



ANNUAL REPORT **2019-2020**

Premier Cement
Mills Limited



“ଆମରା ପ୍ରକାରେ ବିଶ୍ୱାଜୀ”







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VIRTUAL AGM ATTENDANCE PROCEDURE

In order to avoid large gathering at one place and to maintain Physical distancing the Bangladesh Securities and Exchange Commission issued an Order (No. SEC/SRMRC/04-231/25 dated 08 July 2020) regarding holding AGM/EGM of listed companies and ordered to use digital platform at different locations considering the geographical dispersal of its members/shareholders. To comply with the said order, the Board of Director of Premier Cement Mills Limited decided to hold its 18th Annual General Meeting in virtual manner by using digital platform. The digital platform is expected to make sure shareholder's attendance and take part from any place around the world. The procedure of attendance at virtual AGM are as follows:

- Step-1:** Please check whether you are the Shareholder of Premier Cement Mills Limited as on "Record Date" i.e. December 07, 2020.
- Step-2:** Please visit <http://premiercement18th.digitalagmbd.net> from your laptop, tablet and smartphone.
- Step-3:** Please put your 16-digit BO ID and number of shares as on record date i.e. December 07, 2020 as a proof of your identity to log-in the system.
- Step-4:** Please acknowledge regulatory directives and company communication mode to the public for attending the AGM in digital platform.

The screenshot shows a web interface for signing in. At the top, there is a red banner with the text "Sign In". Below this banner, there are four tabs: "Shareholder", "Proxy", "Board Member", and "Admin". The "Shareholder" tab is currently selected. Under the "Shareholder" tab, there are two input fields: "BO ID/Folio *" and "Share Quantity *". Below these input fields is a red button labeled "Sign In".



LETTER OF TRANSMITTAL

To
All Shareholders of Premier Cement Mills Limited
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSC)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)
National Board of Revenue (NBR)

Subject: Annual Report for the year ended June 30, 2020

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report of Premier Cement Mills Limited along with the Audited Financial Statements for the year ended June 30, 2020. Financial Statements comprise both the standalone and consolidated statements of Financial Positions, statements of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows along with notes to the Accounts of the Company for the year which ended on June 30, 2020.

Yours sincerely

Kazi Md. Shafiqur Rahman
Company Secretary



MEDIA HIGHLIGHT

প্রথমত্রাণে



প্রিমিয়ার সিমেন্টের পক্ষ থেকে আটটি হাই স্পিড ন্যাভাল ক্যানোলা মেশিন দেওয়া হয়ে বঙ্গবন্ধু শেখ মুজিব মেডিকেল বিশ্ববিদ্যালয় কর্তৃপক্ষকে। ছবি: বিজ্ঞপ্তি

প্রিমিয়ার সিমেন্ট লিমিটেড আজ রোববার বঙ্গবন্ধু মুজিব মেডিকেল বিশ্ববিদ্যালয় (বিএসএমএমইউ) কর্তৃপক্ষের কাছে আটটি হাই স্পিড ন্যাভাল ক্যানোলা মেশিন হস্তান্তর করেছে। বিশ্ববিদ্যালয়ের পক্ষ থেকে মেশিনগুলো গ্রহণ করেন উপাচার্য কনক কান্তি বড়ুয় প্রিমিয়ার সিমেন্টের পক্ষ থেকে তা হস্তান্তর করেন প্রতিষ্ঠানটির সিওও তারিক কামাল।

এ সময় উপাচার্য বলেন, 'এভাবে যদি দেশের সব

যূগান্তর

এবার আসামে নৌপথে প্রিমিয়ার সিমেন্ট রফতানি



ত্রিপুরার পর এবার নৌপথে আসামে সিমেন্ট যাচ্ছে। নারায়ণগঞ্জের প্রিমিয়ার সিমেন্টের কারখানা থেকে এমটি প্রিমিয়ার নামক সিমেন্ট বোঝাই একটি জাহাজ আসামের করিমগঞ্জের উদ্দেশ্যে রওনা হয়েছে।

The Daily Star Premier Cement provides 7 ventilators to Chattogram Maa O Shishu Hospital



যূগান্তর

01 May, 2020, Friday

নির্মাণ শ্রমিকদের পাশে প্রিমিয়ার সিমেন্ট



করোনাক্রান্তির পর পরিস্থিতিতে প্রিমিয়ার সিমেন্টের উদ্যোগে রংপুর, রাজশাহী, হুলদা ও ঢাকা বিভাগের ২৫ জেলায় নির্মাণ শ্রমিকদের মাঝে নিত্যপ্রয়োজনীয় খাদ্যসামগ্রী ও সাবান বিতরণ করা হয়েছে। দেশ ও মানুষের প্রতি দায়বদ্ধ প্রিমিয়ার সিমেন্ট নিশ্চয় করে, সবাই নিলে সবথেকে দ্রুত হাত বাড়িয়ে নিলে এই সংকটময় সময়ে বেগমর হয়ে পড়া শ্রমিকদের টিকে থাকার লড়াই করা সহজ হবে। ভবিষ্যতেও প্রিমিয়ার সিমেন্টের পক্ষ থেকে এ ধরনের কর্মসূচি থাকবে। স্বাগত বিজ্ঞপ্তি।

নির্মাণ শ্রমিকের হাতে প্রিমিয়ার সিমেন্টের পক্ষ থেকে তুলে দেয়া হচ্ছে খাদ্যসামগ্রী

bdnews24.com

ENG

চট্টগ্রামের হাসপাতালে ৭ ভেন্টিলেটর দিল প্রিমিয়ার সিমেন্ট



সমকাল

চট্টগ্রাম মা ও শিশু হাসপাতালকে
ভেন্টিলেটর দিল প্রিমিয়ার সিমেন্ট



নয়া দিগন্ত
ত্রিপুরার পর নৌপথে এবার আসামে সিমেন্ট রফতানি করে ইতিহাসের অংশ হচ্ছে প্রিমিয়ার সিমেন্ট



ত্রিপুরার পর নৌপথে এবার আসামে সিমেন্ট রফতানি করে ইতিহাসের অংশ হচ্ছে প্রিমিয়ার সিমেন্ট - চরিত্র সংগঠিত

ঢাকা টাইমস
চট্টগ্রাম মা ও শিশু হাসপাতালকে প্রিমিয়ার সিমেন্টের সাত ভেন্টিলেটর হস্তান্তর



প্রথম আলো

করোনায় কর্মীবান্ধব এক শিল্পোদ্যোক্তা

দুই হাজার কর্মীর ভার নিলেন তিনি



New India-Bangladesh Waterway Route With Tripura Made Operational as 1st Consignment of Goods Arrives



A Bangladeshi vessel tracking 93 km waterways carrying 10 tonnes of cement from Daukandi in the neighbouring country arrived western Tripura's Sonamura, where Tripura Chief Minister Biplab Kumar Deb accompanied by others received the vessel.

The first consignment of goods from Bangladesh arrived in Tripura by waterway on Saturday as part of a trial run for shipping of goods from other parts of India to the northeast region via Bangladesh formally making operational of new waterways between the two neighbours.

মানবজমিন

ত্রিপুরার পর আসামে যাচ্ছে প্রিমিয়ার সিমেন্ট



ত্রিপুরার পর এবার নৌপথে আসামে সিমেন্ট যাচ্ছে। নারায়ণগঞ্জের প্রিমিয়ার সিমেন্টের কারখানা থেকে এমডি প্রিমিয়ার নামক সিমেন্ট বোম্বাই একটি জাহাজ আসামের করিমগঞ্জের উদ্দেশ্যে রওনা হয়েছে।

১০ বনিকবাহী

মা ও শিশু হাসপাতালকে ৭টি ভেন্টিলেটর দিল প্রিমিয়ার সিমেন্ট



Dhaka Tribune

Home / Bangladesh / Foreign Affairs

Bangladesh connects with Tripura



Bangladeshi cargo vessel MB Premier is anchored at Comilla's Daukandi on Thursday, September 3, 2020 Courtesy Vessel from Daukandi of Bangladesh to reach Sonamura of Tripura in trial run of new river route on Saturday



HISTORY CREATED

BY PREMIER CEMENT;

New dimension in the relationship between India & Bangladesh.

Premier Cement Mills Limited created history when it became the country's maiden exporter to India's north-eastern state of Tripura through a new river route (Daudkandi to Sonamora) in a development that is expected to boost cross-border trade and connectivity.

The relationship between the two neighboring countries was set to reach another milestone with the first ever export consignment of Premier Brand Cement loaded onto "MV Premier" left Daudkandi on Thursday, September 3, 2020. After almost two months, on the 1st of November, 2020, a cargo ship named MV Premier-6 left Premier Cement's Narayanganj factory for Karimganj in Assam with 2,500 bags (125 tonnes) of Premier brand cement. The goods are being exported to Assam, India through the Kushiara River in Sylhet. Earlier on Thursday (October 29), the consignment was approved to take cement via waterway to Karimganj in Assam through the Kushiara river in Sylhet.

ইতিহাস রচনায়, স্বপ্নের সূচনায় 'প্রিমিয়ার সিমেন্ট'



বাংলাদেশের ইতিহাসে প্রথমবার নৌপথে ভারতে পণ্য রপ্তানি করলো প্রিমিয়ার সিমেন্ট
দেশের অগ্রযাত্রার পথে অনন্য এ মাইলফলক স্থাপন করতে পেরে আমরা গর্বিত

*দাউদকান্দি-সোনামুড়া নৌকণ্ট

This trade has started under the naval protocol between Bangladesh and India. According to BIWTA sources, The Assam government organized a function on Monday (November 9) to receive the consignment.

An organization called Kar & Sons of Karimganj is taking this consignment of cement.

Mr. Mohammed Amirul Haque, Managing Director of Premier Cement Mills, said, “Last September, we transported goods by water for the first time in Tripura, India and now we have started transporting goods to Assam, another North Eastern state of India”. This would certainly open a new opportunity for our country to use the waterways to export goods to India.

He added that transporting goods by water is more affordable than by road or rail. If the height of the low-rise bridge is increased, large cargo ships will be able to move. Besides, dredging of Gumti River should be done regularly. The use of waterways without hindrances will ensure faster delivery of goods to the northeastern states of India and will also create export opportunities for Bangladesh.

Mr. Salah Uddin, Manager (Exports), Premier Cement, said the door was opened for export trade with Assam. With the launch of this waterway, we hope to further increase export trade with the northeastern states of India.

Back in September 2020, The Bangladeshi vessel MB Premier, carrying cement from Premier Cement factory, headed out on its journey on Thursday and arrived at Sonamura of Tripura on Saturday, after a 93 km journey on the Gomati River. This was the first-ever export consignment from Bangladesh to Tripura through the inland waterways. The goods were unloaded in Sonamura of Sepahijala district, 60 kilometres from Agartala, the capital of Tripura. The first ever export consignment from Bangladesh to Tripura through inland waterways is being used as a trial run for the operationalization of the Daudkandi (Bangladesh)-Sonamura (Tripura) Inland Waterway Protocol route. Mr. Golam Sadek, the Chairman of Bangladesh Inland Water Transport Authority (BIWTA) inaugurated the new river road of Daudkandi to Sonamura, Tripura. The District Commissioner of Cumilla, Mr. Md. Abul Fajal Mir and high officials of Bangladesh govt. also remained at the inauguration ceremony. With a glamorous arrangement, Chief Minister Biplab Kumar Deb of Tripura accompanied by Indian High Commissioner in Bangladesh, Riva Ganguly Das, Transport Minister Pranajit Singha Roy, Lok Sabha member Pratima Bhowmik , Shri Kiran Gitte IAS, Secretary Govt. of Tripura, India, Dr. P.K Goyal, Director Industries & Commerce received the vessel “MV Premier”. Earlier the BIWTA Chairman greeted the MV Premier Master and Crew while seeing off them with flower bouquet.

Mr. Khalid Mahmud Chowdhury, state minister for shipping, Mansukh L. Mandaviya, Minister of State (Independent Charge), India and the high officials of Premier Cement Mills Limited were present in the vessel (MV Premier) receiving ceremony program through video conference. The whole



arrangement was conducted in a very cordial and festive manner in both the countries and it was a proud moment for Premier Cement to become the first exporter by waterways and it is believed that the diplomatic relationship between the two neighboring countries will be further strengthened after the historic occasion.

According to the industrialists of both countries, the initiative will bring good results towards boosting bilateral trade and the route will become a vital part of the trade with India's north-eastern states. Enhanced connectivity through inland waterways is very significant because it provides for economical, faster, safer, and cleaner modes of transportation for traders and business communities of both sides and it is expected that from now onwards all the exports and imports would be done by waterways which would save around 50 per cent of expenditure on transportation.

The new route will open up new avenues for economic development in both the countries, with Tripura playing an important role. Bangladeshi exporters will be able to grab a larger portion of exports using this river way route if the government incentivizes the private sector for using and popularizing this route.

It may be mentioned here that currently, numerous projects with heavy construction requirements are ongoing in the north-eastern region of India and huge investments are being made in infrastructural development, and therefore, they will need construction materials in large scale. It is a huge opportunity for Bangladesh to grab this lucrative opportunity and export construction materials to the North Eastern states of India via this new route.

Narendra Modi, Honorable Prime Minister of India and Honorable Prime Minister of Bangladesh Sheikh Hasina have emphasized to build the new waterways through the river Gomati between Tripura and Daudkandi for the economic growth of both countries.

ত্রিপুরার পর এবার আসামে দেশের পতাকা বহন করলো প্রিমিয়ার সিমেন্ট






মৈত্রীর বন্ধনে বদলে যাচ্ছে দুই পাড়ের ব্যবসার চালচিত্র
ত্রিপুরার পর এবার আসামের নৌবাণিজ্য দ্বার উন্মোচিত
ইতিহাস সৃষ্টিকারী এই যুগান্তকারী উদ্যোগের অংশীদার হতে পেরে প্রিমিয়ার সিমেন্ট গর্বিত

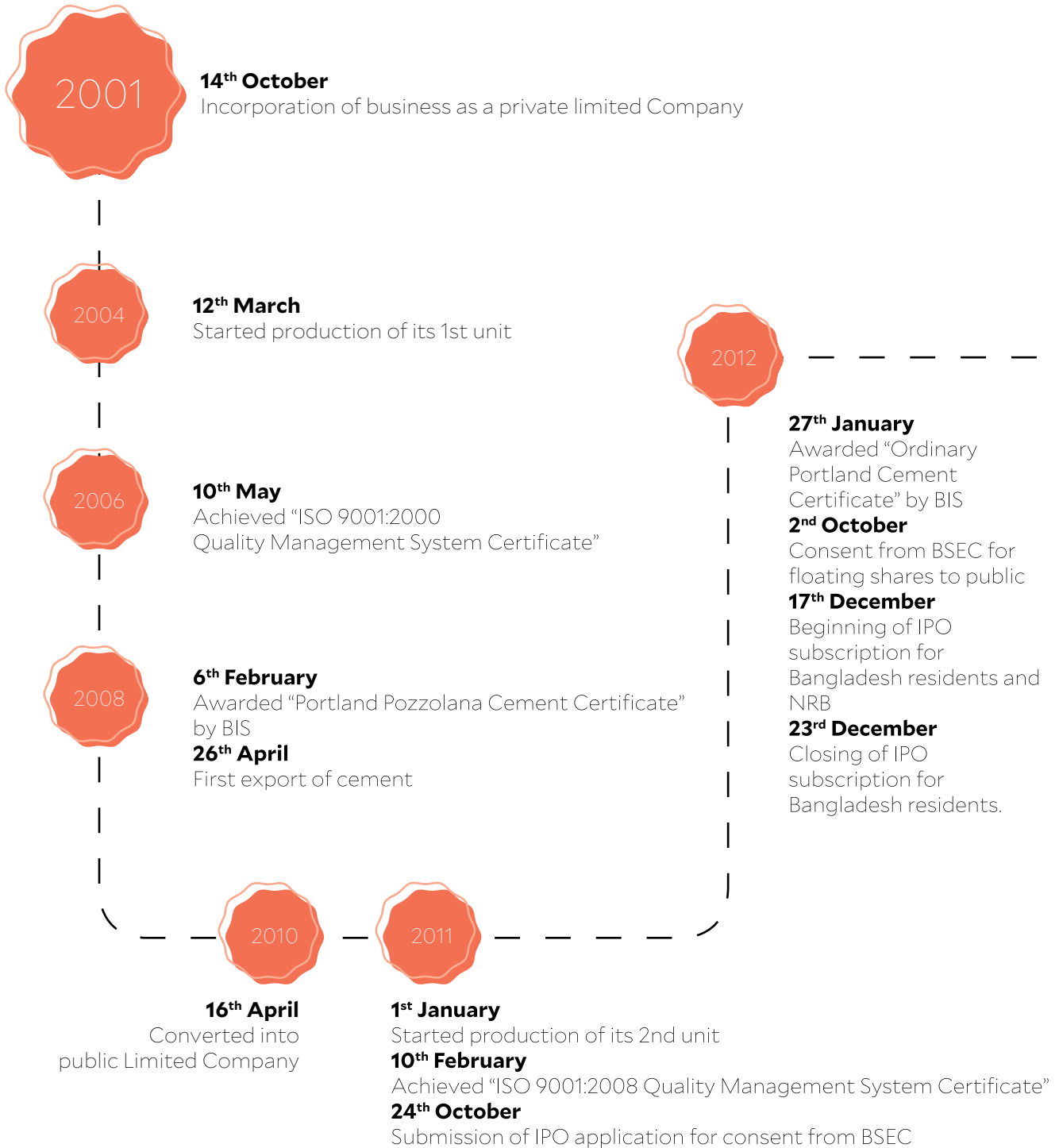


HIGHLIGHTS OF MUJIB BORSHO

The Bangladesh government has announced that 100th birth anniversary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman will be observed as Mujib Borsho from 17 March 2020 to 17 March 2021. This year, Premier Cement Mills Limited celebrating Mujib Borsho from March 17, 2020 with highly prestigious manner.



19 YEARS OF GLORIOUS JOURNEY





1st January

Started production of 3rd and 4th units

1st January

Closing of IPO subscription for NRB

20th January

Lottery of IPO applications

3rd February

Listed under Chittagong Stock Exchange Limited

11th February

Listed under Dhaka Stock Exchange Limited

3rd March

Inaugural trading in Stock Exchanges

18th April

Import of BSW Bag Plant

2013

2014

3rd February

Installation of BSW Bag Plant

15th July

Started commercial production of the Bag plant

15th April

Receipt of US\$ 3.5 million as foreign loan from Hong Kong and Shanghai Banking Corporation for the purpose of Bag plant machinery

24th July

Receipt of US\$ 4.5 million as foreign loan from Brac Bank Limited for the purpose of 3rd unit machinery

10th December

Purchase of a 300MT capacity Motor vessel

2014

11th April

Signed an agreement with FL Smith for installation of VRM to increase production capacity to 5.16 Million ton per years

2020

3rd September

PCML became the maiden exporter to India's north-eastern state of Tripura through a new river route.

8th November

PCML open another new road Narayanganj, Bangladesh to Karimganj, India



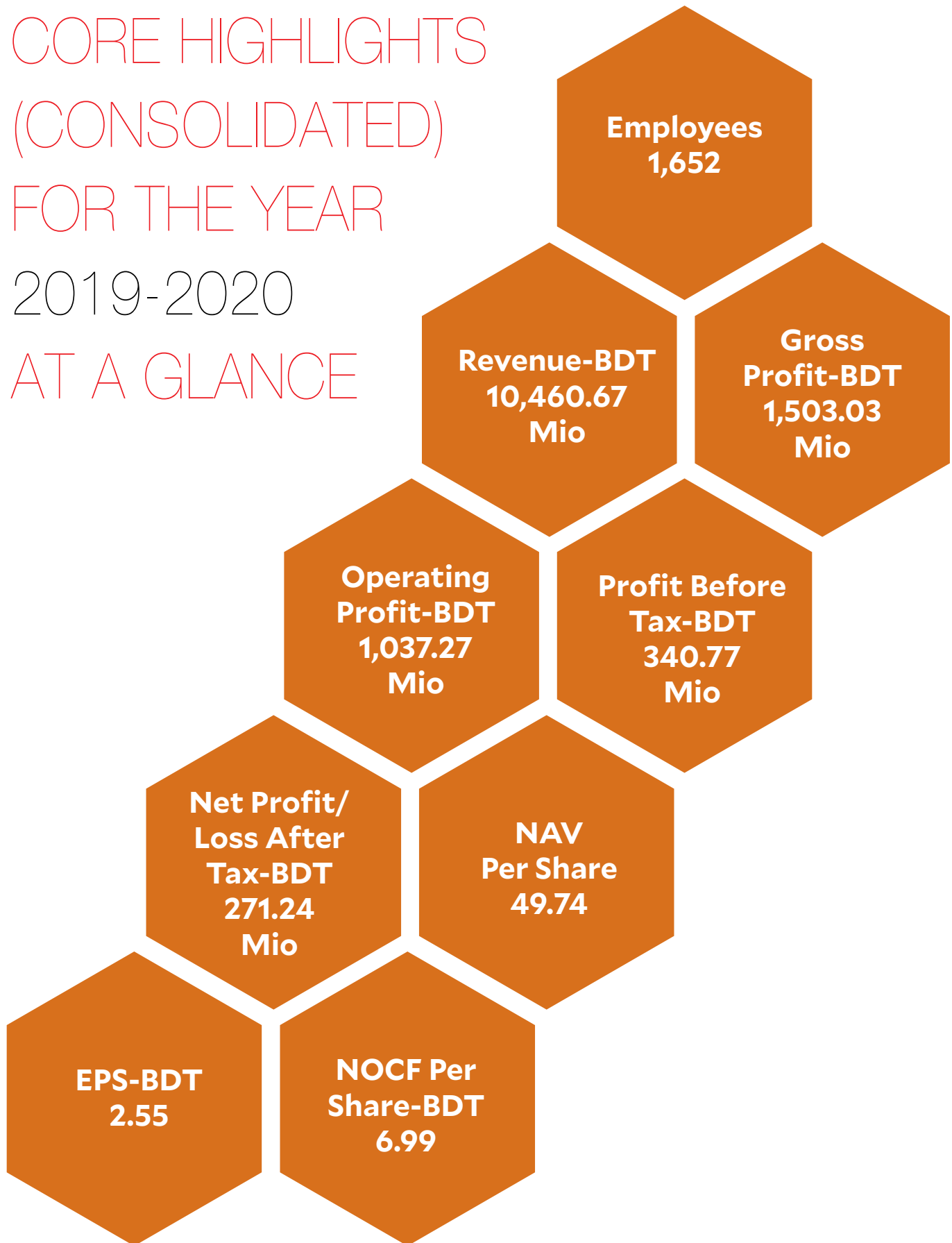
HIGHLIGHTS OF COVID-19

“Stay home, Stay safe. Wear a mask, Clean your hands, Keep a safe distance- Save lives”. Covid-19 changes our lifestyles dramatically. Premier Cement Mills Limited took various safety measures and actions to protect the Global Pandemic, Novel Corona Virus.

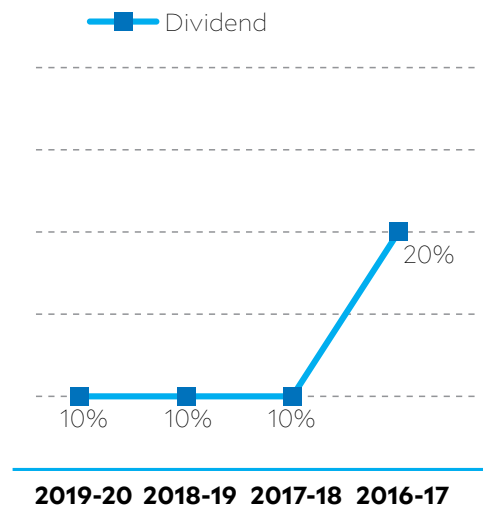
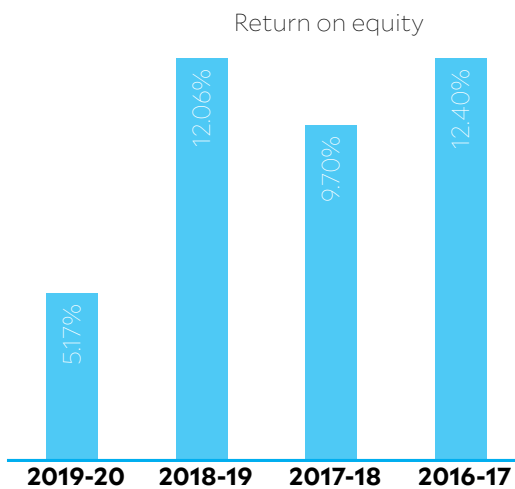
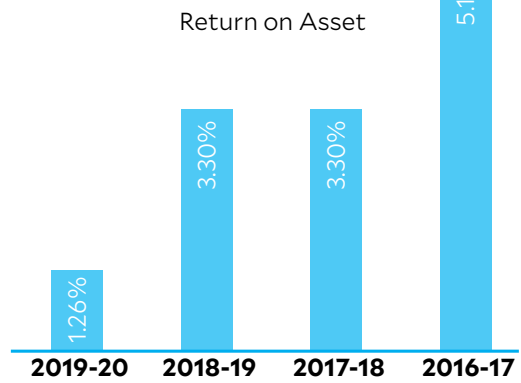
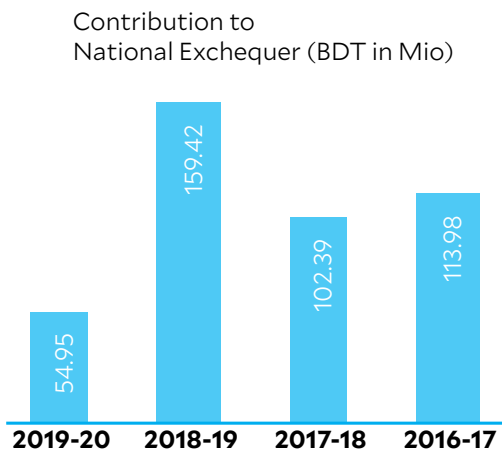
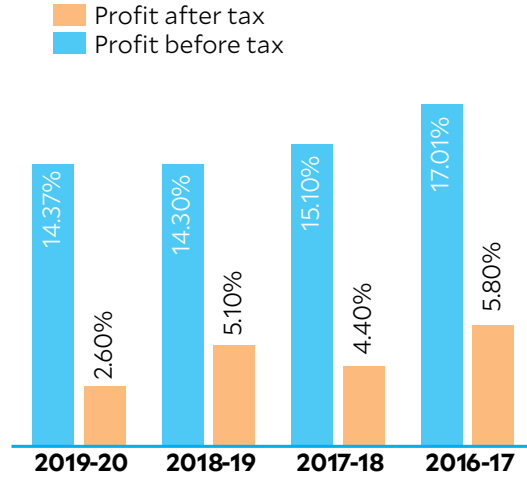
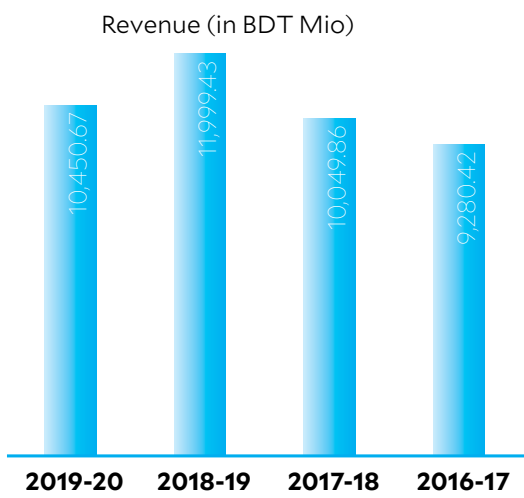
1. Clean hands awareness program
2. Check temperature
3. All Employee wear marks and maintain physical distance
4. Covid-19 test of Employee

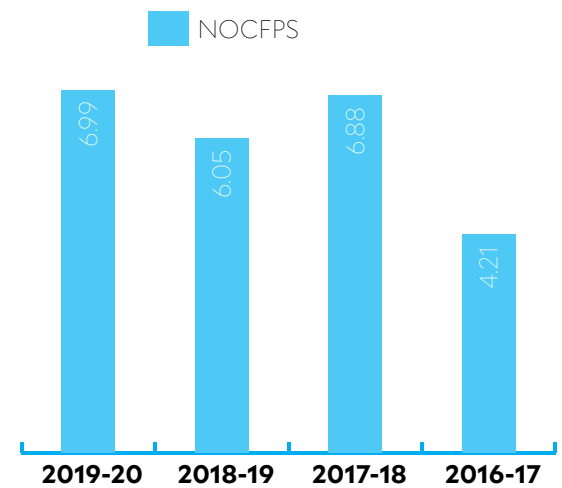
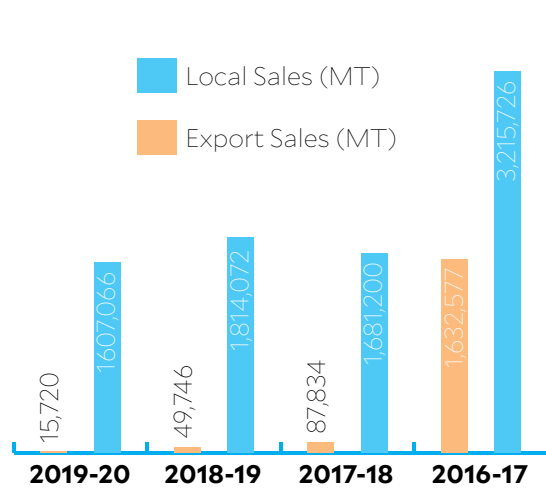
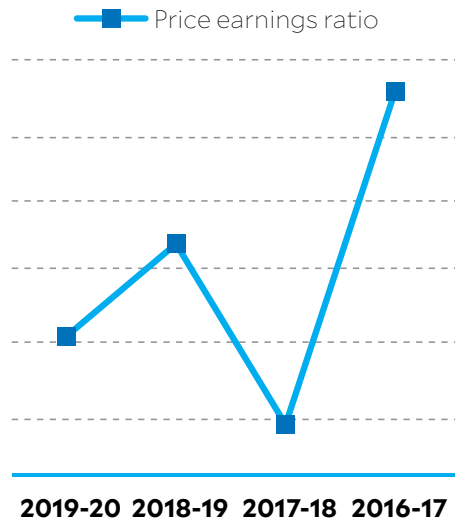
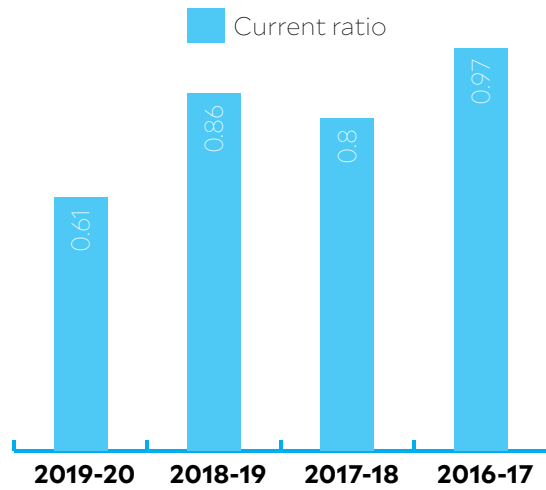
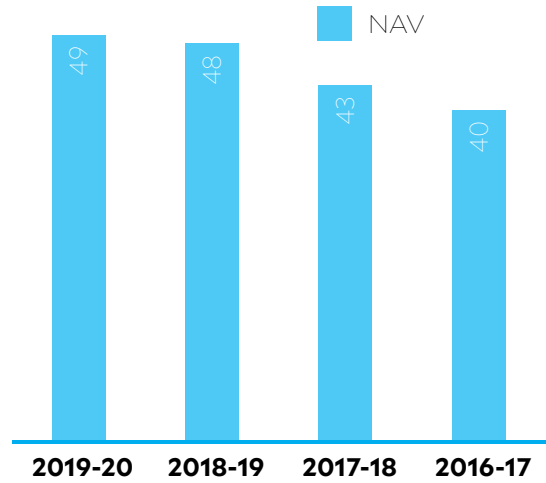
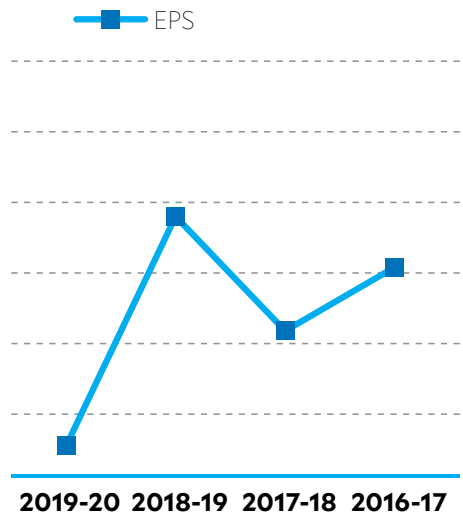


CORE HIGHLIGHTS
(CONSOLIDATED)
FOR THE YEAR
2019-2020
AT A GLANCE



CORE HIGHLIGHTS (CONSOLIDATED), 2020







Notice of **18th** Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting (AGM) of the Shareholders of Premier Cement Mills Limited will be held using digital platform (in accordance with BSEC Order SEC/SRMRC/04-231/25 dated 8 July 2020) on Monday, 28 December 2020 at 11:30 A.M. to transact the following businesses:

Agendas

1. Report and Accounts

To receive, consider and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended June 30, 2020 and Auditors' Reports thereon.

2. Dividends

To declare Dividend for the year ended June 30, 2020 as recommended by the Board of Directors.

3. Election of Directors

To elect Directors in accordance with the provisions of Articles of Association of the Company.

4. Appointment of Statutory Auditors

To appoint statutory Auditors for the year ended June 30, 2021 and to fix their remuneration.

5. Appointment of Corporate Governance Compliance Auditors

To appoint Corporate Governance Compliance Auditor for the year ended June 30, 2021 and to fix their remuneration.

6. Discussion on supply of goods and materials amounting to 1% or above of the revenue with sister concern companies.

7. Any other Agenda with the permission of the chair

By order of the Board

Kazi Md. Shafiqur Rahman

Company Secretary

Place: Dhaka

Date: 13 December 2020

Notes:

- Shareholders, whose names appear on the members/Depository Register on the Record Date i.e. on 7th December 2020 shall be eligible to attend the 18th AGM of the Company through the online live portal to ensure the safety of the shareholders given the ongoing coronavirus pandemic and to receive the Dividend.
- The detailed login process and link of the online live portal to attend the meeting will be communicated to the shareholders in due course. Therefore, the shareholders are requested to update their email addressed, Bank Account, Contact number, E-mail Address, E-TIN number etc. through their respective Depository Participant (DP) before record date.
- A member eligible to attend and vote at the Annual General Meeting may appoint a proxy on his/her stead. The proxy form attached with Annual Report 2020, duly filed in, signed and stamped, must be submitted at the Corporate Office of the Company not later than 48 hours before the time fixed for the meeting.
- Shareholders are requested to send their queries and comments on the Directors' Report and the Audited Financial Statements for the year ended 30 June 2020 to corporate.affairs@premiercement.com at least 3 (three) working days before the day of Annual General Meeting.
- The soft copy of the Annual Report for the year ended on 30 June 2020 will be sent to the shareholders' respective e-mail addressed. However, interested shareholders may collect hard copies of the Annual Report-2020 from the Company's share office by submitting a written request. The soft copy of Annual Report is available in the Company's website at www.premiercement.com
- The concerned brokerage houses & merchant bankers are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. The brokerage houses & merchant bankers are also requested to provide us with their Bank Account Name, Number, Routing number etc. on or before 05 January 2021
- The concerned trustee board of approved superannuation fund or pension fund or gratuity fund or recognize provided fund or workers participation fund are requested to provide us updated tax rebate certificate on or before 05 January 2021
- No special benefit, refreshment or gift in cash shall be given to the shareholders for attending the 18th Annual General Meeting as per Bangladesh Securities and Exchange Commission's circular no. SEC/CMRRD/2009-193/154 dated October 24, 2013.

১৮তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা জানানো যাচ্ছে যে, প্রিমিয়ার সিমেন্ট মিল্‌স লিমিটেড এর ১৮তম বার্ষিক সাধারণ সভা নিম্নলিখিত বিষয়াদি সম্পাদনকল্পে আগামী ২৮ শে ডিসেম্বর ২০২০ ইং তারিখ রোজ সোমবার সকাল ১১:৩০ মি: টে ডিজিটাল প্ল্যাটফর্ম (বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশের: এসইসি/এসআরএমআরসি/০৪-২৩১/২৫ তারিখ ০৮ জুলাই ২০২০ বিবেচনায়) এর মাধ্যমে অনুষ্ঠিত হবে।

আলোচ্য বিষয়সূচি (এজেন্ডা):

১. প্রতিবেদন এবং হিসাব
৩০ জুন ২০২০ ইং তারিখে সমাপ্ত বছরের নিরীক্ষিত লাভ লোকসান হিসাব ও স্থিতিপত্র এবং সেই সঙ্গে পরিচালকমন্ডলীর ও নিরীক্ষকের প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।
২. লভ্যাংশ
৩০ জুন ২০২০ ইং তারিখে সমাপ্ত বছরের জন্য কোম্পানীর পরিচালনা পর্ষদ কর্তৃক সুপারিশকৃত লভ্যাংশ ঘোষণা।
৩. পরিচালক নির্বাচন
কোম্পানীর সর্জবিধি অনুযায়ী পরিচালক নির্বাচন।
৪. বিধিবদ্ধ নিরীক্ষক নিয়োগ
৩০ জুন ২০২১ ইং তারিখে সমাপ্ত বছরের জন্য নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৫. কর্পোরেট গভার্নেন্স নিরীক্ষক নিয়োগ
৩০ জুন ২০২১ ইং তারিখে সমাপ্ত বছরের জন্য কর্পোরেট গভার্নেন্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৬. সিষ্টার কন্সার্ন প্রতিষ্ঠানগুলোর সাথে রাজস্বের ১ % বা তার বেশি পরিমাণে পণ্যসামগ্রী সরবরাহের বিষয়ে আলোচনা।
৭. চেয়ারম্যান অনুমতি ক্রমে অন্য কোন আলোচ্য বিষয় (এজেন্ডা) (যদি থাকে)

বোর্ডের আদেশক্রমে

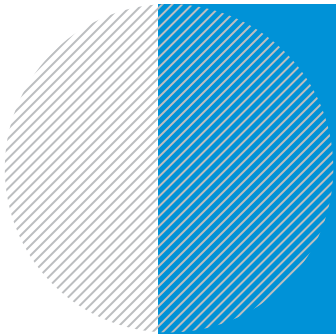
কাজী মোহাম্মদ সফিকুর রহমান
কোম্পানী সচিব

স্থান : ঢাকা

তারিখ : ১৩ ডিসেম্বর ২০২০ ইং

নোট:

১. যে সকল শেয়ারহোল্ডারদের নাম রেকর্ড ডেটে অর্থাৎ ৭ই ডিসেম্বর ২০২০ইং তে সদস্য/ ডিপোজিটরি রেজিস্টারে লিপিবদ্ধ রয়েছে শুধুমাত্র তারা ১৮তম ভার্সুয়াল বার্ষিক সাধারণ সভায় যোগদান ও লভ্যাংশ গ্রহণের জন্য উপযুক্ত বলে বিবেচিত হবে।
২. সভায় অংশগ্রহণের জন্য শেয়ারহোল্ডারদের সামগ্রিক কার্যপ্রণালী ও অনলাইন লাইভ পোর্টালের লিংক যথাসময়ে জানানো হবে।। সুতরাং, শেয়ারহোল্ডারদের রেকর্ডের তারিখের আগে তাদের নিজ নিজ ডিপি এর মাধ্যমে তাদের ই-মেইল ঠিকানা, ব্যাংক অ্যাকাউন্ট, যোগাযোগ নম্বর, ই-মেইল ঠিকানা, ই-টিআইএন নম্বর ইত্যাদি আপডেট করার জন্য ডি এস সি, সি এস সি মাধ্যমে অনুরোধ করা হয়েছে।
৩. যে সকল সদস্যদের বার্ষিক সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের অধিকার রয়েছে, তারা ইচ্ছা করলে তাদের পরিবর্তে ১৮তম বার্ষিক সাধারণ সভায় অন্য কোন ব্যক্তিকে অংশগ্রহণের অনুমতি দিতে পারেন। তবে সেক্ষেত্রে ২০১৯-২০২০ সালের বার্ষিক প্রতিবেদন শেষের দিকে সংযুক্ত প্রক্সিফর্ম যথাযথভাবে পূরণ করে স্বাক্ষর ও স্ট্যাম্পসহ সভা অনুষ্ঠিত হওয়ার নির্ধারিত সময়ের ৪৮ ঘন্টা পূর্বে অবশ্যই কোম্পানীর কর্পোরেট অফিসে জমা দিতে হবে।
৪. বার্ষিক প্রতিবেদন ২০১৯-২০২০ শেয়ারহোল্ডারদের ই-মেইল-এর মাধ্যমে প্রেরণ করা হবে। তারপরও যদি কেউ না পেয়ে থাকে, তাহলে লিখিত আবেদনের মাধ্যমে শেয়ার অফিস থেকে সংগ্রহ করতে পারবেন। এছাড়াও বার্ষিক প্রতিবেদন ২০১৯-২০২০ এর ডিজিটাল কপি কোম্পানির ওয়েবসাইট <http://www.premiercement.com/> মাধ্যমে পাওয়া যাবে।
৫. শেয়ারহোল্ডারদের পরিচালকমন্ডলীর প্রতিবেদন ও ৩০ জুন ২০২০ ইং তারিখে সমাপ্ত নিরীক্ষিত আর্থিক প্রতিবেদনের উপরে প্রশ্নাবলীসমূহ বার্ষিক সাধারণ সভার কমপক্ষে ৩ (তিন) দিন পূর্বে কোম্পানীর কর্পোরেট অফিসে জমা দেওয়ার জন্য অনুরোধ করা হলো।
৬. সংশ্লিষ্ট ব্রোকার হাউজ এবং মার্চেন্ট ব্যাংকের মার্জিন লোন হোল্ডার যাদের রেকর্ড ডেটে প্রিমিয়ার সিমেন্টের শেয়ার রয়েছে তাদের পূর্ণ বিবরণীসহ (শেয়ারহোল্ডারদের নাম, বিও আইডি নাম্বার, ই-টিন নাম্বার, মোট প্রাপ্য লভ্যাংশ, প্রযোজ্য কর হার এবং নীট প্রাপ্য লভ্যাংশ) উক্ত বিষয়ের সাথে সম্পর্কিত ব্যক্তির নাম ও মোবাইল নাম্বার আমাদেরকে সরবরাহের জন্য অনুরোধ করা হল। আমরা ব্রোকার হাউজ এবং মার্চেন্ট ব্যাংকের কাছে আরো অনুরোধ করি যে তারা যেন ৫ জানুয়ারি ২০২০ ইং তারিখে অথবা তার পূর্বে তাদের ব্যাংক একাউন্ট নাম, নাম্বার এবং রাউটিং নাম্বার আমাদেরকে প্রদান করে।
৭. মিউচুয়াল ফান্ড অথবা পেনশন ফান্ড অথবা গ্রাটুইটি ফান্ড অথবা প্রভিডেন্ট ফান্ড অথবা শ্রমিকের মুনাফায় অংশগ্রহণ ফান্ড সংশ্লিষ্ট ট্রাস্টি বোর্ডকে ৫ জানুয়ারি ২০২০ ইং তারিখ অথবা তার পূর্বে হালনাগাদ কর রেয়াত সনদ সরবরাহের জন্য অনুরোধ করা হ'ল।
৮. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন সার্কুলার নং এসইসি/সিএমআরআরডি/২০০৯-১৯৩/১৫৪ তারিখ ২৪ অক্টোবর ২০১৩ ইং অনুযায়ী আসন্ন ১৮তম বার্ষিক সাধারণসভায় অংশগ্রহণের জন্য শেয়ারহোল্ডারদের কোন প্রকারের বিশেষ সুবিধা বা নগদ উপহার দেওয়া হবে না।



ABOUT US

Premier Cement Mills Ltd is one of the leading innovative cement manufacturers in Bangladesh. It manufactures European Standard Cement using the best raw materials and technical excellence for ensuring dependability and superiority of its product. The durability and dependability of premier Cement made the company fairly popular in both local and foreign markets. As a result its products are being continuously used widely for different multidimensional constructions, which demand greater strengths and reliance for the benefit of future generations

Our Journey

Back in 2001, when Premier Cement Mills Limited had been ventured by reckoning the ideas of a group of renowned business leaders was yet to be established. But soon in 2004, after all of necessary organizations, the company started its commercial production with only 0.6 Million Metric Tons per annual production capacity. Today, the production capacity is 2.4 Million Metric tons per annum and more than 5,000 people are either directly or indirectly involved with Premier Cement including distributors, local suppliers, employees and their family members. It was converted into a public limited company with an authorized capital of BDT 5,000 million in 2010. After going through successful operation and production for three more years, in 2013 it was listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited simultaneously.





Use of latest technology

To increase the production capacity the company installing and commissioning the most environmental friendly and cost effective & latest technology-VRM. After the completion of the project another 9,200 MT per day will be added to the Company's total production capacity.

Award & Recognition

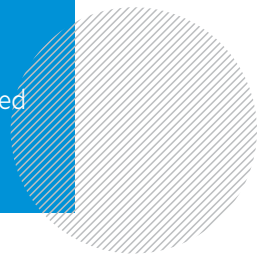
Since its inception, Premier Cement Mills Ltd has achieved various national and international awards, namely the SAFA Best Presented Annual Report Award, National Productivity and Quality Excellency Award, Best Customer Award by Munshiganj Palli Bidyut Samity, Highest Award for ICMAB-Best Corporate Governance, ICAB Award for Best Presented Annual Report, ICSB Award for Corporate Governance Excellence, etc.

Contribution on National Economy

In FY-2019-20, Premier Cement contributed over BDT 54.95 million as taxes to the National Exchequer, which makes us one of the reputed taxpayers to the Government. The company will continue to support Government proposals that establish a sustainable level of tax contribution to the National exchequer while ensuring a sustainable growth for the industry.

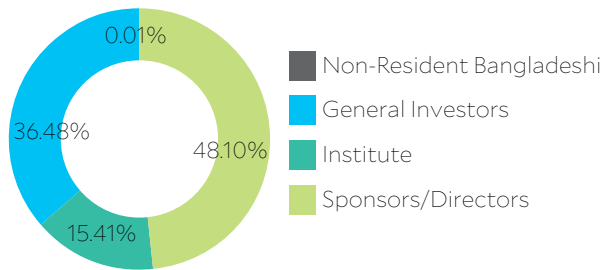
Subsidiary and Associated Companies

The Company has one subsidiary company namely Premier Power Generation Limited and one associated company namely National Cement Mills Limited

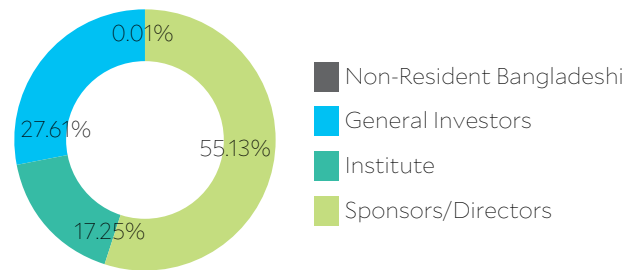


SHAREHOLDING POSITION

Type of Shareholders	30 June 2020		30 June 2019	
	Percentage	Number of the share	Percentage	Number of the share
Sponsors/Directors	48.10%	50,724,650	55.13%	58,132,220
Institute	15.41%	16,250,508	17.25%	18,198,436
General Investors	36.48 %	38,467,547	27.61%	29,111,041
Non-Resident Bangladeshi	0.01%	7,295.00	0.01%	8,303
Total	100%	105,450,000	100%	105,450,000



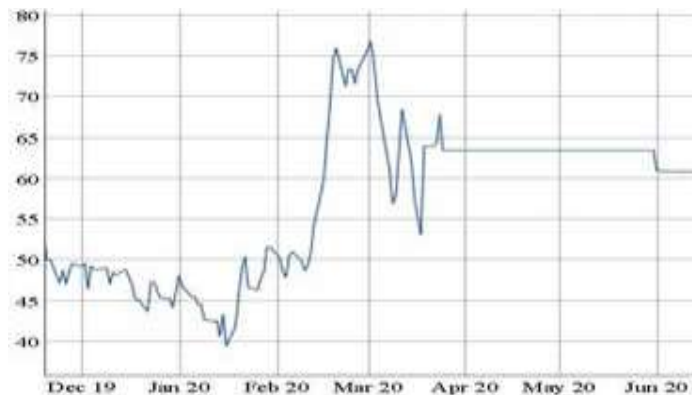
Shareholders Structure (30 June 2020)



Shareholders Structure (30 June 2019)

Stock Performance-Market Price Information

Closing Price Graph of PREMIERCEM



Quarter	2019-2020		2018-2019	
	High price	Low price	High price	Low price
1 st Quarter	74.10	54.40	80.50	72.50
2 nd Quarter	57.30	43.70	76.40	59.20
3 rd Quarter	76.90	39.50	82.80	71.00
4 th Quarter	63.50	60.90	76.9	66.80



ETHOS & VALUES

To work towards the development of the society through sustainable growth and excellence in performance.



Vision

Mission Statement

To become a market leader in the cement industry by satisfying the customers through production excellence, competitive pricing and by adding value for the stakeholders.

Integrity



We take pride in being a highly ethical company that respects relationships and the dignity of the individual. We obey the laws, produce environmentally safe products, protect the environment and practice equal employment and adopt fair labor practices. We are dedicated to the protection and preservation of our environment, animals and community.

Customer Satisfaction



We recognize that without our customers we do not exist as a business. Consequently, we are committed to develop and maintain exceptional customer relations built on mutual trust, respect and loyalty and to constantly and consistently meet our customers' expectations.

Understand



We seek to understand the needs of stakeholders & the Company to make the best (balanced) decisions.

Quality

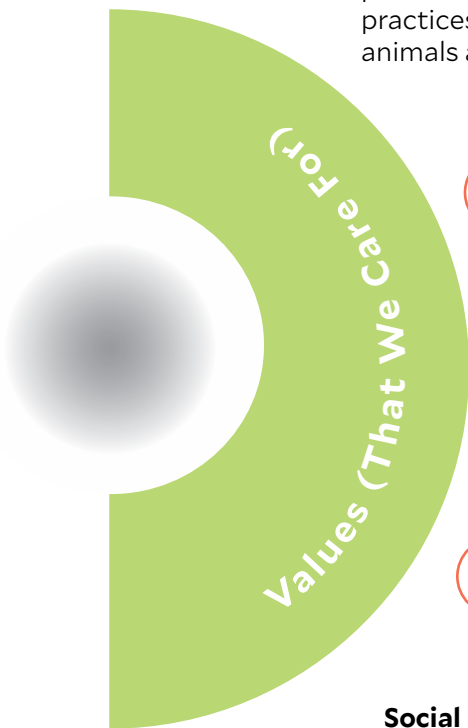


We produce high quality products by maintaining European Standards and we use the best raw materials and provide technical excellence for our Customers.

Social Responsibility



We promote CSR activities to address social issues as well as to create value to the society





CORPORATE OBJECTIVES (THAT WE STRIVE FOR)

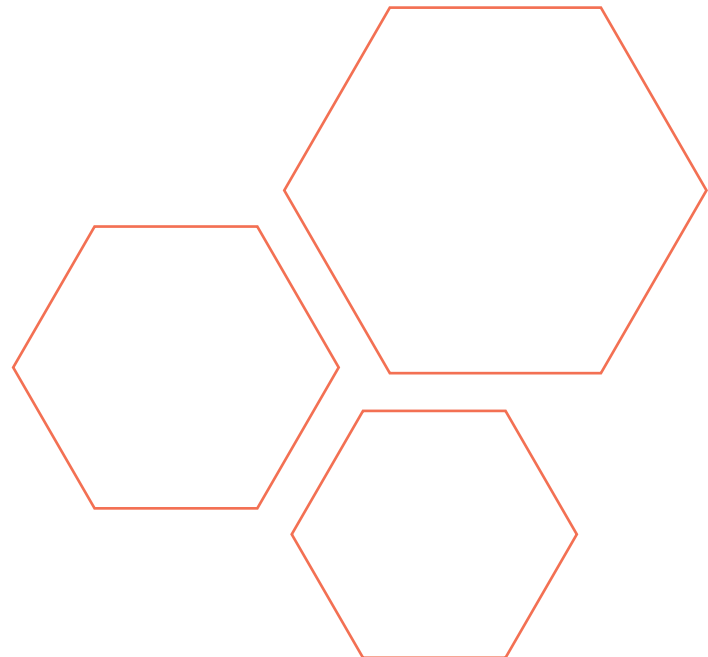
- To promote comprehensively on current areas of success.
- To build a strong brand image.
- To give more emphasis on customers satisfaction.
- To give more emphasis on employees satisfaction.
- To earn reasonable profits.
- To capture the target market share.
- To serve consistently the changing needs of customers for their convenience.
- To be the leading cement manufacturer in Bangladesh

Corporate Philosophy

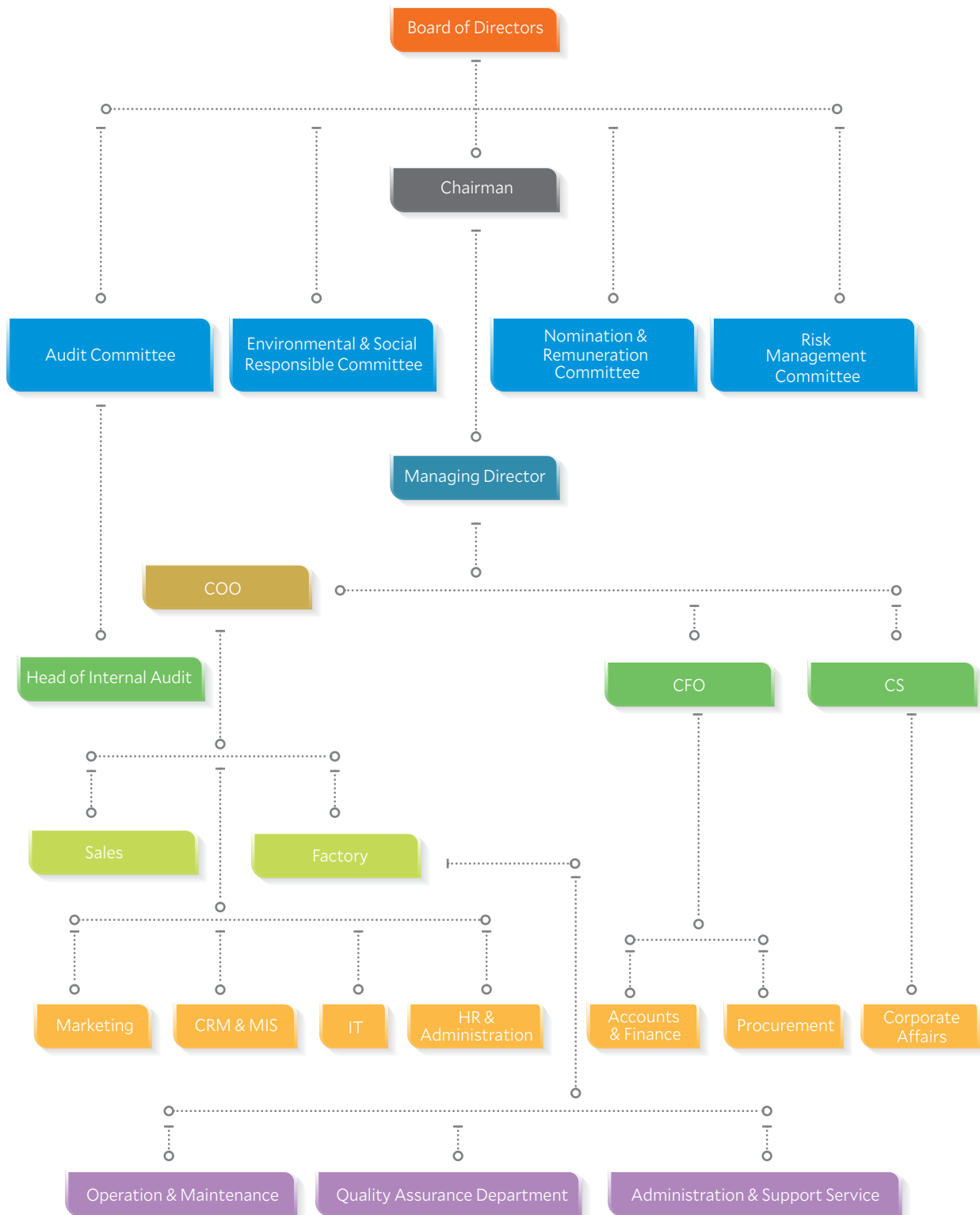
For Customers: The main objective of PCML is to provide best quality products and services in every aspects of its business and to maintain good customer-supplier relationship.

For Shareholders: By forging ahead and consolidating its position as a stable and progressive Manufacturing Company.

For Employees: Clients do not come first, Employees do. If we take care of our employees they will eventually take care of our clients.



ORGANIZATION & MANAGEMENT STRUCTURE



CORPORATE INFORMATION

Premier Cement Mills Limited

Authorized Capital	5,000.00 Million
Paid up Capital	1,054.50 Million
1. Exchange Name	Dhaka Stock Exchange Limited
• Trading Code	PREMIERCEM
• Scrip Code	21645
• Listing Year	2013
2. Exchange Name	Chittagong Stock Exchange Limited
• Trading Code	PREMIERCEM
• Scrip Code	15011
• Listing Year	2013

Board of Directors

1. Mohammad Mustafa Haider	Chairman
2. Mohammed Amirul Haque	Managing Director
3. Md. Jahangir Alam	Director
4. Md. Alamgir Kabir	Director
5. Mohammed Ershadul Hoque	Director
6. M. Mahfuzur Rahman	Independent Director
7. Fakhru Islam	Independent Director

Audit Committee:

1. M. Mahfuzur Rahman	Chairman
2. Mohammed Ershadul Hoque	Member
3. Fakhru Islam	Member

Management Committee:

1. Mohammed Amirul Haque	Chairman
2. Tarique kamal	Member
3. Kazi Md. Shafiqur Rahman	Member
4. Md. Selim Reza, FCA,CLA	Member
5. Saradhindu Bikash Barua	Member
6. Mohammed Mahbubur Rahman	Member
7. Syed Rifat-E-Momin	Member
8. Md. Shafiqul Islam Talukder, FCMA	Member Secretary

Nomination & Remuneration Committee:

1. M. Mahfuzur Rahman, Chairman	6. Abul Kalam, Advisor
2. Mohammed Amirul Haque, Member	7. Md. Shafiqul Islam Talukder, FCMA, Advisor
3. Mohammad Mustafa Haider, Member	8. Md. Selim Reza, FCA,CLA, Advisor
4. Mohammed Ershadul Hoque, Member	9. Kazi Md. Shafiqur Rahman, Member Secretary
5. Tarique kamal, Advisor	



Risk Management Committee:

1. M. Mahfuzur Rahman, Chairman
2. Mohammed Amirul Haque, Member
3. Mohammad Mustafa Haider, Member
4. Md. Jahangir Alam, Member
5. Md. Alamgir Kabir, Member
6. Mohammed Ershadul Hoque, Member
7. Tarique kamal, Member
8. Md. Shafiqul Islam Talukder, FCMA, Member
9. Md. Selim Reza, FCA, CLA, Member
10. Kazi Md. Shafiqur Rahman, Member Secretary



Environmental and Social Responsible Committee:

1. M. Mahfuzur Rahman, Chairman
2. Mohammed Amirul Haque, Member
3. Mohammad Mustafa Haider, Member
4. Md. Jahangir Alam, Member
5. Md. Alamgir Kabir, Member
6. Mohammed Ershadul Hoque, Member
7. Asif Moinuddin, Member
8. Kazi Md. Shafiqur Rahman, Member Secretary



Chief Operating Officer:

Tarique kamal

Chief Financial Officer:

Md. Shafiqul Islam Talukder, FCMA

Company Secretary:

Kazi Md. Shafiqur Rahman

Head of Audit Compliance and Business Finance Controller:

Md. Selim Reza, FCA, CLA

Statutory Auditors:

M/s Hossain Farhad & Co.,
Chartered Accountants

Governance Compliance Auditor:

Shafiqul Alam & Co. Chartered Accountants



Bankers

AB Bank Limited
NCC Bank Limited
Al-Arafah Islami Bank Limited
One Bank Limited
Bank Asia Limited
Uttara Bank Limited
Brac Bank Limited
United Commercial Bank Limited
City Bank Limited
Trust Bank Limited
Dutch Bangla Bank Limited
Eastern Bank Limited
Standard Chartered Bank Limited
HSBC Limited
Standard Bank Limited
IFIC Bank Limited
Southeast Bank Limited
Islami Bank Bangladesh Limited
Social Islami Bank Limited
Jamuna Bank Limited
Shahjalal Islami Bank Limited
Mercantile Bank Limited
Pubali Bank Limited
Midland Bank Limited
Prime Bank Limited
Mutual Trust Bank Limited
Premier Bank Limited
National Bank Limited



Website

www.premiercement.com

Registered Office

Seacom Center (5th floor), 10 SK Mujib Road, Agrabad Commercial Area, Chattogram-4100

Corporate Office

Tk Bhaban (12th Floor) 13 Kawran Bazar, Dhaka-1215

Plants

West Mukterpur Munshiganj- 1500

Telephone

02-55012191~8



CORPORATE STRUCTURE

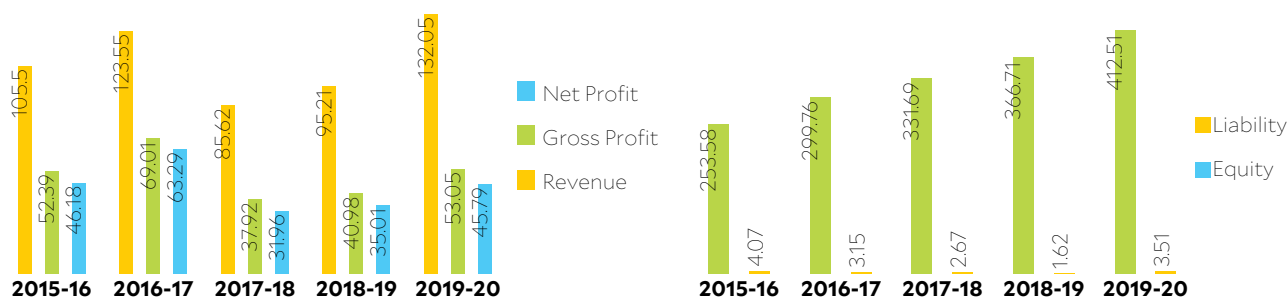
Premier Power Generation Limited (Subsidiary):

Premier Power Generation Limited (PPGL) was incorporated on 7th September 2006 as a Private Limited Company under the Companies Act 1994 with the ambition to generate electricity for ensuring uninterrupted power supply to Premier Cement, having registered office in Chittagong and the plant located at West Mukterpur, Munshigonj. Initially the plant was installed having one gas based generator and two diesel driven generators with total capacity of 5.34 MW. PPGL is a 96% holding subsidiary company of Premier Cement Mills Limited.

Financial Highlight-PPGL (subsidiary)

Amount in Mio

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Performance Analysis					
Revenue	132.05	95.21	85.62	105.50	123.55
Gross Profit	53.05	40.98	37.92	52.39	69.01
EBIT	46.72	35.16	31.93	46.18	63.41
EAIT	45.79	35.01	31.93	46.18	63.29
Non-Current Asset	127.58	135.86	141.19	119.82	122.46
Current Asset	288.44	232.47	193.17	183.09	135.19
Total Equity	412.51	366.71	331.69	299.76	253.58
Current Liabilities	3.51	1.62	2.67	3.15	4.07
Non-Current Liabilities	-	-	-	-	-
NAV	825	733	663	600	507
Number of Shares	0.50	0.50	0.50	0.50	0.50
EPS	91.59	70.03	63.86	92.36	126.58
Ratio Analysis					
Gross Profit Margin	40.17%	43.05%	44.29%	49.66%	55.86%
Net Profit Margin	35.68%	36.77%	37.29%	43.77%	51.23%
Current Ratio	82.18	143.50	72.35	58.12	33.22
Quick Ratio	3.86	8.35	2.24	1.90	1.47
Debt to equity Ratio	0.009	0.004	0.01	0.01	0.02



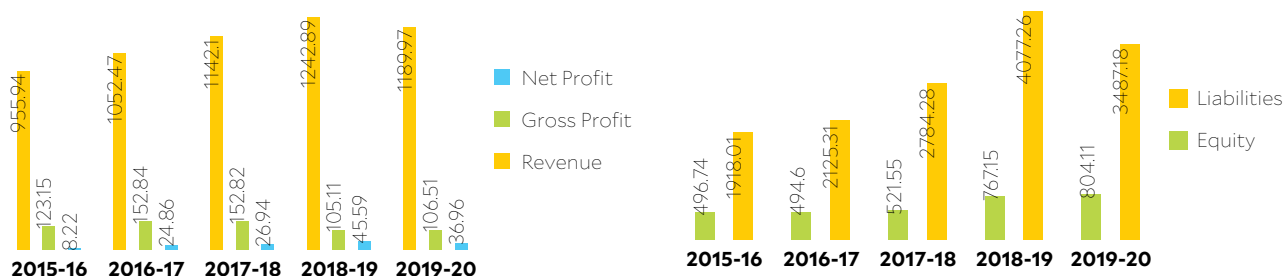
National Cement Mills Limited (Associate):

National Cement Mills Limited (NCML) is a 18.67% holding associate company of Premier Cement Mills Limited. It was incorporated on 10th September 1996 as a public limited company with its registered office in Chittagong and factory located at Issa Nagar, Karnafully, Chittagong having a production capacity of 4,20,000 Metric Tons per annum.

