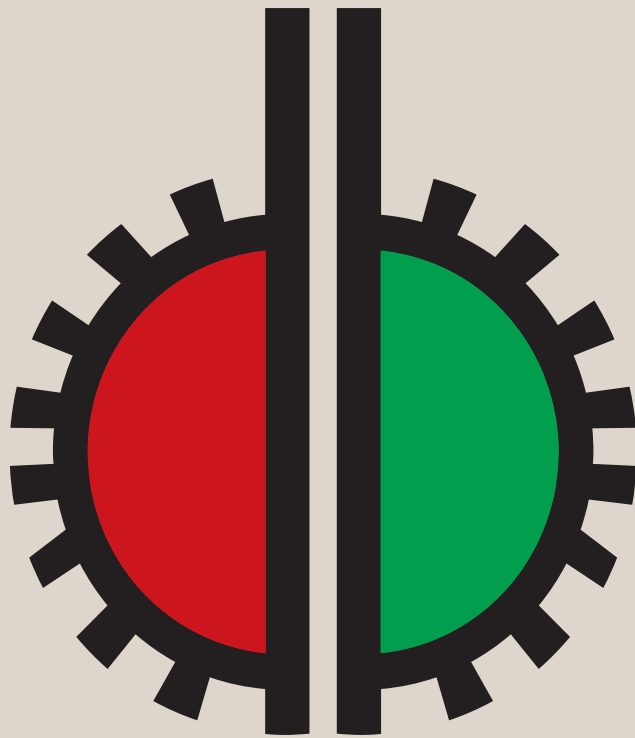
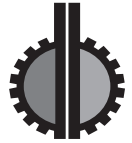


ANNUAL
REPORT
2013



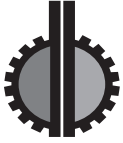
Deshbandhu Polymer Limited



CONTENTS

CONTENTS

	PAGE
Vision, Mission, Objectives	04
Transmittal Letter	05
Notice of the 7th Annual General Meeting	06
Corporate Directory	07
Company Profile	08
Five Years' Financial Statement	09
Message from the Chairman	10-11
Directors' Report	12-25
Audit Committee	26
Auditors' Report & Audited Financial Statements	27-46
Attendance Slip & Proxy Form	47



Vision

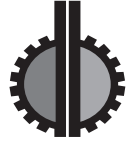
We view business as a means to the material and social wellbeing of the investors, employees and the society at large, leading to accretion of wealth through financial and moral gains as a part of the process of the human civilization.

Mission

Our Mission is to produce and provide quality PP woven bag; maintain stringently ethical standard in business operation ensuring benefit to the shareholders, stakeholders and the society at large.

Objectives

Our objectives are to conduct transparent business operation based on market mechanism within the legal & social frame work with aims to attain the mission reflected by our vision.



LETTER OF TRANSMITTAL

To

All Valued Shareholders
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies & Firms

Sub: Annual Report for the year ended June 30, 2013

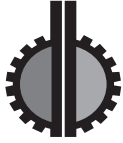
Dear Sir (s),

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements for the year ended 30th June 2013 along with the Auditors' Report and Directors' Report for your record.

Thanking you,

Sincerely yours,

Sd/-
Md. Liakat Ali Khan
Company Secretary



NOTICE OF THE SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the 7th (Seventh) ANNUAL GENERAL MEETING of Deshbandhu Polymer Limited will be held on Sunday, December 29, 2013 at 10:00 A.M., at Jamuna Resort, Eastern Approach of Bangabandhu Bridge, Bhuapur, Tangail, Bangladesh to transact the following business.

AGENDA

- 1) To consider and adopt Audited Accounts for the year ended 30 June 2013.
- 2) To approve Dividend for the year ended 30 June, 2013.
- 3) To elect/re-elect Directors of the Company.
- 4) To appoint Auditors and fix their remuneration.
- 5) To transact any other business with the permission of the Chair.

By Order of the Board

Sd/-

Md. Liakat Ali Khan
Company Secretary

Dated, Dhaka
October 03, 2013

Notes :

- a. October 29, 2013 is the record date. Shareholders whose name will appear in the share register of the company or in the depository register on the date will be eligible to attend the Annual General Meeting and to receive the dividend.
- b. A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at BCIC Bhaban (14th Floor), 30-31, Dilkusha C/A, Dhaka-1000, not later than 48 hours before the time fixed for the meeting.
- c. Admission to the meeting venue will be strictly on production of the attendance slip attached with the proxy form.
- d. Please note that, As per Notification of Bangladesh Securities and Exchange Commission No. SEC/SRMI/2000-953/1950 dated 24 October 2000 "No benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity Securities."



CORPORATE DIRECTORY

CORPORATE DIRECTORY

CHAIRMAN

Mr. Golam Mostafa

MANAGING DIRECTOR

Mr. Golam Rahman

DIRECTORS

Miss. Tabassum Mostafa

Director, Representative of Deshbandhu Shipping Limited

Mr. Md. Mainul Islam Lal

Director, Representative of Deshbandhu Sugar Mills Ltd.

Mr. Md. Akheruzaman

Director, Representative of Deshbandhu Distilleries Ltd.

Independent Director

Mr. Syed Anisul Huq

COMPANY SECRETARY

Mr. Md. Liakat Ali Khan

CHIEF FINANCIAL OFFICER

Mr. M. Mostaque Morshed

AUDITORS

M/S. Shafiq Mizan Rahman & Augustine

Chartered Accountants

Flat # 15A (15th floor)

25/A, Green Road, Dhaka-1205

BANKERS

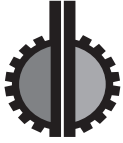
Southeast Bank Limited

Principal Office, Dhaka.


Mercantile Bank Limited

Motijheel Branch, Motijheel C/A

DHAKA - 1000



COMPANY PROFILE



Authorized Capital	: 100,00,00,000.00 BDT
Paid-up Capital	: 483,000,000.00 BDT
Date of Incorporation	: 03-12-2006
Date of Conversion into Public Limited	: 05-08-2009
Starting Date of Commercial Production	: 17-12-2007
Consent for IPO from BSEC	: September 19, 2010
Listing with DSE & CSE	: 17-01-2011
Last AGM Date	: 30-12-2012
Business Line	: Manufacturing and Marketing of PP woven bag and liner

CORPORATE OFFICE :

Mostafa Center
Road # 27 House # 59
Block # k, Banani
Dhaka-1213
Tel.: 8816731, Fax: +88 02 8815571
E-mail : dpl@dbg.com.bd
Web. : www.deshbandhugroup.com.bd
www.dbg.com.bd

SHARE OFFICE:

BCIC Bhaban (14th Floor)
30-31, Dilkusha C/A, Dhaka - 1000
Tel.: 9560174

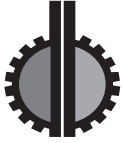
FACTORY:

Kawadi, Charsindur
Palash, Narsingdi



FIVE YEARS' FINANCIAL HIGHLIGHT

Particulars	2013	2012	2011	2010	2009
Revenue	5 76,283,277	422,385,007	220,466,600	273,719,984	200,524,303
Cost of Sales	510,108,080	350,724,511	187,947,205	238,268,264	167,741,304
Gross Profit	66,175,197	71,660,496	32,519,395	35,451,720	32,782,999
Administrative and Selling expenses	(18,158,608)	(12,909,055)	(4,240,919)	(3,791,592)	(3,371,705)
Operating Profit	48,016,589	58,751,441	28,278,476	31,660,127	29,411,294
Other Income	-	-	-	-	4,124,569
Financing income	31,448,520	28,388,037	2,428,434	(9,806,443)	(13,468,211)
Financing cost	(33,424,833)	(16,974,704)	-	-	-
Net profit/ (Loss) before WPPF and income tax	46,040,276	70,164,774	-	-	-
Provision for Contribution to WPPF	(2,302,014)	(2,937,572)	(1,413,924)	-	-
Interest Received from IPO Subscription	-	-	68,506,537	-	-
IPO Related Expenses	-	-	(38,546,995)	-	-
Net profit / (Loss) before income tax	43,738,262	67,227,202	59,252,529	21,853,684	20,067,653
Provisional for Tax	(12,028,022)	(13,763,199)	(8,238,874)	-	-
Deferred tax current year	(19,159,066)	-	-	2,540,095	1,634,615
Comprehensive income for the year	12,551,174	53,464,003	51,013,655	24,393,779	21,702,268
Earning Per Share (TK)	0.26	1.11	1.06	0.51	0.45



MESSAGE

FROM THE CHAIRMAN

In the name of Allah-the most merciful

Respected Shareholders,

Assalamu Alaikum,

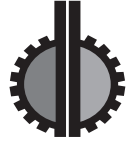
With immense pleasure and satisfaction, I welcome you to this auspicious occasion of the 7th Annual General Meeting (AGM) of the Company.

It is my privilege and delight to present the Annual Report representing the results we achieved in the financial year 2012-2013. I extend my wholehearted gratitude to all of you for the trust and confidence you have reposed on us to steer the company to success and enhance its position to leading company in the country.

