



**NATIONAL POLYMER INDUSTRIES LTD.**

ANNUAL  
REPORT

2017  
2018





# পানির ট্যাংক

- বিশ্ব মানের এন্টি-ব্যাকটেরিয়াল উপাদান সমৃদ্ধ পানির ট্যাংক ।
- শতভাগ ফুড গ্রেড কাঁচামালে তৈরী ।
- আলট্রাভায়োলেট-রে প্রতিরোধী ।
- স্রোত পানির ট্যাংকে পানির গুণগত মানের কোন পরিবর্তন হয় না ।
- সূর্যের আলো ও তাপে ট্যাংকের রং নষ্ট হয় না ।
- স্রোত পানির ট্যাংকের ঢাকনা পঁচাচ বিশিষ্ট বিধায় খোলা ও লাগানো সহজ ।
- স্রোত পানির ট্যাংক দুই স্তর বিশিষ্ট ।
- পানি রাখে তুলনামূলক ঠান্ডা ।
- পানিকে রাখে শ্যাওলা মুক্ত ।
- বাড়ীর সৌন্দর্য্য রক্ষায় “এনপলি ওয়াটার ট্যাংক”



a product of

**NATIONAL POLYMER GROUP**



**UDAY TOWER:**

Plot No. - 57 & 57/A (2nd Floor), Gulshan Avenue  
Gulshan-1, Dhaka - 1212.



Phone : (+8802) 58812926, 58813039

Fax : (+8802) 58814967



[www.nationalpolymer.net](http://www.nationalpolymer.net)



[www.facebook.com/npolymer](https://www.facebook.com/npolymer)



Scan QR for more details



# CORPORATE DIRECTORY

## BOARD OF DIRECTORS

Mr. Golam Murshed	Chairperson of the Board
Mr. Riad Mahmud	Managing Director
Mr. Nuruzzaman Khan	Nominated Director, Nominated by ICB
Mr. Mustafizur Rahman Shazid	Independent Director
Mr. Jamal Uddin Ahmed Chowdhury	Independent Director
Mr. Raquibul Alam	Independent Director

## AUDIT COMMITTEE

Mr. Jamal Uddin Ahmed Chowdhury	Chairperson
Mr. Nuruzzaman Khan	Member
Mr. Mustafizur Rahman Shazid	Member

## NOMINATION AND REMUNERATION COMMITTEE (NRC)

Mr. Raquibul Alam	Chairperson
Mr. Golam Murshed	Member
Mr. Nuruzzaman Khan	Member

## COMPANY SECRETARY

Mr. Md. Abdul Maleque

## MANAGEMENT COMMITTEE

Mr. Riad Mahmud	Managing Director/Chief Executive Officer
Mr. Sk. Morshedul Islam	Executive Director, Sales & Marketing
Mr. K. M. Arshed Alam	Executive Director, Plant Operations
Mr. Mahmudul Islam Shamim	General Manager, Sales & Marketing
Mr. Md. Omar Faruk Rapon FCA	Chief Financial Officer and Head of Accounts & Finance
Mr. Mithun Kanti Das	Head of Internal Audit and Compliance
Mr. S. M. Menhaj Uddin	DGM & Head of Commercial
Mr. Mohammad Manzur Hossain	AGM & Head of HR & Admin
Mr. Istiaque Ahmed Bhuiyan	AGM & Head of IT & MIS
Mr. Md. Shah Jalal	Head of VAT & Tax
Mr. Syed Mazedul Haque	Head of Distribution

## AUDITORS

Mahfel Huq & Co.  
Chartered Accountants  
BGIC Tower (4<sup>th</sup> Floor)  
34 Topkhana Road  
Dhaka-1000

## PRINCIPAL BANKERS

Standard Chartered Bank  
Eastern Bank Limited  
Jamuna Bank Limited  
Mutual Trust Bank Limited

## INSURANCE

Mercantile Insurance Company Ltd.  
Red Crescent Bhaban  
61, Motijheel C/A, Dhaka-1000

## LEGAL ADVISER

Mr. Reazul Karim, Barrister  
Advocate, Supreme Court of Bangladesh  
Apt. # 2, House # 88, Road # 17/A  
Block # E, Banani, Dhaka-1213

## REGISTERED OFFICE AND FACTROY

Squibb Road, Nishat Nagar, Tongi I/A, Tongi, Gagipur

## CORPORATE OFFICE

Uday Tower (2<sup>nd</sup> Floor): Plot # 57-57/A Gulshan Avenue, Gulshan-1, Dhaka-1212  
Phone: (8802) 58812926, 9893623, Fax: 58812837, 58814967  
Website: [www.nationalpolymer.net](http://www.nationalpolymer.net), e-mail: [info@nationalpolymer.net](mailto:info@nationalpolymer.net)

## OTHER BASIC INFORMATION

Date of Incorporation	: June 26, 1987
Date of Commercial Operation	: June 26, 1987
Registration No.	: C-16602 (588)/87
Nature of Business	: Manufacturer & Supplier of uPVC, cPVC & PPR Pipes, Fittings, Doors, Sheets, Fall Ceiling, Water Tank, Water Tap etc.
Legal Form	: Public Limited Company Listed with DSE & CSE
Authorized Capital	: Tk. 50,00,00,000.00
Paid-up Capital	: Tk. 24,51,74,920.00
No. of Shares	: 2,45,17,492
Face Value of Share	: Tk.10/-
Certification	: ISO 9001:2015 & 14001:2015 and BSTI
Credit Rating	: Long Term: <b>A+</b> & Short Term: <b>ST-2</b> and Outlook- <b>Stable</b> Rated by Emerging Credit Rating Ltd.

## CONTENTS

Corporate Directory	01
Transmittal Letter	04
Notice of the 31 <sup>st</sup> AGM	05
Company Profile	06
Message from the Chairperson	07
Message from the Managing Director	08
Brief Resume of the Directors	09
Directors' Report	11
Management's Discussion and Analysis	16
Report of the Audit Committee	21
Statement of Corporate Governance	24
Board Meeting and Audit Committee Meeting	27
Pattern of Shareholding	28
Comparative Key Financial Information of Preceding 5 (five) years	29
Financial Highlights (Geographical Presentation)	30
Declaration by the CEO and the CFO	31
Certificate on Corporate Governance Code	32
Certificate of BAPLC	33
Corporate Governance Compliance Status	34
Auditors' Report	45
Statement of Financial Position	47
Statement of Profit or Loss and other Comprehensive Income	48
Statement of Changes in Equity	49
Statement of Cash Flows	50
Notes to the Financial Statements	51
Proxy Form and Attendance Slip	71



## TRANSMITTAL LETTER

November 27, 2018

To

The Valued Shareholders of National Polymer Industries Ltd.;  
Bangladesh Securities and Exchange Commission;  
The Registrar of Joint Stock Companies & Firms;  
Dhaka Stock Exchange Ltd.; and  
Chittagong Stock Exchange Ltd.

**Subject: Annual Report for the Financial Year 2017-2018**

Dear Sir(s),

We are pleased to enclose herewith the **Annual Report** of National Polymer Industries Ltd. for the Financial Year 2017-2018 comprising the Annual Audited Financial Statements, Management's Discussion and Analysis, Certificate on compliance of the Corporate Governance Code and the Reports of the Directors and the Auditors along with the Notice of the 31<sup>st</sup> Annual General Meeting (AGM) of the Company for your kind information and record.

Thanking you

Sincerely yours,  
For National Polymer Industries Ltd.



Md. Abdul Maleque  
Company Secretary

## NOTICE OF THE 31ST ANNUAL GENERAL MEETING

Notice is hereby given to all concerned that the 31<sup>st</sup> Annual General Meeting (AGM) of National Polymer Industries Ltd. will be held on **December 20, 2018 at 9:30 AM (Thursday) at Fakruddin & Sons Community Center, Board Bazar, Gazipur** to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on June 30, 2018 together with the Reports of the Directors and the Auditors thereon.
2. To approve proposed dividend for the year ended on June 30, 2018.
3. To elect/re-elect Director(s) of the Company.
4. To elect/re-elect Managing Director of the Company.
5. To approve the appointment of Independent Director and Nominated Director.
6. To appoint/re-appoint Statutory Auditors for the year 2018-2019 and fix their remuneration.
7. To appoint Corporate Governance Auditors for the year 2018-2019 and fix their remuneration.

Dated, Dhaka  
November 27, 2018

By order of the Board



Md. Abdul Maleque  
Company Secretary

### Notes:

1. **November 15, 2018 is the “Record Date”.** The Shareholders’ names appearing in the Share Register/Depository Register on that day will be eligible to attend the AGM and to receive dividend.
2. A member entitled to attend and vote at the AGM may appoint a Proxy on his/her behalf. The Proxy Form, duly stamped must be deposited at the Corporate Head Office of the Company not later than 48 (forty eight) hours before the time fixed for the AGM.
3. The Shareholders are requested to register their names in the counter at the entrance of the AGM venue from 8:00 am to 9:30 AM. Admission into the AGM venue will be allowed only on production of the Attendance Slip sent with the Annual Report.
4. The Annual Report and Proxy Form are available in the Website of the Company at **[www.nationalpolymer.net/Investors’ Relation](http://www.nationalpolymer.net/Investors' Relation)**.

বিঃ দ্রঃ - বিএসইসি'র নির্দেশ অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার আপ্যায়ন, উপহার সামগ্রী বা যাতায়াত ভাতা প্রদানের ব্যবস্থা থাকিবে না।

## THE COMPANY AT A GLANCE

### OUTLINE

National Polymer Industries Limited has been in operation for over two decades and has established itself as a prominent brand name in the country producing and offering a wide range of best quality products and services to its valued customers.

### LEGAL FORM

National Polymer Industries Ltd. was incorporated as a Public Limited Company in 1987 and started its commercial operation during the same year. The Company has been listed with DSE in 1991 and CSE in 1995 respectively. Being a listed company with the Stock Exchanges, it has a good track record and maintains its status as “A” category Company in the capital market. At present the Company is being operated with a paid-up capital of Tk. 245.17 million against an authorized capital of Tk. 500.00 million.

### MISSION

The corporate mission is to be the pre-eminent producer and supplier of premium quality products to its existing and potential customers through product leadership, excellent value and best services & solutions.

### OBJECTIVES

To promote quality products with the objective of setting a benchmark for industry practice.

To promote and development of standards, specifications and practices that help to ensure the proper use of plastic products.

To enhance knowledge and awareness of contemporary plastic pipeline technologies amongst specifiers and installers.

To satisfy customers with the highest quality products, services and solutions.

To achieve excellence in creativity and imagination.

To be honest, upholding values and standards

### PRODUCTS LINES

**National Polymer Industries Ltd.** has the following products in its product lines:

- uPVC Pressure pipe with rubber ring joint
- uPVC Pressure Pipe with solvent joint
- uPVC plumbing Pipe for water supply with threaded joint
- uPVC Sewer-Waste-Rain water disposal pipe with solvent joint
- uPVC Conduit pipe for electric wiring with solvent joint
- uPVC Well casing pipe
- uPVC Robo-screen filter
- uPVC Ribbed Filter
- PPR & CPVC Pipes & Fittings for installation of hot and cold water supply lines
- Bottle grade PVC Compound
- Hand Pump for Drinking Water and Irrigation
- PVC Doors, Sheets & Fall Ceiling.
- PVC Cable Casing.
- Water Tank & Tap etc.

### OPERATIONS

The Company is actively engaged in manufacturing the products mentioned above for building, construction, irrigation, sanitation and household usages. The Company distributes its manufactured products to every part of Bangladesh and also abroad competing with other local manufacturers. The production system of the company is equipped with the latest technology and the most advanced machineries from Asia and Europe and the raw materials from Japan, Malaysia, Singapore, Thailand, Taiwan and China. The factory having about 25 production lines has increased its production capacity to 32,500 MT from its initial 500 MT.

### BUSINESS STATUS

Over the last 31 years of its operation, National Polymer has established itself as a prominent brand name in the market. The Company is on a well-defined growth stage with its diversified quality products and efficient services to the valued customers through the expanding distribution channel. Despite different challenges and strong competition in the market, the National Polymer maintains its profitable status in terms of business. Crossing the national border, the Company has entered into the global markets with its superior quality products. Forecasting a good demand for its products in future, National Polymer is focusing on introducing much more diversified innovative products and solutions for the valued customers to meet tomorrow's challenges.



## MESSAGE FROM THE CHAIRPERSON

Dear Shareholders and Well-wishers of  
National Polymer Industries Ltd.

I, on behalf of the Members of Directors have the pleasure to welcome you on the occasion of the 31<sup>st</sup> Annual General Meeting (AGM) of National Polymer Industries Ltd. Your spontaneous support inspires us to go ahead confidently. I would like to thank you for providing me an opportunity to share and exchange my thoughts and views on the performance of the Company.

Meanwhile, Annual Reports for the FY 2017-2018 of our company have been dispatched to you for your kind perusal. I believe that you have got a comprehensive view from the Directors' Report and the Audited Financial Statements of the Company. I presume that the performance of the Company during the year under review is satisfactory. I assure you that we shall always be with you and your investment will always be safeguarded by the grace of Almighty.

Dear Shareholders, the demand for PVC products is increasing day by day both in local and global markets. Forecasting a good demand for our products, we are now on the way to increase our production capacity to meet the growing demand of the existing and potential customers.

Dear Shareowners, we always try to uphold the value of our esteemed customers, shareholders and other stakeholders providing them with our quality products, services and solutions. As quality customer service is our top priority, the skilled, experienced and dedicated teams are always ready to provide with the best services and solutions to our valued customers.

National Polymer has established procedures to ensure compliance with all applicable statutory and regulatory requirements. The Company is committed to maintain adequate transparency, quality procedures and good corporate governance. We believe that our business objectives are not only to maximize our profitability but also to address the needs of the society.

Finally, I would like to express my appreciation and thanks to our Shareholders, Stock Exchanges, BSEC, RJSC, CDBL, NBR, Bankers, NBFIs, Insurances and specially our valued customers for their trust, support, suggestion and guidance in running our business successfully. I am also thankful to my fellow Board members and all the employees of the company for their guidance and support.

ALLAH HAFEZ



(Golam Murshed)  
Chairperson of the Board of Directors

## MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders

Assalamualikum,

It is my pleasure to welcome you to the 31<sup>st</sup> Annual General Meeting (AGM) of National Polymer Industries Ltd. The Annual Report, containing the Reports of the Directors and the Auditors and the Audited Financial Statements of the Company for the year ended June 30, 2018 has been sent to you for your kind perusal.

It is my pleasure to report you that in spite of various challenges, during the year under review your Company has achieved revenue from sales Tk. 236.64 crore while it was Tk. 186.67 crore during the previous year. During the year company's net profit is Tk. 7.94 crore which is 18.89% higher over the previous year. Considering the overall business situation of the Company, the Board of Directors declared 22% Stock dividend for the year ended 30 June, 2018 which will be credited to your BO accounts within the stipulated time after having necessary approval.

National Polymer has a long history of 31 years in PVC and plastics technology in Bangladesh markets. Its inception was through making PVC compound for manufacturing of pipes, from which it has expanded its scope and has been the pioneer for introducing high quality uPVC pipes in our market. From time to time, it has kept its pace with new technologies and has been the pioneer for introducing PPR, CPVC pipes and fittings etc. in the market. Its doors, sheets and falls ceiling have already gained wide acceptance in the market, whereas its doors now occupy the 2<sup>nd</sup> position in market share in our Bangladesh Market. The Company has introduced plastic water tanks recently, and we have such a tremendous response for our water tanks that we will need to go for an expansion in capacity for water tanks. Our water taps, which is also a new product, is just being introduced in the market and we expect we shall receive a similar response for the water taps in our markets as well.

In addition to our local market, our products such as uPVC pipes, fittings, doors etc. are also being exported now to India and its Seven Sisters States, and this year export growth has increased by around 6%. The company has also shipped two consignments to Saudi Arabia, and our products have been accepted extremely well there, and we hope that in the coming years this export volume will increase significantly.

The contribution of PVC products in our economy is vividly visible due to its use has been increasing rapidly in line with our economic growth. The plastic sector contributes about 1.0 % of total GDP in Bangladesh and provides direct and indirect employment of over 1.2 million people. In the last several years the local production has been increased by manifolds both for our local and foreign market. This sector is contributing significantly to the industrialization, revenue generation, environment protection, poverty alleviation, employment generation and value addition to the country.

Our endeavor is to manufacture premium quality products with the aim to have satisfied customers. As quality is the top priority, we never compromise with it. The aim of our quality policy is to continuously improve the quality standards and procedures to reinforce the integrity of our operational procedures through the adherence to **ISO 9001:2015 & 14001:2015 and BSTI standards.**

We forecast a good demand for PVC products for construction, housing, sanitation and irrigation sectors in future. Taking into account of these, we are focusing on introducing much more diversified innovative products and solutions for our valued customers.

Finally, I would like to express my gratitude to the valued shareholders for rendering their constant support in achieving Company's objectives. I would also like to express my sincere thanks to the valued customers, lenders, suppliers and regulators for their continuous support. I also convey my appreciation to all the employees of the Company for their dedicated services towards the Company without which we couldn't achieve our objectives.

Allah Hafez



(Riad Mahmud)  
Managing Director

## BRIEF RESUME OF THE BOARD OF DIRECTORS

### MR. GOLAM MURSHED CHAIRPERSON OF THE BOARD

Mr. Golam Murshed son of Late Golam Azam and late Amina Khatun was born in 1953. He Completed his Graduation from the University of Dhaka in 1974. After completing academic career, Mr. Murshed joined his family business. He is a dynamic businessman and has vast experience in Plastic and PVC sectors. He has been with National Polymer Industries as the Sponsor Director since its inception and contributing a lot for the development of the Company. Currently he is performing his duties and responsibilities as the Chairperson of the Board of Directors. Apart from National Polymer Industries Ltd., Mr. Murshed is the owner of “GM Trading”, a renowned trading business of PVC raw materials.