Financial Highlight-NCML (Associate)

Amount in Mio

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Performance Analysis					
Revenue	1,189.97	1,242.89	1,142.10	1,052.47	955.94
Gross Profit	106.51	105.11	152.84	123.15	96.43
EBIT	96.07	99.53	139.87	99.51	90.69
EAIT	36.96	45.59	26.94	24.86	8.22
Non-Current Asset	3202.44	3,827.07	2,243.32	1,935.29	1,817.79
Total Asset	4291.30	4,844.42	1,062.53	684.63	569.96
Total Equity	804.11	767.15	521.55	494.60	469.74
Current Liabilities	1628.42	2,582.59	2,019.39	969.33	625.47
Non-Current Liabilities	1858.76	1494.67	764.89	1,155.98	1,292.54
Total Liability	3487.18	4077.26	2784.28	2125.31	1918.01
Total Equity & Liability	4291.29	4844.41	3305.83	2619.91	2387.75
NAV	21.44	20.46	29.80	28.26	26.84
Number of Shares	37.50	37.50	17.50	17.50	17.50
EPS	0.99	1.22	1.54	1.42	0.47
Ratio Analysis					
Gross Profit Margin	8.95%	8.46%	13.38%	11.70%	10.09%
Net Profit Margin	3.11%	3.67%	2.36%	2.36%	0.86%
Current Ratio	2.64	1.88	0.53	0.71	0.91
Quick Ratio	2.53	1.77	0.42	0.61	0.65
Debt to equity Ratio	4.34	6.31	5.34	4.30	4.08





CONSOLIDATED FINANCIAL HIGHLIGHT

Particulars	2019-20	2018-19	2017-18	2016-17 (Restated)	2016-17	2015-16
Operating Results (Taka In Mio)						
Revenue	10,460.67	11,999.43	10,049.86	9,280.42	10,332.89	9,361.93
Gross Profit	1,503.03	1,711.82	1,516.88	1,575.14	1,698.29	1,988.21
Other income/(expense)	72.60	115.36	12.83	(150.13)	(144.14)	(30.46)
Administrative expenses	106.90	124.11	107.03	115.54	127.66	131.24
Selling & Distribution Expenses	431.46	419.34	418.72	385.74	403.26	454.19
Share of Profit from Associate	6.89	9.12	-	-	-	-
Financial expense	688.69	444.28	398.17	278.06	330.03	438.34
Contribution to WPPF	14.70	38.74	27.32	28.54	30.81	41.37
Profit before tax	340.77	809.82	578.45	617.10	662.38	892.57
Provision for tax	69.52	197.02	136.27	79.96	100.37	201.43
Net profit after tax	271.24	612.80	442.18	537.14	562.00	691.14
Financial Results (Taka In Mio)						
Non-Current Liabilities	4,449.08	3,767.80	632.95	903.38	1,779.37	2,454.68
Current liabilities	11,845.61	9,962.45	8,373.28	5,223.77	6,095.40	4,194.22
Non-Controlling Interest	16.32	14.49	13.09	11.96	306.31	289.54
Shareholders' Equity	5,245.13	5,081.17	4,547.84	4,317.69	4,292.34	3,905.27
Total Liability & Equity	21,556.15	18,825.92	13,567.17	10,456.81	12,473.43	10,843.73
Non-Current Asset	14,358.72	10,223.15	6,902.84	5,385.71	7,095.39	6,385.54
Current Asset	7,197.42	8,602.76	6,664.33	5,071.10	5,378.03	4,458.19
Total Asset	21,556.15	18,825.92	13,567.17	10,456.81	12,473.43	10,843.73
Share Information (Taka In Mio)						
Authorize capital	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Paid up capital	1,054.50	1,054.50	1,054.50	1,054.50	1,054.50	1,054.50
No. of shares outstanding	105.45	105.45	105.45	105.45	105.45	105.45
No. of shareholders-30 June	2,153	2,005	2,266	2,614	2,614	3,456
Market Capitalization	6,421.90	7,402.59	8,172.37	9,532.60	9,532.60	9,696.12
Net asset value per share	49	48	43	40	41	37
Dividend %	10	10	10	20	20	15
Market value per Share	60.90	70.20	77.50	90.40	90.40	91.95
Earnings per Shares	2.55	5.80	4.18	5.08	5.17	6.48
NOCFPS	6.99	6.05	6.88	4.21	6.53	11.28
Ratio Analysis						
Solvency Analysis						
Debt to Asset Ratio	0.73	0.73	0.66	0.59	0.66	0.64
Debt to capital Ratio	0.73	0.73	0.66	0.59	0.66	0.64
Debt to equity Ratio	3.11	2.71	1.98	1.42	1.91	1.78
Financial leverage Ratio	3.91	3.36	2.71	2.42	2.84	2.99
Interest coverage Ratio	1.51	2.89	2.52	3.32	3.10	3.13

Particulars	2019-20	2018-19	2017-18	2016-17 (Restated)	2016-17	2015-16
Liquidity Analysis						
Current ratio	0.61	0.86	0.80	0.97	0.88	1.06
Quick ratio	0.53	0.78	0.74	0.80	0.72	0.83
Cash ratio	0.02	0.03	0.03	0.05	0.05	0.10
Activity Analysis						
Inventory Turnover ratio (times)	9.70	14.99	12.24	8.57	8.71	6.44
Receivables turnover	4.44	5.19	4.44	4.38	4.81	5.69
Payable turnover	4.68	6.92	12.31	16.87	14.22	12.55
Fixed asset turnover (times)	0.85	1.40	1.64	1.72	1.53	1.52
Total Asset Turnover	1.32	1.57	1.71	1.83	2.10	2.17
Profitability Ratios						
Gross Profit Margin	14.37%	14.3%	15.1%	17.0%	16.44%	21.24%
EBIT Margin	9.92%	10.7%	10.0%	10.0%	9.90%	14.66%
Pretax Profit margin	3.26%	6.7%	5.8%	6.6%	6.41%	9.53%
Net profit margin	2.59%	5.1%	4.4%	5.8%	5.44%	7.38%
Return on equity	5.17%	12.1%	9.7%	12.4%	12.70%	17.51%
Return on Asset	1.26%	3.3%	3.3%	5.1%	4.37%	6.30%
Return on capital Employed	10.70%	14.5%	19.4%	17.7%	16.85%	21.58%
Efficiency Analysis						
Dividend Cover Ratio	2.55	5.81	4.19	2.55	2.59	4.32
Dividend yield Ratio	1.64%	1.42%	1.29%	2.21%	2.21%	1.65%
valuation analysis						
Price Earnings Ratio	23.88	12.08	18.48	15.21	17.49	14.04
Cash flow per share	6.99	6.05	4.72	4.21	6.53	11.28
Price to cash flow Ratio	8.72	11.59	16.42	18.40	13.84	8.07
Cash Flow Ratio						
Cash flow to Revenue	0.07	0.05	0.05	0.05	0.07	0.13
Cash return on asset	0.04	0.04	0.04	0.04	0.06	0.11
Cash return on Equity	0.14	0.13	0.11	0.10	0.17	0.34
Debt Coverage	0.05	0.05	0.06	0.07	0.09	0.18
Others Information						
Export (Taka in Mio)	93	295	494	274	275	222
Import Raw Materials (Taka in Mio)	7,308	8,378	6,233	5,907	6,456	5,460
Export Sales (MT)	15,720	49,746	87,834	1,632,577	49,428	38,290
Local Sales –PCML (MT)	1,607,066	1,814,072	1,593,366	1,583,149	1,766,201	1,351,937
Local Sales-Consolidated (MT)	1,622,786	1,863,818	1,681,200	3,215,726	1,766,201	1,515,274



MESSAGE FROM THE CHAIRMAN

In the name of Allah, the most Beneficent, the most Merciful. Peace be upon our Prophet Mohammed(SM), His companions and relatives.

Dear Distinguished Shareholders, Colleagues, Employees and friends of

Premier Cement Mills Limited,

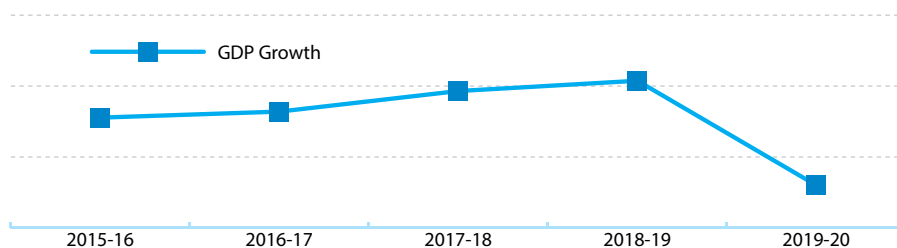
AssalamuAlaikumWa-Rahmatullah,

It is indeed a great honor and privilege for me to greet you all to this 18th Annual General Meeting (AGM) of Premier Cement Mills Limited, arranged through digital platform as per directive of the Bangladesh Securities and Exchange Commission (BSEC) to avoid large gathering in one place and maintaining social distancing to ensure health and safety of all the shareholders.

You are all aware that today's world is facing the threat of existence and struggling hard to combat the ongoing COVID-19 pandemic. All sectors especially the business and commerce; both domestic and international have been materially affected by the novel coronavirus. The business environment have become even more challenging and this unavoidable situation impedes the way of expected profit making. In FY 2020 operating profit of the Company recorded 1,037.27 million which was decreased by BDT 246.30 Million resulting from 19.20% lower compared to the corresponding period in FY 2019. Profit before tax of the company stood at BDT 340.77 million which was 57.92% lower compared to BDT 809.82 million in YE 2019. Earnings per share (EPS) is recorded at BDT 2.55. In the light of the business performance the Board of Directors proposed 10% cash dividend i.e. Tk.1.00 per ordinary share of Tk. 10 each which is being placed in the Annual General Meeting of today for approval of the honorable shareholders.

Bangladesh Economy

The Covid-19 pandemic has thus far spread to 208 countries and regions of the world. No wonder, it is significantly affecting the Bangladesh economy which includes the export sector, remittances, domestic industries and services, livestock and fisheries, and small and medium enterprises. This ongoing crisis also has far reaching effect on the economic condition of the country's poor people and will lead to a significant jump in Bangladesh's poverty rate and Bangladesh's progress in poverty reduction over the past decades could be severely affected. Poverty rate in Bangladesh may rise to 40.9 per cent if Covid-19 causes 25 per cent fall in family incomes, according to the South Asian Network on Economic Modelling (SANEM) estimate based on the BBS's income and expenditure survey data. Consequently, the successes in alleviating poverty over the past two decades may fizzle out.



	2015-16	2016-17	2017-18	2018-19	2019-20
GDP Growth	7.11	7.28	7.86	8.13	5.2

Before the Covid-19 pandemic, Bangladesh’s economy was booming with a consistence growth rate. The GDP of our country was recorded at 8.13% (Size of GDP Tk. 25.36 trillion) in the fiscal year (FY) 2018-19. This led to an increase in our life expectancy, literacy rates, per capita income etc. Due the covid-19 pandemic the growth rate of outgoing fiscal year was recorded at only 5.2 per cent which was the lowest ever in the last couple of years of the country’s economic history. The country’s remittance earnings hit record \$18.21 billion in the just concluded fiscal year 2019-20 with the country’s foreign reserve exceeding \$ 36 billion. The inflow of remittance in FY-2020 is 10.88 per cent or \$ 1.69 billion higher than the \$ 16.52 billion remittance received in the previous fiscal year.

However Bangladesh has already become a low middle-income country with a vision to Graduation to a Middle-Income Country by the year 2021, Upper Middle-Income country by 2030 and a Developed country by the year 2041. This vision is now under some sort of threat after the occurrence of this pandemic.

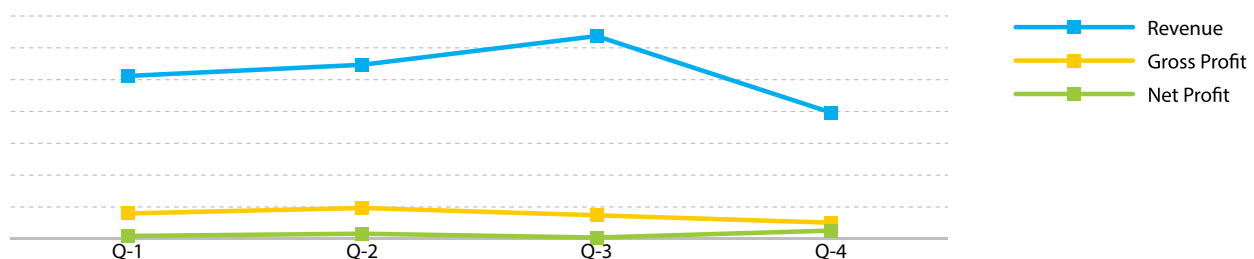
The government of Bangladesh still remains optimistic about growth prospect. They have already taken various measures and announced financial incentives to mitigate the effect of covid-19 as well as has released stimulus package for a whopping amount of over one (1) lac crore.

Financial scenario over the year

In the beginning of the year under review our business produced positive development, from the first quarter (Q-1) to third quarter (Q-3) our financial performances were gradually increased. The Company recorded quarterly revenue was Tk. 2,558.37 million Tk. 2,733.88 million and 3,184.74 respectively from Q-1, Q-2 and Q-3. At the end of the Q-3 revenue increased by Tk. 626.36 million or 24.48% from first quarter. The quarterly EPS were BDT 0.41, BDT 0.75 and BDT 0.18 respectively.

	Net Profit	Gross Profit	Revenue
Q-1	44.29	397.62	2,558.37
Q-2	79.40	484.19	2,733.88
Q-3	19.31	369.06	3,184.74
Q-4	128.24	252.17	1,983.67

Due to the emergence of covid-19 pandemic, the government imposed lockdown from 26 March 2020 to 30 May 2020 in order to stop the spread of the virus which directly affected the business performance. The company was able to restore only 18.96 per cent production in the fourth quarter. The revenue and EPS were recorded at BDT 1,983.67 million and 1.21 per share. However to recover from the unforeseeable crisis we have already taken various steps to minimize the negative impacts and maximize all possible positive outcomes.



Health & Safety

Over the years we have been emphasizing on Health & Safety issues and this is on top of our priority list. In the face of the COVID-19 pandemic we have continued to live up to this priority and core value, by acting quickly and with great solidarity to protect employees, contractors and all our stakeholders. At the same time, we have continued our operations and business activities as much as possible, while minimizing



the exposure to COVID-19. Social distancing, minimized strategic allocation of human resources, good hygiene practices and sanitation protocols are in place at all our sites. By the Grace of Almighty Allah none of our employees dies due to the virus and no casualty occurred thus far. The Company is also taking many endeavors as part of the community engagement during this challenging time of COVID-19. We are providing medicines in consultation with doctors of local public health centers and company doctors. The Company stands beside the local communities at a time when they need us the most. Considering the steps taken by our organization during this crisis, including quick formation of Central Business Resilient Team along with the Site Crisis Response Team, who has been working relentlessly in order to ensure that we all are safe and business continuity is ensured, I feel that our Company is on the right track and we are committed to return the reliance of the shareholders in the best possible way. With the help of immediate local community public and coupled with our utmost endeavor the virus remained within control till today.

Transparency, Accountability and Governance

We are committed in observing the highest standards of integrity and compliance in all aspects of our work. The corporate governance system is designed to ensure transparency and accountability at all levels of the Company. We firmly believe that strong corporate governance ensures investors' confidence, whose support can help to ensure further growth. Companies which after implement of the practicing principles of good corporate governance into working environment ensure corporate success and economic growth. They are the basis on which a company can grow further.

We are committed towards maintaining good governance practices as well as complying with the guidelines, instructions and policies of all regulatory authorities including BSEC, DSE and CSE.

Conclusion

On behalf of the Boards, I would like to express my sincere appreciation and heartiest gratitude to our management as well as the staff functions. Without your cooperation, the better performance in this year 2020 would not have been achievable.

I would also like to thank the government bodies, Bangladesh Security & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and others statutory bodies for their support in various activities of the Company. Again I am also very much thankful to all our valued shareholders, associates, valued customers and our bankers for their kind cooperation and support.

Thank you once again for being with Premier Cement Mills Limited.

Mohammad Mustafa Haider

Chairman

সম্মানিত চেয়ারম্যান মহোদয়ের বক্তব্য

প্রিমিয়ার সিমেন্ট মিলস লিমিটেড এর
সম্মানিত চেয়ারম্যানের
সম্মানিত কর্মচারী এবং শুভাকাঙ্ক্ষীগণ

আসসালামু আলাইকুম-ওয়া-রহমতউল্লাহ,

স্বাস্থ্যবিধি পরিপালনে, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) নির্দেশনা অনুযায়ী ডিজিটাল প্ল্যাটফর্মের মাধ্যমে সাজানো প্রিমিয়ার সিমেন্ট মিলস লিমিটেডের এই ১৮ তম বার্ষিক সাধারণ সভা (এজিএম) আপনাদের সবাইকে অভিনন্দন জানাতে পেরে আমি সম্মানিত বোধ করছি। সম্মানিত চেয়ারম্যানের স্বাস্থ্য এবং সুরক্ষা নিশ্চিত করার জন্য সামাজিক দূরত্ব বজায় রাখা অত্যন্ত জরুরী। আপনারা সকলেই অবগত যে, আজকের পৃথিবী অস্তিত্বের হুমকির সম্মুখীন এবং চলমান কোভিড-১৯ মহামারী মোকাবিলায় হিমশিম খাচ্ছে। সমস্ত সেক্টর বিশেষত ব্যবসা-বানিজ্য-আঞ্চলিক এবং আন্তর্জাতিক উভয়ই ক্ষেত্রেই করোনভাইরাসের কারণে ব্যাপকভাবে প্রভাবিত হয়েছে। ব্যবসায়ের পরিবেশ আরও চ্যালেঞ্জিং হয়ে উঠেছে এবং এই পরিস্থিতি প্রত্যাশিত মুনাফা অর্জনের পথে বাধা হয়ে দাঁড়িয়েছে। অর্থবছর ২০২০ কোম্পানির অপারেটিং মুনাফা ১,০৩৭.২৭ মিলিয়ন টাকা দাঁড়িয়েছে যা ২০১৯ এর অর্থবছরের তুলনায় (২৪৬.৩০ মিলিয়ন টাকা কম) শতকরা হিসাবে মুনাফা হ্রাস পেয়েছে ১৯.২%। শেয়ার প্রতি আয় দাঁড়িয়েছে ২.৫৫ টাকা। কর পূর্ব মুনাফার পরিমাণ ৩৪০.৭৭ মি: টাকা যা আগের বছর ছিল ৮০৯.৮২ মি: টাকা অর্থাৎ ৫৭.৯২% কম। ব্যবসায়িক ফলাফল বিবেচনায় নিয়ে বার্ষিক সাধারণ সভার অনুমোদনের জন্য পরিচালকবৃন্দের সভায় ১০% লভ্যাংশ প্রস্তাব করা হয়।

বাংলাদেশের অর্থনীতি

কোভিড-১৯ মহামারীটি এখন পর্যন্ত বিশ্বের ২০৮ টি দেশ এবং অঞ্চলে ছড়িয়ে পড়েছে। এটি বাংলাদেশের সামগ্রিক অর্থনীতি তথা রফতানি খাত, রেমিট্যান্স, গার্হস্থ্য শিল্প ও পরিবেশ, প্রানিসম্পদ ও মৎস্যজীবী এবং ক্ষুদ্র ও মাঝারি উদ্যোগকে ব্যাপকভাবে ক্ষতিগ্রস্ত করেছে। এই চলমান সংকট দেশের দরিদ্র জনগণের জীবনযাপন ও অর্থনীতিতে সুদূরপ্রসারী প্রভাব ফেলেছে এবং এর ফলে বাংলাদেশের দারিদ্র্যের হারে উল্লেখযোগ্য বৃদ্ধি পাবে এবং দারিদ্র্য বিমোচনে বিগত দশকগুলিতে অর্জিত সাফল্য ও অগ্রগতি মারাত্মকভাবে ক্ষতিগ্রস্ত হতে পারে। বিবিএসের আয় এবং ব্যয় জরিপের তথ্যের ভিত্তিতে সাউথ এশিয়ান নেটওয়ার্ক অন ইকোনমিক মডেলিংয়ের (সানেম) হিসাব অনুসারে ধারণা করা হয়, কোভিড-১৯ যদি পারিবারিক আয়ের পরিমাণ ২৫ শতাংশ কমিয়ে দেয় তবে অচিরেই বাংলাদেশে দারিদ্র্যের হার ৪০.৯ শতাংশ উন্নীত হতে পারে। ফলস্বরূপ, গত দুই দশক ধরে দারিদ্র্য বিমোচনে অর্জিত সাফল্যগুলি লান হয়ে যেতে পারে। কোভিড-১৯ মহামারীর পূর্বে বাংলাদেশের অর্থনীতি ধারাবাহিক ভাবে সমৃদ্ধি লাভ করেছিল। ২০১৮-১৯ অর্থবছরে আমাদের দেশের জিডিপি ৮.১৩% (জিডিপির আকার ছিল ২৫.৩৬ ট্রিলিয়ন) রেকর্ড করা হয়েছিল এবং আমাদের গড় আয়, স্বাক্ষরতার হার, মাথাপিছু আয় ইত্যাদির পরিমাণ উল্লেখযোগ্যভাবে বৃদ্ধি পেয়েছিল। কোভিড-১৯ মহামারীর কারণে বিদ্যমান অর্থবছরের প্রবৃদ্ধির হার মাত্র ৫.২০ শতাংশ রেকর্ড করা হয়েছিল যা বিগত কয়েক বছরের মধ্যে সর্বনিম্ন। সদ্য সমাপ্ত অর্থ বছর ২০১৯-২০২০ সালে বাংলাদেশের রেমিট্যান্সের উপার্জন হয় ১৮.২১ বিলিয়ন মি: ডলার এবং দেশের বৈদেশিক মুদ্রার রিজার্ভ ৩৬ বিলিয়ন ডলার ছাড়িয়েছে। আলোচ্য ২০১৯-২০ সালে রেমিট্যান্সের প্রবাহ পূর্ববর্তী অর্থবছর প্রাপ্ত ১৬.৫২ বিলিয়ন ডলার রেমিট্যান্সের তুলনায় ১০.৮৮ শতাংশ বা ১.৬৯ বিলিয়ন ডলার বেশি, যদিও বাংলাদেশ ইতিমধ্যে নিম্ন মধ্যম আয়ের দেশে পরিণত হয়েছে। চলমান মহামারীর কারণে ২০২১ সালের মধ্যে মধ্যম আয়ের দেশে উন্নয়ন, ২০৩০ সালের মধ্যে উচ্চ মধ্যম-আয়ের দেশ এবং ২০৪১ সালের মধ্যে একটি উন্নত দেশ হিসাবে আত্মপ্রকাশের সম্ভাবনা একধরনের হুমকির মধ্যে পরবে। বাংলাদেশ সরকার এখনও প্রবৃদ্ধির বিষয়ে আশাবাদী রয়ে গেছে। সরকার ইতিমধ্যে কোভিড-১৯ এর প্রভাব হ্রাস করার জন্য বিভিন্ন পদক্ষেপ গ্রহণ করেছে এবং আর্থিক প্রণোদনা প্যাকেজ ঘোষণা করেছে যা এ পর্যন্ত সোয়া লক্ষ কোটি টাকা।

বার্ষিক আর্থিক বিবরণী

আলোচ্য বছরের শুরুতে আমাদের কোম্পানির ব্যবসায় ইতিবাচক অগ্রগতি ঘটে। বছরের প্রথম, দ্বিতীয় ও তৃতীয় ত্রৈমাসিক রাজস্ব আয় দাঁড়ায় যথাক্রমে ২,৫৫৮.৩৭ মিলিয়ন, ২,৭৩৩.৮৮ মিলিয়ন এবং ৩,১৮৪.৭৪ মি: টাকা। তৃতীয় ত্রৈমাসিক এর শেষে প্রথম ত্রৈমাসিক এর তুলনায় রাজস্ব আয় বেড়েছে ৬২৬.৩৬ মিলিয়ন টাকা যা প্রথম ত্রৈমাসিক থেকে ২৪.৪৮% শতাংশ বেশি। প্রথম, দ্বিতীয় ও তৃতীয় ত্রৈমাসিকে শেয়ার প্রতি আয় (ইপিএস) যথাক্রমে ০.৪১ টাকা, ০.৭৫ টাকা এবং ০.১৮ টাকা ছিল। কোভিড-১৯ মহামারী ছড়িয়ে পড়া নিয়ন্ত্রনে সরকার ২৬ শে মার্চ ২০২০ইং থেকে ৩০ মে ২০২০ইং পর্যন্ত লকডাউন বা সাধারণ ছুটি ঘোষণা করে যা ব্যবসায়ের প্রসারে প্রত্যক্ষ ও পরোক্ষ ভাবে প্রভাবিত



করেছে। প্রিমিয়ার সিমেন্ট চতুর্থ ত্রৈমাসিকে মাত্র ১৮.৯৬ শতাংশ উৎপাদন করতে সক্ষম হয়েছিল এবং রাজস্ব আয় করেছে মাত্র ১,৯৮৩.৬৮ মিলিয়ন টাকা। শেয়ার প্রতি আয় রেকর্ড করা হয়েছে ১.২১ টাকা। যাইহোক, অপ্রত্যাশিত সঙ্কট থেকে মুক্তি পেতে এবং নেতিবাচক প্রভাবগুলি মোকাবেলা করতে আমরা সম্ভাব্য সকল পদক্ষেপ গ্রহণ করেছি।

স্বাস্থ্য ও নিরাপত্তা

বছরের পর বছর ধরে আমরা স্বাস্থ্য ও সুরক্ষা বিষয়গুলিতে জোর দিচ্ছি এবং এটি আমাদের অগ্রাধিকার তালিকার শীর্ষে। কোভিড-১৯ মহামারীর সময়ে আমরা কর্মচারী, ঠিকাদার এবং আমাদের সকল স্টেকহোল্ডারদের সুরক্ষার জন্য দ্রুত পদক্ষেপ গ্রহণ করেছি। একই সাথে, আমরা কোভিড-১৯ মহামারির বিস্তার হ্রাস করার সাথে সাথে যথাসম্ভব আমাদের ব্যবসায়িক কার্যক্রম চালিয়েছি। সামাজিক দূরত্ব বজায় রাখা, বাড়িতে থেকে কাজ করা, কম সংখ্যক কর্মী নিয়ে অফিস কার্যক্রম পরিচালনা করা, ভাল স্বাস্থ্যবিধি অনুশীলন এবং স্যানিটেশন সুনিশ্চিত করা আমাদের লক্ষ্য। সর্বশক্তিমান আল্লাহর অনুগ্রহে ভাইরাসজনিত কারণে আমাদের কোন কর্মচারী মারা যায়নি এবং এখন পর্যন্ত হাসপাতালে আই সি ইউতে চিকিৎসা নিতে হয়নি। কোভিড-১৯ এর এই কঠিন সময়ে সামাজিক দায়িত্ব পালনের অংশ হিসাবে আমরা আমাদের প্রচেষ্টা অব্যাহত রেখেছি। আমরা স্থানীয় জনস্বাস্থ্য কেন্দ্রের চিকিৎসক এবং প্রতিষ্ঠানের চিকিৎসকদের পরামর্শে এলাকার সর্বসাধারণের মাঝে ঔষধ সরবরাহ করেছি। কোম্পানিটি এমন এক সময়ে স্থানীয় সম্প্রদায়ের পাশে দাঁড়ায়, যখন তাদের পাশে দাড়ানো সবচেয়ে বেশি প্রয়োজন ছিল। এই সংকট চলাকালীন সময়ে আমাদের প্রতিষ্ঠানের গ্রহীত পদক্ষেপগুলি যেমন, সাইট ক্রাইসিস রেসপন্স টিমের মাধ্যমে সামাজিক ক্ষয়ক্ষতি কাটিয়ে তোলার পাশাপাশি ব্যবসার ধারাবাহিকতা নিশ্চিত করার লক্ষে শেয়ার হোল্ডারবৃন্দের স্বার্থ সংরক্ষণে গৃহিত পদক্ষেপ সমূহ সঠিক পথেই পরিচালিত হয়েছে বলে আমি মনে করি। সকলের সম্মিলিত প্রচেষ্টায় যাতে মহামারী চরম আকার ধারণ করতে না পারে এবং আমরা সবাই নিরাপদ থাকি এবং ব্যবসায়ের ধারাবাহিকতা নিশ্চিত করতে পারি সেই লক্ষেই আমরা নিরলসভাবে কাজ করে যাচ্ছি। আমি বিশ্বাস করি আমাদের প্রতিষ্ঠান সঠিক পথে রয়েছে এবং আমরা সম্ভাব্য সর্বোত্তম উপায়ে শেয়ারহোল্ডারদের নির্ভরতা ফিরিয়ে আনতে প্রতিশ্রুতিবদ্ধ।

স্বচ্ছতা, জবাবদিহিতা এবং পরিচালনা

আমরা আমাদের কাজের সব দিকেই সততা এবং সর্বোচ্চ মান বজায় রাখতে প্রতিশ্রুতিবদ্ধ। কর্পোরেট গভর্নেন্স সিস্টেমটি কোম্পানির সকল স্তরে স্বচ্ছতা এবং জবাবদিহিতা নিশ্চিত করার জন্য ডিজাইন করা হয়েছে। আমরা দৃঢ় ভাবে বিশ্বাস করি যে, শক্তিশালী কর্পোরেট প্রশাসন বিনিয়োগকারীদের আস্থা নিশ্চিত করে, যাদের সমর্থন প্রতিষ্ঠানের উন্নতি নিশ্চিত করবে। যেসব সংস্থা সুষ্ঠু কর্পোরেট প্রশাসনের নীতিগুলি কার্যকরভাবে পরিপালন করে তাদের কর্পোরেট সাফল্য এবং অর্থনৈতিক উন্নয়ন নিশ্চিত হবে। এর ভিত্তিতে প্রতিষ্ঠানের উত্তোরোত্তর উন্নতি সাধিত হয়। আমরা সুশাসন বজায় রাখার পাশাপাশি বিএসইসি, ডিএসই এবং সিএসই সহ সকল নিয়ন্ত্রক কর্তৃপক্ষের নির্দেশিকা, নির্দেশনা এবং নীতিমালা মেনে চলার ব্যাপারে প্রতিশ্রুতিবদ্ধ।

উপসংহার

আমি পরিচালনা পর্যদের সকল সদস্য ও প্রতিষ্ঠানের সকল কর্মীদের প্রতি আন্তরিক কৃতজ্ঞতা প্রকাশ করতে চাই। আপনাদের সহযোগিতা না থাকলে ২০১৯-২০২০ইং অর্থ বছরে আমাদের পক্ষে এই আত্মভাবিক কার্যক্রম ও প্রতিকূল পরিস্থিতি মোকাবেলা করে এই পারফরম্যান্স অর্জন করা সম্ভব হতো না। প্রতিষ্ঠানের বিভিন্ন কর্মকান্ডের জন্য সরকারী সংস্থা, বাংলাদেশ সিকিউরিটি অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসই) এবং অন্যান্য সংবিধিবদ্ধ সংস্থাগুলিকে আমি ধন্যবাদ জানাতে চাই। আবার আমি আমাদের সকল মূল্যবান শেয়ারহোল্ডার, সহযোগী, ক্রেতা, সরবরাহকারী এবং আমাদের ব্যাংকারদের তাদের সদয় সহযোগিতা এবং সমর্থনের জন্যও অনেক ধন্যবাদ জানাই।

প্রিমিয়ার সিমেন্ট মিলস লিমিটেডের সাথে থাকার জন্য আবারও আপনাকে ধন্যবাদ।

মোহাম্মদ মোস্তফা হায়দার
চেয়ারম্যান

MANAGING DIRECTOR'S STATEMENT

**Honorable shareholders,
respected member of the Board of Directors
and my dear team members of Premier Cement Mills Limited**

Assalamu alaikum wa rahmatullah

All praise is due to Allah(SWT) for giving me an opportunity to meet you again during pandemic and I would like to convey heartfelt thanks to my colleagues, shareholders, consumers and different sections of the society for their concern as well as support to the Company.

Dear Shareholders,

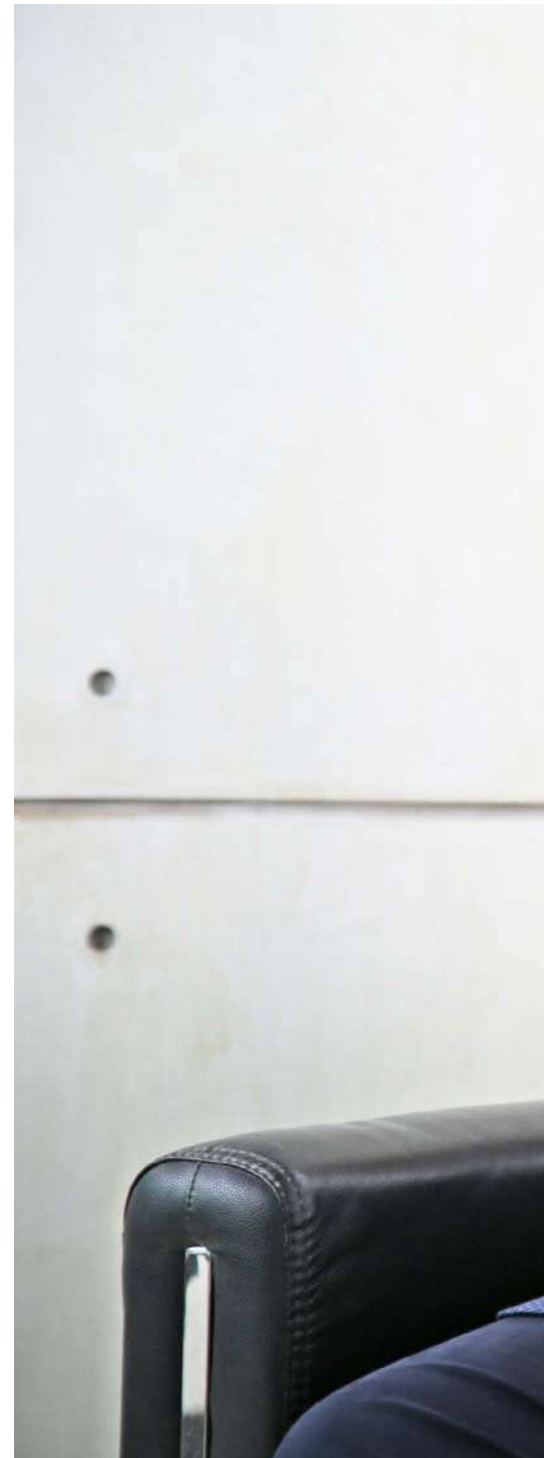
You are all aware that this year was not like others years. The whole world is stunned to silence due to covid-19 pandemic. Since 31 December 2019 more than 54.93 million people are affected by covid-19 virus including 1.32 million deaths till 16 November 2020 as well as the global trade, business and education are largely affected by this pandemic. The entire of the global supply chain has been interrupted due to worldwide transportation shutdown. However in the midst of this situation your company registered BDT 271.24 million profit in FY-2020 which was 612.80 million in the corresponding year. Our EPS is now Tk 2.55 per share which was Tk. 5.80 in FY- 2019. Considering the company earning's, the Board of Directors of the Company has recommended 10% cash dividend for consideration in Annual General Meeting by the shareholders.

Our Challenge

Although Bangladesh is self-sufficient in cement production, Bangladesh needs to import almost all raw materials used in cement manufacturing have to be imported.

As per existing provision on raw material import, the cement companies pay 3.0 percent Advance Income Tax(AIT) at the import stage and 3.0 ~ 4.0 percent as tax deduction as sources (TDS) at the supply stage. The tax imposed in both the areas is non-adjustable as per the section 82(c) of the income tax ordinance, 1984 (ITO-1984). On the other hand price of all raw materials such as clinker, slag, fly ash, gypsum & limestone increased significantly in last couple of years 90% of the clinker, the main raw material of cement, is imported from Vietnam. Chinese government started to discourage clinker production from integrated plant having wet kilns to reduce environmental damage. Later Chinese manufactures started importing from its nearest source- Vietnam. Now clinker is being imported at around \$40-\$45 per ton.

Besides, due to the outbreak of Covid-19 pandemic the country has been on general holiday from the 26th





of March to 30th May 2020 and this has affected the cement supply chain and continue to disrupt the implementation of large projects including the Padma Bridge, Rooppur Nuclear Power Plant, Matarbari Power Plant, Karnaphuli river tunnel and Dhaka Metro Rail. As a result the companies were able to restore only 40 per cent production in last three month (April-June 2020). The companies are bearing the costs of productions and wages of employees through great hardship.

However we are optimistic that considering the current situation the government will reconsider the adverse taxation policy to this rising sector.

Looking forward

We are working hard for continuous improvement in our business that will generate funds in helping us to grow our business, deliver higher returns for the shareholders and contribute more to the society at large. However as we proceed, we see newer challenges in 2020 and in the days to come. But we are confident to overcome the challenges by the combination of our commitment, investment and support of the regulators through establishment of sensible regulations.

Our Employees- Our Asset

We have created an environment where employees feel valued for the work they do, enjoy the people they work with; hence feel encouraged working for the Company. We have always focused on growth for our employees both in terms of their rewards and honing the skills they need to deliver top performance. We take care of our people by actively listening to their issues, and we respect our employees by treating them fairly. Our emphasis is on developing more and more home grown people in the coming days. We instill in them a culture of high ethical standard and empower them to lead the company in future.

Responding to the call of humanity

As you all are aware that due to the novel coronavirus we are passing a critical situation, the overall economy is running slowly, people are losing their job, they are facing food crises, the number of Covid-19 patients is increasing every day, they are not getting proper treatment for an absence of enough medical facilities etc. But the management of Premier Cement assures that none its employees will lose his/her job as a consequence of Covid 19 pandemic more over every one will get regular annual and special increment based on performance. At this pandemic situation Premier Cement Mills Limited responding to the call of humanity and take numerous steps for facing this challenges:

1. Provides 7 ventilators to Chattogram Maa O Shishu Hospital
2. Take the responsibly of its 2000 employees and give them their job security as well as all other benefits.
3. Provides safety equipment's (Mask, PPE, Hand Gloves and Sanitizer) to the authority of Chittagong Customs and Narayanganj Police.
4. Distributed emergency relief among the construction worker
5. Provides Safety equipment to our employees
6. Maintaining Social distance at the work place

Appreciations

I conclude by expressing my thanks to all employees of Premier Cement for their hard work and co-ordination. I am also very much thankful to all our valued shareholders and other stakeholders including all authoritative bodies for their kind co-operation and assistance.



Mohammed Amirul Haque

Managing Director

সম্মানিত ব্যবস্থাপনা পরিচালক মহোদয়ের বক্তব্য

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

পরিচালনা পর্ষদের সম্মানিত সদস্য

এবং প্রিমিয়ার সিমেন্ট মিলস লিমিটেডের আমার প্রিয় সহকর্মীবৃন্দ,

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ

প্রথমে আমি এই মহামারীতে আবারও আপনার সাথে দেখা করার সুযোগ দেওয়ার জন্য মহান আল্লাহ রাবুল আলামীন এর কাছে শুকরিয়া জ্ঞাপন করছি এবং আমার সহকর্মী, শেয়ারহোল্ডার, ভোক্তা এবং সমাজের বিভিন্ন অংশের প্রতি তাদের সমর্থন ও প্রতিষ্ঠানকে সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাই।

প্রিয় শেয়ারহোল্ডারগণ

আপনারা জানেন যে বিগত বছরটি অন্য বছরের মত ছিল না। কোভিড-১৯ মহামারীর কারণে গোটা বিশ্ব স্তব্ধ হয়ে গেছে। ২০১৯ সালের ৩১ শে ডিসেম্বর থেকে ২০২০ সালের ১ নভেম্বর অবধি প্রায় সাড়ে পাঁচ কোটি মানুষ কোভিড-১৯ ভাইরাস দ্বারা আক্রান্ত হয়েছে এবং একই সাথে বিশ্ব বানিজ্য, ব্যবসা ও শিক্ষা এই মহামারী দ্বারা ব্যাপকভাবে ক্ষতিগ্রস্ত হয়েছে। বিশ্বব্যাপী পরিবহন ব্যবস্থা ভেঙ্গে পরার কারণে পুরো পন্য সরবরাহ চরমভাবে ব্যাহত হয়েছে। তবে এই পরিস্থিতির মাঝেও আপনার কোম্পানির ২০১৯-২০২০ অর্থবছরে ২৭১.২৪ মিলিয়ন টাকা লাভ করেছে যা আগের বছর ছিল ৬১২.৮০ মিলিয়ন টাকা। কোম্পানির শেয়ার প্রতি আয় ২.৫৫ টাকা যা অর্থবছরে-২০১৯ ছিল ৫.৮০ টাকা। কোম্পানির উপার্জনের বিষয়টি বিবেচনা করে, প্রতিষ্ঠানের পরিচালনা পর্ষদ শেয়ারহোল্ডারদের দ্বারা বার্ষিক সাধারণ সভায় বিবেচনা ও অনুমোদনের জন্য ১০% নগদ লভ্যাংশের প্রস্তাব দিয়েছে।

আমাদের চ্যালেঞ্জসমূহ

যদিও সিমেন্ট উৎপাদনে বাংলাদেশ স্বয়ংসম্পূর্ণ, সিমেন্ট উৎপাদন ব্যবস্থায় ব্যবহৃত প্রায় সকল কাঁচামাল বিদেশ থেকে আমদানি করতে হয় বাংলাদেশকে। কাঁচামাল আমদানিতে বিদ্যমান বিধান অনুযায়ী সিমেন্ট কোম্পানিগুলি আমদানি পর্যায়ে ৩% শতাংশ হারে অগ্রিম আয়কর (এআইটি) এবং সরবরাহ পর্যায়ে উৎস (টিডিএস) কর কর্তন হয় ৩.০-৪.০ শতাংশ হারে, যা চূড়ান্ত কর হিসাবে গন্য হয়। উভয় ক্ষেত্রে আরোপিত কর চূড়ান্ত কর হিসাবে গন্য করা আয়কর অধ্যাদেশ ১৯৮৪ এর ধারা ৮২(সি) অনুযায়ী অসামঞ্জস্যযোগ্য। অন্যদিকে ক্লিন্কার, স্ল্যাগ, ফ্লাইঅ্যাশ, জিপসাম, চূনাপাথরের মতো সমস্ত কাঁচামালের দাম বিগত কয়েক বছরে উল্লেখযোগ্য পরিমাণে বেড়েছে। সিমেন্টের মূল কাঁচামাল ৯০% ক্লিন্কার ভিয়েতনাম থেকে আমদানি করা হয়। চীন সরকার পরিবেশগত ক্ষতি হ্রাস করতে সমন্বিত প্ল্যান্টে ক্লিন্কার উৎপাদনকে নিরুৎসাহিত করতে শুরু করে। পরে চীন তাদের প্রয়োজনীয় ক্লিন্কার তার নিকটতম উৎস-ভিয়েতনাম থেকে আমদানি শুরু করে। তদুপরি, কোভিড-১৯ মহামারীর প্রাদুর্ভাবের কারণে বাংলাদেশ ২৬ মার্চ থেকে ৩০ শে মে ২০২০ইং অবধি সাধারণ ছুটি ঘোষণা করে এবং এর ফলে সিমেন্ট সরবরাহ শৃঙ্খলা ক্ষতিগ্রস্ত হয়েছে এবং পদ্মা সেতু, রূপপুর পারমানবিক, বিদ্যুৎকেন্দ্র, মাতারবাড়ি বিদ্যুৎকেন্দ্র, কর্ণফুলী নদীর সুড়ঙ্গ এবং ঢাকা মেট্রো রেল সহ বৃহৎ প্রকল্পের নির্মাণ কাজ ব্যাহত করছে। ফলস্বরূপ কোম্পানিগুলি গত তিন মাসে (এপ্রিল-জুন ২০২০ইং) কেবলমাত্র ৪০ শতাংশ উৎপাদন করতে সক্ষম হয়েছিল। কোম্পানিগুলি প্রচুর কষ্টের মাধ্যমে কর্মীদের থাকা খাওয়ার পূর্ণ ব্যবস্থাসহ মজুরি ও প্রনোদনা প্রদান করছে। তবে আমরা আশাবাদী যে বর্তমান পরিস্থিতি বিবেচনা করে সরকার এই উদীয়মান খাতে বিরূপ ট্যাক্স নীতি পুনর্বিবেচনা করবে।

ভবিষ্যৎ পরিকল্পনা

আমরা আমাদের ব্যবসায়ের ধারাবাহিক উন্নতির জন্য কঠোর পরিশ্রম করছি যা আমাদের অধিক তহবিল সংগ্রহের মাধ্যমে ব্যবসার উন্নয়ন করতে, শেয়ারহোল্ডারদের জন্য উচ্চতর রিটার্ন প্রদান এবং বৃহত্তম সমাজে আরও বেশি অবদান রাখতে সহায়তা করবে। তবে এগিয়ে যাওয়ার সাথে সাথে আমরা ২০২০ইং এবং পরবর্তী দিনগুলিতে আরও নতুন চ্যালেঞ্জ দেখতে পাচ্ছি। তবে আমরা সময়োযোগী ব্যবস্থা গ্রহণের মাধ্যমে আমাদের প্রতিশ্রুত লক্ষ্য অর্জনে এবং নিয়ন্ত্রকদের সহায়তায় চ্যালেঞ্জগুলি কাটিয়ে উঠতে আত্মবিশ্বাসী।

আমাদের কর্মচারী-আমাদের সম্পদ

আমরা এমন পরিবেশ তৈরি করেছি যেখানে কর্মীরা তাদের কাজের জন্য গৌরব বোধ করে, সহকর্মীদের সাথে কাজ করা উপভোগ করে তাই কোম্পানির হয়ে কাজ করতে উৎসাহ বোধ করবেন। আমরা আমাদের কর্মীদের কাজে দক্ষতা অর্জনে উৎসাহ প্রদান করি এবং ভাল পারফরম্যান্স

প্রদানের জন্য উপযুক্ত পুরস্কারের ব্যবস্থা করে থাকি। আমরা কর্মীদের সমস্যাগুলি মনোযোগ সহকারে শুনে তা নিরসনের ব্যবস্থা নেই এবং তাদেরকে আমাদের পরিবারের অংশ মনে করি। দক্ষতা উন্নয়নের মাধ্যমে আসন্ন দিনগুলিতে পদোন্নতি প্রাপ্তি ও ভবিষ্যত নেতৃত্বের উপযোগী হিসাবে গড়ে তোলা এবং তাদের মধ্যে উচ্চ নৈতিক মূল্যবোধের সংস্কৃতি তৈরি করাই আমাদের উদ্দেশ্য।

মানবতার আহ্বানে সাড়া দেওয়া

আপনারা সকলেই অবগত আছেন যে, করোনভাইরাসের কারণে আমরা একটি সঙ্কটজনক পরিস্থিতিটি পার করছি, সামগ্রিক অর্থনীতি ধীর গতিতে চলছে, লোকেরা তাদের চাকরি হারাচ্ছে, তারা খাদ্য সংকটের মুখোমুখি হচ্ছে, কোভিড-১৯ রোগীর সংখ্যা প্রতিদিন বাড়ছে, পর্যাপ্ত চিকিৎসা সুবিধা না থাকার কারণে যথাযথ চিকিৎসাও পাচ্ছেন না। তবে প্রিমিয়ার সিমেন্টের ব্যবস্থাপনা আশ্বাস করেছে যে, কোভিড-১৯ মহামারীর ফলে এর কর্মীরা তাদের চাকরি হারাবেন না এবং পারফরম্যান্সের ভিত্তিতে নিয়মিত বার্ষিক এবং বিশেষ বেতন বৃদ্ধি অব্যাহত থাকবে। এই মহামারী পরিস্থিতিতে প্রিমিয়ার সিমেন্ট মিলস্ লিমিটেড মানবতার আহ্বানে সাড়া দেয় এবং এই চ্যালেঞ্জ মোকাবেলায় যে সমস্ত পদক্ষেপ গ্রহণ করে তা মধ্যে উল্লেখযোগ্য:

১. চট্টগ্রাম মা ও শিশু হাসপাতালে ০৭টি ভেন্টিলেটর সরবরাহ করে।
২. প্রতিষ্ঠানের ২০০০ কর্মচারীর থাকা-খাওয়ার দায়িত্ব নেন এবং তাদের চাকরির সুরক্ষার পাশাপাশি অন্যান্য সমস্ত সুবিধা অব্যাহত রাখে।
৩. চট্টগ্রাম কাস্টমস এবং নারায়ণগঞ্জ পুলিশ কর্তৃপক্ষকে সুরক্ষা সরঞ্জামের (মাস্ক, পিপিই, হ্যান্ড গ্লোভস এবং স্যানিটাইজার) সরবরাহ করে।
৪. নির্মাণ শ্রমিকদের মাঝে জরুরি ত্রাণ বিতরণ।
৫. আমাদের কর্মীদের নিরাপত্তা সরঞ্জাম সরবরাহ করে।
৬. কর্মক্ষেত্রে সামাজিক দূরত্ব বজায় রাখার ব্যবস্থা করে।
৭. বি এস এম ইউ তে ভেন্টিলেটর সরবরাহ করে।
৮. সিলেট এ এম এ জি ওসমানী মেডিকেল কলেজে ভেন্টিলেটর সরবরাহ করে।

উপসংহার

আমি প্রিমিয়ার সিমেন্টের সমস্ত কর্মচারীদের বিগতদিনে যে পরিশ্রম করেছে তার জন্য ধন্যবাদ জানিয়ে আলোচনা সমাপ্ত করতে চাই। আমাদের সম্মানিত শেয়ারহোল্ডারগণ এবং সমস্ত কর্তৃত্বশীল সংস্থা সহ অন্যান্য স্টেকহোল্ডারদের তাদের সদয় সহযোগিতা এবং সহায়তার জন্য কৃতজ্ঞতা জানাই।



মোহাম্মদ আমিরুল হক

ব্যবস্থাপনা পরিচালক

REPORT OF MANAGEMENT COMMITTEE

Global Economic & Business Scenario

COVID-19 has delivered an enormous global shock, leading to steep recessions in global economy. Demand for products and services has been severely declined, Investment has also been curtailed, not only by difficulties in maintaining production and construction but also by sharply weaker growth prospects, the finance cost has risen, eroding confidence, sharp declines in product prices and increased uncertainty. Besides at the same time supply has fallen sharply, as labor supply has declined, because of restrictions on movement and human interaction, illness of workers and family members and the cost of doing business has risen. Workers able to work at home have in many countries been encouraged or instructed to do so, but fewer jobs can be undertaken remotely in EMDEs than in advanced economies, partly because of more limited internet connectivity. However a comprehensive reform drive is needed to reduce the adverse impact of the pandemic on long-term growth prospects by improving governance and business environments and expanding investment in education and public health.

Accounting Policies and Estimation for preparation of Financial Statements

Accounting policies and estimation of the Company for preparation of financial statements are disclosed in “notes no.02 and note no 3 of the consolidated statement of financial position” on page 166-174

Changes in Accounting policies and estimation.

The Company has applied the IAS/IFRS 10, 12 & 13 from the year 2013-14, IAS/IFRS 9 & 15 from the year 2018-19 and IFRS 16 from the year 2019-2020.

Production Capacity

Particulars	PCML (Holding Company)	NCML (Associated Company)	Total Capacity
Existing Capacity (mn MT)	2.400	0.165	2.565
Expansion Capacity (mn MT)	3.312	1.785	5.097
Total Capacity after expansion (mn MT)	5.712	1.950	7.662

Business and Financial overview

Tk in Mio

Particulars	30 June 2020	30 June 2019	Growth (%)
Revenue	10,460.67	11,999.43	-12.82%
Gross profit	1,503.03	1,771.82	-15.17%
Profit from operation	1,037.27	1,283.57	-19.20%
Profit Before Tax	340.77	809.82	-57.92%
Profit after income Tax	271.24	612.80	-55.74%
Total non-current assets	14,358.73	10,223.16	40.45%
Total current assets	7,197.43	8,602.77	-16.34%
Total assets	21,556.16	18,825.92	14.50%
Total liability	16,311.02	13,744.92	18.67%
Total equity	5,245.13	5,081.17	3.23%

Revenue

In FY-2019-2020 Consolidated revenue has decreased by BDT 1,538.76 Million, compared with previous year when it was BDT 10,049.86 Million, resulting in a decrease of 12.82 % among the consolidated revenues, BDT 10,131.50 million was from local sales, BDT 93.60 million from export sales and BDT 235.56 from empty bag sales.

Operating income/Expense

Particulars	2019-20		2018-19		Growth Rate
	Amount in BDT Mio	% of Revenue	Amount in BDT Mio	% of Revenue	
Other income	72.61	0.69%	115.36	0.96%	-37.06%
Administrative expenses	106.91	-1.02%	124.12	1.03%	-13.87%
Selling Expenses	431.47	-4.12%	419.34	3.49%	2.89%

Other Income /Expense

Other income decreased by BDT 42.75 mio mainly due to decreased of interest charged to the associate company namely National Cement Mills Limited for BDT 69.80 million.

Administrative Expense:

Administrative expenses decreased by BDT 17.21 mio mainly due to decrease of renewal, legal & professional fee for BDT 2.85 million, vehicle maintenance expense 1.61 million, the BIWTA expenses for BDT 11.61 million and other expense for BDT 1.14 million.

Financial Expense

Financial expenses increased by BDT 244.41 mio mainly due to increase the bank loan interest.

Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:

Particulars	2019-2020		2018-2019		Growth Rate
	Amount in BDT Mio	% of Revenue	Amount in BDT Mio	% of Revenue	
Cost of Goods Sold	8,957.64	85.63%	10,287.60	85.73%	-12.93%
Gross Profit	1,503.03	14.37%	1,711.82	14.27%	-12.20%
Net Profit	271.24	2.59%	612.80	5.11%	-55.74%

Due to decrease the price of the raw materials as well as decrease of the production quantity, the cost of sales decreased from BDT 10,287.60 Million to BDT 8,957.64 million which is 12.93% lower from the last year. In FY- 2019-20 COGS stood at 85.63% of revenue whereas it was 85.73% of last year's revenue. The Gross profit stood at BDT 1,503.03 million in FY-2019-20 compared to BDT 1,711.82 million in FY-2018-19 which is 14.37% and 14.27% of revenue respectively. Net Profit Margin has decreased by 55.74% compared to last year. It stood at BDT 271.24 million in FY-2019-20 whereas it was BDT 612.80 million in last year i. e. 2.59% and 5.11% of revenue respectively.

Asset Composition

Particulars	30 June 2020 Amount in Mio	Proportion of assets (%)	30 June 2019 Amount in Mio	Proportion of assets (%)	Growth Rate
Non-Current Asset	14,358.72	66.61%	10,223.16	54.30%	40.45%
Current Assets	7,197.43	33.39%	8,602.77	45.70%	-16.34%
Total Assets	21,556.16	100.00%	18,825.93	100.00%	14.50%

Non-Current assets:

Property, Plant and Equipment:

Property, Plant and Equipment have contributed to an additional 135.73 million BDT in FY 2019-20 to the gross block of the fixed assets in the following areas:

Land & land Development BDT 62.84 million, Factory building BDT 6.04 million, Electric installation BDT 5.39 million, Plant and machinery BDT 42.59 million, Motor vehicles BDT 1.46 million, Motor vehicles – employee car BDT 1.60 million, Vessel BDT 1.18 million, Portable cement silo BDT 10.50 million and Others have an worth value of BDT 4.13 million.

Particulars	30 June 2020 Amount in Mio	Proportion of assets (%)	30 June 2019 Amount in Mio	Proportion of assets (%)	Growth Rate
Property, Plant and Equipment	6,008.76	27.87%	6198.84	32.93%	-3.07%
Intangible Assets	0.64	0.003%	0.71	0.004%	-10.00%

Intangible Assets

In financial year 2019-20 software purchased has been classified from property plant and equipment to Intangible assets.

Right of use assets:

Right of use assets presented in the financial statement has been recognized as per the requirements of IAS 17. The applicability of IFRS 16 has come into effect from 1st January 2019. However we have implemented the standard from the financial year 2019-20

Financial assets:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. It is recognized by IFRS 9-Financial Instrument.

Capital working-in-progress:

Particulars	30 June 2020 Amount in Mio	Proportion of assets (%)	30 June 2019 Amount in Mio	Proportion of assets (%)	Growth Rate
Capital working-in-progress	8,205.32	38.06%	3,917.09	20.81%	109.47%

Capital working in progress increase by 109.47% to BDT 8,205.83 million from previous year. During the year the Company added BDT 4,288.23 million for implementation of VRM project.

Current Asset:

Inventories

Particulars	30 June 2020 Amount in Mio	Proportion of assets (%)	30 June 2019 Amount in Mio	Proportion of assets (%)	Growth Rate
Inventories	968.90	4.49%	877.51	4.66%	10.41%

Equity

The total equity stood at BDT 5,245.13 million which is BDT 163.96 million more than that of the previous, where retained earnings stood at BDT 3,256.48 million which is 62.08% of total equity.

Non-current Liability

In FY 2019-20 total Non-current liability increase by 18.08% mainly due to having an EKF guaranteed foreign currency loan for implementation of VRM project.

Current Liability

The total current liability increased from BDT 9,962.45 million as on 30 June 2019 to BDT 11,845.61 million as on 30 June 2020 comprising BDT 9,075.70 million - short term bank loan, BDT 603.23 million - provision of taxation, BDT 1,366.08 million - trade and other payables, BDT 3.77 million - liability for other finance, BDT 774.43 million - current portion of long term loan, BDT 7.69 million - current portion of Lease liability and BDT 14.70 million - contribution to WPPF. Current portion of lease liability is included in current liability following IFRS-16.

Listed Cement Company in Bangladesh

S.L	Name	Market Category	Year of listing on DSE	Year of Listing on CSE	Year end
1	Premier Cement (PCML)	A	2013	2013	June 30th
2	MI Cement (MI)	A	2011	2011	June 30th
3	Confidence Cement (CCL)	A	1995	1995	June 30th
4	Meghna Cement (MCL)	A	1995	1996	June 30th
5	Aramit Cement (ACL)	Z	1998	1998	June 30th
6	Lafarge Surma Cement (LCL)	A	2003	2003	December 31st
7	Heidelberg Cement (HCL)	A	1989	1995	December 31st

Financial scenario of cement industry

Particulars	PCML	MI	CCL	MCL	ACL	HCL	LCL
	For the year ended 30 June 2020				For the year ended 31 December 2019		
Net profit(Loss) after tax (In Mio)	269.41	(132.16)		54.05	(232.42)	186.65	1,253.35
Market price per share (BDT) 30 June 2019	60.90	43.80		72.60	11.90	137.30	35.90
No. of shares outstanding (In Mio)	105.45	148.50		25.99	33.88	56.50	1,161.37
Market capitalization (In Mio)	6,421.19	6,504.30		1,886.72	403.17	7,757.45	40,069.18
NAV per share (BDT)	49.74	46.38		32.73	25.63	71.88	11.80
NOCF Per Share (BDT)	6.99	3.69		(4.71)	(12.06)	4.65	2.86
Cash Dividend (BDT) %	10	10		5	-	-	10
Stock Dividend (BDT) %	-	-		5	-	-	-
Earnings per Share (EPS) (BDT)	2.55	(0.89)		2.08	(6.86)	(3.30)	1.08

Source: 1. www.dsebd.org 2. Company's website

Note: As on 12 November 2020 Information of Confidence Cement is not available in their website

Risks and Concerns:

The details of risks and concerns of the Company are discussed in Risk Management and Control Environment on page no-97 in this annual report.

Statement of Projected Comprehensive Income (In BDT Mio-Standalone)

Particulars	2016-17 (actual)	2017-18 (actual)	2018-19 (actual)	2019-20 (Projected)	2019-20 (actual)	2020-21	2021-22	2022-23
Revenue	9,280	10,049	11,999	15,088	10,461	16,574	18,098	19,661
Cost of sales	(7,757)	(8,570)	(10,328)	(11,919)	(9011)	(13,093)	(14,298)	(15,532)
Gross profit	1,522	1,478	1,671	3,168	1,050	3,481	3,801	4,129
Other Income/Loss	(150)	12	115	-	73	-	-	-
Administrative Exp.	(109)	(101)	(118)	(193)	(101)	(212)	(232)	(252)
Selling & distribution Exp.	(385)	(418)	(419)	(792)	(431)	(870)	(950)	(1,032)
Profit from operation	877	972	1,249	2,183	991	2,398	2,619	2,845
Finance costs	(278)	(398)	(444)	(699)	689	(653)	(645)	(635)
Contribution to WPPF	(28)	(27)	(38)	(67)	15	(67)	(67)	(67)
Profit before income tax	570	546	774	1,417	294	1,678	1,906	2,143
Current tax Exp.	(79)	(136)	(197)	(454)	(69)	(420)	(476)	(536)
Net profit/(loss) after tax	490	410	577	1,063	225	1,259	1,430	1,607

In FY 2019-20, the Company's total revenue was recorded at BDT 10,460.67 million whereas projected revenue was BDT 15,088.00. So that recorded revenue was BDT 4,637.33 million lower than the projected revenue. Considering the current scenario of the cement industry as well as business situation, we believe that our performance has been quite satisfactory when compared to our competitors. Profit before interest and tax was recorded at BDT 990.55 million which is 54.60% lower than our expectation. Net profit was decreased by 61.01% from the last year and it was BDT 837.55 million lower than the projected amount.

Appreciations:

We would like to express our sincere thanks to all the shareholders of the company for their continued support and trust. We are grateful to our consumers who have been with us, along with their smart choice and dedication towards us and our brands.



Mohammed Amirul Haque

Manging Director

OUR PRODUCTS

Portland Cement (PC); CEM I, Strength Class 52.5N

Portland cement is the most common type of cement for general use around the world. It is a fine powder produced by grinding clinker (95%) and a limited amount of Gypsum (5%) which controls the setting time. It conforms to the Bangladesh Standard BDS EN 197-1:2003 CEM-I 52.5 N, European Standard EN 197 type CEM I, and American Standard ASTM C 150 Type-I mark.

Components of Portland Cement (PC) are as follows:

- Clinker : 95-100%
- Gypsum : 0-5%



Portland Composite Cement (PCC); CEM II, Strength Class 42.5N

Portland composite cement is a hydraulic binder. It is produced by grinding of Clinker, Slag, PFA (Pulverized Fly Ash), Gypsum, and Limestone. It fully conforms with the Bangladeshi Standard BDS EN 197-1:2003 CEM II/AM or BM 42.5N. PCC is used in general construction purposes and also where precaution against moderate sulfate attack is important (most buildings, bridges in drainage structures) and where sulfate concentrations in ground waters are higher than normal but not unusually severe.

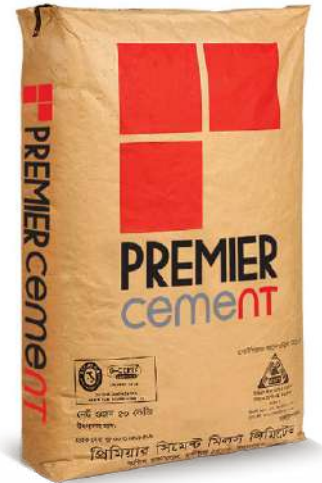
On the basis of clinker percentage two types of Portland Composite Cement (PCC) are available namely CEM II/A-M and CEM II/B-M.

CEM II/A-M:

- Clinker : 80-94%
- Fly ash, Slag & Lime stone : 6-20%
- Gypsum : 0-5

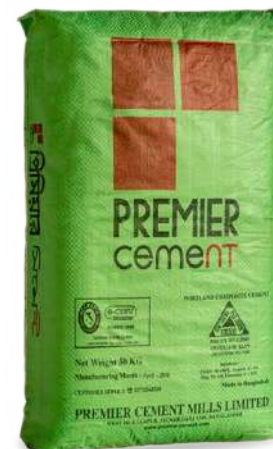
CEM II/B-M:

- Clinker : 65-79%
- Fly ash, Slag & Lime stone : 21-35%
- Gypsum : 0-5%



Portland Pozzalana Cement:

Portland Pozzalana Cement, “Product of Future,” is prepared by a fully-automated, dry manufacturing process using state of the art technology under strict quality assurance at all stages of manufacturing with the help of the “ROBOTIC (POLAB)” system. PPC is manufactured by inter-grinding well-burnt OPC Clinker with gypsum and pozzolanic materials like power-station fly ash or siliceous earths. It is conformed to Indian Standard (IS) 1489 (Part 1): 1991 on February 06, 2008 from the Bureau of Indian Standard (BIS).





CODE OF CONDUCT & ETHICAL STANDARD

Our code of conduct and ethical standards addresses ethical conduct in our work environment, business practices and relationship with external stakeholders. Premier Cement Mills Limited sets out the guiding principles known as “Code of Conducts and Ethical Standards” as well as ensures the highest ethical standards in all of the Company’s business dealings. Our code of conduct guides us for our daily business interactions, reflecting our standard of proper behavior and our corporate values. The code clearly conveys to each of us the manner in which we achieve our business. The code of conduct is to be abided by all of Premier Cement’s people including Directors, Officers and all employees of the Company and its subsidiary for the best interest of the Company. Vendors and suppliers are also subject to these requirements as adherence to the code is a condition for conducting business with Premier Cement.

The code of conduct is often updated and reissued by the Board of Directors to cope up with the changing needs of stakeholders. We at Premier Cement are very keen to conduct our business according to our predetermined “Code of Conducts” for improving honesty and transparency in doing business so that it can achieve trust of its stakeholders.

Compliance with laws, rules and regulations

Premier Cement and all its employees are bound by the law. All employees must follow at all times the applicable laws, rules and regulations as prevail in Bangladesh. Employees having doubts or questions about the applicability of code of conduct are always welcome to contact with the top management.

Conflict of interest

A “conflict of interest” exists when an employee’s personal interest interferes with the best interest of the Company. For example, a conflict of interest may occur when an employee or his/her family member receives personal benefit as a result of the employee’s position with Premier Cement. The Directors and Management personnel are expected to avoid and disclose any activity or association that creates or supposed to create a conflict between the personal interests and the Company’s business interests. If any relationship or association creates anything which is seemed to be material then it should be disclosed and permission should be taken thereby from audit committee as well as Board of Directors.

In performing their duties, all employees of Premier Cement are expected to use their judgment to act, at all times and in all possible ways, in the best interest of the Company. Employees should attempt to avoid conflict of interest and employees who believe a conflict of interest may exist should promptly notify top management. The top management will consider the facts and take instant corrective action if needed.

Business relationships

Directors and management are not allowed to make any business relationship which may hamper the Company’s image in the country. They must not make any commitment that the Company cannot honor because the business of the Company is expected to be conducted legally and ethically.

Corporate disclosure

Directors and senior management personnel are liable to full, fair, accurate, timely, understandable and relevant disclosure in reports and documents it files with or submits to the regulatory bodies and publishes through the medium of public communications. They are not allowed to misrepresent either intentionally or inadvertently, or cause others to misrepresent, facts about the Company to others within or outside the Company including its audit committee, statutory auditors and Govt. regulators and investors.



Privacy and Confidentiality

Directors and management personnel must ensure confidentiality of such information which may influence capital market directly or indirectly. In essence they are not allowed to disclose any forward looking statements or information regarding proceeding of board meetings/ committee meetings / internal meeting or any tentative decisions about to be taken in those meetings.

The following information along with other information as directed by the chairman of the board may be termed as confidential:

- ❖ Information on trade and any trade secrets
- ❖ Confidential and privileged information regarding customers and employees
- ❖ Information relating to mergers and acquisitions
- ❖ Dividend, stock splits and divestitures etc.
- ❖ Plans relating to business issues and decisions which is not available in the public domain at that point of time.

Confidential information or forward-looking information only can be disclosed with prior permission from appropriate authorities or as legally mandated.

Fraudulent and unfair practices in the securities market

It is forbidden for all the directors as well as management to be engaged in any kind of fraudulent and unfair trading practices in the securities market, with regard to the securities of the Company or of any other Company with whom the Company has business dealings to the best of their knowledge.

Protection and proper use of Company's opportunities and resources

Without having permission of the board of directors, directors are not allowed to gain personal benefit from any opportunities that belong to the Company. They must also avoid using the Company's property, information or position for personal gain.

Fair dealing

Any personnel of the Company must not discriminate any employee, customer, supplier or any business partner based on caste, religion, gender or disability of any kind. Also, they must not give any unfair benefit to any employee, customer, supplier or competitors through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Health, safety & environment

Company must comply with all the relevant environmental, safety and health laws and regulations. They must run the operations in an environment-friendly manner and provide a safe and healthy working environment for all of its employees.

Applicability, amendment, modification & waivers

The comprehensive code applies equally to all employees, directors and management personnel. Directors shall communicate any suspected violations of the code promptly to the audit committee. Suspected violations will be investigated by audit committee and appropriate action will be taken if the violation is so confirmed.

In consultation with the audit committee, board of directors may amend, modify or vary this code, subject to relevant provisions of laws, rules, regulations and guidelines in force. The board will not grant exemption to this code. But in case of extra-ordinary situations the board may waive or grant waiver for anyone or more from this code but reasons, explanations of the exception must be approved, written and filed thereby. As this code does not specifically address every potential form of unacceptable conduct, directors should exercise good judgment to comply with the principles set out in this code. Therefore, directors should avoid any circumstances that will violate the spirit of this code of conduct



CHAIRMAN'S AND DIRECTORS' PROFILE



MOHAMMAD MUSTAFA HAIDER

Chairman

Age : 41 years
 Date of Appointment : 1st January 2010
 Length of Service in Premier Cement : 10.8 years
 Date of last Re-election : 19th December 2018
 Membership in Board Committee : NRC & RMC

Mohammad Mustafa Haider is a well-known industrialist. He is a Director as well as the current Chairman of the Board of Directors. Mr. Haider has completed his Bachelors of Science in Business Studies concentrating in Finance from the University of Southern California, Marshall School of Business, USA in May 2005. After completion of his studies he came back to Bangladesh and has been involved in the sales and marketing of premier Cement Mills Limited, consumer products of T.K. Group of industries, primarily – Pusti Soybean Oil, Pusti Ata Maida and Pusti Full Cream Milk Powder.

Despite having all the above stated major responsibilities, he is successfully performing his duties and responsibilities from the beginning to the present. His excellent leadership quality plays an important role in increasing Premier Cement sales and collection significantly and his presence have played a vital role in the overall success of the company.



