

BANGLADESH EXPORT IMPORT COMPANY LIMITED



ANNUAL REPORT 2009

OUR MISSION

Each of our activities must benefit and add value to the common wealth of our society. We firmly believe that, in the final analysis we are accountable to each of the constituents with whom we interact; namely: our employees, our customers, our business associates, our fellow citizens and our shareholders.

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NOTICE

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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

NOTICE OF THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the THIRTY-SEVENTH ANNUAL GENERAL MEETING of the Shareholders of Bangladesh Export Import Company Ltd. will be held on Thursday, the 17th June, 2010 at 10.00 a.m. at Beximco Industrial Park, Sarabo, Kashimpur, Gazipur to transact the following business :

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st December, 2009 together with reports of the Auditors and the Directors thereon.
2. To elect Directors.
3. To confirm the appointment of Managing Director.
4. To declare 60% Stock Dividend.
5. To appoint Auditors for the year 2010 and to fix their remuneration.
6. To transact any other business of the Company with the permission of the Chair.

By order of the Board,



(MD. ASAD ULLAH, FCS)

Executive Director &
Company Secretary

Dated : 10th May, 2010

NOTES:

- (1) The Record Date shall be on 19th May, 2010. The Shareholders whose names will appear in the Share Register of the Company or in the Depository Register on that date will be entitled to attend at the Annual General Meeting and to receive the dividend.
- (2) A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
- (3) Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or proxy-holder(s).
- (4) No gift or benefit in cash or kind shall be paid to the holders of equity securities in terms of Clause (c) of the Notification No. SEC/SRMI/2000-953/1950 dated 24 October 2000 for attending this AGM of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. A S F Rahman	Chairman & Managing Director
Mr. Salman F Rahman	Vice Chairman
Mr. Iqbal Ahmed	Director
Mr. M A Qasem	Director
Mr. O K Chowdhury	Director
Mr. A B S Rahman	Director
Dr. Abdul Alim Khan	Director
Mr. Md. Asad Ullah	Company Secretary

KEY OFFICERS

Mr. O K Chowdhury	Director
Mr. Md. Luthfor Rahman	Chief Financial Officer
Mr. Azhar Uddin Ahmed, FCA	Head of Internal Audit

AUDITORS

M/s. M. J. Abedin & Co., National Plaza (6th Floor)
109, Bir Uttam C. R. Datta Road, Dhaka 1205

M/S. WELLERS

Registered Auditor, Accountants
Stuart House, 55 Catherine Place, London, SW1E6DY

LEGAL ADVISERS

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

BANKERS

Sonali Bank, Local Office, Motijheel C/A, Dhaka 1000
IFIC Bank Ltd., Dhanmondi Branch, Dhaka 1205

REGISTERED OFFICE

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





Bangladesh
Export Import
Company Limited

60th Anniversary

2009
 Direct Listing of its subsidiary Shinepukur Ceramics Ltd. by selling part of Beximco Ltd.'s ownership shares to public through Stock Exchanges in Bangladesh.
 Merged with Bangladesh Online Limited.

2008
 Merged with Shinepukur Holdings Limited and Beximco Fisheries Limited.

2005
 Acquired 100% of Shinepukur Ceramics Ltd. (SPCL) by issue of new shares to SPCL shareholders.

1989
 Received President's Export Trophy six times.
 1972
 Listed in the Dhaka Stock Exchange Ltd.

Chronology of Achievements



চেয়ারম্যানের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারবৃন্দ,

আমি কোম্পানীর ৩৭তম বার্ষিক সাধারণ সভায় পরিচালক পর্ষদের পক্ষে আপনাদের সকলকে স্বাগত জানাচ্ছি। এরই সাথে আমি কোম্পানীর ৩১শে ডিসেম্বর ২০০৯ এ সমাপ্ত বছরের নীরক্ষিত হিসাব এবং সাথে নিরীক্ষক ও পরিচালকবৃন্দের প্রতিবেদন উপস্থাপন করছি।

আপনাদের কোম্পানী বাংলাদেশ এক্সপোর্ট ইমপোর্ট কোম্পানী লিঃ বাংলাদেশের মহান স্বাধীনতা অর্জনের পরপর ১৯৭২ সালে উদ্যোক্তাগণ কর্তৃক প্রতিষ্ঠিত প্রথম কোম্পানী। এই কোম্পানীই হচ্ছে ‘বেক্সিমকো’ ব্র্যান্ড-এর উৎপত্তিস্থল। এই কোম্পানীটিই হচ্ছে আমাদের গ্রুপের পতাকাবাহী কোম্পানী। যদিও আমরা গুরুত্ব দিচ্ছি মূলতঃ ট্রেডিং কোম্পানী ছিলাম, বিগত বছরগুলিতে এবং পরবর্তীতে আমরা অন্যান্য গ্রুপ কোম্পানীতে শেয়ার গ্রহণের মাধ্যমে নিজেদেরকে মালিক কোম্পানীতে পরিণত করি। এই সময়ে আমাদের আয়ের প্রধান উৎস ছিল শেয়ার থেকে প্রাপ্ত লভ্যাংশ এবং মূলধনী মুনাফা।