### MR. RIAD MAHMUD MANAGING DIRECTOR

Mr Riad Mahmud obtained his academic qualification on B. Sc in Chemical Engineering from the University of Texas at Austin in 1994 and MBA (Finance) from the University of Melbourne, Australia in 1999. After completing his academic career, Mr. Mahmud enriched himself working in the senior positions in different organizations in Sydney, London and New York. Returning from abroad, Mr. Mahmud who is the Sponsor Shareholder of National Polymer Industries Ltd., joined the Board of the Company in 2007 as a Director and has subsequently been elected as the Managing Director of the company in 2009. Since then he has been leading the company very successfully and at present the Company is on a solid growth stage under his dynamic leadership. Apart from National Polymer Industries Ltd., Mr. Mahmud is the founder of several business in other sectors, including the First Leed Gold certified 100 % export oriented footwear factory in Bangladesh named Shoeniverse Footwear Ltd. He is also the founder of Gasko Industrial Services Company, the largest Gas Extraction Contractor for some of the Gas Blocks in Bangladesh. Mr. Mahmud is also the Managing Director of National Fittings and Accessories (Pvt.) Ltd. and NPOLYMER Construction (Pvt.) Ltd. He is the Vice Chairman of Diamond Life Insurance Company Ltd.

Besides, Mr. Mahmud has been teaching the Masters level business courses at the School of Business and Economics at North South University, the most prestigious private University in Bangladesh.

He is also the Member of the Executive Committee of Bangladesh Plastics Goods Manufacturers and Exporters (BPGMEA), Bangladesh Association of Publicly Listed Companies (BAPLC) and Korea-Bangladesh Chamber of Commerce and Industry (KBCCI) and General Body Member of FBCCI. He is also a member of American Society of Chemical Engineers.

His is also the Member of DTC Establishment Committee, established by the Ministry of Commerce of the People’s Republic of Bangladesh with support from The World Bank, which is tasked with implementing Export Competitiveness for Jobs (EC4J) Project. The EC4J is designed to enhance growth and competitiveness of priority sectors, and to create more and better job opportunities. As part of this initiative a specialized state-of-the-art Design and Technology Center (DTC) is going to be established in/around Dhaka for leather goods and footwear industry. The DTC is an important step towards a systemic solution for a sustainable leather goods and footwear industry within a more diversified economy.

Mr. Mahmud is the Honorary Consul of **The Republic of Georgia**, appointed by the People’s Republic of Bangladesh and the Government of the Republic of Georgia.



**MR. NURUZZAMAN KHAN**  
**NOMINATED DIRECTOR, NOMINATED BY ICB**

Mr. Nuruzzaman Khan, son of late Nurun Nabi Khan and Mrs. Jahanara Begum was born in 1962 in Satkhira. He has completed his Post Graduation in Economics from the University of Rajshahi in 1989 and started his career with Investment Corporation of Bangladesh (ICB) in the same year. He also obtained Diploma in banking from the Institution of Bankers Bangladesh. He also enriched his career through obtaining various training programs offered by different organizations at home and abroad. Currently, Mr. Khan is holding the position of Deputy General Manager in the Investment Corporation of Bangladesh (ICB). He joined the Board of National Polymer Industries Ltd. on May 28, 2018 as the Nominated Director nominated by Investment Corporation of Bangladesh (ICB) and is discharging his duties and responsibilities to the Board as an active participant.

**MR. MUSTAFIZUR RAHMAN SHAZID**  
**INDEPENDENT DIRECTOR**

Mr. Mustafizur Rahman Shazid, son of Mr. M. A. Mannan and Mrs. Momtaj Mannan was born in 1973. Mr. Rahman obtained B. Sc in Aeronautical Engineering from Indian Institute of Technology (IIT) and MBA Major in Finance) from IBA (University of Dhaka). After completing his academic career, Mr. Rahman entered into the business arena in 1995. He is the Sponsor Director & Chief Operating Officer of **Butterfly Group** which is the Sole Distributor of Butterfly Electronic Goods and also the Manufacturer of Butterfly Branded Electronic Goods in Bangladesh. Based on his experience and aptitude in business sector and complying with BSEC Notification, Mr. Rahman was appointed as the Independent Director of National Polymer Industries Ltd. in 2013 for a tenure of 3 (three) years (FY 2013-14, 2014-15 and 2015-16). After successful completion of his tenure, Mr. Rahman, being eligible, has been re-appointed as the Independent Director for another tenure of 3 (Three) years (FY 2016-17, 2017-18 and 2018-19).

**MR. JAMAL UDDIN AHMED CHOWDHURY**  
**INDEPENDENT DIRECTOR**

Mr. Jamal Uddin Ahmed Chowdhury, son of Mr. Saleh Uddin Ahmed Chowdhury and Mrs. Hosne Ara Chowdhury was born in 1967. He obtained M. Com in Management from the University of Chittagong in 1990. After accomplishing his academic career, Mr. Chowdhury entered into the business arena. By dint of his diligence and competency on business management, Mr. Chowdhury has become a dynamic businessman and industrialist in the corporate domain. He is the owner of various prominent business entities such as: Boost Energy Ltd. Boost Holdings Ltd., Everest Port Services Ltd., Siena Industries Ltd., Mahim Trade Link Ltd., Apon Import Centre Ltd. and N J Environtech. He is also the Director of Diamond Life Insurance Ltd. Based on his expertise in the business sector and complying with BSEC Notification, the Board of Directors of the Company has appointed Mr. Chowdhury as the Independent Director for a period of 3 (three) years (FY 2016-17, 2017-18 and 2018-19).

**MR. RAQUIBUL ALAM**  
**INDEPENDENT DIRECTOR**

Mr. Raquibul Alam, son of Mr. Nazmul Alam and Ms. Anjumanara Alam, was born in 1973. He obtained MBA major in Finance from the University of Vanderbilt, USA in 2000. After accomplishing his academic career, Mr. Alam enriched his career working in different renowned organizations at home and abroad. Among others, the followings are mentionable:

Senior Management Consultant, PricewaterhouseCoopers (2000-2002);  
Manager, Planning and Logistics, British American Tobacco (2003 - 2006);  
Director, Absolute Solutions Ltd. (2007 - 2010);  
Vice President, Robi Axiata (Mar 2010 - Dec 2011);  
Head of Supply Chain Department, Coasts Bangladesh Ltd. (Jan 2012 - Sep 2016);  
Head of Supply Chain Department, Berger Paints Bangladesh Ltd. (Oct 2016 - till date);

Currently, Mr. Alam is performing his duties and responsibilities as the Head of Supply Chain, Berger Paints Bangladesh Ltd., a renowned multinational company in Bangladesh. Based on his vast experience in corporate sector and complying with BSEC Notification dated 03 June, 2018, the Board of Directors of National Polymer Industries Ltd. in its meeting held on October 27, 2018 has appointed Mr. Raquibul Alam as the Independent Director for a tenure of 3 (three) years (For the FY 2018-19, 2019-20 and 2020-21) subject to the approval by the Shareholders in the Annual General Meeting (AGM).

## **DIRECTORS' REPORT**

### **For the year ended 30 June, 2018**

#### **DEAR SHAREHOLDERS,**

On behalf of the Board of Directors, I have the pleasure to welcome you all to the 31<sup>st</sup> Annual General Meeting (AGM) of National Polymer Industries Limited and present you the report of the Board of Directors and the Audited Financial Statements of the Company for the year ended on June 30, 2018.

#### **BUSINESS OVERVIEW**

Despite different challenges and strong competition in the market, during the year under review the Company has maintained its profitable status in terms of business. The turnover and net profit of the Company increased by **26.77 % and 18.89 %** as compared to previous year. As per Audited Financial Statements of the Company for the year ended on June 30, 2018, the comparative key financial information is given below for better understanding on the overall performance of the Company:

<b>Particulars</b>	<b>2017-2018 (Tk.)</b>	<b>2016-2017 (Tk.)</b>	<b>Growth</b>
Revenue	2,366,380,577	1,866,687,057	26.77 %
Gross Profit	387,459,951	307,293,861	26.09 %
Profit before Tax	111,369,664	93,503,107	19.11 %
Net Profit	79,350,886	66,741,633	18.89 %
Earnings Per Share	3.24	2.72	19.12 %

#### **DIVIDEND**

Considering the overall business situation of the Company, the Board of Directors has recommended 22 % Stock Dividend (22 Bonus shares for every 100 shares) for the year ended on 30 June, 2018. The recommended Stock Dividend will be credited to the Shareholders' BO Accounts whose names have been recorded in the CDBL/share register on the Record Date i.e. on 15<sup>th</sup> November, 2018 within the stipulated time after having approval by the Shareholders in the Annual General Meeting.

#### **REASON FOR DECLARATION OF STOCK DIVIDEND**

The demand for PVC products is growing day by day. Taking into account of this, the Company is on the way to increase its production capacity to fulfill the growing demand of market. Therefore, sufficient cash is required to enhance the production capacity of the plant. The retained earnings/free reserve/accumulated profit shall be used as capital expenditure for infrastructure development as well as to set up new machineries in the plant. This is why, the Company has declared stock divided during the year.

#### **ADDITIONAL STATEMENTS BY THE BOARD OF DIRECTORS AS PER BSEC NOTIFICATION**

#### **INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE INDUSTRY**

National Polymer has a long history of 31 years in PVC and plastics technology in Bangladesh markets. Its inception was through making PVC compound for manufacturing of pipes, from which it has expanded its scope and has been the pioneer of introducing high quality uPVC pipes in the market. From time to time, it has kept its pace with new technology and has been the pioneer of introducing PPR, CPVC pipes etc. in the market. Its doors, sheets and fall ceiling have already gained wide acceptance in the market, whereas its doors now occupy 2<sup>nd</sup> position in market share in Bangladesh Market. The Company has introduced plastic water tanks recently, and we have such a tremendous response for our water tanks that we will need to go for an expansion in capacity for water tanks. Our water taps, which is also a new product, is just being introduced in the market and we expect that we shall receive a similar response for the water taps from the market as well. In addition to local market, our products are also being exported now to India and its Seven Sisters States, and this year export growth has increased by around 6%. The Company has also shipped two consignments to Saudi Arabia, and our products have been accepted extremely well there, and we hope that in the coming years this export volume will increase significantly. Forecasting good demand for its products at home and abroad, we are focusing on introducing much

more diversified innovative products through improved new technologies and solutions for the valued customers to meet tomorrow's challenges.

#### **SEGMENT PERFORMANCE**

The Company's operation is carried out and managed as a single operating segment for manufacturing and marketing of PVC pipes, sheets, doors, water tank, tap etc. for water supply, sanitation and building material solution. So, no segment reporting is felt necessary.

#### **RISKS AND CONCERNS**

Risks and Concern is the integral part of business. Like others, our business may also be affected by risk and uncertainties. Details of risk factors and the ways to handle such events are stated in the Statement of Management's Discussion and Analysis.

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

<b>Particulars</b>	<b>2017-18 (Taka)</b>	<b>2016-17 (Taka)</b>
Cost of Goods sold	1,978,920,627	1,559,393,196
Gross Profit Margin	387,459,951	307,293,861
Profit before Tax	111,369,664	93,503,107
Net Profit Margin	79,350,886	66,741,633

#### **DISCUSSION ON CONTINUITY OF ANY EXTRA-ORDINARY ACTIVITIES (GAIN OR LOSS)**

No such events of any extra ordinary gain or loss occurred during the reporting year which would require to disclose in the financial statements.

#### **RELATED PARTY TRANSACTIONS**

Related party transaction is stated in Note No. 34.00 of the financial statements.

#### **UTILIZATION OF PROCEEDS RAISED THROUGH PUBLIC ISSUES, RIGHT ISSUES AND/OR ANY OTHER INSTRUMENTS**

No public issues, right issues and/or any other instruments were occurred during the financial year.

#### **DETERIORATION OF FINANCIAL RESULTS, IF ANY AFTER IPO, RPO, RIGHTS SHARE OFFER, DIRECT LISTING ETC.**

There were no such events of IPO, RPO, Rights Share Offer, Direct Listing etc. of the Company occurred during the financial year.

#### **SIGNIFICANT VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS**

There was no event of significant variance that occurred between Quarterly Financial performance and Annual Financial Statements of the Company during the financial year.

#### **REMUNERATION PAID TO THE DIRECTORS INCLUDING INDEPENDENT DIRECTOR(S)**

Directors of National Polymer Industries Ltd. don't get any facilities/remuneration, bonus or any other form, except the Managing Director for his direct participation in the Company's day to day operations. Directors including Independent Directors get only honorarium for attending the Board Meeting. Director's remuneration for the year 2017-2018 is disclosed in Note No. 30.00 of the financial statements. In line with the previous policy, remuneration has been paid to the Chairman of the Board for the FY 2017-2018, which is now stopped to ensure compliance with the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018.

#### **PRESENTATION OF FINANCIAL STATEMENTS**

The financial statements prepared by the Management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

## **MAINTENANCE OF PROPER BOOKS OF ACCOUNTS**

Proper books of accounts have been maintained by the Company.

## **ADOPTION AND APPLICATION OF APPROPRIATE ACCOUNTING POLICIES AND ESTIMATIONS**

Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

## **COMPLIANCE WITH ACCOUNTING AND FINANCIAL REPORTING STANDARDS**

International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

## **INTERNAL CONTROL SYSTEM**

Company's internal control system is sound in design and effectively monitored which gives reasonable assurance that the Company's resources are safeguarded and the financial position of the Company is well managed. Company's Internal Audit team conducts audit to evaluate the appropriateness of internal control. The findings and subsequent follow up with remedial status are reported to the Audit Committee. The Audit Committee reviews the internal control framework in each meeting and reports to the Board of Directors accordingly.

## **PROTECTION OF MINORITY SHAREHOLDERS' INTEREST**

The Board is always committed to protect the interest of the Minority Shareholders as well as Investors. The Shareholders as the owners are provided with the material information of the Company on its operation quarterly, half-yearly and annually. They are also provided with the routine services by the Compliance Officer on any matters which is permissible. The Company has a website to provide permissible information such as notices, price sensitive information, financial statements/disclosures etc. for the shareholders and interested investors.

## **GOING CONCERN**

There is no significant doubt upon the Company's ability to continue as a going concern.

## **EXPLANATION ON SIGNIFICANT DEVIATIONS FROM THE LAST YEAR'S OPERATING RESULTS**

There is no significant deviation in operating results compared to the last year.

## **KEY OPERATING AND FINANCIAL DATA OF AT LEAST PRECEDING 5 (FIVE) YEARS**

Company's key operating and financial data of at least preceding 5 (five) years is stated in page number 29.

## **REASON FOR NOT DECLARING DIVIDEND**

The Company has declared 22 % Stock Dividend for the year ended on 30 June, 2018.

## **DECLARATION OF INTERIM DIVIDEND (BONUS SHARE OR STOCK DIVIDEND)**

The Board of Directors has not declared and shall not declare bonus share or stock dividend as interim dividend.

## **BOARD MEETING AND ATTENDANCE**

Number of Board Meeting held during the financial year 2017-2018 and attendance has been stated in page number 27.

## **PATTERN OF SHAREHOLDING**

The pattern of shareholding as on June 30, 2018 is disclosed in page number 28.

## **INFORMATION RELATING TO THE APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS**

Relating to the appointment or re-appointment of Directors, brief resume of Director(s), natures of his or her expertise and name of companies in which he holds the directorship and the membership of committees of the Board have been disclosed in page number 09.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis is stated in page number 16.

## DECLARATION OR CERTIFICATION BY THE CEO AND THE CFO

Declaration or certification by the CEO and the CFO to the Board is disclosed in page number 31

## CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE CODE

Certificate regarding the compliance of Conditions of Corporate Governance Code is attached in page number 32

## QUALITY POLICY

Our endeavor is to manufacture premium quality products with the aim to satisfy customers. As quality is the top priority, we never compromise with it. The aim of our quality policy is to continuously improve the quality standards and procedures to reinforce the integrity of our operational procedures through the adherence to **ISO 9001:2015 & 14001:2015 and BSTI standards.**

## CREDIT RATING

Emerging Credit Rating Ltd. has rated the Company as follows:

Short Term	Long Term	Outlook
A+	ST-2	Stable

“A+” indicates that the Company has experienced management, good equity base, high quality products, strong production facilities, sound market reputation, diversified ownership pattern and wide distribution channel.

“ST-2” means good certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are small.

In the evaluation of credit rating, the Company was also placed with “**Stable Outlook**”

## INFORMATION TECHNOLOGY

As National Polymer is the quality oriented company, it has taken a set of IT initiatives to support its sales team considering the clients' needs and satisfaction. To respond promptly and respectfully to our customers' need, we have automated our IT support system. The Company is endeavoring to upgrade and adopt the latest technologies in all sectors of its operations.

## HUMAN RESOURCES

In real sense, National Polymer believes that the employees are the best resources for the organization and their motivation is a vital factor for the growth and development of the organization because of its direct impact on productivity. National Polymer focuses on the employees to optimize their creativity, performance and sustainable improvement by ensuring a safe & healthy working environment, cohesive corporate culture, proper training, reward & recognition and various employee benefit schemes.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a corporate citizen, National Polymer endeavors most to discharge its responsibility towards the society and the environment. Our social responsibility includes to our customers, employees, shareholders, business associates and the society as a whole. The Board of Directors is also aware of the community development as part of the corporate social responsibility (CSR) especially in the areas of race-religion-regional equality, non-employment of child labor, prevention of environmental pollution etc. As part of social responsibility, we extend our help to different educational institutions, local mosques and hospitals.

## CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board of Directors, keeping in view its accountability to the Shareholders and other Stakeholders. National Polymer has established the procedures to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with all applicable laws and regulations. The details regarding corporate governance is disclosed in the corporate governance statements.



### ELECTION/RE-ELECTION OF DIRECTOR(S)

**Mr. Golam Murshed**, Director and Chairperson of the Board retired this year. As per relevant clause of the Articles of Association of the Company Mr. Murshed, being eligible, has been re-elected for the next term subject to the approval by the Shareholders in the AGM. In terms of BSEC Notification dated 03 June, 2018 his brief resume, nature of his expertise and directorship in other companies is disclosed in page number 09.