MOHAMMED AMIRUL HAQUE

Managing Director

Age : 58 years
 Date of Appointment : 14th October in 2001
 Length of Service in Premier Cement : 18.8 years
 Date of last Re-election : 26 November 2016
 Membership in Board Committee : MC, RMC, NRC & ESRC

Mohammed Amirul Haque is a world class entrepreneur and an elite businessman in Bangladesh. He is the former Director of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the apex trade body of the country. He is the promoter and founder Managing Director of Premier Cement Mills Limited.

Mr. Haque completed his MBA from England in Leadership and Sustainability. He is also a Fellow and life time Member of The Institute of Petroleum, United Kingdom. He was also selected as 'Commercially Important Person' (CIP) by the Government of the People's Republic of Bangladesh for the consecutive years of 2008 and 2009.

Mr. Haque has involved himself into and is guiding through various businessman in different sectors.



MD. JAHANGIR ALAM

Director

Age	: 58 years
Date of Appointment	: 15th October in 2001
Length of Service in Premier Cement	: 18.8 years
Date of last Re-election	: 21st December 2019
Membership in Board Committee	: RMC & ESRC

Md. Jahangir Alam is one of the renowned industrialists in Bangladesh. He was appointed as a director at Premier Cement on 15th October in 2001. He completed his graduation in Commerce from Government College of Commerce, Chittagong. Mr. Alam embarked several industrial undertakings during his 31 years of business life. He started his magnificent journey in his business career through establishing a business house named Jahangir & Others in 1987 which subsequently incorporated as Jahangir & Others Limited in 2003. Subsequently, he diversified his business portfolio by investing in other different areas such as cement, steel re-rolling and insurance.



MD. ALAMGIR KABIR

Director

Age	: 51 years
Date of Appointment	: 14th October 2001
Length of Service in Premier Cement	: 18.8 years
Date of last Re-election	: 19th December 2018
Membership in Board Committee	: RMC & ESRC

Md. Alamgir Kabir was appointed to the Board on October 14, 2001 as a Director. He completed his Masters degree in Business Administration. He involved himself in various manufacturing industries especially in the cement industry during his 22 years of business life.



MOHAMMED ERSHADUL HOQUE

Director

Age	: 41 years
Date of Appointment	: 08th March 2018
Date of last Re-election	: 21st December 2019
Membership in Board Committee	: RMC, NRC & ESRC

Mohammed Ershadul Hoque is a director of the company as representative of Ancient Properties Limited (APL). He was appointed to the Board on March 08, 2018. He completed his Bachelors and Masters Degree in Computer Science and Telecommunication from University of Texas at Dallas, Texas, U.S.A. in 2004.



M. MAHFUZUR RAHMAN

Independent Director
Chairman, Audit Committee

Age : 64 years
Date of Appointment : 26th November 2016
Length of Service in Premier Cement : 3.9 years
Date of last Re-election : 21st December 2019
Membership in Board Committee : NRC, AC, ESRC & RMC

Mahfuzur Rahman is an Independent Director of the company. Mr. Rahman is associated with T. K. Group of Ind. in an advisory capacity.

Prior to his new role at T. k. Group, Mr. Rahman worked for American Express Bank, ANZ Grindlays Bank and Standard Chartered Bank for more than three decades in different capacities. Mr. Rahman was a successful banker and contributed a lot with his dynamic leadership for business growth of the bank in commodity finance, trade finance, project finance, financial risk management, financial derivatives, syndicated finance, et.al. During his long banking career, he received many accolade. While in Standard Chartered Bank, Mr. Rahman got the group chairman’s award for booking a land mark deal within Standard Chartered’s global foot print. He was well regarded in bank for his strong commitment to build a sustainable business and in business community for his support to any profitable deal.

Mr. Rahman did his Honors’ and Masters in Economics from Chittagong University and also completed LLB from the same University. He is a widely travelled person attending seminars, workshop and training. Mr. Rahman is a keen follower of games and sports and loves to play golf.



FAKRUL ISLAM

Independent Director

Age : 64 years
Date of Appointment : 21st December 2019
Length of Service in Premier Cement : 06 Month
Date of last Re-election : N/A
Membership in Board Committee : AC

Fakrul Islam has joined Premier Cement Mills Limited (PCML) as an Independent Director of the company with effect from December 21, 2019. He was a member of Bangladesh Civil Service (Administration) cadre. He worked in different administrative positions in different upazilas and districts. He also worked in different ministries and worked two reputed Government organization. Finally he went to retirement as secretary to the Government of Bangladesh.

Companies (other than Premier Cement Mills Ltd.) in which Premier Cement Directors hold directorship and committees membership:

Sl. No	Name of Director	Chairman	Managing Director	Director	Others
01	Mohammad Mustafa Haider	<ul style="list-style-type: none"> • Premier Cement Mills Limited • Roknoor Navigation Limited • National Cement Mills Limited • Roknoor Maritime Limited • Roknoor Lighterage Limited • Samuda Holdings Limited • Samuda Terminals Limited • M R F Fashion Ltd 	<ul style="list-style-type: none"> • T.K. Shares & Securities Limited • Premier Power Generation Limited • Samuda Chemical Complex Limited • Samuda Power Limited • Samuda Peroxide Ltd • Samuda Real Estate Ltd • Genweb2 Limited • Super Petro Chemical Ltd. • SPL Petro Chemical Complex Ltd. • Samuda Food Products Ltd. 	<ul style="list-style-type: none"> • Asia Insurance Limited • Elahi Noor Tea Co. Ltd • Hafsa Nazir Industries Complex Ltd • Premier Assets Ltd • Super Knitting & Dying Mills Ltd • Ali Tannery Ltd • Modern Hatchery Ltd. • Modern Power Limited 	None
02	Mohammed Amirul Haque	<ul style="list-style-type: none"> • Premier Power Generation Ltd. • Roknoor Marine Service Ltd. • Roknoor Holdings Limited • Ancient Properties Limited • Prime Shrimp Hatchery Limited • Aryan Stevedore Limited 	<ul style="list-style-type: none"> • Premier Cement Mills Ltd. • National Cement Mills Limited • Roknoor Maritime Limited • Seacom Corporation Limited • Seacom Logistics Ltd. • Rupsha Tank Terminal & Refinery Ltd • Delta Agrofoods Industries Ltd. • Delta Lpg Ltd. 	None	None
03	Md. Jahangir Alam	<ul style="list-style-type: none"> • M. I. Cement Factory Limited (Crown Cement), • Crown Power Generation Limited • Crown Polymer Bagging Limited, • Crown Mariners Limited, • Crown Transportation & Logistics Limited, • GPH Ship Builders Limited. 	<ul style="list-style-type: none"> • GPH Ispat Limited, • GPH Power Generation Limited, • Jahangir & Others Limited • Chittagong Capital Limited 	<ul style="list-style-type: none"> • Crown Cement Concrete and Building Products Limited, • Premier Cement Mills Limited, • Premier Power Generation Limited • Asia Insurance Limited and Chartered Life Insurance Limited, • Eco Ceramics Industries Limited and Imperial Hospital Limited. 	<ul style="list-style-type: none"> • Founder Member of Independent University of Bangladesh (IUB), Chittagong, Bangladesh • Donor Member of Gulshan North Club Ltd. • Permanent Member of Gulshan Club Limited • Life Member of Chittagong Maa-o-Shishu Hospital • Vice President of Bangladesh Small and Captive Power Producers' Association • Member of Bangladesh German Chamber of Commerce and Industry • Member of Bangladesh Ex-Cadet Association • Life Member of Bangladesh National Society for the Blind • Life Member of Bhatiyar Golf & Country Club • Life Member of Gulshan Society • Adviser of Gulshan Joggers Society • General Member of FBCCI • Permanent Member of Banani Club Limited • Life Member of Dhaka Boat Club Limited

Sl No.	Name of Director	Chairman	Managing Director	Director	Others
04	Md. Alamgir Kabir	<ul style="list-style-type: none"> GPH Ispat Limited 	<ul style="list-style-type: none"> Crown Cement Concrete and Building Products Limited. 	<ul style="list-style-type: none"> Premier Cement Mills Limited Premier Power Generation Limited GPH Power Generation Limited, GPH Ship Builders Limited GPH Engineers & Development Limited Jahangir & Others Limited Chittagong Capital Limited Indo Steel Re-Rolling Industries Limited Crown Power Generation Limited Crown Polymer Bagging Limited Crown Mariners Limited Crown Maritime and Shipping Services Crown Transportation & Logistics Limited 	<ul style="list-style-type: none"> Vice Chairman of M. I. Cement Factory Limited Vice Chairman of Crown Izonil Limited Chairman of GPH International School President, Bangladesh Cement Manufacturers Association (BCMA) Member of Army Golf Club President of Munshigonj Unnoyon Forum Life Member of Bangladesh Red Crescent Society
05	Mohammed Ershadul Hoque	None	None	<ul style="list-style-type: none"> Premier Cement Mills Limited Saif Shipbuilding & Engineering (Pvt.) Limited N H Exim and Services Limited Barnali Corporation Limited Roknoor Shipping Services Limited Roknoor Agro Farm Limited Jalalabad Cement Co. Limited 	None
06	M. Mahfuzur Rahman	None	None	None	None
07	Fakrul Islam	None	None	None	None

ADVISOR PROFILE



MD. AZMAL HQUUE
Advisor (Technical)

Azmal Haque completed his graduation in Civil Engineering from BUET, Dhaka. He obtained post graduate Diploma in housing from the Netherlands. His total working experience is about 42 years out of which he served for 34 years in the government sector.. He served under public works department (PWD) in different positions from Assistant Engineer to Additional Chief Engineer. During this long period construction of various types of Govt. Buildings were executed under his supervision. He also served one year on deputation as chief engineer, RAZUK, Dhaka. He is now working as Advisor (technical) In Premier Cement for the last 10 years.



PROFILES OF MANAGEMENT COMMITTEE

01

Mohammed Amirul Haque is the founder Managing Director and CEO of Premier Cement Mills Limited. He is a visionary world class entrepreneur and an elite businessman who embarked and involved himself into various businesses such as Trading & Shipping, Agriculture and Fishing, Real Estate, etc. for the last three decades. Mr. Haque completed his MBA from England in Leadership and Sustainability. He is also a Fellow and life time Member of The Institute of Petroleum, United Kingdom. He is also an active member of Chittagong Club as well.

02

Tarique Kamal has joined Premier Cement Mills Limited (PCML) as Chief Operating Officer (COO) with effect from October 1, 2019.

Before joining Premier Cement, he served as the Head of Sales and Distribution at Arla Foods Bangladesh Ltd, origin of Denmark. Prior to that, he also worked for British American Tobacco Bangladesh in different capacities. Mr. Kamal has more than 16 years of extensive experience in Sales and Marketing, Trade Marketing and Distribution, Process Management, Talent Development and many others.

Mr. Kamal obtained his bachelor's and master's degree in Business Administration from Institute of Business Administration (IBA), University of Dhaka.

03

Shafiqul Islam Talukder joined Premier Cement Mills Ltd as Chief Financial Officer in 2010. During his nine years tenure with Premier Cement, he had rare opportunities to deal with almost all activities of the company including Accounts, Finance, Administration, HR, Marketing and Management. Before joining Premier Cement, Mr. Talukder served in various National and Multinational organizations such as Glaxo Bangladesh Ltd., Jamuna Oil Company Ltd., Singer Bangladesh Ltd., Chittagong Stock Exchange Ltd., BASF Bangladesh Ltd., and Bangla Lion Communication Limited.

Mr. Talukder obtained his B.Com. (Hons. in Management) and M. Com (Masters in Commerce) from university of Dhaka and is the Fellow member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

04

Kazi Md. Shafiqur Rahman joined Premier Cement Mills Limited as an Executive (Accounts & Finance) in November 2001. As a longest serving employee, he worked in various departments of the company including Accounts, Finance, Administration, HR, Credit Control etc. Currently he is serving the responsibility of the Company Secretary. Mr. Shafiq completed his B. Com. (Hons. in Accounting) and M. Com. (in Accounting) from the University of Chittagong in 1993. He also completed CA (CC) from M. R. Dey & Co. and passed CA (inter) from the Institute of Chartered Accountants of Bangladesh (ICAB). During CA Articleship period Mr. Shafiq audited various Manufacturing, Trading & Servicing, Textile & Garments, Shipping, Shares & Securities company e.g. T.K. Group, Abul Khair Group, SA Group, PHP Group, Kuliarchar Group, SKS, Regent Textile, Base Textile, Hillcity Securities and South Asia Capital etc.



P
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01

MOHAMMED AMIRUL HAQUE
Managing Director



02

TARIQUE KAMAL
Chief Operating Officer (COO)



03

MD. SHAFIQL ISLAM TALUKDER, FCMA
Chief Financial Officer (CFO)



04

KAZI MD. SHAFIQR RAHMAN
Company Secretary



05

MD. SELIM REZA, FCA, CLA
Head of Audit Compliance and
Business Finance Controller



06

SARADHINDU BIKASH BARUA
Head of Production



07

MOHAMMED MAHBUBUR RAHMAN
Head of Quality Control



08

SYED RIFAT - E- MOMIN
Head of Bag Plant



05

Md. Selim Reza joined Premier Cement Mills Limited as Head of Audit compliance and Business Finance Controller in December 2018. He has long experience in various corporate sectors. Before joining Premier Cement, he worked as GM, Accounts & Finance of Bashundhara Multifood Ltd and earlier played the role of Head of internal audit & compliance BLPGL, SICL, BFBIL, BCDL, ICCB & BTCL of Bashundhara Group; Head of internal audit & financial system analyst of United Finance Limited.

Mr. Selim obtained his bachelor's and master's degree in Accounting from Jagannath University, Dhaka, and he is also a Fellow member of Institute of the Chartered Accountants of Bangladesh (ICAB). He served as an audit and advisory services to various National & Multinational companies as Manager of A. Qasem & Co., Chartered Accountants (Member firm of E & Y) including British American Tobacco Bangladesh Limited, Reckitt Benckiser Bangladesh Ltd., Grameen Phone Ltd. Philip Morris Services India S.A Dhaka Branch, Dhaka Stock Exchange Limited, Dutch Bangla Bank Limited, Islam Bank Bangladesh Limited and Trust Bank Investment Limited.

06

Barua is the most experienced person in Premier Cement Mills Limited and in the entire cement sector as well. He has more than 51 years of experience in different manufacturing companies with 34 years of experience in the Cement Industry. Mr. Barua started his career with Gazi Wire Ltd. Ctg as Asst. Engineer in the early 1980s. He also served National and Multinational Companies which included C.C.G Co. Ltd., Ruby Cement - Ctg, T.S.P Fertilizer - Ctg and Eastern Cement Ltd. In 2008 he joined Premier Cement as the head of Production, Packing and Unloading. He completed his Diploma in Machine Design, Fluid Mechanics, Engineering Drawing, and Industrial Management from Chittagong Polytechnic Institute, Chittagong under UNESCO.

07

Mahbub has 20 years of experience in different manufacturing companies with 17 years of experience in the Cement Industry. Before joining Premier Cement Mills Ltd. he served at Hyundai Cement BD Limited as a Senior Chemist and at Holcim Cement BD Limited as Lab-In charge. In 2008 he joined Premier Cement as a Manager, Quality Control. Because of his perseverance and hard work, he was able to take over the role of Head of Quality Control in 2013.

Mr. Mahbub completed his Post-graduation in Applied Chemistry from Islamic University Kushtia and he also has an MBA from Northern University Bangladesh.

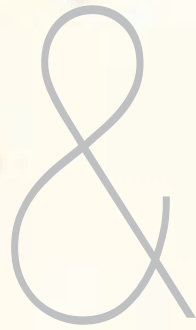
08

Syed Refat-E-Momin, working as Head of Bag Plant of Premier Cement Mills Ltd., joined Premier Cement in the year 2013. Prior to joining Premier Cement, he worked in various renowned Manufacturing companies namely Sino Bangla Industries Limited, Shah Cement Industries Limited. He possesses almost 23 years of professional experience in different cement companies especially in the arena of production and bag plant.

Mr. Momin completed his Diploma from Dhaka Polytechnic Institute in power and completed his graduation in Electrical and Electronics Engineering.



AWARDS



RECOGNITION



Won First Position of National Productivity and Quality Excellence Award.



SAFA Best Presented Annual Report Award



ICSB National Award 2017



Won ICSB National Award-2014 consecutively for the 2nd year under manufacturing category.



Won First Position of ICMAB Award for Best Corporate Governance.



ICSB Rewarded the Company with Bronze Award for "Corporate Governance Excellence – 2013".



ICAB Best Presented Annual Report Award.



ICMAB Best Corporate Award



Corporate Social Responsibilities



Premier Cement Provided Essential Medical Equipment to numerous Hospital



Ventilator machine is essential equipment which ensures artificial breathing for patients affected by Corona Virus Disease (Covid-19). The demand of this essential equipment has gone up significantly after the outbreak of the Covid -19. At that point of time, Chattogram is a hotspot for Corona, and Corona patients in the region were growing by leaps and bounds. But the number of hospitals, beds and ICU facilities quite low in Chattogram when compared to the actual needs.

Owing to the situation, responding to the call of humanity, one of the top cement companies in the country, Premier Cement has donated Seven Ventilator Machines to 'Maa O Shishu' Hospital, two Ventilator Machines to southern Medical College & hospital. It is worth mentioning here, that in the past Premier Cement has also contributed One Crore Fifty Lacs Taka as donation to Maa O Shishu' Hospital to build the hospital's new building as part of its CSR activities.

Meanwhile, Managing Director of Premier Cement Mills Ltd, Mohammed Amirul Haque, in the midst of this Corona pandemic, have given City Hall Convention Centre, situated at Agrabad Access Road to Chattogram City Corporation. Where 300 beds isolation centre was built. On 13 June 2020 Honorable Minister for Information Mr. Muhammad Hasan Mahmud inaugurated this isolation centre.

Premier Cement Take all the responsibility of its employees

In the midst of the Corona pandemic worldwide, Premier Cement Mills Limited has extended its helping hand to its employees in all possible ways. The man behind this business, the Managing Director of the Company is Mr. Mohammed Amirul Haque. Basically, he was the lone person who instructed to take all responsibilities of his employees during this corona pandemic which includes providing food and accommodation facilities inside the factory premise. The organization bore the entire expense in providing these facilities.

Almost 1600 plus employees work in Premier Cement Mills Limited, among them 1300 employees are directly involved with the production process being kept inside the factory premise. The accommodation and fooding arrangements of all 1300 employees working in these factories have been made inside the factory premises.

Where people losing their job and business in running slowly, the Managing Director of Premier Cement Mills Ltd



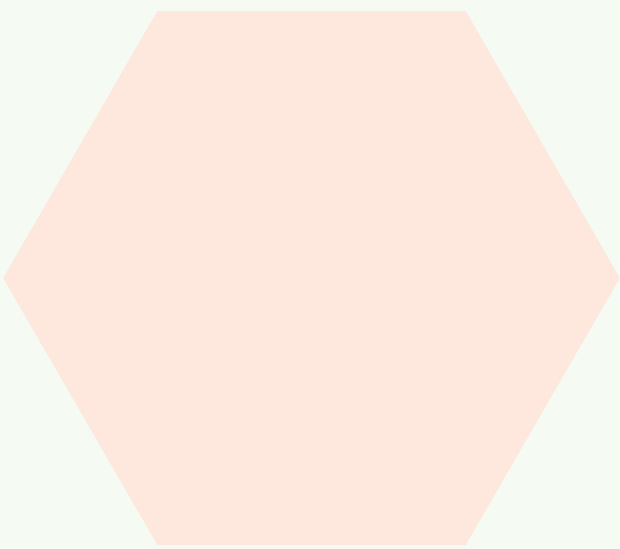
has clearly announced that no employees would lose their jobs as a result of this pandemic situation. Not only that, he also assured that no matter how much loss is being incurred as a result of the corona pandemic, no reduction in salary and other benefits for the employees would take place. Moreover the usual increment at the end of the year will continue as before. Top management of Premier Cement Mills Ltd. did not want their employees to reside outside the factory promise which would have eventually increased the risk of transmission of the virus. Secondly, they believe that the main factor behind their success was the hard work of employees, they have contributed so much for the betterment of the organization and Company management feel that it is their noble responsibility to help employees as a guardian during this pandemic period.



However Premier Cement ensures safety for its employees working in the Corporate offices of Dhaka & Chattogram which would include providing sitting arrangements ensuring safe distance and also to provide facilities so that employees can work from home without any hassle. The Management of the company has plans to increase accommodation facilities in the areas where the factories are situated.

Premier Cement donated high flow nasal cannula to various medical universities.

We are all aware that day by day patients of COVID-19 are increasing as well as raising the demand for medical equipment specially Ventilators, high flow nasal cannula etc. As part of our CSR initiative and responding to the call of humanity, we have provided eight high flow nasal cannula to Bangabandhu Sheikh Mujib Medical University (BSMMU) and two flow nasal cannula to Shahjalal Medical College and Hospital, Sylhet. Mr. Tarique Kamal, Chief Operating Officer of Premier Cement Mills Ltd. handed over these machines to the authorities of Medical universities.



PCML stand by the construction worker

Due to the covid-19 pandemic huge number of construction workers has lost their jobs. They are unable to fulfill even their basic needs. In this catastrophic moment of the country, Premier Cement has extended its helping hand and distributed essential items include flour, rice, sanitizer and soap among the construction workers in collaboration with distributors in 26 districts of Rangpur, Rajshahi, Khulna and Dhaka divisions. Premier Cement believes that it will be easier to fight the rate of unemployment in this time of crisis if everyone extends a helping hand. Premier Cement promises to continue such programs in the future as well.



Provides safety equipment's (Mask, PPE, Hand Gloves and Sanitizer) to the authority of Chittagong Customs and Narayanganj Police.



On 8 March 2020, Bangladesh announced the first confirmed coronavirus cases in the country after three people tested positive for the infectious virus in the capital Dhaka. After that the spread of the virus increase rapidly. To reduce the spread of outbreak of the novel coronavirus across the country, the government of Bangladesh imposed a nation-wide lockdown from 26 March 2020 to 30 May 2020. However, at that time Bangladesh Police have been working relentlessly, as the main front liners amid a lack of adequate safety equipment to provide safety and service to people and to prevent the spread of coronavirus. Due to the lack of safety equipment a significant number of police force have been infected with the virus and sacrifice their life. As per our commitment and to be a part of covid-19 fighters, Premier Cement distributed emergency safety equipment's include Mask, PPE, Hand Gloves and Sanitizer to the authority of Chittagong Customs and Narayanganj Police.



BANGLADESH ECONOMY

CORPORATE

GOVERNANCE

BOARD OF DIRECTORS

AUDIT COMMITTEE

GOING CONCERN

RISKS AND CONCERNS

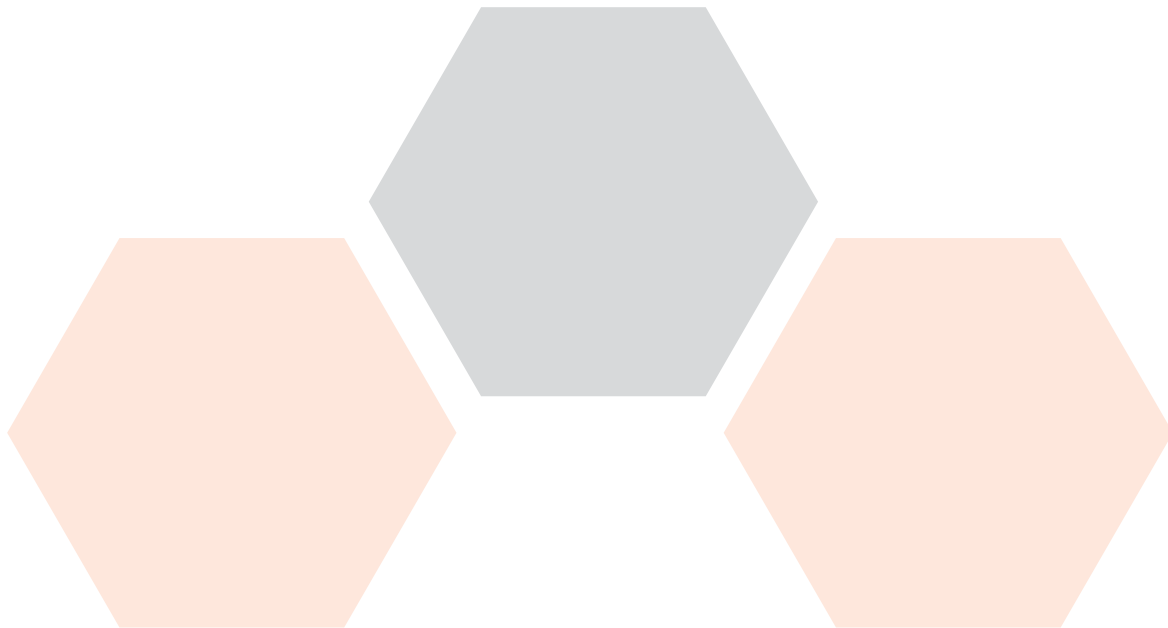
NRC COMMITTEE

RULES AND REGULATIONS

MC COMMITTEE

SAFETY, HEALTH AND ENVIRONMENT ISSUES

STRUCTURE OF THE BOARD





Report of the Board of Directors

In the name of Allah, the Most Gracious, the Most Merciful

Dear shareholders,
AssalamuAlaikumWa-Rahmatullah

On behalf of the Board of Directors and Management, we welcome you all at the 18th Annual General Meeting (AGM) of Premier Cement Mills Limited. In compliance with the provisions of section 184-186 of the Companies Act 1994 and notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated on 3rd June 2018 of the Bangladesh Securities and Exchange Commission (BSEC), we are delighted to place the Directors' Report and Auditor's Report together herewith the Audited Financial Statements of the Company for the year ended June 30, 2020 thereon for your valued consideration, approval and adoption.

Bangladesh Economy:

The unprecedented Covid-19 pandemic has largely unsettled global trade, business, and education and Bangladesh has been equally affected by this contagion. The economic consequences of the Covid-19 outbreak are tough to handle as the entire of the global supply chain has been interrupted due to worldwide transportation shutdown. On the other hand a large number of people live from hand to mouth and have no savings. This large group of people is the ones who are most severely affected amidst this ongoing crisis.

However, it is the positive sign that in the midst of this Corona pandemic, investment in the fiscal year (FY) 2019-20 rose by 10.63 percent year-on-year, the country's Gross Domestic Product (GDP) increased a relatively healthy 5.24 percent and the country's per capita income reaching \$2064. Consumption and savings grew by 9.5 percent and 12 percent respectively during the period. The Bangladesh Bureau of Statistics (BBS) came up with these details in its periodic report on 10 August 2020 (The Business Standard 11 August 2020). The GDP growth that the country saw the last time was in FY 2001-02, which was 4.36 percent, according to data from the BBS. GDP growth was 8.13 percent in FY-19, 7.86 percent in FY-18 and 7.28 percent in FY-17. The growth in the industrial sector among the major sectors fell by almost half from 12.67 percent to 6.48 percent in the last fiscal year. The service sector's growth also slowed to 5.32 percent from 6.78 percent and agriculture saw a 3.11 percent decline from 3.92 percent in FY-19. The manufacturing sector dropped to 5.84 percent from 14.20 percent in the previous fiscal year. According to the BBS, the market value of GDP stood at Tk.27,96,378.2 crore in the last fiscal year. Agriculture contributed 13.02 percent, industry 31.13 percent and services 55.86 percent. According to the report, for the first time, the country's per capita income (GNI) has increased by 8.12 percent to \$2,064, which is equivalent to Tk.1,74,888. Per capita income was \$1,909 in FY-19 and \$1,751 in FY-18. The public and private sectors together invested BDT 887,988 crore in the last fiscal year, according to the BBS, which is 10.63 percent higher than that in the previous fiscal year. A total of 31.75 percent of GDP has been invested –

the highest in the history of the country. In FY-20, private investment grew to 23.63 percent from 23.54 percent in FY-19, while public investment rose to 8.12 percent from 8.03 percent. Savings rose by 12.26 percent to Tk.8,419,65.1 crore. In the last fiscal year, Gross National Savings increased from 29.50 percent of the GDP to 30.11 percent. This rate of savings is also the highest in history.

Cement Industry scenario:

The Bangladeshi cement and construction industries have been directly and indirectly affected by the ongoing measures taken by the country's government to control the spread of the coronavirus pandemic. The country has been on holiday from the 26th of March 2020 to 30th May 2020 and it impacted the cement supply chain and continue to disrupt the implementation of large projects including the Padma Bridge, Rooppur nuclear power plant, Matarbari power plant, Karnaphuli river tunnel and Dhaka metro rail according to local media reports. One of the reasons for the suspension of construction works, is that neither foreign nor local employees can work under the prevailing situation, which will definitely slow down the progress of the projects.

Bangladesh cement industry is one of the fastest-growing cement markets in the world and has observed double-digit growth over the last decade. The per capita cement consumption has also increased following the trend from 95 kg (2011) to 200kg in 2020. This massive growth of the cement industry was backed by the massive infrastructure investment by the government, growing remittance income, rising urban population, and impressive GDP growth.

Since the outbreak of the recent COVID-19, global economy has been significantly affected and consequently the Bangladesh economy will have to follow the same fate. This implies that just like the Garments sector; Cement production will also suffer a major drawback amidst the global crisis. Unlike the Garments sector, the cement industries are mostly local sales based. This implies a kind of similar but different challenge for the market to recover from the current crisis.

Following the global spread of the Coronavirus, Bangladesh experienced its first case on 8th March 2020. No significant effect was observed on February and March was a real success in terms of sales for most of the local and multinational cement companies. Had there been no occurrence of this pandemic, April could have been another very high yielding month for all of the major players. But it eventually turned out to be a complete disaster after the pandemic took its full toll. At the start of April, the industry reported around 60%-65% reduction in cement production as the sales had plummeted from 25 lakh bags daily sale to only 5 lakh bags.

Since the industry is 100% import based, banking and port operations play key roles for the import and supply of raw materials. The recent government enforced country-wide lockdown has limited the bank operations which is limiting the transactional capacity of the Importers. Importers are restricted from opening new LC (Letter of Credit) or debenture for importing essential raw materials from abroad. Limited hours banking, limited resources in Customs and Port Operation, higher turn-around time in local logistics altogether had made the tasks very dismaying overall.

Premier Cement during COVID-19 Outbreak:

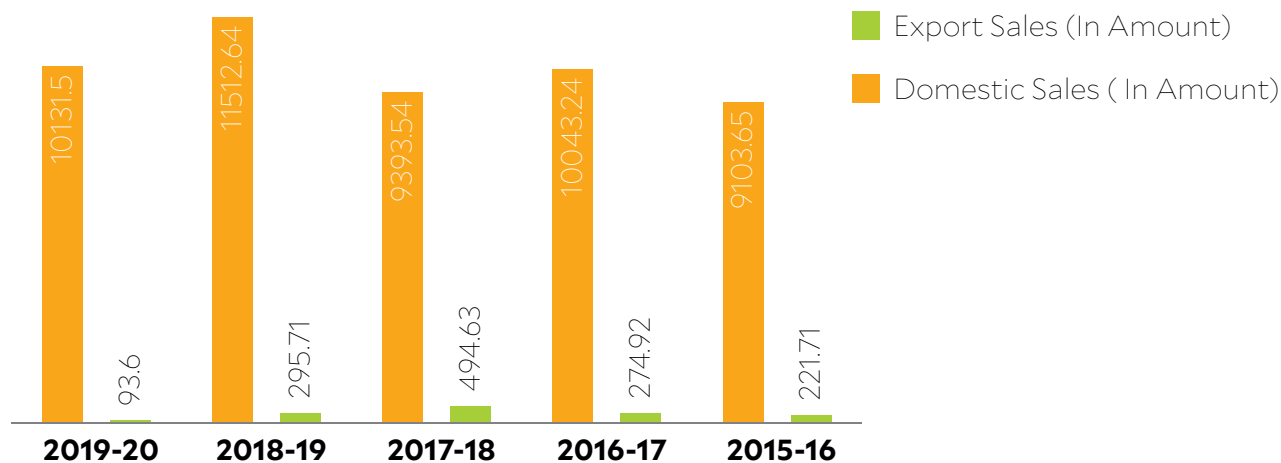
Amidst the outbreak of the ongoing pandemic, a few companies have shown relatively better performances and were able to somehow address the crisis. Although the stock price of most companies have dropped significantly, Premier Cement Mills Ltd is one of few companies in the country whose stock price have increased. Seven companies in the cement sector are listed on the stock exchange, among which two are multinational companies. Six out of the seven companies including the two multinationals have lost bids in the corona outbreak. However, Premier Cement is the only company in the list which have gone against this trend and have been able to raise their stock prices. The performance of Premier Cement during the ongoing crisis has been quite satisfactory and should encourage other companies to handle the crisis in a better way.



VRM Mill
Model: OK™ 54-6
Capacity: 460 MT/hour
&
VRM Mill
Model: OK™ 39-4
Capacity: 270 MT/hour

Segment wise standalone Performance:

We believe Premier Cement Mills limited could have achieved greater sales revenue growth in these years. In spite of the many obstacles in this year, we have achieved a positive outcome in terms of sales volume from standalone point of view and our strong financials indicate more well-off position in our current business operation. Comparative standalone sales can be found in the following chart”



Risks and Concerns:

The details of risks and concerns of the Company are discussed in 'Risk Management and Control Environment's on page no 97 in this annual report.

Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:

The details discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin of the Company are discussed in Section "The Management Discussion & Analysis" on page no 43 of this annual report.

Discussion on Continuity of any Extra-Ordinary gain or loss:

There was no extra-ordinary gain or loss during the mentioned period.

Related Party Transaction:

In the FY -2019-20, a number of transactions with related parties were carried out in the normal course of business on an arm's length basis. In note 35 of consolidated financial statements, a brief description of related party transaction is given including names of the respective related parties, nature of relationship with them, nature of those transactions and their values in amount.

IPO Fund Utilization:

No IPO was made in the financial year 2019-20.

Safety, Health and Environment Issues:

Ensuring healthy and safe working conditions for employees is one of the most important issues to consider for the cement industry. Premier Cement takes all possible measures to ensure that all its employees as well as communities within which it operates remain safe at all times. Company's safety measures, continuous risk assessment policy ensures a healthy and hazard free work environment for all employees in the workplace. Moreover, we comply with zero tolerance policy in sacrificing our community's health issues as we firmly believe that we all are integral part of the society. Environment preservation is therefore one of our top agendas. Premier Cement is a certified Company from the Department of Environment, Government of People's Republic of Bangladesh and has been successfully abiding by all the laws and regulations exerted by the above mentioned authority.

An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.

There was no deterioration of financial results during the period under review after the above mentioned events.

Quarterly disclosed financial performance and Annual financial performance:

As stipulated by law, the Company is required to publish the report of its 1st, 2nd and 3rd quarterly financial performance and the yearly performance are indicated in the following table:

Quarterly performance- PCML (Stand Alone)

Tk in Mio

Particulars	Q-1	Q-2	Q-3	Q-4	2019-2020
Revenue	2,558.37	2,733.82	3,184.73	1,983.67	10,460.67
Gross Profit	380.03	466.47	354.4	249.05	1,449.98
Profit from operation	289.07	357.29	237.11	107.06	990.55
Profit before tax	129.49	183.59	82.55	(101.58)	294.05
Profit after tax	28.17	64.10	8.33	124.83	225.44
Total assets	19,544.96	19,369.95	20,305.17	21,463.03	21,463.03
Total liability	14,845.28	14,606.16	15,533.05	16,566.08	16,566.08
Total equity	4,699.68	4,763.78	4,772.12	4,896.95	4,896.95
EPS	0.27	0.61	0.18	1.08	2.14
NVA per share	44.57	45.18	45.25	46.44	46.44
NOCFPS	1.44	1.37	2.75	3.71	6.46

Significant variance between Quarterly Financial performance and Annual Financial Statement.

The Company was successfully able to maintain a remarkable performance in both operational and financial perspective throughout the period. The Company recorded quarterly revenue was Tk. 2,558.37 million Tk. 2,733.88 million 3,184.74 and 1,983.67 respectively from Q-1, Q-2, Q-3 and Q-4. At the end of the Q-4 revenue decreased by Tk. 574.70 million or 22.46% from first quarter. The quarterly EPS were BDT 0.27, BDT 0.61, BDT 0.18, BDT 1.08 respectively. Due to the emergence of covid-19 pandemic, the government imposed lockdown from 26 March 2020 to 30 May 2020 in order to stop the spread of the virus which directly affected the business performance. The company was able to restore only 18.96 Per cent production in the fourth quarter.

Remuneration of Directors:

Mr. Mohammad Mustafa Haider and Mr. Mohammed ErshadulHoque, Members of our Board of Directors are working diligently and sincerely for the Company. Mr. Mustafa Haider is looking after the Sales and Marketing division and Mr. ErshadulHoque is responsible for the overall operation. Each of them receives a yearly remuneration of BDT 12,00,000/- (Twelve lacs). None of other BoD members including independent directors receive any remuneration or benefits from the Company other than BoD meeting attendance fee.

Internal control and adequacy of Audit Committee:

Our Company has a well-defined internal control system to support efficient business operations and statutory compliance. External Auditors carry out concurrent audit of financials which adds to the stability of the entire internal control systems. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides transparency at every stage of operation.

The Company has a strong system of budgetary control which covers all aspects of operations, finance and capital expenditure at a macro level by a monthly basis reporting directly to top management. Financial performances and efficiency parameters are monitored periodically and actions are taken then

and there. Currently, our Audit Committee consists of the following Directors:

- * M. MahfuzurRahman - Chairman
- * Fakhrul Islam - Member
- * Mohammed ErshadulHoque - Member

Going concern:

Going concern is one of the fundamental assumptions of accounting on the basis of which financial statements are prepared. According to going concern a business will continue its business for the foreseeable future without the need or intention on part of management to liquidate the entity or to significantly curtail its operational activities.

Our Company has adequate resources to continue its operation for the foreseeable future. Thus the directors are of the opinion that the Company is a going concern; and its financial statements are prepared on a going concern basis.

Other concern

It is regrettable that a dispute has been arisen between Rupayan Housing Estate Limited and the Company. The Rupayan Housing Estate Limited had agreed to sell an office space of 21,507 sft (11th Floor) and 6 car parking spaces (4 in Basement-1 and 2 in Basement -2) at the Rupayan Trade Centre (a 18 storied building) at Bangla Motor area for Tk. 17,94,07,400.00 (Taka Seventeen Crores Ninety Four Lakhs Seven Thousands Four Hundreds Only). The agreement for sale was duly registered by Registered Deed No. 4169 on 12th May 2010 and the Company paid BDT 12.5 Crore to Rupayan at the time of registration. Subsequently, Rupayan sold the same property to a third party for at a higher price i.e. BDT 20 crores 33 lakhs 13 thousands and 7 hundred. Afterbeing informed of this incident, PCML's authority filed a case in the District and Session Judge Court against Rupayan and applied for imposing restriction on transfer of the said property to any other third party except the plaintiff, (case no.-61/2010.) The District and Session Judge Court on 13.07.2014 gave decree in favour of PCML after hearing of the case. Afterwards Rupayan appealed against the decision but that too went against their favor. Denying the Court verdict, Rupayan gave SubkobraRegistry in favour of the said third party only at a price of Tk. 5 crore, Sales deed no.-4312/15 dated 30.06.2015. Drawing attention to this regard PCML again appealed to DurnityDomon Commission (DUDOK). In a new development Rupayan Housing Estate Limited has handed over a floor space of 17,023 including 6 car parking at Rupayan Shopping Square.

Significant deviation from the last year's operating results and the reasons behind deviations

The detail about significant deviation from the last year's operating results and the reasons behind deviations are discussed in "The Management Discussion & Analysis" on page no-43 of this annual report.

Comparative 5 years' operating, financial data and performance indicator:

Summary of five years' operating, financial data and performance indicator are presented in page no-30 of this Annual Report.

Reserve and Surplus

Consolidated Retained earnings of the Company in FY-2019-20 stood at BDT 3,256.48 million against BDT 3,083.64 million in FY-2018-19. Revaluation reserve stood at 492.31 million as on the year-end 2019-20 against BDT 501.20 as on the corresponding previous period.

Post Balance Sheet Events

1. Subsequent to the Balance Sheet date, the Board of Directors has recommended a cash dividend of 10%.

2. In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world including business locations of the Company has adversely impacted global commercial activities and contributed to significant declines and volatility in financial markets. However, management are ensuring that staffs are trained with safety guidelines provided by Government in this pandemic situation. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. Therefore, the full extent to which coronavirus may impact the Company’s results of operations, liquidity or financial position is uncertain. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Company, its performance, and its financial results.

The number of Board meetings during the FY-2020 and the attendance of the Directors:

During the FY-2019-20, a total of 6 (six) meetings of the board were held. Attendance by the Directors has been summarized in corporate governance report of this annual report page no-85

Pattern of shareholding:

The pattern of shareholding (along with name wise details) of parent/subsidiary/associate companies and other related parties, Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Auditor and their spouse and minor children, executives, shareholders holding 10% or more voting interest in the Company as at 30 June 2020 are duly stated in the following report.

- A) Parent/ Subsidiary/ Associated Company and other related: Nil
- B) Shares held by Chairman/Managing Director/Director their spouses and minor children (name wise details) as on 30 June 2020:

Name of the Directors	Position	Nos. of Shareholding	%	Spouse or Minor Children
Mohammad Mustafa Haider	Chairman	11,473,150	10.88	Nil
Mohammed Amirul Haque	MD	11,599,500	11.00	Nil
Md. Jahangir Alam	Director	10,425,313	9.88	Nil
Md. Alamgir Kabir	Director	4,416,562	4.19	Nil
ANCIENT PROPERTIES LTD Representative By Mr. Mohammed Ershadul Hoque	Director	2,113,500	2.00	Nil
Mohammed Ershadul Hoque Representative By ANCIENT PROPERTIES LTD	Nominated Director	Nil	Nil	Nil
M. Mahfuzur Rahman	Independent Director	Nil	Nil	Nil
Fakhrul Islam	Independent Director	Nil	Nil	Nil

- C) Shares held by Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit & Compliance as on 30 June 2020.

Particulars	Position	Nos. of shareholding	%	Spouse or Minor Children	%
Mr. Md. Shafiqul Islam Talukder	CFO	Nil	Nil	Nil	Nil
Kazi Md. ShafiqurRahman	CS	132	0.0001	Nil	Nil
Mr. Md. Selim Reza, FCA	HolA	Nil	Nil	Nil	Nil

D) Shareholders holding ten percent (10%) or more voting interest in the Company (name wise details) as on 30 June 2020.

Particulars	Position	Nos. of shareholding	%	Spouse or Minor Children	%
Mr. Hasnat MD. Abu Obida	General Shareholder	18,332,500	17.39	Nil	Nil

E) Shareholding of Senior Executives (Top three salaried executives other than CEO, CFO, & HIAC): **Nil whereas** CS has only 132 shares which is 0.0001%.

F) On the other hand the Company (PCML) hold 96% stake in the shares of Premier Power Generation Limited (Subsidiary) and 18.67% stake in the shares of National Cement Mills Limited (NCML) as on the balance sheet date.





Directors Profile:

A brief profile of all directors is provided in the section “Directors profile” of this report on page no-52

CSR Activities:

Since we are conducting our business in a society, we confess that we have some responsibilities towards our society and its welfare. Apart from doing business and making profit, we also engage ourselves for the welfare of the society in which we are operating our business. We carry out regular analysis to find out the most effective way of rendering service to people and to accelerate society’s welfare. After a comprehensive analysis, we finally choose a way to execute our responsibility towards the society. Because of our CSR program not only the people of our society are being benefitted but we are being benefitted as well. It helps us to enhance our corporate image in the society. A summary of sustainable development initiatives and CSR initiatives of the Company during the years is discussed on page-64 of this annual report.

Corporate Governance

To ensure the spirit of the corporate governance with accountability, for inspiring confidence of investors, regulators, financiers and other stakeholders Premier Cement Mills Limited is committed to comply with all the requirements of corporate governance as required by Bangladesh Securities and Exchange Commission (BSEC). Details about the initiatives is discussed in Corporate Governance Report under **Annexure-i**

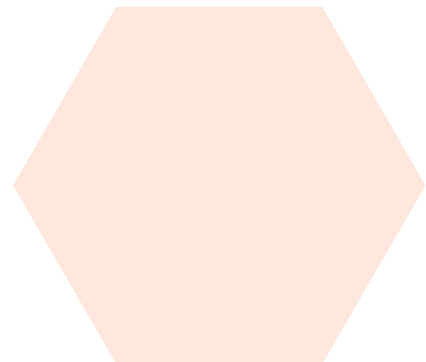
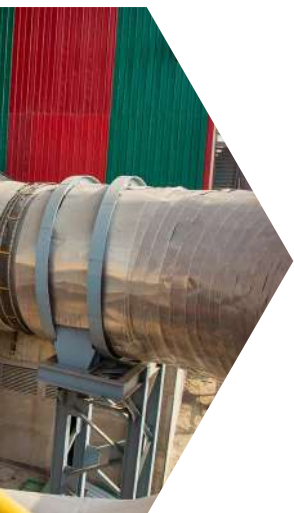
Status of Compliance

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission’s Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated on 3rd June 2018 has been enclosed in **Annexure-X**

Place: Dhaka
Date: 12th November 2020

On behalf of Board

Mohammad Mustafa Haider
Chairman



পরিচালনা পর্ষদের প্রতিবেদন

মহান দয়ালু পরম করুণাময় আল্লাহর নামে।

প্রিয় শেয়ারহোল্ডারগণ,

আসসালামু আলাইকুম ওয়া-রহমাতুল্লাহ।

পরিচালনা পর্ষদ এবং ব্যবস্থাপনার পক্ষ থেকে, প্রিমিয়ার সিমেন্ট মিলস লিমিটেডের ১৮তম বার্ষিক সাধারণ সভায় (এজিএম) আপনাদের সকলকে স্বাগত জানাচ্ছি। কোম্পানী আইন ১৯৯৪ এর ধারা ১৮৪-১৮৬ এর বিধান এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) এর প্রজ্ঞাপন নং: বিএসইসি/সিএমএমআরআরসিডি /২০০৬-১৫৮/২০৭/প্রশা/৮০, তারিখ: ৩ জুন, ২০১৮ এর বিধান মেনে, আপনাদের মূল্যবান বিবেচনা, অনুমোদন এবং গ্রহণের জন্য ৩০ জুন, ২০২০ ইং তারিখের সমাপ্ত বছরের কোম্পানীর নিরীক্ষিত আর্থিক বিবরণীর সাথে পরিচালকবৃন্দের প্রতিবেদন এবং নিরীক্ষকের প্রতিবেদন একত্রে উপস্থাপন করতে পেরে আমরা আনন্দিত।

বাংলাদেশের অর্থনীতি:

অতীতপূর্ব মহামারী কোভিড-১৯ বিশ্বব্যাপী ব্যবসা, বানিজ্য এবং শিক্ষাকে ব্যাপকভাবে অস্থির করে তুলেছে। বাংলাদেশও এই সংক্রামনের দ্বারা সমান ভাবে ক্ষতিগ্রস্ত হয়েছে। কোভিড-১৯ এর প্রাদুর্ভাবের কারণে বিশ্বব্যাপী পরিবহন ব্যবস্থা স্থবির হয়ে পরে, যার ফলে পৃথিবীব্যাপী পণ্য সরবরাহ ব্যবস্থা সম্পূর্ণরূপে ভেঙে পরে। অন্য দিকে পৃথিবীব্যাপী বিপুল সংখ্যক খেটে খাওয়া মানুষ, শ্রমিক, দিন মজুর, যাদের কোন সঞ্চার নেই এই চলমান সংকটের মধ্যে তারা সবচেয়ে বেশি ক্ষতিগ্রস্ত হয়েছেন।

যাই হোক বাংলাদেশ পরিসংখ্যান ব্যুরো প্রকাশিত ১০ আগস্ট ২০২০ ইং প্রতিবেদন অনুযায়ী, এই মহামারীর মধ্যেও ২০১৯-২০২০ অর্থ বছরে বিনিয়োগ বেড়েছে ১০.৬৩ শতাংশ, জিডিপি বেড়েছে দাড়িয়েছে ৫.২৪ শতাংশ, মাথাপিছু আয় বেড়ে দাড়িয়েছে ২,০৬৪ মা: ডলারে এবং সঞ্চয় বেড়েছে ১২ শতাংশ। যেখানে ২০০১-২০০২ অর্থ বছরে জিডিপি প্রবৃদ্ধি ছিল মাত্র ৪.৩৬ শতাংশ যা ২০০১-২০২০ এর মধ্যে সর্বনিম্ন। জিডিপি বৃদ্ধি ২০১৯ অর্থবছরে ছিল ৮.১৩ শতাংশ, ২০১৮ অর্থবছরে ৭.৮৬ শতাংশ এবং ২০১৭ সালে ৭.২৮ শতাংশ। এদিকে শিল্প খাতের প্রবৃদ্ধি গত অর্থবছরের প্রায় অর্ধেক কমে ১২.৬৮ শতাংশ থেকে ৬.৪৮ শতাংশ নেমেছে, সেবা খাতে প্রবৃদ্ধি হয়েছে ৫.৩২ শতাংশ যা পূর্ববর্তী বছরে ছিল ৬.৭৮ শতাংশ, কৃষি খাতে প্রবৃদ্ধি হয়েছে ৩.১১ শতাংশ যা আগের বছর ছিল ৩.৯২ শতাংশ। উৎপাদন খাত ১৪.২০ শতাংশ থেকে কমে হয়েছে ৫.৮৪ শতাংশ। বিবিএস প্রতিবেদন অনুযায়ী জিডিপির বাজার মূল্য দাড়িয়েছে ২৭.৯৬ ট্রিলিয়ন টাকা। জিডিপিতে কৃষির অবদান ১৩.০২ শতাংশ, শিল্প খাতের ৩১.১৩ শতাংশ এবং সেবা খাতে থেকে আয় ৫৫.৮৬ শতাংশ প্রতিবেদনে আরও বলা হয় দেশে প্রথম বারের মতো মাথাপিছু আয় ৮.১২ শতাংশ বৃদ্ধি পেয়ে ২,০৬৪ মা: ডলারে দাড়িয়েছে, যা বাংলাদেশী মুদ্রায় ১,৭৪,৮৮৮ টাকার সমান।

মাথাপিছু আয় ২০১৯ ইং অর্থবছরে ছিল ১,৯০৯ মা: ডলার এবং ২০১৮ অর্থবছরে ছিল ১,৭৫১ মা: ডলার। বিগত বছর সরকারী ও বেসরকারী খাতে একসাথে বিনিয়োগ বেড়েছে ১০.৬৩ শতাংশ যার বাজার মূল্য ৮.৮৮ ট্রিলিয়ন টাকা। যা দেশের ইতিহাসে সর্বোচ্চ। ২০২০ অর্থবছরে বেসরকারী বিনিয়োগ ২৩.৫৪ থেকে বেড়ে ২৩.৬৩ শতাংশ হয়েছে এবং সরকারী বিনিয়োগ ৮.০৩ থেকে বেড়ে ৮.১২ শতাংশ দাড়িয়েছে। সঞ্চয়পত্র ১২.২৬ শতাংশ বেড়ে দাড়িয়েছে ৮.৪২ ট্রিলিয়ন টাকা। গত বছর মোট জাতীয় সঞ্চয় ২৯.৫০ শতাংশ থেকে বেড়ে ৩০.১১ শতাংশ দাড়িয়েছে। এই হার দেশের ইতিহাসে সর্বোচ্চ।

সিমেন্ট শিল্প এবং এর ভবিষ্যত:

দেশের চলমান মহামারী "করোনা ভাইরাস" ছড়িয়ে পড়া নিয়ন্ত্রনে সরকার কর্তৃক যে সকল ব্যবস্থা গ্রহণ করা হয়েছে তা প্রত্যক্ষ ও পরোক্ষভাবে বাংলাদেশের সিমেন্ট ও নির্মাণ শিল্পসমূহকে ক্ষতিগ্রস্ত করেছে। সরকার করোনা মহামারী নিয়ন্ত্রনে ২৬ ই মার্চ ২০২০ থেকে ৩০ মে ২০২০ পর্যন্ত সাধারণ ছুটি ঘোষণা করেছিল যা সিমেন্ট সরবরাহকে ব্যাপক ভাবে প্রভাবিত করে এবং দেশের বড় বড় মেগা প্রকল্প যেমন পদ্মা সেতু, রূপপুর পারমাণবিক বিদ্যুৎ কেন্দ্র, কর্ণফুলী ট্যানেল এবং ঢাকা মেট্রোরেল সহ চলমান সকল উন্নয়ন প্রকল্পকে বাধাগ্রস্ত করেছে। বাংলাদেশের সিমেন্ট শিল্প বিশ্বের দ্রুত বর্ধনশীল সিমেন্টের বাজার গুলির মধ্যে অন্যতম। গত দুই দশক ধরে এই খাতের প্রবৃদ্ধি দু-অঙ্কে বিরাজ করছিল। মাথাপিছু সিমেন্টের ব্যবহার গত বছর ছিল ২০০ কেজি যা ২০০২ সালে ছিল মাত্র ৯৫ কেজি। এই ব্যাপক প্রবৃদ্ধির অন্যতম কারণ হল, সরকারের অবকাঠামো উন্নয়নে বিনিয়োগ, ক্রমবর্ধমান বৈদেশিক আয়, ক্রমবর্ধমান নগরায়ণ, জিডিপি প্রবৃদ্ধি ইত্যাদি।

সাম্প্রতিক সময়ে কোভিড-১৯ এর প্রাদুর্ভাবের ফলে বিশ্ব অর্থনীতিতে উল্লেখযোগ্যভাবে নেতিবাচক প্রভাব পরেছে, যা বাংলাদেশের অর্থনীতিকে ও সমানভাবে প্রভাবিত করেছে। এই বৈশ্বিক সংকটের ফলে অন্যান্য সবশিল্পের মতই সিমেন্ট উৎপাদন ও অসুবিধায় পরেছে। যদিও সিমেন্ট শিল্পগুলি বেশির ভাগ স্থানীয় বিক্রয় নির্ভর, তবুও বর্তমান সঙ্কট থেকে উত্তরন সিমেন্ট ও অন্যান্য সেক্টরের চ্যালেঞ্জ গুলো অনেকাংশে একই রকম।

করোনাভাইরাস বিশ্বব্যাপী ছড়িয়ে যাওয়ার পর, বাংলাদেশে ০৮ই মার্চ ২০২০ প্রথম এই ভাইরাস এর রোগী সনাক্ত হয়। যার কারণে ফেব্রুয়ারি ও মার্চ মাস পর্যন্ত দেশীয় ও বহুজাতিক কোম্পানি গুলোর বিক্রয়ে কোন উল্লেখ যোগ্য প্রভাব লক্ষ্য করা যায়নি। যদি এই মহামারী না হতো তবে এপ্রিল মাসটি সিমেন্টের বিক্রয়ের জন্য একটি ভাল মাস হতে পারত। এপ্রিল মাসের শুরুতে সিমেন্ট এর উৎপাদন প্রায় ৬০%-৬৫% কমে গেছে এবং সামগ্রিক বিক্রয় ২৫ লক্ষ মে: টন থেকে ৫ লক্ষ মে: টন নেমে এসেছে।

যেহেতু এই শিল্পটি ১০০% কাঁচামাল আমদানি নির্ভর সেহেতু কাঁচামাল আমদানিতে ব্যাংকিং এবং বন্দর কার্যক্রম একটি গুরুত্বপূর্ণ ভূমিকা রাখে। সরকার দেশব্যাপী লকডাউন ঘোষণা করার ফলে ব্যাংকিং কার্যক্রমও অতিমাত্রায় সীমিত করা হয়েছে, যা আমাদানিকারকদের লেনদেনকে সীমিত করতে বাধ্য করেছে।

আমদানিকারকদের প্রয়োজনীয় কাঁচামাল আমদানির জন্য নতুন এলসি খোলার উপর নিষেধাজ্ঞা ছিল। সীমিত ব্যাংকিং কার্যক্রম, সীমিত ক্রেতা এবং সীমিত বন্দর কার্যক্রম, সীমিত যোগাযোগ সুবিধা সামগ্রিক কার্যক্রমকে ব্যাপক ভাবে ক্ষতিগ্রস্ত করেছে।

কোভিড-১৯ এর প্রাদুর্ভাব এর সময় প্রিমিয়ার সিমেন্ট

চলমান মহামারীর প্রাদুর্ভাব এর মধ্যে খুব কম সংখ্যক কোম্পানি ভাল ফলাফল দেখিয়েছে এবং সঙ্কট মোকাবিলা করতে সক্ষম হয়েছে। যেখানে উল্লেখযোগ্য হারে বেশিভাগ কোম্পানির শেয়ারের দাম কমেছে সেখানে প্রিমিয়ার সিমেন্ট মিলস লিমিটেড সল্প সংখ্যক কোম্পানিগুলোর মধ্যে রয়েছে যাদের শেয়ারের দাম এই মহামারীর সময়েও বেড়েছে। শেয়ার বাজারে মোট তালিকাভুক্ত সিমেন্ট কোম্পানির সংখ্যা সাতটি যার মধ্যে দুটি রয়েছে বহুজাতিক কোম্পানি। এই করোনা প্রাদুর্ভাবের কারণে সাতটি কোম্পানির মধ্যে ছয়টি কোম্পানিরই শেয়ারের দাম কমেছে কিন্তু প্রিমিয়ার সিমেন্টই একমাত্র কোম্পানি যাদের শেয়ারের দাম বেড়েছে। পরিশেষে এই কথা বলা যায় যে, এই চলমান মহামারীর সময়েও প্রিমিয়ার সিমেন্ট এর কার্যক্রম তুলনামূলক বেশ সন্তোজনক ভাবে পরিচালিত হয়েছে যা হতে পারে অন্য অনেক কোম্পানির জন্য অনুপ্রেরণার উৎস।

কোম্পানীর স্বতন্ত্র পারফরমেন্স:

আমরা বিশ্বাস করি যে, প্রিমিয়ার সিমেন্ট মিলস লিমিটেড নিম্ন লিখিত বছরগুলোতে বৃহত্তর বিক্রয় রাজস্ব প্রবৃদ্ধি অর্জন করেছে। আলোচ্য বছরে অনেক প্রতিবন্ধকতা সত্ত্বেও, বিক্রয় পরিমানের দিক থেকে আমরা একটি ইতিবাচক ফলাফল অর্জন করেছি এবং আমাদের মজবুত আর্থিক অবস্থান বর্তমান ব্যবসায়িক কার্যক্রমের সফলতা প্রমাণ করে।

বছর	দেশজ বিক্রয় (মেট্রিক টন)	রপ্তানী বিক্রয় (মেট্রিক টন)	অর্থ পরিমাণ (মিলিয়ন)	বৃদ্ধি %
২০১৫-২০১৬	১,৩৫১,৯৩৭	৩৮,২৯০	৮,৩৬৯.৪১	১৭.৩৩%
২০১৬-২০১৭	১,৫৮৩,১৪৯	৪৯,৪২৮	৯,২৬৫.৬৮	১০.৭১%
২০১৭-২০১৮	১,৫৯৩,৩৬৬	৮৭,৮৩৪	৯,৯৮১.৩৩	৭.৭২%
২০১৮-২০১৯	১,৮১৪,০৭২	৪৯,৭৪৬	১১,৮০৮.২১	১৮.৩০%
২০১৯-২০২০	১,৬০৭,০৬৬	১৫,৭২০	১০,২২৫.১০	(১১.৯৯%)

ঝুঁকি এবং উদ্বেগ:

কোম্পানীর ঝুঁকি এবং উদ্ভিদতার বিস্তারিত ভাবে এই বার্ষিক প্রতিবেদনের : ৯৭ নং পৃষ্ঠা এর মধ্যে ঝুঁকি ব্যবস্থাপনা এবং পরিবেশ নিয়ন্ত্রণ এ আলোচনা করা হয়েছে।

বিক্রিত পণ্য মূল্য, মোট মুনাফা এবং নীট মুনাফা সম্পর্কিত আলোচনা:

বিক্রিত পণ্যের মূল্য, মোট মুনাফা এবং নীট মুনাফা সম্পর্কিত বিস্তারিত আলোচনা এই বার্ষিক প্রতিবেদনের : ৪৩ নং পৃষ্ঠায় “ পরিচালনা বিশ্লেষণ আলোচনা ” অংশে আলোচিত হয়েছে।

অস্বাভাবিক লাভ ও ক্ষতির ধারাবাহিকতার উপর আলোচনা:

এই সময়ের মধ্যে কোন অস্বাভাবিক লাভ ও ক্ষতি ছিল না।

সম্পর্কযুক্ত পক্ষ সম্পর্কিত লেনদেন :

২০২০ অর্থ বছরে সম্পর্কযুক্ত রিলেটেডপার্টি সমূহের সাথে স্বাভাবিক ব্যবসায়িক কার্যক্রমে অনেকগুলো লেনদেন সাধিত হয়। সম্মিলিত আর্থিক বিবরণীর নোট : ৩৫ তে সম্পর্কিত রিলেটেডপার্টি সমূহের নাম, তাদের সাথে সম্পর্কের প্রকৃতি, উক্ত লেনদেন সমূহের প্রকৃতি এবং অর্থে তাদের মূল্যমানসহ সংক্ষিপ্ত ব্যাখ্যা প্রদত্ত হয়েছে।

আইপিও তহবিল ব্যবহার:

২০১৯-২০২০ অর্থবছরে আইপিও মাধ্যমে কোন মূলধন সংগ্রহ করা হয়নি।

নিরাপত্তা, স্বাস্থ্য এবং পরিবেশ বিষয়বলী :

কর্মচারীগণের জন্য স্বাস্থ্যকর ও নিরাপদ কার্য পরিবেশ নিশ্চিত করা হচ্ছে সিমেন্ট শিল্পের জন্য গুরুত্বপূর্ণ বিষয় সমূহের একটি। প্রিমিয়ার সিমেন্ট সর্বদা ইহার পরিচালন ক্ষেত্রে কর্মচারী এবং আশেপাশের জনগনকে নিরাপদ রাখার সম্ভাব্য ব্যবস্থা সমূহ নিশ্চিত করে। কোম্পানীর নিরাপত্তা ব্যবস্থা সমূহ, ধারাবাহিক ঝুঁকি নিরূপন নীতি কার্যক্ষেত্রে সকল কর্মচারীদের জন্য স্বাস্থ্যকর ও ঝুঁকিমুক্ত কার্য পরিবেশ নিশ্চিত করে। অধিকন্তু আমরা আমাদেরকে সমাজের অবিরোধিতা অঙ্গ মনে করি, কমিউনিটির স্বাস্থ্য বিষয়ে শূন্য সহনশীল নীতি মেনে চলি। পরিবেশ সংরক্ষণ হচ্ছে আমাদের শীর্ষ এজেন্ডা সমূহের একটি। পরিবেশ অধিদপ্তর, গণপ্রজাতন্ত্রী বাংলাদেশ সরকার কর্তৃক নির্ধারণকৃত সকল আইন ও বিধিমালা পালনের মাধ্যমে উক্ত প্রতিষ্ঠান থেকে প্রিমিয়ার সিমেন্ট সনদপ্রাপ্ত।

কোম্পানী প্রারম্ভিক গণ প্রস্থাব (আইপিও), পুনঃ গণ প্রস্থাব (আরপিও), রাইটস অফার, সরাসরি লিস্টিং ইত্যাদির পর আর্থিক ফলাফলে অবনতি/ক্ষয় ঘটা সম্পর্কিত ব্যাখ্যা।

উপর্যুক্ত ক্ষেত্রে পর্যালোচনায়ীন মেয়াদে আর্থিক ফলাফলের কোন প্রকার অবনতি হয় নি।

ত্রৈমাসিক ভিত্তিতে প্রকাশিত ২০১৯-২০২০ অর্থবছরের আর্থিক প্রতিবেদন

আইন মোতাবেক, কোম্পানীকে এর ১ম, ২য় এবং ৩য় ত্রৈমাসিক ও বাৎসরিক আর্থিক কর্মদক্ষতা প্রতিবেদন প্রকাশ করতে হয় যা নিম্নের টেবিলে প্রদত্ত হলো।

এককভাবে প্রিমিয়ার সিমেন্টের ফলাফল

টাকা মিলিয়নে

বিবরণ	ত্রৈমাসিক-১	ত্রৈমাসিক-২	ত্রৈমাসিক-৩	ত্রৈমাসিক-৪	২০১৯-২০২০
বিক্রয়	২৫৫৮.৩৭	২৭৩৩.৮২	৩১৮৪.৭৩	১৯৮৩.৬৭	১০,৪৬০.৬৭
মোট মুনাফা	৩৮০.০৩	৪৬৬.৪৭	৩৫৪.৪০	২৪৯.০৫	১,৪৪৯.৯৮
সুদ এবং কর পূর্ববর্তী মুনাফা	২৮৯.০৭	৩৫৭.২৯	২৩৭.১১	১০৭.০৬	৯৯০.৫৫
কর পূর্ব মুনাফা	১২৯.৪৯	১৮৩.৫৯	৮২.৫৫	(১০১.৫৮)	২৯৪.০৫
কর পরবর্তী মুনাফা	২৮.১৭	৬৪.১০	৮.৩৩	১২৪.৮৩	২২৫.৪৪
মোট সম্পদ	১৯,৫৪৪.৯৬	১৯,৩৬৯.৯৫	২০,৩০৫.১৭	২১,৪৬৩.০৩	২১,৪৬৩.০৩
মোট দায়	১৪,৮৪৫.২৮	১৪,৬০৬.১৬	১৫,৫৩৩.০৫	১৬,৫৬৬.০৮	১৬,৫৬৬.০৮
মোট মালিকানাধীন(ইকুইটি)	৪,৬৯৯.৬৮	৪,৭৬৩.৭৮	৪,৭৭২.১২	৪,৮৯৬.৯৫	৪,৮৯৬.৯৫
শেয়ার প্রতি আয়	০.২৭	০.৬১	০.১৮	১.০৮	২.১৪
শেয়ার প্রতি নীট সম্পতি	৪৪.৫৭	৪৫.১৮	৪৫.২৫	৪৬.৪৪	৪৬.৪৪
শেয়ার প্রতি নীট নগদ প্রবাহ	১.৪৪	১.৩৭	২.৭৫	৩.৭১	৬.৪৬

ত্রৈমাসিক এবং বার্ষিক কর্মদক্ষতা প্রতিবেদনের মাঝে উলেখযোগ্য পার্থক্যঃ

বিগত অর্থবছর পরিচালনা এবং আর্থিক দৃষ্টিকোন থেকে কোম্পানী কার্যক্ষেত্রে উৎকর্ষতা প্রদর্শনে সফল ও সক্ষম হয়েছে। কোম্পানির প্রথম, দ্বিতীয়, তৃতীয় এবং চতুর্থ ত্রৈমাসিক সময়ে বিক্রয় রেকর্ড করা হয়েছে যথাক্রমে ২,৫৫৮.৩৭ মিলিয়ন, ২,৭৩৩.৮২ মিলিয়ন, ৩,১৮৪.৭৩ মিলিয়ন এবং ১,৯৮৩.৬৭ মিলিয়ন টাকা। বছরের শেষে চতুর্থ ত্রৈমাসিক সময়ে কোম্পানির বিক্রয় প্রথম ত্রৈমাসিক থেকে কমেছে ৫৭৪.৭০ মিলিয়ন বা ২২.৪৬ শতাংশ। ত্রৈমাসিকগুলোতে শেয়ার প্রতি আয় ছিল যথাক্রমে ০.২৭ টাকা, ০.৬১ টাকা, ০.১৮ টাকা এবং ১.০৪ টাকা। করোনা ভাইরাস এর প্রাদুর্ভাব যাতে ব্যাপকভাবে ছড়িয়ে যেতে না পারে সে জন্য সরকার সারাদেশে ২৬ মার্চ ২০২০ থেকে ৩০ মে ২০২০ পর্যন্ত লকডাউন বা সাধারণ ছুটি ঘোষনা করে যা সরাসরি ব্যবসায়িক কার্যক্রমকে বাধাগ্রস্ত করে। যার ফলে কোম্পানি চতুর্থ ত্রৈমাসিকে শুধুমাত্র ১৮.৯৬ শতাংশ উৎপাদন করতে সক্ষম হয়।

পরিচালকগণের পারিশ্রমিক:

জনাব মোহাম্মদ মোস্তফা হায়দার এবং জনাব মোহাম্মদ এরশাদুল হক, আমাদের পরিচালনা পর্ষদের সদস্য। তারা কোম্পানীর জন্য নিরলস ভাবে আন্তরিকতার সাথে কাজ করছেন। মোহাম্মদ মোস্তফা হায়দার বিক্রয় ও বিপণন দেখাশুনা করছেন আর জনাব এরশাদুল হক সার্বিক অপারেশানের ক্ষেত্রে দায়িত্বপ্রাপ্ত। তাদের প্রত্যেককে বার্ষিক পারিশ্রমিক বাবদ টাকায় ১২,০০,০০০/- (বারো লক্ষ) গ্রহন করেন। নিরপেক্ষ পরিচালকসহ পরিচালনা পর্ষদের অন্য কেউ পরিচালনা পর্ষদের সভায় উপস্থিতির ফি ব্যতিরিক্ত কোম্পানী থেকে কোন প্রকার পারিশ্রমিক অথবা সুবিধাদি গ্রহণ করেন না।

অভ্যন্তরীণ নিয়ন্ত্রণ এবং নিরীক্ষা কমিটির পর্যাপ্ততা:

দক্ষতার সাথে ব্যবসা অপারেশন ও বিধিবদ্ধ নীতি পরিপালনকে সহায়তা প্রদানে আমাদের কোম্পানীর রয়েছে একটি সু-সংজ্ঞায়িত অভ্যন্তরীণ নিয়ন্ত্রণ সিস্টেম। বহিঃ নিরীক্ষা ও অভ্যন্তরীণ নিরীক্ষা যোগপথভাবে আর্থিক বিষয়বলীর নিরীক্ষা কার্যক্রম চালিয়ে যায়, যা সম্পূর্ণ অভ্যন্তরীণ নিয়ন্ত্রণ সিস্টেমের স্থায়িত্বকে যুক্ত করে। কর্তৃপক্ষের যথাযথ চিত্রণে মানানসই অভ্যন্তরীণ যাচাই সকল আর্থিক লেনদেন কভার করতে প্রণয়নকৃত, যা অপারেশানের প্রতিটি স্তরে স্বচ্ছতা প্রদান করে।

কোম্পানীর বাজেটের নিয়ন্ত্রণের একটি টেকসই পদ্ধতি রয়েছে যা শীর্ষ ব্যবস্থাপনাকে সরাসরি মাসিক প্রতিবেদন প্রদানের ভিত্তিতে ক্ষুদ্র পর্যায়ে অপারেশন, অর্থ এবং পুঁজি ব্যয়ের সকল দিক অর্ন্তভুক্ত করে। আর্থিক ক্ষেত্রে উৎকর্ষতা ও দক্ষতা দৈনন্দিন ভিত্তিতে যাচাই বাচাই ও পর্যবেক্ষণ করা হয় এবং প্রয়োজনীয় পদক্ষেপ নেওয়া হয়। বর্তমানে, আমাদের নিরীক্ষা কমিটি নিম্নোক্ত ব্যক্তিবর্গকে নিয়ে গঠিতঃ

জনাব এম. মাহফুজুর রহমান	- নিরপেক্ষ পরিচালক
জনাব ফখরুল ইসলাম	- নিরপেক্ষ পরিচালক
জনাব মোহাম্মদ এরশাদুল হক	- পরিচালক

চলমান নীতি :

চলমান নীতি হচ্ছে হিসাবের মৌলিক ধারণা সমূহের একটি, যার ভিত্তিতে আর্থিক বিবরণী প্রণীত হয়। চলমান নীতি অনুসারে একটি ব্যবসা ইহার কার্যক্রম নিরবচ্ছিন্নভাবে পরিচালনা করে এবং কার্যক্রম সমূহ বন্ধ করা ও উলেখযোগ্য হারে হ্রাস করার কোন অভিপ্রায় ব্যবস্থাপকদের নাই। দূরবর্তী ভবিষ্যতে অপারেশন অব্যাহত রাখারমত আমাদের কোম্পানীর রয়েছে পর্যাপ্ত সম্পদ। তাই আমাদের পরিচালকগণ একমত যে কোম্পানী চলমান নীতি অনুযায়ী চলছে এবং আর্থিক প্রতিবেদন প্রস্তুতে চলমান নীতি অনুসরণ করছে।

অন্যান্য উদ্বেগ

দুঃখের বিষয় যে, রূপায়ন হাউজিং এস্টেট লিমিটেড এবং আমাদের কোম্পানীর মধ্যে একটি আইনগত বিরোধ সৃষ্টি হয়েছে। ১৭,৯৪,০৭,৪০০.০০ (সতেরো কোটি চুরানব্বই লাখ সাত হাজার চারশত) টাকা এর মূল্যে বাংলামটর এলাকায় রূপায়ন ট্রেড সেন্টারে ২১,৫০৭ বর্গফুট (১২ম তলা) আয়তনের অফিস স্পেস এবং ৬টি গাড়ি পার্কিং স্থান বিক্রয় করতে রূপায়ন হাউজিং এস্টেট লিমিটেড এর সাথে চুক্তি স্বাক্ষরিত হয়। বিক্রয় চুক্তিটি ১২ মে ২০১০ ইং তারিখ রেজিস্ট্রিকৃত দলিল নং: ৪১৬৯ মূল্যে যথাযথভাবে রেজিস্ট্রিকৃত। পরবর্তীতে এর থেকে উচ্চ মূল্যে অর্থাৎ ২০ কোটি ৩৩ লাখ ১৩ হাজার ৭ শত টাকায় রূপায়ন একই সম্পত্তি তৃতীয় পক্ষের কাছে বিক্রি করে। ইহা জানার পর রূপায়নের বিপক্ষে প্রিমিয়ার সিমেন্ট কর্তৃপক্ষ জেলা এবং দায়রা জজ আদালতে একটি মামলা দায়ের করে এবং বাদী হাড়া অন্য কোন তৃতীয় পক্ষের কাছে উক্ত সম্পত্তি হস্তান্তরের উপর নিষেধাজ্ঞা আরোপের জন্য আবেদন করে, মামলা নং-৬১/২০১০। মামলার শুনানীর পর জেলা এবং দায়রা জজ আদালত ১৩.০৭.২০১৪ ইং তারিখ আমাদের অনুকূলে ফরমান জারি করেন। তারপর রূপায়ন আদালতের আদেশের বিপক্ষে আপিল করে, কিন্তু ইহা তাদের বিপক্ষে যায়। আদালতের রায় উপেক্ষা করে রূপায়ন উক্ত অফিস স্পেস তৃতীয় পক্ষের অনুকূলে মাত্র ৫ কোটি টাকায় বিক্রয় দলিল নং: ৪৩১২/১৫, তারিখ: ৩০.০৬.২০১৫ মূল্যে সাফ কবলা রেজিস্ট্রি করে দেয়। এই ব্যাপারে প্রতিকারের জন্য দুর্নীতি দমন কমিশন (দুদক) এর কাছে আপিল কর হয়। সর্বশেষ অগ্রগতির তথ্য অনুযায়ী রূপায়ন হাউজিং এস্টেট লিমিটেড রূপায়ন শপিং স্কয়ারে ১৭,০২৩ বর্গফুট আয়তনের অফিস স্পেস এবং ৬টি গাড়ি পার্কিং স্থান কোম্পানির নিকট হস্তান্তর করেছে।

গত বছরের কার্য পরিচালনা ফলাফল থেকে তাৎপর্যপূর্ণ বিচ্যুতি এবং বিচ্যুতির পিছনে কারনসমূহ

গত বছরের কার্য পরিচালনা ফলাফল থেকে তাৎপর্যপূর্ণ বিচ্যুতি এবং বিচ্যুতির পিছনে কারনসমূহ সম্পর্কে বিস্তারিত এই বার্ষিক প্রতিবেদনের ৪৩ নং পৃষ্ঠায় “পরিচালনা বিশ্লেষণ ও আলোচনা” অংশে আলোচিত হয়েছে।

তুলনামূলক ৫ বছরের কার্য পরিচালনা, অর্থনৈতিক উপাত্ত এবং কার্যক্ষমতা সূচক:

৫ বছরের কার্য পরিচালনা, অর্থনৈতিক ডাটা এবং পারফরমেন্স সূচকের সারাংশ এই বার্ষিক প্রতিবেদনের পৃষ্ঠা নং: ৩০ এর মধ্যে উপস্থাপন করা হয়েছে।

সমৃদ্ধি এবং উদ্বৃত্ত

২০১৯ অর্থ বছরের ৩,০৮৩.৬৩ মিলিয়ন আয়ের বিপরীতে ২০২০ অর্থ বছরে কোম্পানীর একীভূত অর্জিত আয়ের পরিমাণ দাড়ায় ৩,২৫৬.৪৯ মিলিয়ন টাকা। পুন: মূল্যায়ন রির্জাভ ২০১৯ সালে ছিল ৫০১.২০ মিলিয়ন যা ২০২০ সালের শেষে ৪৯২.৩১ মিলিয়ন টাকায় এসে দাড়িয়েছে।

স্থিতিপত্র পরবর্তী উল্লেখযোগ্য ঘটনা

- * স্থিতিপত্র পরবর্তী তারিখ, পরিচালনা পর্ষদ ১০% নগদ লভ্যাংশ সুপারিশ করেছেন।
- * ২০২০ সালের জানুয়ারি মাসে, বিশ্ব স্বাস্থ্য সংস্থা করোনা ভাইরাস (কোভিড-১৯) এর ছড়িয়ে পড়াকে একটি বৈশ্বিক মহামারী ও জরুরী আন্তর্জাতিক উদ্বেগের কারণ হিসেবে ঘোষণা করে। যা সারা বিশ্বে ছড়িয়ে পড়ার সাথে সাথে বিশ্বব্যাপী বানিজ্যিক কার্যক্রমে বিরূপ প্রভাব ফেলে। যে কারণে আর্থিক বাজার অস্থির হয়ে পড়ে এবং উল্লেখযোগ্য হারে শেয়ারের দাম হ্রাস পেতে থাকে।

যাইহোক, এই দুর্ঘোণ পরিস্থিতিতে কতৃপক্ষ কর্মকর্তাদের সরকারি নির্দেশনা মোতাবেক স্বাস্থ্যবিধি মেনে চলা নিশ্চিত করেছে। কারোনা মহামারী ও সরকারের উদ্যোগ আন্তর্জাতিক সারবরাহ ব্যবস্থাতে বাধা সৃষ্টি করে যা অনেক শিল্প প্রতিষ্ঠানের উপর নেতিবাচক প্রভাব ফেলেছে। এমতাবস্থায় করোনা প্রভাব কোম্পানীর ব্যবসায়িক কার্যক্রমের ফলাফলসহ তারল্য সমতা এবং আর্থিক অবস্থাকে কতটা প্রভাবিত করবে তা অনুধাবন করা অনিশ্চিত। এই মহামারী অর্থনীতি এবং বাজার ব্যবস্থার উপর দীর্ঘমেয়াদি ব্যাপক নেতিবাচক প্রভাব ফেলতে পারে, যা ফলে বৈশ্বিক অর্থনৈতিক মন্দা দেখা দিতে পারে। করোনার দ্রুত বিস্তার অর্থনীতিতে এর অভিঘাত কতটা প্রকট হবে তা অনুমান করা অসম্ভব করে তুলেছে। তদোপরি, এই মহামারির ফলে কোম্পানির অবস্থা, কর্মক্ষমতা এবং আর্থিক ফলাফলের উপর ঝুঁকিও বৃদ্ধি পাবে।

২০১৯-২০২০ অর্থ বছরের সময়কালে বোর্ড সভার সংখ্যা এবং পরিচালকগণের উপস্থিতি:

২০১৯-২০২০ অর্থ বছরের সময়কালে বোর্ডের মোট ৬ (ছয়) টি সভা অনুষ্ঠিত হয়। পরিচালকগণের উপস্থিতি এই বার্ষিক প্রতিবেদন পৃষ্ঠা নং-৮৫ এর কর্পোরেট পরিচালনা প্রতিবেদনে সারসংক্ষেপ উপস্থাপন করা হয়েছে।

শেয়ারহোল্ডিংএর ধরন:

মূল/সহায়ক/সহযোগী কোম্পানীসমূহের শেয়ার হোল্ডিংএর ধরনে এবং অন্যান্য সংশ্লিষ্ট পক্ষ, পরিচালক, প্রধান নির্বাহী কর্মকর্তা, কোম্পানী সেক্রেটারী, প্রধান অর্থনৈতিক কর্মকর্তা, প্রধান আভ্যন্তরীণ অডিটর এবং তাদের স্বামী/স্ত্রী এবং নাবালক শিশু, নির্বাহী, শেয়ারগ্রহীতাগণ ৩০ জুন ২০২০ ইং তারিখে কোম্পানীতে যে ১০% কিংবা আরো বেশী ভোটের স্বার্থ গ্রহণ করেছেন কিনা তা নিম্নের প্রতিবেদনে যথাযথভাবে বর্ণিত হয়েছে :

চেয়ারম্যান/ব্যবস্থাপনা পরিচালক/পরিচালক/সিএফও/সিএস/এইচওআইএ তাদের স্বামী/স্ত্রী এবং নাবালক শিশু (নাম সহ বিস্তারিত) এবং অন্যান্য সংশ্লিষ্ট পক্ষগণ:					
বিবরণ	পদ	শেয়ারগ্রহণের সংখ্যা	%	স্বামী/স্ত্রী এবং নাবালক শিশু	%
জনাব মোহাম্মদ মোস্তফা হায়দার	চেয়ারম্যান	১১,৪৭৩,১৫০	১০.৮৮	নেই	নেই
জনাব মোহাম্মদ আমিরুল হক	এমডি	১১,৫৯৯,৫০০	১১.০০	নেই	নেই
জনাব মো: জাহাঙ্গীর আলম	পরিচালক	১০,৪২৫,৩১৩	৯.৮৮	নেই	নেই
জনাব মো: আলমগীর কবির	পরিচালক	৪,৪১৬,৫৬২	৪.১৯	নেই	নেই
জনাব মোহাম্মদ এরশাদুল হক	মনোনীত পরিচালক	নেই	নেই	নেই	নেই
জনাব এম. মাহফুজুর রহমান	স্বতন্ত্র পরিচালক	নেই	নেই	নেই	নেই
জনাব ফখরুল ইসলাম	স্বতন্ত্র পরিচালক	নেই	নেই	নেই	নেই
জনাব মো: শফিকুল ইসলাম তালুকদার	সিএফও	নেই	নেই	নেই	নেই
কাজী মো: শফিকুর রহমান	সিএস	২০০	০.০০০২	নেই	নেই
জনাব মো: সেলিম রেজা	এইচওআইএ	নেই	নেই	নেই	নেই
মূল কিংবা সহায়ক কিংবা সহযোগী কোম্পানীসমূহ এবং অন্যান্য সংশ্লিষ্ট পক্ষ	নেই	নেই	নেই	নেই	নেই
চেয়ারম্যান/ব্যবস্থাপনা পরিচালক/পরিচালক/সিএফও/সিএস/এইচওআইএ ছাড়া কোম্পানীতে নাম সহ বিস্তারিত) শেয়ারগ্রহীতাগণ ১০% কিংবা আরো বেশী ভোটের স্বার্থ গ্রহণ করেছেন					
বিবরণ	পদ	শেয়ারগ্রহণের সংখ্যা	%	স্বামী/স্ত্রী এবং নাবালক শিশু	%
জনাব হাসনাত মো: আবু ওবায়দা	শেয়ারহোল্ডার	১৮,৩৩২,৫০০	১৭.৩৯	নেই	নেই
নির্বাহী (সিইও, সিএফও, সিএস, এইচওআইএ ছাড়া পাটজন উচ্চ বেতনভোগী ব্যক্তি)	নেই	নেই	নেই	নেই	নেই

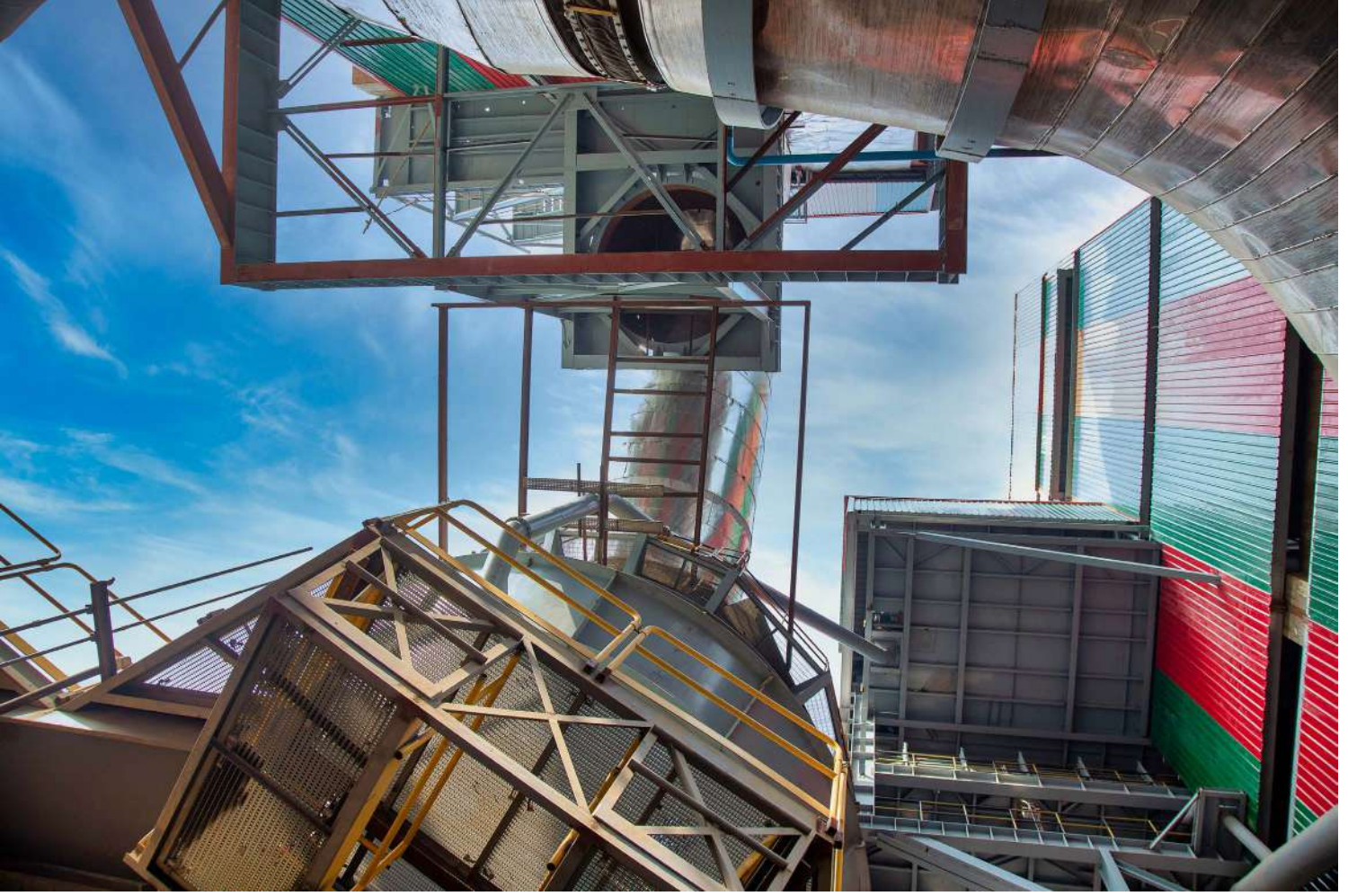
অপরপক্ষে, স্থিতিপত্রের তারিখে কোম্পানী (পিসিএমএল) প্রিমিয়ার পাওয়ার জেনারেল লিমিটেডের (সহায়ক) শেয়ারের ৯৬% সত্ত্ব (ধারণ) বিদ্যমান এবং ন্যাশনাল সিমেন্ট মিলস লিমিটেড (এনসিএমএল) এর শেয়ারের ১৮.৬৭% সত্ত্ব (ধারণ) বিদ্যমান।

পরিচালকগণের প্রোফাইল:

এই প্রতিবেদনের পৃষ্ঠা নং-৫২ এর মধ্যে “পরিচালকগণের প্রোফাইল” অংশে সকল পরিচালকগণের একটি সংক্ষিপ্ত প্রোফাইল প্রদান করা হয়েছে।

সিএসআর কার্যক্রম:

যেহেতু এই সমাজে আমরা আমাদের ব্যবসা পরিচালনা করছি, আমরা স্বীকার করছি যে, গোটা সমাজের এবং এর কল্যাণের প্রতি আমাদের কিছু দায়-দায়িত্ব আছে। ব্যবসা করা এবং মুনাফা অর্জন ছাড়াও, যে সমাজে আমরা আমাদের ব্যবসা পরিচালনা করছি এর সমাজের কল্যাণের জন্যও নিজেদেরকে আমরা যুক্ত করেছি। জনগণকে সেবা প্রদানের জন্য সর্বোত্তম উপায় খুঁজে বের করার জন্য আমরা নিয়মিত বিচার বিশ্লেষণ করি এবং সমাজের কল্যাণ সাধনের জন্য আমরা সার্ভিস অর্থাৎ সেবা প্রদান করে



থাকি। ব্যাপাক বিশ্লেষণের পর, সমাজের প্রতি আমাদের দায়-দায়িত্ব নির্বাহ করার জন্য আমরা সর্বোত্তম বেছে নিয়েছি। আমাদের সিএসআর কর্মসূচীর জন্য কেবলমাত্র আমাদের সমাজের লোকজনই লাভবান হচ্ছেন না, আমরাও লাভবান হচ্ছি। ইহা সমাজে আমাদের কর্পোরেট ভাবমূর্তিকে বৃদ্ধিতে সহায়তা করছে। আলোচনা সময়কালে কোম্পানীর টেকসই উন্নয়ন উদ্যোগ এবং সিএসআর উদ্যোগের একটি সারাংশ এই বার্ষিক প্রতিবেদনের টেকসই উন্নয়ন প্রতিবেদন পৃষ্ঠা ৬৪ এ আলোচনা করা হয়েছে।

কর্পোরেট পরিচালনা:

বিনিয়োগকারী, নিয়ন্ত্রণকারী, অর্থায়নকারী সংস্থাসমূহের উৎসাহমূলক আত্মবিশ্বাস সুদৃঢ় করার লক্ষ্যে জবাবদিহিতা সহ কর্পোরেট প্রমোশনের চেতনা নিশ্চিত করতে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) এর শর্ত অনুসারে কর্পোরেট পরিচালনার সকল করণীয় দ্বার আন্তরিকতার সাথে মেনে চলতে প্রিমিয়ার সিমেন্ট মিলস লিমিটেড অঙ্গীকারাবদ্ধ। উদ্যোগ সম্পর্কে বিস্তারিত সংযোজনী-৭৮ এর অধীনে কর্পোরেট পরিচালনা প্রতিবেদনে আলোচনা করা হয়েছে।

বি,এস,ইসি আরোপিত শর্ত পরিপালনের অবস্থা

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন প্রজ্ঞাপন নং: বিএসইসি/সিএমএমআরআরসিডি/২০০৬-১৫৮/২০৭/প্রশা/৮০, তারিখ: ৩ জুন ২০১৮ কর্তৃক আরোপিত শর্তাবলীর সাথে সম্মতি অবস্থা সংযোজনী-১০ এর মধ্যে সংযুক্ত করা হয়েছে।

স্থান: ঢাকা

তারিখ: ১২ নভেম্বর ২০২০

পিসিএমএল এর পক্ষে

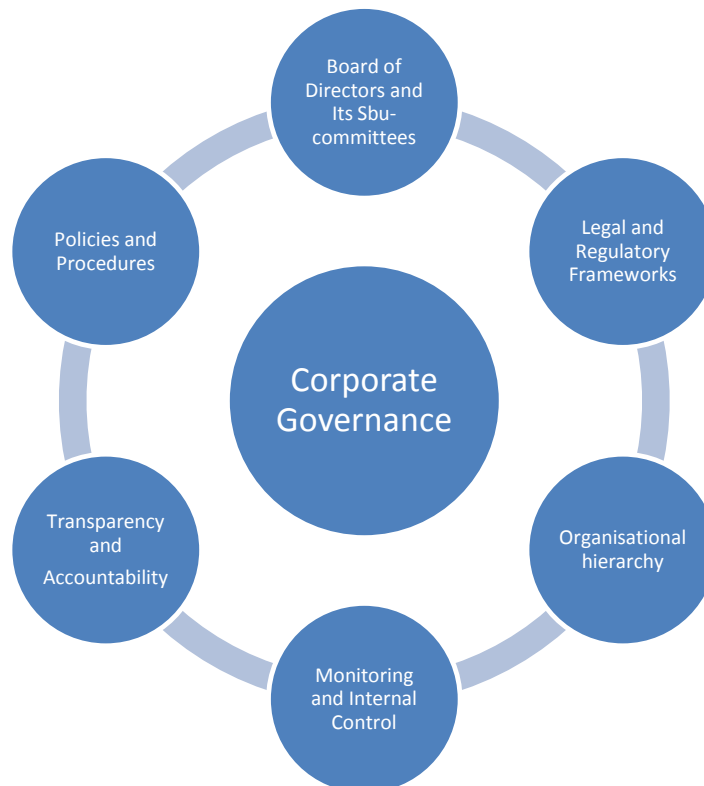
মোহাম্মদ মোস্তাফা হায়দার
বোর্ডের সভাপতি

Statement of Corporate Governance



Corporate governance is a mechanism, practices and processes by which companies are directed and controlled. Corporate governance essentially involves balancing the interest of company’s many stakeholders such as management, Shareholders, Customers, Suppliers, Government and Community. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness, and social responsibility.

A good governance process provides transparency of corporate policies, strategies and the decision making process. This further strengthens internal control systems and helps in building relationships with all stakeholders. We believe in transparency and commit ourselves to adhere to good corporate governance practices at all times. We believe that good governance generates goodwill among business partners, customers and investors and helps the company grow.



Board of Directors

The Company's business is managed under the direction of the Board of Directors. The Board delegates to the Managing Director, and through that individual to other senior management, the authority and responsibility for managing the Company's business. Directors are elected or appointed by the shareholders. The role of the Board of Directors is to oversee the management and governance of the company. It is responsible for the operation of the company and works for the best interest of its shareholders and is accountable to the shareholders.

Structure of the Board

The Board of Directors of the Company consists of 7 (seven) Directors, namely Mohammad Mustafa Haider, Mohammed Amirul Haque, Md. Jahangir Alam, Md. Alamgir Kabir, Mohammed Ershadul Hoque, M. Mahfuzur Rahman and Fakhru Islam. Among them M. Mahfuzur Rahman and Fakhru Islam are the Independent Directors (ID) of the Company.

Retirement of Directors by rotation

As per Company Act 1994 and Article 140, 141, 142 & 143 of the Articles of Association of the Company, one third of the Directors retires by rotation in every ordinary general meeting. Accordingly, the retiring Directors are Mohammad Mustafa Haider and Md. Alamgir Kabir, being eligible, they offered themselves to be re-elected as Directors of the Company. The Board of Directors recommends the retiring Directors to be re-elected.

Independent Director (ID)

M. Mahfuzur Rahman was co-opted as Independent Directors (ID) in the Board of Directors' meeting dated 10 November 2016 in place of the Company's former ID, Rafiq Ahmad, FCMA which was duly approved in the 14th Annual General Meeting. Mr. Rahman successfully completed his 1 (one) tenure and being eligible the re-appointment of retiring Independent Director M. Mahfuzur Rahman for a tenure of three year period was hereby unanimously approved by the shareholders at 17th Annual General Meeting.

Fakhru Islam was co-opted as Independent Directors (ID) in the Board of Directors' meeting dated 24th October 2019 in place of the Company's former ID, Tariq Ahmed, which was duly approved in the 17th Annual General Meeting.

The qualifications of the ID are addressed in detail in their brief profile on Page No-54 in this Annual Report

Roles and Responsibilities of the Board of Directors

The Board is responsible for the periodic review and approval of the overall strategies, business and significant policies of the Company. The Board also sets the company's core values, adopts proper standards to ensure that the Company operates with integrity and complies with the relevant rules and regulations. The Board's responsibilities are:-

- Reviewing and approving the strategies and business plans for the Company
- Reviewing and approving the un-audited quarterly financial Report
- Reviewing the adequacy and integrity of the Company's internal control systems
- Overseeing the conduct and performance of the Company
- Reviewing succession planning and talent management plans for the Company and approving the appointment and compensation of senior management staff
- Approving changes in the corporate organization structure
- Approving policies relating to corporate branding, public relations, investor relations and shareholder communication program.

The Board duly complies with the guidelines issued by BSEC and Company Act 1994 regarding the responsibility and accountability of the Board, its Chairman and Managing Director.

Board of Directors' Meeting

As per the provisions of the Bangladesh Secretarial Standards (BSS) adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) The Company conduct its Board meetings and record the minutes of the meetings as well as keep required books and records.

During the year 2019-20, 6 (Six) board meetings were held & the attendance records are as follows:

Name of directors	Designation	Dated of Meeting						Meeting attended / held
		Aug 04, 2019	Oct 24, 2019	Oct 28, 2019	Nov 11, 2019	Jan 26, 2020	June 29, 2020	
Mohammad Mustafa Haider	Chairman	√	-	√	√	-	√	4/6
Mohammed Amirul Haque	MD	√	√	√	√	√	√	6/6
Md. Jahangir Alam	Director	√	√	√	-	-	√	4/6
Md. Alamgir Kabir	Director	-	√	√	-	-	√	3/6
Mohammed Ershadul Hoque	Director	-	-	√	√	√	√	4/6
M. Mahfuzur Rahman	ID	√	√	√	-	√	√	5/6
Fakhrul Islam	ID	-	-	-	-	√	√	2/6
Tarique Kamal	COO	-	-	√	√	√	√	4/6
Md. Shafiqul Islam Talukder, FCMA	CFO	√	√	√	√	√	√	6/6
Kazi Md. Shafiqur Rahman	CS	√	√	√	√	√	√	6/6
Md. Selim Reza, FCA, CLA	HIAC	√	√	√	√	√	√	6/6

Chairman of the Board and Chief Executive Officer

The positions of the Chairman of the Board and the Chief Executive Officer of Premier Cement Mills Limited were filled by two different individuals. The Chairman was elected from among the non-executive directors of the company. The Managing Director & Chief Executive Officer (CEO) was also appointed from the board. The Board of Directors has clearly defined respective roles and responsibilities of the Chairman and Managing Director & the Chief Executive Officer as per Articles of Association of the Company.

Responsibilities of the Chairman

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for the leadership of the Board. In particular, s/he will:

- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed;
- Ensure an effective relationship among Directors, act as the principal conduct for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Support the CEO & Managing Director in strategy formulation and, more broadly, provide support and give advice;

- Ensure that all Board Committees are properly established, composed and operated;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure effective communication with shareholders, host governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;

Chief Financial Officer (CFO)

MD Shafiqul Islam Talukder, FCMA is the Chief Financial Officer (CFO) of Premier Cement Mills Limited. He is a fellow member of the Institute of Cost and management Accountants of Bangladesh. He is responsible for accounts and finance activities of the Company. The Board of Directors clearly defined respective roles, responsibilities and duties of the CFO.

Company Secretary (CS)

Kazi Md. ShafiqurRahman is the Company Secretary of Premier Cement Mills Ltd. and has been appointed by the Board of Directors of the Company. The Board of Directors clearly defines respective roles, responsibilities and duties of the Company Secretary in compliance with the Corporate Governance Codes of the Bangladesh Security and Exchange Commission (BSEC).

Role of the Company Secretary

The Company Secretary acts as a mediator between the Company, its Board of Directors, stakeholders, the government and regulatory authorities. He has expertise in corporate laws, capital markets, security laws and corporate governance. He also advises the Board of Directors on the kind of practices to be adopted in upholding high levels of corporate governance.

The Company Secretary ensures that the best management practices and work ethics are embraced to create value for the Company. He represents the Company among internal and external stakeholders, co-ordinates the policies of the Company, fulfills the management function and provides guidance on strategic decisions for the improvement and growth of the Company.

In compliance with the Corporate Governance Guidelines, the Company Secretary has a defined role and responsibilities approved by the Board. The brief roles and responsibilities of the Company Secretary are....

- Maintaining linkage between the Board, Management, Shareholders and other Shareholders on matters of corporate interests in a transparent way
- Compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives etc. as issued by BSEC, DSE, CSE.
- Ensuring that appropriate Board procedures are followed as per given guidelines and best practices and advises the Board on matters as such.
- Driving policy compliance awareness among the Company employees
- Performing the duties as per power of Attorney and Board level stakeholder's management facilitating Legal and external affairs function especially for company secretarial matters
- Disclosure of the Company's price sensitive information and other capital market related issues

Head of Internal Audit & Compliance (HIAC)

Md. Selim Reza, FCA, CLA is the Head of Internal Audit & Compliance of Premier Cement Mills Ltd. and has been appointed by the Board of Directors of the Company. He is responsible for internal control and compliance of the Company. The Board of Directors clearly defined respective roles, responsibilities and duties of the Head of Internal Audit.

Audit Committee

In pursuance with Corporate Governance code of Bangladesh Securities & Exchange Commission (BSEC), the Board has constituted an Audit Committee as a sub-committee of the Board for the Company. The Committee includes two Independent Directors and one Non-executive Director. All the members of the Committee are financially literate and have extensive experience of audit. M. Mahfuzur Rahman was duly appointed by the Board as the chairman of the Committee. The duties of Audit Committee and their report on true and fairness of the Financial Statements are set out in Annexure-ii.

The number of the Audit Committee meeting held and attendance of each member during the year 2019-2020 are as follows:

Name of Member	Position	Date of meeting				Meeting attended / held
		Oct 21, 2019	Nov 09, 2019	Jan 23, 2020	June 27, 2020	
M. Mahfuzur Rahman	Chairman	√	√	√	√	4/4
Fakhrul Islam	Member	-	-	√	√	2/4
Mohammed Ershadul Hoque	Member	√	√	-	√	3/4

Role of Audit Committee

Role of audit committee of PCML includes the following:

- Oversee the financial reporting process
- Monitor choice of accounting policies and principles
- Monitor Internal Audit and Compliance process
- Monitor internal control Risk Management process
- Oversee hiring and performance of external auditors
- Hold meeting with the external auditors for review of the annual financial statements submission to the board for approval
- Review along with the management, the annual financial statement before submission to the board for approval
- Review along with the management, the quarterly and half yearly financial statement before submission to the board for approval
- Review the adequacy of internal audit function
- Review the Management's Discussion and Analysis before disclosing in the Annual Report
- Review statement of significant related party transactions submitted by management
- Review Management Letters/Letter of internal control weakness issued by statutory auditors
- Appointment, removal and fixing the terms of reference of internal auditor

External/Statutory Auditors

M/s Hussain Farhad & Co., Chartered Accountants was the External/Statutory Auditor of the Company for the year 2019-20. They carry out systematic examination of books and records of the company and ascertain, verify and report upon the facts regarding the financial operation and the results of the company. To comply with the corporate governance properly, the Company did not engage its statutory auditors to perform the following services-

- Appraisal or valuation services or fairness opinions.
- Financial information systems design and implementation.
- Book-keeping or other services related to the accounting records or financial statements.
- Broker-dealer services.
- Actuarial services.
- Internal audit services.
- Any other service that the Audit Committee determines
- No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company.

The shareholders appointed statutory auditors and fixed their remuneration in the 17th Annual General Meeting.

Subsidiary Company

Premier Cement Mills Limited has one subsidiary company namely Premier Power Generation Ltd. (PPGL) and in compliance with the Corporate Governance Code of the BSEC, the Company complied with the following rules & regulations:

- The Conditions relating to composition of the board of Directors including Independent Director is fulfilled.
- Independent Director of the Company is also a director in subsidiary Company
- The affairs of the subsidiary companies have been reviewed in the Board meeting of the Company.
- Minutes of the Board meeting of subsidiary company have been placed for review in the board meeting of the Company.
- Financial Statements of the subsidiary Company have been reviewed by the audit committee of the company.

Code of Ethics and its compliance

Very few things are as effective as good governance and integrity in our daily operations to earn trust, manage risks, foster sustainable growth and build a resilient business. Mutual co-operation for bringing honesty and integrity in every sphere of operations is at the heart of our approach. We aim to tackle challenging issues head on, make our communications and processes simple, hold everyone accountable and empower all our employees to do what's right. Our Code of Business Conduct as well as our internal ethics resource center and tailored training, helps employees make ethical decisions. We do believe that continuous supervision in every business practice is the key to sustain in a leadership role. Therefore, our Company is directed, administered and complied with the set of laws, policies and procedures exerted in Bangladesh Securities & Exchange Commission's (BSEC) Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated on 3rd June 2018, Company ACT 1994 and Listing Regulations 2015 of Dhaka Stock Exchange and Chittagong Stock Exchange.

Communication to Shareholders and other Stakeholders

The Company encourages communicating with the Shareholders throughout the year and welcomes their participation in the annual general meeting. In the annual general meeting the management of the Company receives their valuable opinion and tries to implement it, if it is in the best interest of the company.

- **Policy on Communication with Shareholders and other Stakeholders:** The Share department of the Company plays an instrumental role to make effective communication with its Shareholders and other Stakeholders. Shareholders and other Stakeholders of the Company may contact to this Department during office hour for any sort of information and queries. Furthermore, PCML provides updated information in its website from time to time for the shareholders and other stakeholders of the Company.
- **Policy on Ensuring Participation of Shareholders at AGM:** To ensure effective and efficient participation of shareholders in AGM, PCML publishes notice of AGM in daily newspapers with necessary details within reasonable time-frame. The arrangement of the AGM normally took place in a reputed place and at a convenient time. But 18th AGM is scheduled to be held under digital platform complying with the direction of BSEC. Annual Report is circulated as per the provision of Companies Act 1994. So shareholders get sufficient time to go through the report and freely provide their valuable comments and suggestions in the AGM.

Company's corporate website

The Company's website www.premiercement.com displays, the Annual Reports, half yearly reports, and quarterly reports and all disclosures required by the Bangladesh Securities and Exchange Commission, Listing Regulations of the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited in the form of Price Sensitive Information (PSI) are made adequately and promptly.

Conclusion

Premier Cement Mills Ltd. ensures highest standards in corporate good governance and strict adherence to the requirements of ethical code of conduct, through close monitoring. Through the code of ethics all levels of staff have been educated and encouraged to report to whistle blowing, when they suspect wrong doings by other employees.



Audit Committee Report

Dear shareholders,

After successful completion of FY 2019-20, as a chairman of the Audit Committee, I am delighted to place its report for the year ended 30 June, 2020 in front of you all. There was four Audit Committee meeting during the year and External Auditors' reports, year-end results, key areas of judgment and complexity; critical accounting policies, provisions and any changes required in these areas or policies were reviewed by the Audit Committee. In addition, the interim results announcement including the interim financial statements and the Company's interim management results were also reviewed by the Audit Committee. It is declared by the Audit Committee that the internal control system including internal audits, financial and operational controls, timely and appropriate accounting systems, recording of purchase and sales, receipts and payments, assets and liabilities and the reporting structures are adequate and effective. The Audit Committee has overseen the interim results and it also has reviewed the point(s) raised by external auditors in their management letter and the responses of the management thereto.

Report of the Committee during the year under review:

The Committee considered significant issues and judgments in respect of the 2019-20 financial statements and auditing procedures were as follows:

- Compliance of IAS and the disclosure of its financial information under IFRS have been maintained and the interim financial statements are prudent and credible.
- The recurrent related party transactions entered into by the Company during 2019-20 are observed and verified.
- The scope and extent of internal audit has been checked; and the adequacy of resources to maintain vigilant internal audit process has confirmed and appropriately placed thereto.
- The critical accounting policies, significant judgments and practices used by the Company are in compliance with required laws and regulations and recommended by the Board. The audited financial statements of the Company together with consolidated statements with its subsidiary and associate for the year ended 30 June 2020 represent fair and authentic view of the Company's financials.
- The state of compliance with Corporate Governance and other regulations as per the requirements of Bangladesh Securities And Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) were ensured.

The Audit Committee also recommends regarding the appointment of External Auditors, reviews their expression of Interest and auditing fees. In the year under review, the Committee assessed the ongoing effectiveness as well as quality of the external auditor and the audit process. The Committee also recommended M/s Hussain Farhad & Co., Chartered Accountants for appointment as the external auditor of the Company for the year ending on 30 June 2021.

On behalf of the Committee



M. Mahfuzur Rahman
Chairman of Audit Committee

Report of the Nomination and Remuneration Committee(NRC)

In pursuance with Corporate Governance code of Bangladesh Securities & Exchange Commission (BSEC), the Board has constituted a Nomination and Remuneration Committee for the Company. The Committee includes two Independent Directors, Three Non-Executive Director and three advisors. No members of the committee shall receive any remuneration for any advisory or consultancy role or otherwise, other than Directors fees or honorarium for the Company. Mr. M. MahfuzurRahman was duly appointed by the Board as the chairman of the Committee.

Name	Statues with the		June 30, 2020
	Committee	Board	
M. Mahfuzur Rahman	Chairman	Independent Director	√
Fakhrul Islam	Member	Independent Director	√
Mohammed Amirul Haque	Member	Director	√
Mohammad Mustafa Haider	Member	Director	√
Mohammed Ershadul Hoque	Member	Director	√
Abul Kalam	Advisor	Shareholder	√
Tarique Kamal	Advisor	COO	√
Md. Shafiqul Islam Talukder, FCMA	Advisor	CFO	√
Md. Selim Reza, FCA, CLA	Advisor	HIAC	√
Kazi Md. Shafiqur Rahman	Member Secretary	CS	√

The company secretary of the Company functioned as the secretary to the committee as per the code

Terms of Reference

NRC has performed its duties as assigned to it by the Board of Directors, pursuant to Code 6.5© of Corporate Governance Code of BSEC, as well as comprising global best practices.

Role of the Nomination and Remuneration Committee.

The detailed responsibilities of the nomination & remuneration Committee are well defined in the terms of reference which were duly adopted by the NRC in compliance with condition 6(1)(c) of the Corporate Governance Code. The terms of reference for the NRC are as follows:

a) To formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend a policy to the Board relating to the remuneration of the directors and top-level executives, taking into account the following:

- i. the level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate suitable senior management personnel to run the Company successfully;
- ii. The relationship of remuneration to performance should be clear and meets appropriate performance benchmarks; and
- iii. the remuneration to top-level executives should involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

b) To devise a policy on the Board's diversity taking into consideration age, gender, experience, ethnicity,



educational background, and nationality;

- c) To identify persons who are qualified to become directors and who may be appointed in top-level executive positions in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- d) To formulate the criteria for evaluation of the performance of independent directors and the Board;
- e) To identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- f) To develop, recommend and review annually the Company's human resources and training policies.

Activities that were carried out during the Financial Year 2019-20:

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

- a) Review the re-appointment of two directors of the Company and recommendation of the same to the Board for approval;
- b) Recommendation to develop the criteria for evaluation of the performance of directors in the Board;
- C) Reviewed vacancy positions or new positions and reported and/or recommended about it to the Board for ultimate appraisal;
- D) Reviewed the Terms of Reference of NRC and reported findings to the Board;
- E) Review the salary and bonus at different levels of the Company
- F) Review following HR related policies during the year:
 - i. Car benefit Policy
 - ii. Recognition Policy

On behalf of the Committee

M. MahfuzurRahman
Chairman of NRC



Directors Declaration

In pursuance with Corporate Governance code of Bangladesh Securities & Exchange Commission the Directors are declaring following statements in addition to the Directors' report to the best of their knowledge as complied and maintained for the current financial year under review:

- Appropriate accounting policies have been followed in formulating the Financial Statements and Accounting estimates are reasonable and prudent.
- Proper books of accounts as required by law have been maintained.
- The Financial Statements were prepared and presented in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).
- The Financial Statements prepared by the management of the Company present a true and fair view of Company's state of affairs, result of its operations, cash flows and changes in equity.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The entire business operation is being conducted in accordance with the laws, rules, regulations, agreements, guidelines and standards governing in the country.
- The minority Shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective mean of redress.
- All the judgments and decisions taken by management are reasonable and prudent.

Sd/-

Mohammad Mustafa Haider

Chairman

Sd/-

Mohammed Amirul Haque

Managing Director

Sd/-

Md. Jahangir Alam

Director

Sd/-

Md. Alamgir Kabir

Director

Sd/-

Mohammed Ershadul Hoque

Director

Sd/-

M. Mahfuzur Rahman

Independent Director

Sd/-

Fakhrul Islam

Independent Director

Declaration of MD or CEO and CFO

Date: 12 November 2020

The Board of Directors
Premier Cement Mills Limited
TK Bhaban (12th floor)13, kawran Bazar
Dhaka-1215

Subject: Declaration on Financial Statements for the year ended on 30 June 2020.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Premier Cement Mills Limited for the year ended on 30 June 2020 have been prepared in compliance with International Accounting Standards (IAS) and reported following International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the year ended on 30 June 2020 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mohammed Amirul Haque
Chief Executive Officer (CEO)



Md. Shafiqul Islam Talukder, FCMA
Chief Financial Officer

Certificate on the Corporate Governance Code

 **Shafiqul Alam & Co.**
Chartered Accountants

Empire Reba, Flat No. : 1C (1st Floor)
6/1, Shegunbagicha, Ramna, Dhaka-1000
Cell : +880 171 337 8787
E-mail : shafiq@sacabd.com
shafiq.sac2018@gmail.com
Web : www.sacabd.com

Report to the Shareholders of Premier Cement Mills Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Premier Cement Mills Limited for the year ended on 30 June 2020. This Code relates to the Condition No. 1(5) (xxvii) of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is highly satisfactory.

For Shafiqul Alam & Co.



Place: Dhaka
Dated: 22nd November 2020

Md. Shafiqul Alam LL.B, ACS, FCMA, FCA
Principal & CEO

Certificate of Bangladesh Association of Publicly Listed Companies





Report of Risk Management Committee

Risks are an integral part of a business and contribute to the loss of the company as well as for the shareholders. The main responsibility of the Risk Management Committee is to establish and oversee the Company's risk management framework. The Company's risk management policy is established to identify and analyze the risks faced by the Company, set the appropriate risk limits and to control and monitor risks and adhere to limits. The risk management policy and system are monitored regularly to comply with the changing market conditions and company activities. Through its training and management, standard procedures aim to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The risk management process is a scientific, systematic and structured procedure which involves activities of identifying, analyzing, evaluating, reporting, decision making and mitigation of the different types of risks that are associated with the events. Risk management at PCML involves managing and controlling the risks and also defining numerous strategies to address these risks successfully. This is a key part of our business and this concept is introduced to manage, control, reduce and eliminate the risks.



Risk Factors & Management Perception about the Risks

An industry faces external and internal risk factors having direct as well as indirect effects on the investments. Before making any investment decision, investors should take all the risk factors into consideration. The assessable risk factors, both external and internal, and management's policy thereabout are enumerated below:

Interest Rate Risk

Financial market of Bangladesh has been experiencing volatile interest rate over the year. Unfavorable movement of interest rate enhances the cost of fund of the company and could adversely affect the business and future financial performance. The company prefers both long term loan as well as working capital loan with variable interest rate which may get affected due to increase of interest rate.

Management Policy

Management of the company emphasizes on both foreign currency term loan & equity based financing to reduce fund cost. Therefore, fluctuation of interest rate on borrowing would have lower impact upon the financial performance of the company.

Market and Technology Related Risks

Introduction of new/cost effective technology may bring technological obsolescence and negative operational efficiency of the company. The company used old machineries in Unit 1 and Unit 2 and would be adversely affected if the company fails to keep pace with technological developments.

Management Policy

Management of PCML is very much aware of this risk. Premier Cement has taken initiative to expand its production capacity with the latest technology and installation of VRM Presses will bring operational efficiency to the existing machineries of the Company. On the other hand, according to recent SGS evaluation all the old machineries of our company are in good condition and expected to have an economical residual working life of 17 years or more.

Potential or Existing Government Regulations

The Company operates under Companies Act, Income Tax Ordinance, Income Tax Rules, The Custom Act, Value Added Tax (VAT) Act, Value Added Tax (VAT) Rules. In addition to that, Company operates its activities in compliance with various environmental rules and regulations. Stricter laws and regulations or stricter interpretation of existing laws and regulations may impose new liabilities, which could adversely affect its business, financial condition or results of operation.

Management Policy

Unless there is any drastic change in policy that may bring any adverse effect in the industry the business of the company is expected not to be affected significantly. As a developing country, economy of Bangladesh is growing consistently over the period and demand of cement is also increasing to meet the rising infrastructure development. Cement being the most important ingredient for the infrastructure development; it is unlikely that the government will initiate any fiscal measure having adverse effect on the growth of the industry.

Potential Change in Global or National Policy

The company operates its business based on imported raw materials. Financial and operating performance of the company may be adversely affected due to unfavorable change in global and national policy.



Management Policy

All the major market players in cement industry operate based on imported raw materials and in compliance with national as well as global policies/practices. Any changes in policies will affect all the competitors almost equally. PCML's market standing, brand image and reputation of the groups behind the company will put it in a comparatively better position to handle any adverse policy.

Non-operating History

Any interruption in the operations of the company affects the company's image as a going concern. Failure to ensure uninterrupted operation reduces profitability and in long run weakens the fundamentals of the company.

Management Policy

There is no history of disruption in operation in the company.

Sourcing of Raw Materials

Smooth supply of raw materials is a very critical factor for cement industry in Bangladesh as main raw materials of cement such as clinker, Slag, Fly Ash, Lime Stone and gypsum are imported from different countries. The company's business is dependent upon its ability to source raw materials specially clinker at competitive price for its operations.

Management Policy

Premier Cement is enjoying preferential services of Lighter Vessels from Roknoor Navigation Limited and others for carrying raw materials to Factory Jetty. These arrangements give competitive advantage to PCML for sourcing raw material in the timely manner and engaging low amount of working capital. Moreover, company has bilateral understanding with a group of independent suppliers of raw materials. Therefore, it is expected that the company will have smooth flow of raw materials.

Supply Chain Management

Supply chain management has traditionally played a vital role within cement industry for cost reduction and value creation. Many strong producers of cement including multinationals are competing in the domestic market and creating strong market demand through efficient supply chain.

Management Policy

Both inbound and outbound Logistics plays a vital role in cement industry. Considering this factor Premier Cement has extended its distribution network through dealers and retailers around Bangladesh. The company has distribution fleet consisting of 267 dedicated covered vans, 90 open Trucks, 56 bulk carriers and 21 lighter vessels to ensure the door to door as well as quick delivery of cement. On the other hand, for ensuring smooth raw material Supply Company gets dedicated service from Roknoor Navigation Limited for carrying raw materials from Chittagong Outer Anchor to factory jetty.

Rise in Raw Material Price may affect Profitability

Major raw materials of cement are imported from different countries and price depends on the international market scenario. If raw materials price increases in the international market, cost of production of the company will also increase. In such case, if the company is unable to pass such price increase to the consumers due to competition, profitability of the Company may be affected.

Management Policy

The company constantly endeavors to procure raw materials and packing materials at the lowest possible prices using its long-term association with the suppliers and constant development of new sources of



the same. The Company also follows prudent pricing policy to keep the costs under check. The risk on account of price fluctuation in raw material is reduced to a significant extent by passing incremental raw material cost to the prices of finished products thereby insulating the company from fluctuations in raw material prices. Profitability will depend upon the extent up to which the company is able to pass on the burden to the consumers.

Existing Government Regulations

The Company operates under Companies Act, Income Tax Ordinance, Income Tax Rules, Value Added Tax (VAT) Act, Value Added Tax (VAT) Rules. In addition to that, Company operates its activities in compliance with various environmental rules and regulations. Stricter laws and regulations or stricter interpretation of existing laws and regulations may impose new liabilities, which could adversely affect its business, financial condition or results of operation.

Management Policy

Unless there is any drastic change in policy that may bring any adverse effect in the industry, the business of the company is expected not to be affected significantly. As a developing country, economy of Bangladesh is growing consistently over the period and demand of cement is also increasing to meet the demand of rising infrastructure development. Cement being the most important ingredient for the infrastructural development; it is unlikely that the government will initiate any fiscal measure which could adversely affect the growth of the industry.



SWOT ANALYSIS

Our Strengths

- Multiple plant Location
- Dedicated employee
- pronouncement of RM at a very competitive price & lower cost of production
- Strong distribution channel throughout country
- Suitable location of plants
- Strong relationship with the finances
- Warm relationship with suppliers, Customers
- Multi-departmental coordination and harmonious relationship
- Consistent quality of product
- Good/Strong HR policy
- Good reputation of the sponsors in the society
- Sufficient financial ability of the company to go huge investment
- Absence of trade union and CBA

Our Threats

- Huge unutilized capacity
- Increased competition resulting cut in sales price and lesser profit margin
- Unethical practice by some of the competitor in maintaining quality of product
- Lack of sufficient utility required by the companies (gas, electricity etc.)
- Corruption
- Covid-19

Our Weakness

- Lack of productiveness in decision making
- Imbalanced operational Facilities
- Less or no attention of sponsors toward the activities of the company due to their having own business
- Since of the sponsor Shareholders are having same nature of business/company are working as competitor.

Our Opportunity

- Huge Govt. spending in infrastructure
- Huge demand for construction materials
- GDP Growth increasing
- Increasing per capita income
- Per capita cement consumption is Bangladesh in still low compared to world average consumption even compared to neighboring countries
- Increasing foreign direct investment
- Geographical location of the country is favorable

Report on Corporate Governance Compliance

[As per condition No. 1(5)(xxvii)]

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

(Report under Condition No. 9)

Condition No.	Title	Status Complied	Remarks
1.00	Size of Board of Directros		
1.1	The number of the Board members should not be less than 5 (five) and more than 20 (twenty)	√	The PCML Board comprised of 7 Directors
1.2	Independent Directors		
1(2) (a)	At least one fifth (1/5) of the total number of Directors in the Company's Board shall be Independent Directors. any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√	There are two Independent Directors (ID) namely Mr. M Mahfuzur Rahman and Mr. Fakhru Islam
1(2) (b)(i)	Does not hold any share or holds less than 1% of shares.	√	The Independent Directors have declared their compliances
1(2) (b)(ii)	Not connected with any sponsor/ Director/ Nominated Director, shareholderany of its associates, sister concerns, subsidiaries and parents or holding entities who hold 1% or more shares of the total paid-up shares on the basis of family relationship.	√	Do
1(2) (b)(iii)	Not an executive of the company in immediately preceding 2 (two) financial years.	√	Do
1(2) (b)(iv)	Not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies.	√	Do
1(2) (b)(v)	Not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√	Do
1(2) (b)(vi)	Not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√	Do
1(2) (b)(vii)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√	Do

1(2) (b)(viii)	Not independent director in more than 5 (five) listed companies;	√	Do
1(2) (b)(ix)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI).	√	Do
1(2) (b)(x)	Not been convicted for a criminal offense involving moral turpitude.	√	Do
1(2) (c)	Nominated by the Board of Directors and approved by the shareholders in the AGM.	√	
1(2) (d)	Not remain vacant for more than 90 (ninety) days.	√	There has been no vacancy in the position of Independent Directors
1(2) (e)	Tenure of office of an independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√	
1.3	Qualification of Independent Director		
1 (3)(a)	Knowledge of Independent Directors	√	Sufficiently knowledgeable
1 (3)(b)(i)	Business Leader	Not Applicable	
1 (3)(b)(ii)	Corporate leader	√	
1 (3)(b)(iii)	Former official of Govt....	√	
1 (3)(b)(iv)	University Teacher	Not Applicable	
1 (3)(b)(v)	Professional	Not Applicable	
1 (3)(c)	have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√	
1 (3)(d)	Special cases for qualifications	Not Applicable	
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer		
1 (4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√	
1 (4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√	
1 (4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√	

1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√	
1.5	The Directors' Report to Shareholders		
1(5)(i)	Industry outlook and possible future development	√	
1(5) (ii)	Segment-wise or product-wise performance	√	
1(5) (iii)	Risks and concerns	√	
1(5) (iv)	Discussion of Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√	
1(5) (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√	No extraordinary gain or loss experienced during the period.
1(5) (vi)	Basis for related party transactions	√	
1(5) (vii)	Utilization of proceeds raised through public issues, right issues and/or through any others.	√	
1(5) (viii)	Explanation if the financial result deteriorates after the Company goes for IPO, RPO, Rights Offer, and Direct Listing.	Not Applicable	
1(5) (ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements.	√	
1(5) (x)	Remuneration to Directors including independent Directors.	√	
1(5) (xi)	Fairness of Financial Statements.	√	
1(5) (xii)	Maintenance of proper books of accounts.	√	Do
1(5) (xiii)	Adoption of appropriate accounting policies and estimates.	√	Do
1(5) (xiv)	Followed IAS, IFRS and BFRS in preparation of Financial Statements.	√	Do
1(5) (xv)	Soundness of internal control system.	√	Do
1(5) (xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√	Do
1(5) (xvii)	Ability to continue as a going concern.	√	
1(5) (xviii)	Significant deviation from the last year's operating results	√	
1(5)(xix)	key operating and financial data of at least preceding 5 (five) years	√	
1(5) (xx)	Reason for not declared dividend	Not Applicable	

1(5) (xxi)	No bonus share or stock dividend has been declared as interim dividend	√	
1(5) (xxii)	Number of Board meetings held during the year and attendance.	√	
1(5) (xxiii)	Pattern of shareholding.		
1(5) (xxiii)a)	Parent/Subsidiary/Associated Companies and other related parties.	√	
1(5) (xxiii)(b)	Directors, CEO, CS, CFO, HOIA and their spouses and minor children	√	
1(5) (xxiii)(c)	Executives	√	
1(5) (xxiii)(c)	10% or more voting interest	√	
1(5)(xxiv)	Appointment /Reappointment of a director		
1(5)(xxiv) (a)	Resume of the Directors	√	
1(5)(xxiv) (b)	Expertise in specific functional areas	√	
1(5)(xxiv) (c)	Holding of Directorship and membership in Committee of the Board other than this Company.	√	
1(5)(xxv)	Management's Discussion and Analysis		
1(5)(xxv) (a)	Accounting policies and estimation for preparation of financial statements	√	
1(5)(xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√	Do
1(5)(xxv) (c)	Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years.	√	Do
1(5)(xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√	Do
1(5)(xxv) (e)	Explain the financial and economic scenario of the country and the globe	√	Do
1(5)(xxv) (f)	Risks and concerns issues related to the financial statements	√	Do
1(5)(xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position	√	Do
1(5)(xxvi)	Declaration by the CEO and the CFO	√	
1(5)(xxvii)	The report as well as certificate regarding compliance of Corporate Governance	√	
1.6	Meeting of the Board of Directors		
1.7	Code of Conduct for the Chairperson, other Board members and CEO		
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee	√	There is a written code of Conduct and the chair, other Board members & CEO are obliged to complied with

1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company	√	The Code of Conduct is available on the website of the Company
2	Governance of BoD of subsidiary company		
2(a)	Composition of the Board of Directors	√	
2(b)	At least 1 (one) independent Director to the subsidiary Company	√	
2(c)	Submission of Minutes to the holding Company.	√	
2(d)	Review of Minutes by the holding Company	√	
2(f)	Review of Financial Statements by the holding Company	√	
3	Appointment of MD or CEO,CFO, HIAC and CS		
3 (1) (a)	The Board appoint MD, CFO, HIAC and CS	√	
3 (1) (b)	The positions of MD, CFO, HIAC and CS were filled by different individuals.	√	
3 (1) (c)	MD, CFO, HIAC and CS of the company are not hold any executive position in any other company as the same time	√	The MD,CS,CFO and HIAC have declared their compliances
3 (1) (d)	Board clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√	
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√	In practice
3 (2)	The MD or CEO,CS,CFO and HIAC of the company shall attend the meetings of the Board	√	
3 (3)	Duties of MD or CEO and CFO		
3 (3) (a)	MD and CFO certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge	√	The MD and CFO have duly certified to the Board
3 (3) (a) (i)	Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√	Do
3 (3) (a) (ii)	Financial statements together present a true and fair view	√	Do
3 (3) (b)	The MD or CEO and CFO certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members.	√	Do
3 (3) (c)	The certification of the MD or CEO and CFO are disclosed in the Annual Report.	√	
4	Board of Directors' Committee:----		
4 (i)	Audit Committee	Already in place.	

