vice-Chairman



Md. Luthfor Rahman
Executive Director

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

Dhaka
29 April, 2014

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2013

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-Its 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 year end quoted price of Dhaka Stock Exchange Ltd.

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 the end of the year 2013;
- (b) a Statement of comprehensive income for the year 2013;
- (c) a statement of changes in equity for the year 2013;
- (d) a statement of cash flows for the year 2013; and
- (e) notes, comprising a summary of significant accounting policies and other explanatory information.

2.4. Reporting Period

The financial statements cover one calendar year from 1st January 2013 to 31st December 2013.

2.5. Authorization for Issue

The financial statements have been authorized for issue by the Board of Directors on 29 April 2014.

2.6. 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 year ended 31 December 2013

2.7. Comparative Information

Comparative information has been disclosed in respect of the year 2012 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year 2012 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

2.8. Use of Estimates and Judgments

The preparation of financial statement 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 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.

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 domestic sales including value added tax paid to the Government of Bangladesh and export sales. However, VAT included in sales is not considered as revenue as it is collected on behalf of customers.

3.2 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.

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 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 profit and loss account as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

Notes to the Financial Statements

as at and for the year ended 31 December 2013

3.2.4 Software

Software is generally charged off as revenue expenditure. Purchase 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 income statement, 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	2.5% to 5%
Plant and Machinery	5% to 7.5%
Furniture & Fixtures	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 year 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 comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of comprehensive income.

(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) Advances and Deposits

Cash and Cash equivalents are carried in the financial position at cost and include cash in hand and with banks on current

Notes to the Financial Statements

as at and for the year ended 31 December 2013

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 expire.

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.

3.8. Income Tax Expense

Current Tax

As the company incurred net loss, minimum tax of 0.50% of revenue has been provided u/s 16CCC of Income Tax Ordinance 1984.

Deferred Tax

The company has recognized deferred tax using balance sheet method in compliance with the provisions of BAS 12: Income Taxes.

Notes to the Financial Statements

as at and for the year ended 31 December 2013

The deferred tax asset / income or liability / expense do not create a legal obligation to, or recoverability from, the income tax authority.

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 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 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 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.

(b) Contribution to Workers' Profit Participation/ Welfare Funds

This represents 5% of net profit before tax contributed by the Company as per provisions of Bangladesh Labor Law, 2006 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..

3.12 Proposed Dividend

No dividend has been proposed for the year 2013.

3.13 Earning Per Share (EPS)

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 year.

Notes to the Financial Statements

as at and for the year ended 31 December 2013

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 year has been considered as fully attributable to the ordinary shareholders

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

Current Year (2013)

The Bonus Shares issued during the year 2013 were treated as if they always had been in issue. Hence, in computing the basic EPS of 2013, the total number of shares including the said bonus shares has been considered as the Weighted Average number of Shares outstanding during the year 2013.

Earlier Year (2012)

The number of shares outstanding before the bonus issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issue had occurred at the beginning of the earliest period reported (2012), and accordingly, in calculating the adjusted EPS of 2012, the total number of shares including the subsequent bonus issue in 2013 has been considered as the Weighted Average Number of Shares outstanding during the year 2012.

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 resource 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 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.

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2013

4. Property, Plant and Equipment: Tk. 4,284,727,821

Particulars	Land & Land Development	Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Fixture	Transport & Vehicle	Total Taka
Cost or Valuation							
At 31 December 2012	1,686,454,503	1,375,666,924	2,744,713,798	54,897,336	27,550,363	31,221,869	5,920,504,793
Addition during the Year	10,575,000	825,787	7,080,388	605,930	381,550	-	19,468,655
At 31 December, 2013	1,697,029,503	1,376,492,711	2,751,794,186	55,503,266	27,931,913	31,221,869	5,939,973,448
Depreciation							
At 31 December, 2012	-	242,136,166	1,207,625,737	45,122,761	21,748,677	19,868,050	1,536,501,391
Depreciation for the year	-	29,658,758	83,501,966	2,076,101	1,236,647	2,270,764	118,744,236
At 31 December, 2013	-	271,794,924	1,291,127,703	47,198,862	22,985,324	22,138,814	1,655,245,627
Carrying Amount							
At 31 December, 2013	1,697,029,503	1,104,697,787	1,460,666,483	8,304,404	4,946,589	9,083,055	4,284,727,821
Carrying Amount							
At 31 December, 2012	1,686,454,503	1,133,530,758	1,537,088,061	9,774,575	5,801,686	11,353,819	4,384,003,402

Assets include Leased Assets of Tk. 7,750,000 at cost and Tk. 1,194,459 at written down value.