### ELECTION/RE-ELECTION OF MANAGING DIRECTOR

**Mr. Riad Mahmud**, Managing Director of the Company retired this year. As per relevant clause of the Companies Act, 1994, being eligible, the Board, upon his consent, has re-elected Mr. Riad Mahmud as the Managing Director of the Company for the next 5 (five) years (From 2018-19 to 2022-23) subject to the approval by the Shareholders in the AGM. In terms of BSEC Notification dated 03 June, 2018 his brief resume, nature of his expertise and directorship in other companies is disclosed in page number 09

### APPOINTMENT OF INDEPENDENT DIRECTOR AND NOMINATED DIRECTOR

In line with the BSEC notification, the Board of Director has appointed **Mr. Raquibul Alam**, the Head of Supply Chain, Berger Paints Bangladesh Ltd. as the Independent Director for a tenure of 03 (Three) years (2018-19, 2019-20 & 2020-21) subject to the approval by the Shareholders in the AGM. In terms of condition number 1 (3) (b) (ii) of BSEC Notification dated 03 June, 2018 the qualification of Mr. Raquibul Alam has been disclosed in page number 10. The Board has also appointed **Mr. Nuruzzaman Khan** as the Nominated Director, Nominated by Investment Corporation of Bangladesh (ICB) which will also be placed for approval by the Shareholders in the AGM. His brief resume is stated in page number 10.

### APPOINTMENT OF EXTERNAL AUDITORS

Company's External Auditors **Mahfel Huq & Co., Chartered Accountants** has carried out the audit of the financial statements of the Company for the financial year 2017-2018 and retired this year. Being eligible, Mahfel Huq & Co. expressed their willingness for re-appointment for the next financial year 2018-2019. After discussion, the Board has decided to re-appoint Mahfel Huq & Co., Chartered Accountants as the Statutory Auditors of the Company for the next financial year 2018-2019 and their remuneration has been revised from Tk. 90,000/- (Taka Ninety Thousand) to **Tk. 95,000/-** (Taka Ninety Five Thousand) subject to the approval by the Shareholders in the AGM.

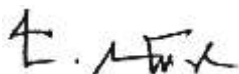
### APPOINTMENT OF CORPORATE GOVERNANCE AUDITORS

In terms of condition number 9 (2) of BSEC Notification dated 03 June, 2018 the Board has appointed **M/s Shafiq Mizan Rahman & Augustine, Chartered Accountants** as the Corporate Governance Auditors for the year 2018-2019 and their remuneration has been fixed at Tk. 20,000/- (Taka Twenty Thousand) only subject to the approval by the Shareholders in the AGM.

### APPRECIATION

The Board would like to express sincere thanks and appreciation to the Honorable Shareholders, Valued Customers, BSEC, DSE, CSE, RJSC, NBR, Bankers, NBFIs and Insurance Companies for their support, Co-operation and guidance in our business endeavor. In this occasion, the Board also expresses the heartiest thanks to all the employees and management team whose perseverance, professionalism and hard works contribute a lot in achieving Company's objectives and to maintain Company's strong competitive position.

For and on behalf of the Board of Directors



(Golam Murshed)  
Chairperson of the Board



## MANAGEMENT'S DISCUSSION AND ANALYSIS

National Polymer Industries Ltd. was established with the vision of becoming the market leader with its products leadership, excellent value, superior quality and services & solutions. Taking into account of these, the Management of the Company headed by the Managing Director undertakes the strategic decision on regular basis. The Management is pleased to present you a short review on the overall operational and financial performance of the Company.

### INDUSTRY ANALYSIS

The Company is actively engaged in manufacturing different sizes of uPVC, cPVC, PPR pipes & Fittings, PVC sheets, doors, water tank, water tap etc. for building, construction, irrigation, sanitation and household usages. The Company distributes its manufactured products to every part of Bangladesh and also abroad competing with other local manufacturers. The production system of the company is equipped with the latest technology and the most advanced machineries from Asia and Europe and the raw materials from Japan, Malaysia, Singapore, Thailand, Taiwan and China. The factory having about 25 production lines has increased its production capacity to 32,500 MT from its initial 500 MT.

There are about 350+ small, medium and large size companies in this sector. However, NPIL falls within the large company category and has economies of scale advantage due to its large production capacity. Therefore it has cost advantage over other producers. Moreover, NPIL enjoys a strong brand name advantage, and most of its customers ask for the Company's product by name.

### FINANCIAL ANALYSIS

Despite different challenges and strong competition in the market, during the year under review the Company has maintained its profitable status in terms of business. During the FY 2017-2018 the Company has reported its revenue **BDT 2366.38 million with the growth rate of 26.77 %** comparing the previous year. As per audited financial statements for the FY 2017-2018, the comparative key financial information is given below:

Particulars	2017-2018 (Tk.)	2016-2017 (Tk.)	Changes
Revenue	2,366,380,577	1,866,687,057	26.77 %
Gross Profit	387,459,951	307,293,861	26.09 %
Profit before Tax	111,369,664	93,503,107	19.11 %
Net Profit	79,350,886	66,741,633	18.89 %
Earnings Per Share	3.24	2.72	19.12 %

### ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements of National Polymer Industries Ltd. have been prepared in accordance with the Bangladesh Accounting Standards (BAS) and other applicable rules and regulations. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

### CHANGES IN ACCOUNTING POLICIES AND ESTIMATION

There is no event resulting the changes in accounting policies and estimation, occurred during the year that might have effect on the financial performance or results and the financial position as well as cash flows.

## COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE OF PRECEDING FIVE YEARS

National Polymer Industries Ltd. has been experiencing the increasing revenue trend over the years. The comparative key financial information of preceding five (05) years is stated below:

Figures in Taka

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Turnover	2,366,380,577	1,866,687,057	1,759,312,097	1,707,971,741	1,488,285,009
Gross Profit	387,459,951	307,293,861	291,563,613	287,342,185	265,658,874
Profit Before Taxation	111,369,664	93,503,107	68,524,201	64,285,002	54,927,421
Net Profit	79,350,886	66,741,634	48,945,858	45,917,858	37,831,261
Authorized Capital	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Paid up Capital	245,174,920	204,312,440	170,260,370	144,288,450	122,278,350
Total Shares Outstanding	24,517,492	20,431,244	17,026,037	14,428,845	12,227,835
Non-current Assets	1,629,743,594	1,246,727,606	1,074,148,779	1,091,229,261	439,923,411
Current Assets	1,832,529,413	1,597,946,088	1,245,871,358	1,388,071,317	1,281,902,293
Non-current Liabilities	401,487,510	123,031,377	205,422,787	135,800,672	122,853,850
Current Liabilities	1,919,205,568	1,611,959,788	1,049,908,321	1,327,756,735	1,159,046,636
Shareholders' Equity	1,062,094,915	1,030,197,514	985,204,015	936,258,157	439,925,218
Market Price Per Share (On 30 June)	89.40	107.00	83.30	82.50	59
Earnings Per Share	3.24	3.27 (Original) 2.72 (Restated)	2.87 (Original) 2.40 (Restated)	3.18 (Original) 2.70 (Restated)	3.09 (Original) 2.62 (Restated)
NAV Per Share	43.32	50.42 (Original) 42.02 (Restated)	57.86 (Original) 48.22 (Restated)	64.89 (Original) 54.99 (Restated)	35.98 (Original) 30.49 (Restated)
NOCFPS	9.20	24.58 (Original) 20.48 (Restated)	11.72 (Original) 9.77 (Restated)	25.36 (Original) 21.49 (Restated)	12.84 (Original) 10.88 (Restated)
Dividend	22% Stock Dividend (Recommended)	20 % Stock Dividend	20 % Stock Dividend	18 % Stock Dividend	18 % Stock Dividend
Price Earnings Ratio	27.59	32.72	29.02	25.94	19.09
Current Ratio	0.95	0.99	1.19	1.05	1.11
Debt Equity Ratio	2.19	1.68	1.27	1.56	2.91

## COMPARISON OF FINANCIAL RESULTS WITH THE PEER INDUSTRY SCENARIO

National polymer Industries Ltd. is now at the driving seat competing with the peer industries in the country. It believes that considering the financial results as stated above, it is sound enough comparing with the competitors in the marker. Today the Company is on the way of consistent growth stage with its diversified superior quality products and services, efficiency of processes and profitability of business, anticipating and responding to the changing business and environmental needs, sharing knowledge and experience within and outside the organization. National Polymer also believes that it is clearly a step ahead among the competitors for its reliability to be the preferred business partner of its customers and also the suppliers for its quality products, best and timely service before, during and after the business transactions and honoring all the commitments sincerely despite different challenges. We deserve trusts of all our stakeholders—customers, shareholders, suppliers, employees, regulatory bodies and society by adopting ethical and transparent business practices, being fair and honest in all dealings and building robust governance and risk management processes. We are committed to be a role model, setting benchmarks through our quality products, skilled manpower, constant moving ahead with the competition by differentiating our products, innovating our processes, increasing our market share and nurturing talent to develop leaders within the organization.

There is no single listed company who is purely the manufacturer of PVC pipes, and hence direct financial comparison is not possible.

## FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE

Today the economy of our country is in a good shape and its growth momentum is likely to continue at a consistent, blistering rate of over 7.0 %. As per projection of the World Bank, Bangladesh's economy is expected to advance by 7.0 % and the Asian Development Bank (ADB) has forecasted that it will be 7.5 % during the current financial year which is slightly lower than our official target 7.8 %. The plastic sector contributes 1.0 % of total GDP in Bangladesh and provides direct and indirect employment of over 1.2 million people. According to the World Bank in consideration of poverty alleviation and employment generation, Bangladesh's economy remains among the 10 fastest growing economies in the developing world. In order to maintain the sustainable growth of the country, higher private investments, higher foreign direct investment (FDI), infrastructure development, economic reforms, increase of foreign remittance through export diversification etc. are very much essential.

## RISK AND CONCERN ISSUES AND MITIGATION PLAN

Risk and concerns is the integral parts of business. The Management of the Company regularly monitors, assesses and identifies the probable risks and threats to the profitability and sustainable growth of business. The risks and concerns related to the Company and mitigation plans are stated as follows:

### Industry Risk

National Polymer operates its plastic industry with the most advanced technologies and machineries since its inception which deals PVC products. There are numbers of companies exist in the market with similar products. There lies risk of entrance of new entry and competition among existing companies.

**Mitigation:** Professionals with decades of experience are managing the above risk successfully. National Polymer is always the introducer and market leader in experiencing new machineries and technologies in the industry. The Company has specific set of policies to cope with new entrance and managing competitions among existing players in the market. Moreover, NPIL has economies of scale advantage due to its large production capacity and it will be difficult for any new entrant to build up such a large capacity within few years time.

### Credit Risk

Credit risk is the risk of potential financial loss due to the non-performance of a financial contract or financial aspects of non-performance in any contract arising from the Company's accounts receivables from customers and other receivables.

**Mitigation:** Company's credit policy is in place and the exposure to credit risk is monitored by taking into consideration of all aspects of such risk. NPIL has credit evaluation policy and standard business cycle processes, and a large portion of its goods are delivered on COD basis. Therefore, credit risk is minimal and well managed.

### Liquidity Risk

Liquidity risk is a firm's possible inability to meet its short-term debt obligations, thereby incurring exceptionally large losses.

**Mitigation:** The Management of the company ensures that it has sufficient cash and cash equivalents to meet the expected operational expenses, including financial obligations through preparation of the cash flow forecast based on timeline of payment of the financial obligation and accordingly arrange for sufficient liquidity to make the expected payment within due date. Moreover, the Company seeks to maintain short term credit lines with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment.

## Market Risk

Market risk refers to the adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the products or services which would harm the performance of the Company.

**Mitigation:** National Polymer has strong brand equity in the market. Moreover, for a growing economy like Bangladesh, there would always be demand for PVC products. Our R&D team always works to introduce new products in the product lines. As proof, the Company has been posting healthy revenue growth for the past few years consistently.

## Exchange Rate Risk

National Polymer is involved in importing different raw materials from the abroad against payment of international currencies (USD & Euro). Fluctuations in foreign exchange rates may affect the cost of purchase and inventories of the business, affecting the company's profitability. This may happen when Taka devalues against foreign currencies.

**Mitigation:** As the standard practice, while submitting its financial offers to the customers, NPIL makes its own judicious projection of exchange rates, depending on the timing of procurement. From the experience, NPIL has been generally accurate in such projections, and it did not suffer any exchange loss. To mitigate Forex risk for the import of its raw materials, the Company enters in Forward Contracts with its LC opening banks to mitigate Forex risk.

## Interest Rate Risk

**Interest rate risk** is the chance that an unexpected change in interest rates will negatively affect the Company. If the rate of interest on the outstanding borrowings increases, the finance cost of the company may increase, affecting its future liability.

**Mitigation:** National Polymer has legal contracts with its banks for fixing up the rate of interest on both near and mid-term borrowings. These contracts are renewed periodically after negotiation with the banks. NPIL being an excellent borrower to its bank, it also negotiates interest rates downwards if market rate falls below its contract rates. We always keep our keen eyes on interest rate trends in the market with a view to negotiating with the lenders and taking competitive advantage in time.

## Technology Related Risk

Technology always plays a vital role for the existence of any industry concern, ensuring minimizes of production cost in various aspects and better services to the customers. The production facilities of a company are based on currently available technologies.

**Mitigation:** The Company enjoys the access to the advanced technologies in its production lines. It has adopted the most advanced technologies for its production and is considered the pioneer to introduce most efficient production technologies as and when it is available in world markets. Moreover, its highly experienced and engineering team custom-orders the machines to achieve the most efficient production output.

## Employee Turnover Risk

The turnover of key managerial personnel, executives and officers may have adverse impact on business, operating results and future growth.

**Mitigation:** The Company places the priority on developing human resources. Importance is given to on-the-job, in-house and external training programs for employees to enhance their knowledge curve. The Company arranges training program for its core personnel on continuous basis to cope with the growing challenges with the changing working environment. It also offers competitive emoluments to the employees to encourage professionalism. Historically, employee turnover at NPIL has been very negligible.

## **FUTURE PLAN AND PROJECTION FOR COMPANY'S OPERATIONS**

The Management of National Polymer is running the business with the aim of making it as a sustainable growing business entity. Considering this, the Management focuses, among others, on the followings:

**Product Diversification:** Considering the growing demand for our products at home and abroad, the Management of the company has designed plans and projection to invent much more diversified innovative products using the latest machineries and technologies. It has introduced uPVC doors, sheets, and most recently water tanks and water taps. The Company will take appropriate steps as it has done historically to further diversify its product base with changing market scenarios in the future.

**Adoption of Quality Procedures:** As customer satisfaction is our top priority, we are committed to provide with the best quality products, services and solutions to our valued customers. The aim of our quality policy is to continuously improve the quality standards and procedures to reinforce the integrity of our operational procedures through the adherence to **ISO 9001:2015 & 14001:2015 and BSTI Standards.**

**Human Resources Development:** In real sense, the Management of National Polymer believes that the employees are the best resources for the organization and their motivation is a vital factor for the growth and development of the organization because of its direct impact on productivity. National Polymer focuses on employees to optimize their creativity, performance and sustainable improvement by ensuring a safe and healthy working environment, cohesive corporate culture, proper training, reward & recognition and various employee benefit scheme. It regularly conducts in-house training to its sales force and new employees. Moreover, it regularly sends its employees for specialized trainings in the areas of Finance, Accounting, Taxation, IT & MIS to outside institutions both at home and sometimes abroad.

**Information Technology:** As modern production system and quality customer service and solutions are our top priority, the Management has automated up-to-date IT support system within the business. The Management is endeavoring to upgrade and adopt new technology in production, quality control, distribution, administration and other sectors. The Company is proceeding towards having a paperless environment both for environmental and efficiency purposes.

**Good Corporate Governance:** Sound corporate governance is the fundamental to Company's long term success. The Management of the company is firmly committed to upholding the principles of sound corporate governance through a culture of accountability and transparency. The Management of the company believes in the continued improvement of corporate governance within the business. It fully complies with all regulatory bodies, including but not limited to BSEC, DSE, CSE etc. to ensure their corporate governance guidelines.

For and on behalf of the Management



(Riad Mahmud)  
Managing Director



## **REPORT OF THE AUDIT COMMITTEE**

### **For the year ended 30 June, 2018**

In line with the best practices of Corporate Governance, the Board of Directors of National Polymer Industries Ltd. formed/established the Audit Committee as per Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 which is repealed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018.

#### **COMPOSITION OF THE AUDIT COMMITTEE**

The present Members of the Audit Committee are as follows:

<b>Sl. No.</b>	<b>Name of Audit Committee Members</b>	<b>Position</b>
1	Mr. Jamal Uddin Ahmed Chowdhury Independent Director	Chairperson
2	Mr. Nuruzzaman Khan ICB Nominated Director (Joined the Board on 28 May, 2018)	Member
3	Mr. Mustafizur Rahman Shazid Independent Director	Member

The Chief Financial Officer (CFO) and the Head of Internal Audit & Compliance also attend the Audit Committee meeting by invitation. The Company Secretary acts as the Secretary of the Audit Committee.