বিশ্ব অর্থনীতির প্রবনতার দিকে আমাদের লক্ষ্য রাখা প্রয়োজন। বিশ্ব অর্থনীতি থেকে সীমিত সুযোগগুলি বের করে কাজে লাগিয়ে আমাদের অর্থনীতি যেভাবে দশায়মান, তার প্রশংসা করতেই হয়। বিশ্বায়ন নিজেই অর্থনৈতিক দুর্যোগপূর্ণ আবহাওয়ার মধ্যে পড়েছে এবং বিভিন্ন দেশের আভ্যন্তরীণ অর্থনৈতিক ব্যবস্থাপনা ব্যর্থতার কারণে গুটিয়ে যাচ্ছে। যাই হোক বাংলাদেশ এসব প্রতিকূলতার মধ্যেও উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করেছে এবং সফল অর্থনীতি সমূহের সাথে সংযুক্ত থাকতে পেরেছে।

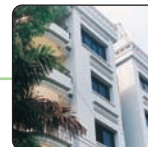
দেশ যখন উন্নত হয় তখন তারা মূল্য সংযোজন ধারায় আরোহন করতে বাঁকে পড়ে এবং বাংলাদেশের মত কম মূল্য সংযোজন দেশের জন্য বাজার

খুলে দেয়। কোরিয়া শ্রমঘন পণ্য উৎপাদন থেকে সরে এসেছে এবং চীনও তা অনুসরণ করেছে। এটি বাংলাদেশের জন্য বিরাট সুযোগ সৃষ্টি করেছে। যাই হোক, এই বর্ধিত সুযোগ নিতে হলে আমাদের অবকাঠামো দরকার। আমাদের বিদ্যুৎ, পানি ও রাস্তা দরকার। দীর্ঘ পরিশোধকালীন সময়ের রাস্তা প্রকল্প ছাড়াও, বাজার মূল্য প্রস্তাব করা হলে বেশীর ভাগ খাত বেসরকারী মূলধন আকর্ষণ করবে। অবকাঠামো আসলে সঠিক মূল্যের স্বাভাবিক ক্রিয়া। অন্যদিকে সরকার যদি দক্ষতার সাথে নগর এবং শিল্প অবকাঠামোতে বিনিয়োগ করতে পারে, তবে এই সুযোগের সদ্ব্যবহার করে বেক্সিমকো বিশ্ব বাজারে খুব শক্তভাবে অবস্থান নেবে বলে দৃঢ় বিশ্বাস করি।

বেক্সিমকোর যে সুযোগগুলি আছে, তা ব্যক্ত করার জন্যই আমি এই সব পর্যবেক্ষণগুলি তুলে ধরলাম। যেখানে উন্নয়নশীল দেশ সমূহের জন্য আন্তর্জাতিক ব্যবসায়িক সম্প্রদায়গুলি তাদের ধার্যকৃত সুবিধাগুলির সুযোগ নিতে কম সময় দেয়, সেখানে বেক্সিমকো এমন একটি উৎপাদনশীল ও রপ্তানী কোম্পানী যা দক্ষতা এবং দ্রুততার সাথে প্রত্যেক সুযোগের সদ্ব্যবহারে সক্ষম। অর্থনীতিতে অবদান রাখার জন্য এবং প্রতিটি স্বার্থ সংশ্লিষ্টদের সুবিধার্থে আমরা সরকারের পরিপূর্ণ এবং সংগতিপূর্ণ নীতি আশা করি।

বেক্সিমকো তার জনবল এবং অংশীদারদের কাছে তার বিনিয়োগের জন্য একটি পরিচিত নাম। আমাদের দর্শন প্রমানিত ও সঠিক। সফল উন্নয়ন কৌশলের জন্য অনেক বিষয় ঠিকমত চালাতে হয় এবং আমি আনন্দের সাথে জানাচ্ছি যে, আমরা যথাযথ অবস্থানে রয়েছি।

যেহেতু আমরা উন্নতি করেছি এবং আমাদের দক্ষতা বৃদ্ধি পেয়েছে কাজেই



বিদেশী কোম্পানীগুলোর কাছে আমরা আকর্ষণীয় হয়ে উঠেছি- যা আমাদের জন্য নতুন নতুন সুযোগ এবং সম্পর্ক এনে দিয়েছে। নতুন নীতি ও কাঠামো দেশে অধিকতর খাত খুলে দিয়েছে- যার জন্য প্রয়োজন দক্ষ জনশক্তি এবং সম্পদ। আমরা প্রতিশ্রুতির সংগে স্থানীয় কোম্পানীগুলোতে বিনিয়োগ করি এবং নেতৃত্ব ও সম্পদ প্রদানের মাধ্যমে তাদের ব্যবসা টিকিয়ে রাখতে সহায়তা দান করি। উচ্চ মুনাফা নিশ্চিত করার জন্য আমাদের দক্ষ ব্যবস্থাপনা রয়েছে- যা দিয়ে আমরা উৎপাদন, বাজারজাতকরণ এবং আর্থিক সহায়তা দিয়ে থাকি।

আন্তর্জাতিক অর্থনৈতিক পরিস্থিতি কঠিন হয়ে পড়েছে এবং এ ব্যাপারে আমাদের সতর্ক হতে হবে। আমরা দৃঢ় এবং নমনীয়ও বটে। আমরা স্বাধীনভাবে অবকাঠামো প্রকল্পে কেন্দ্রীভূত করছি। বিদ্যমান কাঠামো গঠনে কাজ করে এবং দেশের স্বার্থে সর্বাধিক অনুকূল অবস্থা সৃষ্টি করার মাধ্যমে আমরা আমাদের শেয়ার মালিকবৃন্দ এবং স্বার্থ সংশ্লিষ্টদের জন্য আশানুরূপ ফল পাব বলে আশা করি।