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 year ended 31 December 2013

5. Investment In Shares : Tk. 61,221,686

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

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

	Amount in Taka	
	as at 31-Dec-13	as at 31-Dec-12
(a) In 65,716 (2012: 59742) Shares of Tk. 10 each Beximco Synthetics Ltd.	1,097,460	1,451,730
(B) In 1,867,212 (2012: 1,867,290) Shares of Tk. 10 each Bangladesh Export Import Co. Ltd.	60,124,226	120,253,476
	61,221,686	121,705,206

This is arrived at as follows:

	Beximco Synthetics Ltd.	Beximco Ltd.	Total
At Cost as on 31.12.12	1,451,730	120,253,476	121,705,206
Adjustment for Sales during the year 2013	-	(15,689,628)	(15,689,628)
	1,451,730	104,563,848	106,015,578
Quoted Price on 31.12.13	1,097,460	60,124,226	61,221,686
Fair Value Loss on Investment in Shares in 2013	(354,270)	(44,439,622)	(44,793,892)

6. Inventories : Tk. 912,642,408

This represents as follows:

Raw Material & Chemical	359,070,527	316,644,315
Finished Goods	247,144,124	218,653,144
Work-In- Process	184,461,835	175,298,714
Stores & Spares	72,466,188	89,155,438
Packing Material	49,499,734	45,307,796
	912,642,408	845,059,407

7. Accounts & Other Receivables : Tk. 674,987,355

This is considered good and is falling due within one year.

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.

Notes to the Financial Statements

as at and for the year ended 31 December 2013

8. Advances, Deposits & Prepayments: Tk. 108,267,477

This is considered good and consists of as follows:

	Amount in Taka	
	as at 31-Dec-13	as at 31-Dec-12
Advances	78,434,493	61,547,619
Deposits	29,832,984	20,382,762
	108,267,477	81,930,381

The break -up of advances and prepayments are as follows:

L/C-Margin	13,815,051	15,450,122
Suppliers	1,384,948	7,895,865
Income Tax (Note -8.01)	37,805,998	20,515,941
Trade Fair	4,715,656	5,196,553
Employees (other than officers)	8,296,114	296,798
Advance against Construction	353,753	343,753
Marketing Expenses	8,712,141	8,714,661
L/C-Insurance	659,738	323,532
L/C- Commission	2,330,874	2,450,174
Advance Travel	360,220	360,220
	78,434,493	61,547,619

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.

The break -up of deposits is as follows:

Bank Guarantee Margin	2,755,718	2,755,718
Security Deposit	11,388,261	11,313,261
Earnest Money Deposit	-	122,500
Lease Deposit	3,518,794	3,518,794
VAT Deposit	12,170,211	2,672,489
	29,832,984	20,382,762

8.1 Advance Income Tax Paid : Tk. 37,805,998

This has been arrived at :

Opening Balance	20,515,941	23,744,845
Add : Adjustment of Excess Credit by DCT for the years 2009 & 2010	-	61,323
Paid / Deducted during the year under review	17,290,057	20,515,941
	37,805,998	44,322,109
Less : Adjustment made during the year under review for 2011	-	23,806,168
	37,805,998	20,515,941

Notes to the Financial Statements

as at and for the year ended 31 December 2013

9. Cash And Cash Equivalents : Tk. 14,488,336

This consists of :

	Amount in Taka	
	as at 31-Dec-13	as at 31-Dec-12
(a) Cash in Hand	7,268,400	6,231,172
(b) At Banks in :	7,219,936	9,778,699
(i) Current Deposit	4,195,709	4,814,341
(i) STD	2,324,785	4,264,916
(ii) FDR	699,442	699,442
	14,488,336	16,009,871

10. Share Capital : Tk.1,469,660,550

This represents :

(a) Authorized :		
500,000,000 ordinary shares of Tk. 10/- each	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
61,736,570 Ordinary Shares of Tk.10/-each fully paid-up bonus shares	617,365,700	450,674,530
19,169,485 Ordinary Shares of Tk.10/-each fully paid-up bonus shares	191,694,850	166,691,170
Total 146,966,055 shares of Tk. 10/- each fully paid-up	1,469,660,550	1,277,965,700

(c) Statement of Share Position:

Name of the Shareholders	31-Dec-2013		31-Dec-2012	
	No. of Shares	Holding %	No. of Shares	Holding %
Bangladesh Export Import Co.Ltd	73,483,009	50.00	63,898,269	50.00
Directors & Associates	7	-	7	-
ICB including ICB investors' Account	12,748,072	8.67	9,021,773	7.06
General Public and Institutions	60,734,967	41.33	54,876,521	42.94
	146,966,055	100.00	127,796,570	100.00