#### **MEETING AND ATTENDANCE OF THE AUDIT COMMITTEE**

During the financial year 2017-2018, the Committee held four meetings. The proceedings of the Audit Committee Meetings were reported regularly to the Board of Directors. The details of the Audit Committee Meetings have been shown below:

<b>Name of Members</b>	<b>No. of Meetings Held</b>	<b>No. of Meetings Attended</b>
Mr. Jamal Uddin Ahmed Chowdhury Independent Director and Chairperson of the Audit Committee	4	4
Mr. Md. Rafiqul Islam ICB Nominated Director and Member of the Audit Committee (Resigned from the Board on 28 May, 2018)	4	4
Mr. Golam Murshed Chairperson of the Board and Member of the Audit Committee (As per recent Corporate Governance Code, he is not the present member of the Audit Committee)	4	4

#### **ROLE OF THE AUDIT COMMITTEE**

The Audit Committee acts as the sub-committee of the Board. The Committee supports the Board in fulfilling its responsibilities more efficiently. The Committee reports to the Board of Directors on its activities assigned. The role of the Audit Committee includes:



- Oversee the financial reporting process;
- Monitor choice of accounting policies and principles;
- Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- Oversee hiring and performance of external auditors;
- Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- Review along with the management, the annual financial statements before submission to the Board for approval;
- Review along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval;
- Review the adequacy of internal audit function;
- Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- Review statement of all related party transactions submitted by the management;
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
- Oversee the determination of audit fees based on scope and magnitude. Level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and
- Oversee whether the proceeds raised through Initial Public Offerings (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.

## **ACTIVITIES CARRIED OUT BY THE AUDIT COMMITTEE DURING THE YEAR**

The Audit Committee acted as per guidelines mentioned in the charter of the Committee. The Committee carried out the following activities during the financial year ended on June 30, 2018:

### **REGULATORY COMPLIANCE**

The Audit Committee examined whether the Company's procedures are in place to ensure the compliances with all applicable laws and regulations imposed by the Regulatory Authorities.

### **APPRAISAL OF FINANCIAL REPORTING PROCESS**

The Audit Committee reviewed the integrity of the process by which financial statements are prepared from the books of accounts and the process by which the provisions of accounting standards as applicable in Bangladesh, are duly complied.

### **REVIEW THE QUARTERLY FINANCIAL STATEMENTS**

The Audit Committee along with the Management reviewed the Quarterly and Half-yearly Financial Statements of the Company prior submission to the Board for approval.

### **REVIEW THE ANNUAL FINANCIAL STATEMENTS**

The Audit Committee along with the Management reviewed the Annual Financial Statements of the Company for the year ended on June 30, 2018 prepared by the Management and Audited by M/s. Mahfel Haque and Co., Chartered Accountants and recommended to place the same before the Board for consideration and approval.

## REVIEW INTERNAL CONTROL SYSTEM

The Committee examined that the Company's internal control system is sound in design which gives reasonable assurance that the Company's resources are safeguarded and the financial position of the Company is well managed. The Committee assisted the Board of Directors by reviewing adequacy and effectiveness of the internal control systems and procedures in order to provide reasonable assurance that all transactions are accurately and completely recorded in the books of accounts.

## REVIEW INTERNAL AUDIT PROCESSES

Company's Internal Audit Team conducts audit to evaluate appropriateness of internal control. The findings and subsequent follow up with remedial status are reported to the Audit Committee. The Audit Committee reviewed internal audit and compliance processes to ensure that it is adequately resourced. The Committee reviewed the Internal Audit and Compliance Reports and reported to the Board accordingly.

## REVIEW EXTERNAL AUDITORS FUNCTIONS

The Audit Committee met with the External Auditors to exchange their views on the Audited Financial Statements. The Committee reviewed the findings and recommendations made by the External Auditors. The Committee also reviewed the performance of the External Auditors and recommended to the Board on their appointment/re-appointment and their remuneration.

## REVIEW THE MANAGEMENT'S DISCUSSION AND ANALYSIS

The Audit Committee reviewed the Management's Discussion and Analysis prepared in line with the BSEC Notification dated 03 June, 2018 and recommended to disclose the same in the Annual Report.

## ACKNOWLEDGEMENT

The Audit Committee expressed its heartiest thanks to the Board of Directors, Management team and External and Internal Auditors for their support and cooperation in carrying out its duties and responsibilities effectively.

For and on behalf of the Audit Committee



(Jamal Uddin Ahmed Chowdhury)  
Chairperson

## STATEMENT OF CORPORATE GOVERNANCE

Corporate governance is the system of rules, practices and processes by which a company is governed and controlled. Corporate governance essentially involves in balancing the interests of a company's stakeholders, such as management, shareholders, customers, suppliers, financiers, government and the community. Sound corporate governance is the fundamental to Company's long term success. National Polymer Industries Ltd. is firmly committed to upholding the principles of sound corporate governance through the culture of accountability and transparency. National Polymer believes in continued improvement of corporate governance.

### BOARD OF DIRECTORS

In line with the concept of good corporate governance practice, the Board of Directors is responsible for managing the company and overseeing its general business activities. Its actions and decisions are made in the best interests of the company, which includes the interests of shareholders, employees, customers and other stakeholders. Its aim is to create the lasting value for its stakeholders. The Board of Directors reviews business performance in each meeting and approves periodical and annual financial statements. Board approves annual plan, capital expenditure for the year and passes resolution at the meetings held on regular basis. At present the Board of Directors of National Polymer Industries Ltd. comprises of the following members:

SI No.	Name of Directors	Position
1	Mr. Golam Murshed	Chairperson of the Board
2	Mr. Riad Mahmud	Managing Director
3	Mr. Nuruzzaman Khan (Joined the Board on 28/05/2018 )	Nominated Director (Nominated by ICB)
4	Mr. Mustafizur Rahman Shazid	Independent Director
5	Mr. Jamal Uddin Ahmed Chowdhury	Independent Director
6	Mr. Raquibul Alam (Joined the Board on 27/10/2018)	Independent Director

### BOARD MEETING

The Company conducts its Board Meetings and records the minutes of the meetings as well as keeps required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards as adopted by the Institute of Chartered Secretaries of Bangladesh. The Board of National Polymer Industries Ltd. met 07 times during the year 2017-2018. In the Board Meeting, the actions and decision are geared towards the best interests of the Company taking into account of the concern of shareholders, employees, customers and other stakeholders. Number of Board Meetings and attendance of the Directors is stated in the annual report.

### INDEPENDENT DIRECTOR(S)

In line with the BSEC Notification, the Board of Directors has appointed Independent Directors and such appointment/re-appointment has been approved by the Shareholders in the Annual General Meeting (AGM). In selecting Independent Directors, the Company always looks for individuals who possess required experience, strong inter personal skill and independence. Independent Director is considered by the Board to be independent of the Company and free from any business of other relationship that could interfere with the exercise of their independence judgment. The Board believes that their experience and knowledge assist in providing with both effective and constructive contribution to the Board.

### DUALITY OF CHAIRPERSON OF THE BOARD AND MANAGING DIRECTOR

The position of the Chairperson of the Board and the Managing Director are held by two different persons. The roles and responsibilities of the Chairperson and the Managing Director are defined clearly. The Chairperson is responsible for leading the Board and its effectiveness. The Managing Director performs as the Chief Executive of the Company.

## AUDIT COMMITTEE

In line of the BSEC notification, National Polymer has constituted the Audit Committee as a sub-committee of the Board of Directors. This Audit Committee is responsible to the Board and its duties and responsibilities are clearly set forth in writing. This committee assists the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring the good governance and monitoring system within the business. Now the Audit Committee of National Polymer Industries Limited comprises of the following members:

SI No.	Name of Members	Position
01	Mr. Jamal Uddin Ahmed Chowdhury Independent Director	Chairperson
02	Mr. Mustafizur Rahman Shazid Independent Director	Member
03	Mr. Nuruzzaman Khan Nominated Director, Nominated by ICB (Joined the Board on 28/05/2018)	Member

## AUDIT COMMITTEE MEETING

During the financial year 2017-2018 the Audit Committee held 04 (four) meetings. The Chief Financial Officer (CFO) and the Head of Internal Audit & Compliance attended the meetings on invitation. The Company Secretary acts as the Secretary of the Committee. The meetings of the Audit Committee and attendance by the Committee Members is stated in the annual report.

## NOMINATION AND REMUNERATION COMMITTEE (NRC)

In compliance with the BSEC notification dated June 03, 2018, the Board of Directors of National Polymer has constituted the Nomination and Remuneration Committee (NRC) in its meeting held on October 27, 2018. The composition of Nomination and Remuneration Committee (NRC) is as follows:

SI No.	Name of Members	Position
01	Mr. Raquibul Alam Independent Director	Chairperson
02	Mr. Golam Murshed Chairperson of the Board	Member
03	Mr. Nuruzzaman Khan Nominated Director, Nominated by ICB	Member

## MANAGING DIRECTOR OR CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, HEAD OF INTERNAL AUDIT & COMPLIANCE AND COMPANY SECRETARY

As per Corporate Governance Code issued by BSEC, the Company has appointed the Managing Director or Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit & Compliance and the Company Secretary who perform their respective roles and responsibilities.

## MANAGEMENT COMMITTEE

The Management Committee headed by the Managing Director is a team of highly qualified professionals consisting of Managing Director, Executive Directors, General Managers and other Senior Officials in the hierarchy of management. The day-to-day management of the Company is entrusted to the Management Committee. The Management Committee serves for the interest of the Company to achieve Company's objectives. The members of the Management Committee are jointly accountable for the entire management of the Company and decide on the basic issues of business policies and corporate strategies.

## PURCHASE COMMITTEE

The Company has a purchase committee consisting a group of experienced executives, headed by a senior executive. Among others, the followings are the main responsibilities of the Purchase Committee:

- To evaluate the purchase proposal and find out the effectiveness of each proposal.
- To prepare a report on the basis of evaluation on the purchase proposal with recommendation and send to concerned department for obtaining approval from the competent authority.
- To supervise the entire procurement activities.

## **INTERNAL AUDIT AND CONTROL**

National Polymer Industries Limited established the Internal Audit Department consisting of professionals and knowledgeable employees. Internal Audit department regularly conducts audit based on the yearly Audit Plan and checks, verifies and reviews the compliance of internal control procedures and other regulatory requirements. The Company has implemented a sound internal control system. The internal control system is regularly reviewed by the Audit Committee and also by the Board of Directors on the status of internal control.

## **ACCOUNTING AND EXTERNAL AUDIT**

The Company prepares its annual financial statements and interim financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). The annual and periodical financial statements are prepared by the management and reviewed by the Audit Committee. The annual financial statements are audited by the Statutory Auditors of the Company in accordance with Bangladesh Audit Standard as promulgated by the ICAB. The Audit Committee updates to the Board on annual and periodical financial statement prior to the approval and publication.

## **RISK MANAGEMENT**

National Polymer Industries Ltd. has risk management systems in place. The Management of the company has made risk management on business and risk mitigation plan to eliminate such risks. The Audit Committee supports the Board in monitoring the risk management issues. The details of risk management issues are discussed in the Management's Discussion and Analysis.

## **FINANCIAL REPORTING AND TRANSPARENCY**

Financial Statements of the Company have been prepared in line with the International Accounting Standards, Bangladesh Accounting Standards and other legislations as applicable in Bangladesh. The financial statements prepared by the Management present fairly its state of affairs, the result of its operations, cash flows and changes in equity. Proper books of account have been maintained. Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

## **COMPLIANCE WITH APPLICABLE RULES AND REGULATIONS**

National Polymer has established procedures to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

## **CODE OF CONDUCT**

National Polymer Industries Ltd. has adopted Codes of Conduct for securing good business ethics and conduct in all aspects of the Company's activities. The Code of Conduct is properly communicated to and with all employees and is strictly required to abide by all.

## **WEBSITE OF THE COMPANY**

The Company has an official website linked with the website of the Stock Exchanges. As per listing regulations of the Stock Exchanges detailed disclosures are available in the website of the Company.

## **CERTIFICATION ON THE COMPLIANCE OF CORPORATE GOVERNANCE CODE OF BSEC**

In terms of the BSEC Notification dated June 03, 2018, the Board of Directors of National Polymer has appointed a Corporate Governance Auditor in its meeting held on October 27, 2018 subject to the approval by the Shareholders in the AGM. As per condition no. 9 (1) and (3) of the said Notification, a certificate regarding compliance of the conditions of Corporate Governance Code and the status of compliance with the Conditions are attached in the annual report.

## BOARD MEETING AND AUDIT COMMITTEE MEETING

### BOARD MEETING AND ATTENDANCE

The number of Board Meetings and the attendance by the Directors during the financial year 2017-2018 is as follows:

SI No.	Name of Directors	Position	No. of Meetings Held	No. of Meetings Attended
1	Mr. Golam Murshed	Chairperson of the Board	7	7
2	Mr. Riad Mahmud	Managing Director	7	7
3	Mr. Md. Rafiqul Islam (Resigned from the Board on 28/05/2018)	Nominated Director (Nominated by ICB)	7	5
4	Mr. Mustafizur Rahman Shazid	Independent Director	7	5
5	Mr. Jamal Uddin Ahmed Chowdhury	Independent Director	7	6
6	Mr. Nuruzzaman Khan (Joined the Board on 28/05/2018)	Nominated Director (Nominated by ICB)	7	2

### AUDIT COMMITTEE MEETING AND ATTENDANCE

The number of Audit Committee Meetings and the attendance by the Members during the financial year 2017-2018 is as follows:

SI No.	Name of Members	Position	No. of Meetings Held	No. of Meetings Attended
1	Mr. Jamal Uddin Ahmed Chowdhury Independent Director	Chairperson of the Audit Committee	4	4
2	Mr. Md. Rafiqul Islam ICB Nominated Director	Member of the Audit Committee (Resigned from the Board on 28 May, 2018)	4	4
3	Mr. Golam Murshed Chairperson of the Board	Member of the Audit Committee (As per recent Corporate Governance Code, he is not the present member of the Audit Committee)	4	4



## PATTERN OF SHAREHOLDING AS ON 30 JUNE, 2018

a) Parent or Subsidiary or Associated Companies and other related parties: N/A

b) Directors & Sponsors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:

Sl No.	Name	Position	Shareholding	Percentage (%)
01	Mr. Golam Murshed	Sponsor Director (Chairperson of the Board)	18,41,858	7.51
02	Mr. Riad Mahmud	Sponsor Director (Managing Director/Chief Executive Officer)	9,63,620	3.93
03	Late Shamsul Abedin Akhand & Mrs. Khaleda Akhand (Joint Account)	Sponsor	21,71,199	8.86
04	Mr. Nuruzzaman Khan	Nominated Director (Nominated by ICB)	85,34,678	34.81
05	Mr. Mustafizur Rahman Shazid	Independent Director	-	-
06	Mr. Jamal Uddin Ahmed Chowdhury	Independent Director	-	-
07	Mr. Raquibul Alam (Joined the Board on October 27, 2018)	Independent Director	-	-
08	Mr. Rohel Mahmud	Sponsor	4,87,909	1.99
09	Mrs. Razia Sultana	Sponsor	1,02,151	0.42
10	Mrs. Khaleda Akhand	Sponsor	6,094	0.025
11	Mr. Md. Omar Faruk Ripon FCA	Chief Financial Officer	-	-
12	Mr. Md. Abdul Maleque	Company Secretary	-	-
13	Mr. Mithun Kanti Das	Head of Internal Audit and Compliance	-	-
14	Their spouse and minor children	-	-	-

c) Executives (Top five salaried employees of the company, other than the Directors, CEO, CS, CFO and HIAC): Nil

d) Shareholders holding ten percent (10 %) or more voting interest in the Company:

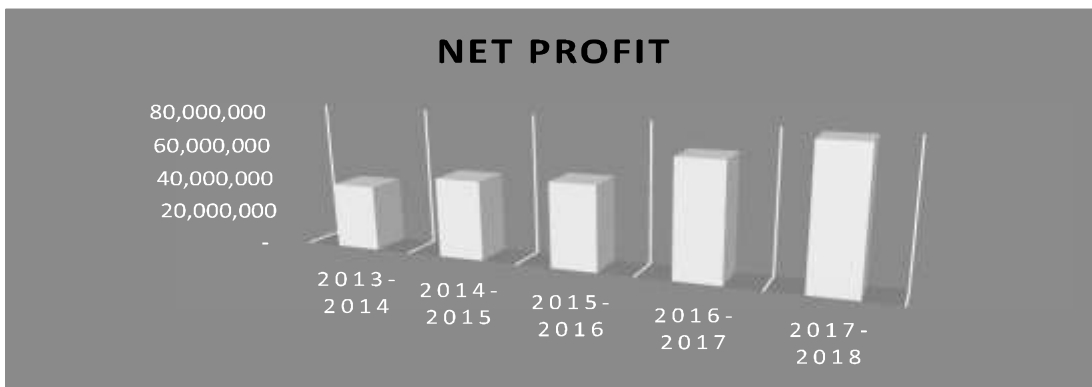
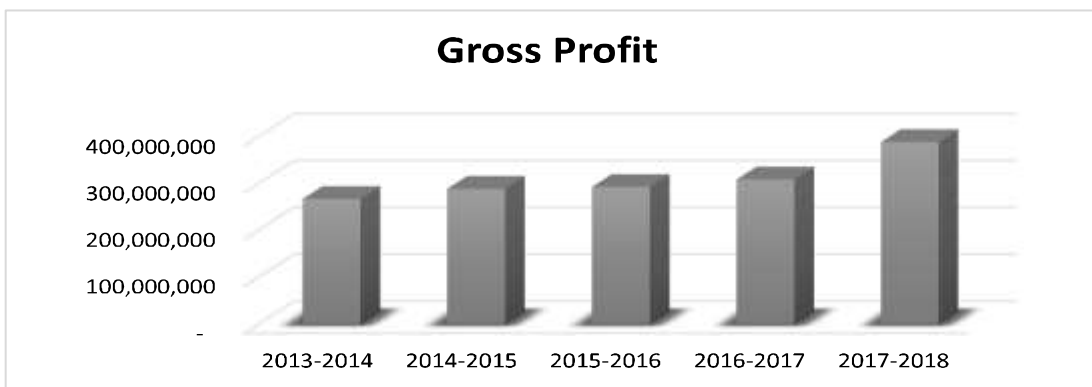
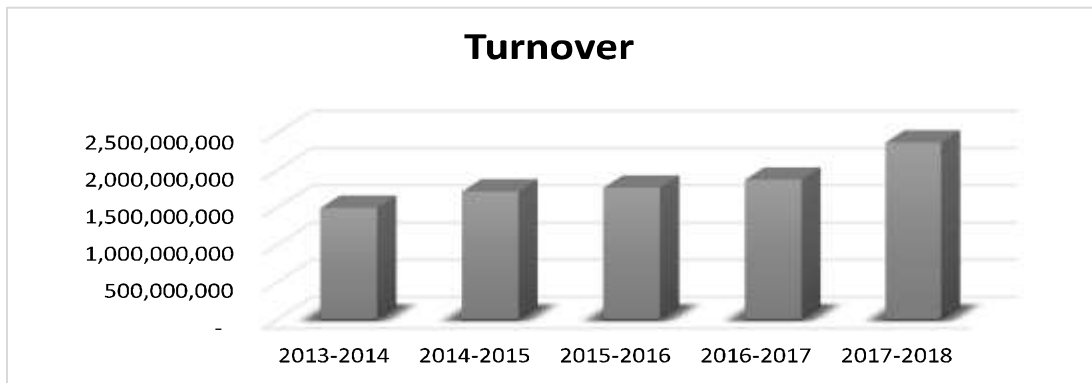
Sl No.	Name	Shareholding	Percentage (%)
01	Mr. Nuruzzaman Khan, Nominated Director Nominated by ICB	85,34,678	34.81