4 (ii)	Nomination and Remuneration Committee	Already in place.	
5	Audit Committee		
5 (1) (a)	The company have an Audit Committee as a subcommittee of the Board	√	Audit committee is established as per BSEC guidelines
5 (1) (b)	Assist the Board in ensuring that the financial statements reflect true and fair	√	
5 (1) (c)	The Audit Committee are responsible to the Board; the duties of the Audit Committee are clearly set forth in writing	√	The duties of the Audit Committee are clearly defined in the Board approved Audit Committee charter as per BSEC guidelines
5.2	Constitution of the Audit Committee		
5 (2) (a)	The Audit Committee shall be composed of at least 3 (three) members;	√	Audit Committee comprised of 3 (three) members
5 (2) (b)	The Board shall appoint members of the Audit Committee	√	Appointed by the Board who are Non-executive Director and which includes two Independent Directors.
5 (2) (c)	Qualification of Audit Committee members	√	All the members are qualified as per BSEC's CG Code.
5 (2) (d)	Vacant Not remain for more than 01 (one) Month.	√	
5 (2) (e)	Secretary of the Audit Committee.	√	
5 (2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	√	
5 (3)	Chairperson of the Audit Committee		
5 (3) (a)	Board of Directors shall select the Chairman.	√	The Chairman of the Audit Committee is an Independent Director
5 (3) (b)	Chairman of the Meeting	√	The reason for the absence of the Audit Committee Chair was duly recorded in the minutes
5 (3) (c)	Chairman of the Audit Committee shall remain present in the AGM.	√	
5 (4)	Meeting of the Audit Committee		
5 (4) (a)	At least four (4) meeting	√	There were four (4) meeting held during the reporting period

5 (4) (b)	Quorum of the Audit Committee	√	
5 (5)	Role of Audit Committee		
5 (5)(a)	Oversee the financial reporting process	√	The Audit committee performs as per BSEC's guidelines
5 (5)(b)	Monitor choice of accounting policies and principles	√	Do
5 (5)(c)	Monitor Internal Audit and Compliance process	√	Do
5 (5)(d)	Oversee hiring and performance of external Auditors	√	Do
5 (5)(e)	Meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√	Do
5 (5)(f)	review along with the management, the annual financial statements before submission to the Board for approval	√	Do
5 (5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√	Do
5 (5)(h)	Review the adequacy of internal audit function	√	Do
5 (5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√	Do
5 (5)(j)	Review statement of all related party transactions submitted by the management;	√	Do
5 (5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√	Do
5 (5)(L)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√	Do
5 (5) (m)	Oversee about the uses/ applications and funds raised by IPO/RPO/Right issue	√	No IPO was made in the financial year 2019-2020
5 (6)	Reporting of the Audit Committee		
5 (6) (a)(i)	The Committee shall report on its activities to the Board.	√	
5 (6) (a)(ii)	Reporting to the Board of Directors	√	
5 (6) (a)(ii) (a)	report on conflicts of interests	√	No such incident occurred
5 (6) (a)(ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal control systems	√	
5 (6) (a)(ii) (c)	infringement of laws, regulatory	√	
5 (6) (a)(ii) (d)	Any other matter	√	
5 (6) (b)	Reporting to the Authorities	√	
5 (7)	Reporting to the Shareholders and General Investors	√	

6.00	Nomination and Remuneration Committee (NRC)		
6 (1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√	NRC is established as per BSEC guidelines
6 (1) (b)	Assistance to the Board to formulation of the policy.	√	
6 (1) (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b)	√	The duties of the NRC are clearly defined in the Board approved Audit Committee charter as per BSEC guidelines
6 (2)	Constitution of the NRC		
6 (2) (a)	The Committee shall comprise of at least three members including an independent director	√	NRC comprise to five (5) Members and 3 (three) advisors.
6 (2) (b)	All members of the Committee shall be non-executive directors	√	All members of NRC are Non-executive directors
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board	√	All members of the NRC are appointed by the Board
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee	√	
6 (2) (e)	Not remain vacant for more than 180 (one hundred eighty) days	√	No such case in the reporting year
6 (2) (f)	Appointment of Advisors/expert/consultant suggested by Chairperson of the Committee.	√	
6 (2) (g)	Secretary of the Audit Committee.	√	
6 (2) (h)	Quorum of NRC meeting	√	
6 (2) (i)	Remuneration or others free	√	
6 (3)	Chairperson of the NRC		
6 (3) (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	√	The Chairman of the NRC is an ID
6 (3) (b)	In case of absence of any meeting	√	No such case in the reporting year
6 (3) (C)	Chairman of the NRC shall remain present in the AGM.	√	
6 (4)	Meeting of the NRC		
6 (a)	At least one (01) meeting	√	One (1) meeting was held during the reporting period
6 (b)	Any emergency meeting upon request by any member of the NRC	None	No such case in the reporting year
6 (c)	Quorum of the NRC	√	
6 (d)	Recorded Minutes and minutes shall be confirmed in the next meeting of NRC	√	

6 (5)	Role of the NRC	√	
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	√	The NRC performs as per BSEC'S guidelines
6 (5) (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following	√	Do
6 (5) (b) (i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	√	Do
6 (5) (b) (i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	√	Do
6 (5) (b) (i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	√	Do
6 (5) (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	√	Do
6 (5) (b) (iii)	Identifying persons who are qualified to become directors and top level executive.	√	Do
6 (5) (b) (iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	√	Do
6 (5) (b) (v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	√	Do
6 (5) (b) (vi)	Developing, recommending and reviewing annually the company's human resources and training policies	√	Do
6 (5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√	
7.00	External or Statutory Auditors	√	
7 (1) (i)	Appraisal or valuation services or fairness opinions	√	As declared by Auditors
7 (1) (ii)	Financial information systems design and implementation	√	Do
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statements	√	Do
7 (1) (iv)	broker-dealer services	√	Do
7 (1) (v)	actuarial services	√	Do
7 (1) (vi)	internal audit services or special audit services	√	Do
7 (1) (vii)	any service that the Audit Committee determines	√	Do
7 (1) (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	√	Do
7 (1) (ix)	any other service that creates conflict of interest	√	Do

7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	√	The external auditorshave declared their compliances
7 (3)	Representative of the statutory auditors shall remain present in the AGM.	√	The representative of external auditors attended in the 17 th AGM held on 21 December 2019
8.00	Maintaining a website by the Company	√	
8 (1)	The company shall have an official website linked with the website of the stock exchange	√	
8 (2)	The company shall keep the website functional from the date of listing	√	
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange	√	
9.00	Reporting and Compliance of Corporate Governance	√	
9 (1)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines	√	
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√	A.K Mazumder & Associates; Cost & Management Accountants was appointed the Corporate Governance Compliance Auditor in 17th Annual General Meeting of the Company for the year 2019-2020 but now they expressed their incapability to work as Corporate Governance Compliance Auditor for the year 2019-2020. In this situation the Board immediately appointed ShafiquAlam & Co., Chartered Accountants for the year 2019-2020
9 (3)	Annexure attached in Director's report	√	



Shareholders

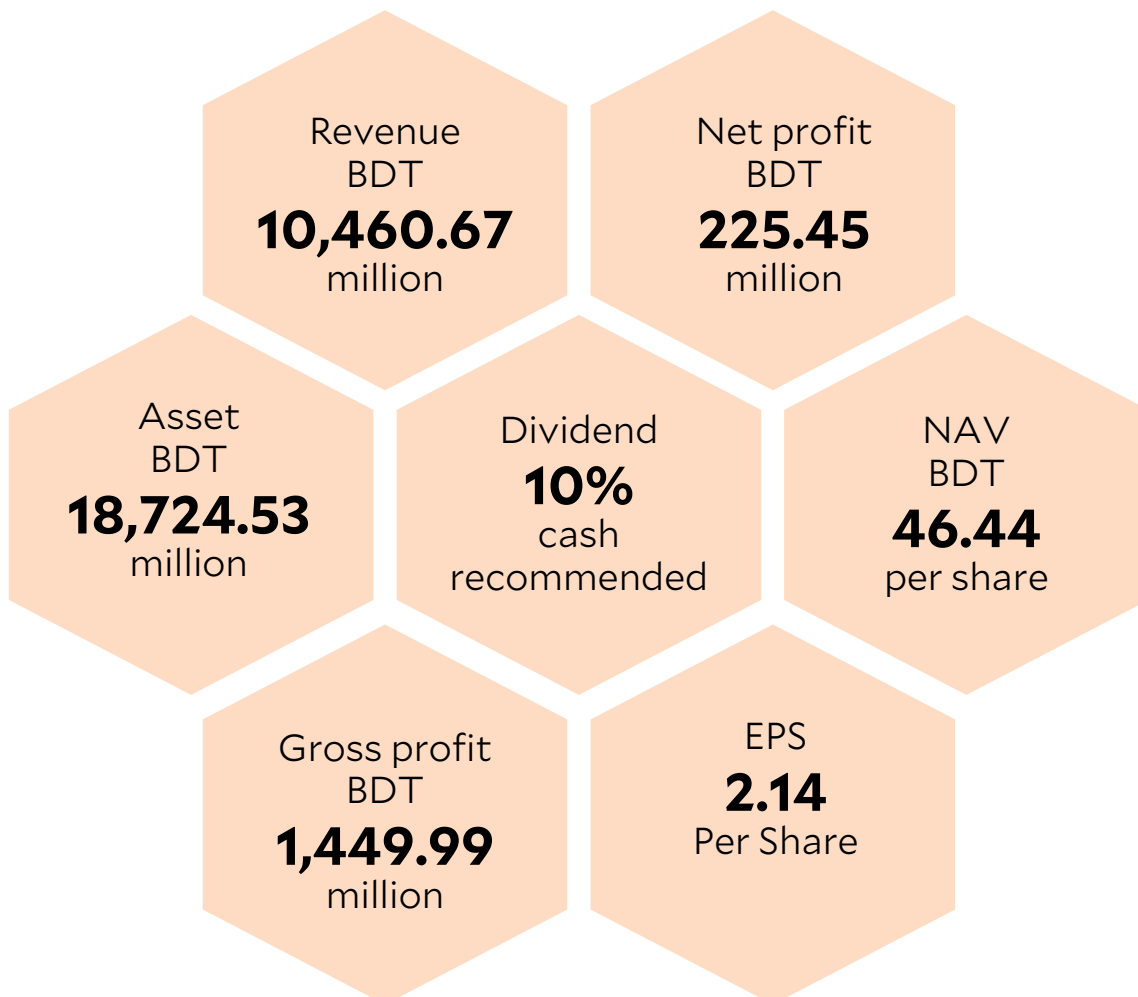


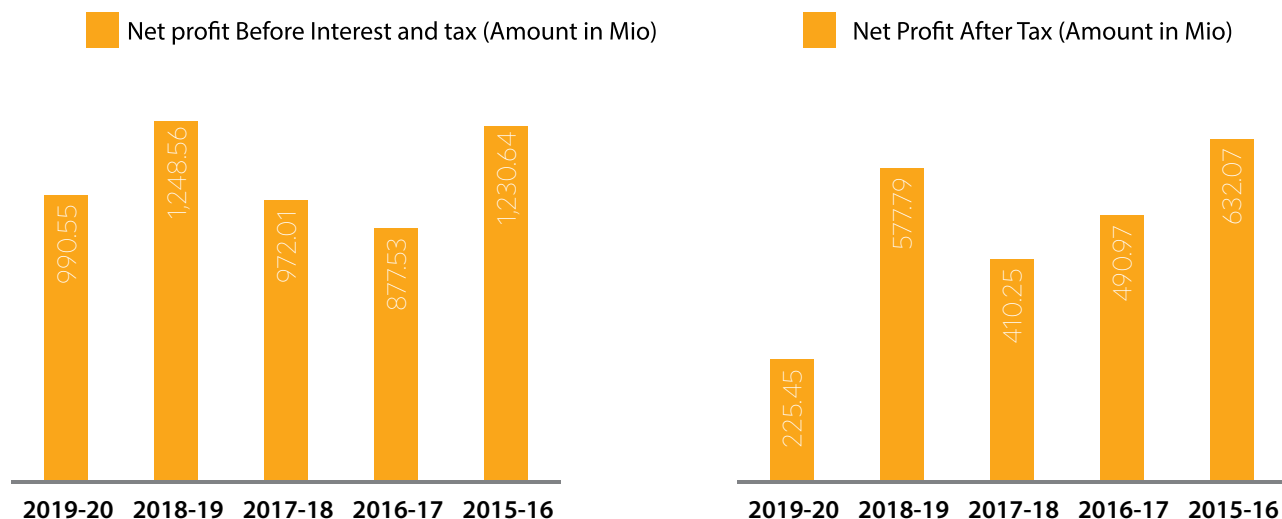
Stakeholders Information



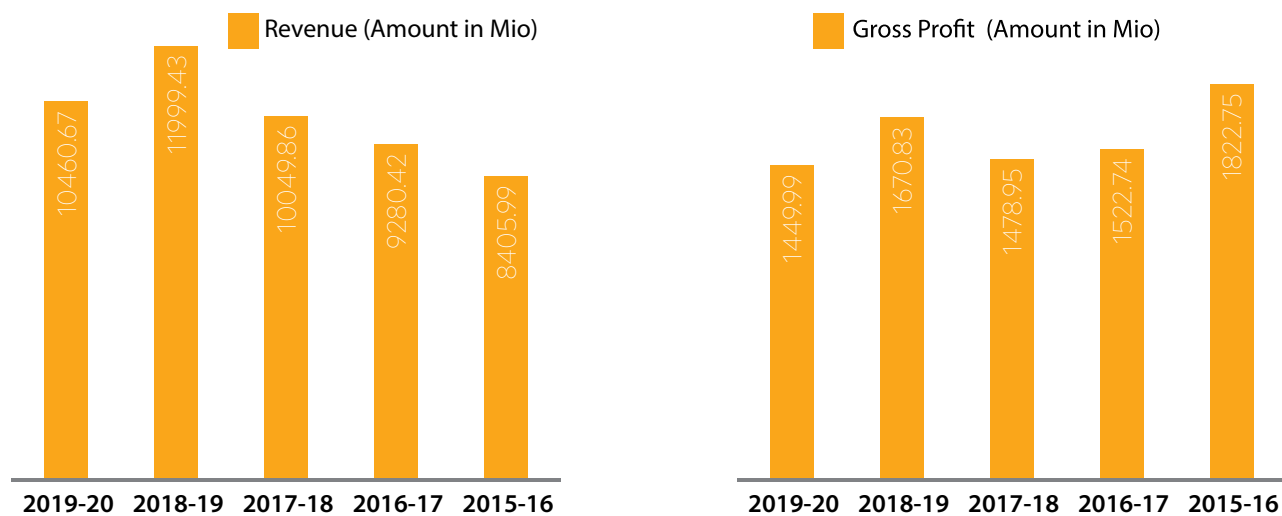
CFO's Analysis on Performance (Stand Alone)

Premier Cement Mills Limited is very much concern of the stakeholders' interest on the Company including the potential investors. PCML with 20 years of financial expertise helps its investors to decide in taking right financial decisions. The following historical information will help our current and potential investors for their decision making:

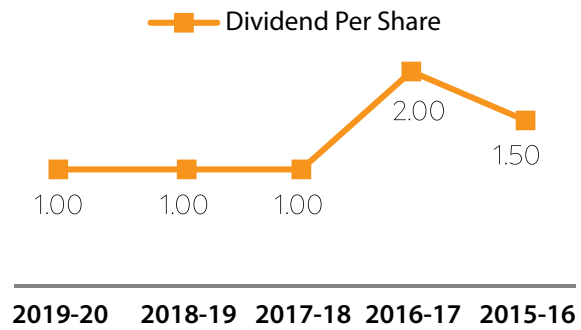
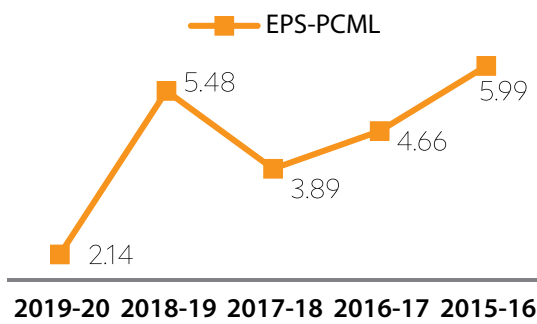




For the financial year ended 30 June 2020, the profitability indicators showed the Profit before interest and tax of BDT990.55 million compared to BDT 1,248.56 million in the previous year. During the year other income decreased by 37.06% due to decrease of interest charged to the associated company for BDT 69.81 million and the bad debt provision which is required to be kept based on the receivable balance is lower than balance in provision for bad debt account. The excess amount of provision has been adjusted as on 30 June 2019 as per Board of Directors resolution. As the overdue receivable exceeding one year has not increased or decreased, no adjustment is to be made as on 30 June 2020 that directly affect to decrease amount of profit after tax for BDT 225.45 million, while the amount was 577.79 million in the same period of FY-2019.

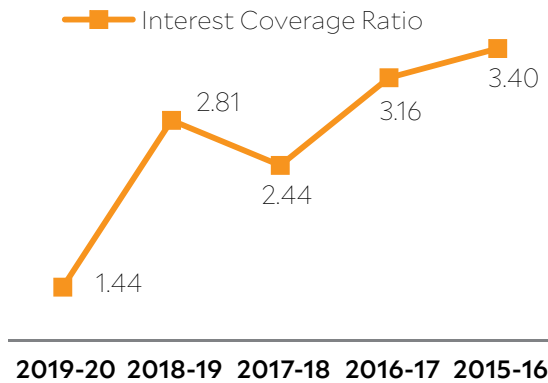
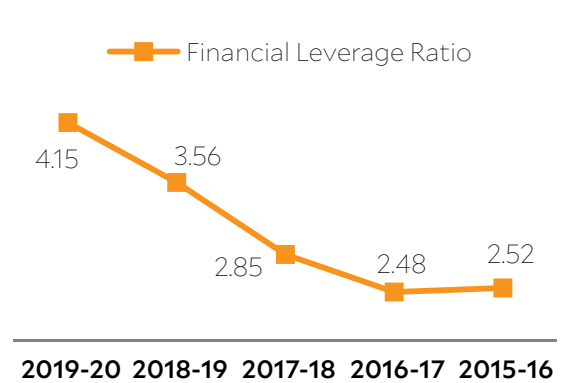
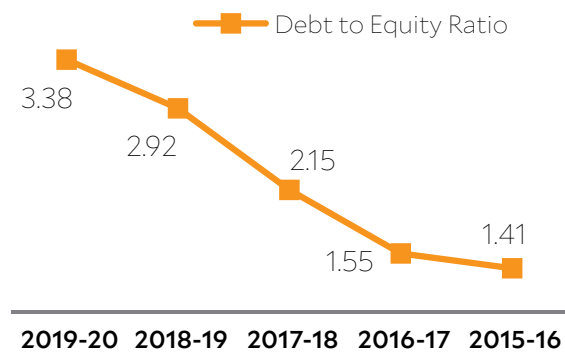
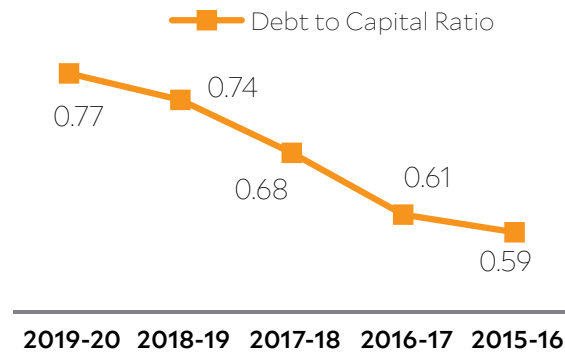


In 2020 Revenue has been recorded 10,60.67 million which was 12.82 % lower compared with the previous year and Gross profit was decrease by 13.22% from the financial year 2019. During the year covid-19 pandemic directly affected to decrease revenue significantly as a result overall profit ability showing downward sloping.



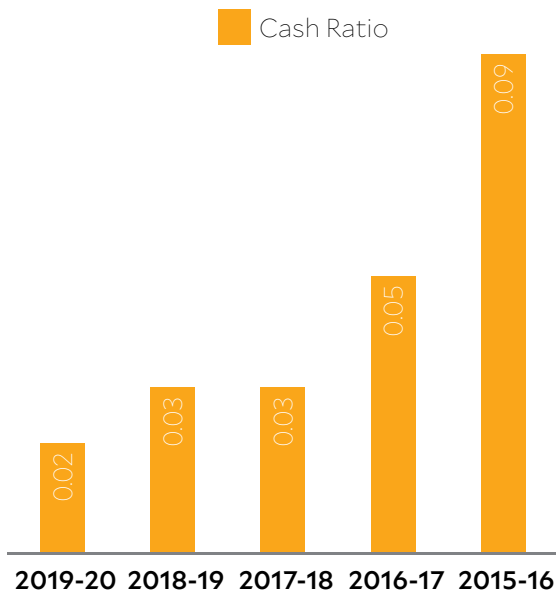
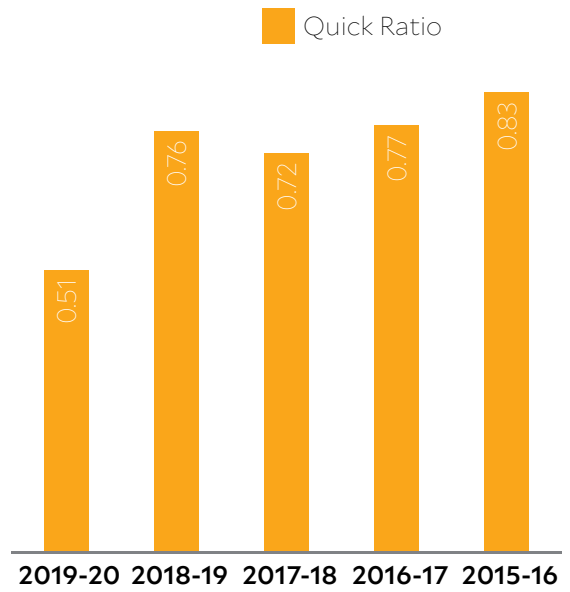
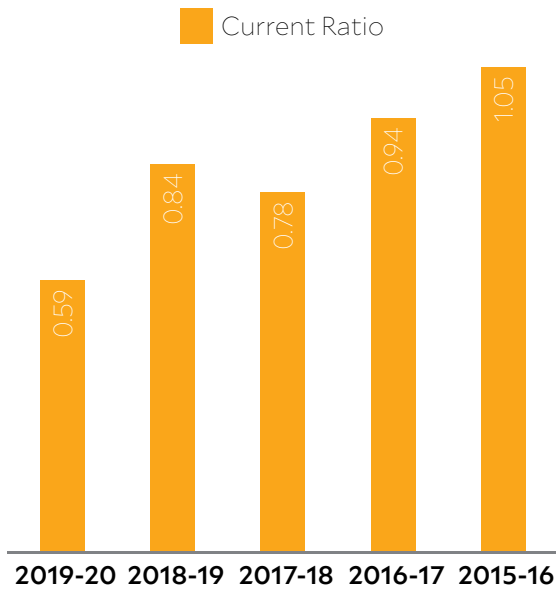
PCML earnings recorded at BDT 2.55 per share for the FY-2020 compared to BDT 5.80 per share of previous year.

Solvency Analysis



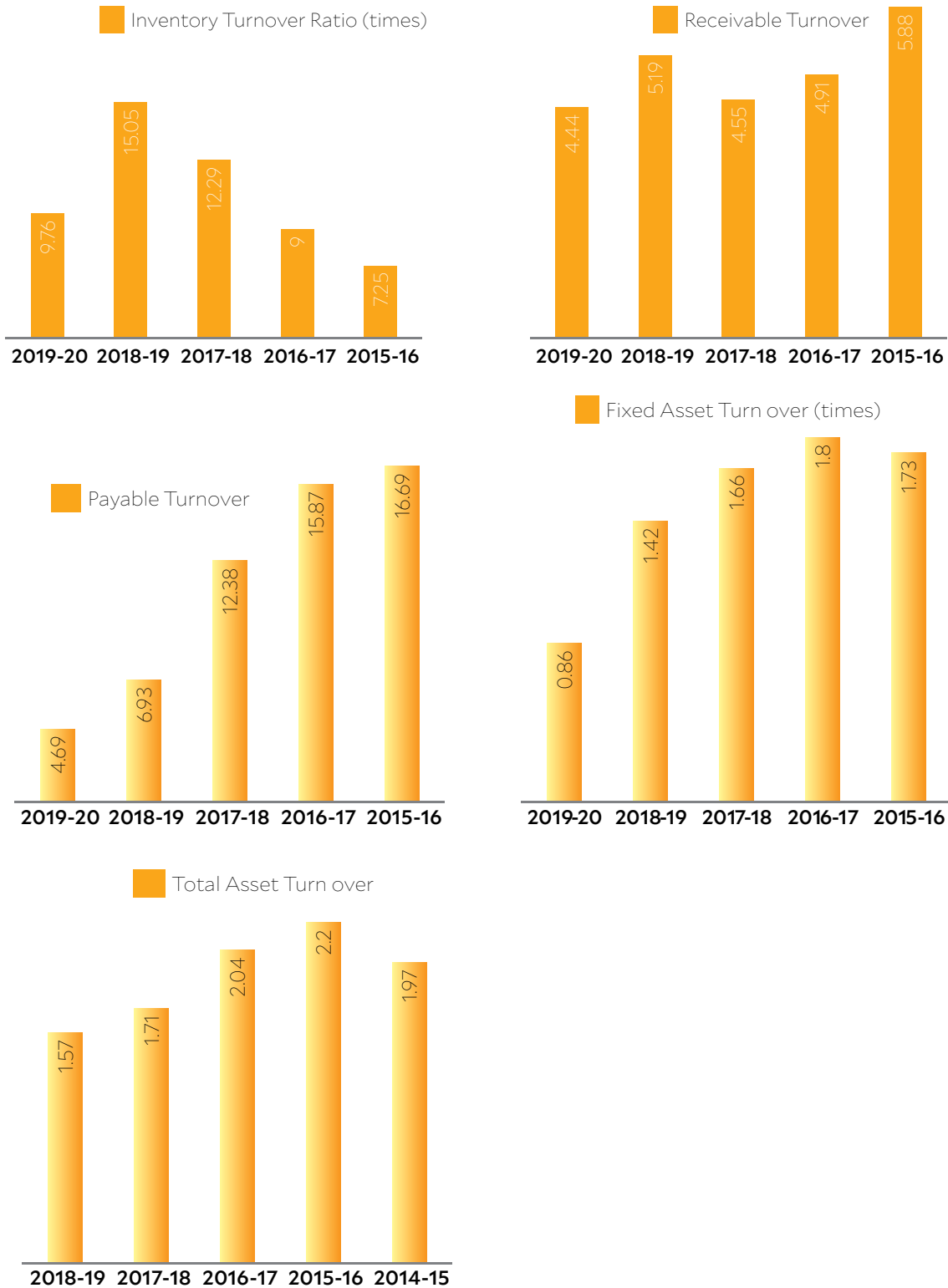
PCML-standalone solvency ratios showed the positive trend. The above graphs indicate that the Company has sufficient assets against its total debt. The company's standalone debt to asset ratio of Tk0.77, financial leverage ratio of Tk 4.15, interest Coverage ratio of Tk1.44 for the year ended 30 June 2020 as against Tk0.74, Tk3.86 and Tk2.81 respectively for the same period of the previous year.

Liquidity Analysis



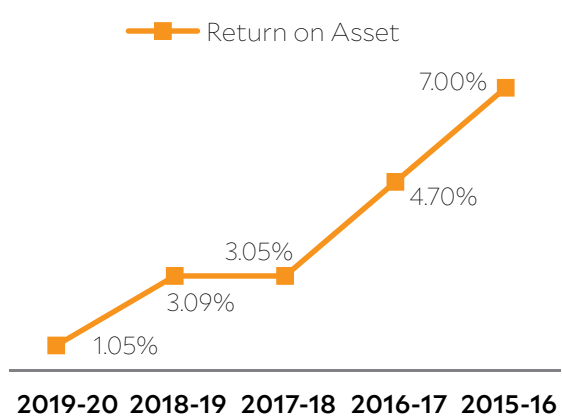
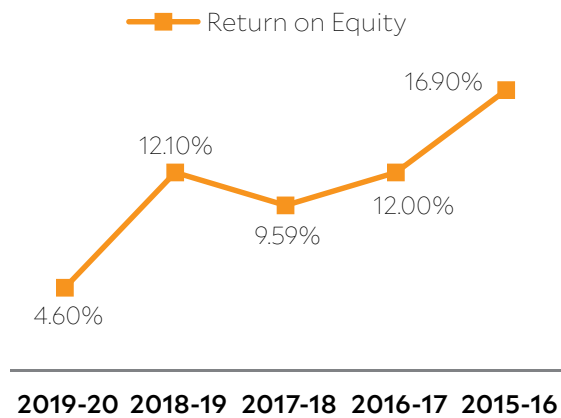
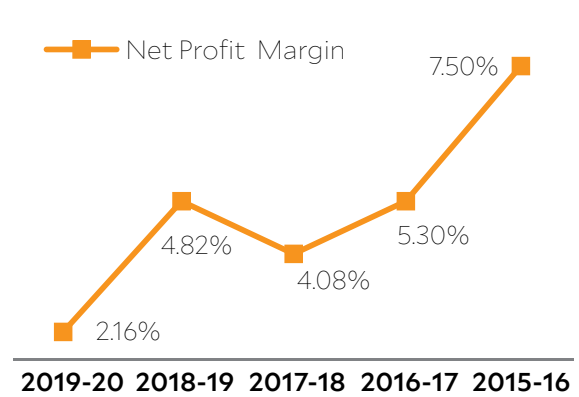
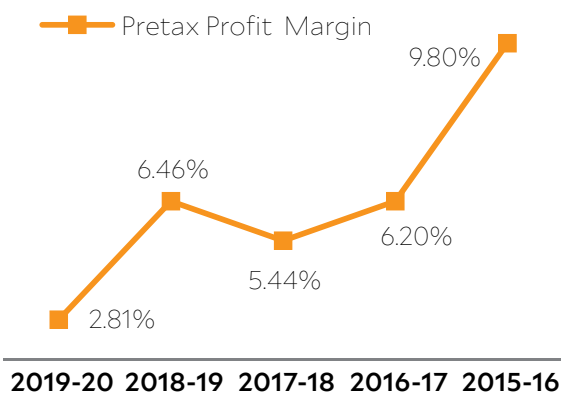
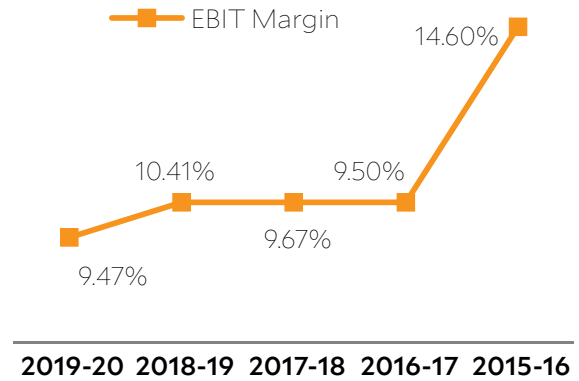
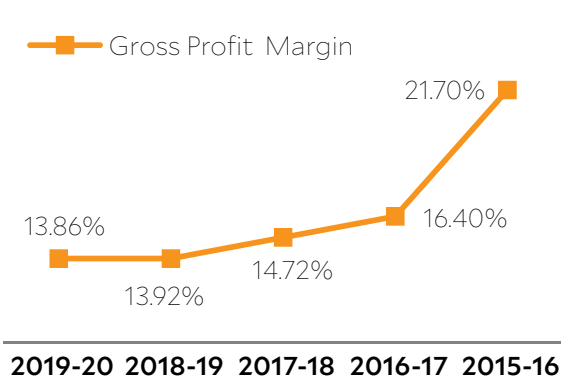
Liquidity ratios showed a company's ability to pay short term debt obligations and its margin of safety. In 2020 above the liquidity indicators of PCML shown that the company has adequate current asset against its current liability.

Activity Analysis



Activity ratios are financial analysis tools used to measure a business' ability to convert its assets into cash. Above indicators asserted that the PCML uses its resources enough to generating revenues and cash.

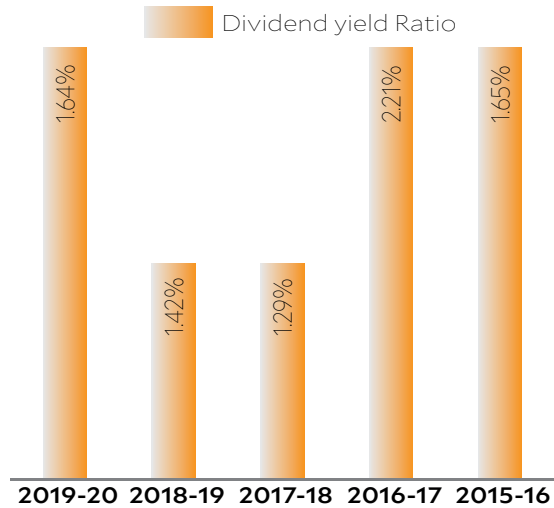
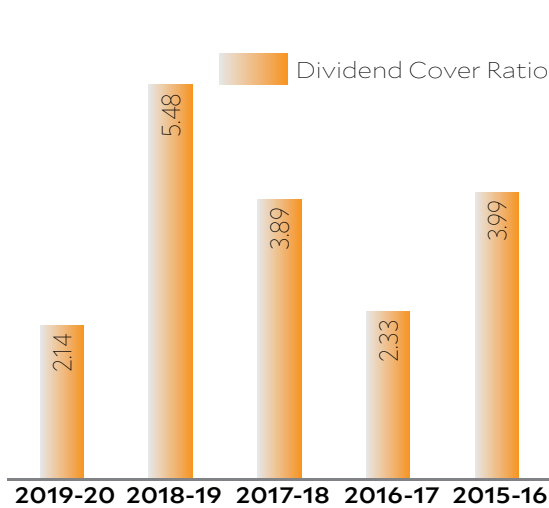
Profitability Analysis



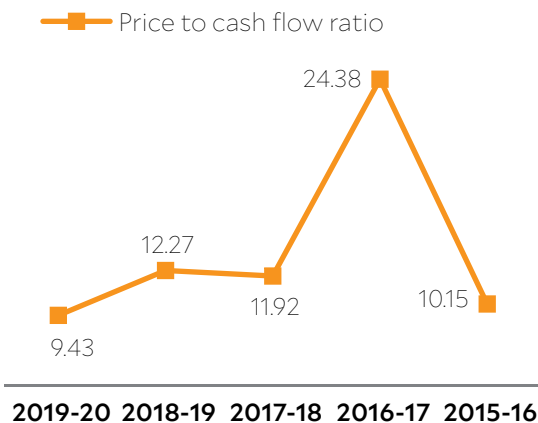
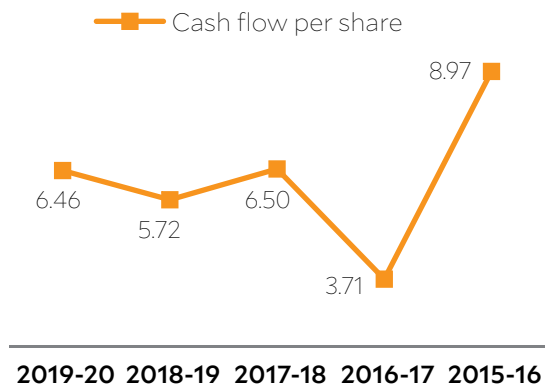
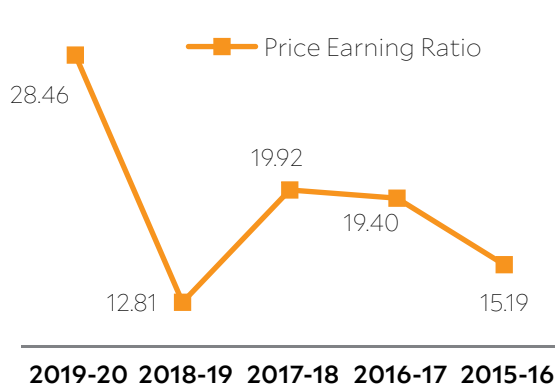
For the financial year (FY) 2020, the profitability indicators showed downward sloping. Gross Profit stood to Tk1,449.99 million compared Tk1,670.83 million achieved in the financial year 2019 reflecting decrease by 13.22%. Net profit after tax for the financial year 2020 is Tk225.45 million which is 61.00% lower than that of FY-2019.

Efficiency Analysis

Efficiency indicators shown that the company has sufficient earnings to pay dividend. Through In FY 2020 Dividend coverage ratio decreased by 60.77% compared FY 2019.

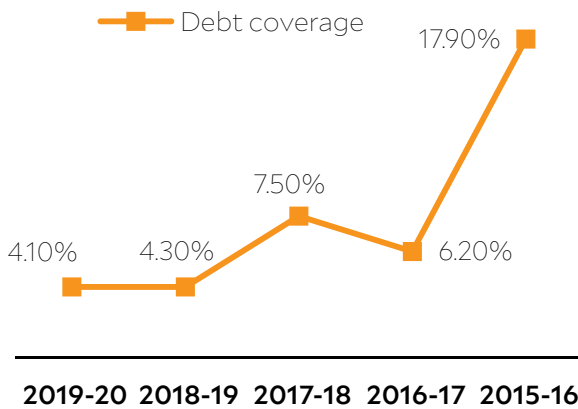
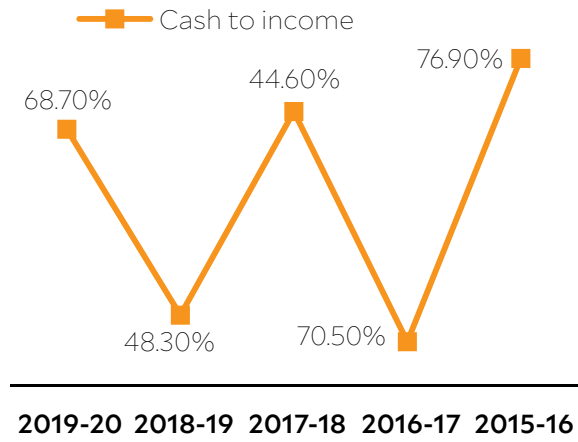
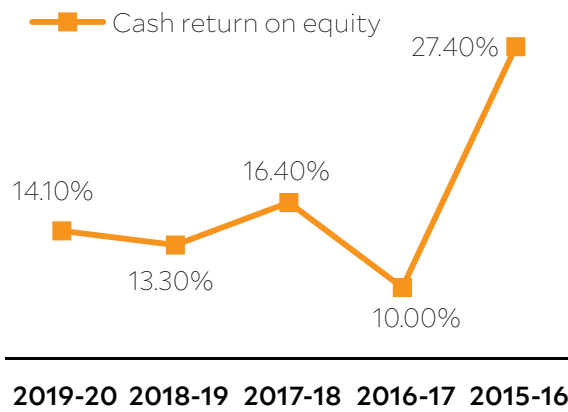
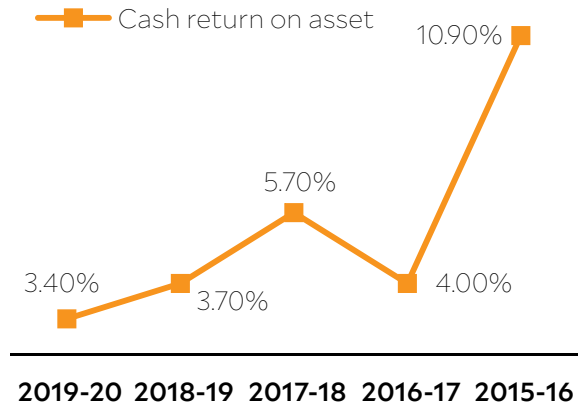
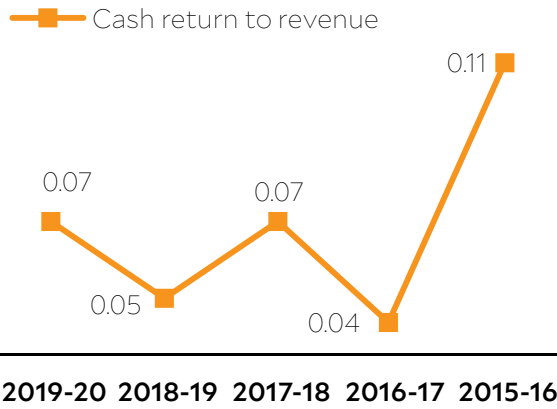


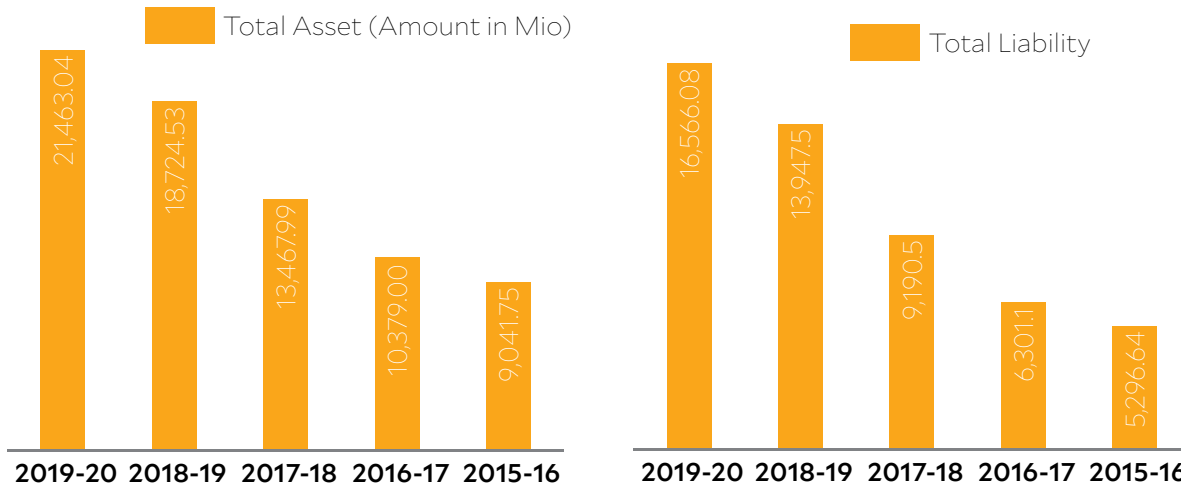
Valuation Analysis



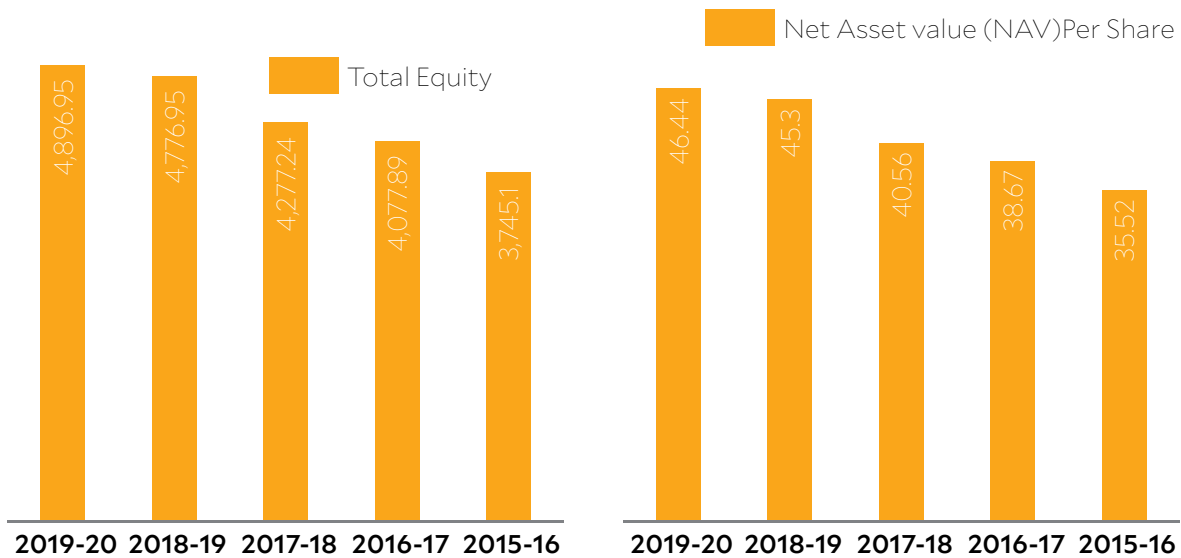
Valuation price help investors understand how expensive or cheap a company's stock is trading compared to its peers in the market. Above valuation price indicator shown the positive trend and the price are not fluctuated, it means the company's market position is good.

Cash flow Analysis





In FY- 2020 Total Asset grew by 14.63% compared to FY-2019 maintaining an average growth of 21.19% over the last 5 years. It is the result of company's relentless effort to increase customer's satisfaction and plan to increase the revenues. The liability of the company increased by 18.77% from the previous FY-2019 which is only 77.18% of the total asset.



Total equity increase in FY 2020 by 2.51% to stood BDT 4,869.95 million as a result of increased retained earnings by 4.59% during the year. Net asset value (NAV) per share rose by 2.51% in FY 2020 to reach BDT 46.44 per share.

Financial Highlights of PCML (Stand Alone)

TK in Mio

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Operational Performance					
Revenue	10,460.67	11,999.43	10,049.87	9,280.42	8,405.99
Cost of Sales	(9,010.67)	(10,328.60)	(8,570.91)	(7,757.68)	(6,583.24)
Gross Profit	1,449.99	1,670.83	1,478.95	1,522.74	1,822.76
Other income/(expense)	72.61	115.36	12.84	(150.13)	(35.64)
Administrative expenses	(100.57)	(118.28)	(101.04)	(109.33)	(116.59)
Selling & Distribution Expenses	(431.47)	(419.35)	(418.73)	(385.75)	(439.89)
Profit before Interest and tax	294.05	1,248.56	972.02	877.53	1,230.64
Share of profit from associate company	6.90	9.12	-	-	-
Financial expense	(688.70)	(444.12)	(398.17)	(278.06)	(361.74)
Contribution to WPPF	(14.70)	(38.74)	(27.33)	(28.55)	(41.38)
Profit before tax	294.05	774.81	546.52	570.93	827.52
Current Tax expenses	(54.03)	(159.42)	(102.40)	(113.98)	(179.79)
Deferred Tax income/(expenses)	(14.58)	(37.60)	(33.88)	34.02	(15.66)
Net profit after tax	225.45	577.80	410.25	490.97	632.07
Financial Performance					
Non-Current Assets	14,279.15	10,135.29	6,809.65	5,313.89	4,998.89
Current Asset	7,183.89	8,589.23	6,658.34	5,065.11	4,042.86
Total Assets	21,463.04	18,724.53	13,467.99	10,379.00	9,041.75
Shareholders' Equity	4,896.95	4,776.95	4,277.24	4,077.89	3,745.10
Non-Current Liability	4,449.08	3,767.80	632.95	903.38	1,442.15
Current Liability	12,117.00	10,179.77	8,557.79	5,313.89	4,998.89
Total Liability	16,566.08	13,947.57	9,190.75	5,065.11	4,042.86
Total equity and Liability	21,463.03	18,724.53	13,467.99	10,379.00	9,041.75
Others Information					
Authorize capital	5,000	5,000	5,000	5,000	5,000
Paid up capital	1,054.50	1,054.50	1,054.50	1,054.50	1,054.50
No. of shares outstanding	105.45	105.45	105.45	105.45	105.45
No. of shareholders (30 June)	2153	2,005	2,266	2,614	3,456
Market Capitalization	6421.91	7402.59	8172.37	9,532.68	9,595.95
Market value per Share	60.90	70.20	77.50	90.40	91.00
Net asset value per share	46.44	45.30	40.56	38.67	35.52
Dividend per share	1.00	1.00	1.00	2.00	1.50
Earnings per Shares	2.14	5.48	3.89	4.66	5.99
Export Sales	93.60	295.58	494.63	274.92	221.71
Local Sales	10,131.50	11,512.64	9393.54	8,990.76	8,147.70

Key Ratio Analysis of PCML (Stand Alone)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Solvency Analysis					
Debt to Asset Ratio	0.77	0.74	0.68	0.61	0.59
Debt to Capital Ratio	0.77	0.74	0.68	0.61	0.59
Debt to Equity ratio	3.38	2.92	2.15	1.55	1.41
Financial leverage ratio	4.15	3.56	2.85	2.48	2.52
Interest coverage	1.44	2.81	2.44	3.16	3.40
Liquidity Analysis					
Current ratio	0.59	0.84	0.78	0.94	1.05
Quick ration	0.51	0.76	0.72	0.77	0.83
Cash ratio	0.02	0.03	0.03	0.05	0.09
Activity Analysis					
Inventory Turnover ratio (times)	9.76	15.05	12.29	9.00	7.25
Receivables turnover	4.44	5.19	4.44	4.91	5.88
Payable turnover	4.69	6.93	12.38	15.87	16.69
Fixed asset turnover (times)	0.86	1.42	1.66	1.80	1.73
Total Asset Turnover	1.33	1.57	1.71	2.04	2.20
Profitability Ratios					
Gross Profit Margin	13.86%	13.92%	14.72%	16.41%	21.68%
EBIT Margin	9.47%	10.41%	9.67%	9.46%	14.64%
Pretax Profit margin	2.81%	6.46%	5.44%	6.15%	9.84%
Net profit margin	2.16%	4.82%	4.08%	5.29%	7.52%
Return on equity	4.60%	12.10%	9.59%	12.04%	16.88%
Return on Asset	1.05%	3.09%	3.05%	4.73%	6.99%
Return on capital Employed	10.60%	14.61%	19.80%	17.62%	23.72%
Efficiency Analysis					
Dividend Cover Ratio	2.14	5.48	3.89	2.33	3.99
Dividend yield Ratio	1.64%	1.42%	1.29%	2.21%	1.65%
Valuation analysis					
Price Earnings Ratio	28.46	12.81	18.24	19.40	15.19
Cash flow per share	6.46	5.72	6.50	3.71	8.97
Price to cash flow Ratio	9.43	12.27	11.92	24.38	10.15
Cash Flow Ratio					
Cash flow to Revenue	0.07	0.05	0.07	0.04	0.11
Cash return on asset	3.4%	3.7%	5.7%	4.0%	10.9%
Cash return on Equity	14.1%	13.3%	16.4%	10.0%	27.4%
Cash to income	68.7%	48.3%	70.5%	44.6%	76.9%
Debt Coverage	4.1%	4.3%	7.5%	6.2%	17.9%

Horizontal Analysis of PCML (Stand Alone)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Statement of comprehensive Income					
Revenue	-12.82%	19.40%	8.29%	10.40%	17.84%
Cost of Sales	-12.76%	20.51%	10.48%	17.84%	9.12%
Gross Profit	-13.22%	12.97%	-2.88%	-16.46%	65.68%
Other income/(expense)	-37.06%	798.76%	-108.55%	321.20%	-130.41%
Administrative expenses	-14.98%	17.07%	-7.58%	-6.23%	50.92%
Selling & Distribution Expenses	2.89%	0.15%	8.55%	-12.31%	29.27%
Profit before Interest and tax	-20.66%	28.45%	10.77%	-28.69%	53.87%
Financial expense	55.07%	11.54%	43.19%	-23.13%	-6.39%
Contribution to WPPF	-62.05%	41.77%	-4.27%	-31.01%	110.19%
Profit before tax	-62.05%	41.77%	-4.27%	-31.01%	110.19%
Current Tax expenses	-66.11%	55.69%	-10.16%	-36.60%	513.14%
Deferred Tax income/(expenses)	-61.23%	10.99%	-199.57%	-317.20%	-259.24%
Net profit after tax	-60.95%	40.84%	-16.44%	-22.32%	68.91%
Statement of Financial Position					
Assets					
Non-Current Assets					
Property, Plant and equipment	-3.01%	4.17%	13.83%	11.27%	6.37%
Capital work-in progress	109.47%	349.88%	961.79%	1578.64%	0.00%
Investment in subsidiary	0.00%	0.00%	0.00%	0.00%	0.00%
Investment in associate	6.48%	52.14%	0.00%	-80.00%	0.00%
Total Non-Current Assets	40.89%	48.84%	28.15%	6.30%	5.93%
Current Asset					
Inventories	10.41%	77.21%	-44.94%	8.94%	-16.66%
Trade and other receivables	12.24%	-7.65%	13.54%	27.61%	38.16%
Advance, Deposits and Pre-Payments	-12.83%	38.50%	99.10%	38.70%	6.67%
Investment in FDR	2.72%	-26.84%	5.57%	14.89%	-24.77%
Current account with subsidiary (NCML)	-92.06%	86.44%	93.75%	84.14%	25.99%
Current account with subsidiary (PPGL)	#DIV/0!	0.00%	0.00%	0.00%	-100.00%
Cash and Bank Balance	-15.89%	118.87%	-24.34%	-47.51%	25.04%
Total Current Assets	-16.36%	29.00%	31.46%	25.29%	12.21%
Total Asset	14.63%	39.03%	29.76%	14.79%	8.65%

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Equity and Liabilities					
Equity					
Share Capital	0.00%	0.00%	0.00%	0.00%	0.00%
Revaluation Reserve	-1.66%	-1.76%	-1.86%	-1.96%	47.07%
share Premium	0.00%	0.00%	0.00%	0.00%	0.00%
Retained earning	4.59%	22.27%	10.07%	19.81%	33.26%
Total Shareholder Equity	2.51%	11.68%	4.89%	8.89%	18.99%
Non-current Liability					
Deferred tax liabilities/(Assets)	3.27%	9.20%	9.04%	-8.32%	36.19%
Long term Loan	26.40%	2725.95%	-78.90%	-56.20%	-24.98%
Loan from Director	0.00%	0.00%			
Defined benefit obligations (Gratu-ity)	1.21%	-2.40%	15.02%	19.33%	23.06%
Total Non-Current Liability	18.08%	495.27%	-29.94%	-37.36%	-11.27%
Current Liabilities					
Trade and other payables	-22.37%	165.49%	89.85%	-12.67%	94.12%
Short term bank loan	61.54%	-12.27%	56.66%	52.11%	-5.66%
Loan from Director	-100.00%	199.75%	0.00%	0.00%	0.00%
Current portion of long term loan	66.18%	24.33%	-5.09%	12.36%	-2.33%
Current account with subsidiary (PPGL)	25.56%	16.97%	-5.09%	12.36%	-2.33%
Liability for other finance	11.09%	4.62%	5.69%	37.07%	0.6%
Contribution to WPPF	-62.05%	41.77%	-95.61%	1.23%	0.56%
Provision for taxation	9.84%	40.90%	-4.27%	-31.01%	110.19%
Total Current Liabilities	19.03%	18.95%	35.63%	65.73%	300.70%
Total Liabilities	18.77%	51.76%	58.54%	40.04%	8.60%
Total equity and liabilities	14.63%	39.03%	29.76%	14.79%	8.65%

Vertical Analysis PCML (Stand Alone)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Statement of comprehensive Income					
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Sales	86.14%	86.08%	85.28%	83.59%	78.32%
Gross Profit	13.86%	13.92%	14.72%	16.41%	21.68%
Other income/(expense)	0.69%	0.96%	0.13%	1.62%	0.42%
Administrative expenses	0.96%	0.99%	1.01%	1.18%	1.39%
Selling & Distribution Expenses	4.12%	3.49%	4.17%	4.16%	5.23%
Profit before Interest and tax	9.47%	10.41%	9.67%	9.46%	14.64%
Financial expense	6.58%	3.70%	3.96%	3.00%	4.30%
Contribution to WPPF	0.14%	0.32%	0.27%	0.31%	0.49%
Profit before tax	2.81%	6.46%	5.44%	6.15%	9.84%
Current Tax expenses	0.52%	1.33%	1.02%	1.23%	2.14%
Deferred Tax income/(expenses)	0.14%	0.31%	0.34%	0.37%	0.19%
Net profit after tax	2.16%	4.82%	4.08%	5.29%	7.52%
Statement of Financial Position					
Assets					
Non-Current Assets					
Property, Plant and equipment	27.04%	32.38%	43.22%	49.27%	50.83%
Capital work-in progress	38.23%	20.92%	6.46%	0.79%	0.05%
Investment in subsidiary	0.22%	0.26%	0.36%	0.46%	0.53%
Investment in associate	0.53%	0.57%	0.52%	0.67%	3.87%
Total Non-Current Assets	66.53%	54.13%	50.56%	51.20%	55.29%
Current Asset					
Inventories	4.51%	4.69%	3.68%	8.66%	9.13%
Trade and other receivables	11.61%	11.86%	17.85%	20.41%	18.36%
Advance, Deposits and Pre-Payments	15.50%	20.38%	20.45%	13.33%	11.03%
Investment in FDR	0.68%	0.76%	1.45%	1.78%	1.78%
Current account with subsidiary (NCML)	0.50%	7.29%	5.43%	3.64%	2.27%
Cash and Bank Balance	0.66%	0.90%	0.57%	0.98%	2.15%
Total Current Assets	33.47%	45.87%	49.44%	48.80%	44.71%
Total Asset	100.00%	100.00%	100.00%	100.00%	100.00%

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Equity and Liabilities					
Equity					
Share Capital	4.91%	5.63%	7.83%	10.16%	11.66%
Revaluation Reserve	2.24%	2.61%	3.70%	4.89%	5.72%
share Premium	2.06%	2.36%	3.28%	4.26%	4.89%
Retained earning	13.60%	14.91%	16.95%	19.98%	19.15%
Total Shareholder Equity	22.82%	25.51%	31.76%	39.29%	41.42%
Non-current Liability					
Deferred tax liabilities/(Assets)	2.15%	2.38%	3.03%	3.61%	4.52%
Long term Loan	14.35%	13.01%	0.64%	3.94%	10.32%
Loan from Director	3.50%	4.01%			
Defined benefit obligations (Gratuity)	0.64%	0.72%	1.03%	1.16%	1.11%
Total Non-Current Liability	20.73%	20.12%	4.70%	8.70%	15.95%
Current Liabilities					
Trade and other payables	6.35%	9.37%	4.91%	3.36%	4.41%
Short term bank loan	42.29%	30.00%	47.55%	39.38%	29.72%
Loan From Directors	0.00%	8.17%	3.79%	-	-
Current portion of long term loan	3.61%	2.49%	2.78%	3.81%	3.89%
Current account with subsidiary (PPGL)	1.28%	1.17%	1.39%	1.71%	1.43%
Liability for other finance	0.02%	0.02%	0.02%	0.71%	0.81%
Contribution to WPPF	0.07%	0.21%	0.20%	0.28%	0.46%
Provision for taxation	2.81%	2.93%	2.89%	2.77%	1.92%
Total Current Liabilities	56.46%	54.37%	63.54%	52.01%	42.63%
Total Liabilities	77.18%	74.49%	68.24%	60.71%	58.58%
Total equity and liabilities	100.00%	100.00%	100.00%	100.00%	100.00%

Redressal of Investors' Complaint

Premier Cement Mills Limited is strongly committed to equitable treatment of every shareholder, whether they are major or minority shareholders, institutional investors, or foreign shareholders. To ensure equal treatment of all shareholders the Company created various mechanisms, such as:

1. Shareholders who are unable to attend the shareholders' meeting, the Company provide proxy forms which allow shareholders to specify their vote on each agenda. The proxy forms, which are in accordance with the standard format, are sent along with the annual report.
2. The shareholders' meetings proceed according to the order of the agenda, without adding new and uniformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making a decision. Moreover, there are no changes to the important information in the shareholders' meeting.
3. The Company sees the importance of the consideration of transactions which may have conflict of interest or may be connected or related transactions, and abides by good corporate governance principles, including the rules and regulations of the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange and the Chittagong Stock Exchange transactions. Directors, management and those who are related persons do not participate in the consideration to approve such transactions.
4. The Company provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the Company's Annual General Meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of Director. Complaint redressal is supported by a review mechanism, to minimize the recurrence of similar issues in future.

PCML follows the following principles

- Investors must be treated fairly at all times
- PCML employees work in good faith and without prejudice, towards the interests of the investors.
- Investors are informed of avenues to raise their complaints within the organization
- Complaints are treated efficiently and fairly
- Complaints raised by investors must be dealt with courtesy and in a timely manner



Way of Redress Investor Complaints

- Investor can complain through email ***corporate.affairs@premiercement.com***
- An investor can make a written complaint through letter
- The Company maintains investor grievance file in which full detail of every written complaint shall enter
- We have 2 designated person to look after the investor grievances in due time
- The full detail of the written complaint must be passed to the concerned department and inform the compliance officer of the Company as soon as it is received
- A letter or email must be written to all the investor who have submitted written complaints by the designated person or Compliance Officer acknowledging receipt of the complaint and informing them it will be dealt with
- Audit & Compliance Department will obtain all information available on the complaint which is considered necessary for a proper investigation, look into all the necessary information and resolve these as soon as possible;

The Company continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

Investors' inquiries / Complaint

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

Share Department

T.K Bhaban (12th Floor),
13 Kawran Bazar, Dhaka-1215
E-mail: corporate.affairs@premiercement.com
Tel: 02-9144788, 02-9127610
Mobile: 01777-764006 (Md. Rafiqul Islam)
01755-639090 (Md. Shamim Ashraf)

Our valuable shareholders







CORPORATE COMPLIANCE CALENDAR

Publication of Financial Statements for the 1st Quarter November 11, 2019	Publication of Financial Statements for the Half-year January 26, 2020	Publication of Financial Statements for the 3rd Quarter June 29, 2020
Annual Financial statements approved by the Board November 12, 2020	Record Date December 07, 2020	Dispatching notice for the Annual General Meeting December 13 2020
Dispatching of Annual Report December 13, 2020	Holding of Annual General Meeting December 28, 2020	Transfer/ payment of Dividend N/A



Integrated Report & Responsibility over the Integrity





Integrated Reporting

Our Annual Report has been presented as an 'Integrated Report' where we have tried to put forward an integrated view on how our company creates value now and in the future - taking into account multiple financial and non-financial capitals. As such it is felt that stimulates Integrated Thinking and vice versa, ultimately resulting in more effective business decisions that will drive better business performance.

Scope of the Report

The report covers the period from 1 July 2019 to 30 June 2020, in explaining the company's operations and financial performance. Financial information disclosed here has been extracted from the Audited Financial Statements for the financial year ended 30 June 2020 with relevant comparative information. The financial statements consistently complied with the requirements of:

- International Accounting Standards (IAS)
- International Financial Reporting Standards (IFRS)
- Companies Act 1994
- Securities and Exchange Rules 1987
- The Income Tax ordinance 1984
- And other applicable laws and regulations.

To report our corporate governance practices, we have followed the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC)

External Assurance

PCML obtains external assurance from the following three firms during the period under consideration, the outcomes of which are duly published in this report:

SL No.	Description of Report	External Assurance
01	Premier Cement Mills Limited Audit	M/s Hossain Farhad & Co., Chartered Accountants
02	Corporate Governance Audit	Shafiqul Alam & Co., Chartered Accountants
03	Premier Power Generation Limited Audit	Snehasish Mahmud & Co, Chartered Accountants
04	Employees Provident Fund Audit	Syful Shamsul Alam & Co., Chartered Accountants
05	National Cement Mills Limited Audit	MRH Dey & Co. Chartered Accountants



Comparability

All the information presented in this report are on the same basis as the FY-2019 report in terms of the entities covered, the measurement methods applied and time frames used. The information provided covers all material matters relating to business strategy, risk and areas of critical importance to our stakeholders. The structure of the report has been further developed as part of our continuous focus on improving communication to our stakeholders.

Available Information

Our Internet address is www.premiercement.com. We make available free of charge a variety of information for investors. Our goal is to maintain the Investor Relations website as a portal through which investors can easily find or navigate to relevant information about us. This includes:

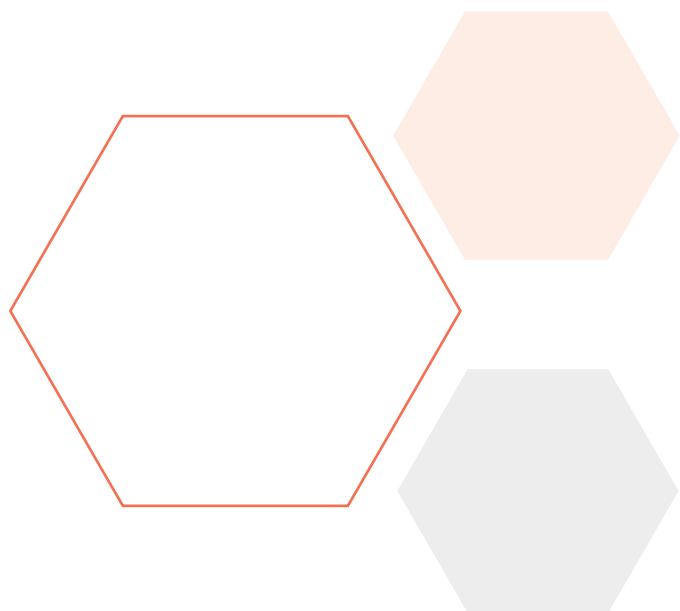
- Yearly Annual Report
- Information on our business strategies, financial results, and key performance indicators.
- Press releases on quarterly earnings
- Other news and announcements that we may post from time to time that investors might find useful or interesting.

The PDF copy of the Annual Report is sent to all the shareholders, E-mail Address, prior to holding the Annual General Meeting, giving due period of notice.

Responsibility over the Integrity of the Integrated Report

I acknowledge the responsibility to ensure the integrity of the disclosure contained in the Integrated Report presented herewith which comprise the discussion and analysis, disclosures pertaining to stewardship, which should be read in conjunction with the audited financial statement. In the opinion, the integrated report, incorporated in this annual report has been prepared in accordance with the IIRC's International Integrated Reporting framework and addresses the material matter pertaining to the long term sustainability of the group and present fairly the integrated performance of Premier Cement and impacts thereof.

Mohammed Amirul Haque
CEO & Managing Director



Our Business Model

Our overall business model is designed with sustainable approach to sourcing, production and distribution. It helps us to create value for wide range of stakeholders and they include employees, suppliers, retailer and wholesaler, government, regulators and society at large.

Our value proposition

- Produce high quality Product
- Superior customer service
- Ensure customer satisfaction
- To satisfy our employees

What we do?

Product quality depends mostly on the quality of raw materials. We do not have our own quarry of raw materials but we import high quality raw materials from Vietnam, China, Japan, Oman, Thailand, India and other countries.



What makes us Different?

- We have assigned highly skilled and efficient groups of employees who are always implementing the best policies and using their knowledge to their best of abilities to find out the best quality raw materials.
- Our raw materials are continuously checked to ensure quality in different stages such as sample testing before placing purchase orders, after shipping, during receiving the raw materials, etc.

What we do?

In the production process we try to achieve maximum production at the minimum cost possible. We have one of the most advanced manufacturing facilities in the country. We try our best to ensure cost effective production through production process planning and use our resources as effectively as possible.



What makes us Different?

- In each and every stages of production we ensure quality testing procedures. If we find any variable, production is stopped immediately at that stage until & unless the quality is ensured.
- Our production facilities are designed to meet the needs of customers and flexible supply chain, providing a world class operational base that is fit for the future.
- To meet the market needs and to improve the quality and future export potentiality of our products, the manufacturing facility has to undergo balancing.



What we do?

We produce three categories of products, namely: Portland Cement (PC); CEM I, Strength Class 52.5N, Portland Composite Cement (PCC); CEM II, Strength Class 42.5N and Portland Pozzalana Cement.

What Makes Us Different?

- We have a Successful brand strategy based on sound consumer insights.
- We tend to focus more on our customer's satisfaction rather than on profitability.

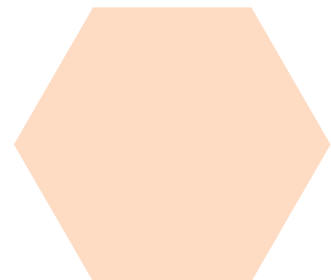
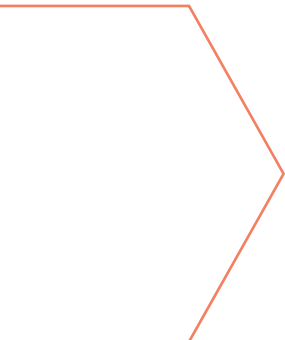


What we do?

Our well-developed distribution channels are critical enablers of our growth strategy, allowing us to roll out innovations on a big scale.

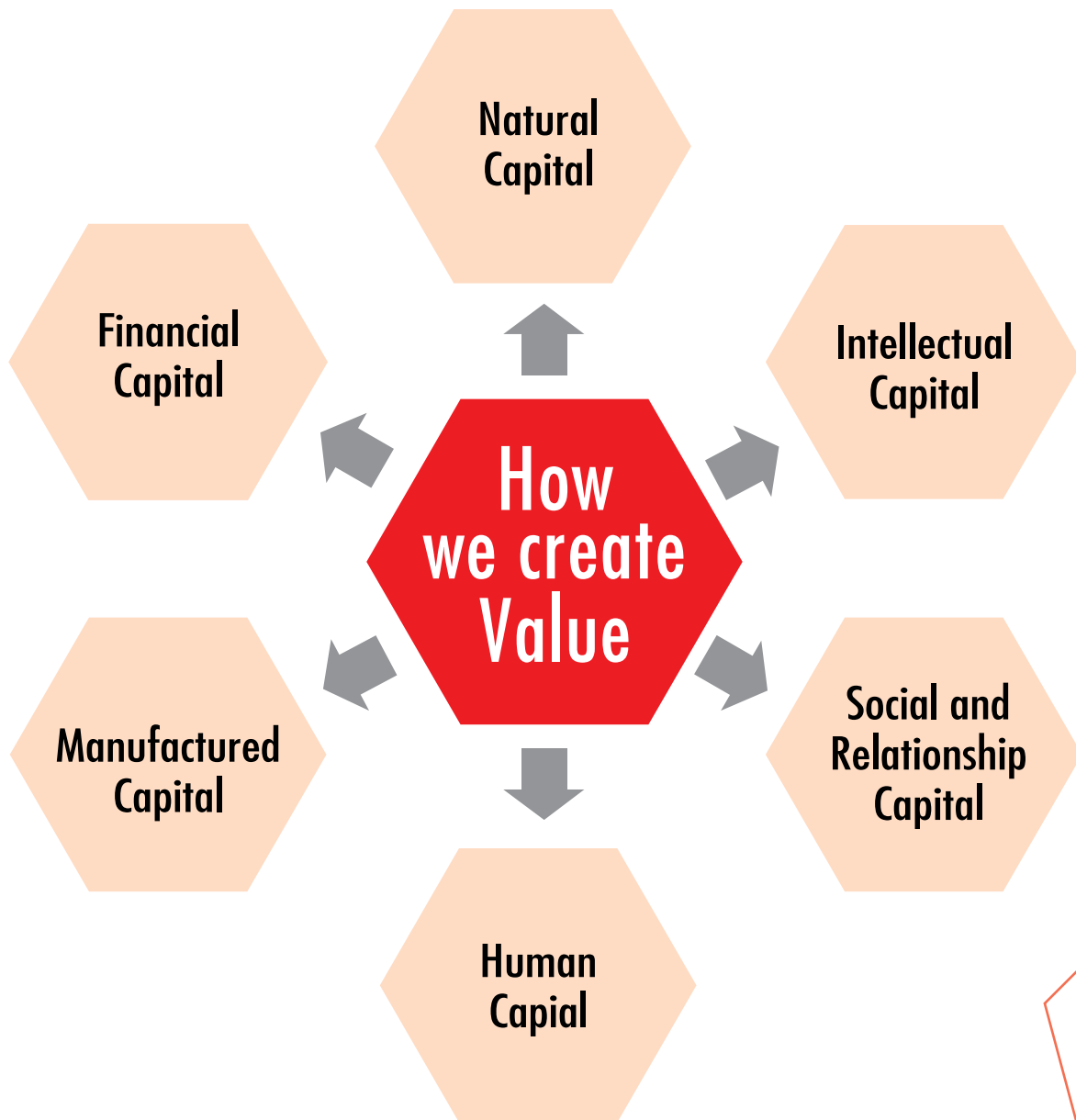
What makes us different?

- We continuously review our route to market, including our relationships with wholesalers, distributors and logistics providers.
- We encourage to establish best practices at the distributor end as well, to ensure regulatory compliance of the Cement industry as a whole.



How we create Value

Premier Cement is one of the leading cement manufacture company in Bangladesh. It produce high quality cement product for consumers. However PCML is committed to embedding the principles of corporate social responsibility through our responsible business operation. It strives to be responsible company to shareholders, employees, business partners or any other relevant internal and external stakeholders. We believe success can't run without responsibility both go together. That is how we increase our corporate value, which helps us fulfill our mission and vision.



Financial Capital

The money which we obtain from business activities and from external sources. Financial capital includes revenue, reserves capital, other equity related funding and retained profit generated from our operations is used to fund our business activities. We continue to implement financial strategies that enhance our financial capital as to carry out the day to day business activities of the company and strengthen our ability to create value for all stakeholders of our business.

Particulars	2019-20 Amount in Mio	2018-19 Amount in Mio	Growth	
			Amount in Mio	Rate
Shareholders' Equity	5,245.14	5,081.17	163.97	3.23%
Net Profit After Tax	271.24	612.80	-341.56	-55.74%
Receivables	2,492.40	2,220.56	271.84	12.24%
Advance, Deposit and Prepayment	3,338.93	3,828.46	-489.53	-12.79%
Investment in FDR	146.40	142.51	3.89	2.73%
Cash and Bank Balance	142.45	169.26	-26.81	-15.84%



Manufacturing Capital

Manufactured Capital is the tangible and intangible infrastructure, plant and equipment what we use to conduct our business activities. It also includes internal, external and intellectual capital such as network information system asset.

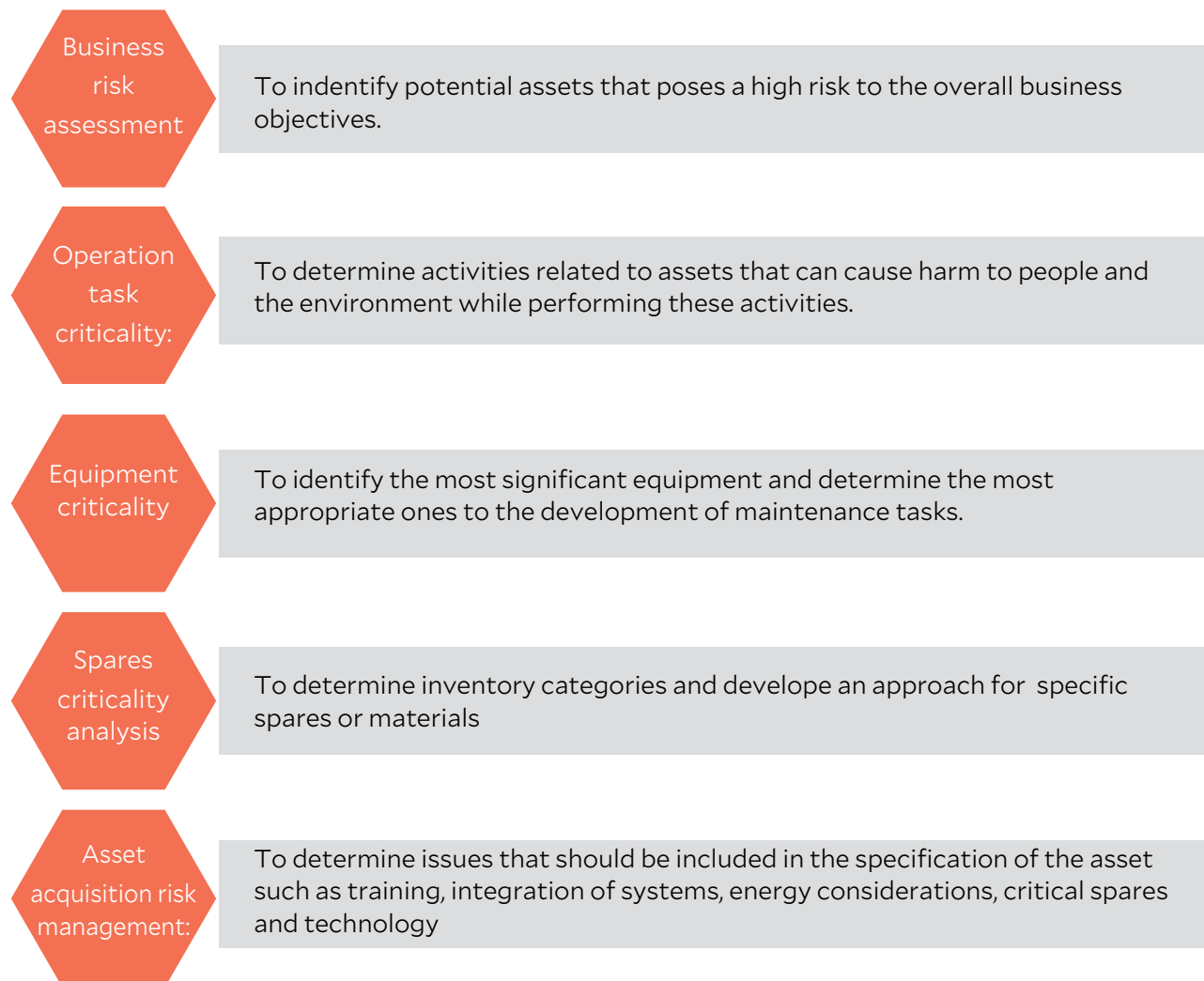
The management of these assets is a key business imperative and is considered an essential element in achieving manufacturing excellence and operational performance. The implementation of asset maintenance and core policies will improve asset utilization and profitability.