২০০৬ সালে একটি অধিকতর মজবুত উদ্ধৃতপত্র সম্বলিত একটি কোম্পানী গঠনের নিমিত্তে শাইনপুকুর হোল্ডিংস লিমিটেড, বেক্সিমকো ফিশারিজ লিমিটেড এবং বাংলাদেশ অনলাইন লিমিটেড একীভূত করার সিদ্ধান্ত নেয়া হয়- যা পরবর্তীকালে সফলভাবে সম্পন্ন হয়েছে। এই সিদ্ধান্তের উদ্দেশ্য ছিল, সম্পদের সর্বোচ্চ ব্যবহারের মাধ্যমে ব্যয় সংকোচন সাধন করে একটি শক্ত ভিত্তির উপর কোম্পানীকে দাঁড় করিয়ে অতি সহজে মূলধন সংগ্রহ তথা কোম্পানীর আয় প্রবাহ বিচিত্রকরণ এবং বড় ভূমি ব্যাংক আয়ত্বে আনা।

মূলধনী মুনাফা থেকে প্রাপ্যতা বৃদ্ধিকল্পে সম্ভাবনাময় কোম্পানীগুলোতে আমাদের বিনিয়োগ করার কৌশল অব্যাহত আছে। এই কৌশল অনুযায়ী আলোচ্য বছরে কোম্পানী জিএমজি এয়ারলাইন্স লিমিটেড-এর ৫০% মালিকানা গ্রহণ করে। পরবর্তী বছরে কোম্পানী আইন ১৯৯৪ সেকশন ১৫৫(২) অনুযায়ী বেক্সিমকো লিমিটেড-এর একটি শেয়ার-এর বিপরীতে ঢাকা-সাংহাই সিরামিকস-এর চারটি শেয়ারের আনুপাতিক বিনিময় হারে বেক্সিমকোর ৯১,৮৭,৪৮৭টি শেয়ার-এর বিনিময়ে ঢাকা-সাংহাই সিরামিকস লিমিটেড-এর বিদ্যমান শেয়ারহোল্ডারদের ৩,৬৭,৪৯,৯৪৮টি শেয়ার (প্রায় ১০০%) অধিগ্রহণ করার জন্য কোম্পানী প্রস্তাব প্রদান করে। তদনুযায়ী গত ২৮শে এপ্রিল ২০১০ সালে অনুষ্ঠিত শেয়ারহোল্ডারগণের বিশেষ সাধারণ সভায় ঢাকা-সাংহাই সিরামিকস লিমিটেড-এর অধিগ্রহণের প্রস্তাব অনুমোদন করা হয়- যা এসইসি'র অনুমোদন সাপেক্ষ। ব্যবস্থাপনা কর্তৃপক্ষ মনে করে, এ ধরনের অধিগ্রহণ আপনাদের কোম্পানীর মুনাফা প্রবৃদ্ধি এবং নগদ প্রবাহ বৃদ্ধি করবে।

আমি গত বছর বলেছিলাম যে, আপনাদের কোম্পানী অত্যন্ত প্রতিকূল অবস্থার মধ্যে কঠোর পরিশ্রম করেছিল এবং তার মাধ্যমে শুধু অবস্থার পুনরুদ্ধারই করে নাই তার সাথে উল্লেখযোগ্য লাভ ও অর্জন করেছে। এই বছরের কার্যক্রম ইহাই প্রমাণ করে যে, আমাদের প্রবৃদ্ধি অব্যাহত আছে এবং আমরা একটা উজ্জ্বল ভবিষ্যতের প্রত্যাশা করতে পারি।

সামাজিক প্রতিশ্রুতি

বেক্সিমকো লিমিটেড-এ আমাদের কর্মকাণ্ড সমাজের প্রতি দায়িত্ববোধ দৃষ্টিকোণ থেকে আমরা পরিচালনা করছি বলে বিশ্বাস করি। সেজন্য আমাদের সকল কার্যক্রম প্রধানতঃ সমাজের মঙ্গলের দিকে লক্ষ্য রেখেই সম্পাদিত হয়ে থাকে। সামাজিক অঙ্গীকারের অংশ হিসাবে কোম্পানী সামাজিক গুরুত্ব সম্পন্ন অনুষ্ঠানাদি উপলক্ষে ক্রোড়পত্র প্রকাশনায় সহযোগিতা করে থাকে। বিভিন্ন প্রতিষ্ঠান ও পেশাদারিত্ব প্রতিষ্ঠানের আর্থ-সামাজিক ও সাংস্কৃতিক উন্নয়ন কার্যক্রমে আমরা একান্ত সহযোগিতা ও সমর্থন যোগিয়ে থাকি।

কৃতজ্ঞতা স্বীকার

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

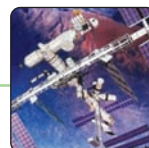
আমি আবারো আমাদের সকল শুভাকাঙ্ক্ষীকে আন্তরিক ধন্যবাদ জানাই এবং ভবিষ্যতে তাদের অব্যাহত সমর্থন ও সহযোগিতা আশা করি।

X. L. P. Lalunda

এ এস এফ রহমান

চেয়ারম্যান

তারিখ : ২৯ এপ্রিল, ২০১০



CHAIRMAN'S STATEMENT

Dear Shareholders,

I take this opportunity to welcome you on behalf of the Board of Directors to this 37th Annual General Meeting of your company and to present you the audited Accounts for the year ended 31st December 2009 and Auditors' and Directors' report thereon.