## KEY OPERATING AND FINANCIAL DATE OF PRECEDING 5 (FIVE) YEARS

Figures in Taka

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Turnover	2,366,380,577	1,866,687,057	1,759,312,097	1,707,971,741	1,488,285,009
Gross Profit	387,459,951	307,293,861	291,563,613	287,342,185	265,658,874
Profit Before Taxation	111,369,664	93,503,107	68,524,201	64,285,002	54,927,421
Net Profit	79,350,886	66,741,634	48,945,858	45,917,858	37,831,261
Authorized Capital	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Paid up Capital	245,174,920	204,312,440	170,260,370	144,288,450	122,278,350
Total Shares Outstanding	24,517,492	20,431,244	17,026,037	14,428,845	12,227,835
Non-current Assets	1,629,743,594	1,246,727,606	1,074,148,779	1,091,229,261	439,923,411
Current Assets	1,832,529,413	1,597,946,088	1,245,871,358	1,388,071,317	1,281,902,293
Non-current Liabilities	401,487,510	123,031,377	205,422,787	135,800,672	122,853,850
Current Liabilities	1,919,205,568	1,611,959,788	1,049,908,321	1,327,756,735	1,159,046,636
Shareholders' Equity	1,062,094,915	1,030,197,514	985,204,015	936,258,157	439,925,218
Market Price Per Share (On 30 June)	89.40	107.00	83.30	82.50	59
Earnings Per Share	3.24	3.27 (Original) 2.72 (Restated)	2.87 (Original) 2.40 (Restated)	3.18 (Original) 2.70 (Restated)	3.09 (Original) 2.62 (Restated)
NAV Per Share	43.32	50.42 (Original) 42.02 (Restated)	57.86 (Original) 48.22 (Restated)	64.89 (Original) 54.99 (Restated)	35.98 (Original) 30.49 (Restated)
NOCFPS	9.20	24.58 (Original) 20.48 (Restated)	11.72 (Original) 9.77 (Restated)	25.36 (Original) 21.49 (Restated)	12.84 (Original) 10.88 (Restated)
Dividend	22% Stock Dividend (Recommended)	20 % Stock Dividend	20 % Stock Dividend	18 % Stock Dividend	18 % Stock Dividend
Price Earnings Ratio	27.59	32.72	29.02	25.94	19.09
Current Ratio	0.95	0.99	1.19	1.05	1.11
Debt Equity Ratio	2.19	1.68	1.27	1.56	2.91

## FINANCIAL HIGHLIGHTS (GRAPHICAL PRESENTATION)



## DECLARATION BY THE CEO AND THE CFO TO THE BOARD

November 15, 2018

The Board of Directors  
National Polymer Industries Limited  
Uday Tower (2<sup>nd</sup> Floor)  
57-57/A, Gulshan Avenue, Gulshan-1  
Dhaka-1212

**Subject: Declaration on Financial Statements for the year ended on 30 June 2018.**

**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 National Polymer Industries Limited for the year ended on 30 June 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from have 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, 2018 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,**



**[Riad Mahmud]**  
Managing Director  
National Polymer Industries Ltd.



**[Md. Omar Faruk Ripon FCA]**  
Chief Financial Officer (CFO)  
National Polymer Industries Ltd.

# CERTIFICATE ON CORPORATE GOVERNANCE CODE



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

PARTNERS :

**MD. ABDUR RAHMAN, FCA**  
**ABM HUSSAIN AHMED, FCA**  
**A.K.M. MIZANUR RAHMAN, FCA**  
**AUGUSTINE DIPAK KARMAKAR, FCA**

137/D/1, JAHANARA GARDEN, FLAT NO. 3/A (2<sup>ND</sup> FLOOR)  
GREEN ROAD, DHAKA-1205.  
TEL : 9134631, 9134634  
CELL : 01711 521279, 01552 375810, 01728 094818  
01755 799775, 01717 034157  
FAX : 880-2-9354341, 880-02-9656006  
E-MAIL : memim55@yahoo.com, augdp@yahoo.com  
a.rahman220@gmail.com, ahmed.hussain78661@gmail.com

Ref :

Date : 12 NOV 2018

## CERTIFICATE ON CORPORATE GOVERNANCE CODE

Report to the Shareholders of NATIONAL POLYMER INDUSTRIES LIMITED on compliance on the Corporate Governance Code.

We have examined the compliances status to the Corporate Governance Code by National Polymer Industries Limited for the year ended on 30 June 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/ADMIN/80 dated 03 June 2018 of the Bangladesh Securities & 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:

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

A.K.M. Mizanur Rahman, FCA  
Managing Partner  
**SHAFIQ MIZAN RAHMAN & AUGUSTINE**  
CHARTERED ACCOUNTANTS



Branch Office : Eastern Commercial Complex, Suite # 1205 (12th Floor) 73 Kakrail, Dhaka-1000.  
Tel : 9354649, Fax : 9354341, E-mail : mizan6005@yahoo.com



# CERTIFICATE OF BAPLC

## BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2018/181

Date of issue : April 9, 2018



### Renewed Certificate

*This is to certify that*

NATIONAL POLYMER INDUSTRIES LIMITED

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.*

*This certificate remains current until 31<sup>st</sup> December 2018.*



  
Secretary-General  
(Acting)

## CORPORATE GOVERNANCE COMPLIANCE STATUS

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

Condition No.	Title	Compliance Status (Put $\checkmark$ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(1)	Size of the Board of Directors [The total number of members of Board of Directors shall not be less than 5 (five) and more than 20 (twenty)].	$\checkmark$		
1(2) (a)	At least 1/5 of the total number of Directors shall be Independent Directors	$\checkmark$		
1(2)(b)(i)	Independent Director does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	$\checkmark$		
1(2)(b)(ii)	He/she is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company.	$\checkmark$		
1(2)(b)(iii)	He/she has not been an executive of the company in immediately preceding 2 (two) financial years.	$\checkmark$		
1(2)(b)(iv)	He/she does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies.	$\checkmark$		
1(2)(b)(v)	He/she is not a member or TREC holder, director or officer of any stock exchange.	$\checkmark$		
1(2)(b)(vi)	He/she is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	$\checkmark$		
1(2)(b)(vii)	He/she is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	$\checkmark$		
1(2)(b)(viii)	He/she is not independent director in more than 5 (five) listed companies.	$\checkmark$		
1(2)(b)(ix)	He/she has 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).	$\checkmark$		
1(2)(b)(x)	He/she has not been convicted for a criminal offence involving moral turpitude.	$\checkmark$		
1(2)(c)	The Independent Director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM).	$\checkmark$		
1(2)(d)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	$\checkmark$		
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 03 years, which may be extended for 1 (one) tenure only.	$\checkmark$		
	<b>Qualification of Independent Director:</b>			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory	$\checkmark$		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	requirements and corporate laws and can make meaningful contribution to the business.			
1(3)(b)(i)	Independent Director shall be a business leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	He or she shall be a corporate leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	He or she shall be a former official of government or statutory or autonomous or regulatory body in the position not below 5 <sup>th</sup> Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or			N/A
1(3)(b)(iv)	He or she shall be a University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1(3)(b)(v)	He or she shall be a professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Account or Chartered Management Accountant or Chartered Secretary or equivalent qualification.			N/A
1(3)(c)	The Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the Commission.			N/A
	<b>Duality of Chairperson of the Board and Managing Director or CEO:</b>			
1(4)(a)	The position of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company.	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company.	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer.	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	minutes.			
	<b>The Directors' report to shareholders:</b>			
1(5)(i)	An Industry outlook and possible future development in the industry	√		
1(5)(ii)	The segment-wise or product-wise performance	√		
1(5)(iii)	Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable	√		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss)			N/A
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions.	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Share Offer, Direct Listing, etc.			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial Statements.			N/A
1(5)(x)	A statement of remuneration paid to the Directors including Independent Director;	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting elements are based on reasonable and prudent judgment;	√		
1(5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as an going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reason thereof shall be explained;			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (xix)	As statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A
1(5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1(5) (xxii)	The total number of Board Meetings held during the year and attendance by each director;	✓		
1(5) (xxiii)	<b>A report on the pattern of shareholding disclosing the aggregate number of shares held by:-</b>			
	(a) Parent or Subsidiary or Associated companies and other related parties (name-wise details);			N/A
	(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
	(c) Executives; and			N/A
	(d) Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5) (xxiv)	<b>In case of the appointment or r-appointment of a Director, a disclosure on the following information to the shareholders:-</b>			
	(a) a brief resume of the Director;	✓		
	(b) Nature of his/her expertise in specific functional areas; and	✓		
	(c) names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5) (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on;	✓		
	(a) accounting policies and estimation for preparation of financial statements	✓		
	(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	✓		
	(c) comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	✓		
	(d) compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
	(e) briefly explain the financial and economic scenario of the country and the globe	✓		
	(f) risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
	(g) future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	next AGM.			
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	<b>Meeting of the Board of Directors:</b> The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6 for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company.			Under process
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Under process
2	<b>Governance of the Board of Directors of Subsidiary Company:</b>			N/A
2(a)	Provision relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of the subsidiary company			N/A
2(b)	At least 1 (One) independent director on the Board of the holding company shall be a director on the board of the subsidiary company			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			N/A
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3(1)(b)	The position of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	company shall not hold any executive position in any other company at the same time			
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	The MD or CEO, CS, CFO and HIAC of the Company shall attend the meetings of the Board	✓		
3(3)(a)	The MD or CEO and the CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
	(i) these statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
	(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
3(3)(b)	The MD or CEO and the CFO shall 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 of its members.	✓		
3(3)(c)	The certification of the MD or CEO and the CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee:</b>			
	(i) Audit Committee	✓		
	(ii) Nomination and Remuneration Committee	✓		
<b>5</b>	<b>Audit Committee:</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be not-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director	✓		
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	✓		
5(2)(d)	When the term of service of any committee member expires or there is any circumstance causing any committee member to be unable to hold office before expiration of the term of service, thus making the			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	number of the committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the committee to ensure continuity of the performance of work of the Audit Committee;			
5(2)(e)	The Company Secretary shall act as the Secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of continuing a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	✓		
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓		
<b>5(5)</b>	<b>Role of the Audit Committee:</b>			
5(5)(a)	Observe the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles ;	✓		
5(5)(c)	Monitor internal audit and compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval of adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
<b>5(5)(j)</b>	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			N/A
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	and time required for effective audit and evaluate the performance of external auditors			
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offer (IPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission			N/A
<b>5(6)</b>	<b>Reporting of the Audit Committee:</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
	(a) report on conflict of interests;			N/A
	(b) suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
	(c) suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			N/A
	(d) any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			N/A
5(6)(b)	<b>Reporting to the Authorities:</b> If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier			N/A
5(7)	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>	✓		
6(1)	<b>Responsibility to the Board of Directors:</b>			
	(a) The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
	(b) The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executives	✓		
	(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)	✓		
<b>6(2)</b>	<b>Constitution of the NRC:</b>			
	(a) The Committee shall comprise of at least three members including an independent director;	✓		
	(b) All members of the committee shall be non-	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	executive directors;			
	(c) Members of the Committee shall be nominated and appointed by the Board;	✓		
	(d) The Board shall have authority to remove and appoint any member of the Committee;	✓		
	(e) In case of death, resignation, disqualification or removal of any member of the Committee or any other cases of vacancies, the Board shall fill the vacancy within 180 days of occurring such vacancy in the Committee;			N/A
	(f) The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
	(g) The Company Secretary shall act as the Secretary of the Committee;	✓		
	(h) The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
	(i) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
<b>6(3)</b>	<b>Chairperson of the NRC:</b>			
	(a) The Board shall select 1 (one) member of the NRC to be the Chairperson of the Committee, who shall be an independent director;	✓		
	(b) In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			N/A
	(c) The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	✓		
<b>6(4)</b>	<b>Meeting of the NRC:</b>			
	(a) The NRC shall conduct at least one meeting in a financial year;	✓		
	(b) The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
	(c) The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
	(d) The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
<b>6(5)</b>	<b>Role of the NRC:</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	✓		
6(5)(b)	NRC shall observe, among others, the following matters and make report with recommendation to the Board:	✓		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b) (i)	formulating the criteria for determining qualification, 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:	√		
	(a) the level and composition of remuneration is responsible and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
	(b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
	(c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.	√		
6(5)(b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		
6(5)(b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies.	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			Under process and shall be disclosed in the next annual report
<b>7</b>	<b>External or Statutory Auditors:</b>			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
	(i) appraisal or valuation services or fairness options;	√		
	(ii) financial information systems design and implementation;	√		
	(iii) book-keeping or other services related to the accounting records or financial statements;	√		
	(iv) broker-dealer services;	√		
	(v) actuarial services;	√		
	(vi) internal audit services or special audit services;	√		
	(vii) any service that the Audit Committee determines;	√		
	(viii) audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
	(ix) any other service that creates conflict of interest;	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	not hold any shares in the said company;			
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
<b>8</b>	<b>Maintaining a website by the Company-</b>			
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(s).	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance-</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			has been appointed by the Board and shall be approved by the Shareholders in the AGM
9(3)	The directors of the company shall state, in accordance with <b>the Annexure-C</b> attached, in the directors' report whether the company has complied with these conditions or not.	√		



# INDEPENDENT AUDITORS' REPORT

## To the Shareholders' of

### National Polymer Industries Limited

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **National Polymer Industries Limited** which comprise the Statement of Financial Position as at 30 June 2018 and Statement of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the period then ended 30 June 2018, and all related notes of financial statements together with a summary of significant accounting policies and other explanatory information.

#### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Securities and Exchange Rules 1987 and other Applicable Rules & Regulations. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or errors; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### AUDITOR'S RESPONSIBILITY

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

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

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

#### OPINION

In our opinion, the financial statements prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) give a true and fair view of the state of the affairs of the financial position of the **National Polymer Industries Limited** as at 30 June 2018 and of its financial performance and its cash flows for the year ended 30 June 2018 and comply with the requirements of the Companies Act 1994, The Securities and Exchanges Rules 1987 and other applicable laws and regulations.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT  
WE FURTHER REPORT THAT:**

- (a) our examination and checking of records, relevant books of accounts, registers, schedule and financial statements were sufficient to enable us to form an informed and assessed opinion on the authenticity and accuracy of the financial statements
- (b) 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;
- (c) 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 those books;
- (d) the company's statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of accounts; and
- (e) the expenditures incurred and payment made were for the purposes of the company's business for the period.