Notes to the Financial Statements

as at and for the year ended 31 December 2013

(d) Distribution Schedule:

Share holdings	No. of Shareholders	No. of Shares	Holding %
Less than 500 shares	18,728	2,388,948	1.63
500 to 5,000 shares	10,216	16,320,787	11.11
5001 to 10,000 shares	1,022	7,310,600	4.97
10,001 to 20,000 shares	461	6,552,381	4.46
20,001 to 30,000 shares	148	3,638,625	2.48
30,001 to 40,000 shares	73	2,479,336	1.69
40,001 to 50,000 shares	42	1,889,531	1.29
50,001 to 100,000 shares	69	4,650,267	3.16
100,001 to 1,000,000 shares	60	16,532,441	11.25
Over 1,000,000 shares	3	85,203,139	57.97
	30,822	146,966,055	100.00

11. Revaluation Surplus On Property, Plant and Equipment : Tk. 2,966,690,015

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

12. Long Term Loan - Secured (Net-Off Current Maturity) : Tk. 321,383,411

This represents loans from :

	Amount in Taka	
	as at 31-Dec-13	as at 31-Dec-12
Sonali Bank Ltd. - PAD Blocked Loan	15,073,412	66,233,382
Sonali Bank Ltd. - Project Loan	41,970,046	92,160,306
Bank Asia Ltd. - Term Loan	188,931,649	-
Southeast Bank Ltd. - Term Loan	75,408,304	137,795,943
	321,383,411	296,189,631

Notes to the Financial Statements

as at and for the year ended 31 December 2013

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 :

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.

Bank Asia Ltd. - Term Loan :

In 54 (Fifty-four) equal monthly installments commencing from 31 December 2013, as per revised sanction.

Southeast Bank Ltd. - Term Loan :

In 47 (Forty-seven) equal monthly installments commencing from 31 July 2012, as per revised sanction.

Rate of interest :

Sonali Bank Ltd. - Project Loan :

15 % 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.

Bank Asia Ltd. - Term Loan :

15.50% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Southeast Bank Ltd. - Term Loan :

18 % p.a. or the lending rate applicable from time to time based on Bank rate / policy.

13. Long Term Loan (Unsecured) : Tk. 301,584,151

This is due to Bangladesh Export Import Company Limited, an associated undertaking.

This loan is unsecured and bears interest @ 14% p.a. which is repayable as mutually agreed upon.

14. Deferred Tax Liability : Tk. 6,430,371

This is arrived at as follows:

	Amount in Taka	
	as at 31-Dec-13	as at 31-Dec-12
Opening Balance	8,456,579	9,965,449
Deferred Tax Income for the year (Note - 23)	(2,026,208)	(1,508,870)
	6,430,371	8,456,579

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2013

15. Short Term Loan From Banks : Tk. 964,471,449

This is secured and consists of as follows:

	Amount in Taka	
	as at 31-Dec-13	as at 31-Dec-12
Sonali Bank Ltd. - CC (H)	579,719,862	526,164,111
Bank Asia Ltd. - Over Draft	-	278,476,501
Sonali Bank Ltd. - LTR	80,531,628	99,626,686
Southeast Bank Ltd. - LTR	51,953,529	60,273,798
Phoenix Finance & Investment Ltd.	252,266,430	219,254,653
	964,471,449	1,183,795,749

16. Long Term Loan - Current Maturity Portion (Secured) : Tk. 322,692,983

This consists of as follows:

Sonali Bank Ltd. - PAD Blocked	47,443,261	38,003,846
Sonali Bank Ltd. - Project	98,767,853	47,716,132
Sonali Bank Ltd. - CC Blocked	99,999	7,795,823
Bank Asia Ltd. - Term Loan	99,721,106	-
Southeast Bank Ltd. - Term Loan	76,660,764	49,726,581
	322,692,983	143,242,382

17. Creditors, Accruals and Other Payables: TK. 469,825,285

This is unsecured and represents creditors for:

L/C & Others	677,346	5,688,050
Creditors for Goods	13,301,054	6,917,017
Security Deposit	3,315,000	3,295,000
Outstanding Export Commission	8,335,397	5,013,893
Employees' Provident Fund	36,241,412	7,598,670
Other Payables	87,814,113	68,033,327
Income Tax Payable (Note - 17.01)	84,323,535	129,568,127
Tax at source (Employee tax)	2,062,512	1,315,124
Interest due	62,426,975	81,570,024
Salary & Wages	38,391,464	28,227,629
Gas & Electricity	132,154,533	107,218,125
Audit Fee (Including VAT @15%)	690,000	575,000
Provision for Legal Fees	9,000	9,000
Group Insurance Payable	82,944	-
	469,825,285	445,028,986