Your company Bangladesh Export Import Co. Ltd. was the first company established by the sponsors in 1972 immediately after independence of Bangladesh. It was from this company that the brand BEXIMCO originated. It is the flagship company of our group. Although initially we were basically a trading company over the years we transformed ourselves into a company having shareholdings in other group companies. During this time our main revenue source was dividend income and income from capital gains.

It is necessary for us to take stock of the trends in the global economy, appreciate how our economy is positioned, seek out opportunities and leverage the global economy.

is a function of the right price. On the other hand if the Government can invest efficiently in urban and industrial infrastructure, Beximco expects to be very well positioned to take advantage of the opportunities in the global market.

I make these observations to bring out the opportunities that Beximco has.. While the international negotiated trading regimes provide short lead times for developing countries to take advantage of concessions they offer, Beximco is a manufacturing and export company capable of taking advantage of every opportunity with efficiency and speed. We expect competent and consistent government policy to prevail to allow us to contribute to the economy and benefit all stakeholders.

Beximco has been known for its investment in its people and its partners. Our vision has proved to be correct. Many things have to go right for successful growth strategy and I am happy to report that we are in the appropriate trajectory.



Globalization per se has run into rough weather and is getting the wrap for internal economic management failures in many countries. However, Bangladesh was able to achieve considerable growth and remain linked to successful economies.

As countries develop, they tend to go up the chain of value addition and open markets for countries like Bangladesh with lesser value addition. Korea has moved up from labour intensive products and China will follow suit. These open up massive opportunities for Bangladesh. We, however, need infrastructure to take advantage of this growth opportunity. We need power, water and roads. Except for the long payback periods in roads - most sectors attract Private Capital provided the market rates are offered. In fact, infrastructure

As we grew and our skills improved, we became attractive to overseas companies that led to newer and newer opportunities and associations. The new policy framework opens up more sectors at home that will require our refined skill sets and resources. We invest in local companies with promise and provide them leadership and resources to turn them into sustainable businesses. We have the management skills that can provide the financial, production and marketing needed to secure high returns.

The external economic climate continues to be difficult and we have to be cautious. We are persistent and flexible. We are independently focusing on infrastructure projects.

Operating within the prevalent framework and optimizing benefits for the country, we expect to obtain highest returns for our shareholders and stakeholders.

In 2006 we decided to merge Shinepukur Holdings Ltd., Beximco Fisheries Ltd. and Bangladesh Online Ltd. which was successfully completed to form a company with a stronger balance sheet in order to more easily raise capital, achieving economies of scale thereby diversifying the revenue stream and acquiring a large land bank.

Our strategy to invest in companies with potential, in order to increase our returns from capital gains continues. In line with this strategy, the company, during the year under review, acquired 50% stake of GMG Airlines Ltd., and in the subsequent year the company proposed to acquire 3,67,49,948 shares (around 100%) of Dhaka-Shanghai Ceramics Limited from the existing shareholders of Dhaka-Shanghai Ceramics Limited in exchange of 91,87,487 shares

Social Commitment

In Beximco, we believe in our responsibilities towards the society we operate in. All our activities are therefore directed to the well being of the society in general. As part of the social commitment, the company sponsors news supplements on important social occasions. We also provided active co-operation and support to different organizations and professional institutions in their socio-cultural development programs.

Acknowledgement

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



of Beximco at an exchange ratio of four shares of Dhaka-Shanghai Ceramics for one share of Beximco Limited issued under section 155 (2) of the companies Act, 1994 and accordingly in the shareholders Extra-Ordinary General Meeting (EGM) of the company held on 28 April, 2010 the shareholders approved the acquisition of Dhaka-Shanghai Ceramics subject to approval of the regulatory bodies. The management hopes such acquisition shall improve profitability and cash flow of your company.

Last year, I had said that under extremely adverse circumstances your company worked hard and not only recovered but also made substantial gains. This year's results shows that the progress continues and we can look forward to a prosperous future.

was only possible because of the collective efforts of all concerned.

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

A. S. F. Rahman

A S F Rahman
Chairman

Dated: 29 April, 2010

CORPORATE GOVERNANCE

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

INTERNAL FINANCIAL CONTROL

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

Management structure - The Company is operating through a well defined management structure headed by chief executive officer (CEO) under whom there are executive directors, general managers for various departments and according to hierarchy, various senior and mid level management staffs. The CEO and the executive directors, general managers meet at regular intervals represented also by finance, marketing and personnel heads.

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

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

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

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

- select suitable accounting policies and then apply them in a consistent manner;
- make reasonable and prudent judgments and estimates where necessary;
- state whether all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the notes to the financial statements;
- take such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company;
- ensure that the financial statements comply with disclosure requirements of the Companies Act, 1994 and the Securities and Exchange Rules, 1987; and

- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

BOARD COMMITTEES

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

The board of directors is responsible for approving Company policy and is responsible to shareholders for the Company's financial and operational performance.

Responsibility for the development and implementation of Company policy and strategy, day-to-day operational issues is delegated by the board to the management of the Company.

Board structure and procedure - The membership of the board during the year end as on 31-12-2009 stood at seven directors. All directors are equally accountable as per law to the shareholders for the proper conduct of the business.

The Company's board currently comprises the Chairman, Vice-Chairman and other five directors. Other five directors are nominated by Beximco Holdings Limited. The name of the directors appears on page 3. The quorum for the board is at least three directors present in person.