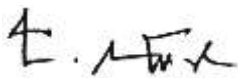
**Mahfel Huq & Co.  
Chartered Accountants**

Place: Dhaka,  
Dated: October 27, 2018

**National Polymer Industries Limited**  
**Statement of Financial Position**  
As at 30 June 2018

Particulars	Notes	30-06-2018	30-06-2017
		Taka	Taka
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant & Equipment - Carrying Value	4	1,435,347,205	1,033,564,673
Investment	5	106,700,000	100,000,000
Capital Work in Progress (CWIP)	6	87,696,389	113,162,933
		<u>1,629,743,594</u>	<u>1,246,727,606</u>
<b>Current Assets</b>			
Inventories	7	837,361,404	793,869,218
Accounts Receivables	8	321,303,127	236,667,364
Advance, Deposit & Prepayments	9	184,672,078	149,477,383
Advance Income Tax	10	279,650,597	246,626,020
Cash & Cash Equivalents	11	209,542,207	171,306,103
		<u>1,832,529,413</u>	<u>1,597,946,088</u>
<b>TOTAL ASSETS</b>		<b><u>3,462,273,008</u></b>	<b><u>2,844,673,693</u></b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Capital &amp; Reserves</b>			
Share Capital	12	245,174,920	204,312,440
Share Premium	13	134,000,000	134,000,000
Revaluation Reserve	14	496,260,922	496,260,922
General Reserve	15	186,659,073	195,624,151
		<u>1,062,094,915</u>	<u>1,030,197,514</u>
<b>Non-Current Liabilities</b>			
Long Term Loan Non-current Maturity	16	401,487,510	123,031,377
<b>Deferred Tax Liability</b>			
	17	79,485,014	79,485,014
<b>Current Liabilities</b>			
Short Term Loan	18	1,683,290,180	1,447,690,594
Long Term Loan-current Maturity	16	160,329,658	80,566,626
Accounts Payable	19	21,320,479	25,159,702
Provision for Tax	20	48,536,613	53,707,557
Creditors for Expenses & Accruals	21	5,728,637	4,835,309
		<u>1,919,205,568</u>	<u>1,611,959,788</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b><u>3,462,273,008</u></b>	<b><u>2,844,673,693</u></b>
<b>Net Asset Value (NAV) Per Share- Restated</b>	29	<b><u>43.32</u></b>	<b><u>42.02</u></b>

The annexed notes from an integral part of these Financial Statements



Chairman



Managing Director



Company Secretary

Signed as per our annexed report of even date

Dhaka,  
Dated: October 27, 2018

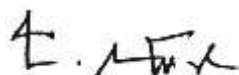


**Mahfel Huq & Co.**  
Chartered Accountants

**National Polymer Industries Limited**  
**Statement of Profit or Loss and Others Comprehensive Income**  
For the year ended 30 June 2018

Particulars	Notes	2017-2018	2016-2017
		Taka	Taka
<b>Revenue</b>	22	2,366,380,577	1,866,687,057
Cost of Goods Sold	23	(1,978,920,627)	(1,559,393,196)
<b>Gross Profit</b>		387,459,951	307,293,861
Administrative and Selling Expenses	24	(166,895,524)	(126,164,512)
<b>Profit from Operations</b>		220,564,427	181,129,349
Other Income	25	8,139,272	2,041,000
Financial Expenses	26	(117,334,035)	(89,667,243)
<b>Profit before Taxation</b>		111,369,664	93,503,107
WPPF and Welfare Fund	27	(5,568,483)	(4,675,155)
Provision for Income Tax	28	(26,450,295)	(22,086,318)
<b>Net Profit for the year</b>		<b>79,350,886</b>	<b>66,741,633</b>
<b>Other Comprehensive Income/ (Loss):</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>79,350,886</b>	<b>66,741,633</b>
<b>Basic Earnings Per Share (EPS) in Taka- Restated</b>	29	<b>3.24</b>	<b>2.72</b>

The annexed notes from an integral part of these Financial Statements



Chairman




Managing Director



Company Secretary

Signed as per our annexed report of even date

Dhaka,  
Dated: October 27, 2018



**Mahfel Huq & Co.**  
Chartered Accountants

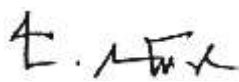
**National Polymer Industries Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2018

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	General Reserve	Total
Balance as at 1 July 2017	204,312,440	134,000,000	496,260,922	195,624,151	1,030,197,513
Payment of Stock Dividend (16-17 FY, Note -12)	40,862,480	-	-	(40,862,480)	-
Tax Adjustment against Assessment (14-15 FY and 15-16 FY, Note -15)	-	-	-	(47,453,484)	(47,453,484)
Profit Earned during the year	-	-	-	79,350,886	79,350,886
<b>Total</b>	<b>245,174,920</b>	<b>134,000,000</b>	<b>496,260,922</b>	<b>186,659,073</b>	<b>1,062,094,915</b>

**National Polymer Industries Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2017

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	General Reserve	Total
Balance as at 1 July 2016	170,260,370	134,000,000	496,260,922	184,682,723	985,204,015
Payment of Stock Dividend	34,052,070	-	-	(34,052,070)	-
VAT, VDS and Interest Paid for the periods of July 11 to June 14	-	-	-	(6,415,511)	(6,415,511)
Tax Adjustment against Assessment (10-11 FY to 13-14 FY)	-	-	-	(15,332,624)	(15,332,624)
Profit Earned during the year	-	-	-	66,741,633	66,741,633
<b>Total</b>	<b>204,312,440</b>	<b>134,000,000</b>	<b>496,260,922</b>	<b>195,624,151</b>	<b>1,030,197,513</b>

The annexed notes from an integral part of these Financial Statements

  
Chairman

  
Managing Director

  
Company Secretary

Signed as per our annexed report of even date

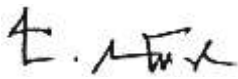
Dhaka,  
Dated: October 27, 2018

  
**Mahfel Huq & Co.**  
Chartered Accountants

**National Polymer Industries Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2018

Particulars	Notes	2017-2018	2016-2017
		Taka	Taka
<b>Cash Flows from Operating Activities</b>			
Collection from Sales and Others		2,281,744,813	1,806,891,802
Payment to Suppliers, Employees and Others		(2,056,154,133)	(1,304,785,879)
<b>Net Cash Flows from Operating Activities</b>	29.01	225,590,681	502,105,923
<b>Cash Flows from Investing Activities</b>			
Payment for acquisition of Property, Plant & Equipment	4	(415,857,288)	(62,119,675)
Interest received on investment (FDR)		7,500,000	-
Investment in FDR		(6,700,000)	(100,000,000)
Capital Work in Progress (CWIP)	6	(92,089,962)	(113,162,933)
<b>Net Cash used in Investing Activities</b>		(507,147,249)	(275,282,608)
<b>Cash Flows from Financing Activities</b>			
Proceeds from Long Term Loan		440,693,670	-
Payment of Term Loan		(82,474,505)	(83,365,774)
Payment of Financial Lease Loan		-	(1,358,155)
Interest paid on Long Term Loan		(38,426,492)	(14,662,504)
<b>Net Cash Flows/ (used) from Financing Activities</b>		319,792,673	(99,386,433)
<b>Net Increase in Cash during the year</b>			
Opening Cash & Cash Equivalents	11	171,306,103	43,869,220
Closing Cash & Cash Equivalents	11	<b>209,542,207</b>	<b>171,306,103</b>
<b>Net Operating Cash Flow per Share- Restated</b>	29	<b>9.20</b>	<b>20.48</b>

The annexed notes from an integral part of these Financial Statements



Chairman



Managing Director



Company Secretary

Signed as per our annexed report of even date

Dhaka,  
Dated: October 27, 2018



**Mahfel Huq & Co.**  
Chartered Accountants



**National Polymer Industries Limited**  
**Notes to the Financial Statements**  
For the year ended 30 June 2018

**1. Reporting Entity**

**1.1 Profile of the Company**

**1.1.1 Legal status of the Company**

National Polymer Industries Limited (the “Company”) was incorporated under the Companies Act 1994 as a Public Company Limited by shares on June 26, 1987 and its shares are listed in the Stock Exchange (both in Dhaka and Chittagong Stock Exchange Ltd.) in Bangladesh during the year 1991 and 1995 respectively.

**1.1.2 Address of Registered office and Principal place of Business**

The Company’s registered office is located at Squib Road, Nishatnagar, Tongi, Gazipur.

**1.1.3 Nature of Business**

The company owns and operates PVC Pipes, PVC Doors and Bottle grade PVC Compound Manufacturing Plant, produces and markets the same in the local and foreign markets.

**1.1.4 Number of Employees:**

The number of employees at year-end were 850 and Board of Directors 05.

**2. Structure, content and presentation of Financial Statements**

Being the general purpose Financial Statements, the presentation of these Financial Statements is in accordance with the guidelines provided by IAS 1: “Presentation of Financial Statements”. A complete set of Financial Statements comprise:

- (i) Statement of Financial Position as at 30 June 2018;
- (ii) Statement of Comprehensive Income for the year ended 30 June 2018;
- (iii) Statement of Changes in Equity for the year ended 30 June 2018;
- (iv) Statement of Cash Flows for the year ended 30 June 2018; and
- (v) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 30 June 2018.

**3. Significant Accounting Policies**

**3.1 Basis of measurement of elements of Financial Statements**

The Financial Statements have been prepared in the historical cost basis, and therefore, do not taken into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of previous years.

**3.2 Reporting Period**

The Financial Statements covers the year from 1 June 2017 to 30 June, 2018.

**3.3 Statement on compliance with local laws**

The Financial Statements have been prepared in compliance with disclosure and presentational requirements:

- The Securities & Exchange Rules, 1987;
- International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh;
- The Listing Rules of Dhaka Stock Exchanges Ltd.;
- The Listing Rules of Chittagong Stock Exchanges Ltd.;
- The Companies Act 1994;
- Income Tax Ordinance 1984 and Rules;
- Other relevant local laws and rules.

### 3.4 Going Concern

As per BAS-1, a company is required to assess at the end of each year to make assessment of its capability to continue as going concern. Management of the Company makes such assessment each year. The company has adequate resources to continue its' operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the directors continue to adopt going concern assumption while preparing the Financial Statements.

### 3.5 Accrual Basis

The Financial Statements have been prepared, except for Cash Flow Statements, using the accrual basis of accounting.

### 3.6 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with International Accounting Standards (IASs) or International Financial Reporting Standards (IFRSs) requires the management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income/(loss) that are reported in the Financial Statements and accompanying disclosures.

These estimates are based on management's best knowledge of current events, historical experience, actions that the company may undertake in future and on various other assumptions that are believed to be reasonable under circumstances.

### 3.7 Property, Plant & Equipment (PPE)

Property, Plant & Equipment are recognized if it is probable that future economic benefits associated with the assets will flow to the company and the cost of the assets can be reliably measured. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc.

#### Subsequent Costs

The cost of replacing part of an item of Property, Plant and Equipment's is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in the Statement of Comprehensive Income as incurred.

#### Depreciation

Depreciation is provided on the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, Plant and Equipment. Depreciation is charged on addition during the period when it is available for use. Depreciation of an asset begins when it is available for use. Depreciation is charged on all fixed assets except land and land development on reducing balance method at the following rates:

<u>Particular of Assets</u>	<u>Rate of Depreciation</u>
Factory Building, Factory Laboratory	20%
Office, Administrative & Godown Shed	10%
Factory Boundary Wall	10%
Plant and Machinery & Local Machinery	20%
Furniture and Fixtures	10%
Office Equipment	20%
Vehicles	20%
Titas Gas Installation	10%
Gas Generator & Diesel Generator	20%
Machine Shed & Steel Rack	10%

### Retirements and Disposals

When fixed assets are sold, the cost and accumulated depreciation are eliminated and revenue gain or loss ( if any) is reflected in the Statement of Comprehensive Income that is determined on the basis of net book value of the assets and net sales proceeds or realized amount.

### 3.8 Accrual Basis Capital Work-in-progress:

Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service. In case of import of components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the company, that is, at the time of shipment is confirmed by the supplier.

### 3.9 Application of Standards

The following IASs are applicable for the Financial Statements of the company for the period under audit:

Name of the Accounting Standards	IAS No.
Presentation of Financial Statements	1
Inventories	2
Statement of Cash Flows	7
Accounting Policies, Changes in Accounting Estimates and Errors	8
Events After the Reporting Period	10
Income Taxes	12
Property, Plant and Equipment	16
Revenue	18
Employee Benefits	19
Borrowing Costs	23
Related Party Disclosures	24
Earnings per Share (EPS)	33
Provisions, Contingent Liabilities and Contingent Assets	37

### 3.10 Inventory

Inventories are measured at lower of cost and net realizable value in accordance with IAS-2 (Inventories). The cost of inventories includes expenditure incurred for acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Raw materials in transit are valued at cost. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. The weighted average cost method has been used to determine the value of inventory.

### 3.11 Financial Instruments:

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

#### i) Financial Assets::

Financial assets of the company include cash and cash equivalent, trade and other receivables, other long term receivables and deposits. The company initially recognizes the financial assets when and only when the company becomes a party to the contractual provisions of the transaction. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transactions. The company derecognizes the financial asset when and only when the contractual rights or probabilities of receiving the 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 assets are transferred.

**i.(a) Accounts Receivables:**

These are carried at original invoice amount. This considered good and collectable, and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.

**i.(b) Cash and Cash Equivalents:**

According to IAS 7 “Statement of Cash Flows”, cash comprises cash in hand and demand deposit and, cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS 1 “Presentation of Financial Statements” provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of IAS 7 and IAS 1 cash in hand and bank balances have been considered as cash and cash equivalents.

**Other Current Assets:**

Other current assets have a value on realization in the ordinary course of business that is at least equal to the amount at which they are stated in the Statement of Financial Position.

**ii) Financial Liabilities:**

The company initially recognizes the financial liabilities when and only when the company becomes a party to the contractual provisions of the transaction. The company derecognizes the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities include payable for expenses, liability for capital expenditures, Finance lease obligation, loans and borrowings and other current liabilities.

**ii.(a) Finance Lease Obligation:**

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

**ii.(b) Loans and Borrowings:**

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of Statement of Financial Position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

**ii.(c) Accounts 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 benefits.

**3.12 Impairment:****i. Financial Assets**

Trade receivable is assessed at each reporting date to determine whether there is objective evidence that it is impaired. Trade receivable is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the assets and that the loss had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

## **ii. Non-financial Assets**

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

### **3.13 Taxation**

Income tax expense comprises of current and deferred taxes. It is recognized in the Statement of Comprehensive Income and accounted for in accordance with the requirements of IAS 12: Income Tax.

#### **i. Current Tax**

The tax currently payable is based on the Taxable profit for the year and any adjustment to tax payable in respect of previous year. The company is a Publicly Traded Company. As per the Income Tax Ordinance, 1984 the rate of taxation applied at the rate of 25.00%.

#### **ii. Deferred Tax**

The company doesn't require to compute deferred tax on PPE because the company charges depreciation as per the depreciation rate and conditions mentioned in the third schedule of the ITO, 1984. So, there is no temporary difference between the tax base of an asset or liability and its carrying amount in the Financial Statements.

### **3.14 Revaluation Reserve**

Revaluation reserve arose from the revaluation of land and land development which were revalued on 25th June 2006 by M/S. GEOTECH Survey company (pvt) Ltd, a firm of professional valuers on the basis of market price prevailing in the country. The difference between revaluation and actual book value has been reported in accounts under the head Revaluation Reserve.

The company has revaluated its own land in the year of 2015 located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfel Huq & Co., Chartered Accountants The area of the land is 311.10 Decimals. Book value of the land was Taka 67,411,905. After valuation, this is increased to 597,312,000. Revalued amount is Taka 529,900,095.

### **3.15 Tax Holiday Reserve:**

The company enjoyed five years Tax Holiday for unit-I up to February 28, 1995 while for unit –II for a period of five years ended on April 30, 2000, Unit III for a period of five years ended on June 30, 2003 and Unit IV for a period of five years ended on December 31, 2005. Currently not enjoying Tax Holyday Benefit.

### **3.16 Foreign Currency Translation:**

Transactions denominated in foreign currencies are translated into Bangladeshi Taka and recorded at rates of exchange ruling on the date of transaction in accordance with IAS 21 “The Effects of Changes in Foreign Currency Rates”.

### **3.17 Provisions, accrued expenses and other payables**

Provisions and accrued expenses are recognized in the Financial Statements in line with the International Accounting Standard (IAS) 37 “Provisions, Contingent Liabilities and Contingent Assets” when

- the company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

### **3.18 Contingent liabilities**

The Company does not have any contingent liabilities as on the reporting date.

### **3.19 Revenue (Turnover) from Sales**

Net sale comprises the invoiced value of goods supplied by the company and consists of Sales of manufactured goods excluding Value Added Tax (VAT).

#### **Revenue Recognition**

The revenue is recognized after satisfying all the following conditions for revenue recognition as provided in IAS 18 “Revenue Recognition”;

- a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. The Company retains neither continuing managerial involvement to the degree usually associated ownership nor effective control over the goods sold;
- c. The amount of revenue can be measured reliably;
- d. It is probable that the economic benefits associated with the transaction will flow to the company;
- e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Other non-operating income has been recognized on accrual basis.

### **3.20 Borrowing cost:**

Borrowing cost is recognized as expense in the period in which they are incurred unless capitalization of such is allowed under IAS 23-Borrowing cost.

### **3.21 Earnings per Share:**

The Company calculates Earnings Per Shares (EPS) in accordance with IAS 33 “Earnings per Shares” which has been shown on the face of Statement of Comprehensive Income and, the computation of EPS is stated in Note 29. Earning per share (EPS) has been computed by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as on 30 June 2018 as per IAS-33 “Earnings per Shares”.

### **3.22 Basic Earnings / Loss:**

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

### **3.23 Diluted Earnings Per Share:**

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

### **3.24 Statement of Cash Flows:**

Statement of Cash Flows is prepared principally in accordance with IAS 7 “Statement of Cash Flows” and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987 and considering the provision of Paragraph 19 of IAS 7 which provides that “Enterprise are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method”.

### **3.25 Dividend for the year:**

After the reporting period, the Board of Directors recommended 22% stock dividend per share which will be recognized in the accounts as and when approved by the shareholders in the Annual General Meeting.

### **3.26 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 reporting that are not adjusting events are disclosed in the notes when material.



### 3.27 Post Closing Events

After the reporting period, the Board of Directors recommended 22% stock dividend per share. The proposed dividend is subject to shareholders' approval in the forthcoming annual general meeting. Except the fact as stated above, no circumstances have arisen after the reporting period which would require adjustments to or disclosure in the financial statements or in the notes.

### 3.28 Human Resources

Particulars	2017-18	2016-17
Officers	362	365
Staff	178	174
Skilled and unskilled workers	310	305
<b>Total</b>	<b>850</b>	<b>844</b>

### 3.29 Employee Benefits

#### i. Defined Contribution Plan

The Company maintains a recognized provident fund @ 10% of basic pay (equally contributed by employee and employer) for all eligible permanent employees. The said fund is managed by a board of trustees.

#### ii. Defined Benefit Plan

The Company maintains an unfunded gratuity scheme and deduct when retirement benefits are paid by the company. The employees are entitle to gratuity benefit after completion of minimum 5 years service in the company.

#### iii. Employee's Group Insurance

The company has also a group insurance scheme for its permanent employees, premium for which is being charged to Statement of Comprehensive Income annually as per the insurance policy.

### 3.30 Advertisement, Publicity & Promotional Expenses:

All costs associated with advertising and promoting products are expensed in the year it incurred.

### 3.31 Additional Information on Financial Statements:

#### i. Responsibilities for Preparation and Presentation of Financial Statements:

The Board of Directors is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per the provision of "The Framework for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standards Committee (IASB).

#### ii. Risk and Uncertainties for use of Estimates in Preparation of Financial Statements:

The preparation of financial statements is in conformity with the International Accounting Standards (IAS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as long term contract, depreciation and amortization, taxes, reserves, employee benefits and contingencies.

#### iv. Compliance with the International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with the requirements of the IAS and IFRS as applicable in Bangladesh. The title and format of these Financial Statements follow the requirements of IFRS / IAS which are to some extent different from the requirements of the Companies Act 1994. However, such differences are not material and in the view of Management IFRS / IAS titles and format give better presentation to the shareholders.

### **3.32 Authorization for issue:**

These Financial Statements have been authorized for issue by the Board of Directors of the Company on 27 October, 2018.