Notes to the Financial Statements

as at and for the year ended 31 December 2013

		Amount in Taka	
		as at 31-Dec-13	as at 31-Dec-12
17.1 Income Tax Payable : Tk. 84,323,535			
This is arrived at as follows :			
Opening Balance		129,568,127	117,591,488
Add: Tax provided for the year (Note - 23)		8,522,836	86,357,575
		138,090,963	203,949,063
Less: Adjustments for earlier years' tax		(23,767,428)	(23,806,168)
Less: Tax paid		(30,000,000)	(50,574,768)
		84,323,535	129,568,127
18. Revenue : Tk. 1,704,567,234		for the year 13	for the year 12
This is made-up as follows :			
A. Local Gross Sales		198,009,608	298,289,470
Value added tax		(29,701,441)	(38,907,321)
Commission		(16,815,832)	(18,830,483)
Net Local Sales		151,492,335	240,551,666
B. Export Sales Less : Freight,C&F and Others Charges		1,540,952,379	1,687,152,110
C. Duty Drawback		12,122,520	14,646,976
		1,704,567,234	1,942,350,752
19. Cost of Goods Sold : Tk. 1,226,896,190			
This is arrived at as follows:			
Opening WIP		175,298,714	177,721,484
Raw Material Issued (Note- 19.01)		663,584,171	672,701,891
Material available for consumption		838,882,885	850,423,375
Closing WIP		(184,461,835)	(175,298,714)
Consumption		654,421,050	675,124,661
Manufacturing overhead (Note- 19.02)		601,883,719	582,708,727
Cost of production		1,256,304,769	1,257,833,388
Opening Finished Goods		218,653,144	231,646,878
Cost of Goods Available for Sale		1,474,957,913	1,489,480,266
Closing Finished Goods		(247,144,123)	(218,653,144)
Cost of Free Distribution of Sample		(917,600)	(2,514,124)
		1,226,896,190	1,268,312,998

Notes to the Financial Statements

as at and for the year ended 31 December 2013

	Amount in Taka	
	for the year 13	for the year 12
19.01 Raw Material Issued :Tk. 663,584,171		
This is arrived at as follows:		
Opening Stock of Raw Material	316,644,315	336,855,654
Purchase of Raw Material	706,010,383	652,490,552
	1,022,654,698	989,346,206
Closing Stock of Raw Material	(359,070,527)	(316,644,315)
	663,584,171	672,701,891
19.02 Manufacturing Overhead : Tk. 601,883,719		
This consists of as follows :		
Depreciation	107,228,972	111,273,897
Salaries ,Wages,etc	228,459,920	229,768,968
Power & Fuel	83,759,786	82,250,037
Packing Materials	77,836,523	68,471,474
Consumable Store & Spares	42,364,520	39,979,460
Transport Expenses	30,991,407	22,412,226
Office Expenses	5,617,503	5,276,802
Welfare Expenses	13,445,127	10,479,663
Insurance Expenses	4,629,539	4,079,547
Communication Expenses	900,816	901,086
Occupancy Expenses	358,790	275,328
Travelling & Conveyance	1,788,499	1,221,970
Handling & Carrying Expenses	371,355	701,202
Repairs & Maintenance	3,973,393	5,585,272
Lease Rental	149,979	-
General Expenses	7,590	-
Training & Conference	-	31,795
	601,883,719	582,708,727

Notes to the Financial Statements

as at and for the year ended 31 December 2013

20. Administrative Expenses : TK. 56,577,523

This consists of as follows :

	Amount in Taka	
	for the year 13	for the year 12
Depreciation	11,515,264	12,702,393
Salaries & Allowances	20,664,266	22,057,114
Welfare Expenses	6,998,525	3,072,625
Office Expenses	3,169,493	4,485,989
Transport Expenses	4,943,634	3,051,760
Legal Fees, Prof. & Others Fees	1,535,000	987,059
AGM Expenses	1,007,433	2,456,192
Communication Expenses	1,703,679	809,952
Occupancy Expenses	1,189,122	1,155,602
Travelling & Conveyance Expenses	2,404,339	2,076,054
Utilities Expenses	654,113	596,697
Repairs & Maintenance	32,850	27,200
Audit Fee	690,000	575,000
General Expenses	38,745	53,490
Training & Conference	24,900	-
Handling & Carrying Expenses	6,160	-
	56,577,523	54,107,127