The world economy has passed another challenging year in 2012-2013. More than four years after the turbulence the global economy continues to feel the effects of the financial crisis. Amidst the back drop of the global economic slow-down and prevalent adverse situation of our country, the company's production & sales has been hampered. But in spite of this company continued with steady performance showing all round business excellence, making well diversified products by new investment.

Our dividend history gives an account of our commitment to our shareholders. Last year we paid 5% stock dividend and 5% Cash dividend and this year we are pleased to announce 5% stock dividend. Our long standing customer relationship, brand image, quality products and prudent risk management policy justified that at any time of crisis, we can make the company profitable, which is strengthening the shareholders' trust on the company.

On behalf of the Board of Directors, I would like to extend my gratitude to Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Central Depository Bangladesh Limited (CDBL), Register of Joint Stock Companies and Firms and all other regulatory authorities for their valuable guidance, support and cooperation, towards our goal and devotion to serve all our stakeholders.



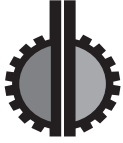
I would like to express my gratitude to my fellow Board Members for their valuable contributions throughout the year.

While concluding, I express my gratitude to the management of the company for their sincere endeavor and hard work, without which it would not be possible to make such progress. I also thank you all for your continued support and co-operation and confidence on us.

Sd/-

Golam Mostafa
Chairman





DIRECTORS' REPORT

TO THE SHAREHOLDERS FOR THE YEAR ENDED JUNE 30, 2013

Assalamu Alaikum,

Distinguished Shareholders,

On behalf of the Board of Directors of the Company I am very happy to welcome you in the 7th Annual General Meeting of Deshbandhu Polymer Limited.

The Board of Directors has the pleasure in presenting the Annual Report for the year ended 30th June 2013. We present this Annual Report in compliance with the Companies Act, 1994 and the guidelines issued by Bangladesh Securities and Exchange Commission Rules 1987 and the Listing Rules of the Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited and other applicable rules and regulations. It is a statutory and conventional requirement to forward a report of the Board of Directors to the shareholders of the company in its Annual General Meeting.

Dear Shareholders,

The recovery of global economy continues slowly better to say weaker base than forecast. The economy of Bangladesh has been constantly experiencing the prolonged downturn of the global economy. The growth of industrial sector in Bangladesh has come down to 7.5 percent from the last year's 9.5 percent. Our country experienced economic dilemma created by soaring prices of oil, food and other commodities. Cost of production of the local industries increased adversely due to increase in wages resulted from adjustment of cost of living and prices of raw materials. The country witnessed economic crisis on the last financial year and for that the GDP growth rate went down compared to that of the previous year. Repeated 'hartal' & political unrest during the whole year has badly affected the polymer sector like other sectors and consequently the production and sales of company has decreased substantially. However we are trying hard to overcome such international and national economic depression and towards that end we are always identifying potential markets to grow quality business and to ensure superior quality of products. We are extremely keen to attain the highest level of good corporate governance at all levels since its inception which inter-alia will help the company establish professionalism among the employees together with trust and confidence in the customers.

**The Company Profile:**

Deshbandhu Polymer Limited is a PP woven bagging plant; an effort of vertically integrated diversification of Deshbandhu Group. It is a Public Company Limited by Share and listed with the Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited since 17 January 2011.

The company was incorporated under the Companies Act. 1994, with the Registrar of Joint Stock Companies & Firms (RJSC), Dhaka. Subsequently the Company was converted into a public Limited Company on August 5, 2009. Deshbandhu Polymer Limited is an ISO 9001:2008 certified company.

Objective of the Company:

Deshbandhu Polymer Limited was established with the intention of setting up a modern Polymer industry for manufacturing of pp oven bags and liner. Our objectives are to conduct transparent business operation based on market mechanism within the legal and social frame work.

Activities of the Company:

Deshbandhu Polymer Limited is a manufacturer of the best quality PP woven bag in Bangladesh suitable for packing all types of food grain, wheat flour, Chemicals, Cattle feed, Fish feed, Sugar, Rice, Fertilizer and many more things that need packing. At every stage of production, strong quality control measures are adopted to ensure good quality products.

Dividend

The Board of Directors is pleased to recommend 5% stock dividend for the financial year ended 30 June 2013 to those shareholders whose name will appear in the Share Register or in the depository Register on the record date which is Tuesday October 29, 2013.

Election of Directors

As per Article 127 of the Articles of Association of the Company Mr. Golam Mostafa, Chairman and Mr. Golam Rahman, Managing Director of the Company will retire by rotation in this Annual General Meeting and are eligible for re-election and Mr. Syed Anisul Huq, Independent Director is eligible for re-appointment. They are recommended for re-appointment.



FINANCIAL RESULT FOR THE YEAR ENDED 30 JUNE 2013

The company's summarized operating results for the years under review in comparison to the previous year are enumerated hereunder.

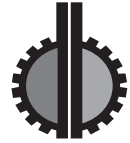
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Financing income	31,448,520	28,388,037
Financing cost	(33,424,833)	(16,974,704)
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Net profit / (Loss) before income tax	43,738,262	67,227,202
Provisional for Tax	(12,028,022)	(13,763,199)
Deferred tax current year	(19,159,066)	-
Comprehensive income for the year	12,551,174	53,464,003
Earning Per Share (TK)	0.26	1.11

Auditor:

The existing auditor M/s. Shafiq Mizan Rahman & Augustine, Chartered Accountants hereby recommended for re-appointment and fix their remuneration at Tk 65,000.00 (Tk. Sixty Five Thousand) only for the year ended 30th June 2014.

Shareholding Pattern:

The shareholding combination as per Clause-1.5(xxi) of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/34/Admin/44 dated August 07, 2012 has been shown separately at Annexure:-III.

**Corporate Governance:**

We have taken effective stand for best practice of corporate governance. We persistently work for strengthening all sorts of operational policies and procedures and adopting new standards for the time being in force. We are committed to becoming more transparent with our stakeholders.

Industry outlook and possible future developments in the industry:

The Industry of PP woven bag in Bangladesh is the most important sector. It is becoming one of the largest employer in the Polymer Sector in our country. The future prospect of the polymer industry in our Country undoubtedly is bright. There is still a gap between the demand and supply of PP woven bag. The Company's net profit after tax and other business indicators are becoming sustainable due to the management's efforts and strategic action. Also the company continuously upgrades its machineries and technologies. The company already enhanced 100% production capacity and in future, the turnover of the company will increase. All these indicate an encouraging future for the PP woven bag industry.

Risk and Management Perception:

Quite naturally, all business houses operate under some risks, both internal and external. Some of the risks of the company and management perception towards them may be discussed as below:

The present money market of the company is volatile and the banks/financial institutions have raised their interest rates leading to lower profit margin for the company. The exchange rate of taka against foreign currency is depreciating. This has increased the cost of imported items such as machinery, spare parts and raw materials. As a result, the cost of production of our product has been increased.

Management Perception:

To reduce the burden of higher interest rates of the banks and financial institutions, the management is endeavoring to reduce borrowing by emphasizing on equity based financing. The higher cost of production due to devaluation/depreciation of Taka against foreign currency is being compensated by increasing the volume of sales and thus earning more profits. Deshbandhu Polymer Limited produces quality PP woven bag and Liner at affordable price which have high demand in our country.

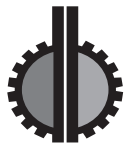
Industry Risks:

Entry of new competitors may increase the market competition and may adversely affect the profitability of Deshbandhu Polymer Limited.

Management Perception:

Above 10% of the products are used by its sister concerns named Deshbandhu Sugar Mills Limited, Deshbandhu Cement Mills Limited and Sahera Auto Rice Mills Limited. Lower wastage, increased productivity, strong and smooth supply chain (having sister concerns' strong supply chain) will overcome the industry Risk.

The other barrier to entry in this sector is high requirement of capital. PP woven Bags manufacturing has become a high capital intensive sector, and initial cost of entry is extremely high. This is also a deterrent to new entrants. Due to this high capital barrier, we did not see any significant new entrant in the last years entering the PP Woven Bags sector.

**Operational Risks:**

Shortage of power supply, labour unrest, unavailability or price increase of raw material, natural calamities like flood, cyclone, earthquake etc. may disrupt the production of the company and can adversely impact the profitability of the company.

Management Perception:

Deshbandhu Polymer Limited is using power from the power plant of its sister concern namely Deshbandhu Sugar Mill Limited who generate power through its own gas generator. The compensation as well as the benefit package will restrain the employees to leave their assignment and go for any employee movement for higher benefit packages. The project of the company is situated at a high land having less record of flood. The factory building has strong RCC foundations, RCC floor, pre-fabricated steel structure to with stand wind, storm, rain etc. along with good drainage facility. The risks from these factors are also covered through insurance. The company is also facilitated to keep a rational reserve for any future price escalation of the raw materials.

Production wise performance:

We produced PP woven bags 2,80,91,612 pcs against total capacity of 3,60,00,000 pcs which is 78% of production capacity. We earned gross profit of Tk.66,175,197/- and net profit of Tk. 12,551,174/-

Cost of goods sold, Gross profit Margin and Net Profit Margin:

The sales turnover increased to Tk. 57.68 crores in 2012-2013 from Tk. 42.24 crore in 2011-2012. The increase in turnover is due to expansion of Production capacity and extension of marketing coverage. The gross profit ratio was 11.48% in 2012-2013 and 16.96% in 2011-2012.