GOING CONCERN

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

RIGHTS AND RELATIONS WITH SHAREHOLDERS

Control rights of shareholders - At annual general meeting, shareholders have rights of participation. They have the right to ask questions on and request from information from the board regarding

item on the agenda to the extent necessary to make an informed judgment of the Company's affairs.

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

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

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

DIRECTORS' REPORT

To the shareholders for the year ended 31st December 2009

Dear Shareholders,

The Directors have pleasure in submitting hereunder their report together with the Audited Accounts for the year ended on 31st December, 2009 and Auditors' Report thereon:

Working Results

The Directors are pleased to report that the working results of the company for the year 2009 are as follows:

	Taka in million
	For the year 2009
Net profit before tax	3,220.81
Less: Provision for income tax	12.18
Net profit after tax	3,208.63
Add: Balance brought forward from previous year	821.65
Profit available for appropriation	4,030.28
APPROPRIATION RECOMMENDED	
Stock Dividend (Bonus Share) at 60%	565.42
Balance carried forward	3,464.86
	4,030.28

Dividend

The Directors have recommended a stock dividend (Bonus share) @60% per share of Tk. 10 each, subject to approval of the shareholders in the AGM.

Director

Mr. M A Qasem and Mr. A B Siddiqui Rahman, Directors, retire by rotation as per Articles 123 & 124 of the Articles of Association of the Company and being eligible offer themselves for re-election being the nominee of Beximco Holdings Ltd.

Re-Appointment of Managing Director

As per provision of Companies Act 1994, Mr. A S F Rahman had been appointed as Managing Director of the company for a period of 5 (five) years which expired on 31st December, 2009. The Board has

re-appointed him as Managing Director of the Company for another period of 5 (five) years w.e.f., 1st January, 2010 to 31st December, 2014, subject to the approval of Shareholders in the 37th Annual General Meeting.

Board Meeting and Attendance

During the year 15 (fifteen) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meeting attended
Mr. A S F Rahman	15
Mr. Salman F Rahman	15
Mr. Iqbal Ahmed	13
Mr. M A Qasem	15
Mr. O K Chowdhury	12
Mr. A B S Rahman	15
Dr. Abul Alim Khan	6

Audit Committee

The Company has an Audit Committee, which met thrice in 2009 to consider its Annual Financial Statements for the year ended 31st December 2008, half yearly report for the half year ended on 30th June 2009 and 3rd quarter ended 30th September, 2009.

Corporate and Financial Reporting

The Directors are pleased to confirm the following:

- The financial statements together with the notes thereon have drawn up in conformity with the Companies Act 1994 and Securities and Exchanges Rules 1987. These statements presents fairly the Company's statement of affairs, the result of its operation, cash flow and statement of changes in equity.
- Proper books of accounts of the company have been maintained.
- Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable judgement.





- (d) The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- (e) Internal Control System is sound in design and has been effectively implemented and monitored.
- (f) No significant doubts about the ability of the Company to continue as a going concern.
- (g) There is no significant deviations in operating result compared to last year.
- (h) The summarised key operating and financial data of last five preceding years is annexed as "Comparative Statistics" in the Annual Report.
- (i) The Pattern of shareholding is as followings:
- (j) Parent/Subsidiary/Associated Companies and other related Parties:

Name	Shares held
Beximco Holdings Ltd.	5,140,627
Esses Exporters Ltd.	57,459
(ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Their spouse and Minor children:	
Mr. A S F Rahman, Managing Director	5,312,335
Mr. Salman F Rahman, Director	5,156,611
(iii) Executive:	Nil
(iii) Shareholders holding 10% or more Voting interest in the company:	Nil

Corporates Governance Compliance Status Report

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

Auditors

The Directors hereby report that the existing Auditors M/s. M. J. Abedin & Co. , Chartered Accountants, National Plaza (6th floor), 109, Bir Uttam C R Datta Road, Dhaka-1205 who was appointed as Auditors of the Company in Thirty-sixth Annual General Meeting carried out the audit for the year ended on 31 December, 2009.

M/s. M. J. Abedin & Co. , Chartered Accountants, National Plaza (6th floor), Bir Uttam C R Datta Road, Dhaka-1205 the Auditors of the company retire at this meeting and have expressed their willingness to continue in the office for the year 2010.

On behalf of the Board of Directors

A S F Rahman

Chairman

Dated : 29 April, 2010



Corporate Governance

Compliance Status Report

ANNEXURE

Status of Compliance with the conditions imposed by the SEC's Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February, 2006 issued under Section 2CC of the Securities and Exchange Ordinance, 1969: (Report under Condition No. 5.00).

Condition No.	Title	Compliance Status (Put (√) in the appropriate column)		Explanation For non-compliance with the condition
		Complied Not	Complied	
1.1	Board Size	√		
1.2	Independent Director	√		
1.3	Chairman & Chief Executive	√		
1.4(a)	Directors Report on Financial Statements	√		
1.4(b)	Books of Accounts	√		
1.4(c)	Accounting Policies	√		
1.4(d)	IAS applicable in Bangladesh	√		
1.4(e)	System of Internal Control	√		
1.4(f)	Going Concern	√		
1.4(g)	Deviation in Operating Results	√		
1.4(h)	Key Operating & Financial Data	√		
1.4(i)	Declaration of Dividend	√		
1.4(j)	No. of Board Meetings	√		
1.4(k)	Pattern of Shareholdings	√		
2.1	CFO, HIA & Company Secretary Appointment	√		
2.2	Board Meeting Attendance	√		
3.00	Audit Committee	√		
4.00	External/ Statutory Auditors	√		
5.00	Reporting the Compliance in the Directors' report	√		

36th Annual General Meeting

The Thirty Sixth Annual General Meeting (AGM) of Shareholders of Bangladesh Export Import Company Limited was held on 18th June, 2009 at 9:30 am at 1, Shahbagh C/A, Dhaka. A large number of Shareholders attended the AGM.