### **3.33 Segment Reporting:**

As there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.

### **3.34 Comparative Information:**

Comparative information has been disclosed in respect of the year 2017-2018 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.

Figures of the year 2016-2017 have been rearranged and regrouped whenever considered necessary to ensure comparability with the current period. The disclosures in the Financial Statements, in all materials respects, are in accordance with International Accounting Standards (IAS).

### **3.35 Offsetting:**

Financial assets and liabilities are offset and the net amount is reported in the Financial Statements only when there is legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

### **3.36 Materiality and Aggregation:**

Each material item has been presented separately in company's Financial Statements. Immaterial amounts have been aggregated with the amounts of similar nature or function.

### **3.37 Reporting currency**

The Financial Statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency.

### **3.38 Directors' responsibility Statements**

The Board of Directors takes the responsibility for the preparation and presentation of these Financial Statements.

### **3.39 General**

- i. Figures have been rounded off to the nearest taka.
- ii. Previous period's/year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.

## National Polymer Industries Limited

For the year ended 30 June 2018

Note 4: Property, Plant and Equipment

Assets Category	COST (Taka)		DEPRECIATION (Taka)				Written Down Value as on 30.06.18	Written Down Value as on 30.06.17		
	As on 01.07.2017	Additions during the period	Adjustment/Sales during the period	As on 30.06.18	Dep. Rate	Cumulative as on 01.07.17			Charged during the Period	Adjustment / Sales
<b>Land &amp; Land Dev.</b>										
Cost	21,566,064	5,335,000	-	26,901,064	-	-	-	-	-	26,901,064
Revaluation	575,745,936	-	-	575,745,936	-	-	-	-	-	575,745,936
Factory Buildings	89,838,980	27,076,738	-	116,915,738	20.0%	55,465,369	7,779,753	-	63,245,122	53,670,616
Godown Sheds	30,524,820	-	-	30,524,820	20.0%	20,819,662	970,516	-	21,790,178	8,734,642
Plant & Machinery	818,885,944	495,839,605	-	1,314,725,549	20.0%	516,058,847	105,192,562	-	621,251,409	693,474,140
Local Machinery	32,135,174	-	-	32,135,174	20.0%	23,861,717	1,654,691	-	25,516,408	6,618,766
Office Sheds	1,637,007	-	-	1,637,007	10.0%	1,100,298	53,671	-	1,153,969	483,038
Machine Shed	194,754	-	-	194,754	10.0%	129,206	6,555	-	135,761	58,993
Steel Rack	459,095	-	-	459,095	10.0%	288,326	17,077	-	305,403	153,692
Factory Laboratory	179,420	-	-	179,420	20.0%	166,906	2,503	-	169,409	10,011
Administrative Shed	2,359,169	-	-	2,359,169	10.0%	1,778,078	58,109	-	1,836,187	522,982
Boundary Wall	4,045,053	-	-	4,045,053	10.0%	2,801,939	124,311	-	2,926,250	1,118,803
Gas Generator	55,544,726	-	-	55,544,726	20.0%	41,979,374	2,713,070	-	44,692,444	10,852,282
Diesel Generator	26,974,764	-	-	26,974,764	20.0%	19,023,038	1,590,345	-	20,613,383	6,361,381
Titas Gas Installation	2,288,132	-	-	2,288,132	10.0%	1,443,276	84,486	-	1,527,762	760,370
Furniture & Fixtures	6,605,630	424,738	-	7,030,368	10.0%	2,937,223	384,790	-	3,322,013	3,708,355
Vehicles	90,164,123	228,000	-	90,392,123	20.0%	52,364,909	7,593,949	-	59,958,858	30,433,265
Office Equipment	31,835,369	4,509,692	-	36,345,061	20.0%	17,201,319	3,404,873	-	20,606,192	15,738,869
<b>Total</b>	<b>1,790,984,160</b>	<b>533,413,793</b>	<b>-</b>	<b>2,324,397,953</b>		<b>757,419,487</b>	<b>131,631,261</b>	<b>-</b>	<b>889,050,748</b>	<b>1,435,347,205</b>
<b>As at 30 June 2017</b>	<b>1,728,864,485</b>	<b>62,119,675</b>	<b>-</b>	<b>1,790,984,160</b>	<b>-</b>	<b>654,715,706</b>	<b>102,703,781</b>	<b>-</b>	<b>757,419,487</b>	<b>1,033,564,673</b>

Depreciation allocated to :

Cost of Goods Sold	120,247,649
Administrative and Selling Expenses	11,383,612
	<b>131,631,261</b>

	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>Amount (TK)</b>	<b>Amount (TK)</b>
<b>4.01 Property, Plant &amp; Equipment</b>		
Opening Balance	1,790,984,160	1,728,864,485
Addition during the year	533,413,793	62,119,675
Cost as at 30 June 2018	<u>2,324,397,953</u>	<u>1,790,984,160</u>
Accumulated Depreciation	(889,050,748)	(757,419,487)
<b>Closing Balance</b>	<b><u>1,435,347,205</u></b>	<b><u>1,033,564,673</u></b>

<b>5.00 Investment</b>		
FDR in Uttara Finance & Investment Ltd.	100,000,000	100,000,000
Interest income Re-investment	6,700,000	-
	<b><u>106,700,000</u></b>	<b><u>100,000,000</u></b>

<b>6.00 Capital Work-in-progress (CWIP)</b>		
Opening Capital Machinery in Transit	90,479,747	90,479,747
Less: Addition to Plant and machinery during the year	(90,479,747)	-
	-	90,479,747
Opening Civil Construction	22,683,186	-
Add: Civil Construction in progress during the year	92,089,962	-
Less: Addition to Building during the year	(27,076,758)	22,683,186
	<u>87,696,389</u>	<u>22,683,186</u>
	<b><u>87,696,389</u></b>	<b><u>113,162,933</u></b>

<b>7.00 Inventories</b>	<b>30 June 2018</b>		<b>30 June 2017</b>	
	<b>Quantity</b>	<b>Taka</b>	<b>Quantity</b>	<b>Taka</b>
Raw Materials	7,860 MT	422,936,250	6,776 MT	392,437,175
Work in Process		34,863,520		35,877,540
Finished Goods	4,922 MT	352,726,548	4,438 MT	338,719,417
Stores and Spares		8,253,625		8,251,200
Stock in Transit		14,662,510		14,685,473
Packing Materials		3,918,951		3,898,413
		<u>837,361,404</u>		<u>793,869,218</u>

<b>8.00 Accounts Receivables</b>		
Receivables Against Sales	321,303,127	236,667,364
	<b><u>321,303,127</u></b>	<b><u>236,667,364</u></b>

- a) This is unsecured, considered good and is falling due within one year.  
b) No provision for doubtful has been made in the Financial Statements.  
c) No amount was due by associated undertaking.

## 9.00 Advance, Deposit & Prepayments

### Advances:

Advances to Suppliers	58,748,999	65,047,195
Advance to Employee	9,925,000	11,552,088
Advance against Brand Development	5,240,000	3,965,000
Other Advances	3,251,182	3,854,202
	<u>77,165,181</u>	<u>84,418,485</u>

### Deposits:

Security Deposit	3,296,500	9,411,865
Margin, Tender E/M & other Deposit	31,496,818	29,486,221
Deposit for Utilities	23,067,622	1,852,400
	<u>57,860,940</u>	<u>40,750,486</u>

### Prepayments:

Prepaid Rent	22,278,958	20,215,421
Value Added Tax (VAT)	27,366,999	4,092,991
	<u>49,645,957</u>	<u>24,308,412</u>
	<u><b>184,672,078</b></u>	<u><b>149,477,383</b></u>

a) No amount is due by the directors (including managing director), managing agent, managers and other officers of the company and any of them severally or jointly with any other person, except as stated above.

b) Filed a writ petition no. 3685 of 2008 under section : 406/420 B.P.C in the Honorable supreme court of Bangladesh : High court division against Automan Steel Building system Limited (ASBS) for Taka 42,75,000/- which is included Advance to supplier for proper judgment which is under jurisdiction, and It is probable that the amount will be recovered.

30 June 2018	30 June 2017
Amount (TK)	Amount (TK)

## 10.00 Advance Income Tax

Opening Balance	246,626,020	175,335,530
AIT Paid at Port (Import Stage)	96,135,604	68,363,898
AIT Paid at Port (Export Stage)	193,445	142,007
TDS against Sales	14,767,073	17,860,709
TDS on Bangladesh Bank Cash Assistance	19,178	-
TDS on FDR Interest	750,000	-
TDS on Vehicle	234,000	256,500
Prior Year Adjustment on Income Tax Assessment (Income year 2010-2011 to 2013-2014)	-	(15,332,624)
Prior Year Adjustment on Income Tax Assessment (Income Year 2014-2015 and 2015-2016)	(79,074,723)	-
	<u><b>279,650,597</b></u>	<u><b>246,626,020</b></u>

To ensure better disclosure, AIT is separately presented as a line item, where it was reported under Advance , Deposit & Prepayments in previous year. Prior Year Adjustment on income Tax assessment has been made for the Income Year 2014-2015 and 2015-2016 total Tk. 79,074,723 (against General Reserve Tk. 47,453,484 and Provision for tax Tk. 31,621,239).

## 11.00 Cash & Cash Equivalent

Cash in Hand	3,748,398	20,391,293
Cash at Bank	<b>Notes-11.01</b> 205,793,809	150,914,809
	<u><b>209,542,207</b></u>	<u><b>171,306,103</b></u>

**11.01 Cash at Bank**

	A/C No.		
AB Bank Limited	CD-88500	8,535,131	4,322,733
Agrani Bank Limited	COR-06621	3,641	-
Agrani Bank Limited	CD-03583	4,425	-
Bank Asia Limited	CD-10829	4,767,680	1,911,050
BRAC Bank Limited	CD-51001	32,712,544	10,275,906
City Bank Limited	CD-28001	1,070,378	3,225,328
Dhaka Bank Limited	OD-17574	9,919,918	8,590,511
Dutch Bangla Bank Limited	CD-10144	12,455,149	4,841,527
Eastern Bank Limited	OD-00477	-	167,373
IFIC Bank Limited	CD-21001	3,102,193	3,130,246
Islami Bank Bangladesh Limited	CD-12804	19,720,200	11,807,905
Jamuna Bank Limited	CD-13615	2,773,096	1,960,270
Janata Bank Limited	CD-16125	3,596,503	3,400,009
Modhumati bank Limited	CD-00070	753,501	289,364
Mutual Trust Bank Limited	CD-05604	797,777	2,731,473
Mutual Trust Bank Limited	CD-07295	1,171,942	2,643,264
National Bank Limited	CD-69629	14,738,886	4,405,911
One Bank Limited	CD-87001	6,627,519	469,904
Premier Bank Limited	CD-00033	2,575,017	904,284
Prime Bank Limited	CD-80705	1,723,095	3,259,719
Pubali Bank Limited	CD-28344	14,476,171	6,326,457
Shahajalal Islami Bank Limited	CD-01639	5,712,566	3,179,076
Sonali Bank Limited	CD-08067	4,392,130	12,041,677
Standard Bank Limited	CD-03814	3,747,876	4,339,480
Standard Chartered Bank Limited	OD-25801	27,894,282	37,961,654
United Commercial Bank Limited	CD-03100	13,310,242	7,458,433
Uttara Bank Limited	CD-13797	600,117	1,124,472
Uttara Bank Limited	CD-11673	8,611,830	10,146,785

**205,793,809****150,914,809****30 June 2018****30 June 2017****Amount (TK)****Amount (TK)****12.00 Share Capital****Authorized:**

50,000,000 Ordinary Shares of Taka 10 each

**500,000,000****500,000,000****Issued, Subscribed and Paid-up:**

I) 134,0000 Ordinary Shares of Taka 10 each

13,400,000

13,400,000

II) 134,0000 Right Shares of Taka 10 each (1:1)

13,400,000

13,400,000

III) 536,0000 Right Shares of Taka 10 each (1:2)

53,600,000

53,600,000

IV) 6,388,845 Bonus Shares of Taka 10 each

63,888,450

63,888,450

V) 2,597,192 Bonus Shares of Taka 10 each

25,971,920

25,971,920

VI) 3,405,207 Bonus Shares of Taka 10 each

34,052,070

34,052,070

VII) 4,086,248 Bonus shares of Taka 10 each

40,862,480

-

**245,174,920****204,312,440**



**Composition of Shareholding:**

	30 June 2018		30 June 2017	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Sponsors/Directors	14,107,509	57.54	12,205,996	59.74
Financial Institutions	2,476,072	10.10	2,047,150	10.02
General	7,933,911	32.36	6,178,098	30.24
	<b>24,517,492</b>	<b>100</b>	<b>20,431,244</b>	<b>100</b>

**Classification of Shareholders by Holding:**

<u>Holdings</u>	<u>Number of Holders</u>		<u>Total Holding (%)</u>	
	<u>30-06-2018</u>	<u>30-06-2017</u>	<u>30-06-2017</u>	<u>30-06-2017</u>
1 to 500	1,711	1,452	49.94	56.83
501 to 1,000	582	393	16.99	15.38
1,001 to 5,000	832	509	24.28	19.92
5,001 to 50,000	259	166	7.56	6.50
50,001 to above	42	35	1.23	1.37
	<b>3,426</b>	<b>2,555</b>	<b>100.00</b>	<b>100.00</b>

<u>30 June 2018</u>	<u>30 June 2017</u>
<u>Amount (TK)</u>	<u>Amount (TK)</u>

**13.00 Share Premium**

Total 536,000 Shares of Taka 250 each

134,000,000	134,000,000
<b>134,000,000</b>	<b>134,000,000</b>

Taka 134,000,000 represents issue of 5,36,000 Ordinary Shares in January 2009 for Tk. 250 each.

**14.00 Revaluation Reserve**

Opening Balance	496,260,922	496,260,922
Land Revalued during this year	-	-
	496,260,922	496,260,922
Deferred Tax on Land Revaluation	-	-
	<b>496,260,922</b>	<b>496,260,922</b>

**15.00 General Reserve**

Opening Balance	195,624,151	184,682,723
Payment of Stock Dividend	(40,862,480)	(34,052,070)
	154,761,671	150,630,653
VAT, VDS and Interest Paid for the period of July 11 to June 14	-	(6,415,511)
Tax Adjustment against Assessment (10-11 to 13-14 FY)	-	(15,332,624)
Tax Adjustment against Assessment (14-15 and 15-16 FY)	(47,453,484)	-
Profit during the year ended	79,350,886	66,741,633
	<b>186,659,073</b>	<b>195,624,151</b>

**16.00 Long Term Loan****Standard Chartered Bank**

Opening Balance	166,824,391	226,488,600
Add : Received during the year	313,035,000	-
Paid during the year	(59,664,210)	(59,664,209)
	420,195,181	166,824,391
Current Maturity within one year	(126,743,138)	(59,664,209)
	<b>293,452,043</b>	<b>107,160,182</b>

30 June 2018	30 June 2017
Amount (TK)	Amount (TK)

**Eastern Bank Ltd**

Opening Balance	36,773,612	60,475,177
Add : Received during the year	82,025,670	-
Paid during the year	(20,855,049)	(23,701,565)
	97,944,233	36,773,612
Current Maturity within one year	(26,151,397)	(20,902,417)
	<b>71,792,836</b>	<b>15,871,195</b>

**Jamuna Bank Ltd.**

Opening balance	-	-
Received during the year	15,933,000	-
Paid during the year	(835,814)	-
	15,097,186	-
Current Maturity within one year	(2,626,172)	-
	<b>12,471,014</b>	-

**Mutual Trust Bank Ltd.**

Opening balance	-	-
Received during the year	29,700,000	-
Paid during this year	(1,119,432)	-
	28,580,568	-
Current Maturity within one year	(4,808,951)	-
	<b>23,771,617</b>	-

**Long Term Loan Current Maturity**

Standard Chartered Bank	126,743,138	59,664,209
Eastern Bank Ltd	26,151,397	20,902,417
Jamuna Bank Ltd.	2,626,172	-
Mutual Trust Bank Ltd.	4,808,951	-
	<b>160,329,658</b>	<b>80,566,626</b>

**Long Term Loan Non-current Maturity**

Standard Chartered Bank	293,452,043	107,160,182
Eastern Bank Ltd	71,792,836	15,871,195
Jamuna Bank Ltd.	12,471,014	-
Mutual Trust Bank Ltd.	23,771,617	-
	<b>401,487,510</b>	<b>123,031,377</b>

## 17.00 Deferred Tax Liability

Deferred tax liability has been calculated on the revaluation surplus of land. On 4th May 2015, the company has revaluated its own land located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfel Huq & Co., Chartered Accountants. The area of the land is 311.10 Decimals. Book value of the land was Taka 67,411,905. After valuation, this is increased to 597,312,000. Revalued amount is Taka 529,900,095.