Continuity of any Extra-Ordinary gain or loss:

During the year 2012-2013 there was no such income.

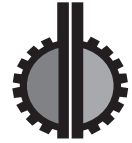
Related party transactions: The company carried out a number of transactions with related parties in the normal course of business for working capital. The nature of transactions and their total value is shown below:

Inter Company Receivable:

SL #	Name of Company	Amount in Taka
01.	Deshbandhu Cement Mills Limited	5,966,690
02.	M R Trading	192,694,675
03.	Fertilizer Marketing Corporation	285,000
04.	Sahera Auto Rice Mills Limited	12,974,140
05.	Deshbandhu Group Limited	3,096,020
	Grand Total	215,016,525

Amount inter Company Payable:

SL #	Name of Company	Amount in Taka
01.	Deshbandhu Sugar Mills Limited	39,570,450
02.	Deshbandhu Distilleries Limited	2,200,000
	Grand Total	41,770,450



RESUME OF RE-APPOINTED DIRECTORS:

Mr. Golam Mostafa:

Mr. Golam Mostafa is one of the Sponsor Directors and Chairman of Deshbandhu Polymer Limited. He is one of the most promising and brilliant entrepreneurs that the Bangladesh Corporate World has ever witnessed. Mr. Mostafa, with his vibrant presence in the business arena over a period of three decades, has gathered immense knowledge of business and the know how of corporate business. During the period he has made an immense contribution to Bangladesh economy. He has not only established himself as one of the fastest moving and growing businessmen of his time, but also became a member of some of the most prestigious institutions, such as Dhaka Chamber of Commerce & Industry (DCCI), Bangladesh Fertilizer Association (BFA), American Chamber of Commerce in Bangladesh (AMCHAM), Dhaka Club, Uttara Dharla Samity and Student Welfare Association, Shopping Complex Owners Association and Bangladesh Sugar Refinery Association. Mr. Golam Mostafa was recognized as a Commercially Important Person (CIP) of Bangladesh in 2008.

As one of the early entrants and pioneers in the real estate business, he owns the Rapa Plaza in partnership, which is just an inkling to this visionary's farsightedness, as he walked into this partnership when Dhaka city was still to know of the 'now booming' shopping mall trend. Mr. Mostafa's superior entrepreneurship has always helped him to keep his pace and thoughts a step ahead from all others. Thus he was the first entrepreneur to set up the first ever Sugar Refinery in Bangladesh, which has now been solely dedicated in manufacturing and marketing of refined sugar.

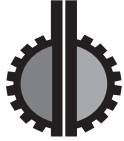
Awarded with the National Awards for outstanding business activities in the field of Real Estate and Sugar Industry, Mr. Golam Mostafa is surely one of the most sought after entrepreneur and industrialist of the current times. He is striving hard towards overall development of Bangladesh and is one of the few "The world, they say, steps aside for the man who knows where he is going".

Mr. Golam Rahman:

Mr. Golam Rahman is one of the Sponsor Directors as well as the Managing Director of Deshbandhu Polymer Limited. He is with an array of achievements and recognitions already listed in his name, is one of the most promising and eminent entrepreneurs of current times. Mr Rahman grew up in an ideal and noble Muslim household. He finished his schooling and college to eventually become a Commerce Graduate.

From the very beginning of his promising career as an entrepreneur, he had made his presence felt ever since he has entered the business scene right after graduation. Being an integral part of sought after institutions like Bangladesh Chamber of Commerce and Industries (BCCI), Bangladesh Fertilizer Association, and Uttara Dharla Students Welfare Association Dhaka.

His journey has not been free of bumps and hurdles but the man had his vision and determination all set on his goal and never had he lost his focus for a moment. Today, he has established himself as one of the best entrepreneurs of his time and his journey continues as the "Knight in Shinning Armor" alongside his elder brother Mr. Golam Mostafa, the Chairman of the company.

**Reporting on Corporate Governance Compliance:**

Pursuant to Clause 7.00 of Bangladesh SEC Notification No- SEC/CMRRCD/2006-158/34/Admin/44 dated August 07 2012 the Company's compliance status is shown separately in Annexure-I.

Additional Disclosures:

- The financial statements prepared by the management presents fairly the company's state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards and International Financial Reporting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.

Conclusion:

The Board of Directors takes this opportunity of expressing its sincere appreciation and gratitude to the valued customers, bankers and other stakeholders for their continued support and cooperation. The board also expresses its profound gratitude to Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), Registrar of Joint Stock Companies and Firms, Central Depository Bangladesh Limited (CDBL) and other regulatory bodies for their help, assistance, valuable guidance and advice being extended to the company from time to time.

On behalf of the Board of Directors, I am also expressing my appreciation to the management and all staff of the Company for their outstanding efforts, loyalty, sincere services and dedication.

The Directors are pleased to record with appreciation and gratitude the co-operation and support provided by shareholders, customers, banks, workers and employees of the company without whose active support; the result would not have been possible.

Looking forward for a bright future for all of us.

Thanking you,

On behalf of the Board of Directors,

Sd/-
Golam Rahman
Managing Director

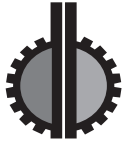


ANNEXURE-I

Corporate Governance Compliance Status Report Under Condition No. 7.00

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/34/Admin/44 dated August 07 2012

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.	BOARD OF DIRECTORS:	✓		
1.1	Board Size:	✓		
1.2	Independent Directors	✓		
1.3	Qualification of Independent Director(ID)	✓		
1.4	Chairman of the Board and Chief Executive Officer	✓		
1.5	Directors' Report to Shareholders The Board of Directors of Deshbandhu Polymer Limited would like to include the following additional statements in its Report prepared under section 184 of the Companies Act,1994			
1.5(i)	Industry outlook and possible future developments in the industry	✓		Provided in the main report of the Board of Directors
1.5(ii)	Segment-wise or product -wise performance	✓		as above
1.5(iii)	Risks and concerns	✓		as above
1.5(iv)	A discussion on cost of goods sold, Gross profit Margin and Net Profit Margin	✓		as above
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		as above
1.5(vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report	✓		as above
1.5(vii)	Utilization of proceeds from public issues, right issues and/or through any others instruments	✓		as above
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO),Repeat Public Offering (RPO), Right Offer, Direct Listing etc.	✓		Not deteriorated
1.5(ix)	If significant variance occurs between quarterly Financial performance and annual Financial Statements the management shall explain about the variance on their Annual Report	✓		No significant variance
1.5(x)	Remuneration to directors including Independent Director	Not applicable		No remuneration is paid to Directors and Independent Director
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1.5(xii)	Proper books of account of the issuer company have been maintained	✓		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1.5(xiv)	International Accounting Standards(IAS)/ Bangladesh Accounting Standards(BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards(BFRS),as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there- from has been adequately disclosed	✓		

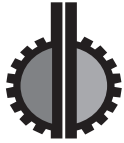


Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	✓		
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	Not Applicable		
1.5(xviii)	Key operating and financial data of at least preceding 5(five) years shall be summarized	✓		Provided in the main report of the Board of Directors
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	✓		5% Stock Dividend Declared
1.5(xx)	The number of Board Meetings held during the year and attendance by each Director shall be disclosed	✓		Please see Annexure-II
1.5(xxi)	The pattern of shareholding shall be reported to disclosed the aggregate number of shares	✓		Please see Annexure-III
1.5(xxi)a)	Parent /Subsidiary/Associated Companies and other related parties (name wise details)	✓		"
1.5(xxi)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer Head of Internal Audit and their spouses and minor children (name wise details)	✓		"
1.5(xxi)c)	Executive	✓		"
1.5(xxi)d)	Shareholding ten percent (10%) or more voting interest in the company (name wise details)	✓		"
1.5(xxii)	In case of the appointment/re - appointment of a director the company shall disclosed the following information to the shareholders	✓		Provided in the main report of the Board of Directors
1.5(xxii)a)	A brief resume of the director	✓		"
1.5(xxii)b)	Nature of his/her expertise in specific functional areas	✓		Provided in the main report of the Board of Directors
1.5(xxii)c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		"
2.	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS).			
2.1	Appointment	✓		
2.2	Requirement to attend the Board Meetings	✓		
3.	AUDIT COMMITTEE	✓		Please see Annexure-V
3.1	Constitution of the Audit Committee	✓		
3.2	Chairman of the Audit committee	✓		
3.3	Role of the Audit Committee.	✓		
3.4	Reporting of the Audit committee	✓		
3.4.1	Reporting to the Board of Directors	✓		
3.4.2	Reporting to the Authorities	Not Applicable		No such incidence



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.5	Reporting to the Shareholders and General Investors	Not Applicable		
4.	EXTERNAL/STATUTORY AUDITORS	✓		Provisions Met
5.	SUBSIDIARY COMPANY	Not Applicable		
6.	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)			
6(i)a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
6(i)b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE			
7(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		Please see Annexure-VI
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the Directors' report whether the company has complied with these conditions.	✓		Duly Stated

Sd/-
Golam Rahman
 Managing Director

**ANNEXURE-II****BOARD MEETING AND ATTENDANCE**

During the financial year ended 30 June 2013, 17 (Seventeen) Board Meetings were held. The attendance records of the Directors were as follows:

SL#	Name of Directors	Number of Meeting Held	Attendance
1.	Mr. Golam Mostafa	17	16
2.	Mr. Golam Rahman	17	17
3.	Miss. Tabassum Mostafa Direcotr, Representative of Deshbandhu Shipping Limited	17	7
4.	Md. Akheruzaman Direcotr, Representative of Deshbandhu Distilleries Ltd.	17	14
5.	Md. Mainul Islam Lal Direcotr, Representative of Deshbandhu Sugar Mills Limited	17	10
6.	Mr.Syed Anisul Huq Independent Director	17	4



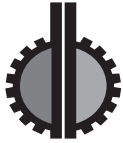
ANNEXURE-III

PATTERN OF SHAREHOLDING AS ON JUNE 30, 2013

SL#	Shareholder's Group	No. of Share held
Shareholding Position:		
1.	Mr.Golam Mostafa, Chairman	966,000
2.	Mr.Golam Rahman, Managing Director	1,711,027
3.	Deshbandhu Sugar Mills Limited (Nominated By Md. Mainul Islam Lal)	11,591,396
4.	Deshbandhu Distilleries Ltd. (Nominated By Md. Akheruzaman)	966,000
5.	Deshbandhu Shipping Limited (Nominated By Miss. Tabassum Mostafa)	966,000
6.	Mr. Md. Mainul Islam Lal	120
7.	Mr. Md. Akheruzaman	120
8.	Mr. Provash Chokrobarti	120
9.	Md. Md. Abdul Khaleque	120
10.	Late Golam Rasul Putul	120
11.	Company Secretary and his spouse and minor children	Nil
12.	Chief Financial Officer and his spouse and minor children	Nil
13.	Head of Internal Audit and his spouse and minor children	Nil
14.	Executive (top five salaried person other than CEO, CS, CFO)	Nil
TOTAL		16,201,023

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

Sl. No.	Shareholding Position	No. of Share	Rermarks
01.	Deshbandhu suger Mills Limited	11,591,396	Mantioned in the Sl. No. 3 of Annexure-III



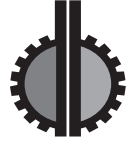
ANNEXURE-IV

Classification of Shareholders by holding 48,300,000 shares as on 30.6.2013

Sl. No.	Range of Shareholding	No. of holders	Holding	Percentage %
1.	Less than 500 shares	2551	300,690	0.62
2.	500 to 5,000 shares	10,171	10,958,915	22.69
3.	5,001 to 10,000 shares	552	3,944,247	8.17
4.	10,001 to 20,000 shares	284	3,914,638	8.10
5.	20,001 to 30,000 shares	102	2,466,677	5.11
6.	30,001 to 40,000 shares	45	1,490,589	3.09
7.	40,001 to 50,000 shares	19	862,450	1.79
8.	50,001 to 100,000 share	43	2,908,155	6.02
9.	100,001 to 1,000,000 share	29	8,151,216	16.88
10.	Over 1,000,000 to shares	2	13,302,423	27.54
Total		13,798	48,300,000	100.00

Shareholders List for the year ended 30 June, 2013 Summarized as follows:

Category	Total Shareholders	Total Shareholding	Percentage %
Sponsor and Director	10	16,201,023	33.54%
General Public (Including Financial Institute)	13,788	32,098,977	66.46%
Total	13798	48,300,000	100%



ANNEXURE-VI

67, MOTIJHEEL COMM. AREA, DHAKA-1000, BANGLADESH
TEL: OFF: 880-2-9560933, 9560716, 9552833
RES: 880-2-9118150, MOBILE: 01819-228521
FAX: 880-2-9567351
Email: maqbul.ahmed@yahoo.com
26, SADARGHAT ROAD, CHITTAGONG- 4000 BANGLADESH
TEL: 880-31-621110, MOBILE: 01720-270618

ATA KHAN & CO. CHARTERED ACCOUNTANTS

ATA UDDIN KHAN, M. COM. FCA
G. M. MUNIR AHMED, B. COM. (HONS) M. COM. FCA
MAQBUL AHMED, B. COM. (HONS) M. COM. FCA

To the Shareholders of Deshbandhu Polymer Limited

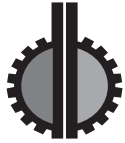
Certificate on Compliance of Corporate Governance by Deshbandhu Polymer Limited

We do hereby certify that, we have examined the books and records of Deshbandhu Polymer Limited and we are of the opinion that the company complied with the conditions of Corporate Governance Guidelines for the year ended 30 June 2013 as prescribed by Bangladesh Securities and Exchange Commission as per its notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

Dated: Dhaka
03 October, 2013



Ata Khan
ATA KHAN & CO.
Chartered Accountants



ANNEXURE-V

AUDIT COMMITTEE REPORT
Deshbandhu Polymer Limited
For the year of 2012-2013

Composition of the Audit Committee

Sl. No.	Name of the Director	Position	Position
01.	Mr. Syed Anisul Huq	Independent Director	Chairman of the Audit Committee
02.	Mr. Golam Mostafa	Chairman	Member of the Audit Committee
03.	Mr. Golam Rahman	Managing Director	Member of the Audit Committee

Activities carried out during the year:

The committee reviewed and discussed the procedure 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 didn't find any material deviation, discrepancies or any adverse finding / observation in the areas of reporting.

Sd/-

Syed Anisul Huq

Chairman

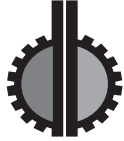
Audit Committee



Deshbandhu Polymer Limited



**Auditors' Report &
Audited Financial Statements
for the year ended 30 June 2013**



শফিক মিজান রহমান এন্ড আগুস্টিন
SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

ANNUAL REPORT 2013

Green Garden Tower
Flat # 15A (15th Floor)
25/A, Green Road, Dhaka-1205.
Tel: 9673179, 9665879
Cell: 01711 521279, 01971 521279
01552 375810, 01717 034157
Fax: 880-2-9673263, 985606
E-Mail: mizan6005@yahoo.com,
augdip@yahoo.com

AUDITOR'S REPORT

We have audited the accompanying Financial Statements which comprise the Statement of Financial Position of DESHBANDHU POLYMER LIMITED as at June 30, 2013 and the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows and a Summary of Significant Accounting Policies and explanatory information for the year ended on that date with the books of account.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 Securities and Exchange Rules, 1987 and other applicable laws and regulations. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility:

Our responsibility is to express an independent 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's affairs as at June 30, 2013 and of the results of its operations for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books ;
- the company's Balance sheet and the Comprehensive Income dealt with by the report are in agreement with the books of account; and
- the expenditures incurred were for the purpose of the company's business.

Dhaka

Date: 03 October, 2013

SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS



Deshbandhu Polymer Limited
Statement of Financial Position
as at 30 June 2013

	Notes	2013 Taka	2012 Taka
Assets			
Non-Current Assets			
Property, Plant & Equipment:	3		
At Cost/ Revaluation		375,321,068	352,003,725
Accumulated Depreciation		(57,701,099)	(40,752,442)
		317,619,969	311,251,283
Investment	4	719,070	714,070
		318,339,039	311,965,353
Current Assets			
Inventory	5	115,892,702	160,317,402
Accounts Receivable	6	203,885,951	127,908,561
Inter Company Receivable	11.1	215,016,525	110,824,362
Advance, Deposit and Prepayments	7	26,468,796	20,577,017
Advance Income Tax	8	49,438,883	22,504,666
Machinery & Stores in Transit	9	105,668,899	16,350,680
Cash and Cash Equivalent	10	25,908,267	241,407,062
		742,280,023	699,889,750
Total Assets		1,060,619,062	1,011,855,103
Equity and Liabilities			
Shareholders' Equity			
Share Capital	12	483,000,000	460,000,000
Tax Holiday Reserve	13	-	37,329,338
Retained Earnings		32,385,096	55,698,520
		515,385,096	553,027,858
Non-Current Liabilities			
Long Term Loan	14	1,314,378	6,533,744
Deferred Tax Liability	15	46,353,002	-
Current Liabilities			
Bank Overdraft	16	96,647,230	90,318,372
Short Term Loan	17	111,436,651	262,163,801
Trade Creditors	18	163,948,906	52,319,605
Accounts Payable	19	4,880,241	3,524,812
Other Payables	20	26,145,578	2,269,464
Inter Company Payable	11.2	41,770,450	4,449,000
Share Money Refundable	21	16,138,635	14,979,588
Workers Profit Participation Fund	22	6,653,510	4,351,496
Provision for Income Tax	23	29,945,385	17,917,363
		497,566,586	452,293,501
Total Equity and Liabilities		1,060,619,062	1,011,855,103

The annexed notes form an integral part of these financial statements


Md. Liakat Ali Khan
Company Secretary


Golam Rahman
Managing Director


Golam Mostafa
Chairman

As per our annexed report of even date.