Mr. A S F Rahman, Chairman of the Board of Directors of Bangladesh Export Import Company Limited presided over the meeting. Verses from the Holy Quran along with its translation into Bengali were recited at the very outset of the meeting.

The Chairman of the meeting welcomed the shareholders in the AGM. The shareholders expressed their valued opinion on the directors' report and the audited financial statements of the Company for the year ended 31 December 2008 and also on other affairs of the Company.

Mr. Salman F Rahman, Vice-Chairman of the Board of Directors, replied to the queries and explained various comments of distinguished shareholders. He also given the hints of future activities of the Company.

After electing Directors, approving the audited financial statements, 10% Cash and 50% stock dividend, appointing auditors and fixing their remuneration by the shareholders, the meeting ended with a vote of thanks to and from the chair.



FINANCIALS



AUDITORS' REPORT

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

We have audited the accompanying Consolidated Balance Sheet of Bangladesh Export Import Company Limited and its subsidiaries (the Group) as of December 31, 2009 and the related Consolidated Profit and Loss Account, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, in which are consolidated the financial statements of the same period of its two subsidiary companies Shinepukur Ceramics Limited audited by us and Beximco USA Limited compiled by Morehouse Gilbert Carpenter & Watkins, P.C., Certified Public Accountants, 507 S. Thornton Avenue, Dalton, Georgia 30722-1710, in compliance with the requirements of Bangladesh Accounting Standard 27: Consolidated and Separate Financial Statements. These consolidated financial statements are the responsibility of the management of the company and its subsidiaries management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements prepared in accordance with Bangladesh Accounting Standards (BASs) give a true and fair view of the consolidated state of affairs as of December 31, 2009 and of the consolidated results of operations and consolidated cash flows of the company and its subsidiaries ("the Group") for the year then ended and comply with the applicable sections of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of accounts as required by law have been kept by the company and its subsidiaries so far as it appeared from our examination of those books;
- (c) the Balance Sheet and Profit and Loss Account of the company and its subsidiaries dealt with by this report are in agreement with the books of accounts; and
- (d) the expenditures incurred were for the purpose of the business of the company and its subsidiaries.



M.J. ABEDIN & CO.
Chartered Accountants

Date: 29 April, 2010
Dhaka

Bangladesh Export Import Company Limited and its Subsidiaries

Consolidated Balance Sheet

At 31 December 2009

	Notes	Amount in Taka
ASSETS		
Property, Plant and Equipment	5	3,212,665,125
Investment In Shares	6	2,039,153,883
Deferred Assets		36,740,537
Capital Work in Progress		172,820,626
Total Non - Current Assets		5,461,380,171
Current Assets		11,526,373,536
Inventories	7	3,440,843,696
Debtors	8	1,467,635,347
Advances, Deposits and Pre-Payments	9	6,461,846,916
Cash and Cash Equivalents	10	156,047,577
Total Assets		Tk. 16,987,753,707
SHAREHOLDERS' EQUITY, MINORITY INTEREST AND LIABILITIES		
Shareholders' Equity		9,608,872,506
Issued Share Capital	11	942,372,510
Reserve	12	4,341,482,191
Retained Earnings		4,325,017,805
Minority Interest In a Subsidiary Company	13	1,119,459,882
Long Term Loan	14	1,410,929,880
Deferred Tax Liability	15	12,654,931
Current Liabilities		4,835,836,508
Short Term Loan From Banks and others	16	3,560,003,014
Long Term Loan - Current Portion	17	861,063,929
Trade and other Payables	18	291,715,741
Income Tax Payable		123,053,824
Total Equity and Liabilities		Tk. 16,987,753,707

The notes are an integral part of the Financial Statements.

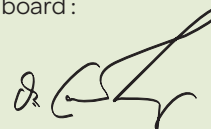
Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.



M.J. Abedin & Co.
Chartered Accountants

Bangladesh Export Import Company Limited and its Subsidiaries

Consolidated Profit and Loss Account

For the year ended 31 December 2009

	Notes	Amount in Taka
Revenue (Turnover) from net sales	19	5,327,783,716
Cost of Goods Sold	20	(1,358,255,528)
Gross Operating Profit		3,969,528,188
Operating Expenses		(194,384,945)
Administrative Expenses	21	(141,174,422)
Selling and Distribution Expenses	22	(53,210,523)
Operating Profit		3,775,143,243
Financial Expenses	23	(327,699,387)
Net Profit Before Cont. to WPWF		3,447,443,856
Contribution to Workers' Profit Participation/Welfare Fund		(12,459,333)
Net Profit Before Income Tax		3,434,984,523
Income Tax Expenses	24	(88,996,040)
Net Profit After Tax		3,345,988,483
Minority Interests in Income		(86,187,866)
Net Profit After Tax and Minority Interests		3,259,800,617
EPS (Par Value of Share Tk. 10/=)	25	Tk. 34.59

The notes are an integral part of the Financial Statements.


Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



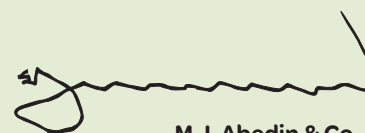
Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.