We are committed to increase our contribution to society and economy by enhancing the better quality produce & service.

Asset Management Strategy

The purpose of the asset, risk management strategy is to provide a structured approach to the implementation of an asset risk management system. Our asset management strategy is aligned with international best practice. The focus is on asset care, operation and maintenance while considering the asset performance and the effect of external factors.

Key Area Focus:



Asset Care

The asset care team ensures that equipment is kept in good and functional condition that contributes to safe working conditions and prevents environmental damage. Our dedicated asset care team is focused on furthering the:

1. Development and implementation of asset risk management policies and governance
2. Development and implementation of centralized work planning and control
3. Development and implementation of improved material management systems, our reliance on manufactured capital and our approach to the management thereof allowed us to extract the benefits and value of our assets.

Material Aspects

1. Resource Utilization
2. Maintaining state-of-the-art work environment
3. Infrastructural resource maintenance and development
4. Ensuring optimum accessibility to clients

Challenges

1. Ensuring infrastructure sufficiency supports growth ambitions
2. Balancing costs and benefits of investments
3. Rapid changes in technology and the timing of investments

Investing in Eco-friendly workspace and policies

We have taken initiatives to make our plant, warehouses and offices more eco-friendly and reduce our carbon footprint. We invest in making our premise more energy efficient.

Enhancing our work environment

We provide state-of-the-art manufacturing and office environment that cater to employees in terms of work space, facilities for extra-curricular activities and so on. These help create greater attachment to the company and is in line with our philosophy that a good work-life balance should start at the workplace. In order to help employees reach their potential, a good work environment needs to be complemented with employee engagement initiatives, efforts towards employee health and well-being and numerous other factors.



Human Capital

Human resource is an integral part of a business. A Company's long term investment is mostly dependent on its human resource. A group of skilled and experienced employees can convert the investment into heavy return. Realizing that Premier Cement has introduced "Human Resource Accounting" as a paramount part of its accounting. At Premier Cement, very few resources are as important as human resource. Generally all employees' attributes, life experience, knowledge, innovativeness, energy and enthusiasm are treated as human capital asset by the Company. There are many functions which are executed by Human Resource Management (HRM) but among them recruiting people, training, performance appraisals, motivating employees as well as workplace communication, safety are the key functions. Premier Cement is highly interested to measure the collective investment on human resource and consider its ROI towards the organizational goal.

Human Resource Accounting has paramount importance; it is not able to draw attention of management thinkers and professional accountants. As a result it is hardly seen that most of the companies include human resource accounting in their financial statements around the world. In case of Bangladesh, the same thing is going on here. But at Premier Cement we are adopting "Human Resource Accounting" as a part and parcel of accounting.

Demographic segmentation of our permanent Human Resources (Till June 30, 2020):

Age	Corporate Office	Factory	Total
18-25	110	413	523
26-35	220	480	700
36-45	125	225	350
46-55	14	56	70
56 and above	02	7	9
Total	471	1,181	1,652

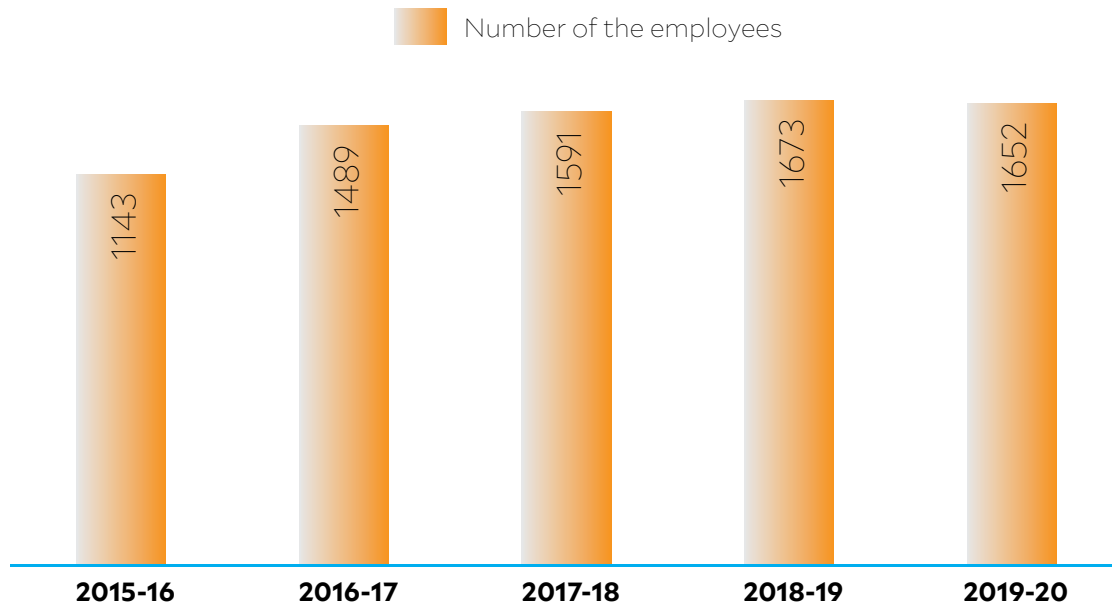
Brief and approximate outlay of our HR development for the year ended 2019-2020

Particulars	2018-19	2019-20
Particulars		
Total cost of hiring	1,618,832	2,325,568
Average cost of hiring incumbent	4951	6,683
Total Cost of Training	8,004,551	9,165,431
Average cost of training (for both existing and new employees)	4,785	5,548



Employee's benefits outlay for the year ended 2019-2020

Particulars	2018-19	2019-20
Salary	355,098,350	367,993,764
Directors Remuneration	2,400,000	2,400,000
Provident Fund	867,229	9,034,188
Workers Profit Participation Fund (WPPF)	38,740,612	10,574,574
Gratuity settlement and others	55,906,279	56,850,969
Total	460,821,470	446,853,495





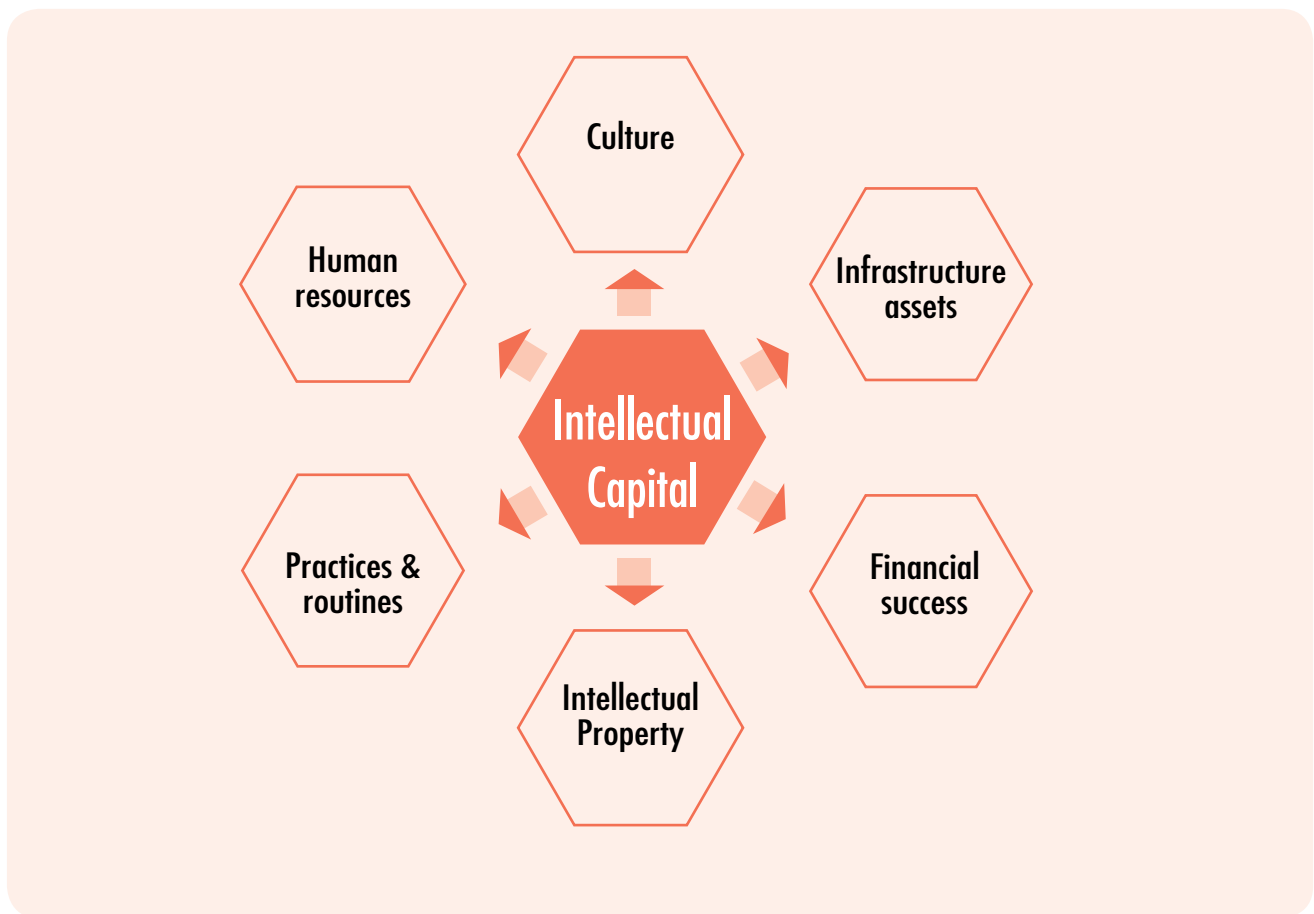
Intellectual Capital

Intellectual Capital is a complete package of the total of a company’s knowledge that has significant contribution to our improved competitive position by adding value to defined key stakeholders. Our intellectual capital has comprises of knowledge of our people, applied experience, organizational technology, customer relationships and professional skills that provide sufficient advantage to generate the returns on investment.

However, as technology and process improvements become more of a differentiating factor within modern companies, intellectual capital becomes a greater factor in achieving success in a competitive market place.

Therefore, we used all strengthen/factors of our intellectual capital to produce product and wealth, multiply output of physical assets, gain competitive advantage, and to enhance value of other types of capital.

Value creation map shows the pathway of how value is created in Premier Cement and represents a fundamental link between the company and one of its key stakeholders.

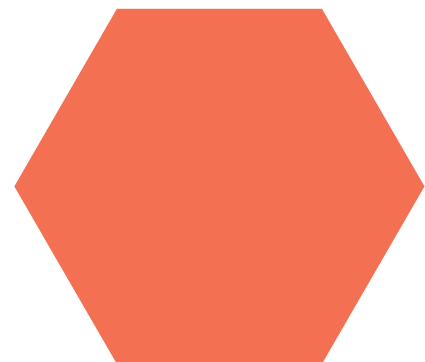
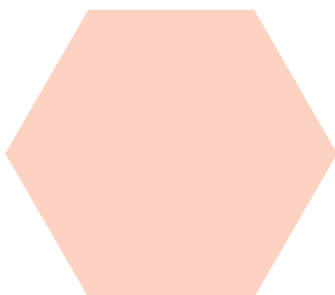




- **Human resources:** contains knowledge provided by employees in the forms of competencies, commitment, motivation and loyalty as well as advice. Key components are know-how, technical expertise, and problemsolving capacity, creativity, education and attitude. Physical infrastructure comprises all
- **Infrastructure assets:** such as structural layout and IT equipment such as computers, servers and physical networks. This category is often overlooked as a knowledge asset but plays a key role in how knowledge is shared.
- **Culture:** embraces corporate culture and management philosophies. Some important components are the organization's values, mission and vision. Culture is of fundamental importance for organizational effectiveness and efficiency, since it provides a framework, sometimes implied, through which to interpret events.
- **Routines and practices:** cover internal practices and virtual networks and routines. These routines could include tacit rules and procedures, such as manuals with codified procedures and rules, databases and tacit rules of behavior or management style. They determine how processes are handled and how work flows through the organization.
- **Intellectual property:** is the sum of patents, copyrights, trademarks, brands, registered designs, trade secrets and processes whose ownership is granted to the company by law. These are the tools and enablers that allow the company to perform its daily processes to produce results.

Our intellectual capital helped us by means of:

1. Premier Cement becomes renowned cement company in the country within short time.
2. Achieve customer satisfaction by providing high quality product
3. Won not only local Award but also International Award (SAFA Award) for practices good corporate governance.
4. Gradually increase the revenue, gross profit and net profit.
5. Won stakeholders satisfaction
6. Contributed a significant amount to our national exchanger every year.





Stakeholders Analysis

We have created in collaboration with our stakeholders. Our stakeholders are those individuals or organizations who have direct or indirect interest in our success or failure and whose opinions and



actions can impact our ability to execute our strategy and conduct our business activities and without whose continuing participation, PCML can survive as a going concern. Our primary stakeholders are our shareholders, customers, suppliers and employees whereas regulators and local interested group comprises secondary stakeholders from the perspective of sustainability:

Importance of Stakeholder to us

Investors/Shareholders: Investors are one of the key stakeholder, who having invested capital, requires information on a continuous basis to track our performance and achievements in enhancing shareholder wealth. We believe there is high influence of our shareholders towards Premier Cement and vice versa.

objectives- enhancing shareholders’ wealth and providing them information on a regular basis to measure PCML’s performance.



addressing the issue-plan well in advance to counter the challenges and identify opportunities.

Customer: Customers are crucial part of business; we believe that if we don't have a customer, we don't have a business because it provides business owners and marketers with the metric to manage and improve the business that is there is high influence of our customers towards the Premier Cement and vice versa.. As we continue to reedify strategies and make changes in the way we do business; our intention is to keep pace with the growing needs of all our customers.

objectives- provide right quality products at a competitive price and create a bondage to maintain existing customers and attract new customers.

addressing the issue-reaching customers' door steps through country-wide distribution channel and advising customers in selecting the right products to cater diversified customer needs.

Supplier: Suppliers have a hugely important role at every stage of the product lifecycle. From sourcing raw materials to helping ramp up production, and to finding better options for raw materials as the market starts becoming saturated, we work closely with our suppliers to get the best out of our products. However we have a supplier code of conduct that requires our suppliers to adhere to high standards for safe working conditions, fair treatment of workers and environmentally safe operations. We believe suppliers have moderate amount of influence on Premier Cement and vice versa.

objectives-procuring right quality materials at a right price and at the right time.

addressing the issue-maintaining long-term business relationship by following prudent procurement policy and selecting alternative suppliers for each categories of raw materials & supplies.

Employees: Employees are considered most valuable asset and key to continued success of our business. Employees are deemed key stakeholders as they drive the business forward. They wish to grow with the company and develop their careers to that they aspire to be, hand-in-hand, whilst the company progresses.

objectives-encourage employees to work towards creating a congenial working environment and providing them opportunity to grow with the company.

addressing the issue-offering them fair remuneration, pleasant, safe and balanced work environment, career growth & development opportunity and ample training facility for personal & professional development.

Regulators: As a listed company, various regulatory bodies continue to be interested to know Premier Cement progress, to establish level of safety, soundness and compliance status. Regulators have high influence on the conduct of operations of Premier Cement whereas Premier Cement's influence on the regulations is low.



objectives-adherence to all regulatory requirements.

addressing the issue-devising a sound system i.e. standard operating practice (sop) to ensure compliance of applicable rules and regulations in place. Thriving to achieve global best practice.

Community: Society has varying expectations to us as well as we are also committed to the society. As a part of our commitment every year we conduct various CSR activity like providing hand on training, ensure health & safety in workplace, to protect the environment regularly conduct green beautification activities, provide relief, conduct blood donation program etc.

objectives-causing no disruption and adding value to the society.

addressing the issue-implementing program to help indigenous & underprivileged population fulfilling their needs for food, sanitation, skill development, healthcare and overall poverty alleviation.

Management: The shareholders do not take part in the day to day operations of the business; it is the management who lead the company towards right direction ensuring sustainable development.

objectives-ensure efficient and effective running of company operations.

addressing the issue-Creating suitable working environment for the PCML staff, non-discriminatory policy for all, ensuring standard operating procedures and global best practices.

Environmental Group: Premier Cement always pays much importance on the environment where it does business where protection of environment and its resources become vital.

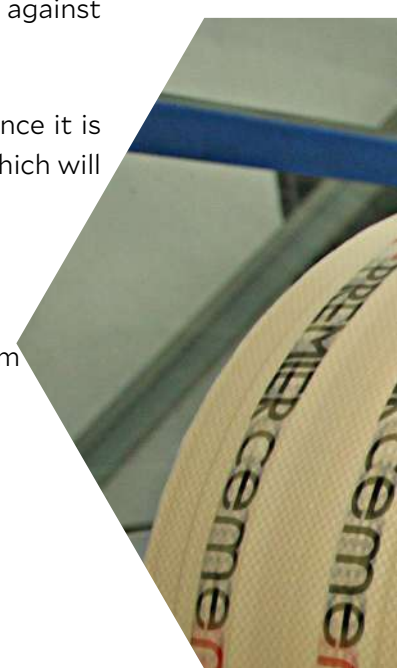
objectives- conducting business without degradation of the environment.

addressing the issue-ensuring pollution control through effective measure against mingling of dust, heat and fume in the air, water and soil.

Lenders: Now a days no business can be conducted without borrowed fund hence it is of paramount importance to sustain a continued relationship with the lenders, which will yield mutual benefit to both the parties.

objectives-leveraging both working as well as long-term capital

addressing the issue-find reliable source of fund at an affordable cost from and abroad.



Natural Capital

Our Natural Capital encompasses the ecosystems and natural resources that are affected by our business. We understand that we cannot escape from our responsibility towards the environment. So in every step of our production process we closely monitor the environmental impact and effectively mitigate any risks that arise thereon.

CSR initiatives of the company are designed to contribute to the economic, social and environmental sustainability that will convey a positive benefit for the stakeholders of our business.

Material Aspects

The material aspects of our Natural Capital are focusing on increasing environmental awareness so that we can contribute in making a 'Green Bangladesh'. In doing so we are also focusing on regular programs such as "Green Awareness", environmental initiatives, in-house environmental management and sustainable business practices.

Highlights

- Installed environment friendly technology, VRM
- Planted 1 lack sapling across the country
- Installed new technology for dust collection
- Installed power saving light (LED Light) across whole factory
- Installed 2 units of solar home systems
- Using solar power.
- Providing training to educate employees regarding environmental issue.
- Promoting employee participation in the company's CSR initiatives in Environment protection and conservation.
- Installation of energy-control equipment to optimize energy utilization at head office and factory.

Key Challenges

- We are faced with lack of awareness regarding benefits of green environment
- Establishing a resource optimization system to reduce energy and resources usage during operations
- We are operating a strict regulatory framework regarding environmental issue; therefore, it is a big challenge for us to reach all of our stakeholders.

Commitment

Premier Cement is committed to its shareholders and stakeholders to reduce the impact on environment that arises from its operation. The company has taken several initiatives to reduce energy, water and waste consumption while at the same time taken appropriate measurements to ensure reduction in carbon emission from its operation.



Economic Value Added (EVA) Statement:



Economic Value-Added is the surplus generated by an entity after meeting an equitable charge towards providers of capital. It is the post-tax return on capital employed (adjusted for the tax shield on debt) less the cost of capital employed. The aim of EVA is to provide management with a measure of their success in increasing shareholder's wealth. It is a better measure than profit and shows how much the company had made for the shareholders.

In Mio Taka

Particulars	2020	2019	2018	2017
Net Operating profit	340.77	809.82	578.45	617.1
Provision for taxes	(69.53)	(197.02)	(136.27)	(79.96)
Net Operating Profit after tax (NOPAT)	271.24	612.80	442.18	537.14
Charges for capital				
Capital employed	9,789.47	8,959.85	5,290.27	5,233.03
Cost of equity (%)	5%	6%	7%	5%
Capital Charge	489.47	537.59	370.31	261.65
Economic value added	(218.23)	75.21	71.86	275.49
Capital employed as on June 30				
Shareholders' equity	5,245.14	5,081.17	4,547.84	4,317.69
Non-controlling interest	16.32	14.49	13.09	11.96
Non-current liabilities	4,449.08	3,767.80	632.95	903.38
Accumulated provision for doubtful accounts	78.92	96.38	96.38	-
Average shareholders' equity	9,789.47	8,959.85	5,290.27	5233.03



Market Value Added Statement:

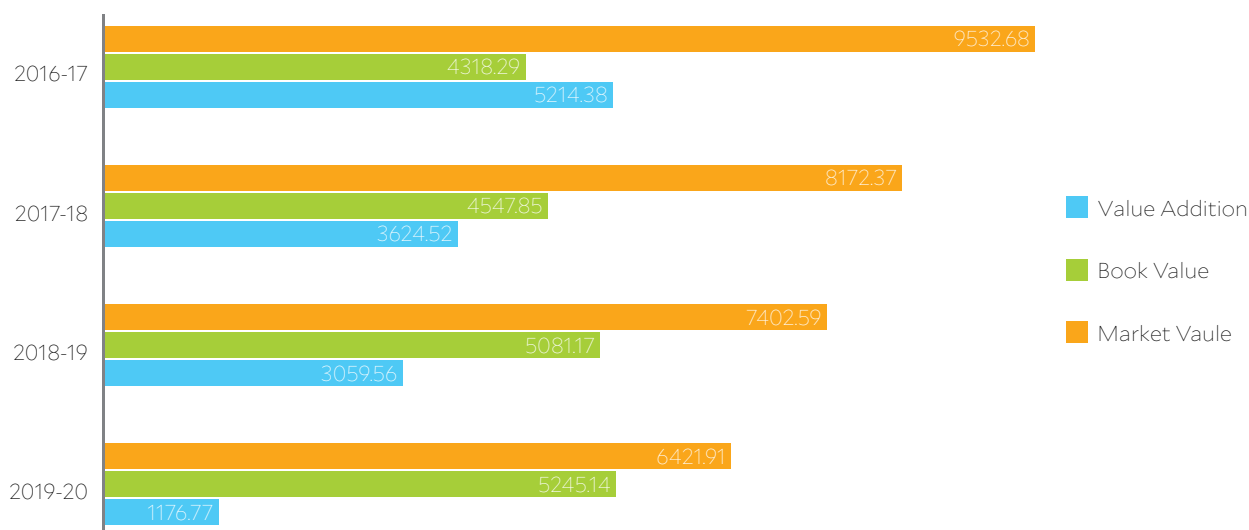
Market value added (MVA) is a financial calculation that measures the capital that investors have contributed to a company in excess of the market value of the company.

‘The higher the MVA, the better the indication’ a high MVA indicates that the company has created substantial wealth for the shareholders. A negative MVA means that the value of management’s actions and investments are less than the value of the capital contributed to the company by the capital market (or that wealth and value have been destroyed).

The following statement shows how the MVA has been calculated for the years ended June 30:

In Mio Taka

	2020	2019	2018	2017
Market value of shares outstanding	6,421.91	8,140.59	8,172.37	9,532.68
Book value of shares outstanding	5,245.14	5,081.17	4,547.85	4,318.29
Market value added	1,176.77	3,059.56	3,624.52	5,214.38



Market Value Addition

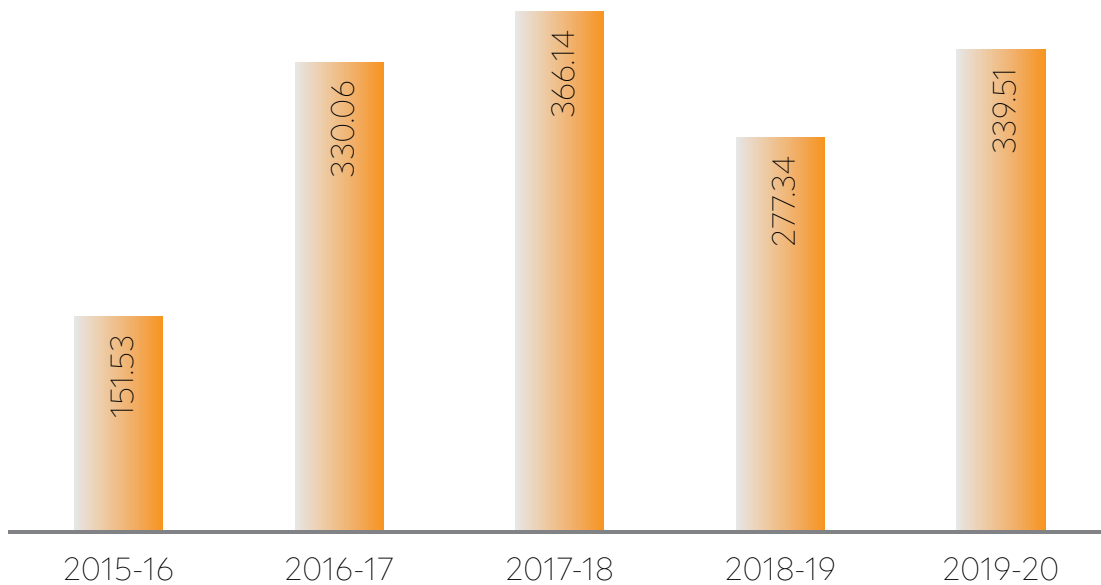


Contribution to the National Economy

Premier Cement Mills Limited aspires to be one of the major contributors to the economy of Bangladesh through its contribution to the national exchequer, as well as through creation of employment (both direct and Indirect).

In FY-2019-20 PCML deposited Taka 339.51 million to the government exchequer as corporate income tax. Also Taka 2,229.29 million was collected and deposited to the government exchequer as withholding tax, VAT and custom duty.

 Contribution to the National Economy (Amount BDT In Mio)

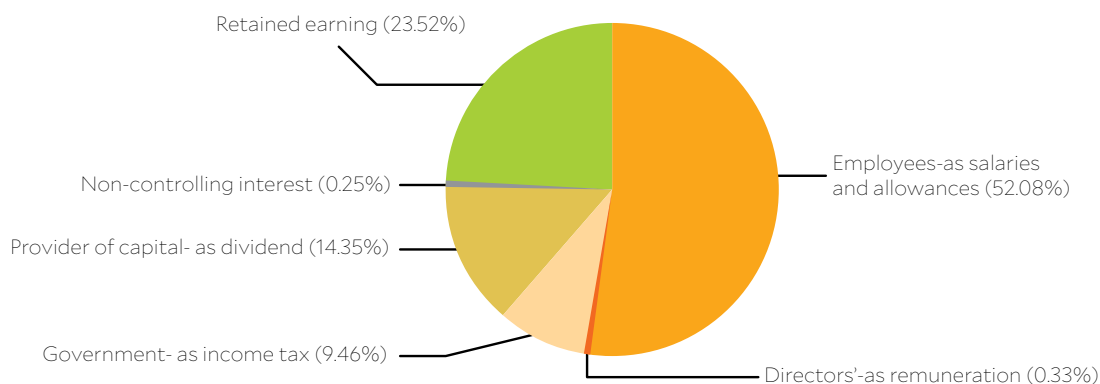


Statement of Value Added and its Distribution

Our value added statement shows how much value has been created by our Company through utilization of capacity, capital, manpower and other resources and how it is allocated among different stakeholders (employees, lenders, shareholders and government etc.) in an accounting period. The following comparative financial information will let you comprehend the overall value addition by Premier Cement Mills Limited in the financial year 2019-20

Amount BDT in Mio

Particulars	2019-2020	%	2018-2019	%
Generation of value added				
Sales	10,460.67		11,999.43	
Cost of bought in material & services	(9,520.22)		(10,565.60)	
Gross value added	940.45		1,433.82	
Other income	72.60		115.36	
Depreciation	(285.20)		(345.10)	
Share Profit from associate Company	6.90		36.49	
Net value added	734.76	100%	1,240.58	100%
To Directors'-as remuneration	2.40	0.33%	2.40	0.19%
To employees-as salaries and allowances	382.70	52.08%	391.41	31.55%
To government- as income tax	69.53	9.46%	197.02	15.88%
To provider of capital- as dividend	105.45	14.35%	105.45	8.50%
To retained earning	172.84	23.52%	542.89	43.76%
To non-controlling interest	1.83	0.25%	1.400	0.11%
Net value added	734.76	100%	1,240.58	100%
Number of Employee	1652		1673	
Value added per employee	0.44		0.74	



Distribution of Value addition in FY-2020

FINANCIAL STATEMENTS



1342	41.99	43.66	41.58
2.46	59.82	18.41	23.46
1.02	1.32	45.99	43.83
6.94	3.45		

31	2301.17	7.65	0.151785714
383.5	12.37	0.393072768	
13.88	0.128864544		
0	0	0.18757764	
		0.47619048	



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PREMIER CEMENT MILLS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Premier Cement Mills Limited and its subsidiaries (the 'Group') as well as the separate financial statements of Premier Cement Mills Limited (the 'company'), which comprise the consolidated and separate statements of financial position as at June 30, 2020, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in shareholder's equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at June 30, 2020, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Our response to the risk
<p>Revenue recognition</p> <p>At year end the Group reported total revenue of BDT 10,460,670,695.</p> <p>This is an area considered to be complex and judgmental. Therefore, there is a risk of the revenue being misstated as a result of absence of a contract with the customer, failure to properly identify various performance obligations, Where the transaction price appears to be undeterminable, Where the allocation of transaction price appears to be incorrect, and entity has not satisfied the performance obligations.</p> <p>There is also a risk that revenue may be misstated due to fraud, through misstating of price declaration, unrecorded sales, maintaining accrual concept for invoicing, recognition within the Cutoff period, inaccurate sales figure, and unauthorized sales.</p>	<p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers; • Performed walkthroughs to understand the adequacy and the design of the revenue cycle; • Tested the internal controls over financial reporting, we also assessed the existence and accuracy of the sales recorded, based among other things on inspection of sales contracts, final acceptances, and the allocation of variable consideration to the various elements in the contracts; • We have reconciled sales with VAT Mushak 6.3 which is also reconciled with Mushak 4.3, Mushak 6.2 and Mushak 9.1 later.

Premier Cement Mills Limited

Key Audit Matter	Our response to the risk
	<ul style="list-style-type: none"> • Performed reconciliation of sales with accounts receivables and advance against sales. • Obtained some third party confirmation for the parties among trade and other receivables. • We performed substantive analytical procedures to understand how revenue trends over the year among other parameters and performed a detailed testing on transactions around the year—end, to test revenues were recognized in the correct accounting period. • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
See note 3.14 and 28 to the consolidated financial statements	
<u>Cost of Sales</u>	
<p>At year end the Group reported total Cost of Sales of BDT 8,957,636,054. This is an area considered to be complex and judgmental due to presence of inventories in different forms and a complex production process. There is also a risk that cost of sales may be misstated due to fraud and manipulation for achieving cost controls as required by the management or for manipulating the tax liability in relation to profits.</p>	<p>We have assessed the appropriateness of the Group's Cost of Sales recognition accounting policies. Tested the effectiveness of the Group's control over the calculation of inventories and material consumption for the period.</p> <p>Our substantive procedures in relation to the Cost of sales comprises the following:</p> <ul style="list-style-type: none"> • Obtained supporting documents for cost of sales recorded either side of year end after the year end date to determine whether cost of sales was recognized in the correct period; • Obtained some third party confirmation for the parties among trade and other payables for local purchase. • We have reconciled purchase with VAT Mushak-6.1 & 9.1 • Due to Covid-19 Pandemic situation, we have conducted virtual verification for stock taking as on 30 June 2020 which was conducted through ZOOM App on 01 July 2020. Subsequently, during the period of our audit, we have also conducted physical verification of inventory on 17 October 2020. • Verifying a sample of L/C documents against the goods received and the cost shown on imported and exported goods. • Agreeing a sample of purchases against requisition, Good received notes, purchase register and supporting documentation; • Critically assessing manual journals posted to cost of sales to identify unusual or irregular items; and

Premier Cement Mills Limited

Key Audit Matter	Our response to the risk
	<ul style="list-style-type: none"> Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards;
See note 29 to the consolidated financial statements	
Capital work-in-progress	
<p>The company's Capital Work-In-Progress for the year ended 30 June 2020 was BDT 8,205,324,973 which increased by BDT 4,288,232,077 compared to the previous financial year (30 June 2019 BDT. 3,917,092,896), an increase of 109% from last year.</p> <p>As capital work in progress had a substantial increase over the year and has risks of fictitious additions, inaccurate valuation & inappropriate recognition, significant judgment is required on the figure classified as Capital Work-In-Progress.</p>	<p>We have assessed the appropriateness of the Group's Capital Work in Progress in accordance to IAS 16 Property, Plant & Equipment and IAS 23 Borrowing Cost.</p> <p>Our substantive procedures in relation to the Capital Work In Progress recognition comprises the following:</p> <ul style="list-style-type: none"> Assessed the client schedule and calculations made for the recording the total Capital Work in Progress. Agreeing a sample of the construction costs capitalized to supporting documentation; Agreeing the loan interest capitalized were in accordance with the requirements of IAS 23- Borrowing Costs. Critically assessing manual journals posted to Capital Work-In-Progress to identify unusual or irregular items; and Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.
See note 3.04.02 and 8 to consolidated financial statements	
Deferred tax liability	
<p>Company reported net deferred tax liability BDT 460,779,529 as at June 30, 2020. Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and deferred tax Liabilities and the assumptions used in estimating the future taxable expense of the Company. We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense. We tested the mathematical accuracy in calculation of deferred tax. We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability.



Premier Cement Mills Limited

Key Audit Matter	Our response to the risk
	<ul style="list-style-type: none"> • We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. • We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management. • We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation. • Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.
See note no 3.10.02 and 19 to the consolidated financial statements.	
Preparation of consolidated financial statements	
<p>Premier Cement Mills Limited has significant investments in Premier Power Generation Limited since 2006.</p> <p>Premier Cement Limited has determined that it has acquired significant control over Premier Power Generation Limited through the common directorship and holding 96% of shares in Premier Power Generation Limited thereby giving unrestricted control.</p> <p>Determination of significant control requires careful assessment of different elements.</p> <p>Furthermore, introduction of a subsidiary requires significant amendments in preparing the financial statements including preparation of consolidated financial statements which requires range of adjustments and additional disclosure requirements.</p>	<p>We have obtained an understanding of the consolidation process, including transactions undertaken between these Companies.</p> <p>We have carried out risk assessment pertaining to consolidation and the adjustments necessary to properly prepare the consolidated financial statements. We have also carried out an assessment of the inherent limitations to consolidation processes to address them.</p> <p>Finally, we have reviewed the appropriateness and presentation of disclosures against relevant accounting standards and guidelines.</p>
See note no 2.10 to the consolidated financial statements.	
COVID -19 impact on Financial Statements	
<p>COVID 19 is a force majeure event, unique in nature has divested the world and mankind. Efforts are underway to contain and recover.</p>	<p>Auditor's and the firm under force majeure event applied best judgments under the force majeure compulsion and the circumstances in developing alternative audit procedures to gather sufficient explanations as practicable. Bangladesh Banks involvements and contributions and initiations on relevant material issues controls and remedies as appropriate and practicable were taken into cognizance as audit evidences.</p>



Premier Cement Mills Limited

Key Audit Matter	Our response to the risk
<p>From early March 2020, there has been health related safety prioritized restrictions on auditor’s travel, meetings and access to Bank resources / sites in some jurisdictions, limitation in providing supporting documents and explanations by the concerned resources of the Group.</p> <p>The Limited Companies (both publicly traded and other limited companies) is not operating diligently which leads to market risk due to COVID-19 Pandemic, the operational risk due to loss of business opportunities and operational and maintenance risk.</p> <p>Furthermore, to extend that there are Control deficiencies - A control deficiency exists when the design or operation of a control does not allow management to prevent or detect misstatements in a timely manner. Design deficiency occurs when: a requisite control is missing, or an existing control is ineffective because it is not properly designed.</p> <p>Economy is the lifeline of the Country, institutions, community, environment and individuals. Providing finance is neither fruitful nor rewarding, unless effective feedback provides transparency and accountability and assists in educating the market. That, in turn would assist improving the process itself; while also embedding the proper cause and effect mindset within involved people and processes that is critical to achieving better results and further to improve the standard of submissions in the future. If these are not made sustainable; the money, time and resources will not be appropriately applied to defend the total investments. The Challenges ahead are huge, that would be addressed both by invention and discoveries and also with cognizance to the nature and nurture. Last but not the least, there is always light at the other end of a tunnel.</p>	<p>On collective success assurance upon COVID, Group is committed to visualize that authority always flows from top to bottom, responsibility flows from bottom to top and communicating across the organization that, accountability cannot be delegated and escaped.</p> <p>Auditor’s extended professional skepticism and judgment-based assurances under the circumstances, and relatively practicable support in the interest of Country’s business to a broader perspective.</p>

Premier Cement Mills Limited

Other Matter

The consolidated and separate financial statements of Premier Cement Mills Limited for the year ended June 30, 2019, were audited by Syful Shamsul Alam & Co. Chartered Accountants, who expressed an unmodified opinion on those statements on October 24, 2019. The financial statements of Premier Power Generation Limited (Subsidiary) for the year ended June 30, 2020, were audited by Snehasish Mahmud & Co., Chartered Accountants, who expressed an unmodified opinion on those statements on November 10, 2020.

Other Information

Management is responsible for the other information. The other information comprises all the information in the Annual Report other than the consolidated and the separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and the separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Premier Cement Mills Limited

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Group's and the Company's business.

*The engagement partner on the audit resulting in this independent auditor's report is **M Farhad Hussain FCA.***

Place: Dhaka
Date: 12 November 2020



Hussain Farhad & Co.
Chartered Accountants

Premier Cement Mills Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4.00	6,008,764,553	6,198,849,459
Intangible assets	5.00	647,113	719,014
Right of use assets	6.00	28,715,783	-
Financial assets	7.00	1,879,484	-
Capital work - in - progress	8.00	8,205,324,973	3,917,092,896
Investment in associate	9.01	113,397,634	106,497,835
		14,358,729,540	10,223,159,204
Current assets			
Inventories	10.00	968,898,820	877,510,398
Trade and other receivables	11.00	2,492,404,124	2,220,587,712
Advances, deposits and pre-payments	12.00	3,338,925,654	3,828,456,068
Current account with associate (NCML)	9.02	108,350,423	1,364,425,536
Investment in FDR	13.00	146,395,233	142,517,994
Cash and bank balances	14.00	142,454,954	169,269,065
		7,197,429,208	8,602,766,773
Total assets		21,556,158,749	18,825,925,977
EQUITY AND LIABILITIES			
Equity			
Share capital	15.00	1,054,500,000	1,054,500,000
Revaluation reserve		492,313,479	501,202,886
Share premium		441,835,000	441,835,000
Retained earnings		3,256,487,345	3,083,637,540
		5,245,135,824	5,081,175,426
Non-controlling interest	16.00	16,324,924	14,493,053
		5,261,460,748	5,095,668,479
Non-current liabilities			
Loan from Directors	17.00	750,420,000	750,420,000
Deferred tax liabilities	19.00	460,779,528	446,204,090
Lease Liability- Long term portion	21.01	21,776,253	-
Long term loan	20.02	3,079,655,788	2,436,358,890
Defined contribution obligations (Gratuity)	22.00	136,452,062	134,818,365
		4,449,083,632	3,767,801,345
Current liabilities			
Trade and other payables	23.00	1,366,085,960	1,756,914,121
Short term bank loan	24.00	9,075,703,998	5,618,198,898
Loan from Directors	18.00	-	1,530,000,000
Current portion of long term loan	20.02	774,427,493	466,008,016
Lease Liability - Current portion	21.01	7,691,262	-
Liability for other finance	25.00	3,766,545	3,390,472
Workers' participation fund		14,702,667	38,740,612
Provision for taxation	26.00	603,236,444	549,204,034
		11,845,614,370	9,962,456,153
Total equity and liabilities		21,556,158,749	18,825,925,977
Net assets value per share	45.04	49.74	48.19

The annexed notes from 01 to 45 form an integral part of these financial statements.

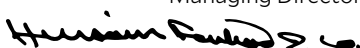
The separate financial statements of the Company are attached herewith from page 202 to 226


 Company Secretary


 Director


 Managing Director
Place: Dhaka
Date: 12 November 2020

As per our report of same date


 Hussain Farhad & Co.
 Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Revenue	28.00	10,460,670,695	11,999,430,660
Cost of sales	29.00	(8,957,636,054)	(10,287,601,525)
Gross profit		1,503,034,641	1,711,829,135
Other income / (expenses)	30.00	72,606,324	115,361,527
Administrative expenses	31.00	(106,902,579)	(124,271,646)
Selling & distribution expenses	32.00	(431,467,249)	(419,346,554)
Profit before interest and tax		1,037,271,137	1,283,572,461
Share of profit from associate company	9.01	6,899,799	9,122,706
Finance costs	33.00	(688,697,437)	(444,128,588)
Contribution to WPPF		(14,702,667)	(38,740,612)
Profit before tax		340,770,832	809,825,967
Current tax expenses	26.00	(54,953,123)	(159,422,901)
Deferred tax income/(expenses)	19.00	(14,575,439)	(37,599,021)
Profit for the year		271,242,269	612,804,045
Other comprehensive income			
Revaluation of property, plant & equipment		-	-
Income tax on other comprehensive income		-	-
Total comprehensive income for the year		271,242,269	612,804,045
Profit attributable to:			
Owners of the company		269,410,398	611,403,496
Non-controlling interest	16.00	1,831,871	1,400,549
		271,242,269	612,804,045
Total comprehensive income attributable to:			
Owners of the company		269,410,398	611,403,496
Non-controlling interest		1,831,871	1,400,549
Total comprehensive income for the period		271,242,269	612,804,045
Basic earnings per share (par value of Tk. 10)	34.00	2.55	5.80

The annexed notes from 01 to 45 form an integral part of these financial statements.

The separate financial statements of the Company are attached herewith from page 202 to 226



Company Secretary



Director



Managing Director



Place: Dhaka
Date: 12 November 2020

As per our report of same date

Hussain Farhad & Co.
Chartered Accountants

Premier Cement Mills Limited

CONSOLIDATED STATEMENT OF OF CHANGES IN EQUITY

For the year ended 30 June 2020


Amount in Taka

Particulars	Share capital	Share Premium	Revaluation reserve	Tax holiday Reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 30 June 2018	1,054,500,000	441,835,000	510,764,343	-	2,540,747,459	4,547,846,802	13,092,504	4,560,939,306
Net profit for the year	-	-	-	-	611,403,495	611,403,495	1,400,549	612,804,044
Dividend for the year 2017-18	-	-	-	-	(105,450,000)	(105,450,000)	-	(105,450,000)
Opening profit/(loss) share from associate company	-	-	-	-	27,375,129	27,375,129	-	27,375,129
Depreciation on revalued assets	-	-	(9,561,457)	-	9,561,457	-	-	-
Balance at 30 June 2019	1,054,500,000	441,835,000	501,202,886	-	3,083,637,540	5,081,175,426	14,493,053	5,095,668,479
Balance at 01 July 2019	1,054,500,000	441,835,000	501,202,886	-	3,083,637,540	5,081,175,426	14,493,053	5,095,668,479
Net profit for the year	-	-	-	-	269,410,398	269,410,398	1,831,871	271,242,269
Dividend for the year 2018-19	-	-	-	-	(105,450,000)	(105,450,000)	-	(105,450,000)
Opening profit/(loss) share from associate company	-	-	-	-	-	-	-	-
Depreciation on revalued assets	-	-	(8,889,407)	-	8,889,407	-	-	-
Balance at 30 June 2020	1,054,500,000	441,835,000	492,313,479	-	3,256,487,346	5,245,135,825	16,324,924	5,261,460,749

Revaluation surplus amounting to Tk. 8,889,407 has been transferred to retained earnings for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the assets original cost. The amount has been netted off for tax.



Company Secretary



Director



Managing Director

Place: Dhaka
Date: 12 November 2020

As per our report of same date

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Cash flows from operating activities			
Receipt from customers		10,264,948,552	12,244,950,544
Payment to employees		(411,148,927)	(379,148,702)
Payment to suppliers		(7,966,706,206)	(10,525,651,769)
Cash generated from operating activities		1,887,093,419	1,340,150,073
Other income		42,363,041	27,742,615
Interest paid		(672,753,270)	(421,418,145)
Dividend Paid		(179,539,619)	(31,181,758)
Advance income tax refund		-	180,819,064
Tax paid		(340,436,609)	(457,671,361)
A. Net cash from operating activities	45.06	736,726,962	638,440,488
Cash flows from investing activities			
Purchase of property, plant & equipment		(124,093,682)	(589,846,765)
Capital work-in-progress (WIP)		(3,017,973,901)	(3,428,126,369)
Sale of property, plant & equipment		5,072,836	1,307,195
Advance to Associate		(12,931,099)	(556,716,491)
Investment in FDR		(3,877,239)	52,294,851
B. Net cash used in investing activities		(3,153,803,085)	(4,521,087,579)
Cash flows from financing activities			
Receipt/(payment) from long term borrowings		491,048,842	1,846,770,946
Receipt/(payment) from short term borrowings		3,558,873,087	(228,350,322)
Loan from Directors		(1,530,000,000)	1,770,000,000
From other finance		376,073	149,782
Receipt/(payment) of lease finance		(130,035,991)	585,912,866
C. Net cash from financing activities		2,390,262,011	3,974,483,272
Net increase in cash and bank balances (A+B+C)		(26,814,111)	91,836,181
Cash and bank balances at the beginning of the year		169,269,065	77,432,884
Cash and bank balances at the end of the year		142,454,954	169,269,065
Effect of exchange rates on cash and cash equivalents		2,169,817	1,281,651
Net operating cash flow per share (NOCFPS)	45.06	6.99	6.05



Company Secretary



Director



Managing Director

Place: Dhaka

Date: 12 November 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

1.00 REPORTING ENTITY

1.01 Formation and legal status

Premier Cement Mills Limited, (hereinafter referred to as PCML or the holding Company) a Public Limited Company was incorporated on 14 October 2001 under the Companies Act XVIII of 1994 having its registered office in Chittagong. Presently the Company has a subsidiary namely “Premier Power Generation Limited” where PCML holds 96% of its shares and PCML also has an associate company namely “National Cement Mills Limited” holding 18.67% of its shares.

Premier Power Generation Limited, (hereinafter referred to as PPGL or the subsidiary company) a private limited company was incorporated on 07 September 2006 under the Companies Act 1994 having its registered office in Chittagong with an installed capacity of 5.34 MW run by Natural Gas from TGTDC.

National Cement Mills Limited, (hereinafter referred to as NCML or the associate company) a public limited company was incorporated on 10 September 1996 with an installed capacity of 1400 MT per day at Issa Nagar, Karnafully, Chittagong.

1.02 Nature of business

The Company is manufacturing cement from various raw materials i.e. Clinker, Gypsum, Slag, Lime Stone, Fly Ash etc. at its manufacturing plant located at West Muktarpur, Munshigonj and marketing the same in local as well as foreign markets.

2.00 Basis of preparation, presentation and disclosures of financial statements

2.01 Statement of compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.02 Other regulatory compliances

The Companies are also required to comply with the following major laws and regulation in addition to the Company Act 1994:

- The Securities and Exchange Rules, 1987
- The Securities & Exchange Ordinance, 1969
- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax Act, 1991
- The Value Added Tax Rules, 1991
- The Customs Act, 1969

2.03 Basis of measurement

These financial statements have been prepared on a historical cost basis except for property, plant and equipment which are measured at revalued amount.

2.04 Functional and presentation currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk.), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.

2.05 Use of estimates and judgments

The preparation of financial statements 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note 4 Property, plant and equipment
Note 5 Intangible assets
Note 6 Right of use assets
Note 7 Financial assets
Note 10 Inventories
Note 11 Trade and other receivables
Note 19 Deferred tax liability
Note 22 Defined benefit obligations (Gratuity)
Note 23 Trade and other payable
Note 26 Provision for taxation
Note 37 Contingent liabilities

2.06 Changes in accounting policy

The company has applied the IAS/IFRS 10, 12 & 13 from the year 2013-14, IAS/IFRS 9 & 15 from the year 2018-19 and IFRS 16 from the year 2019-2020.

IFRS 9 Financial Instruments
IFRS 10 Consolidated Financial Statements
IFRS 12 Disclosure of interests in other entities
IFRS 13 Fair Value Measurement
IFRS 15 Revenue from Contract with Customer
IFRS 16 Leases

2.07 Going concern

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities and business prospective of the company provide sufficient fund and ability to meet the present obligations of its existing businesses and operations.

2.08 Applicable accounting standards

The following IASs and IFRSs are applicable for the financial statements for the year under review:

IAS - 1 Presentation of Financial Statements
IAS - 2 Inventories
IAS - 7 Statements of Cash Flows
IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
IAS - 10 Events after the Reporting Period
IAS - 12 Income Taxes
IAS - 16 Property, Plant and Equipment
IAS - 19 Employee Benefits
IAS - 21 The Effects of Changes in Foreign Exchange Rates
IAS - 23 Borrowing Costs
IAS - 24 Related Party Disclosures
IAS - 27 Separate Financial Statements (Revised 2011)
IAS - 28 Investment in Associate
IAS - 32 Financial Instruments: Presentation
IAS - 33 Earnings Per Share
IAS - 34 Interim Financial Reporting, Comparative information
IAS - 36 Impairment of Assets
IAS - 37 Provisions, Contingent Liabilities and Contingent Assets
IAS - 38 Intangible Assets
IFRS - 3 Business Combinations
IFRS - 7 Financial Instruments: Disclosures
IFRS - 9 Financial Instruments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

IFRS - 10 Consolidated Financial Statements
IFRS - 12 Disclosure of interest in other entities
IFRS - 13 Fair value measurement
IFRS - 15 Revenue from Contract with Customer
IFRS - 16 Leases *

* Leases presented in the financial statement has been recognized as per the requirements of IAS 17. The applicability of IFRS 16 has come into effect from 1st January 2019. However, we have implemented the standard from the financial year 2019-20.

2.09 Reporting period

The accounting period of the company covers one financial year from 1st July to 30th June consistently.

2.10 Principles of consolidation and disclosure of interest in other entities

Subsidiary is an enterprise controlled by the parent entity. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those re-turns through its power over the investee. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements have been prepared in accordance with IFRS 10 Consolidated Financial Statements.

The group eliminates in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full

Non-controlling interests

The group presents non-controlling interests in its consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

The group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. The proportion allocated to the parent and non-controlling interests are determined on the basis of present ownership interests.

Premier Power Generation Limited is a subsidiary company of PCML. The Company has made 96% investments in its subsidiary. PCML is exposed to and has rights, to variable returns from the subsidiary and also has the ability to affect those returns through its power over PPGL.

National Cement Mills Limited is an associate company of PCML. The company owns 18.67% of the equity share capital in NCML prior to current year PCML exerts control on NCML with remaining 60% voting rights through common directorships. The management has decided to consolidate the financial statements of NCML in accordance with IFRS 10 for reporting purpose up to 30-06-2017. In the year 2017-2018 there was a major change in the shareholding position of NCML and directorship and PCML lose control in the decision making of NCML through voting right hence the company decided not to consolidate the financial position of NCML. As per equity method (Ref.IAS-28) share of profit from associate company's shown in the "Consolidated statement of profit or loss and other comprehensive Income" and is added with investment in Associate.

3.00 Summary of significant accounting policies

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.01 Consistency

The accounting policies and methods of computation used in preparation of financial statements for the year ended 30 June 2019 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2020.

3.02 Transactions in foreign currencies

Foreign currency transactions are recorded at the applicable rates of exchange ruling on the date of transactions.

Other monetary assets & liabilities, if any, denominated in foreign currencies at the Balance Sheet date are translated at the applicable rates of exchange ruling at that date and the related exchange differences are charged off as revenue expenditure. Effects on cash flows has been shown in the statement of cash flows of the financial statements.

3.03 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

“A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. It is recognized by IFRS 9 -Financial Instrument. The entity has recognized its financial instruments as per IFRS 9 - Financial Instruments.

3.03.01 Financial assets

The group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date the Group becomes a party to the contractual provisions of the instrument.

The group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and bank balances, trade and other receivable, advances, deposits and prepayments, etc.

3.03.01.01 Cash and bank balances

This comprises of cash in hand, deposits held at call with banks, and bank overdrafts are shown in current liabilities on the balance sheet which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.03.01.02 Trade and other receivables

Trade and other receivables represent the amounts due from local and foreign customers etc. Trade receivables are stated at net.

Provision for doubtful debts is made based on the company policy. Bad debts are written off on consideration of the status of individual debtors.

3.03.02 Financial liabilities

The group recognizes all financial liabilities on the trade date which is the date the group becomes a party to the contractual provisions of the instrument.

The group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise trade and other creditors only.

3.03.02.01 Trade and other payables

The group recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.04 Property, plant and equipment

3.04.01 Recognition and measurement

Items of property, plant and equipment are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any.

Subsequent costs

The cost of replacing a part of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they incurred.

Depreciation

In respect of fixed assets other than freehold land, depreciation is provided on reducing balance method over their expected useful life and day basis depreciation charged on the amount of addition to fixed assets from the date of use. No depreciation is charged on freehold land considering its unlimited life. The annual depreciation rates for different category of assets are as follows:

Category of assets	Rate	
	PCML	PPGL
Land and land development	0%	0%
Factory Building	3%	0%
Jetty Construction	3%	0%
Electric Installation	8%	0%
Plant & Machinery	8%	6%
Boundary Wall & Fencing	5%	0%
Furniture & Fixtures	10%	10%
Telephone & Fax Installation	15%	0%
Loose Tools	15%	0%
Motor Vehicles	15%	0%
Motor Vehicles- Employee	10%	0%
Office Building & Shed	3%	0%
Office Equipment	15%	20%
Tube-Well	15%	0%
Air Compressor	15%	0%
Grinding Media	33%	0%
Lab Equipment	10%	0%
Vessel	10%	0%
Portable Cement Silo	3%	0%
Office Decoration	15%	15%
Generator Building	0%	10%
Software	10%	0%

Depreciation charged during the year is allocated to cost of sales, administrative expenses, selling & distribution expenses and Bag Plant based on usage/consumption of economic benefits.

Upon retirement of assets, no depreciation is charged in the year of retirement and the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to profit and loss account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Leasehold assets and leases

Assets held under finance leases are recognised as assets of the Company at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold assets have been capitalised this year because of lease term of all assets have been completed by this year.

Leases:

IFRS 16 introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

“The Group” has applied IFRS 16 using the cumulative catch-up approach. “The Group” utilized the option to measure the right-of-use asset at an amount equal to the lease liability in accordance with para C8 of IFRS 16 at the date of initial application. This approach does not require restatement of comparatives, which continue to be presented under IAS 1 and IFRIC 4.

IFRS 16 changes how the Group accounts for leases previously classified as operating leases under IAS 17, which were of balance sheet. Applying IFRS 16, for all leases (except as noted below), the Group:

- a) Recognises right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with IFRS 16:C8(b)(ii);
- b) Recognises depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss;
- c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated statement of Cash flows.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36. For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognize a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented in profit or loss. The Group has used the following practical expedients:

- The Group has applied a single discount rate (9%) to a portfolio of leases with reasonably similar characteristics.
- The Group has elected not to recognize right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the date of initial application.
- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

3.04.02 Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost initially.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.05 Inventories

Nature of inventories

Inventories comprise of Raw Materials (Clinker, Gypsum, Lime Stone, Fly Ash, Slag), Grinding Aid, Packing Materials, Consumable Stores, Raw Materials of Bag Plant, Goods in Transit & Finished Goods (Cement) etc.

Valuation of the inventories

Inventories are stated at the lower of cost or net realizable value in accordance with IAS 2 "Inventories" after making due allowances for any obsolete or slow moving items, if any.

The cost is determined using the Weighted Average Method consistently. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing such inventories to its present location and condition. Net realizable value is based on estimated selling price less VAT in the ordinary course of business less any further costs expected to be incurred to make the sale (applicable variable selling expenses).

Category	Basis of valuation
Finished goods	At the lower of weighted average cost or net realizable value.
Raw materials	At the lower of weighted average cost or net realizable value.
Goods-in-transit	At the lower of weighted average cost or net realizable value.

3.06 Cash flow statement

Statement of Cash Flows is prepared principally in accordance with IAS 7 (Statement of Cash Flow) and the cash flow from operating activities have been presented under direct method.

3.07 Impairment

3.07.01 Non-derivative financial assets

Financial assets not carried at fair value through profit or loss, loans and receivables are assessed as and when required to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

3.07.02 Non-financial assets

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3.08 Provisions, contingent liabilities and contingent assets

A provision is recognized in the balance sheet when the Company has a legal or contractual 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. Contingent assets are not recognized.

3.09 Borrowing costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognized as expense in the period in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.10 Taxation

3.10.1 Current tax

PCML has been maintaining provision for taxation @ 25% as per Income Tax Ordinance, 1984. Company also enjoys tax exemption on export sales as per Sixth Schedule (Section 28) of ITO 1984.

3.10.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognised in the profit and loss account as per IAS-12 "Income Taxes".

3.11 Share capital

Paid up capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders and creditors are fully entitled to any residual proceeds of liquidation.

3.12 Employee benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.13.01 Defined contribution plan

The company maintains a recognized provided fund @ 7% of basic pay (Equally contributed by employee & employer) for all eligible permanent employees from 1st day of July 2010. The said fund is managed by a duly constituted five member board of trustees.

3.13.02 Defined benefit plan (Gratuity)

The company maintains an unfunded gratuity scheme, provision in respect of which is made annually for the employees. Gratuity payable at the end of each year are determined on the basis of two (2) times of last month basic salary and payment is to be made on the basis of following rules and regulations of the company.

Service length (W.E.F. 01.07.2010)	Payment basis
Less than Five (5) years	Nil Amount. In case of deceased person & terminated by employer - One (1) times of last month basic salary x year of service(s)
For Five (5) years only	One (1) times of last month basic salary x year of services
Above Five (5) years but below Ten (10) years	One & half (1.5) times of last month basic salary x year of service(s)
Ten (10) years & above	Two (2) times of last month basic salary x year of service(s)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.13.03 Other benefits

The company also making a provision for Workers' Profit Participation and Welfare funds @ 5% of net profit before tax as per Labour Act 2006.

3.14 Revenue recognition

In compliance with the requirements of IFRS 15 : Revenue from the sale of goods (Cement) is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the following criteria meets:

- i) Identify the contract with customer
- ii) Identify the performance obligation in the contract
- iii) Determine the transaction price
- iv) Allocate the transaction price to performance obligation
- v) Recognize the revenue

We have recognized our revenue by satisfying the criteria provided above.

3.15 Earnings per share

The company calculates its earning per share in accordance with Bangladesh Accounting Standard (IAS) - 33 which has been reported on the face of Statement of Comprehensive Income.

Basis of earnings

This represents earning for the year attributable to ordinary shareholders and Non- Controlling shareholders. As there were no preference shares requiring returns or dividends, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Basis of earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted earnings per share is required to be calculated per year as there was no scope for dilution during the year.

3.16 Duty drawback

Duty drawback claimed on export sales is adjusted against cost of imported raw materials.

3.17 Events after the reporting period

Events after the Reporting period that provide additional information about the company's positions at the balance sheet date are reflected in the financial statements if any.

3.18 Comparative information and re-arrangement thereof

In accordance with the provisions of IAS-1: Presentation of Financial Statements, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

		Amount in Taka	
		30 June 2020	30 June 2019
4.00	Property, Plant & Equipment		
	FREE-HOLD		
	Cost		
	Opening balance	7,224,769,701	6,646,565,330
	Add: Addition during the year	135,739,682	589,699,765
	Less: Disposal/Adjustment during the year	261,149,169	(11,495,394)
	Closing balance	7,621,658,552	7,224,769,701
	Depreciation		
	Opening balance	1,124,121,757	800,054,426
	Add: Charged during the year	305,262,465	328,246,571
	Less: Disposal/Adjustment during the year	183,509,776	(4,179,240)
	Closing balance	1,612,893,999	1,124,121,757
	Written Down Value	6,008,764,553	6,100,647,944
	LEASEHOLD		
	Cost		
	Opening balance	269,900,000	269,900,000
	Add: Addition during the year	-	-
	Less: Disposal/Adjustment during the year	(269,900,000)	-
	Closing balance	-	269,900,000
	Depreciation		
	Opening balance	171,698,485	154,906,103
	Add: Charged during the year	14,307,777	16,792,382
	Less: Disposal/Adjustment during the year	(186,006,262)	-
	Closing balance	-	171,698,485
	Written Down Value	-	98,201,515
		6,008,764,553	6,198,849,459
	Details are shown in Annexure - A		
5.00	Intangible Assets		
	Cost		
	Opening balance	1,023,563	876,563
	Add: Addition during the year	-	147,000
	Less: Disposal during the year	-	-
	Closing balance	1,023,563	1,023,563
	Amortization		
	Opening balance	304,549	236,645
	Add: Charged during the year	71,901	67,904
	Less: Disposal during the year	-	-
	Closing balance	376,450	304,549
	Written Down Value	647,113	719,014
	Details are shown in Annexure - A		
6.00	Lease Assets-Right of Use Assets		
	Cost		
	Opening balance	-	-
	Add: Addition during the year	36,296,693	-
	Less: Disposal during the year	-	-
	Closing balance	36,296,693	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

		Amount in Taka			
		30 June 2020	30 June 2019		
Depreciation					
	Opening balance	-	-		
	Add: Charged during the year	7,580,910	-		
	Less: Disposal during the year	-	-		
	Closing balance	7,580,910	-		
	Written Down Value	28,715,783	-		
7.00 Financial Assets					
	Opening balance	-	-		
	Add: Addition during the year	-	-		
	Office space	1,635,452	-		
	Accommodation Building	244,032	-		
	Less: Disposal during the year	-	-		
	Closing balance	1,879,484	-		
8.00 Capital work-in-progress (WIP)					
	Opening capital work-in-progress	3,917,092,896	870,701,373		
	Add: Expenditure incurred during the year (Note 8.01)	4,288,232,077	3,225,808,285		
	Total capital work-in-progress	8,205,324,973	4,096,509,658		
	Less: Capitalized during the year (Note 8.01)	-	179,416,762		
	Closing capital work -in - progress	8,205,324,973	3,917,092,896		
8.01					
	Particulars	Opening Balance at 30 June 2019	Addition during the year	Capitalized/ transferred during the year	Balance as at 30 June 2020
	Godawn- Mongla	5,984,444	-	-	5,984,444
	Project New	5,385,805	-	-	5,385,805
	Project New-VRM	3,905,722,647	4,288,232,077	-	8,193,954,724
	Total	3,917,092,896	4,288,232,077	-	8,205,324,973
8.02	For the Financial year ended 30 June 2020 Capital work in progress increased to BDT 8,205.32 Million compared to BDT 3,917 million of the previous year. During the year BDT 4,288 million was added for implementation of VRM project.				
9.00	Investment and current account with associate				
9.01	Investment in associate				
	Premier Cement Mills Limited is the owner of 7,000,000 shares of Tk.10 each out of 37,500,000 shares of Tk. 10 each i.e. 18.67% shares of National Cement Mills Limited.				
	Current position of the investment is as follows:				
	Opening balance	106,497,835	70,000,000		
	Opening Profit/(Loss) share from associate company	-	27,375,129		
	Share of profit from associate company - during the year	6,899,799	9,122,706		
	Closing balance	113,397,634	106,497,835		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

9.02 Current account with associate

The current account balance is representing the net transaction with National Cement Mills Limited for payment of expenses for Balancing, Modernisation, Rehabilitation and Expansion, loan installment and other expenses.

	Amount in Taka	
	30 June 2020	30 June 2019
Opening balance	1,364,425,536	731,812,819
Add : Payment during the year	393,901,383	1,709,171,958
Add : Interest	6,086,844	75,896,226
	1,764,413,763	2,516,881,003
Less : Adjustment during the year	1,656,063,340	1,152,455,467
Closing balance	108,350,423	1,364,425,536

Current account with associate decreased by BDT 1,256.07 million due to transferred of VRM project machinery and installation cost which was debited previously to NCML Account. The VRM machinery is being installed at PCML land adjacent to NCML factory at Issa Nagar, Chattogram to get the benefit of inbound and outbound logistics costs for raw materials and finished goods.

10.00 Inventories

Inventories	Unit measurement	30 June 2020		30 June 2019	
		Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Clinker	MT	47,602	231,233,855	43,946	218,789,248
Gypsum	MT	47,802	129,753,793	28,385	72,973,047
Fly Ash	MT	10,201	25,144,395	24,961	60,185,341
Slag	MT	72,534	198,922,255	39,324	101,249,520
Lime Stone	MT	24,807	57,275,504	33,277	76,672,015
Grinding Aid	MT	48	2,945,601	139	8,529,969
Packing materials (P.P. & Paper Bag)	Pcs	9,735	216,389	1,287,726	17,499,940
Finished goods and WIP	MT	9,873	52,416,960	9,488	50,201,513
WIP- Bag Plant	KG	-	8,810,565	-	12,042,792
Stock at ghat	MT	375	2,079,018	375	2,079,018
Stock at ghat- Others	Bag	3,535	1,663,190	3,535	1,663,190
Raw material stock for Bag Plant	KG	1,782,429	190,404,954	2,121,621	188,356,077
Consumable stores	Various	-	68,032,340	-	67,268,727
Total			968,898,820		877,510,398

10.01 Raw materials reconciliation

For 30 June 2020

i)

Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
			Import		Local purchase							
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	43,946	218,789,248	1,183,271	6,084,074,109	-	-	22,000	111,675,634	47,602	231,233,855	1,157,615	5,959,953,868
Gypsum	28,385	72,973,047	66,800	186,488,432	-	-	-	-	47,802	129,753,793	47,384	129,707,686
Fly Ash	24,961	60,185,341	163,326	390,320,274	-	-	-	-	10,201	25,144,395	178,086	425,361,220
Slag	39,324	101,249,520	104,600	293,529,865	-	-	-	-	72,534	198,922,255	71,390	195,857,130
Lime Stone	33,277	76,672,015	149,584	354,332,391	-	-	-	-	24,807	57,275,504	158,054	373,728,903
Grinding Aid	139	8,529,969	-	-	-	-	-	-	48	2,945,601	91	5,584,368
Total	170,033	538,399,141	1,667,581	7,308,745,071	-	-	22,000	111,675,634	202,994	645,275,403	1,612,620	7,090,193,175

Less - Duty draw back & VAT loss

(10,283,099)

Total raw materials consumption

7,079,910,076

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Raw materials reconciliation

For 30 June 2019

ii) Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
			Import		Local purchase							
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	16,377	84,936,691	1,351,587	6,975,577,940	-	-	4,000	20,692,110	43,946	218,789,248	1,320,018	6,821,033,273
Gypsum	954	2,631,104	112,800	301,242,233	-	-	-	-	28,385	72,973,047	85,369	230,900,290
Fly Ash	7,320	16,681,950	221,619	503,082,101	-	-	-	-	24,961	60,185,341	203,978	459,578,710
Slag	29,657	86,415,990	143,483	389,218,728	-	-	-	-	39,324	101,249,520	133,816	374,385,198
Lime Stone	29,943	72,844,200	81,642	186,872,999	-	-	-	-	33,277	76,672,015	78,308	183,045,184
Grinding Aid	563	40,065,424	381	22,820,428	-	-	-	-	139	8,529,969	805	54,355,883
Total	84,814	303,575,359	1,911,512	8,378,814,429	-	-	4,000	20,692,110	170,033	538,399,141	1,822,294	8,123,298,537
												Less - Duty draw back & VAT loss (16,742,469)
												Total raw materials consumption <u><u>8,106,556,068</u></u>

10.02 Packing materials reconciliation

Particulars	Opening balances		Local purchase		Received from own factory		Closing balances		Consumption internal		Consumption external	
	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)
30 June 2020	1,287,726	17,499,940	-	-	42,206,400	562,756,281	9,735	216,389	29,997,991	395,288,031	13,486,400	184,751,801
30 June 2019	1,162,928	14,896,090	-	-	45,593,600	620,363,332	1,287,726	17,499,940	34,620,602	470,762,232	10,848,200	146,997,249

Amount in Taka

30 June 2020 30 June 2019

11.00 Trade & other receivable

Trade receivables:

Trade receivables (local)

Trade receivables (foreign)

Receivable on empty bag

2,457,552,428

2,262,017,292

10,669,765

18,374,155

69,573,852

16,813,636

2,537,796,045**2,297,205,083****Other receivables**

Provision for VAT adjustment

31,738,888

-

2,569,534,933**2,297,205,083**

Interest receivable on FDR

1,794,188

2,307,626

Total receivables**2,571,329,121****2,299,512,709**

Less: Provision for Bad & Doubtful expenses

(78,924,997)

(78,924,997)

2,492,404,124**2,220,587,712****11.01**

a) Dues within 3 months

2,258,047,616

2,053,128,981

Dues over 3 months but within 6 months

160,682,157

80,642,280

Dues over 6 months

119,066,272

163,433,822

2,537,796,045**2,297,205,082**

b) Provision for bad debts

Opening balance

78,924,996

96,380,932

Add :Provision for the year

-

(17,086,706)

78,924,996**79,294,226**

Less: Write off

-

369,230

Closing balance**78,924,996****78,924,996**

c. The company provide 100% provision for bad debt on overdue accounts receivable exceeding one year. As the over due receivable exceeding one year has not increased, no provision is made.

d. There is no such debt due by or to directors or other officers of the Company.

e. Out of total receivable Tk. 75,59,25,000/- secured by bank guarantee.