Dhaka
Date: 03 October, 2013


SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS



Deshbandhu Polymer Limited
Statement of Comprehensive Income
for the year ended 30 June 2013

	<u>Notes</u>	2013	2012
		<u>Taka</u>	<u>Taka</u>
Revenue	24	576,283,277	422,385,007
Cost of sales	25	<u>510,108,080</u>	<u>350,724,511</u>
Gross profit		66,175,197	71,660,496
Administrative and selling expenses	26	<u>(18,158,608)</u>	<u>(12,909,055)</u>
Operating profit		48,016,589	58,751,441
Financing cost	27	(33,424,833)	(16,974,704)
Financing income	27	<u>31,448,520</u>	<u>28,388,037</u>
Net profit/(Loss) before WPPF and income tax		46,040,276	70,164,774
Provision for contribution to WPPF	22	<u>(2,302,014)</u>	<u>(2,937,572)</u>
Net profit/(Loss) before income tax		43,738,262	67,227,202
Provision for income Tax	23	(12,028,022)	(13,763,199)
Defered tax current year	15	(19,159,066)	-
Comprehensive income for the year		<u>12,551,174</u>	<u>53,464,003</u>
Earning per share of Tk. 10.00 each	28	0.26	1.11

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


Md. Liakat Ali Khan
Company Secretary


Golam Rahman
Managing Director


Golam Mostafa
Chairman

As per our annexed report of even date.

Dhaka
Date: 03 October, 2013


SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS



Deshbandhu Polymer Limited
Statement of Changes in Shareholders Equity
for the year ended 30 June 2013

Particulars	Share Capital Taka	Tax holiday reserve Taka	Retained earnings Taka	Total Taka
Balance as at 01 July 2011	400,000,000	29,309,737	70,254,118	499,563,855
Bonus share	60,000,000	-	(60,000,000)	-
Net profit/(loss) for the year	-	-	53,464,003	53,464,003
Tax holiday reserve	-	8,019,601	(8,019,601)	-
Balance as at 30 June 2012	460,000,000	37,329,338	55,698,520	553,027,858
Bonus share	23,000,000	-	(23,000,000)	-
Cash dividend	-	-	(23,000,000)	(23,000,000)
Defered tax	-	-	(27,193,936)	(27,193,936)
Transfer to retained earnings	-	(37,329,338)	37,329,338	-
Net profit for the year	-	-	12,551,174	12,551,174
Balance as at 30 June 2013	<u>483,000,000</u>	<u>-</u>	<u>32,385,096</u>	<u>515,385,096</u>

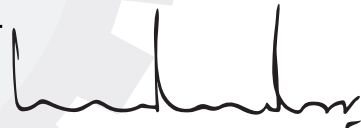

Md. Liakat Ali Khan
Company Secretary

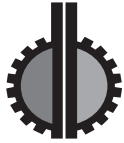

Golam Rahman
Managing Director


Golam Mostafa
Chairman

As per our annexed report of even date.

Dhaka
Date: 03 October, 2013


SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS



Deshbandhu Polymer Limited
Statement of Cash Flows
for the year ended 30 June 2013

	2013 Taka	2012 Taka
A. Cash flows from operating activities:		
Cash received from customer and other income	505,937,650	332,414,375
Cash paid to suppliers, employees and others	(425,242,485)	(469,637,044)
Cash generated/used in operations	80,695,165	(137,222,669)
Financing cost paid	(8,414,285)	(3,572,099)
Income Tax Paid	(26,934,217)	(13,262,159)
Net cash used in operating activities	<u>45,346,663</u>	<u>(154,056,927)</u>
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(23,317,343)	(71,125,630)
Investment in shares	(5,000)	5,000
Net cash used in investing activities	<u>(23,322,343)</u>	<u>(71,120,630)</u>
C. Cash flow from financing activities:		
Short term loan	(150,727,150)	93,955,334
Return of share money refund	1,159,047	(2,929,829)
Long term loan	(5,219,366)	(16,157,206)
Other finance- Inter company	(66,870,713)	82,554,409
Cash dividend paid	(22,193,790)	-
Net cash from financing activities	<u>(243,851,972)</u>	<u>157,422,709</u>
Net cash inflow / (outflow) (A+B+C)	(221,827,652)	(67,754,848)
Cash and cash equivalent at the beginning	151,088,690	218,843,538
Cash and cash equivalent at the closing	<u>(70,738,963)</u>	<u>151,088,690</u>
Cash and cash equivalent:		
Cash in hand	2,830,734	1,036,114
Cash in Bank	23,077,533	240,370,948
Bank Overdraft	(96,647,230)	(90,318,372)
	<u>(70,738,963)</u>	<u>151,088,690</u>


Md. Liakat Ali Khan
Company Secretary


Golam Rahman
Managing Director


Golam Mostafa
Chairman

As per our annexed report of even date.


SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

Dhaka
Date: 03 October, 2013



Deshbandhu Polymer Limited
Notes to the financial Statements
for the year ended 30 June 2013

1.0 Legal form and nature of business

1.1 Legal form of the company

Deshbandhu Polymer Ltd. was incorporated in Bangladesh on 03 December, 2006 as a private limited company under the Companies Act (Act XVIII) 1994 which has been converted into public limited company on 05 August, 2009 having registered office in Dhaka. This company was listed in DSE and CSE as on January 17, 2011.

1.2 Nature of business

The principal activities of the company are manufacturing and marketing of PP woven bag and liner.

2.0 Significant accounting policies

2.1 Presentation of financial statements and basis of accounting

These financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2 Components of the financial statements

- i. Statement of Financial Position as at 30 June, 2013
- ii. Statement of Comprehensive Income for the year ended 30 June, 2013
- iii. Statement of Changes in Equity for the year ended 30 June, 2013
- iv. Statement of Cash Flow for the year ended 30 June, 2013
- v. Accounting policies and explanatory notes.

2.3 Inventories

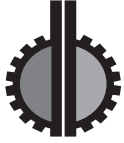
Raw materials are valued at the lower of cost and Net Realizable Value (NRV). Cost determined on average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Finished goods and work in process are valued at material cost and proportionate labor & overhead.

2.4 Property, Plant, Equipment

These are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of an asset.

2.5 Depreciation

All items of property, plant and equipment have been depreciated on straight line method. No depreciation is charged on addition and disposal of fixed assets. Depreciation is charged at the rates varying from 2.5% to 10% depending on the estimated useful lives of assets. No depreciation is charged for land and capital work in progress. Depreciation on Plant and Machinery has been changed from 10% to 5% in 30 June 2012. Impact of this change of depreciation is given in last year accounts.

**2.6 Revenue recognition**

Revenue from the sale of goods is recognized when :
Significant risk & rewards of ownership transferred to the buyer.
The amount of revenue and cost of the transaction can be measured reliably.
It is probable that the economic benefits of the transaction will flow to the company.

2.7 Tax holiday reserve

The National Board of Revenue (NBR) has granted the company tax holiday for a period of 4 year from 1st January 2008 to 31st December 2011. This being created out of tax holiday profit to invest in the same undertaking or in any new industrial undertaking or in stocks and shares of listed companies or in government bonds or securities or for other purposes as required by the income tax ordinance 1984. This represent 30% of profit up to 31 Dec, 2011.

2.8 Current income tax

Current income tax expense has been recognized on the basis of the Finance Act 2013 and Income Tax Ordinance 1984.

2.9 Deferred tax

Deferred tax has been provided during the year as per BAS-12.

2.10 Reporting period

The reporting period of the company is 01 July, 2012 to 30 June, 2013.

2.11 Related Party Transaction

This amount is a short term loan given to related party which is 16% interest bearing.

2.12 General

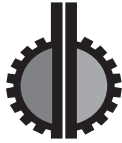
- a. Figures appearing in these financial statement have been rounded off to the nearest taka.
- b. Directors of the company did not receive any remuneration for attending the Board Meeting except independent director.
- c. Previous year's figure have been re-arranged, where necessary, to confirm the current year's presentation.



3.0 Property, Plant, Equipment

Figures in Taka

Types of assets	Cost		Addition during the Year	Cost as at 30.06.13	Rate	Depreciation			Written down value
	Cost as at 01.07.12	Cost as at 30.06.13				Cumulative as at 01.07.12	Charged during the year	Cumulative as at 30.06.13	
Land & land development	16,102,503	30,352,503	14,250,000	30,352,503	-	-	-	-	30,352,503
Building	70,125,993	70,125,993	-	70,125,993	2.5%	3,367,356	1,753,150	5,120,506	65,005,487
Plant & machinery	233,867,916	239,547,391	5,679,475	239,547,391	5%	31,096,296	11,835,383	42,931,679	196,615,712
Furniture & fixtures	445,500	504,056	58,556	504,056	10%	25,912	47,478	73,390	430,666
Electric & other appliances	30,397,513	30,869,287	471,774	30,869,287	10%	6,151,068	3,063,340	9,214,408	21,654,879
Office machinery and equipment	1,064,300	1,399,955	335,655	1,399,955	10%	111,810	123,213	235,023	1,164,932
Vehicles	-	2,521,883	2,521,883	2,521,883	10%	-	126,094	126,094	2,395,789
Total	352,003,725	375,321,068	23,317,343	375,321,068		40,752,442	16,948,657	57,701,099	317,619,969



	2013	2012
	<u>Taka</u>	<u>Taka</u>
4.0 Investment		
EXIM Bank Ltd.	714,070	714,070
Deshbandhu Group Ltd. (500 share @ Tk. 10 each)	5,000	-
	<u>719,070</u>	<u>714,070</u>