M.J. Abedin & Co.
Chartered Accountants

Bangladesh Export Import Company Limited and its Subsidiaries

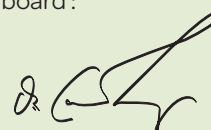
Consolidated Statement of Changes in Equity

For the year ended December 31, 2009

	Share Capital	Retained Earnings	Reserve	Total
At 31 December 2008	548,849,410	1,429,538,587	4,118,721,702	6,097,109,699
Net Profit after tax and minority interests for the year	-	3,259,800,617	-	3,259,800,617
Issue of Bonus Shares for the prior period	274,424,700	(274,424,700)	-	-
Cash Dividend for the prior period	-	(54,884,941)	-	(54,884,941)
Cash Dividend for the prior period (Minority Shareholders)	-	(35,011,758)	-	(35,011,758)
Issue of Share Capital on amalgamation of Bangladesh Online Ltd.	119,098,400	-	-	119,098,400
Surplus on merger of Bangladesh Online Ltd.	-	-	509,931,036	509,931,036
Transfer to Minority Interests	-	-	(287,170,547)	(287,170,547)
As on 31.12.2009	Tk. 942,372,510	4,325,017,805	4,341,482,191	9,608,872,506

Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :


A S F Rahman
Chairman

Salman F Rahman
Vice Chairman

O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.

M.J. Abedin & Co.
Chartered Accountants

Bangladesh Export Import Company Limited and its Subsidiaries

Consolidated Cash Flows Statement

For the year ended 31 December 2009

Amount in Taka

Cash Flows From Operating Activities :

Collection from turnover and other income	7,132,096,961
Payments for cost and expenses including interest & tax	(6,543,272,067)

Net cash Generated From Operating Activities **588,824,894**

Cash Flows From Investing Activities :

Capital Work-In-Progress	(172,820,626)
--------------------------	---------------

Net Cash Used In Investing Activities **(172,820,626)**

Cash Flows From Financing Activities :

Long term loan decreased	(290,982,649)
--------------------------	---------------

Net Cash Used In Financing Activities **(290,982,649)**

Increase in Cash And Cash Equivalents **125,021,619**

Cash And Cash Equivalents at Beginning of the year **31,025,958**

Cash And Cash Equivalents at End of the year **Tk. 156,047,577**

Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.



M.J. Abedin & Co.
Chartered Accountants

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

1. Reporting Entity

Bangladesh Export Import Co. Ltd. (the Company) was incorporated in Bangladesh in 1972 under the Companies Act, 1913 as a Public Limited Company and commenced its commercial operation in the same year. The company became a listed company in 1989.

The shares of the Company are traded in Dhaka and Chittagong Stock Exchanges of Bangladesh.

The business activities of the company include investment operation, agency and trading in other commodities and produces.

During the year 2009, the company took over, under a scheme of Amalgamation, erstwhile Bangladesh Online Limited (internet service Provider), a listed company of Beximco Group.

During the year 2009, the company sold 26.38% shares (23.62% shares sold in 2008) out of 100% shares acquired in 2005 of Shinepukur Ceramics Ltd., a company of Beximco Group engaged in manufacturing and marketing of ceramic tableware, under the Dhaka and Chittagong Stock Exchanges (Direct Listing) Regulations, 2006. Therefore, as on 31-12-2009, the company holds 50% shares.

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

The company has its registered office and operational office at BEXIMCO Corporate Head Quarters located at 17, Dhanmondi Residential Area, Road No. 02, Dhaka-1205. The London Branch is situated at 12 Barkat House, 116-118 Finchley Road, London NW35HT, UK and Beximco USA Ltd. is located at 310, Selvidge Street, Dalton, Georgia-30722, USA.

2. Consolidated Financial Statements of the Group (Parent and Subsidiaries)

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

The financial statements of subsidiaries have been consolidated with those of Bangladesh Export Import Co. Ltd. in accordance with BAS: 27 Consolidated and Separate Financial Statements. In respect of the subsidiary undertakings, audited/compiled financial statements for the year ended 31 December 2009 have been used to draw up these financial statements.

2.2 Subsidiary

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

2.3 Transactions eliminated on consolidation

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

2.4 Minority Interest

The issued and Paid-up Share Capital of Shinepukur Ceramics Ltd. and Beximco USA Ltd. are Tk. 840,283,200 (84,028,320 Shares of Tk. 10/= each) and Tk. 15,476,480 (22,600 Shares of US \$ 10/= each) respectively.

3. Basis of Preparation of Financial Statements

3.1 Basis of Measurement

The financial statements have been prepared on the Historical Cost basis as modified to include the revaluation of certain fixed assets of bone mill (in 1977 and 1988) which are stated at revalued amount.

Accordingly, historical cost is employed to determine the monetary amounts at which the elements of the financial statements are to be recognized and carried in the balance sheet and income statement.

Under the Historical Cost, assets are recorded at the amount of cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

3.2 Statement of Compliance

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

3.3 Presentation of Financial Statements

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

3.4 Reporting Period

The financial period of the company covers one calendar year from 1st January to 31st December consistently.

3.5 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 29 April, 2010.

3.6 Reporting Currency

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

3.7 Comparative Information

No comparative information has been disclosed in respect of the year 2008, as such information, after amalgamation of Bangladesh On-line Ltd. (BOL) in 2009 is not comparable with the current year's financial statements.

3.8 Use of Estimates and Judgements.

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

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

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

3.9 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

3.10 Financial Instruments

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

3.11 Statement of Cash Flows

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

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

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

3.12 Segmental Reporting

In accordance with the requirements of BAS 14: Segmental Reporting, Information in respect of industry and geographical segments of the company has been disclosed in a separate note.