11.02 Receivable Analysis

Gross Receivable

2,742,374,252

2,481,442,793

Less: Advance against Sales

204,578,207

184,237,710

Net Receivable**2,537,796,045****2,297,205,083**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
12.00 Advances, deposits & pre-payments:		
Advances	3,163,173,137	3,629,863,273
Deposits	66,553,078	68,768,019
Prepayment	109,199,439	129,824,776
	3,338,925,654	3,828,456,068
12.01 Advances		
Advance income tax (Note- 7.04)	1,608,753,280	1,269,237,384
VAT current account	64,303,369	31,933,497
House rent advance	-	1,071,267
Advance for office space purchase	125,000,000	125,000,000
Advance against land	132,353,572	153,699,572
LC Advances	340,416,596	554,122,441
Advance against expenses	741,678,419	1,179,858,021
Advance to employees	12,994,596	16,957,796
Advance against motor cycle	14,382,747	14,683,318
Advance to sister concern	123,290,558	283,299,977
	3,163,173,137	3,629,863,273
12.02 Deposits		
Transport Security Deposit	300,000	-
Advance SD On Empty Bag Sale	500,000	500,000
Bank Guaranty Margin For Tender - Deposit	3,114,933	2,186,732
Bank Guaranty Margin - Titas Gas - Deposit	1,065,295	1,065,295
BOC Bangladesh LTD- Deposit	20,000	20,000
BTCL- Deposit	65,800	65,800
CDBL- Deposit	500,000	500,000
DPDC- Deposit	9,200,000	9,200,000
Deposit to TGTDC	10,109,900	10,109,900
Pre-paid bank guarantee commission	475,032	629,458
MRH Dey & Co.	120,938	
Bank guarantee margin to TGTDC	1,974,430	1,974,430
ICAB - Advance Against Office Rent- Deposit	-	1,986,138
Munshigonj Polly Bidduth Samitee - Deposit	21,339,000	21,339,000
Ranks Telecom Limited - Deposit	6,900	6,900
Tender Deposit	7,097,368	8,520,884
TGSL- Deposit	10,532	10,532
Titas Gas Transmission & Distributon Co Ltd - Deposit	10,652,950	10,652,950
	66,553,078	68,768,019
12.03 Pre-payments		
BSTI Licence Fee- Pre Paid	3,000,980	745,860
Pre-Paid Promotional Exp	88,938,401	108,938,401
Store - Hatir Jheel - Prepaid	-	2,880,457
VAT Prepaid 10%	17,260,058	17,260,058
	109,199,439	129,824,776
12.04 Movement of advance income tax		
Opening balance	1,269,237,384	992,385,087
Add : Payment during the year	339,515,896	457,671,361
	1,608,753,280	1,450,056,448
Less : Advance Income Tax refund	-	180,819,064
Less : Adjustment during the year	-	-
Closing balance	1,608,753,280	1,269,237,384

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

- a) All the advances & deposits amount is considered good and recoverable.
- b) The advance was paid to Rupayan Housing Estate Ltd. against purchase of 21,507 sft office space at 11th floor of Rupayan Trade Centre, 114 Kazi Nazrul Islam Avenue, Dhaka 1215. The total contract value was Tk. 179,407,400 against which Tk. 125,000,000 was paid in advance. Subsequently Rupayan sold the same property to a third party for at a higher price i.e. BDT 20 crore 33 lakhs 13 thousands and 7 hundreds. After knowing that PCML's authority filed a case in the District & Session Judge Court against Rupayan and applied for imposing restriction on transfer of the said property to any other third party except the plaintiff (case no.-61/2010). The District & Session court on 13.07.2014 gave a degree in favour of PCML after hearing of the case.
- c) i) Initially PCML purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 dt 31 October 2001. Subsequently PCML came to know that the land is khass and accordingly PCML applied to the competent authority for long term lease with recommendation from Prime Minister office (Investment Wing). Being satisfied, Ministry of Land directed Deputy Commissioner (DC), Narayanganj to give 350 Shatak land under long term lease in favor of PCML on 16.10.2006 vide letter no. Bhu:Ma:/Sha-8/Khajob/315/2002/1072/1. PCML communicated with DC, Narayanganj on many occasions to complete the process but DC, Narayanganj was reluctant to comply with the order of the Ministry of Land. PCML filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayanganj (petition no. 7194 of 2009) which is currently under process. Considering the circumstances, the management has decided to transfer an amount of Tk. 20,259,493 from land and land development.
- ii) Registration deed no. 84 dt. 06.01.05, 179 dt. 17.01.05 and 1468 dt. 14.04.05 comprise 189 shatak land out of which mutation of 76.50 Shatak Land are yet to be completed. Hence proportionate amount of Tk. 5,235,405 has been transferred from land and land development.
- iii) Advance against land includes Tk. 4,701,931 paid to Mr. Nur Mohammed against purchase of Land, PCML filed suits as the seller was reluctant to give registration of the lands. The case against Nur Mohammed is yet to be disposed off.

IV) Details of advance against land & land development has given below:

Name of Seller	Amount in Taka	
	30 June 2020	30 June 2019
Abu Toeb Gong	-	11,646,000
Nazrul Islam Gong-Land (82+15) Dec	43,851,280	38,521,280
Nur Mohammed - Land	4,701,931	4,701,931
Rokeya Begum & Abul Hasham - 73 Des BS 973- Ctg	-	15,030,000
Saheb Uddin Mullah - Land 15 Dec DAg 1624 - 39	4,949,600	4,949,600
Samad Miah Gonh - Land (8.50 Dec RS 108)	2,097,008	2,097,008
Wazed Ali Khokon PP	12,030,000	12,030,000
Wazuddin Gong	25,494,898	25,494,898
	132,353,572	153,699,572
13.00 Investment in FDR		
Standard Chartered Bank	134,949,124	131,754,896
Standard Bank Limited	2,692,472	2,511,028
Social Islami Bank Ltd	6,052,391	5,710,916
State Bank of India	2,701,246	2,541,154
	146,395,233	142,517,994
14.00 Cash and bank balances:		
Cash at bank	102,232,880	149,066,926
Cash in hand	40,222,074	20,202,139
	142,454,954	169,269,065

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka			
	30 June 2020	30 June 2019		
14.01 Cash at bank:				
Share Money Deposit - NCCBL	5,722,957	5,632,819		
Current accounts	46,644,539	92,772,828		
STD accounts	6,077,605	7,428,517		
EFC accounts	43,787,778	43,232,762		
	102,232,880	149,066,926		
14.02 Cash in hand:				
Corporate office	6,774,548	3,710,432		
Factory	4,726,361	4,246,534		
Cash in Factory Logistics	28,158,032	11,593,424		
Registered office	563,133	651,749		
	40,222,074	20,202,139		
Bank balances are reconciled & confirmed.				
15.00 Ordinary share capital				
Authorized:				
500,000,000 Ordinary shares of Tk. 10 each	5,000,000,000	5,000,000,000		
	5,000,000,000	5,000,000,000		
Issued, subscribed and paid up:				
105,450,000 Ordinary shares of Tk.10 each fully paid-up in cash	1,054,500,000	1,054,500,000		
Share holding position:				
The composition of share holders at balance sheet date was as follows:				
Name of shareholders	30 June 2020			30 June 2019
	Percentage	Number	Face value	Face value
1. Mohammed Amirul Haque	11%	11,599,500	115,995,000	115,995,000
2. Mohammad Mustafa Haider	11%	11,473,150	114,731,500	208,373,000
3. Md. Jahangir Alam	10%	10,425,313	104,253,130	104,253,130
4. Md. Alamgir Kabir	4%	4,416,562	44,165,620	44,165,620
5. Mohd. Almas Shimul	3%	3,504,375	35,043,750	35,043,750
6. Mohammed Zahurul Haque	3%	2,856,000	28,560,000	28,560,000
7. Ancient Properties Ltd.	2%	2,113,500	21,135,000	21,135,000
8. Zahur Ahamed	2%	2,000,000	20,000,000	21,569,200
9. Mohammed Abdur Rouf	1%	1,168,125	11,681,250	11,681,250
10. Mohd. Ashrafuzzaman	1%	1,168,125	11,681,250	11,681,250
11. Institute	15%	16,250,508	162,505,080	160,849,360
12. Non-Resident Bangladeshi	0%	7,295	72,950	83,030
13. General Investor	36%	38,467,547	384,675,470	291,110,410
Total	100%	105,450,000	1,054,500,000	1,054,500,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

15.01 Classification of shareholders by holdings

Shareholding Range	30 June 2020		30 June 2019	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
Less than 500 Shares	1,751	278,161	1,717	299,672
501 to 5,000 Shares	272	457,655	277	484,859
5,001 to 10,000 Shares	41	313,272	41	305,598
10,001 to 20,000 Shares	18	250,787	18	261,683
20,001 to 30,000 Shares	9	225,003	6	148,825
30,001 to 40,000 Shares	4	132,508	6	204,488
40,001 to 50,000 Shares	5	218,428	3	130,126
50,001 to 100,000 Shares	15	1,091,762	16	1,153,834
100,001 to 1,000,000 Shares	19	7,786,757	18	7,600,618
Over 1,000,000 shares	19	94,695,667	17	94,860,297
Total	2,153	105,450,000	2,119	105,450,000

		Amount in Taka	
		30 June 2020	30 June 2019
16.00	Non-controlling interest		
	Opening balance	14,493,053	13,092,504
	Add: 4% Shares of profit of PPGL	1,831,871	1,400,549
	Closing balance	16,324,924	14,493,053
17.00	Loan from Directors		
	Mr. Abdur Rouf	30,000,000	30,000,000
	Mr. Almas Shimul	60,000,000	60,000,000
	Mr. Ashrafuzzaman	30,000,000	30,000,000
	Mr. Jahangir Alam	120,000,000	120,000,000
	Mr. Amirul Haque	255,270,000	255,270,000
	Mr Mustafa Haider	255,150,000	255,150,000
		750,420,000	750,420,000
17.01	Long - term loan taken from above directors' and sponsors' for VRM project installation purpose.		
18.00	Short term loan from Director		
	Mr Mustafa Haider	-	1,530,000,000
		-	1,530,000,000
18.01	To meet the short-term fund deficiency the Company made a short- term loan for an amount of BDT 1,530.00 million for VRM project installation purpose subsequently the company paid the amount.		
19.00	Deferred tax liabilities		
	The tax effect of temporary differences that resulted in deferred tax assets or liabilities		
	Opening balance	446,204,090	408,605,069
	Add: Deferred tax expense/(income) during the year	14,575,439	37,599,021
	Prior year adjustment	-	-
	Closing balance	460,779,529	446,204,090

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

19.01 Reconciliation of deferred tax liabilities/(assets)

	Carrying amount	Tax base	Temporary difference
	Taka	Taka	Taka
(a) As at 30 June 2020			
Property, plant and equipment	3,582,732,069	1,524,236,895	2,058,495,174
Provision for gratuity	(136,452,063)	-	(136,452,063)
Provision for bad and doubtful debts	(78,924,996)	-	(78,924,996)
Total	3,367,355,010	1,524,236,895	1,843,118,115
Deferred tax liability @25%			460,779,529
(b) As at 30 June 2019			
Property, plant and equipment	3,828,098,799	1,829,539,075	1,998,559,724
Provision for gratuity	(134,818,366)	-	(134,818,366)
Provision for bad and doubtful debts	(78,924,996)	-	(78,924,996)
Total	3,614,355,437	1,829,539,075	1,784,816,362
Deferred tax liability @25%			446,204,091
20.00 Long term loan			
Standard Bank Ltd.		465,254,425	-
HSBC		-	14,517,658
Standard Chartered Bank - VRM Project -ECA		1,985,911,014	1,936,419,619
Standard Chartered Bank - VRM Project - Commercial		727,181,850	145,657,650
IDLC Finance Ltd - VRM Project Loan		466,083,707	531,753,762
IPDC Finance Ltd - VRM Project Loan		73,290,083	89,975,174
United Finance Ltd		136,362,202	184,043,043
		3,854,083,281	2,902,366,906

20.01 The company availed EKF Guaranteed Euro foreign currency loan of ECA facility for US\$ 25 million and commercial facility US\$ 10 million from Standard Chartered Bank London which is repayable in 10 half yearly installments. Rate of interest is 6 month Euribor plus 1.6% for ECA portion and 3.9% for commercial portion. The Company also availed long term loan from IDLC and IPDC for an amount of Tk. 50 Crore and Tk. 10 Crore respectively for the VRM project.

	Amount in Taka	
	30 June 2020	30 June 2019
20.02 Allocation of long term loan		
Long term portion	3,079,655,788	2,436,358,890
Current portion	774,427,493	466,008,016
	3,854,083,281	2,902,366,906
20.03 Long-term loan increased by BDT 951.71 million mainly due to having an EKF guaranteed foreign currency loan and loan from Standard Bank Ltd for implementation of VRM project.		
21.00 Lease Liability		
Chan Tara Mansion	13,881,503	-
The Institute of Chartered Accountants of Bangladesh(ICAB)	15,586,012	-
	29,467,515	-
21.01 Allocation of Lease Liability		
Long term portion	21,776,253	-
Current portion	7,691,262	-
	29,467,515	-
22.00 Defined benefit obligations (Gratuity)		
Opening balance	134,818,365	138,135,125
Add :Provision for the year	10,574,574	-
	145,392,939	138,135,125
Less: Payment made	8,940,877	3,316,759
Closing balance	136,452,062	134,818,365

No provision for gratuity was made in the previous year because of having excess provision.

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
23.00 Trade & other payables		
Raw materials & other suppliers	-	1,436,020
Packing materials	52,931	52,931
Marketing expenses	2,373,964	1,939,674
Liabilities for expenses	511,804,323	502,542,137
Receipt against employee motor car	6,069,800	2,830,685
TDS/VDS payable	14,262,236	667,663
Suppliers liabilities against raw material import	668,835,000	1,013,250,000
Payable on audit fee including VAT	392,000	357,500
Provision for electric charge	47,471,399	48,837,073
Provision for PF	421,834	1,831,834
Dividend Payable	2,076,235	76,165,854
Provision for Stevedoring charges	3,782,500	3,782,500
Provision and other payable	108,543,738	103,220,250
	1,366,085,960	1,756,914,121

All trade & other payables were incurred as usual in business operation & paid regularly.

24.00 Short term bank loan		
The City Bank Limited	1,491,132,450	843,906,966
Dutch-Bangla Bank Ltd.	445,878,590	380,574,622
Standard Bank Limited	1,087,174,456	1,091,134,859
Standard Chartered Bank	1,489,743,725	987,634,356
HSBC	838,327,865	1,016,984,176
Prime Bank Limited	-	174,725,831
NCC Bank Limited	909,725,735	171,450,559
Social Islami Bank Limited	113,355,625	565,675
Midland Bank	227,248,762	-
Jamuna Bank Ltd.	526,445,186	1,984,561
Pubali Bank Ltd	1,197,814,020	396,781,090
Brac Bank Ltd	748,857,584	552,456,203
	9,075,703,998	5,618,198,898

Short term bank loans are confirmed and reconciled with bank statement.

24.01 Bank / Financial Institution loan facilities

The company is currently availing the following facilities from banks / financial institution:

Bank name	Limit (Taka in crore)			
	STL / Invoice Financing / OSF/EIF	L/C	OD / CC	LATR / Long Term Loan/ Lease/ Duty Loan
The City Bank Ltd.	90	130	4	10
Dutch-Bangla Bank Ltd.	-	60	15	-
Standard Bank Ltd.	25	80	15	50
Standard Chartered Bank	75	80	3	270
HSBC	60	82	5	-
NCC Bank Limited	20	75	20	-
Prime Bank Ltd.	-	-	-	-
BRAC Bank Ltd	48	78	2	-
Jamuna Bank Ltd.	25	50	8	-
Social Islami Bank Ltd.	10	25	-	10
Pubali Bank Ltd	30	250	50	20
IPDC	-	-	-	10
ULC	-	-	-	21
United Finance Limited	-	-	-	20
IDLC	-	-	-	90
Midland Bank	30	-	-	-
Total	413	910	122	501

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

24.02 Securities against bank loan facilities

- * Personal guarantee from all directors.
- * Hypothecation over stock.
- * First ranking pari passu charges over fixed assets.

		Amount in Taka	
		30 June 2020	30 June 2019
25.00 Liability for other finance			
	Security deposit - Customers	3,766,545	3,390,472
		3,766,545	3,390,472
26.00 Provision for taxation			
	Opening balance	549,204,034	389,781,133
	Add : Current tax expenses		
	Current year	54,032,410	159,422,901
	Prior year - PPGL	920,713	-
		54,953,123	159,422,901
		604,157,157	549,204,034
	Less : Payment made / other adjustment	920,713	-
	Less : AIT adjustment	-	-
	Closing balance	603,236,444	549,204,034
27.00 Reconciliation of effective tax rate of PCML			
	Profit before tax	340,770,832	809,825,967
	Profit excluding income tax	285,817,708	650,403,066
	Total income tax expense	16.13%	54,953,123
	Factors affecting the tax charge for current period:		
	Income tax using the Company's domestic tax rate	25.00%	85,192,708
	Non-deductible expenses	-1.23%	(4,196,476)
	Excess of tax depreciation over accounting depreciation	-3.90%	(13,296,519)
	Exempted for export	-0.08%	(262,981)
	Under/(over) provided in prior year	0.27%	920,713
	Exempted income-PPGL	-3.43%	(11,679,372)
	Tax on Profit of Associate Company	-0.51%	(1,724,950)
		16.13%	54,953,123

28.00 Revenue**From Cement:**

	Unit	Quantity	Amount	Unit	Quantity	Amount
Revenue from local sales	MT	1,607,066	10,131,502,869		1,814,072	11,512,639,610
Revenue from export	MT	15,720	93,604,800		49,746	295,578,140
		1,622,786	10,225,107,669		1,863,818	11,808,217,750

Other revenue:

Revenue from empty bag sales	Pcs	13,486,400	235,563,026		10,848,200	191,212,910
			10,460,670,695			11,999,430,660

28.01 Total sales included 43,333 MT from Mongla Cement Factory which was purchased directly from them.

28.02 Revenue from export

	30 June 2020		30 June 2019	
	USD	BDT	USD	BDT
Export	1,107,749	93,604,800	3,497,966	295,578,140

28.03 The Revenue decreased by 13.40 % due to less quantity sales because of pandemic COVID - 19 from March 2020 onward.

29.00 Cost of sales

	Amount in Taka	
	30 June 2020	30 June 2019
Opening stock of finished goods & WIP	52,280,531	54,020,959
Add : Cost of production (Note-29.01)	8,959,851,502	10,285,861,097
Goods available for sale	9,012,132,033	10,339,882,056
Less: Closing stock of finished goods, ghat & in transit (Note-10.00)	(54,495,979)	(52,280,531)
	8,957,636,054	10,287,601,525

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
29.01 Cost of production		
Raw materials consumption	7,079,910,076	8,106,556,068
Packing materials consumption	395,288,031	470,762,232
Salary & wages	176,945,935	177,220,904
Gratuity	4,036,669	-
Electric charges	446,396,856	469,195,765
Paper & periodicals	10,805	15,513
Travelling & conveyance	2,000,787	2,727,659
Telephone charges	1,863,496	1,578,437
Entertainment	914,056	2,714,774
Repairs & maintenance	87,124,958	98,863,792
Contribution to PF	4,468,599	4,347,756
Cost of bag sale-outward	184,751,801	146,997,249
Lab Expenses	898,783	1,156,647
Computer Expense	743,900	548,719
Legal & Professional Fee	10,000	2,409,203
Medical expenses	587,012	729,517
Canteen & food expenses	22,971,407	18,406,828
Cost of Cement from Sena kallon sangtha	267,191,419	472,048,359
Cost of cement from Anwer cement Ltd.	-	44,354,633
Gift & presentations	-	71,596
Internet Expenses	310,117	235,338
Gas Bill	61,254,455	33,571,451
Guest house expenses	-	16,525
Postage & Stamp	7,150	7,228
Stationery	5,946,057	6,620,726
Labour charges	23,481,620	19,675,283
Misc. expenses	483,630	1,868,090
Pay loader expenses	2,872,324	4,565,080
Donation & Subscription	348,000	522,800
Fuel, Oil & Lubricant	5,592,056	8,992,446
Training expenses	100,319	27,432
Depreciation- ROU	1,667,670	-
Fire insurance	3,729,250	1,492,641
Depreciation (Annexure - A)	177,944,264	187,560,406
	8,959,851,502	10,285,861,097
30.00 Other income / (loss) / Expenses		
Bank interest income	3,947,452	8,092,512
Exchange gain / (loss)	(25,608,024)	(45,158,074)
Interest charged to NCML*	6,086,844	75,896,226
Interest charged to Rupsha Edible Oil Ltd.	29,818,906	-
Income from raw materials sales	(5,751,575)	(1,156,267)
Income from financial assets -Lease	138,676	-
Income from PF forfeiture	993,294	-
Gain / (Loss) on sale of motor vehicle	(529,424)	(2,238,735)
Bad & doubtful expenses *	-	17,086,706
Misc. income - H/O	2,850,417	272,883
Misc. income - Factory	1,464,943	8,314,551
Income/(expenses) from carrying	59,194,815	54,251,725
	72,606,324	115,361,527

* The bad debt provision which is required to be kept based on the receivable balance is lower than the balance in provision for bad debt account. The excess amount of provision has been adjusted as on 30.06.2019 as per Board of Directors' resolution no. 03 dated 04.08.2019. As the over due receivable exceeding one year has not increased or decreased, no adjustment is required to be made as on 30.06.2020.

*Other income decreased mainly due to decreased of interest charged to the associate company namely NCML for BDT 69.80 mn.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
31.00 Administrative expenses		
Audit fee	392,000	357,500
Bank charges	215,169	152,279
Advertisement	394,200	477,850
Electric charges	1,750,961	1,784,880
Canteen & food expenses	3,141,653	3,082,927
Gratuity	2,101,400	-
Computer expenses	1,459,162	752,224
Medical Expense	35,605	44,574
Office rent	2,565,931	9,394,001
Paper & periodicals	17,561	34,187
Postage & stamp	99,021	164,649
Donation & subscription	59,000	421,850
Internet Expenses	491,075	448,763
Renewal, legal & professional fee	3,584,571	6,437,239
Repairs & maintenance	1,786,395	1,260,791
Salary & allowances	43,411,022	45,220,609
Directors' remuneration	2,400,000	2,400,000
Stationery	1,098,687	2,076,948
Telephone charges	982,309	1,021,951
Training expenses	17,112	129,118
Travelling & conveyance	3,658,206	3,819,700
Contribution to PF	997,304	1,164,315
Vehicle maintenance	2,826,192	4,433,516
Water charges	245,450	276,977
AGM Expenses	671,730	660,963
Miscellaneous expenses	4,948,885	4,309,260
BIWTA expenses	9,940,152	21,549,341
BSTI License fee	2,287,780	2,083,936
Fuel & Lubricant	30,972	37,296
Board meeting expenses	110,000	142,000
Guest house expenses	6,720	649,817
Depreciation -ROU-ICAB	5,913,240	-
Amortization (Annexure - A)	71,901	67,904
Depreciation (Annexure - A)	9,191,213	9,414,282
	106,902,579	124,271,646
32.00 Selling & distribution expenses:		
Advertisement	14,354,717	24,801,233
Car maintenance	177,794	1,229,187
Contribution to PF	3,568,285	3,164,158
Entertainment	539,915	638,960
Export expenses	339,457	1,475,138
Godown expenses	246,490	1,182,900
Gratuity	4,436,505	-
Legal & professional fee	550,620	607,862
Medical expenses	536,249	16,405
CSR Activities	999,659	67,746
Postage & stamp	275,312	664,405
Promotional expenses	104,971,092	86,814,706
Salaries & allowances	147,636,807	130,236,843
Cement test expenses	1,962,105	1,229,622
Stationery	1,029,824	423,686
Telephone charges	5,152,500	4,718,976
Travelling & conveyance	36,632,344	39,588,962
Tender expenses	316,704	412,463
Computer expenses	49,375	20,151
Labour charges	7,920,151	9,938,451
Miscellaneous expenses	469,680	1,004,179
Depreciation (Annexure - A)	99,301,664	111,110,521
	431,467,249	419,346,554

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
33.00 Financial expenses		
Bank charges	9,383,363	6,478,519
Interest on WPPF	16,099,321	15,258,609
Finance charges on lease	2,678,612	26,412,438
Bank loan interest	660,536,141	395,979,022
	688,697,437	444,128,588

Bank charges for an amount of Tk. 1,52,279.00 of PPGL for the year 2018-19 shown under administrative expenses which was shown previously under financial expenses.

34.00 Basic earnings per share (EPS):

The computation of EPS is given below :

Earnings attributable to the ordinary shareholders (NPAT)	269,410,398	611,403,496
Number of shares outstanding during the year	105,450,000	105,450,000
Basic earnings per share (par value of Tk. 10)	2.55	5.80

'Profit before taxes decreased compared to previous financial year due to decrease of revenue by 13% and increase of finance cost by 55% resulting in EPS decrease of BDT 2.55 in the financial year 2019-2020 from BDT 5.80 in the financial year 2018-2019.

Diluted EPS

No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

35.00 Related party disclosure

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

Name of related party	Nature of relationship	Nature of transaction	Outstanding as on 01.07.2018 Taka	Transaction during the year (net) Taka	Outstanding as on 30.06.2019 Taka	Terms and conditions
Asia Insurance Ltd.	Common directorship	Providing insurance	(3,140,326)	1,203,944	(1,936,382)	Arm's length transaction
Mr Mustafa Haider	Director	For VRM project	(1,530,000,000)	1,530,000,000	-	Mutual understanding
Seacom Shipping Ltd	Common directorship	C & F	1,234,600	400,000	1,634,600	Arm's length transaction
T K Oil Refinery Ltd.	Common directorship	Utility service	-	-	-	Arm length transaction
Aryan Stevedore Ltd.	Common directorship	Stevedoring service	(32,051,539)	(15,109,365)	(47,160,904)	Arm's length transaction
G P H Ispat Ltd.	Common directorship	Materials supply	2,280	-	2,280	Arm's length transaction
M I Cement Factory Ltd.	Common directorship	Materials supply	2,614,781	311,520	2,303,261	Arm's length transaction
Samuda Chemical Complex Ltd.	Common directorship	Materials supply	280,695	-	280,695	Arm's length transaction
Rupsha Tank Terminal & Refinery Ltd	Common directorship	Loan taken to meet short term finance	93,402,411	(49,027,287)	44,375,124	Arm's length transaction
Rupsha Edible Oil Refinery Ltd	Common directorship	Loan taken to meet short term finance	-	-	-	Arm's length transaction
National Cement Mills Limited	Associate	Loan to meet operational expenses	1,364,425,536	(1,256,075,113)	108,350,423	Arm length transaction/ Mutual Understanding
National Cement Mills Limited	Associate	Investment in share	106,497,835	6,899,799	113,397,634	Arm's length transaction
Delta Agrofood Industries Ltd	Common directorship	Loan given to meet short term finance	33,102,145	(32,063,993)	1,038,152	Arm's length transaction

Note : Figures in bracket at closing date represent payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

36.00 Events after the reporting period

The Board of Directors of the company in its meeting held on 12 November 2020 recommended 10% cash dividend for the year 2019-2020 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

36.01 In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world including business locations of the Company has adversely impacted global commercial activities and contributed to significant declines and volatility in financial markets. However, management are ensuring that staffs are trained with safety guidelines provided by Government in this pandemic situation. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. Therefore, the full extent to which coronavirus may impact the Company’s results of operations, liquidity or financial position is uncertain. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Company, its performance, and its financial results.

37.00 Contingent liabilities

There are contingent liabilities in respect of outstanding letters of credit for Tk. 68.41 million & bank guarantee Tk. 57.34 million

Letter of Credit	Amount in Taka	
	30 June 2020	30 June 2019
The City Bank Limited	175,302,820	81,120,000
Brac Bank Ltd	-	-
Dutch Bangla Bank Limited	-	111,540,000
The Hongkong and Shanghai Banking Corporation Limited	-	25,807,568
NCC Bank Ltd	-	17,054,213
Prime Bank Limited	-	-
Standard Bank	43,081,543	209,359,228
Social Islami Bank Ltd	75,255,875	65,545,939
Pubali Bank Ltd	390,544,904	117,260,537
Standard Chartered Bank	-	900,422,916
	684,185,142	1,528,110,401
Bank Guarantee		
Social Islami Bank Ltd	38,268,335	59,699,466
Standard bank limited	19,081,420	19,081,420
	57,349,755	78,780,886
	741,534,897	1,606,891,287

38.00 Capital expenditure commitment

There is no unprovided committed expenditure as at 30 June 2020

39.00 Remittance of foreign currency:

No foreign currency was remitted during the year.

40.00 Earnings in foreign currency:

Export of 15,720 MT Cement were made in July 2019 to June 2020 to Indian state of Tripura & Assam as export in for US\$ 1,107,749 equivalent to BDT. 93,604,800.00

41.00 Claims against the company not acknowledged as debt

There is no claim against the company acknowledged as debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

42.00 Capacity utilization:

42.01 Cement :

Actual average monthly production is 1,35,264 MT against average monthly capacity of 200,000 MT i.e. capacity utilization is 67.63%.

43.00 Number of employees

	30 June 2020	30 June 2019
	Persons	Persons
Management	87	107
Staff	1,565	1,566
Total number of employees	1,652	1,673

All employees received salary more than Tk. 7,000 per month.

44.00 Financial risk management

Bangladesh Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to: both recognised and unrecognised financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Group's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the group's activities. This note presents information about the group's exposure to each of the following risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. The company has exposure to the following risks from its use of financial instruments.

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

44.01 Credit risk

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

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of cement & empty cement bag.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

a) Exposure to credit risk

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

	Amount in Taka	
	30 June 2020	30 June 2019
Trade receivable		
Local customers	2,527,126,280	2,278,830,928
Foreign customers	10,669,765	18,374,155
Advance, deposit and prepayments	3,163,173,137	3,629,863,273
Cash and bank balances	142,454,954	169,269,065
	5,843,424,135	6,096,337,421

The maximum exposure to credit risk for accounts receivable as at 30 June 2020 by geographic regions was:

Bangladesh	2,527,126,280	2,278,830,928
Asia	10,669,765	18,374,155
	2,537,796,045	2,297,205,083
b) Impairment losses		
Opening balance	78,924,996	96,380,932
Provision during the year	-	(17,086,706)
Reversal/Adjustment during the year	-	(369,230)
Closing balance	78,924,996	78,924,996

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

c) Credit exposure by credit rating as on 30 June 2020

Particulars	Credit rating	Amount	Percentage (%)
Trade receivable	NR	2,537,796,045	43%
Advance, deposit and prepayments	NR	3,163,173,137	54%
Cash and bank balances			
Cash in hand		40,222,074	0.69%
Cash at bank		102,232,880	1.75%
AB Bank Ltd	AA3	424,153	0.41%
Al-Arafah Islami Bank Ltd.	AA	2,217,151	2.17%
Agrani Bank Ltd	AAA	35,181	0.03%
Bank Asia Ltd.	AA2	55,335	0.05%
City Bank Ltd	AA2	1,890,256	1.85%
Dutch Bangla Bank Ltd	AA1	602,547	0.59%
Eastern Bank Ltd	AA+	35,789	0.04%
Hongkong Shanghai Banking Corp.	AAA	7,750	0.01%
IFIC Bank Ltd.	AA2	112,914	0.11%
Islami Bank Bangladesh Ltd	AAA	5,317,586	5.20%
Jamuna Bank Ltd.	AA2	473,347	0.46%
Mercantile Bank Ltd.	AA	3,205,075	3.14%
Midland Bank Ltd	-A2	6,418	0.01%
Mutual Trust bank Ltd.	A1	544,434	0.53%
Modhumoti Bank Ltd		8,945	0.00%
National Bank Ltd.	AA	898,771	0.88%
NCC Bank Ltd.	AA	5,974,282	5.84%
One Bank Limited.	AA	147,125	0.14%
Premier Bank Ltd.	AA	2,411,721	2.36%
Prime Bank Limited.	AA	11,153,257	10.91%
Pubali Bank Ltd.	AA	3,462,602	3.39%
Rupali Bank Ltd.	A-	407,791	0.40%
Shahjalal Islami Bank Ltd	AA2	1,698,640	1.66%
Social Islami Bank Ltd.	AA	12,730,549	12.45%
Sonali Bank Ltd.	AAA	1,115,118	1.09%
Southeast Bank Ltd	AA	327,814	0.32%
Standard Chartered Bank	AAA	40,892,213	40.00%
Standard Bank Ltd.	AA	2,276,849	2.23%
State Bank of India	AA3	59,934	0.06%
Trust Bank Ltd.	AA2	81,745	0.08%
United Commercial Bank Ltd.	AA	2,102,330	2.06%
Uttara Bank Ltd.	AA	1,555,259	1.52%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

(ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A strengthening or weakening of the Taka, as indicated below, against the USD at 30 June 2020 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 30 June 2019 albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

Sensitivity for foreign currency expenditures	Amount in Taka	
	Strengthening profit/(loss)	Weakening profit/(loss)
At 30 June 2020 USD	(224,633)	224,633

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The group has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

(i) Profile

As at 30 June 2020, the interest rate risk profile of the group's interest bearing financial instruments was:

	Carrying Amount in Taka	
	30 June 2020	30 June 2019
Fixed rate instrument		
Financial asset	160,075,279	147,681,114
Financial liability	12,959,254,794	10,050,565,802
Variable rate instrument		
Financial asset	Nil	Nil
Financial liability	Nil	Nil

(ii) Cash flow sensitivity analysis for variable rate instruments

There being no variable rate instruments, sensitivity analysis has not presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

44.02 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group'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 group's reputation. Typically, the group ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment

The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

In extreme stressed conditions, the group may get support from the subsidiary and associate company in the form of inter-company loan.

The following are the contractual maturities of financial liabilities:

Category of Liabilities	Carrying amount (Taka)	Maturity period	Nominal Interest rate	Contractual cash flows (Taka)	Within 6 months or less (Taka)	Within 6-12 months (Taka)
Trade and other payables	1,366,085,960.26	December. 2020	N/A	1,366,085,960	1,366,085,960	-
Short term bank loan	9,075,703,998.00	December. 2020	7%~11%	9,075,703,998	9,075,703,998	-
Current portion of long term loan	774,427,493.00	30 June 2021	1.60%~12.50%	774,427,493	387,213,747	387,213,747
Loan from directors'	-	-	-	-	-	-
Liability for other finance	3,766,545.00	30 June 2021	N/A	3,766,545	1,883,273	1,883,273
Contribution to WPPF	14,702,667.20	31 March 2021	N/A	14,702,667	-	14,702,667

44.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the group's income or the value of its holdings of financial instruments

a) Currency risk

The group is exposed to currency risk on certain revenues and purchases such as clinker, gypsum, slag, fly ash, lime stone and equipment purchases. Majority of the group's foreign currency transactions are denominated in USD and relate to procurement of capital items from abroad. The group maintains USD bank accounts where 50% of export proceeds are deposited and certain import payments and foreign currency loan installment & interest their on are made there from.

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

i) Exposure to currency risk

Foreign currency monetary assets and liabilities	30 June 2020	30 June 2019
	(USD)	(USD)
Assets		
Trade receivables	125,749	217,446
Cash at bank	516,061	511,630
	641,810	729,076
Liabilities		
Trade and other payables	Nil	Nil
Net exposure		
The following significant exchange rates are applied during the year:		
Exchange rate of US Dollar	84.85	84.50

44.04 Accounting classification and fair value

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial position are as follows:


	Amount in Taka	
	Carrying amount	Fair value
Assets carried at fair value through profit and loss	Nil	Nil
Held to maturity assets		
Short term investment	11,330,863	11,330,863
Loans and receivables		
Trade and other receivable	2,492,404,124	2,492,404,124
Advances, deposits & pre-payments	3,338,925,654	3,338,925,654
Cash and bank balances	142,454,954	142,454,954
Available for sale financial assets	Nil	
Liabilities carried at fair value through profit and loss	Nil	
Liabilities carried at amortized cost		
Trade and other payables	1,366,085,960	*N/A
Short term bank loan	9,075,703,998	*N/A
Long term loan	3,079,655,788	*N/A
Lease Liability	29,467,515	*N/A
Current portion of long term loan	774,427,493	*N/A
Liability for other finance	3,766,545	*N/A
Contribution to WPPF	14,702,667	*N/A

* Determination of fair value is not required as per the requirements of IFRS/IFRS 7 : Financial Instruments: Disclosures (ref: Para 29). However, fair value of such instruments is not likely to be significantly different from the carrying amounts of such instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
45.00 Others		
45.01 Directors' remuneration		
Salary, allowances and benefits	2,400,000	2,400,000
	2,400,000	2,400,000
45.02 Directors' fees for attending board meeting		
Tk. 10,000 paid to each director for attending board meetings.		
45.03 Receivable from director		
No amount is lying as receivable from the directors.		
45.04 Net asset value(NAV) per share		
Net Assets	5,245,135,824	5,081,175,426
Number of ordinary shares outstanding	105,450,000	105,450,000
Net asset value (NAV) per share	49.74	48.19
45.05 Cash Flow Reconciliation		
Net profit for the year	271,242,269	612,804,044
Depreciation	327,223,053	345,106,856
Other non-cash items	30,756,721	87,618,912
Non-operating items	(3,154,176,751)	(149,662,182)
Changes in net working capital	3,261,681,670	(257,427,142)
Net cash from operating activities	736,726,962	638,440,489
45.06 Net operating cash flow per share (NOCFPS)		
The computation of NOCFPS is given below		
Net cash from operating activities	736,726,962	638,440,488
Number of shares outstanding during the year	105,450,000	105,450,000
Net operating cash flow per share (NOCFPS)	6.99	6.05
45.07 Deferred Tax on depreciation of revaluation surplus:		
Depreciation on revaluation of assets		
Premier Cement Mills Ltd	10,837,370	11,667,203
Premier Power Generation Ltd	761,380	811,054
Total	11,598,749	12,478,257
Less: Deferred tax on PCML	2,709,342	2,916,801
Less: Deferred tax on PPGL	-	-
Depreciation adjusted with retaining earnings	8,889,407	9,561,456
45.08 Interests in subsidiaries		
The group does not have any unconsolidated structured entity.		
There has been no changes in ownership interest in a subsidiary which may have resulted in loss of control.		
45.09 Key Management Personnel Compensation :		
Catagories of key management compensation:		
Short term employee benefits		
a)Directors' remuneration	2,400,000	2,400,000
b) Meeting attendance fee	110,000	142,000
c) Post-employment benefit	Nil	Nil
d) Other long term benefit	Nil	Nil
e) Share-based payment	Nil	Nil
f) Housing	Nil	Nil
g) Medical & welfare	Nil	Nil



Company Secretary

Place: Dhaka

Date: 12 November 2020



Director



Managing Director

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Annexure - A

	Amount in Taka	
	30 June 2020	30 June 2019
Property, plant and equipment		
Freehold	6,008,764,553	6,100,647,944
Leasehold	-	98,201,515
	6,008,764,553	6,198,849,459

i) Freehold :

Cost :

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Opening	Addition	(Disposal)/ Adjustment	Closing		Opening	Charged during the year	(Disposal)/ Adjustment	Closing	
Land & Land Development	1,780,104,002	62,843,581	-	1,842,947,583	0%	-	-	-	-	1,842,947,583
Factory Building	771,609,737	6,038,522	-	777,648,259	3%	80,605,277	20,843,812	-	101,449,089	676,199,170
Jetty Construction	65,871,565	-	-	65,871,565	3%	6,778,966	1,772,778	-	8,551,744	57,319,821
Electric Installation	145,286,297	5,386,494	-	150,672,791	8%	35,171,356	8,539,551	-	43,710,907	106,961,884
Plant & Machinery	2,584,491,594	42,597,118	10,100,000	2,637,188,712	7.5%, 6%	590,905,791	141,888,302	4,889,781	737,683,875	1,899,504,837
Boundary Wall & Fencing	5,104,881	-	-	5,104,881	5%	1,054,012	202,543	-	1,256,556	3,848,325
Furniture & Fixtures	9,999,844	159,976	-	10,159,820	10%	2,547,821	754,058	-	3,301,879	6,857,941
Telephone & Fax Installation	560,344	-	-	560,344	15%	267,841	43,875	-	311,717	248,627
Loose Tools	259,932	-	-	259,932	15%	124,246	20,353	-	144,599	115,333
Motor Vehicles	761,082,590	1,469,500	256,249,169	1,018,801,259	15%	229,798,221	79,664,009	179,272,074	488,734,305	530,066,954
Motor Vehicles-Employee Car	40,775,000	1,590,000	(5,200,000)	37,165,000	20%	2,830,685	3,891,194	(652,079)	6,069,800	31,095,200
Office Building & Shed	10,417,785	1,016,012	-	11,433,797	3%	1,004,239	300,199	-	1,304,438	10,129,359
Office Equipment	29,611,326	2,908,089	-	32,519,415	15%, 20%	9,676,288	3,187,187	-	12,863,476	19,655,939
Tube-Well	604,298	-	-	604,298	15%	270,557	50,061	-	320,618	283,680
Air Compressor	7,038,866	-	-	7,038,866	15%	2,918,625	618,036	-	3,536,661	3,502,205
Grinding Media	119,966,242	-	-	119,966,242	33%	62,036,232	19,309,985	-	81,346,217	38,620,025
Lab Equipment	8,840,619	-	-	8,840,619	10%	1,658,896	718,173	-	2,377,069	6,463,550
Vessel	112,973,025	1,180,500	-	114,153,525	10%	33,369,317	8,043,027	-	41,412,344	72,741,181
Portable Cement Silo	67,308,492	10,502,280	-	77,810,772	3%	3,860,903	2,154,687	-	6,015,590	71,795,182
Store House	-	-	-	-	-	-	-	-	-	-
Office Decoration	12,459,788	47,610	-	12,507,398	15%	2,488,951	1,500,851	-	3,989,803	8,517,595
Generator Building	2,454,401	-	-	2,454,401	10%	844,069	161,033	-	1,005,102	1,449,299
30 June 2020	6,536,820,628	135,739,682	261,149,169	6,933,709,479		1,068,212,294	293,663,715	183,509,776	1,545,385,786	5,388,323,693
30 June 2019	5,958,616,257	589,699,765	(11,495,394)	6,536,820,628		756,623,220	315,768,314	(4,179,240)	1,068,212,293	5,468,608,335

Allocation :

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of Goods Sold	167,662,557	176,498,959
Administrative Expenses	9,183,580	9,405,302
Selling & Distribution Expenses	85,416,337	94,774,842
Bag plant	31,401,241	35,089,210
Total	293,663,715	315,768,314

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

ii) Revaluation:

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/Adjustment	Closing	
Land & Land Development	455,504,566	-	-	455,504,566	0%	-	-	-	-	455,504,566
Factory Building	32,315,251	-	-	32,315,251	3%	3,706,792	858,254	-	4,565,046	27,750,205
Jetty Construction	3,132,068	-	-	3,132,068	3%	359,271	83,184	-	442,455	2,689,613
Electric Installation	-	-	-	-	8%	-	-	-	-	-
Plant & Machinery	195,599,942	-	-	195,599,942	7.5%, 6%	51,621,484	10,610,425	-	62,231,909	133,368,033
Boundary Wall & Fencing	245,141	-	-	245,141	5%	45,472	9,983	-	55,456	189,685
Furniture & Fixtures	-	-	-	-	10%	-	-	-	-	-
Telephone & Fax Installation	-	-	-	-	15%	-	-	-	-	-
Loose Tools	-	-	-	-	15%	-	-	-	-	-
Motor Vehicles	-	-	-	-	15%	-	-	-	-	-
Office Building & Shed	1,030,264	-	-	1,030,264	3%	118,179	27,363	-	145,541	884,723
Office Equipment	227	-	-	227	15%, 20%	134	19	-	153	74
Tube-Well	-	-	-	-	15%	-	-	-	-	-
Air Compressor	-	-	-	-	15%	-	-	-	-	-
Grinding Media	-	-	-	-	33%	-	-	-	-	-
Lab Equipment	-	-	-	-	10%	-	-	-	-	-
Vessel	-	-	-	-	10%	-	-	-	-	-
Portable Cement Silo	-	-	-	-	3%	-	-	-	-	-
Store House	-	-	-	-	-	-	-	-	-	-
Office Decoration	121,614	-	-	121,614	15%	58,131	9,522	-	67,653	53,961
Generator Building	-	-	-	-	10%	-	-	-	-	-
Software	-	-	-	-	-	-	-	-	-	-
30 June 2020	687,949,073	-	-	687,949,073		55,909,463	11,598,749	-	67,508,212	620,440,861
30 June 2019	687,949,073	-	-	687,949,073		43,431,206	12,478,257	-	55,909,463	632,039,610

Allocation :

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of Goods Sold	9,859,257	10,604,743
Administrative Expenses	7,633	8,981
Selling & Distribution Expenses	-	-
Bag Plant	1,731,859	1,864,533
Total	11,598,749	12,478,257

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

iii) Cost and Revaluation:

Amount in Taka

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Opening	Addition During the Year	Disposal/ Adjustment During the period	Closing		Opening	Charged During the Year	Disposal/ Adjustment During the period	Closing	
Land & Land Development	2,235,608,568	62,843,581	-	2,298,452,149	0%	-	-	-	-	2,298,452,149
Factory Building	803,924,988	6,038,522	-	809,963,510	3%	84,312,069	21,702,066	-	106,014,135	703,949,375
Jetty Construction	69,003,633	-	-	69,003,633	3%	7,138,237	1,855,962	-	8,994,199	60,009,434
Electric Installation	145,286,297	5,386,494	-	150,672,791	8%	35,171,356	8,539,551	-	43,710,907	106,961,884
Plant & Machinery	2,780,091,536	42,597,118	10,100,000	2,832,788,654	75%, 6%	642,527,276	152,498,727	4,889,781	799,915,784	2,032,872,870
Boundary Wall & Fencing	5,350,022	-	-	5,350,022	5%	1,099,484	212,527	-	1,312,011	4,038,011
Furniture & Fixtures	9,999,844	159,976	-	10,159,820	10%	2,547,821	754,058	-	3,301,879	6,857,941
Telephone & Fax Installation	560,344	-	-	560,344	15%	267,841	43,875	-	311,717	248,627
Loose Tools	259,932	-	-	259,932	15%	124,246	20,353	-	144,599	115,333
Motor Vehicles	761,082,590	1,469,500	256,249,169	1,018,801,259	15%	229,798,221	79,664,009	179,272,074	488,734,305	530,066,954
Motor Vehicles-Employee Car	40,775,000	1,590,000	(5,200,000)	37,165,000	20%	2,830,685	3,891,194	(652,079)	6,069,800	31,095,200
Office Building & Shed	11,448,049	1,016,012	-	12,464,061	3%	1,122,418	327,561	-	1,449,979	11,014,082
Office Equipment	29,611,553	2,908,089	-	32,519,642	15%, 20%	9,676,422	3,187,206	-	12,863,628	19,656,014
Tube-Well	604,298	-	-	604,298	15%	270,557	50,061	-	320,618	283,680
Air Compressor	7,038,866	-	-	7,038,866	15%	2,918,625	618,036	-	3,536,661	3,502,205
Grinding Media	119,966,242	-	-	119,966,242	33%	62,036,232	19,309,985	-	81,346,217	38,620,025
Lab Equipment	8,840,619	-	-	8,840,619	10%	1,658,896	718,173	-	2,377,069	6,463,550
Vessel	112,973,025	1,180,500	-	114,153,525	10%	33,369,317	8,043,027	-	41,412,344	72,741,181
Portable Cement Silo	67,308,492	10,502,280	-	77,810,772	3%	3,860,903	2,154,687	-	6,015,590	71,795,182
Store House	-	-	-	-	-	-	-	-	-	-
Office Decoration	12,581,402	47,610	-	12,629,012	15%	2,547,082	1,510,374	-	4,057,456	8,571,556
Wheel Loader	-	-	-	-	8%	-	-	-	-	-
Generator Building	2,454,401	-	-	2,454,401	10%	844,069	161,033	-	1,005,102	1,449,299
Software	-	-	-	-	10%	-	-	-	-	-
Grand Total as on 30 June 2020	7,224,769,701	135,739,682	261,149,169	7,621,658,552		1,124,121,757	305,262,465	183,509,776	1,612,893,999	6,008,764,553
Grand Total as on 30 June 2019	6,646,565,330	589,699,765	(11,495,394)	7,224,769,701		800,054,426	328,246,571	(4,179,240)	1,124,121,757	6,100,647,944

Depreciation charge has been allocated to:

Amount in Taka

	30 June 2020	30 June 2019
Cost of Goods Sold	177,521,814	187,103,703
Administrative Expenses	9,191,213	9,414,283
Selling & Distribution Expenses	85,416,337	94,774,842
Bag plant	33,133,101	36,953,742
Total	305,262,465	328,246,571

Note:

- Name of Valuer : M/S S. F. Ahmed & Co., Chartered Accountants.
- Valuation method : Net asset value method.
- Date of Capitalization: Revaluation surplus capitalized on 01 July 2015.

Premier Cement Mills Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

iv) Leasehold:

Cost:

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Opening	Addition	Disposal/ (Adjustment)	Closing		Opening	Charged during the year	Disposal/ (Adjustment)	Closing	
Motor Vehicles	259,800,000	-	259,800,000	-	15%	167,231,154	13,885,326.90	181,116,481.00	0	(0)
Plant & Machinery	10,100,000	-	10,100,000	-	8%	4,467,331	422,450.18	4,889,781.00	(0)	0
30 June 2020	269,900,000	-	269,900,000	-		171,698,485	14,307,777.08	186,006,262.00	0	(0)
30 June 2019	269,900,000	-	-	269,900,000		154,906,103	16,792,382	-	171,698,485	98,201,515

Depreciation charge has been allocated to:

Amount in Taka

	30 June 2020	30 June 2019
Cost of production	422,450	493,733
Selling & distribution expenses	13,885,327	19,218,446
Total	14,307,777	19,712,179

v) Intangible Assets

Category of assets	Cost				Rate	Amortization				Written down value as on 30 June 2020
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	
Software	1,023,563	-	-	1,023,563	10%	304,549	71,901	-	376,450	647,113
Total 30 June 2020	1,023,563	-	-	1,023,563		304,549	71,901	-	376,450	647,113
Total 30 June 2019	876,563	147,000	-	1,023,563		236,645	67,904	-	304,549	719,014

Amortization charge has been allocated to:

Amount in Taka

	30 June 2020	30 June 2019
Administrative Expenses	71,901	67,904
Total	71,901	67,904

vi) Lease Assets-Rights of Use

Category of assets	Opening	Addition	Disposal	Closing	Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2020
Accommodation Building	-	15,009,028	-	15,009,028	-	1,667,670	-	1,667,670	13,341,358
Office Floor	-	21,287,665	-	21,287,665	-	5,913,240	-	5,913,240	15,374,425
30 June 2020	-	36,296,693	-	36,296,693	-	7,580,910	-	7,580,910	28,715,783

Amortization charge has been allocated to:

Amount in Taka

	30 June 2020	30 June 2019
Cost of production	1,667,670	-
Administrative expenses	5,913,240	-
Total	7,580,910	-

Premier Cement Mills Limited

STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1.00	5,881,184,218	6,062,988,353
Intangible assets	2.00	647,113	719,014
Right of use assets	3.00	28,715,783	-
Financial assets	4.00	1,879,484	-
Capital work -in - progress	5.00	8,205,324,973	3,917,092,896
Investment in subsidiary	6.01	48,000,000	48,000,000
Investment in associate	7.01	113,397,634	106,497,835
		14,279,149,205	10,135,298,098
Current Assets			
Inventories	8.00	968,898,820	877,510,398
Trade and other receivables	9.00	2,492,404,124	2,220,587,712
Advances, deposits and pre-payments	10.00	3,325,748,296	3,815,250,022
Current account with associate (NCML)	7.02	108,350,423	1,364,425,536
Investment in FDR	11.00	146,395,233	142,517,994
Cash and bank balances	12.00	142,090,692	168,944,060
		7,183,887,588	8,589,235,721
Total assets		21,463,036,793	18,724,533,819
EQUITY AND LIABILITIES			
Equity			
Share capital	13.00	1,054,500,000	1,054,500,000
Revaluation reserve		481,088,245	489,216,272
Share Premium		441,835,000	441,835,000
Retained earnings		2,919,529,814	2,791,406,291
Total Equity		4,896,953,058	4,776,957,562
Non-current liabilities			
Deferred tax liabilities/(assets)	14.00	460,779,528	446,204,090
Long term loan	15.02	3,079,655,788	2,436,358,890
Lease Liability - Long term portion	16.01	21,776,253	-
Loan from Directors	22.00	750,420,000	750,420,000
Defined contribution obligations (Gratuity)	17.00	136,452,063	134,818,366
		4,449,083,632	3,767,801,346
Current-liabilities			
Trade and other payables	18.00	1,362,574,358	1,755,290,246
Short term bank loan	19.00	9,075,703,998	5,618,198,898
Loan from Directors-Short term	23.00	-	1,530,000,000
Current portion of long term loan	15.02	774,427,493	466,008,016
Lease Liability - Current portion	16.01	7,691,262	-
Current account with subsidiary (PPGL)	6.02	274,897,335	218,942,631
Liability for other finance	20.00	3,766,545	3,390,472
Workers' participation fund		14,702,667	38,740,612
Provision for taxation	21.00	603,236,444	549,204,034
		12,117,000,102	10,179,774,909
Total liabilities		16,566,083,735	13,947,576,256
Total equity and liabilities		21,463,036,793	18,724,533,819
Net assets value per share	36.00	46.44	45.30

The annexed notes from 01 to 43 form an integral part of these financial statements.



Company Secretary



Director



Managing Director

Place: Dhaka
Date: 12 November 2020

As per our report of same date



Hussain Farhad & Co.
Chartered Accountants

Premier Cement Mills Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Revenue	24.00	10,460,670,695	11,999,430,660
Cost of sales	25.00	(9,010,685,279)	(10,328,599,722)
Gross profit		1,449,985,416	1,670,830,938
Other income/(Expenses)	26.00	72,606,324	115,361,527
Administrative expenses	27.00	(100,570,841)	(118,287,174)
Selling & distribution expenses	28.00	(431,467,249)	(419,346,554)
Profit before interest and tax		990,553,649	1,248,558,737
Share of profit from associate company	7.01	6,899,799	9,122,706
Finance costs	29.00	(688,697,437)	(444,128,588)
Contribution to WPPF		(14,702,667)	(38,740,612)
Profit before tax		294,053,344	774,812,242
Current tax expenses	21.00	(54,032,410)	(159,422,901)
Deferred tax income/(expenses)	14.00	(14,575,439)	(37,599,021)
Profit for the year		225,445,495	577,790,320
Other comprehensive income			
Revaluation of property, plant & equipment		-	-
Income tax on other comprehensive income		-	-
		-	-
Total comprehensive income for the year		225,445,495	577,790,320
Basic earnings per share (par value of Taka 10)	30.00	2.14	5.48

The annexed notes from 01 to 43 form an integral part of these financial statements.



Company Secretary



Director



Managing Director

Place: Dhaka
Date: 12 November 2020

As per our report of same date


Hussain Farhad & Co.
Chartered Accountants

Premier Cement Mills Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

Amount in Taka

	Share capital	Share premium	Revaluation reserve	Retained earnings	Total equity
Balance at 01 July 2018	1,054,500,000	441,835,000	497,966,675	2,282,940,440	4,277,242,115
Net profit for the year	-	-	-	577,790,320	577,790,320
Revaluation reserve during the year	-	-	-	-	-
Depreciation on revalued assets	-	-	(8,750,403)	8,750,403	-
Opening profit/(loss) share from associate company	-	-	-	27,375,129	27,375,129
Deferred tax on revaluation surplus	-	-	-	-	-
Dividend for the year 2017-18	-	-	-	(105,450,000)	(105,450,000)
Balance as at 30 June 2019	1,054,500,000	441,835,000	489,216,272	2,791,406,291	4,776,957,564
Balance as at 01 July 2019	1,054,500,000	441,835,000	489,216,273	2,791,406,292	4,776,957,564
Net profit for the year	-	-	-	225,445,495	225,445,495
Depreciation on revalued assets	-	-	(8,128,027)	8,128,027	-
Opening profit/(loss) share from associate company	-	-	-	-	-
Dividend for the year 2018-19	-	-	-	(105,450,000)	(105,450,000)
Balance as at 30 June 2020	1,054,500,000	441,835,000	481,088,245	2,919,529,814	4,896,953,058

Revaluation surplus amounting to Tk. 8,128,027 has been transferred to retained earnings for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the assets original cost. The amount has been netted off for tax.



Company Secretary



Director



Managing Director

Place: Dhaka
Date: 12 November 2020

As per our report of same date

Premier Cement Mills Limited

STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
Cash flows from operating activities		
Receipt from customers	10,188,854,282	12,181,499,516
Payment to employees	(403,934,427)	(372,018,949)
Payment to suppliers & others	(7,954,956,279)	(10,504,723,827)
Cash generated from operating activities	1,829,963,576	1,304,756,740
Other income	42,363,041	27,742,615
Bank charge & interest paid	(672,538,101)	(421,265,866)
Dividend Paid	(179,539,619)	(31,181,758)
Advance income tax refund	-	180,819,064
Tax paid	(339,515,896)	(457,671,361)
A. Net cash from operating activities	680,733,001	603,199,434
Cash flows from investing activities		
Purchase of property, plant & equipment	(124,093,682)	(586,445,191)
Sale of property, plant & equipment	5,072,836	1,307,195
Capital work-in-progress (WIP)	(3,017,973,901)	(3,428,126,369)
Loan from subsidiary	55,954,704	31,759,598
Advance to Associate	(12,931,099)	(556,716,491)
Investment in FDR	(3,877,239)	52,294,851
B. Net cash used in investing activities	(3,097,848,381)	(4,485,926,407)
Cash flows from financing activities		
Receipt/(payment) from long term borrowings	491,048,842	1,846,770,946
Receipt/(payment) from short term borrowings	3,558,873,087	(228,350,322)
From other finance	376,073	149,782
Receipt/(payment) of lease finance	(130,035,991)	585,912,866
Loan from Directors	(1,530,000,000)	1,770,000,000
C. Net cash from financing activities	2,390,262,011	3,974,483,272
Net Increase in cash and bank balances (A+B+C)	(26,853,368)	91,756,300
Cash and bank balances at the beginning of the year	168,944,060	77,187,761
Cash and bank balances at the end of the year	142,090,692	168,944,061
Effect of exchange rates on cash and cash equivalents	2,169,817	1,281,651
Net operating cash flow per share (NOCFPS) (Note - 34)	6.46	5.72



Company Secretary



Director



Managing Director

Place: Dhaka

Date: 12 November 2020

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
1.00 Property, Plant & Equipment		
FREE-HOLD		
Cost		
Opening balance	7,055,743,399	6,480,940,602
Add: Addition during the year	135,739,682	586,298,191
Less: Disposal/Adjustment during the year	261,149,169	(11,495,394)
Closing balance	7,452,632,250	7,055,743,399
Depreciation		
Opening balance	1,090,956,561	775,622,888
Add: Charged during the year	296,981,694	319,512,914
Less: Disposal/ Adjustment during the year	183,509,776	(4,179,240)
Closing balance	1,571,448,032	1,090,956,561
Details are shown in Annexure - A		
LEASEHOLD		
Cost		
Opening balance	269,900,000.00	269,900,000
Add: Addition during the year	-	-
Less: Disposal during the year	(269,900,000.00)	-
Closing balance	-	269,900,000
Depreciation		
Opening balance	171,698,485	154,906,103
Add: Charged during the year	14,307,777	16,792,382
Less: Disposal during the year	(186,006,262)	-
Closing balance	-	171,698,485
Written Down Value	5,881,184,218	6,062,988,353
Details are shown in Annexure - A		
2.00 Intangible Assets		
Cost		
Opening balance	1,023,563	876,563
Add: Addition during the year	-	147,000
Less: Disposal during the year	-	-
Closing balance	1,023,563	1,023,563
Amortization		
Opening balance	304,549	236,645
Add: Addition during the year	71,901	67,904
Less: Disposal during the year	-	-
Closing balance	376,450	304,549
Written Down Value	647,113	719,014
Details are shown in Annexure - A		
2.01	Software purchased has been classified from property plant and equipment to Intangible assets.	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
3.00 Lease Assets-Right of Use		
Cost		
Opening balance	-	-
Add: Addition during the year	36,296,693	-
Less: Disposal during the year	-	-
Closing balance	36,296,693	-
Depreciation		
Opening balance	-	-
Add: Addition during the year	7,580,910	-
Less: Disposal during the year	-	-
Closing balance	7,580,910	-
Written Down Value	28,715,783	-
4.00 Financial Assets		
Opening balance	-	-
Add: Addition during the year	-	-
Office space	1,635,452	-
Accommodation Building	244,032	-
Less: Disposal during the year	-	-
Closing balance	1,879,484	-
5.00 Capital work-in-progress (WIP)		
Opening capital work-in-progress	3,917,092,896	870,701,373
Add: Expenditure incurred during the year (Note 5.01)	4,288,232,077	3,225,808,285
Total capital work-in-progress	8,205,324,973	4,096,509,658
Less: Capitalized during the year (Note 5.01)	-	179,416,762
Closing capital work-in- progress	8,205,324,973	3,917,092,896

5.01 Expenditure incurred during the year

Particulars	Balance as at 01 July 2019	Addition/ Adjustment during the year	Capitalized/ transferred during the year	Balance as at 30 June 2020
Godawn- Mongla	5,984,444	-	-	5,984,444
Project New	5,385,805	-	-	5,385,805
Project New-VRM	3,905,722,647	4,288,232,077	-	8,193,954,724
Total	3,917,092,896	4,288,232,077	-	8,205,324,973

For the Financial year ended 30 June 2020 Capital work in progress increased to BDT 8,205.32 Million compared to BDT 3,917 million of the previous year. During the year BDT 4,288 million was added for implementation of VRM project.

6.00 Investment and current account with subsidiary**6.01 Investment with subsidiary**

Premier Cement Mills Limited is the owner of 4,80,000 shares of Tk 100 each out of 5,00,000 shares of Tk 100 each i.e. 96% shares of Premier Power Generation Limited which is engaged in Producing electricity dedicatedly for Premier Cement Mills Limited.

Premier Cement Mills Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

6.02 Current account with subsidiary

The current account balance is representing the net transaction with Premier Power Generation Limited for payment of loan Installment, gas bill, electric charges and other expenses which are made-up of as follows :

	Amount in Taka	
	30 June 2020	30 June 2019
Opening balance	(218,942,631)	(187,183,033)
Add : Payment during the year	76,109,128	63,451,028
Add : Interest charges during the year	-	-
	(142,833,503)	(123,732,005)
Less : Adjustment against electric charges	(132,063,832)	(95,210,626)
Closing balance	(274,897,335)	(218,942,631)

7.00 Investment and current account with associate

7.01 Investment with associate

Premier Cement Mills Limited is the owner of 7,000,000 shares of Tk 10 each out of 37,500,000 shares of Tk 10 each i.e. 18.67% shares of National Cement Mills Limited.

Current position of the investment is as follows:

Opening balance	106,497,835	70,000,000
Opening Profit/(Loss) share from associate company	-	27,375,129
Share of profit from associate company - during the period 18.67%	6,899,799	9,122,706
Closing balance	113,397,634	106,497,835

The share of profit/(loss) from the associate company namely National Cement Mills Limited was not accounted for erroneously in previous years and subsequently recorded in the year 2018-19 (Ref. IAS - 28).

7.02 Current account with associate

The current account balance is representing the net transaction with National Cement Mills Limited for payment of expenses for Balancing, Modernisation, Rehabilitation and Expansion, loan installment and other expenses.