EXIM Bank Ltd. shares

Number of Share	Cost per share	Total cost	Market price as on 03.10.2013	Per share total market value
60,471	11.81	714,070	11	653,087

5.0 Inventory

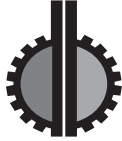
Particulars	Quantity kg/ pcs		
Raw materials	355,775 kg	48,224,602	90,973,798
Work in process (WIP)	356,700 kg	50,053,039	48,245,085
Finished goods	599,195 pcs	13,182,290	8,999,329
Stock of spare parts		4,432,771	12,099,190
		<u>115,892,702</u>	<u>160,317,402</u>

6.0 Accounts Receivable

A A Yarn Mills Ltd.	493,000	-
A.H Enterprise	4,585,245	1,680,000
Abbasia Enterprise	86,886	3,263,375
Abbasia Flour Mills	3,040,055	-
Abdul Paluan & Sons	1,536,870	2,112,255
ACI Godrej Agro vet (Pvt) Ltd.	5,917,516	-
ACI Pure Flour Limited.	2,901,500	740,828
Aftab Bahumukhi Farms Ltd.	400	400
AGC Spinning Mills Ltd.	66,850	421,800
Agrocorp International PTE Ltd.	33,892,489	16,214,000
Akbar Composite Mills Ltd.	24,400	147,100
Akbar Cotton Mills Ltd.	219,600	356,250
Akbar Textiles Mills Ltd.	122,000	-
Al- Faroque	22,750	22,750
Al-Baraka Enterprise	451,625	-
Alif Trading	1,279,850	-
Al-Modena Enterprise	1,048,300	2,152,050
Aman Feed Ltd.	1,102,500	-
Ara Enterprise	1,804,250	1,502,650
Aramaba Enterprise	-	1,830,786
Aramaba Enterprise	230,786	-
ASM Chemical Industries Ltd,	151,075	11,025
Azad Store (Narayangonj)	308,901	993,725
C P Bangladesh (Chittagong)	1,433,750	-
C P Bangladesh (Fertilizer)	189,000	-
C P Bangladesh Co. Ltd. (Gazipur)	120	-
C.R. Trading	-	423,800
Deshbandhu Sugar Mills Ltd.	24,435,251	16,232,049
Dragon Fertilizer	29,863,739	12,185,250
ED & F Man Sugar Ltd.	33,892,489	16,214,000
EM Overseas	231,988	377,088
Emdadul Store	232,349	255,349
Fair Trade Center	621,827	2,588,879
Famous Enterprise	620,000	270,150
Graphics Panorama	144,850	20,500
Habib Traders	400,000	400,000



	2013 Taka	2012 Taka
Islam Poultry Medicine.	3,298,356	3,545,600
Kader Compact Spinning Ltd.	340,000	-
Kazi Agro Ltd./Associates	1,572,050	-
Kazi Farms Group	-	1,163,760
Keya Cosmetics Ltd.	-	157,750
Keya Detergent Ltd.	-	604,750
Keya Yarn Mills Ltd.	221,200	221,200
M.R.Khan Tea Estate	450	202,000
M/S S.A Enterprise	99,950	1,185,200
Mifta Agro Business	344,000	444,000
Mojumder Products Ltd.	100	-
Mosharaf & Brothers	-	7,525,385
MSA Spinning Ltd.	340,000	-
Nadi Enterprise	318,000	318,000
Nahar Farmer & Poultry	290,400	-
Nazia International	868,124	441,849
Neons Vet	235,500	435,500
New Hope Feed Mill Bangladesh Ltd.	11,910	81,200
Northern Shopping and Trading Ltd	40,191,699	22,513,210
Nourish Poultry & Hatchery	24,000	24,000
Pancha Poultry Feeds Ltd.	275,362	871,639
Pappu Traders	584,900	-
Polash Urea Fer. Factory Ltd.	264,440	-
Rajbari PP Woven Bag	203,500	-
Rayhan Enterprise	965,400	5,292,860
S.N. Spinning Mills Ltd.	80,400	212,000
Sahera Auto Rice Mills Ltd.	740,000	-
Saudi Bangla Fish Feed Ltd.	202,960	786,327
T S T International	318,992	594,000
Tasneem PP Woven Bag	742,048	872,273
	203,885,951	127,908,561
Receivable due over six months	22,513,210	1,626,201
Receivable due below six months	181,372,741	126,282,360
	203,885,951	127,908,561
7.0 Advance, deposit and prepayment		
Advance, deposit and prepayment (7.1)	24,346,796	20,577,017
Letter of credit margin (7.2)	2,122,000	-
	26,468,796	20,577,017
7.1 Advance		
Advance VAT against purchase	13,666,465	19,334,832
Salary and other advance	9,906,723	99,400
	23,573,188	19,434,232
Deposit		
Bank guarantee (margin)	350,048	938,225
Security deposit	20,000	39,440
Premier Bank Securities Ltd.	19,440	-
VAT Current Accounts	140,000	-
BO Account	5,000	-
IDLC securities	2,620	2,620
	537,108	980,285
Prepayments		
Advance against house rent	136,500	62,500
Credit Rating Agency of Bangladesh	100,000	100,000
	236,500	162,500
	24,346,796	20,577,017

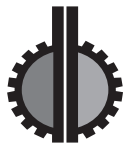


		2013	2012
		<u>Taka</u>	<u>Taka</u>
7.2 Letter of credit margin			
<u>Name of bank</u>	<u>L/C no</u>		
Mercantile Bank Ltd.	10139	10,000	-
Mercantile Bank Ltd.	20010	623,000	-
Mercantile Bank Ltd.	10151	10,000	-
Mercantile Bank Ltd.	10156	51,000	-
Mercantile Bank Ltd.	20012	316,000	-
Mercantile Bank Ltd.	20020	106,000	-
Mercantile Bank Ltd.	20026	150,000	-
Mercantile Bank Ltd.	20001	586,000	-
Mercantile Bank Ltd.	20009	270,000	-
		<u>2,122,000</u>	<u>-</u>
8.0 Advance income tax			
TDS on interest		131,716	131,716
AIT on raw materials		25,363,842	8,146,248
AIT on sales		12,450,130	3,292,400
Tax deduction on FDR		4,299,538	3,799,009
Tax deduction on STD		7,156,242	7,123,570
AIT on Office rent		19,930	-
Advance AIT on Spare Parts		17,485	11,723
		<u>49,438,883</u>	<u>22,504,666</u>
9.0 Machinery & Stores-in-Transit			
Raw materials-in-transit		73,760,420	16,350,680
Spare parts-in-transit		2,862,819	-
Machinery-in-transit		29,045,660	-
		<u>105,668,899</u>	<u>16,350,680</u>
10.0 Cash and bank balances			
Cash in hand		2,830,734	1,036,114
Cash at bank (10.1)		14,139,601	22,396,875
Fixed Deposit Receipts (10.2)		8,937,932	217,974,073
		<u>25,908,267</u>	<u>241,407,062</u>
10.1 Cash at bank			
Agrani bank STD-292/3		55,786	54,022
Bank Alfalah- STD -745		501,125	-
Bank Asia Ltd STD 967		233,401	465,332
Dhaka Bank Ltd. STD- 1004		3,135	2,999
Dhaka Dank Ltd. STD- 2292		44,562	308,989
Dhaka Bank Ltd. CD-17442		2,085	16,294
Habib Bank Ltd. STD-10060-5		5,007	5,976
Islami Bank Ltd. MSND-87		1,567,770	3,015,795
Janata Bank Ltd. STD-1312		9,430	9,598
Mercantile Bank Ltd.-ERQ 054 (USD)		1,327,289	-
Mercantile Bank Ltd.-404		44,177	281,610
Mitual Trust Bank Ltd. STD-342		2,100	-
Pubali Bank Ltd. STD-878		1,200	1,200
Pubali Bank Ltd. STD-75-0		3,667,490	904,323
Sonali Bank Ltd. STD-627		228,724	692,225
Southeast Bank Ltd. SND-2108		4,122,410	-
Southeast Bank Ltd.-FC-Dollar-8568		786,773	902,877
Southeast Bank Ltd.-FC-Euro-7736		16,134	16,134
Southeast Bank Ltd.-FC-Pound-7525		92,213	92,213
Southeast Bank Ltd. STD-2083		1,268,230	15,489,067
Southeast Bank Ltd. STD-2079		160,560	138,220
		<u>14,139,601</u>	<u>22,396,875</u>
10.2 Fixed Deposit receipts			
Mercantile Bank Ltd.		6,259,254	1,800,000
Dhaka Bank Ltd.		2,678,678	2,320,000
Southeast Bank Ltd.		-	213,854,073
		<u>8,937,932</u>	<u>217,974,073</u>



11.0 Related party transaction	2013		2012	
	Taka		Taka	
	The company carried out a number of transactions with related parties in the normal course of business for working capital. The nature of transactions and their total value is shown below:			
11.1 Inter company receivable	Deshbandhu Sugar Mills Ltd.	-	107,778,342	-
	Deshbandhu Cement Mills Ltd.	5,966,690	-	-
	M R Trading	192,694,675	-	-
	Fertilizer Marketing Corp.	285,000	-	-
	Sahera Auto Rice Mills Ltd.	12,974,140	-	-
	3,096,020	3,046,020		
	215,016,525	110,824,362		
11.2 Inter company payable	Deshbandhu Sugar Mills Ltd.	39,570,450	-	-
	Sahera Auto Rice Mills Ltd.	-	2,249,000	-
	Deshbandhu Distilleries Ltd.	2,200,000	2,200,000	-
		41,770,450	4,449,000	

Name of the concern	Opening Balance		Transaction during the year		Closing Balance Dr / (Cr)
	Debit	Credit	Debit	Credit	
Deshbandhu Sugar Mills Ltd.	107,778,342	-	198,245,508	345,594,300	(39,570,450)
Deshbandhu distilleries Ltd.	-	2,200,000	-	-	(2,200,000)
Deshbandhu Cement Mills Ltd.	-	-	6,000,000	33,310	5,966,690
Fertilizer Marketing Corp.	-	-	286,000	1,000	285,000
M R Trading	-	-	192,694,675	-	192,694,675
Sahera Auto Rice Mills Ltd.	-	2,249,000	15,297,123	73,983	12,974,140
Deshbandhu Group Ltd.	3,046,020	-	50,000	-	3,096,020
	Grand Total				173,246,075



12.0 Share capital

12.1 Authorized capital

100,000,000 ordinary shares of Tk 10/- each.