21. Selling & Distribution Expenses : TK. 51,067,215

This consists of as follows :

Promotional Expenses	18,605,027	16,979,379
Salaries & Allowances	17,054,528	15,600,197
Advertising & Publicity	321,895	1,885,922
Occupancy Expenses	3,153,600	4,835,738
Office Expenses	2,353,631	3,285,736
Transport Expenses	2,377,248	2,298,443
Travelling & Conveyance Expenses	2,110,194	2,585,554
Welfare Expenses	1,966,101	1,700,773
Communication Expenses	977,492	792,819
Utilities Expenses	654,113	596,698
Show Room Expenses	706,714	577,776
Handling & Carrying Expenses	156,135	395,670
Repairs & Maintenance	28,800	30,850
Legal & Professional Fees	403,758	128,560
General Expenses	-	5,720
Product Research	48,000	49,000
Training & Conference	-	16,350
Lease Rental	149,979	-
	51,067,215	51,765,185

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2013

		Amount in Taka	
		for the year 13	for the year 12
22. Finance Cost : Tk. 392,906,851			
This consists of as follows :			
Interest on Loan from Banks & Others		278,574,325	271,583,574
Interest on Long Term Loan from a Related Party		104,687,260	83,837,289
Bank Interest Receipt		(118,902)	(152,487)
Bank Commission & Charges		9,764,168	9,356,852
		392,906,851	364,625,228
23. Income Tax (Income)/Expenses : Tk. 17,270,800			
This represents:			
(i) Current Tax			
Tax for the year under review		8,522,836	27,672,272
(Excess) / Short Provision for earlier years		(23,767,428)	58,685,303
Current Tax		(15,244,592)	86,357,575
(ii) Deferred Tax Income		(2,026,208)	(1,508,870)
		(17,270,800)	84,848,705
24. Earnings Per Share (EPS)			
(a) Earning Attributable to the Ordinary Shareholders (Net Profit After Tax)		(11,801,568)	90,285,057
(b) Weighted Average Number of Ordinary Shares outstanding during the year (Note 3.13)		146,966,055	146,966,055
(c) EPS (Adjusted EPS of 2012) (a/b)		(0.08)	0.61
25. Payments / Perquisites to Directors and Officers			
(a) Directors			
No amount of money was expended by the company for compensating any member of the board for special services rendered.			
No board meeting attendance fee was paid to the directors of the company except the Independent Director of Tk. 120,000.			
(b) Officers			
Managerial Remuneration		43,805,768	43,012,785
Bonus		6,981,860	6,801,035
Perquisites			
Housing		19,371,464	18,065,476
Transport		1,838,756	1,792,676
		71,997,848	69,671,972

Notes to the Financial Statements

as at and for the year ended 31 December 2013

26. Capital Expenditure Commitment

There was no capital expenditure contracted but not incurred or provided for as on 31 December 2013.

There was no material capital expenditure authorised by the board but not contracted for as on 31 December 2013.

27. Contingent Liabilities

There was no sums for which the company is contingently liable as on 31 December 2013.

28. Claims not Acknowledged

There was no claim against the company not acknowledged as debt as on 31 December 2013.

29. Credit Facilities not Availed

There was no credit facilities available to the company but not availed of as on 31 December 2013 under any contract, other than trade credit available in the ordinary course of business.

30. Commission, Brokerage Or Discount Against Sales

Selling commission of Tk. 16,815,832 was incurred and paid during the year in 2013.

No other commission, brokerage or discount was incurred or paid by the company against sales during the year 2013.

31. Related Party Disclosure

Name of Related Party	Nature of Transactions	Value of Transactions During the year	Balance at the year end
Bangladesh Export Import Co. Ltd.	Investment in Shares	15,689,628	60,124,226
Beximco Synthetics Ltd.	Investment in Shares	-	1,097,460
Bangladesh Export Import Co. Ltd.	Long Term Loan	197,253,628	301,584,151
Bangladesh Export Import Co. Ltd.	Interest Expenses	104,687,260	62,426,975

32. 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

Notes to the Financial Statements

as at and for the year ended 31 December 2013

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.

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.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There is 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.

33. Events after the Reporting Period

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
Executive Director

Dhaka
29 April, 2014

Shinepukur Ceramics

Signature Showroom at The Westin Dhaka



Shinepukur *Signature* Showroom



THE WESTIN
DHAKA

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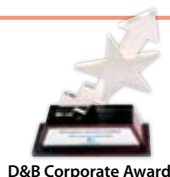
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