Revaluation Surplus on Land & Land Development	529,900,095	529,900,095
Deferred Tax Liability @ 15%.	<u>79,485,014</u>	<u>79,485,014</u>

## 18.00 Short Term Loan

### Overdraft

Eastern Bank Limited (A/c #1012040000477)	13,477,522	-
Mutual Trust Bank Limited (A/c #00340134000178)	37,097,543	28,021,987
One Bank Limited (A/c # 0181020003524)	92,498,282	27,378,358
Jamuna Bank Limited (A/c # 00100133005600)	93,281,385	139,128,168
	<u>236,354,732</u>	<u>194,528,513</u>

### LTR

Standard Chartered Bank	82,369,170	143,700,711
Eastern Bank Limited	164,351,478	109,433,938
Jamuna Bank Limited	190,086,065	235,712,902
BRAC Bank Limited	38,170,548	18,336,500
Mutual Trust Bank Limited	202,136,200	56,974,918
One Bank Limited	42,563,961	47,671,025
	<u>719,677,422</u>	<u>611,829,994</u>

### STF

Standard Chartered Bank Limited	11,277,176	315,872,699
Eastern Bank Limited	126,547,528	125,008,244
Uttara Finance & Investment Limited	-	100,000,000
IPDC Finance Limited	50,000,000	-
Jamuna Bank Limited	162,604,015	67,585,466
BRAC Bank Limited	71,324,588	4,903,255
One Bank Limited	250,910,860	12,772,094
Mutual Trust Bank Limited	54,593,859	15,190,329
	<u>727,258,026</u>	<u>641,332,087</u>
	<u>1,683,290,180</u>	<u>1,447,690,594</u>

### Security against Facilities

- Registered Mortgage over Factory Land and Building on pari-passu basis between Standard Chartered Bank Ltd. Eastern Bank Limited and Jamuna Bank Limited of which area of Land is 147.70 decimals located at Kathaldia, Tongi, Gazipur where Standard Chartered Bank's share will not less than BDT 163,320,000.
- Demand Promissory Note & Letter of Continuation.
- Registered Hypothecation over Stocks and Books Debtors on Pari-Passu basis between Standard Chartered Bank Ltd. Eastern Bank Ltd and Jamuna Bank Limited.
- Registered Hypothecation over Plant & Machinery on Pari-Passu basis between Standard Chartered Bank Ltd. Eastern Bank Limited and Jamuna Bank Limited.
- Un-dated Cheque(s) supported by Irrevocable Letter of Authority & Memorandum of Deposit.
- Personal Guarantee of the separate Directors.

	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>Amount (TK)</b>	<b>Amount (TK)</b>
<b>19.00 Accounts Payable</b>		
Staff Salary Payable	12,693,672	10,837,168
Payable against Carriage Outwards	1,251,250	2,037,900
Gratuity Payable	2,485,690	1,953,680
Gas Bill Payable	2,376,148	1,524,934
Employees Provident Fund	788,590	616,496
Mobile Bill Payable	356,009	358,155
Directors Remuneration Payable	195,000	140,000
Audit Fees	112,500	140,625
Godown Rent	24,000	-
Courier Bills	-	46,595
Electricity Bill	-	7,080,174
VDS payable	832,433	127,750
TDS Payable	205,187	296,225
	<b><u>21,320,479</u></b>	<b><u>25,159,702</u></b>
<b>20.00 Provision for Tax</b>		
Opening Balance	53,707,557	31,621,239
Provision for the year	26,450,295	22,086,318
Tax Adjustment against assessment (14-15 FY & 15-16 FY)	(31,621,239)	-
	<b><u>48,536,613</u></b>	<b><u>53,707,557</u></b>
<b>21.00 Creditors for Expenses &amp; Accruals</b>		
Unclaimed Dividend	160,154	160,154
WPPF and Welfare Fund	5,568,483	4,675,155
	<b><u>5,728,637</u></b>	<b><u>4,835,309</u></b>
<b>22.00 Revenue</b>		
Net Local Sales	2,345,058,901	1,846,400,400
Export Sales	21,321,676	20,286,657
	<b><u>2,366,380,577</u></b>	<b><u>1,866,687,057</u></b>
<b>Quantity (MT)</b>		
Opening Stock	4,438	2,354
Production during the year	28,162	22,478
Goods available for Sale	32,600	24,832
Closing Stock of Finished Goods	(4,922)	(4,438)
Sale during the year	<b><u>27,678</u></b>	<b><u>20,394</u></b>

**23.00 Cost of Goods Sold**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Amount (TK)</b>	<b>Amount (TK)</b>
Opening Stock of Raw Materials	392,437,175	325,298,732
Purchase during the year	1,697,016,323	1,437,361,396
Closing Stock of Raw Materials	(422,936,250)	(392,437,175)
<b>Raw Materials Used in Production</b>	<b>1,666,517,248</b>	<b>1,370,222,953</b>
Manufacturing Overhead	304,320,825	229,803,507
Consumption of Packing Materials	21,075,665	13,971,334
<b>Total Production Costs</b>	<b>1,991,913,738</b>	<b>1,613,997,794</b>
Opening Work in Process	35,877,540	23,787,581
Closing Work in Process	(34,863,520)	(35,877,540)
<b>Costs of Goods Manufactured</b>	<b>1,992,927,758</b>	<b>1,601,907,835</b>
Opening Stock of Finished Goods	338,719,417	296,204,778
<b>Goods Available for Sales</b>	<b>2,331,647,175</b>	<b>1,898,112,613</b>
Closing Stock of Finished Goods	(352,726,548)	(338,719,417)
<b>Cost of Goods Sold</b>	<b>1,978,920,627</b>	<b>1,559,393,196</b>

**23.01 Raw Material Used in Production**

	<b>Jun-18</b>		<b>Jun-17</b>	
	Quantity (MT)	Taka	Quantity (MT)	Taka
Opening Stock	6,776	392,437,175	5,547	325,298,732
Purchase during the year	31,950	1,697,016,323	24,890	1,437,361,396
	38,726	2,089,453,498	30,437	1,762,660,128
Closing Stock	(7,860)	(422,936,250)	(6,776)	(392,437,175)
	<b>30,866</b>	<b>1,666,517,248</b>	<b>23,661</b>	<b>1,370,222,953</b>

**23.02 Quantity of Finished Goods and Value of each Category are as follows:**

<b>Category</b>	<b>Jun-18</b>		<b>Jun-17</b>	
	Quantity	Value (TK)	Quantity	Value (TK)
PVC Pipe	3,450	263,300,184	3,178	253,244,654
PVC Fittings	1,094	52,636,946	385	34,862,315
PVC Door	378	36,789,418	875	50,612,448
<b>Total</b>	<b>4,922</b>	<b>352,726,548</b>	<b>4,438</b>	<b>338,719,417</b>

**23.03 Manufacturing Overhead**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Amount (TK)</b>	<b>Amount (TK)</b>
Salary & Wages	38,405,618	30,724,494
Power & Fuel	120,155,061	90,000,604
Conveyance	230,132	257,234
Entertainment & Staff Food	1,848,560	1,051,973
C & F Commission Expenses	4,940,823	4,776,740
House Rent (Engineers & Officers)	783,897	312,569
Insurance Premium (Fire)	3,358,480	1,959,762
Labour Charges	4,329,835	2,215,234
Land Rent & Pourashova Tax	6,849,900	5,929,900
Medical Expenses	656,285	474,365
Papers & Periodicals	22,920	10,080
Postage & Stamps	12,030	14,165
Printing Expenses	299,328	268,526
Repair and Maintenance	1,096,766	150,500
Stationery	203,490	88,250
Stores and Spares	48,793	908,372
Telephone & Mobile Bill	595,644	266,252
Uniform Expenses	235,614	223,240
Depreciation	120,247,649	90,171,247
	<b>304,320,825</b>	<b>229,803,507</b>

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Amount (TK)</b>	<b>Amount (TK)</b>
<b>24.00 Administrative and Selling Expenses</b>		
Salary & Allowances	56,625,496	47,187,913
Directors' Remuneration & Perquisites	2,120,000	1,680,000
Directors' Board meeting fee	256,875	207,500
Advertisement, Publicity & Promotional Expenses	7,719,457	4,656,204
AGM & EGM Expenses	130,000	30,000
Audit Fees	112,500	159,375
Conveyance	392,588	359,401
Sales Conference	5,406,277	4,498,663
Depreciation	11,383,612	12,532,534
Electric, WASA Bills, GAS Bills & Maintenance	993,593	872,054
Contribution to Employer's Recognized Provident Fund	8,398,388	6,414,980
Entertainment	404,528	345,287
Fees & Professional Charges	106,250	418,000
Fuel bills for Vehicle	2,618,646	2,017,060
Godown Rent	288,000	302,950
Group Insurance	787,044	551,086
Labour Charges (Unload)	3,680,212	558,445
License Renewal Fee, Rates & taxes	984,356	969,859
Medical Expenses	1,111,753	379,779
Office Equipment Maintenance	52,000	-
Office Maintenance	1,483,416	276,000
Office Renovation	435,778	371,950
Office Rent	14,717,700	11,923,200
Papers & Periodicals	9,893	8,810
Postage & Stamps	622,678	510,150
Printing Expenses	1,214,885	1,022,055
Stationery Expenses	840,239	420,680
Telephone & Mobile Bill	2,501,339	1,582,690
Tender & Testing Expenses	496,765	177,675
Training & Development	72,651	40,756
Transport / Carriage Outwards	24,800,365	22,480,855
Traveling Expenses	15,705,238	2,869,049
Vehicle Maintenance	423,002	339,552
	<b>166,895,524</b>	<b>126,164,512</b>
<b>25.00 Other Income</b>		
Bangladesh Bank cash assistance on export	639,272	-
Interest on investment	7,500,000	-
Sale of Paper, Wastage and others	-	2,041,000
	<b>8,139,272</b>	<b>2,041,000</b>
<b>26.00 Financial Expenses :</b>		
Bank Charges	2,899,381	1,778,020
<b>Interest on Short Term Loan :</b>		
Interest on CC Loan	-	669,884
Interest on OD	24,223,400	7,271,600
Interest on LTR & STF Loan	51,784,762	65,285,235
	78,907,543	75,004,739
<b>Interest on Long term Loan :</b>		
Interest on IPDC	-	81,814
Interest on ULC	11,872,917	-
Interest on Term Finance Loan (Eastern Bank Ltd)	7,158,636	4,674,630
Interest on Long Term Loan (Standard Chartered Bank)	19,394,939	9,906,060
	38,426,492	14,662,504
	<b>117,334,035</b>	<b>89,667,243</b>



	2017-2018 Amount (TK)	2016-2017 Amount (TK)
<b>27.00 Allocation for Workers' Profit Participation Fund (WPPF) and Welfare Fund</b>		
Profit before WPPF and Tax	111,369,664	93,503,107
Allocation for WPPF and WF @ 5%	<b>5,568,483</b>	<b>4,675,155</b>
<b>28.00 Provision for Income Tax</b>		
Net Profit Before Tax	105,801,181	88,827,951
Provision for Income Tax	<b>26,450,295</b>	<b>22,086,318</b>
It represents Tax on NPBT @25% considering Tax exemption on export sales as per Para 28 of Sch-6 (part-A) of the ITO, 1984, Tax on interest, Tax on cash incentive etc.		
<b>29.00 Disclosure Under IAS 33 "EPS, NAV and NOCFPS"</b>		
<b>Earnings per Share (EPS)</b>		
Net Profit After Tax	79,350,886	66,741,633
Number of Ordinary Share outstanding during the year	24,517,492	24,517,492
	<b>3.24</b>	<b>2.72</b>
<b>Net Asset Value per Share (NAV)</b>		
Net Asset Value	1,062,094,915	1,030,197,514
Number of Ordinary Share outstanding during the year	24,517,492	24,517,492
	<b>43.32</b>	<b>42.02</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>		
Net Operating Cash Flow	225,590,681	502,105,923
Number of Ordinary Share outstanding during the year	24,517,492	24,517,492
	<b>9.20</b>	<b>20.48</b>
<b>29.01 Net Operating Cash Flow per Share (NOCFPS)</b>		
Revenue	2,366,380,577	
Add: Opening Trade Debtors	236,667,364	
	2,603,047,941	
Less: Closing Trade Debtors	(321,303,127)	
<b>Collection from Sales and Others</b>	<b>2,281,744,813</b>	
Cost of Goods Sold	(1,978,920,627)	
Administrative & Selling Expenses	(166,895,524)	
Depreciation	131,631,261	
Other Income Excluding Investment	639,272	
Short Term Loan Increased	235,599,586	
Interest on LTR & STF Loan	(78,907,543)	
AIT Paid at Port (Import / export Stage)	(96,329,049)	
Tax Deduction at Source (TDS)	(15,770,251)	
(Increase)/Decrease in Inventories	(43,492,186)	
Increase/(Decrease) in Other Current Liabilities	(8,514,378)	
(Increase)/Decrease in Other Current Assets	(35,194,695)	
<b>Payment to Suppliers, Employees and Others</b>	<b>(2,056,154,133)</b>	
<b>Net Cash Flows from Operating Activities</b>	<b>225,590,681</b>	

Net Operating Cash Flows is just the resultant figure of Cash Inflows and Outflows from Operating Activities. Therefore, Net Operating Cash Flows decrease, if only Cash Outflows is higher than Cash Inflows in a particular period and vice versa.

	2017-2018	2016-2017
	Amount (TK)	Amount (TK)
<b>30.00 Director's Remuneration and Perquisites</b>		
Mr. Riad Mahmud	1,320,000	1,080,000
Mr. Golam Murshed	800,000	600,000
	<b>2,120,000</b>	<b>1,680,000</b>

**31.00 Capacity Utilization**

Capacity of Production in M. Ton per year	Utilization (MT)		Rate	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
(Installed Capacity 32,500 Current year, Last year 29,562 M.Ton)	28,162	22,478	86.65%	76.04%

**32.00 Capital Expenditure Commitment:**

There was no Capital Expenditure commitment as on 30 June 2018.

**33.00 Contingent Liability:**

(I) There was no contingent liability as on 30 June 2018.

(II) There was no claim against the company not acknowledged as debt as on 30 June 2018.

(III) There was no credit facility available to the company under any contract but not availed as at 30 June 2018 other than trade creditors.

(IV) There was no bank guarantee issued by the company on behalf of their directors or the company itself except bank loan.

The following amounts has been demanded by VAT Authority as per their departmental audit objection against which case have been filed in tribunal and court. It is probable that the judgment will be in favour of the company.

Period	Amount	Status
July' 1998 to April' 2000	5,148,712	Writ petition no. 7442 of 2003 in the Honorable Supreme Court of Bangladesh : High Court Division
January' 2006 to June' 2008	11,646,222	Writ petition no. 1755 of 2009 in the Honorable Supreme Court of Bangladesh : High Court Division
January' 2006 to June' 2008	4,545,225	Filed a case with Honorable Appellate Tribunal for proper judgment which is under jurisdiction. Writ petition no. 3210 of 2010 in the Honorable Supreme Court of Bangladesh : High Court Division
July' 2008 to December' 2008	7,534,439	Writ petition no. 3288 of 2009 in the Honorable Supreme Court of Bangladesh : High Court division

**34.00 Related Party Transactions**

During the year, the company has the following related party transactions.

<u>Nature of Transactions</u>	30 June 2018	30 June 2017
	Amount (TK)	Amount (TK)
Directors Remuneration	2,120,000	1,680,000

**35.00 Number of Employees Engaged**

The number of employees engaged for the whole year

The number of Board of Directors

850 Person	844 Person
5 Person	5 Person
<b>855 Person</b>	<b>849 Person</b>



# NATIONAL POLYMER INDUSTRIES LTD.

UDAY TOWER: 57-57/A Gulshan Avenue (2nd Floor), Gulshan-1, Dhaka-1212.

## FORM OF PROXY

I/We ..... of ..... being a member of National Polymer Industries Ltd. hereby appoint Mr./Mrs. .... of ..... as my/our proxy to attend and vote for me/us on my/our behalf at the 31<sup>st</sup> Annual General Meeting (AGM) of the Company to be held on the 20<sup>th</sup> December, 2018 at 9:30 hours at Fakruddin & Sons Community Center, Board Bazar, Gazipur, and any adjournment thereof.

As witness my/our hand this ..... day of ..... 2018 signed by the said in presence of .....

.....  
(Signature of Proxy)

Dated .....

.....  
(Signature of Witness)

Dated .....

.....  
Signature of Shareholder(s)

Reg. Folio/BO .....

Dated .....

Revenue Stamp  
of Tk. 10.00

**NOTE :** A member entitled to attend and vote at the Annual General Meeting (AGM) may appoint a proxy to attend and vote on his/her stead. The Proxy Form, duly stamped, must be deposited at the Corporate Head Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature verified

.....  
Authorized Signature



# NATIONAL POLYMER INDUSTRIES LTD.

UDAY TOWER: 57-57/A Gulshan Avenue (2nd Floor), Gulshan-1, Dhaka-1212.

## ATTENDANCE SLIP

I/We hereby record my/our presence at the 31<sup>st</sup> Annual General Meeting (AGM) being held on the 20<sup>th</sup> December, 2018 at 9:30 hours at Fakruddin & Sons Community Center, Board Bazar, Gazipur.

Name of the Member(s) ..... Registered

Folio/ BO No. .... Holding of ..... Nos of

Ordinary Shares of National Polymer Industries Ltd.

.....  
(Signature of Proxy)

.....  
Signature of Shareholder(s)

**N.B.** Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall. The respected shareholders are requested to note that entry of non-member is restricted.

বিঃ দ্রঃ- বিএসইসি'র নির্দেশ অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার আপ্যায়ন/উপহার সামগ্রী/যাতায়াত ভাতা প্রদানের ব্যবস্থা থাকিবে না।



Scan QR for more details



আজীবন বাসেলা ঘুঙু থাকুত  
এতপলি পত্য ব্যবহার করুত।



[www.facebook.com/npolymer](http://www.facebook.com/npolymer)



[www.nationalpolymer.net](http://www.nationalpolymer.net)



uPVC Pipe & Fittings



uPVC Door



PPR Pipe



cPVC Pipe

**Corporate Office:**

UDAY TOWER: Plot No-57 & 57/A (2nd Floor),  
Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh

**Contact Number:**

General Inquiry: +88 02 58812926, 9893623  
Sales Inquiry: 01971644758, 01970068906, 01971822283  
E-mail: [info@nationalpolymer.net](mailto:info@nationalpolymer.net)



Scan QR for more details

**ALWAYS  
A STEP  
AHEAD**

**in plastic technologies**

a product of  
**NATIONAL POLYMER INDUSTRIES LTD.**



**UDAY TOWER:**

Plot No. - 57 & 57/A (2nd Floor), Gulshan Avenue  
Gulshan-1, Dhaka - 1212.



Phone : (+8802) 58812926, 58813039  
Fax : (+8802) 58814967



[info@nationalpolymer.net](mailto:info@nationalpolymer.net)



[www.facebook.com/npolymer](http://www.facebook.com/npolymer)



[www.nationalpolymer.net](http://www.nationalpolymer.net)