2013
Taka

2012
Taka

1,000,000,000	1,000,000,000
---------------	---------------

12.2 Issued, subscribed and paid-up capital

40,000,000 ordinary shares of Tk 10/- each fully paid.

6,000,000 Bonus share Tk 10/-

2,300,000 Bonus share Tk 10/-

400,000,000

400,000,000

60,000,000

60,000,000

23,000,000

-

483,000,000

460,000,000

12.3 Particulars

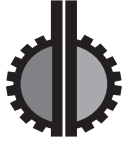
Name of the shareholders	Nationality	Number of Shares		Holding %	
		2013	2012	2013	2012
Mr. Golam Mostafa	Bangladesh	9,660,000	9,200,000	2.00	2.00
Mr. Golam Rahman	Bangladesh	17,110,270	9,200,000	3.54	2.00
Deshbandhu Sugar Mills Ltd.	Bangladesh	115,913,960	110,394,250	24.00	24.00
Deshbandhu Distilleries Ltd.	Bangladesh	9,660,000	9,200,000	2.00	2.00
Deshbandhu Shipping Ltd.	Bangladesh	9,660,000	9,200,000	2.00	2.00
Provash Chakrobarty	Bangladesh	1,200	1,150	0.0002	0.0003
Md. Mainul Islam	Bangladesh	1,200	1,150	0.0002	0.0003
Md. Akheruzzaman	Bangladesh	1,200	1,150	0.0002	0.0003
Abdul Khaleque	Bangladesh	1,200	1,150	0.0002	0.0003
Golam Rasul Putul	Bangladesh	1,200	1,150	0.0002	0.0003
General shareholders	Bangladesh & NRB	320,989,770	312,800,000	66.46	68.00
		483,000,000	460,000,000	100.00	100.00

12.4 Classification of shares by holding at 30 June 2013

Name of the shareholders	Number of Shares		Holding %	
	2013	2012	2013	2012
Less than 500 Shares	2,551	1,128	18.49	8.76
500 to 5,000 Shares	10,171	10,913	73.71	84.74
5,001 to 10,000 Shares	552	439	4.00	3.41
10,001 to 20,000 Shares	284	210	2.06	1.63
20,001 to 30,000 Shares	102	75	0.74	0.58
30,001 to 40,000 Shares	45	32	0.33	0.25
40,001 to 50,000 Shares	19	11	0.14	0.09
50,001 to 100,000 Shares	43	32	0.31	0.25
100,001 to 1,000,000 Shares	29	37	0.21	0.29
Over 1,000,000 Shares	2	1	0.01	0.01
	13,798	12,878	100.00	100.00



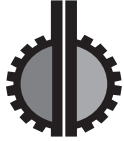
	2013 Taka	2012 Taka
13.0 Tax holiday reserve		
Opening Balance	37,329,338	29,309,737
Additions during the year	-	8,019,601
Transfer to retained Earnings	<u>(37,329,338)</u>	<u>37,329,338</u>
	<u>-</u>	<u>37,329,338</u>
14.0 Long term loan		
Dhaka Bank Ltd. term loan a/c no-4001	-	3,476,405
Dhaka Bank Ltd. term loan a/c no -3001	<u>1,314,378</u>	<u>3,057,339</u>
	<u>1,314,378</u>	<u>6,533,744</u>
14.1 Long term loan: Dhaka Bank TL a/c no -3001		
Terms and conditions on the above facility including security details are as follows:		
Facility	: Term Loan	
Facility limit	: Tk.8,800,000	
Purposes	: For import of capital machinery	
Securities for the facilities mentioned under notes 14.1 are as follows:		
1) Total land is 262.62 decimals out of which mutation for 137.37 decimals land has been completed in the name of the company and the rest land 125.25 decimals are under process of mutation. The company provided registered mortgage of land 129.125 decimals to Dhaka Bank against credit facilities.		
2) Hypothecation of stock & machinery.		
3) Personal guarantee of all the directors of the company,		
4) First charge with RJSC on the fixed assets of the company and post dated cheque for each LC and TL given.		
15.0 Deferred tax Liability		
Adjustment against retained earnings	27,193,936	-
Adjustment against current year's profit	19,159,066	-
	<u>46,353,002</u>	<u>-</u>
16.0 Bank overdraft		
Dhaka Bank Ltd OD a/c no-1262 (16.1)	44,999,660	41,170,904
Mercantile Bank Ltd OD a/c no 334 (16.2)	<u>51,647,570</u>	<u>49,147,468</u>
	<u>96,647,230</u>	<u>90,318,372</u>
16.1 Dhaka Bank Ltd.		
Facility	: Overdraft	
Facility limit	: Tk.50,000,000	
Purposes	: For payment against import duty VAT and local purchase.	
Expiry date	: 30 July,2012	
Security	: Hypothecation of the stocks in trade. Corporate guarantee of Deshbandhu Group.	
16.2 Mercantile Bank Ltd.		
Facility	: Overdraft	
Facility limit	: Tk.50,000,000	
Purposes	: For payment against import duty VAT and local purchase.	
Expiry date	: 30 July,2012	
Security	: Hypothecation of the stocks in trade. Corporate guarantee of Deshbandhu Group.	



	2013	2012
	<u>Taka</u>	<u>Taka</u>
17.0 Short term loan (Loan against trust receipts)		
Mercantile Bank Ltd. Ltr no-8321	13,312,168	-
Mercantile Bank Ltd. Ltr no-846	532,403	-
Mercantile Bank Ltd. Ltr no-871	7,310,660	-
Mercantile Bank Ltd. Ltr no-861	1,809,138	-
Mercantile Bank Ltd. Ltr no-796	6,633,631	-
Mercantile Bank Ltd. Ltr no-802	6,621,497	-
Mercantile Bank Ltd. Ltr no-805	6,484,380	-
Mercantile Bank Ltd. Ltr no-809	2,299,970	-
Mercantile Bank Ltd. Ltr no-828	17,568,426	-
Mercantile Bank Ltd. Ltr no-831	5,458,487	-
Mercantile Bank Ltd. Ltr no-840	11,533,264	-
Mercantile Bank Ltd. Ltr no-849	5,575,117	-
Mercantile Bank Ltd. Ltr no-856	2,425,519	-
Mercantile Bank Ltd. Ltr no-868	9,502,259	-
Mercantile Bank Ltd. Ltr no-813	14,369,732	-
Mercantile Bank Ltd. Ltr no-6895	-	16,341,013
Mercantile Bank Ltd. Ltr no-7169	-	1,866,456
Mercantile Bank Ltd. Ltr no-7250	-	3,752,566
Mercantile Bank Ltd. Ltr no-7321	-	3,004,705
Mercantile Bank Ltd. Ltr no-7336	-	6,068,782
Mercantile Bank Ltd. Ltr no-7371	-	6,452,140
Mercantile Bank Ltd. Ltr no-7388	-	1,988,777
Mercantile Bank Ltd. Ltr no-7428	-	1,852,416
Mercantile Bank Ltd. Ltr no-7434	-	11,411,408
Mercantile Bank Ltd. Ltr no-7209	-	7,993,721
Mercantile Bank Ltd. Ltr no-7492	-	28,656,833
Southeast Bank Ltd Time loan (110114)	-	172,774,985
	<u>111,436,651</u>	<u>262,163,801</u>
18.0 Trade creditors		
Acceptance liabilities under letter of credit		
<u>Name of bank</u>	<u>L/C Number</u>	
Mercantile Bank Ltd.	20013	13,048,460
Mercantile Bank Ltd.	20015	15,052,800
Mercantile Bank Ltd.	20024	4,267,362
Mercantile Bank Ltd.	20025	41,298,296
Mercantile Bank Ltd.	10156	1,014,000
Mercantile Bank Ltd.	20010	12,459,002
Mercantile Bank Ltd.	20012	6,303,875
Mercantile Bank Ltd.	20014	11,842,776
Mercantile Bank Ltd.	20020	2,110,680
Mercantile Bank Ltd.	20001	11,715,165
Mercantile Bank Ltd.	20006	11,857,725
Mercantile Bank Ltd.	20009	5,383,320
Mercantile Bank Ltd.	20016	21,927,668
Mercantile Bank Ltd.	20023	5,281,620
Mercantile Bank Ltd.	10139	198,957
Mercantile Bank Ltd.	10151	187,200
Mercantile Bank Ltd.	2020016	-
Mercantile Bank Ltd.	2020017	-
Mercantile Bank Ltd.	1020017	-
Mercantile Bank Ltd.	2020009	-
		<u>163,948,906</u>
		<u>52,319,605</u>