Opening balance	1,364,425,536	731,812,819
Add : Payment during the year	393,901,383	1,709,171,958
Add : Interest charged during the year	6,086,844	75,896,226
	1,764,413,763	2,516,881,003
Less : Adjustment during the year	1,656,063,340	1,152,455,467
Closing balance	108,350,423	1,364,425,536

8.00 Inventories

Inventories	Measuring unit	30-Jun-20		30-Jun-19	
		Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Clinker	MT	47,602	231,233,855	43,946	218,789,248
Gypsum	MT	47,802	129,753,793	28,385	72,973,047
Fly Ash	MT	10,201	25,144,395	24,961	60,185,341
Slag	MT	72,534	198,922,255	39,324	101,249,520
Lime Stone	MT	24,807	57,275,504	33,277	76,672,015
Grinding Aid	MT	48	2,945,601	139	8,529,969
Packing materials (P.P. & Paper Bag)	Pcs	9,735	216,389	1,287,726	17,499,940
Finished goods and WIP	MT	9,873	52,416,960	9,488	50,201,513
WIP- Bag Plant	KG	-	8,810,565	-	12,042,792
Stock at ghat	MT	375	2,079,018	375	2,079,018
Stock at ghat- Others	Bag	3,535	1,663,190	3,535	1,663,190
Raw material stock for Bag Plant	KG	1,782,429	190,404,954	2,121,621	188,356,077
Consumable stores	Various	-	68,032,340	-	67,268,727
Total			968,898,820		877,510,398

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

8.01 Raw Materials Reconciliation:

At 30 June 2020

Inventories	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	43,946	218,789,248	1,183,271	6,084,074,109	-	-	22,000	111,675,634	47,602	231,233,855	1,157,615	5,959,953,868
Gypsum	28,385	72,973,047	66,800	186,488,432	-	-	-	-	47,802	129,753,793	47,384	129,707,686
Fly Ash	24,961	60,185,341	163,326	390,320,274	-	-	-	-	10,201	25,144,395	178,086	425,361,220
Slag	39,324	101,249,520	104,600	293,529,865	-	-	-	-	72,534	198,922,255	71,390	195,857,130
Lime Stone	33,277	76,672,015	149,584	354,332,391	-	-	-	-	24,807	57,275,504	158,054	373,728,903
Grinding Aid	139	8,529,969	-	-	-	-	-	-	48	2,945,601	91	5,584,368
Total	170,033	538,399,141	1,667,581	7,308,745,071	-	-	22,000	111,675,634	202,994	645,275,403	1,612,620	7,090,193,175

Less - Duty draw back & VAT Loss/(Gain) (10,283,099)

Total raw materials consumption 7,079,910,076

At 30 June 2019

Inventories	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	16,377	84,936,691	1,351,587	6,975,577,940	-	-	4,000	20,692,110	43,946	218,789,248	1,320,018	6,821,033,273
Gypsum	954	2,631,104	112,800	301,242,233	-	-	-	-	28,385	72,973,047	85,369	230,900,290
Fly Ash	7,320	16,681,950	221,619	503,082,101	-	-	-	-	24,961	60,185,341	203,978	459,578,710
Slag	29,657	86,415,990	143,483	389,218,728	-	-	-	-	39,324	101,249,520	133,816	374,385,198
Lime Stone	29,943	72,844,200	81,642	186,872,999	-	-	-	-	33,277	76,672,015	78,308	183,045,184
Grinding Aid	563	40,065,424	381	22,820,428	-	-	-	-	139	8,529,969	805	54,355,883
Total	84,814	303,575,359	1,911,512	8,378,814,429	-	-	4,000	20,692,110	170,033	538,399,141	1,822,294	8,123,298,537

Less - Duty draw back & VAT Loss/(Gain) (16,742,469)

Total raw materials consumption 8,106,556,068**8.02 Packing materials reconciliation**

	Opening balances		Local purchase		Received from own factory		Closing Balance		Consumption- internal		Consumption- external	
	Quantity (PCS)	Amount (TK)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)
At 30 June 2020	1,287,726	17,499,940			42,206,400	562,756,281	9,735	216,389	29,997,991	395,288,031	13,486,400	184,751,801
At 30 June 2019	1,162,928	14,896,090	-	-	45,593,600	620,363,332	1,287,726	17,499,940	34,620,602	470,762,232	10,848,200	146,997,249

Amount in Taka

30 June 2020 30 June 2019

9.00 Trade & other receivable**Trade receivables**

Trade receivables (local) 2,457,552,428
 Trade receivables (foreign) 10,669,765
 Receivable on empty bag sales 69,573,852

2,262,017,292
 18,374,155
 16,813,636
2,297,205,083

Other receivable

Receivable- Bag plant -
 Provision for VAT ad justment 31,738,888
 Interest receivable on FDR 1,794,188

-
 2,307,626

Total receivables

Less: Provision for Bad & Doubtful expenses (Note 6.01)

2,571,329,121
 (78,924,997)
2,492,404,124

2,299,512,709
 (78,924,997)
2,220,587,712

9.01**a) Aging of trade receivable**

Dues with in 3 months 2,258,047,616
 Dues over 3 months but within 6 months 160,682,157
 Dues over 6 months 119,066,272

2,053,128,981
 80,642,280
 163,433,822
2,297,205,083

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
b) Provision for bad debts		
Opening balance	78,924,996	96,380,932
Add :Provision for the year	-	(17,086,706)
	78,924,996	79,294,226
Less: Write off	-	369,230
Closing balance	78,924,996	78,924,996
c) Receivable Analysis		
Gross Receivable	2,742,374,252	2,481,442,793
Less: Advance against Sales	204,578,207	184,237,710
Net Receivable	2,537,796,045	2,297,205,083
d) There is no such debt due by or to directors or other officers of the Company.		
e) Out of total receivable Tk. 75,59,25,000/- secured by bank guarantee.		
10.00 Advances, deposits & pre-payments:		
Advances	3,162,676,080	3,629,371,016
Deposits	53,872,778	56,054,231
Pre-payments	109,199,439	129,824,776
	3,325,748,296	3,815,250,022
10.01 Advances		
Advance income tax	1,608,262,050	1,268,746,154
VAT current account	64,302,342	31,932,470
House rent advance	-	1,071,267
Advance for office space purchase	125,000,000	125,000,000
Advance against land	132,353,572	153,699,572
LC Advances	340,416,596	554,122,441
Advance against expenses	741,673,619	1,179,858,021
Advance to employees	12,994,596	16,957,796
Advance against motor cycle	14,382,747	14,683,318
Advance to Sister Concern	123,290,558	283,299,977
	3,162,676,080	3,629,371,016
10.02 Deposits		
Transport Security Deposit	300,000	-
Advance SD On Empty Bag Sale	500,000	500,000
Bank Guaranty Margin For Tender - Deposit	3,114,933	2,186,732
Bank Guaranty Margin - Titas Gas - Deposit	1,065,295	1,065,295
BOC Bangladesh LTD- Deposit	20,000	20,000
BTCL- Deposit	65,800	65,800
CDBL- Deposit	500,000	500,000
DPDC- Deposit	9,200,000	9,200,000
ICAB - Advance Against Office Rent- Deposit	-	1,986,138
Munshigonj Polly Bidduth Samitee - Deposit	21,339,000	21,339,000
Ranks Telecom Limited - Deposit	6,900	6,900
Tender Deposit	7,097,368	8,520,884
TGSL- Deposit	10,532	10,532
Titas Gas Transmission & Distributon Co Ltd - Deposit	10,652,950	10,652,950
	53,872,778	56,054,231
10.03 Pre-payments		
BSTI Licence Fee- Pre Paid	3,000,980	745,860
Pre-Paid Promotional Exp	88,938,401	108,938,401
Store - Hatir Jheel - Prepaid	-	2,880,457
Vat Prepaid 10%	17,260,058	17,260,058
	109,199,439	129,824,776
10.04 Movement of advance income tax		
Opening balance	1,268,746,154	991,893,857
Add : Payment during the year	339,515,896	457,671,361
	1,608,262,050	1,449,565,218
Less : Advance Income Tax refund	-	180,819,064
Less : Adjustment during the year	-	-
Closing balance	1,608,262,050	1,268,746,154

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

- a) All the advances & deposits amount is considered good and recoverable.
- b) The advance was paid to Rupayan Housing Estate Ltd. against purchase of 21,507 sft office space at 11th floor of Rupayan Trade Centre, 114 Kazi Nazrul Islam Avenue, Dhaka 1215. The total contract value was Tk. 179,407,400 against which Tk. 125,000,000 was paid in advance. Subsequently Rupayan sold the same property to a third party for at a higher price i.e. BDT 20 crore 33 lakhs 13 thousands and 7 hundreds. After knowing that PCML's authority filed a case in the District & Session Judge Court against Rupayan and applied for imposing restriction on transfer of the said property to any other third party except the plaintiff (case no.-61/2010). The District & Session court on 13.07.2014 gave a degree in favour of PCML after hearing of the case.
- c) i) Initially PCML purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 date 31 October 2001. Subsequently PCML came to know that the land is khas and accordingly PCML applied to the competent authority for long term lease with recommendation from Prime Minister office (Investment Wing). Being satisfied, Ministry of Land directed Deputy Commissioner (DC), Narayangonj to give 350 Shatak land under long term lease in favor of PCML on 16.10.2006 vide letter no. Bhu:Ma:/Sha-8/Khajob/315/ 2002/1072/1. PCML communicated with DC, Narayangonj on many occasions to complete the process but DC, Narayangonj was reluctant to comply with the order of the Ministry of Land. PCML filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayangonj (petition no. 7194 of 2009) which is currently under process. Considering the circumstances, the management has decided to transfer an amount of Tk. 20,259,493 from land and land development.
- ii) Registration deed no. 84 dt. 06.01.05, 179 dt. 17.01.05 and 1468 dt. 14.04.05 comprise 189 shatak land out of which mutation of 76.50 Shatak Land are yet to be completed. Hence proportionate amount of Tk. 5,235,405 has been transferred from land and land development.
- iii) Advance against land includes Tk. 4,701,931 paid to Mr. Nur Mohammed against purchase of Land, PCML filed suits as the seller was reluctant to give registration of the lands. The case against Nur Mohammed is yet to be disposed off.

	Amount in Taka	
	30 June 2020	30 June 2019
IV) Details of advance against land & land development has given below:		
Name of Seller:		
Abu Toeb Gong	-	11,646,000
Moslem Awal Gong-Land Dag 1673.74.1730 (173 Dec)	39,228,855	39,228,855
Nazrul Islam Gong-Land (82+15) Dec	43,851,280	38,521,280
Nur Mohammed - Land	4,701,931	4,701,931
Rokeya Begum & Abul Hasham - 73 Des BS 973- Ctg	-	15,030,000
Saheb Uddin Mullah - Land 15 Dec DAg 1624 - 39	4,949,600	4,949,600
Samad Miah Gonh - Land (8.50 Dec R S 108)	2,097,008	2,097,008
Wazed Ali Khokon PP	12,030,000	12,030,000
Wazuddin Gong	25,494,898	25,494,898
	132,353,572	153,699,572
11.00 Investment in FDR		
Standard Chartered Bank	134,949,124	131,754,896
Standard Bank Limited	2,692,472	2,511,028
Social Islami Bank Ltd	6,052,391	5,710,916
State Bank of India	2,701,246	2,541,154
	146,395,233	142,517,994
12.00 Cash and bank balances:		
Cash at bank (Note-12.01)	101,868,618	148,741,921
Cash in hand (Note-12.02)	40,222,074	20,202,139
	142,090,692	168,944,060

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
12.01 Cash at bank:		
Share Money Deposit - NCCBL	5,722,957	5,632,819
Current accounts	46,280,277	92,447,823
STD accounts	6,077,605	7,428,517
EFC accounts	43,787,778	43,232,762
	101,868,618	148,741,921
12.02 Cash in hand:		
Corporate office	6,774,548	3,710,432
Factory	4,726,361	4,246,534
Cash in Factory Logistics	28,158,032	11,593,424
Registered office	563,133	651,749
	40,222,074	20,202,139
12.03 Bank balances are reconciled & confirmed.		
13.00 Share capital		
Authorized:		
500,000,000 Ordinary shares of Tk. 10 each	5,000,000,000	5,000,000,000
	5,000,000,000	5,000,000,000
Issued, subscribed and paid up		
105,450,000 Ordinary shares of Tk.10 each fully paid-up in cash	1,054,500,000	1,054,500,000

Share holding position

The composition of share holders at balance sheet date was as follows:

Name of shareholders	30 June 2020		30 June 2019	
	Percentage	Number	Face value	Face value
1. Mohammed Amirul Haque	11%	11,599,500	115,995,000	115,995,000
2. Mohammad Mustafa Haider	10.88%	11,473,150	114,731,500	208,373,000
3. Md. Jahangir Alam	9.89%	10,425,313	104,253,130	104,253,130
4. Md. Alamgir Kabir	4.19%	4,416,562	44,165,620	44,165,620
5. Mohd. Almas Shimul	3.32%	3,504,375	35,043,750	35,043,750
6. Mohammed Zahurul Haque	2.71%	2,856,000	28,560,000	28,560,000
7. Ancient Properties Ltd.	2.00%	2,113,500	21,135,000	21,135,000
8. Zahur Ahamed	1.90%	2,000,000	20,000,000	21,569,200
9. Mohammed Abdur Rouf	1.11%	1,168,125	11,681,250	11,681,250
10. Mohd. Ashrafuzzaman	1.11%	1,168,125	11,681,250	11,681,250
11. Institute	15.41%	16,250,508	162,505,080	160,849,360
12. Non-Resident Bangladeshi	0.01%	7,295	72,950	83,030
13. General Investor	36.48%	38,467,547	384,675,470	291,110,410
Total	100%	105,450,000	1,054,500,000	1,054,500,000

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

13.01 Classification of shareholders by holdings

Shareholding Range	30 June 2020		30 June 2019	
	No. of Holders	Holdings Share	No. of Holders	Holdings Share
Less than 500 Shares	1,751	278,161	1,717	299,672
501 to 5,000 Shares	272	457,655	277	484,859
5,001 to 10,000 Shares	41	313,272	41	305,598
10,001 to 20,000 Shares	18	250,787	18	261,683
20,001 to 30,000 Shares	9	225,003	6	148,825
30,001 to 40,000 Shares	4	132,508	6	204,488
40,001 to 50,000 Shares	5	218,428	3	130,126
50,001 to 100,000 Shares	15	1,091,762	16	1,153,834
100,001 to 1,000,000 Shares	19	7,786,757	18	7,600,618
Over 1,000,000 shares	19	94,695,667	17	94,860,297
Total	2,153	105,450,000	2,119	105,450,000

Amount in Taka

30 June 2020

30 June 2019

14.00 Deferred tax liabilities/(assets)

The tax effect of temporary differences that resulted in deferred tax assets or liabilities

Opening balance	446,204,090	408,605,069
Add: Deferred tax expense/(income) during the year	14,575,439	37,599,021
Prior year adjustment	-	-
Closing balance	460,779,529	446,204,090

14.01 Reconciliation of deferred tax liabilities/(assets)

As at 30 June 2020	Carrying amount (Taka)	Tax base (Taka)	Temporary difference (Taka)
Property, plant and equipment	3,582,732,069	1,524,236,895	2,058,495,174
Provision for gratuity	(136,452,063)	-	(136,452,063)
Provision for bad and doubtful debts	(78,924,996)	-	(78,924,996)
Total	3,367,355,010	1,524,236,895	1,843,118,115
Deferred tax liability @25%			460,779,529

As at 30 June 2019	Carrying amount (Taka)	Tax base (Taka)	Temporary difference (Taka)
Property, plant and equipment	3,828,098,799	1,829,539,075	1,998,559,724
Provision for gratuity	(134,818,366)	-	(134,818,366)
Provision for bad and doubtful debts	(78,924,996)	-	(78,924,996)
Total	3,614,355,437	1,829,539,075	1,784,816,362
Deferred tax liability @25%			446,204,091

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

		Amount in Taka	
		30 June 2020	30 June 2019
15.00	Long term loan		
	Standard Bank Ltd	465,254,425	-
	HSBC	-	14,517,658
	Standard Chartered Bank - VRM Project - ECA	1,985,911,014	1,936,419,619
	Standard Chartered Bank - VRM Project - Commercial	727,181,850	145,657,650
	IDLC Finance Ltd - VRM Project Loan	466,083,707	531,753,762
	IPDC Finance Ltd - VRM Project Loan	73,290,083	89,975,174
	United Finance Ltd	136,362,202	184,043,043
		3,854,083,281	2,902,366,906
15.01	The company availed EKF Guaranteed Euro foreign currency loan of ECA facility for US\$ 25 million and commercial facility US\$ 10 million from Standard Chartered Bank London which is repayable in 10 half yearly installments. Rate of interest is 6 month Euribor plus 1.6% for ECA portion and 3.9% for commercial portion. The Company also availed long term loan from IDLC and IPDC for an amount of Tk. 50 Crore and Tk. 10 Crore respectively for the VRM project.		
15.02	Allocation of long term loan		
	Long term portion	3,079,655,788	2,436,358,890
	Current portion	774,427,493	466,008,016
		3,854,083,281	2,902,366,906
16.00	Lease Liability		
	Chan Tara Mansion - Accomodation Building	13,881,503	-
	The Institute of Chartered Accountants of Bangladesh - Office Space	15,586,012	-
		29,467,515	-
16.01	Allocation of Lease Liability		
	Long term portion	21,776,253	-
	Current portion	7,691,262	-
		29,467,515	-
17.00	Defined benefit obligations (Gratuity)		
	Opening balance	134,818,366	138,135,125
	Add :Provision for the year	10,574,574	-
		145,392,940	138,135,125
	Less: Payment made	8,940,877	3,316,759
	Closing balance	136,452,063	134,818,366
17.01	No provision for gratuity was made in the previous year because of having excess provision.		
18.00	Trade & other payables		
	Raw materials & other suppliers	-	1,436,020
	Packing materials	52,931	52,931
	Marketing expenses	2,373,964	1,939,674
	Liabilities for expenses	511,693,834	502,352,586
	Receipt against employee motor car	6,069,800	2,830,685
	TDS/VDS payable	14,247,379	667,663
	Suppliers liabilities against raw material import	668,835,000	1,013,250,000
	Payable on audit fee	300,000	300,000
	Provision for electric charge	47,471,399	48,837,073
	Provision for PF	421,834	1,831,834
	Dividend Payable	2,076,235	76,165,854
	Provision for Stevedoring charges	3,782,500	3,782,500
	Provision and other payable	105,249,482	101,843,426
		1,362,574,358	1,755,290,246

All trade & other payables were incurred as usual in business operation & paid regularly.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
19.00 Short term bank loan		
The City Bank Limited	1,491,132,450	843,906,966
Dutch-Bangla Bank Ltd.	445,878,590	380,574,622
Standard Bank Limited	1,087,174,456	1,091,134,859
Standard Chartered Bank	1,489,743,725	987,634,356
HSBC	838,327,865	1,016,984,176
Prime Bank Limited	-	174,725,831
NCC Bank Limited	909,725,735	171,450,559
Social Islami Bank Limited	113,355,625	565,675
Midland Bank	227,248,762	-
Jamuna Bank Ltd.	526,445,186	1,984,561
Pubali Bank Ltd	1,197,814,020	396,781,090
Brac Bank Ltd	748,857,584	552,456,203
	9,075,703,998	5,618,198,898

Short term bank loans are confirmed and reconciled with bank statement.

19.01 Bank / Financial Institution loan facilities

The company is currently availing the following facilities from banks / financial institution:

Limit (Taka in crore)

Bank name	STL / Invoice Financing / OSF/EIF	L/C	OD / CC	Duty Loan/Long Term Loan/ Lease
The City Bank Ltd.	90	130	4	10
Dutch-Bangla Bank Ltd.	-	60	15	-
Standard Bank Ltd.	25	80	15	50
Standard Chartered Bank	75	80	3	270
HSBC	60	82	5	-
NCC Bank Limited	20	75	20	-
Prime Bank Ltd.	-	-	-	-
BRAC Bank Ltd	48	78	2	-
Jamuna Bank Ltd.	25	50	8	-
Social Islami Bank Ltd.	10	25	-	10
Pubali Bank Ltd	30	250	50	20
IPDC	-	-	-	10
ULC	-	-	-	21
United Finance Limited	-	-	-	20
IDLC	-	-	-	90
Midland Bank	30	-	-	-
Total	413	910	122	501

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

		Amount in Taka				
		30 June 2020		30 June 2019		
19.02	Securities against bank loan facilities					
	* Personal guarantee from all directors.					
	* Hypothecation over stock.					
	* First ranking pari passu charges over fixed assets.					
20.00	Liability for other finance					
	Security deposit - Customers	3,766,545		3,390,472		
		3,766,545		3,390,472		
21.00	Provision for taxation					
	Opening balance	549,204,034		389,781,133		
	Add : Current tax expenses					
	Current year	54,032,410		159,422,901		
	Prior year	-		-		
		54,032,410		159,422,901		
		603,236,444		549,204,034		
	Less : Payment made / other adjustment	-		-		
	Less : AIT adjustment	-		-		
	Closing balance	603,236,444		549,204,034		
22.00	Loan from Directors					
	Mr. Abdur Rouf	30,000,000		30,000,000		
	Mr. Almas Shimul	60,000,000		60,000,000		
	Mr. Ashrafuzzaman	30,000,000		30,000,000		
	Mr. Jahangir Alam	120,000,000		120,000,000		
	Mr. Amirul Haque	255,270,000		255,270,000		
	Mr Mustafa Haider	255,150,000		255,150,000		
		750,420,000		750,420,000		
23.00	Short term loan from Director					
	Mr Mustafa Haider	-		1,530,000,000		
		-		1,530,000,000		
24.00	Revenue					
	From Cement:					
		Measure unit	30 June 2020		30 June 2019	
			Quantity	Amount	Quantity	Amount
	Revenue from local sales	MT	1,607,066	10,131,502,869	1,814,072	11,512,639,610
	Revenue from export	MT	15,720	93,604,800	49,746	295,578,140
			1,622,786	10,225,107,669	1,863,818	11,808,217,750
	Other revenue:					
	Revenue from empty bag sales	Pcs	13,486,400	235,563,026	10,848,200	191,212,910
			10,460,670,695		11,999,430,660	
24.01	Total sales included 43,333 MT from Mongla Cement Factory which was purchased directly from them.					
24.02	Revenue from export					
		30 June 2020		30 June 2019		
		USD	BDT	USD	BDT	
	Export	1,107,749	93,604,800	3,497,966	295,578,140	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
25.00 Cost of sales			
Opening stock of finished goods & WIP		52,280,531	54,020,959
Cost of production	25.01	9,012,900,727	10,326,859,294
Goods available for sale		9,065,181,258	10,380,880,253
Closing stock of finished goods, ghat & in transit	8.00	(54,495,979)	(52,280,531)
		9,010,685,279	10,328,599,722
25.01 Cost of production			
Raw materials consumption	8.01	7,079,910,076	8,106,556,068
Packing materials consumption	8.02	395,288,031	470,762,232
Salary & wages		174,556,935	174,861,619
Gratuity		4,036,669	-
Electric charges		578,445,831	564,406,391
Paper & periodicals		10,805	15,513
Travelling & conveyance		1,544,585	2,018,831
Telephone charges		1,840,173	1,557,621
Entertainment		524,313	2,363,247
Repairs & maintenance		80,923,067	90,371,524
Contribution to PF		4,468,599	4,347,756
Cost of bag sale-outward		184,751,801	146,997,249
Lab Expenses		898,783	1,156,647
Computer Expense		743,900	548,719
Legal & Professional Fee		10,000	2,409,203
Medical expenses		587,012	729,517
Canteen & food expenses		22,971,407	18,406,828
Cost of Cement from Mongla Cement Factory Ltd.		267,191,419	472,048,359
Cost of cement from Anwer cement Ltd.		-	44,354,633
Gift & presentations		-	71,596
Internet Expenses		310,117	235,338
Guest house expenses		-	16,525
Postage & Stamp		7,150	7,228
Stationery		5,860,927	6,548,726
Labour charges		23,481,620	19,675,283
Misc. expenses		483,630	1,868,090
Pay loader expenses		2,872,324	4,565,080
Donation & Subscription		348,000	522,800
Fuel, Oil & Lubricant		5,592,056	8,992,446
Training expenses		100,319	27,432
Depreciation- ROU		1,667,670	-
Fire insurance		3,729,250	1,492,641
Depreciation (Annexure - A)		169,744,258	178,924,151
		9,012,900,727	10,326,859,294

Premier Cement Mills Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
26.00 Other income / (loss) / Expenses		
Bank interest income	3,947,452	8,092,512
Exchange gain / (loss)	(25,608,024)	(45,158,074)
Interest charged to NCML	6,086,844	75,896,226
Interest charged to Rupsha Edible Oil Ltd.	29,818,906	-
Profit/(loss) from raw materials sales	(5,751,575)	(1,156,267)
Income from financial assets -Lease	138,676	-
Income from PF forfeiture	993,294	-
Gain / (Loss) on sale of motor vehicle	(529,424)	(2,238,735)
Bad & doubtful expenses	-	17,086,706
Misc. income - H/O	2,850,417	272,883
Misc. income - Factory	1,464,943	8,314,551
Income/(expenses) from carrying	59,194,815	54,251,725
	72,606,324	115,361,527
27.00 Administrative expenses		
Audit fee	300,000	300,000
Advertisement	394,200	477,850
Electric charges	1,750,961	1,784,880
Canteen & food expenses	3,141,653	3,082,927
Gratuity	2,101,400	-
Computer expenses	1,459,162	752,224
Medical Expense	35,605	44,574
Office rent	2,005,931	8,834,001
Paper & periodicals	17,561	34,187
Postage & stamp	99,021	164,649
Donation & subscription	59,000	421,850
Internet Expenses	491,075	448,763
Renewal, legal & professional fee	3,406,371	6,172,565
Repairs & maintenance	1,786,395	1,260,791
Salary & allowances	38,585,522	40,450,141
Directors' remuneration	2,400,000	2,400,000
Stationery	1,062,913	2,065,256
Telephone charges	982,309	1,021,951
Training expenses	17,112	129,118
Travelling & conveyance	3,313,876	3,749,241
Contribution to PF	997,304	1,164,315
Vehicle maintenance	2,826,192	4,433,516
Water charges	245,450	276,977
AGM Expenses	671,730	660,963
Miscellaneous expenses	4,948,885	4,309,260
BIWTA expenses	9,940,152	21,549,341
BSTI License fee	2,287,780	2,083,936
Fuel & Lubricant	30,972	37,296
Board meeting expenses	110,000	142,000
Guest house expenses	6,720	649,817
Depreciation -ROU-ICAB	5,913,240	-
Amortization (Annexure - A)	71,901	67,904
Depreciation (Annexure - A)	9,110,448	9,316,881
	100,570,841	118,287,174

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
28.00 Selling & distribution expenses:		
Advertisement	14,354,717	24,801,233
Car maintenance	177,794	1,229,187
Contribution to PF	3,568,285	3,164,158
Entertainment	539,915	638,960
Export expenses	339,457	1,475,138
Godown expenses	246,490	1,182,900
Gratuity	4,436,505	-
Legal & professional fee	550,620	607,862
Medical expenses	536,249	16,405
CSR Activities	999,659	67,746
Postage & stamp	275,312	664,405
Promotional expenses	104,971,092	86,814,706
Salaries & allowances	147,636,807	130,236,843
Cement test expenses	1,962,105	1,229,622
Stationery	1,029,824	423,686
Telephone charges	5,152,500	4,718,976
Travelling & conveyance	36,632,344	39,588,962
Tender expenses	316,704	412,463
Computer expenses	49,375	20,151
Labour charges	7,920,151	9,938,451
Miscellaneous expenses	469,680	1,004,179
Depreciation (Annexure - A)	99,301,664	111,110,521
	431,467,249	419,346,554
29.00 Financial expenses		
Bank charges	9,383,363	6,478,519
Interest on WPPF	16,099,321	15,258,609
Finance charges on lease	2,678,612	26,412,438
Bank loan interest	660,536,141	395,979,022
	688,697,437	444,128,588
30.00 Basic earnings per share (EPS)		
The computation of EPS is given below		
Earnings attributable to the ordinary shareholders (NPAT)	225,445,495	577,790,320
Number of shares outstanding during the year	105,450,000	105,450,000
Basic earnings per share (par value of Tk. 10)	2.14	5.48

'Profit before taxes decreased compared to previous financial year due to decrease of revenue by 13% and increase of finance cost by 55% resulting in EPS decrease of BDT 2.07 in the financial year 2019-2020 from BDT 5.48 in the financial year 2018-2019.

Diluted EPS

No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

31.00 Related party disclosure

During the year the company carried out a number of transactions with related parties in the normal course of business on an arms length basis. Names of those related parties, nature of those transactions and their value have been set out in accordance with the provisions of IAS-24: Related party disclosure.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Name of related party	Nature of relationship	Nature of transaction	Outstanding as on 01 July 2019 Taka	Transaction during the year (Net) Taka	Outstanding balance as on 30 June 2020 Taka	Terms and conditions
Premier Power Generation Limited	Subsidiary	Loan to meet operational expenses	(218,942,631)	(55,954,704)	(274,897,335)	Mutual understanding
Premier Power Generation Limited	Subsidiary	Investment in share	48,000,000	-	48,000,000	Arm's length transaction
Mr Mustafa Haider	Director	For VRM project	(1,530,000,000)	1,530,000,000	-	Mutual understanding
Asia Insurance Ltd.	Common directorship	Providing insurance	(3,140,326)	1,203,944	(1,936,382)	Arm's length transaction
Seacom Shipping Ltd	Common directorship	C & F	1,234,600	400,000	1,634,600	Arm's length transaction
Aryan Stevedore Ltd.	Common directorship	Stevedoring service	(32,051,539)	(15,109,365)	(47,160,904)	Arm's length transaction
G P H Ispat Ltd.	Common directorship	Materials supply	2,280	-	2,280	Arm's length transaction
National Cement Mills Limited	Associate	Loan to meet operational expenses	1,364,425,536	(1,256,075,113)	108,350,423	Arm length transaction/ Mutual Understanding
National Cement Mills Limited	Associate	Investment in share	106,497,835	6,899,799	113,397,634	Arm's length transaction
M I Cement Factory Ltd.	Common directorship	Materials supply	2,614,781	311,520	2,303,261	Arm's length transaction
Samuda Chemical Complex Ltd.	Common directorship	Materials supply	280,695	-	280,695	Arm's length transaction
Delta Agrofood Industries Ltd	Common directorship	Loan given to meet short term finance	33,102,145	(32,063,993)	1,038,152	Arm's length transaction
Rupsha Edible Oil Refinery Ltd	Common directorship	Loan taken to meet short term finance	-	-	-	Arm's length transaction
Rupsha Tank Terminal & Refinery Ltd	Common directorship	Loan taken to meet short term finance	93,402,411	(49,027,287)	44,375,124	Arm's length transaction

32.00 Events after the reporting period

The Board of Directors of the company in its meeting held on 12 November 2020 recommended 10% cash dividend for the year 2019-2020 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

32.01 In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world including business locations of the Company has adversely impacted global commercial activities and contributed to significant declines and volatility in financial markets. However, management are ensuring that staffs are trained with safety guidelines provided by Government in this pandemic situation. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. Therefore, the full extent to which coronavirus may impact the Company's results of operations, liquidity or financial position is uncertain. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Company, its performance, and its financial results.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	Amount in Taka	
	30 June 2020	30 June 2019
33.00 Contingent liabilities		
There are contingent liabilities in respect of outstanding letters of credit for Tk. 684 million & bank guarantee 38.26 million.		
Letter of Credit		
Brac Bank Ltd	-	-
Dutch Bangla Bank Limited	-	111,540,000
The Hongkong and Shanghai Banking Corporation Limited	-	25,807,568
NCC Bank Ltd	-	17,054,213
Social Islami Bank Ltd	75,255,875	65,545,939
Standard Bank	43,081,543	209,359,228
Standard Chartered Bank	-	900,422,916
Public bank Ltd	390,544,904	117,260,537
	684,185,142	1,528,110,401
Bank Guarantee		
Social Islami Bank Ltd	38,268,335	59,699,466
	38,268,335	59,699,466
	722,453,477	1,587,809,867
34.00 Net operating cash flow per share (NOCFPS)		
The computation of NOCFPS is given below		
Net cash from operating activities	680,733,001	603,199,434
Number of shares outstanding during the year	105,450,000	105,450,000
Net operating cash flow per share (NOCFPS)	6.46	5.72
35.00 Cash Flow Reconciliation		
Net profit for the year	225,445,495	577,790,321
Depreciation	318,942,282	336,373,199
Other non-cash items	30,756,721	89,587,930
Non-operating items	(3,210,131,455)	(102,858,949)
Changes in net working capital	3,315,719,958	(297,693,068)
Net cash from operating activities	680,733,001	603,199,434
36.00 Net asset value(NAV) per share		
Net Assets	4,896,953,058	4,776,957,562
Number of ordinary shares outstanding	105,450,000	105,450,000
Net asset value (NAV) per share	46.44	45.30
37.00 Capital expenditure commitment		
There is no capital expenditure commitment as at 30 June 2020		
38.00 Remittance of foreign currency:		
No foreign currency was remitted during the year.		
39.00 Earnings in foreign currency:		
Export of 15,720 MT Cement were made in July 2019 to June 2020 to Indian state of Tripura & Assam as export in for US\$ 1,107,749 equivalent to BDT. 93,604,800.00		
40.00 Claims against the company not acknowledged as debt		
There is no claim against the company acknowledged as debt.		
41.00 Capacity utilization		
Actual average monthly production is 1,35,264 MT against average monthly capacity of 200,000 MT i.e. capacity utilization is 67.63%.		

Premier Cement Mills Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

42.00 Number of employees

Management
Staff
Total number of employees

	30 June 2020	30 June 2019
	Persons	Persons
Management	85	105
Staff	1,555	1,555
Total number of employees	1,640	1,660

All employees received salary more than Tk. 7,000 per month.

43.00 Others**43.01 Directors' remuneration**

Salary, allowances and benefits

	Amount in Taka	
	30 June 2020	30 June 2019
Salary, allowances and benefits	2,400,000	2,400,000
	2,400,000	2,400,000

Out of 05 directors, 02 of them are maintaining full time office with Premier Cement Mills Ltd. Hence they are paid Tk. 100,000 each as monthly remuneration.

43.02 Directors' fees for attending board meeting

Tk. 10,000 paid to each director for attending board meetings.

43.03 Receivable from director


No amount is lying as receivable from the directors.

43.04 Financial risk management

Financial risk management in respect of separate financial statement does not vary significantly from the consolidated one.



Company Secretary



Director



Managing Director

Place: Dhaka
Date: 12 November 2020

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Annexure - A

Property, plant and equipment:	Amount in Taka	
	30 June 2020	30 June 2019
Freehold	5,881,184,218	5,964,786,838
Leasehold	-	98,201,515
	5,881,184,218	6,062,988,353

i) Freehold : Cost :

Category of assets	Cost				Rate	Depreciation				Written down value As at 30 June 2020
	Opening	Addition	(Disposal)/ Adjustment	Closing		Opening	Charged during the year	(Disposal)/ Adjustment	Closing	
Land & Land Development	1,780,104,002	62,843,581	-	1,842,947,583	-	-	-	-	-	1,842,947,583
Factory Building	771,609,737	6,038,522	-	777,648,259	3%	80,605,277	20,843,812	-	101,449,089	676,199,170
Jetty Construction	65,871,565	-	-	65,871,565	3%	6,778,966	1,772,778	-	8,551,744	57,319,821
Electric Installation	145,286,297	5,386,494	-	150,672,791	7.5%	35,171,356	8,539,551	-	43,710,907	106,961,884
Plant & Machinery	2,435,184,139	42,597,118	10,100,000	2,487,881,257	7.5%	562,711,362	134,621,521	4,889,781	702,222,664	1,785,658,593
Boundary Wall & Fencing	5,104,881	-	-	5,104,881	5%	1,054,012	202,543	-	1,256,556	3,848,325
Furniture & Fixtures	9,997,379	159,976	-	10,157,355	10%	2,546,973	753,897	-	3,300,869	6,856,486
Telephone & Fax Installation	560,344	-	-	560,344	15%	267,841	43,875	-	311,717	248,627
Loose Tools	259,932	-	-	259,932	15%	124,246	20,353	-	144,599	115,333
Motor Vehicles	761,082,590	1,469,500	256,249,169	1,018,801,259	15%	229,798,221	79,664,009	179,272,074	488,734,305	530,066,954
Motor Vehicles-Employee Car	40,775,000	1,590,000	(5,200,000)	37,165,000		2,830,685	3,891,194	(652,079)	6,069,800	31,095,200
Office Building & Shed	10,417,785	1,016,012	-	11,433,797	3%	1,004,239	300,199	-	1,304,438	10,129,359
Office Equipment	29,170,799	2,908,089	-	32,078,888	15%	9,438,319	3,146,676	-	12,584,995	19,493,893
Tube-Well	604,298	-	-	604,298	15%	270,557	50,061	-	320,618	283,680
Air Compressor	7,038,866	-	-	7,038,866	15%	2,918,625	618,036	-	3,536,661	3,502,205
Grinding Media	119,966,242	-	-	119,966,242	33%	62,036,232	19,309,985	-	81,346,217	38,620,025
Lab Equipment	8,840,619	-	-	8,840,619	10%	1,658,896	718,173	-	2,377,069	6,463,550
Vessel	112,973,025	1,180,500	-	114,153,525	10%	33,369,317	8,043,027	-	41,412,344	72,741,181
Portable Cement Silo	67,308,492	10,502,280	-	77,810,772	3%	3,860,903	2,154,687	-	6,015,590	71,795,182
Store House	-	-	-	-		-	-	-	-	-
Office Decoration	11,809,690	47,610	-	11,857,300	15%	2,178,208	1,449,948	-	3,628,156	8,229,144
30 June 2020	6,383,965,682	135,739,682	261,149,169	6,780,854,533		1,038,624,236	286,144,324	183,509,776	1,508,278,337	5,272,576,196
30 June 2019	5,809,162,885	586,298,191	(11,495,394)	6,383,965,682		734,957,766	307,845,711	(4,179,240)	1,038,624,236	5,345,341,446

Depreciation charge has been allocated to:

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of Goods Sold	160,216,297	168,664,777
Administrative Expenses	9,110,448	9,316,881
Selling & Distribution Expenses	85,416,337	94,774,842
Bag plant	31,401,241	35,089,210
Total	286,144,324	307,845,711

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Amount in Taka

ii) Revaluation:

Category of assets	Cost				Rate	Depreciation				Written down value As at 30 June 2019
	Opening	Addition	Disposal/ Adjustment	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	
Land & Land Development	455,504,566	-	-	455,504,566	0%	-	-	-	-	455,504,566
Factory Building	32,315,251	-	-	32,315,251	3%	3,706,792	858,254	-	4,565,046	27,750,205
Jetty Construction	3,132,068	-	-	3,132,068	3%	359,271	83,184	-	442,455	2,689,613
Electric Installation	-	-	-	-	8%	-	-	-	-	-
Plant & Machinery	179,550,427	-	-	179,550,427	8%	48,102,611	9,858,586	-	57,961,198	121,589,229
Boundary Wall & Fencing	245,141	-	-	245,141	5%	45,472	9,983	-	55,456	189,685
Furniture & Fixtures	-	-	-	-	10%	-	-	-	-	-
Telephone & Fax Installation	-	-	-	-	15%	-	-	-	-	-
Loose Tools	-	-	-	-	15%	-	-	-	-	-
Motor Vehicles	-	-	-	-	15%	-	-	-	-	-
Office Building & Shed	1,030,264	-	-	1,030,264	3%	118,179	27,363	-	145,541	884,723
Office Equipment	-	-	-	-	15%	-	-	-	-	-
Tube-Well	-	-	-	-	15%	-	-	-	-	-
Air Compressor	-	-	-	-	15%	-	-	-	-	-
Grinding Media	-	-	-	-	33%	-	-	-	-	-
Export of 49,746 MT Cement were made in July 2018 to June 2019 to Indian state of Tripura & Assam and as deemed export in Bangladesh for US\$ 3,497,966 equivalent to BDT. 295,578,140	-	-	-	-	10%	-	-	-	-	-
Vessel	-	-	-	-	10%	-	-	-	-	-
Portable Cement Silo	-	-	-	-	3%	-	-	-	-	-
Office Decoration	-	-	-	-	15%	-	-	-	-	-
Software	-	-	-	-	10%	-	-	-	-	-
Grand total 30 June 2020	671,777,717	-	-	671,777,717		52,332,325	10,837,370	-	63,169,695	608,608,022
Grand total 30 June 2019	671,777,717	-	-	671,777,717		40,665,122	11,667,203	-	52,332,325	619,445,392

Depreciation charge has been allocated to:

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of Goods Sold	9,105,510	9,802,670
Administrative Expenses	-	-
Selling & Distribution Expenses	-	-
Bag Plant	1,731,859	1,864,533
Total	10,837,370	11,667,203

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Amount in Taka

iii) Cost and revaluation:

Category of assets	Cost				Rate	Depreciation				Written down value As at 30 June 2018
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	
Land & Land Development	2,235,608,568	62,843,581	-	2,298,452,149	0%	-	-	-	-	2,298,452,149
Factory Building	803,924,988	6,038,522	-	809,963,510	3%	84,312,069	21,702,066	-	106,014,135	703,949,375
Jetty Construction	69,003,633	-	-	69,003,633	3%	7,138,237	1,855,962	-	8,994,199	60,009,434
Electric Installation	145,286,297	5,386,494	-	150,672,791	8%	35,171,356	8,539,551	-	43,710,907	106,961,884
Plant & Machinery	2,614,734,566	42,597,118	10,100,000	2,667,431,684	8%	610,813,974	144,480,107	4,889,781	760,183,862	1,907,247,822
Boundary Wall & Fencing	5,350,022	-	-	5,350,022	5%	1,099,484	212,527	-	1,312,011	4,038,011
Furniture & Fixtures	9,997,379	159,976	-	10,157,355	10%	2,546,973	753,897	-	3,300,869	6,856,486
Telephone & Fax Installation	560,344	-	-	560,344	15%	267,841	43,875	-	311,717	248,627
Loose Tools	259,932	-	-	259,932	15%	124,246	20,353	-	144,599	115,333
Motor Vehicles	761,082,590	1,469,500	256,249,169	1,018,801,259	15%	229,798,221	79,664,009	179,272,074	488,734,305	530,066,954
Motor Vehicles-Employee Car	40,775,000	1,590,000	(5,200,000)	37,165,000	10%	2,830,685	3,891,194	(652,079)	6,069,800	31,095,200
Office Building & Shed	11,448,049	1,016,012	-	12,464,061	3%	1,122,418	327,561	-	1,449,979	11,014,082
Office Equipment	29,170,799	2,908,089	-	32,078,888	15%	9,438,319	3,146,676	-	12,584,995	19,493,893
Tube-Well	604,298	-	-	604,298	15%	270,557	50,061	-	320,618	283,680
Air Compressor	7,038,866	-	-	7,038,866	15%	2,918,625	618,036	-	3,536,661	3,502,205
Grinding Media	119,966,242	-	-	119,966,242	33%	62,036,232	19,309,985	-	81,346,217	38,620,025
Lab Equipment	8,840,619	-	-	8,840,619	10%	1,658,896	718,173	-	2,377,069	6,463,550
Vessel	112,973,025	1,180,500	-	114,153,525	10%	33,369,317	8,043,027	-	41,412,344	72,741,181
Potable Cement Silo	67,308,492	10,502,280	-	77,810,772	3%	3,860,903	2,154,687	-	6,015,590	71,795,182
Store House	-	-	-	-	-	-	-	-	-	-
Office Decoration	11,809,690	47,610	-	11,857,300	15%	2,178,208	1,449,948	-	3,628,156	8,229,144
Software	-	-	-	-	10%	-	-	-	-	-
Grand total 30 June 2020	7,055,743,399	135,739,682	261,149,169	7,452,632,250		1,090,956,561	296,981,694	183,509,776	1,571,448,032	5,881,184,218
Grand total 30 June 2019	6,480,940,602	586,298,191	(11,495,394)	7,055,743,399		775,622,888	319,512,914	(4,179,240)	1,090,956,561	5,964,786,838

Depreciation charge has been allocated to:

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of production	169,321,808	178,467,448
Administrative expenses	9,110,448	9,316,881
Selling & distribution expenses	85,416,337	94,774,842
Bag plant	33,133,101	36,953,742
Total	296,981,694	319,512,914

Note:

- Name of Valuer : M/S S. F. Ahmed & Co., Chartered Accountants.
- Valuation method : Net asset value method.
- Date of Capitalization: Revaluation surplus capitalized on 01 July 2015.

Premier Cement Mills Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

iv) Leasehold:

Cost:

Category of assets	Cost				Rate	Depreciation				Written down value As at 30 June 2020
	Opening	Addition	Disposal/ (Adjustment)	Closing		Opening	Charged during the year	Disposal/ (Adjustment)	Closing	
Motor Vehicles	259,800,000	-	259,800,000	-	15%	167,231,154	13,885,327	181,116,481	(0)	0
Plant & Machinery	10,100,000	-	10,100,000	-	8%	4,467,331	422,450	4,889,781	0	(0)
30 June 2020	269,900,000	-	269,900,000	-		171,698,485	14,307,777	186,006,262	0	(0)
30 June 2019	269,900,000	-	269,900,000	-		154,906,103	16,792,382	-	171,698,485	98,201,515

Depreciation charge has been allocated to:

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of production	422,450	456,703
Selling & distribution expenses	13,885,327	16,335,679
Total	14,307,777	16,792,382

v) Intangible Assets

Category of assets	Cost				Rate	Amortization				Written down value As at 30 June 2020
	Opening	Addition	Disposal/ Adjustment	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	
Software	1,023,563	-	-	1,023,563	10%	304,549	71,901	-	376,450	647,113
Grand total 30 June 2020	1,023,563	-	-	1,023,563		304,549	71,901	-	376,450	647,113
Grand total 30 June 2019	876,563	147,000	-	1,023,563		236,645	67,904	-	304,549	719,014

Amortization charge has been allocated to:

	Amount in Taka	
	30 June 2020	30 June 2019
Administrative Expenses	71,901	67,904
Total	71,901	67,904

vi) Lease Assets-Right of Use

	Opening	Addition	Disposal	Closing	Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2020
Accommodation Building	-	15,009,028	-	15,009,028	-	1,667,670	-	1,667,670	13,341,358
Office Floor	-	21,287,665	-	21,287,665	-	5,913,240	-	5,913,240	15,374,425
30 June 2020	-	36,296,693	-	36,296,693	-	7,580,910	-	7,580,910	28,715,783

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of production	1,667,670	-
Administrative expenses	5,913,240	-
Total	7,580,910	-



Premier Power Generation Limited

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PREMIER POWER GENERATION LIMITED

As at 30 June 2020

Opinion

We have audited the financial statements of Premier Power Generation Limited hereinafter referred to as “the company” which comprise the statement of financial position as at 30 June 2020, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the organization in accordance with the ethical requirement that are relevant to audit of the financial statements in Bangladesh, and we have fulfilled our ethical responsibilities in accordance with these requirements.

Other matter

Audit for the year ended on 30 June 2019 was conducted by Syful Shamsul Alam & Co, Chartered Accountants who issued an unqualified opinion on 24 October 2019.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws.

Going Concern

The financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. As part of our audit of the financial statements we have nothing material to add or to draw attention to. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Information Other than the Financial Statements and Auditors Report Thereon

The Directors of the Company are responsible for other information. The other information comprise the information included in the Directors Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors Report and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 1994 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud and error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PREMIER POWER GENERATION LIMITED

As at 30 June 2020

conducted in accordance with ISAs always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements of the company. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, communicated them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

Report on other Legal and Regulatory Requirements

In accordance with Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the company's financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

Place: Dhaka

Dated: 10 November 2020

Snehasish Mahmud & Co.

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
Assets			
Non-current assets			
Property, plant and equipment	4	127,580,336	135,861,108
Total non-current assets		127,580,336	135,861,108
Current assets			
Advances, deposits and prepayments	5	13,177,357	13,206,045
Current account with holding company	6	274,897,336	218,942,631
Cash and cash equivalents	7	364,263	325,005
Total current assets		288,438,956	232,473,681
Total assets		416,019,292	368,334,789
Equity			
Share capital	8	50,000,000	50,000,000
Revaluation reserve		11,832,838	12,594,218
Retained earnings		350,674,851	304,116,697
Total equity		412,507,690	366,710,915
Current liabilities			
Trade and other payables	9	3,511,602	1,623,875
Total current liabilities		3,511,602	1,623,875
Total equity and liabilities		416,019,292	368,334,789

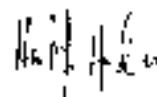
The annexed notes 1 to 14 form an integral part of these financial statements.



Company Secretary



Director



Managing Director

As per our report of same date

Place: Dhaka

Dated: 10 November 2020



Snehashish Mahmud & Co.

Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2020

	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
Service revenue		132,048,975	95,210,626
Cost of sales	10	(78,999,750)	(54,212,430)
Gross profit		53,049,225	40,998,196
Administrative expenses	11	(6,331,738)	(5,984,472)
Net profit from operation		46,717,488	35,013,724
Non-operating expense (finance costs)		-	-
Net profit before tax		46,717,488	35,013,724
Income tax			
Prior year		(920,713)	-
Current year		-	-
Net profit after tax		45,796,775	35,013,724
Other comprehensive income		-	-
Net profit		45,796,775	35,013,724
Basic earnings per share (par value of Taka 100)		91.59	70.03

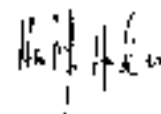
The annexed notes 1 to 14 form an integral part of these financial statements.



Company Secretary



Director



Managing Director

As per our report of same date

Place: Dhaka

Dated: 10 November 2020


Snehaisish Mahmud & Co.
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

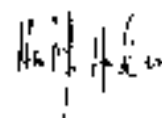
Particulars	Share capital	Revaluation reserve	Retained earnings	Amount in Taka
Opening balance at 1 July 2018	50,000,000	13,405,272	268,291,919	331,697,191
Depreciation on revalued assets	-	(811,054)	811,054	-
Revaluation reserve	-	-	-	-
Net profit	-	-	35,013,724	35,013,724
Closing balance at 30 June 2019	50,000,000	12,594,218	304,116,697	366,710,915
Depreciation on revalued assets	-	(761,380)	761,380	-
Revaluation reserve	-	-	-	-
Net profit	-	-	45,796,775	45,796,775
Closing balance at 30 June 2020	50,000,000	11,832,838	350,674,851	412,507,690



Company Secretary



Director



Managing Director

Place: Dhaka

Dated: 10 November 2020

STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

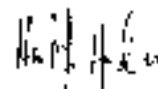
	Amount in Taka	
	30-Jun-20	30-Jun-19
A. Cash flows from operating activities		
Receipt from customers	76,094,270	63,451,028
Payment to employees	(7,214,500)	(7,129,753)
Payment to suppliers & others	(67,704,631)	(52,687,540)
Cash generated from operating activities	1,175,139	3,633,735
Bank charge & Interest paid	(215,169)	(152,279)
Tax paid	(920,713)	-
Net cash generated from/(used in) operating activities	39,257	3,481,456
B. Cash flows from investing activities		
Sales/(Purchase) of property, plant & equipment	-	(3,401,574)
Net cash used in investing activities	-	(3,401,574)
C. Cash flows from financing activities		
Addition of share capital	-	-
Net cash (used in) / generated from financing activities	-	-
Net increase/decrease in cash and cash equivalents	39,257	79,883
Cash and cash equivalents at the beginning of the year	325,006	245,123
Cash and cash equivalents at the end of the year	364,263	325,006
Net operating cash flow per share (NOCFPS)	0.08	6.96



Company Secretary



Director



Managing Director

Place: Dhaka

Dated: 10 November 2020

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

1.00 Reporting entity

Premier Power Generation Limited, herein after referred to as 'the Company' was formed and incorporated with the Registrar of Joint Stock Companies and Firms, Bangladesh on 07 September 2006 under the Companies Act 1994 as a subsidiary of Premier Cement Mills Limited limited by shares vide registration no: CH-5999/2006. The Registered Address of the company is Floor 12, TK Bhaban, Kawran Bazar, Dhaka 1215. The factory at situated at West Mukterpur, Munshigonj with an installed capacity of 5.234 MW run by Natural Gas from TGTDCCL.

1.1 Nature of business

The objectives of the company is to establish, run, operate and maintain the power energy projects in Bangladesh and to sell power/ energy to its mother company Premier Cement Mills Limited.

2.0 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS), the Companies Act 1994, other applicable laws and regulations.

2.2 Other regulatory compliances

The Company is also required to comply with the following major laws and regulations along with the Companies Act 1994. The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 2012

The Value Added Tax Rules, 2016

The Customs Act 1969

2.3 Basis of measurement

The financial statements have been prepared on historical cost following the accrual basis of accounting.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is both functional and presentational currency of the Company. The amounts in these financial statements have been rounded off to the nearest integer unless otherwise indicated.

2.5 Use of estimates and judgments

The preparation of the financial statements in conformity with IAS and IFRS 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. Actual results may differ from these estimates.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Particularly

Property, plant and equipment

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

2.6 Reporting period

The financial period of the company covers one year from 1st July to 30th June consistently.

2.7 Going concern

Unfortunately the advent of pandemic covid 19 and declaration of Lock down by the Government forced to limit operations of Premier Cement Mills Limited since 26th March 20 in compliance of Government directives. However, management continued productions in limited scale to support the factory premises during load shedding.

The company believes that they have adequate resources and group support to continue its operation in foreseeable future. As a result the financial statements of the company has been prepared on a going concern basis.

2.8 Statement of cash flows

Statement of Cash Flows is prepared in accordance with IAS 7 “Statement of Cash Flows” and the cash flow from the operating activities are shown under the indirect method.

3.0 Significant accounting policies

The specific accounting policies selected and applied by the company’s management for significant transactions and events that have material effect within the framework of IAS-1 “Presentation of Financial Statements”, in preparation and presentation of financial statements have been consistently applied throughout the period.

3.1 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any.

Subsequent costs

The cost of replacing a part of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged tot the statement of comprehensive income during the financial period in which they incurred.

Depreciation

In respect of fixed assets other than freehold land, depreciation is provided on reducing balance method over their expected useful life and day basis depreciation charged in addition to fixed assets during the year. Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to Income Statement.

The depreciation rates used for the current year are as follows:

Name of assets	Rate
Plant and machinery	6%
Furniture & fixture	10%
Generator building	10%
Office decoration	15%
Office equipment	20%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.2 Financial instruments

Non-derivative financial assets

The company initially recognizes accounts receivables & advance, deposit and pre-payments on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date at which the company becomes a party to the contractual provisions of the instrument.

The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the company is recognized as a separate asset or liability.

Financial assets include accounts & other receivables, advances, deposits and prepayments and cash and cash equivalents.

Cash and cash equivalents

It includes cash in hand, bank deposit and other short term high liquid investments with original maturities of three months were held and available for use by the company without any restriction and there is insignificant risk of changes in value of these current assets.

Advance, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit and loss.

Non-derivative financial liabilities

Liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the company becomes a party to the contractual provisions of the instrument.

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial liabilities includes trade & other payables.

Trade & other payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits. The Company did not have any accounts payable at the reporting date. Liabilities are recorded at the amount payable for settlement in respect of goods or services received by the company.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.3 Provisions

Provisions are recognized when the Company has a present obligation as a result of past event, and it is probable that the company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

3.4 Right of Use assets and lease liabilities

The Company is a party to lease contracts for:

a) Buildings- office space

The application of IFRS 16 requires the Company to make judgements that affect the valuation of the lease liabilities and the valuation of right-of-use assets. These include determination of contracts in scope of IFRS 16, contract term and interest rate used for discounting of future cash flows.

Leases are recognized, measured and presented in line with IFRS 16 'Leases'. The company has only one rent agreement for lease period of 12 months starting from 01 July 2019 to 30 June 2020 which was scoped out as low value leases.

3.5 Share capital

Paid up capital represents total amount contributed by the shareholders.

3.6 Finance expenses and income

Finance expenses comprise interest expense on long term and short loans, bank charges and commission, finance lease. Finance expenses are recognized in the statement of comprehensive income.

Finance income represents interest income on fixed deposits and savings accounts maintained with banks.

3.7 Other income

Other income includes Insurance commission, sale of wastages etc. Sale proceeds from wastage, scrap etc. are recognized as revenue income as and when realized.

The Company did not have any other income in the reporting period.

3.8 Taxation

Current tax

Income tax expense is recognized in statement of comprehensive income. Current tax is the expected tax payable on the total income for the period/year using tax rates enacted or substantially enacted as of reporting date and any adjustment to tax payable in respect of previous years. The company qualifies as a private company limited by shares; hence the applicable tax rate is 32.5% for the period. The company enjoys Tax exemption for fifteen (15) years (from August 2008 to July 2023) vide SRO No - 114 / AvBb/99 dated 26.05.1999 under Income Tax Ordinance 1984.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

3.9 Revenue

In compliance with the requirements of IFRS 15 : Revenue from contracts with customers is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognized in the statement of comprehensive income upon supply of electricity, quantum of which is determined by survey of meter reading at the end of each month. Revenue is measured at fair value of consideration received or receivable. At present, electricity is sold @ BDT 7.50 per kilowatt.

3.10 Events after reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.11 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS 37, they are disclosed in the notes to the financial statements.

3.12 General

The figure in bracket denote negative.

Previous year's figures have been rearranged to conform to current year presentation wherever considered necessary.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

		Amount in Taka	
		30-Jun-20	30-Jun-19
4.00	Property, plant & equipment		
	At cost		
	Opening balance	169,026,302	165,624,728
	Addition during the year	-	3,401,574
	Disposal during the year	-	-
	Closing balance	169,026,302	169,026,302
	Accumulated depreciation		
	Opening balance	33,165,195	24,431,538
	Charged during the year	8,280,771	8,733,657
	Disposed during the year	-	-
	Closing balance	41,445,966	33,165,195
	Written down value	127,580,336	135,861,107
	<i>Details are shown in Annexure A</i>		
5.00	Advances, deposits and prepayments		
	Deposit to TGTDCCL	10,109,900	10,109,900
	Bank guarantee margin to TGTDCCL	1,974,430	1,974,430
	Pre-paid bank guarantee commission	475,032	629,458
	Advance income tax	491,230	491,230
	MRH Dey & Co.	120,938	-
	Kaltimex energy Bangladesh (Pvt) Ltd	4,800	-
	VAT current account	1,027	1,027
	Closing balance	13,177,357	13,206,045
6.00	Current account with parent company		
	Premier Cement Mills Limited (Parent Company)	274,897,336	218,942,631
	Closing balance	274,897,336	218,942,631
7.00	Cash & cash equivalents		
	Cash in hand	-	-
	Cash at bank		
	Dutch Bangla Bank Ltd Agr Br. # 16116	239,399	240,239
	Standard Bank Ltd. Ktg Br. # 8998	124,864	84,766
	Closing balance	364,263	325,005
8.00	Share capital		
	Authorized capital:		
	2,000,000 ordinary shares of Tk. 100 each	200,000,000	200,000,000
	Issued subscribed and paid up capital:		
	500,000 ordinary shares of Tk. 100 each	50,000,000	50,000,000

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Shareholding position

Name of shareholders	30 June 2020			30 June 2019
	%	No of shares	Face Value	Face Value
Mr. Mohammed Amirul Haque	0.50%	2,500	250,000	250,000
Mr. Mohammed Raquibul Haque	0.20%	1,000	100,000	100,000
Mr. Mohammed Ershadul Hoque	0.00%	-	-	-
Mrs. Nashira Sultana	0.10%	500	50,000	50,000
Mr. Mohammed Zahurul Haque	0.20%	1,000	100,000	100,000
Mr. Abu Sadat Mohd. Faisal	0.50%	2,500	250,000	250,000
Mr. Hasnat Mohd. Abu Obida	0.50%	2,500	250,000	250,000
Mr. Mohammad Mustafa Haider	0.33%	1,670	167,000	167,000
Ms. Farzana Afroze	0.33%	1,665	166,500	166,500
Ms. Rizwana Afroze	0.33%	1,665	166,500	166,500
Mr. Md. Jahangir Alam	0.40%	2,000	200,000	200,000
Mr. Md. Alamgir Kabir	0.25%	1,250	125,000	125,000
Mr. Md. A. Rouf	0.10%	500	50,000	50,000
Mr. Md. Almas Shimul	0.10%	500	50,000	50,000
Mr. Md. Ashrafuzzaman	0.10%	500	50,000	50,000
Mr. Md. Abdul Ahad	0.05%	250	25,000	25,000
Premier Cement Mills Limited.	96.00%	480,000	48,000,000	48,000,000
Total	100.00%	500,000	50,000,000	50,000,000

Amount in Taka

	30-Jun-20	30-Jun-19
9.00 Trade and other payables		
Provision for Audit Fee	92,000	57,500
Seacom Shipping Ltd.	110,489	110,489
Provision for Gas Bill	3,294,256	1,376,824
TDS payable	14,857	-
MRH Dey & Co.	-	79,062
Closing balance	3,511,602	1,623,875
10.00 Cost of sales		
Gas Bill	61,254,455	33,571,451
Salary & Wages	2,389,000	2,359,285
Conveyance & Travelling	456,202	708,828
Printing & stationery	85,130	72,000
Entertainment	389,743	351,527
Repairs & Maintenance	6,201,891	8,492,268
Telephone & Internet charge	23,323	20,816
Depreciation	8,200,006	8,636,255
Total	78,999,750	54,212,430
11.00 Administration expenses		
Salary & Allowance	4,825,500	4,770,468
Travelling & Conveyance	344,330	70,459
Office Rent	560,000	560,000
Audit Fee including VAT	92,000	57,500
Legal renewal & Professional Fee	178,200	264,674
Bank charge	215,169	152,279
Printing & Stationery	35,774	11,692
Depreciation	80,765	97,401
Total	6,331,738	5,984,472
12.00 Contingent liabilities		
Bank Guarantee		
Standard bank limited	19,081,420	8,836,000
Closing balance	19,081,420	8,836,000

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 30 June 2020

13.00 Related party disclosures

During the year, the company carried out a number of transactions with related parties in the normal course of business. The name of these related parties, nature of transactions and their total value have been set out below in accordance with the provisions of IAS-24.

Name of Related Party	Nature of Transactions	Relationship	Transactions amount	Closing balance at 30.6.2020	Closing balance at 30.6.2019
Premier Cement Mills Limited	Sale of power	Parent Company	132,048,975	274,897,336	218,942,631
Premier Cement Mills Limited	Investment in share	Parent Company	-	48,000,000	48,000,000
Seacom Shipping Limited	Clearing and forwarding	Parent Company	-	110,489	110,489

NB: All expenses of Premier Power Generation Limited are paid by Premier Cement Mills Limited and the corresponding liability is adjusted with the receivables (from the sale of electricity to Premier Cement Mills Limited) of Premier Power Generation Limited

14.00 Number of employees

The company has five (05) employees in administrative section and seven (07) employees in factory during the year.

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2020

Annexure -A

i) Cost:

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Balance as on 01 July 2019	Addition during the year	Disposal/ adjustment during the year	Balance as on 30 June 2020		Balance as on 01 July 2019	Charged during the year	Disposal/ adjustment during the year	Balance as on 30 June 2020	
Plant & machinery	149,307,455	-	-	149,307,455	6%	28,194,429	7,266,782	-	35,461,211	113,846,244
Furniture & fixture	2,465	-	-	2,465	10%	848	162	-	1,010	1,455
Generator building	2,454,401	-	-	2,454,401	10%	844,069	161,033	-	1,005,102	1,449,299
Office decoration	650,098	-	-	650,098	15%	310,743	50,903	-	361,646	288,452
Office equipment	440,527	-	-	440,527	20%	237,969	40,512	-	278,481	162,046
Balance as of 30 June 2020	152,854,946	-	-	152,854,946		29,588,058	7,519,391	-	37,107,449	115,747,497
Balance as of 30 June 2019	149,453,372	3,401,574	-	152,854,946		21,665,454	7,922,603	-	29,588,057	123,266,889

Allocation

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of production	7,446,259	7,834,182
Administrative expenses	73,132	88,421
Total	7,519,391	7,922,603

ii) Revaluation:

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Balance as on 1 July 2019	Addition during the year During The Period	Disposal/ adjustment during the year During The Period	Balance as on 30 June 2020		Balance as on 1 July 2019	Charged during the year	Disposal/ adjustment during the year	Balance as on 30 June 2020	
Plant & machinery	16,049,515	-	-	16,049,515	6%	3,518,873	751,839	-	4,270,712	11,778,803
Furniture & fixture	-	-	-	-	10%	-	-	-	-	-
Generator building	-	-	-	-	10%	-	-	-	-	-
Office decoration	121,614	-	-	121,614	15%	58,131	9,522	-	67,653	53,961
Office equipment	227	-	-	227	20%	134	19	-	153	74
Balance as on 30 June 2020	16,171,356	-	-	16,171,356		3,577,138	761,380	-	4,338,518	11,832,838
Balance as on 30 June 2019	16,171,356	-	-	16,171,356		2,766,084	811,054	-	3,577,138	12,594,218

Allocation

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of production	753,747	802,073
Administrative expenses	7,633	8,981
Total	761,380	811,054

iii) Cost and Revaluation:

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2020
	Balance as on 01 July 2019	Addition during the year During The Period	Disposal/ adjustment during the year During The Period	Balance as on 30 June 2020		Balance as on 01 July 2019	Charged during the year	Disposal/ adjustment during the year	Balance as on 30 June 2020	
Plant & machinery	165,356,970	-	-	165,356,970	6%	31,713,302	8,018,620	-	39,731,922	125,625,048
Furniture & fixture	2,465	-	-	2,465	10%	848	162	-	1,010	1,455
Generator building	2,454,401	-	-	2,454,401	10%	844,069	161,033	-	1,005,102	1,449,299
Office decoration	771,712	-	-	771,712	15%	368,874	60,426	-	429,300	342,412
Office equipment	440,754	-	-	440,754	20%	238,103	40,530	-	278,633	162,121
Balance as on 30 June 2020	169,026,302	-	-	169,026,302		33,165,196	8,280,771	-	41,445,967	127,580,336
Balance as on 30 June 2019	165,624,728	3,401,574	-	169,026,302		24,431,538	8,733,657	-	33,165,195	135,861,107

Allocation

	Amount in Taka	
	30 June 2020	30 June 2019
Cost of production	8,200,006	8,636,255
Administrative expenses	80,765	97,402
Total	8,280,771	8,733,657

CREDIT RATING REPORT

CRISL**Credit Rating Information and Services Limited**

Nakshi Homes, 4th & 5th Floor, 5/14, Secun Bagicha, Dhaka-1000, Bangladesh

Tel: 88-02-9551281-3 Fax: 88-02-9503965 E-mail: info@crisl.com Web: www.crisl.com

FIS:ISO 9001:2015 Certified Credit Rating Company in Bangladesh Operating Since 1998

Setting global standard at national level

December 03, 2020

CRISL/Rating/Decl/13930/20

Managing Director
Premier Cement Mills Limited
Summit Centre
18, Kawran Bazar, Dhaka -1215.

Sub: Announcement of Final Credit Rating

Dear Sir,

In terms of your letter of appointment to rate your esteemed organization, we are pleased to announce the rating of Premier Cement Mills Limited as,

Name of Organization	Rating		Outlook	Rating date	Valid Up to
	LT	ST			
Premier Cement Mills Limited	AA	ST-2	Stable	03.12.2020	02.12.2021

We offer our sincere thanks to you and the members of your organization for the heartiest cooperation extended to us while carrying out our responsibilities.

Verified by



Rony Chandra Ghosh
Compliance Officer

Thanking you



Md. Asaduzzaman Khan
Executive Director

Verified by



Md. Jamal Uddin Tomal
Manager-BD

Proxy Form

I/We _____
of _____ (Address)
being a Shareholder of Premier Cement Mills Limited (the "Company") hereby appoint, Mr. /Ms. _____ (Name)
of _____ (Address) as my/our proxy,
to attend on my/our behalf at the 18th Annual General Meeting of the Company to be held on Monday 28 December 2020 at 11:30 a.m. using the Digital platform.

Signed this _____ day of _____ 2020

.....
Signature of the Shareholder(s)

.....
Signature of the proxy

Folio/BO ID NO.:

Folio/BO ID NO.:

No. of Shares held:

No. of Shares held:

Note: a shareholder entitled to attend and vote at the Annual General Meeting and also may appoint proxy to attend and vote in his/her stead. The proxy form should reach the registered/corporate office of their company not less than 48 hours before the time fixed for the meeting.



Signature verified
(Authorized signatory)
Premier Cement Mills Limited

Shareholders' Attendance Slip

I hereby record my presence at the 18th Annual General Meeting of Premier Cement Mills Limited on Monday, 28 December 2020 at 11:30 a.m. using the Digital platform.

Name of the Shareholder/Proxy (In Block Letter)	
Folio No.	<input style="width: 100%; height: 15px;" type="text"/>
Mobile Number	<input style="width: 100%; height: 15px;" type="text"/>
E-mail address (if any)	<input style="width: 100%; height: 15px;" type="text"/>

Signature verified

.....
Signature of the Shareholder/Proxy

.....
Authorized signatory of the Company

Note: You are requested to fill up this attendance slip and to deposit at the registration counter on the day of AGM.

DECEMBER 2020

S	M	T	W	TH	F	S
		01	02	03	04	05
06	07	08	09	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

18th Annual General
Meeting of Premier
Cement Mills Limited

AGM HELPLINE

You are most welcome to contact with us, if you have any query or comment regarding Annual General Meeting (AGM) of FY 2019-2020.

You may contact in the following numbers:

☎ 8801755-639090

☎ 8801777-764006

☎ 8802-55012191-8

☎ 8803-2518204-6





*Scan code with a QR code
reader-enabled mobile phone to
find out more about the company*

CORPORATE OFFICE

Tk Bhaban (12th Floor)
13 Karwan Bazar
Dhaka 1215
Tel +880 2 55012191~8
Fax +880 2 55012088~9

REGISTERED OFFICE

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Tel: +880 31 2518204~6
Fax: +880 31 717868