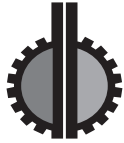
	2013 <u>Taka</u>	2012 <u>Taka</u>
19.0 Accounts payable		
A M & sons	379,997	60,830
Aureen Enterprise	147,718	147,718
A B Traders	8,250	-
Aryan Enterprise	416,000	-
Business Domain (BD) Int.	35,750	-
Bhuiyan Trade House	-	400
Flag3 Security	-	110
Bipu Transport Agency	-	1,425
Danish Industries (PVT)	3,163,875	475,875
Dhaka Insurance	17,602	17,602
Eva Machinery & Co.	31,670	-
Frontline Communication	294,000	324,500
Motaleb Iron Store	42,546	-
Nisan Paint & Auto lacquer Co.	-	1,869,700
Northern General Insurance	-	568
Park Trading	72,769	79,357
Prime Insurance	46,000	-
Sumon Traders	208,000	504,045
Sultana Enterprise	-	1,413
Trina Associates	-	206
Union Insurance	16,064	41,063
	<u>4,880,241</u>	<u>3,524,812</u>
20.0 Other payable		
Ashraful Haque Nabi & Co.	60,000	55,000
Advance Received from Party	15,800,738	-
Bandhan Power Electric	136,608	-
BCIC Bhaban Rent	199,796	-
Chan Traders	40,800	-
Chittagong Hardware Mills	127,660	-
Desh Electric Co.	285,120	-
Diamond Bearing & Machinery	115,500	-
GK Enterprise	185,050	-
Hossain Enterprise	21,845	-
H. T. Traders	134,922	-
JB Rubber & Manufacturing	2,982,454	-
Maa Kanch Bitan	61,800	-
MB Bearing & Machineries	167,600	-
M/S Helal Electric Co.	719,158	-
M/S Sudipta Enterprise	180,000	-
Ornab Electric & co.	270,708	-
Salary payable	2,526,084	-
Security Deposit from transport Co.	322,626	208,757
Security deposit-employee	34,200	61,800
Setcom IT Ltd.	711,070	1,411,069
Sumi Sumaiya Machinery	21,000	-
Unclaimed dividend	806,210	-
United trade link	125,000	-
Tax deduction at source	42,413	98,356
VAT deduction at source	67,216	434,482
	<u>26,145,578</u>	<u>2,269,464</u>



	2013 Taka	2012 Taka
21.0 Share money refundable		
Opening balance	14,979,588	17,909,417
Return from shareholder (BO account)	1,159,047	
Refund during the year	-	(2,929,829)
Closing Balance	<u>16,138,635</u>	<u>14,979,588</u>
22.0 Workers Profit Participation Fund		
Opening balance	4,351,496	1,413,924
Provision made during the year	2,302,014	2,937,572
	<u>6,653,510</u>	<u>4,351,496</u>
23.0 Provision for income tax		
Balance as on 01 July	17,917,363	8,328,874
01 July 2011 to 31 Dec 2011:		
Tax on Other Income	-	2,366,521
01 Jan 2012 to 30 June 2012:		
Tax on net income	12,028,022	11,396,678
Deferred tax adjusted	-	(4,174,710)
	<u>29,945,385</u>	<u>17,917,363</u>
24.0 Revenue		
July	48,801,838	12,763,234
August	47,950,935	46,804,957
September	46,629,492	23,627,971
October	30,961,069	22,595,667
November	43,799,805	23,554,677
December	47,568,265	33,503,529
January	51,064,084	36,561,321
February	44,777,394	34,924,867
March	50,467,314	39,555,448
April	56,133,804	51,193,363
May	50,641,148	46,974,892
June	57,488,128	50,325,082
	<u>576,283,277</u>	<u>422,385,007</u>
25.0 Cost of sales		
Raw materials:		
Opening stock	90,973,798	78,868,346
Purchase (Note-29)	377,626,426	325,952,797
Closing stock	(48,224,602)	(90,973,798)
	<u>420,375,622</u>	<u>313,847,345</u>
Manufacturing expenses (Note-30)	95,723,373	61,483,215
	<u>516,098,995</u>	<u>375,330,560</u>
Opening work-in-process	48,245,085	30,296,825
Closing work-in-process	(50,053,039)	(48,245,085)
Cost of goods manufactured:	<u>514,291,041</u>	<u>357,382,300</u>
Finished goods:		
Opening stock	8,999,329	2,341,540
Closing stock	(13,182,290)	(8,999,329)
	<u>510,108,080</u>	<u>350,724,511</u>



	2013 Taka	2012 Taka
26.0 Administrative and selling expenses		
Salary and wages	5,669,108	3,913,470
Rent & rates	3,113,453	2,735,244
Bad debts	519,069	-
Repair & maintenance	339,301	152,863
Traveling & conveyance	753,623	436,123
Audit fee	70,000	50,000
Directors Fee	30,000	30,000
Credit rating expenses	150,000	-
Printing & stationery	408,879	1,051,939
Postage & telephone	357,470	423,888
Publicity & advertisement	2,897,521	1,562,390
AGM expenses	1,167,306	-
Entertainment	8,500	5,000
Electricity Bill	-	23,485
Fuel and power	-	298,778
Legal and professional charge	429,000	568,995
License, registration & renewal	360,000	140,757
Sales promotion expenses	81,000	12,000
Security staff salary	15,675	158,017
Share department expenses	442,295	846,570
DSC & CSC Service Charge	265,000	26,635
Staff welfare	798,370	385,382
Telephone & Mobile Purchase	108,538	70,019
Tender schedules purchase	174,500	17,500
	<u>18,158,608</u>	<u>12,909,055</u>
27.0 Financing cost and income		
27.1 Financing cost		
Bank charges	563,918	476,223
Interest on overdraft, time & term loans	32,711,331	16,422,785
BG commission	149,584	75,696
	<u>33,424,833</u>	<u>16,974,704</u>
27.2 Financing income		
Intercompany interest	25,816,758	-
Short term deposit	554,529	850,613
Fixed deposit receipts	5,077,233	27,537,424
	<u>31,448,520</u>	<u>28,388,037</u>
Net financial (cost)/income	<u>(1,976,313)</u>	<u>11,413,333</u>
28.0 Earning per share		
Profit for the year	12,551,174	53,464,003
Weighted average number of shares outstanding during the year	48,300,000	48,300,000
Earning Per Share of Tk. 10.00 each	<u>0.26</u>	<u>1.11</u>



	June 2013 Taka	June 2012 Taka
29.0 Purchase		
Direct		
Purchase of raw materials	369,056,032	317,736,997
Indirect		
Production materials - ink	8,570,394	7,227,850
Production materials - Indirect	-	987,950
	<u>377,626,426</u>	<u>325,952,797</u>
30.0 Manufacturing expenses		
Salary and wages and other benefits	35,500,287	21,343,560
Traveling & conveyance	253,305	311,571
Carriage outwards	8,450,043	2,092,280
Electricity bill	19,102,147	13,140,048
Rent & rates	149,770	197,573
Repair & maintenance	11,152,789	6,764,318
Fuel and power	2,145,368	3,012,780
Postage & telephone	60,592	2,075
Printing & stationery	244,820	574,097
Entertainment	174,919	219,479
Chemical/Production materials	731,630	-
Insurance premium	297,948	206,550
Depreciation	16,948,657	13,333,651
House keeping & cleaning	-	500
Safety & security	243,280	21,780
License, registration & renewal	58,100	101,920
Staff welfare	209,718	161,033
	<u>95,723,373</u>	<u>61,483,215</u>
31.0 Contingent liabilities		
Mercantile Bank Ltd. (Performance Guarantee)	2,113,800	2,113,800
	<u>2,113,800</u>	<u>2,113,800</u>
32.0 Number of employees		
Number of employees	<u>365</u>	<u>342</u>
Salary range		
Monthly Taka 3,000 or above	365	342
Monthly below Taka 3,000	<u>Nil</u>	<u>Nil</u>

33.0 Events after the Reporting Period :

The Board of Directors in its meeting held on 03.10.2013 have recommend 5% stock dividend for the year ended June 30, 2013. The total amount of dividend is Tk. 24,150,000.00 (Two Crore Forty One Lac Fifty Thousand) only.

The Board of Directors in its meeting held on 03.10.2013 have authorised for issue of these Financial Statements.


Md. Liakat Ali Khan
Company Secretary


Golam Rahman
Managing Director


Golam Mostafa
Chairman

As per our annexed report of even date.


SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

Dhaka
Date: 03 October, 2013