3.13 Related Party Disclosures

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

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

3.14 Events after the Reporting Period

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

4. Accounting Policies

4.1 Revenue Recognition

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

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

4.2 Property, Plant and Equipment

4.2.1. Recognition and Measurement

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

4.2.2. Pre-Operating Expenses and Borrowing Costs

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

4.2.3. Subsequent Expenditure

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

4.2.4. Software

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

4.2.5. Disposal of Fixed Assets

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

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

4.2.6. Depreciation on Fixed Assets

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

Building and Other Construction	2.5% - 10%
Plant and Machinery	5% - 15%
Furniture, Fixture & Equipment	10% - 20%
Transport & Vehicle	20%
Furniture & Equipment of London Branch	15%

4.2.7 Impairment

In accordance with the provisions of BAS 36: Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been raised till to date.

4.2.8 Lease Assets

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

4.3 Investment in Shares

4.3.1 In compliance with the requirements of BAS 27 : Consolidated and Separate Financial Statements, investment in shares of Beximco USA Ltd. by Beximco London Branch is carried in this balance sheet at Net Assets by consolidating assets and liabilities thereof.

4.3.2 In compliance with the requirements of BAS 25: Accounting For Investments, investment in other shares being classified as long term assets, are carried in the balance sheet at Cost.

4.4 Inventories

Inventories are valued at the lower of cost or market with cost determined by FIFO (First – in, First – out) method.

4.5 Accounts Receivables

Accounts receivables are recognized at cost, which is the fair value of the consideration given for them.

4.6 Advances, Deposits and Prepayments

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

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit and loss account.

4.7 Cash and Cash Equivalents

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

4.8 Provisions

In accordance with the guidelines as prescribed by BAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

4.9 Accrued Expenses and Other Payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

4.10 Borrowing Costs

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

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

4.11 Income Tax Expenses

Current Tax

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

Deferred Tax

The company has recognized deferred tax using balance sheet method in compliance with the provisions of BAS 12: Income Taxes. The company's policy of recognition of deferred tax assets / liabilities is based on temporary difference (taxable or deductible) between the carrying amount (Book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/ expenses has been considered to determine net profit after tax and earnings per shares (EPS).

4.12 Employee Benefits

The company has accounted for and disclosed of employee benefits in compliance with the provisions of BAS 19: Employee Benefits.

The costs of employee benefits are charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits includes the following:

Defined Contribution Plan

This represents recognized contributory provident fund for all its permanent employees. Assets of provident fund are held in a separate trustee administered fund as per relevant rules and is funded by contribution from both the employees and the company at pre-determined rates.

4.13 Proposed Dividend

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

4.14 Earnings Per Share

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

Basic Earnings

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

Weighted Average Number of Shares In Issue

Current Year (2009)

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year. However, the Bonus Shares issued during the year 2009 were treated as if they always had been in issue. Hence, in computing the Basic EPS of 2009, the total number of bonus shares has been considered.

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

Earlier Year (2008)

The number of shares outstanding before the bonus shares issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issues had occurred at the beginning of the earliest period reported (2008), and accordingly, in calculating the adjusted EPS of 2008, the total number of shares including the subsequent bonus issue in 2009 has been considered as the weighted Average Number of Shares Outstanding during the year 2008.

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

Diluted Earnings Per Share

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

4.15 Foreign Currency Translations

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

5. Property, Plant and Equipment : Tk.3,212,665,125

The details are stated below:

Particulars		Land and Land Development	Building and other construction	Plant & Machinery	Furniture, Fixture & Equipment	Vehicle	Total
Cost/Valuation							
At 31 Dec, 2008		931,175,657	889,422,384	2,724,336,296	233,307,240	36,853,457	4,815,095,034
Exchange Loss/(Gain)		-	-	(13,887,674)	-	-	(13,887,674)
Addition in 2009		-	1,401,011	10,132,830	4,960,022	1,508,360	18,002,223
At 31 December, 2009	Tk.	931,175,657	890,823,395	2,720,581,452	238,267,262	38,361,817	4,819,209,583
Depreciation							
At 31 Dec, 2008		-	218,432,487	1,069,263,011	154,516,297	27,469,019	1,469,680,814
Charged in 2009		-	18,056,328	97,280,977	23,402,351	2,173,989	140,913,645
At 31 December, 2009	Tk.	-	236,488,815	1,166,543,988	177,918,648	29,643,008	1,610,594,459
Carrying Value							
At 31 December, 2009	Tk.	931,175,657	654,334,580	1,554,037,464	60,348,614	8,718,809	3,208,615,124
Lease Hold Land		4,050,001	-	-	-	-	4,050,001
Carrying Value							
At 31 December, 2009	Tk.	935,225,658	654,334,580	1,554,037,464	60,348,614	8,718,809	3,212,665,125

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

6. Investment in Shares: Tk. 2,039,153,883

This consists of as follows:

(i) In Associated undertakings :

(a) In 60,243,657 Shares of Bextex Ltd. (Listed company, Market value Tk. 81.40 per share on 30/12/2009)	1,633,706,993
(b) In 1,756,826 Shares of Beximco Pharmaceuticals Ltd. (Listed company, Market value Tk. 155.80 per share on 30/12/2009)	2,032,910
(c) In 4,203 Shares of Beximco Synthetics Ltd. (Listed company, Market value Tk. 282.10 per share on 30/12/2009)	1,185,680
(d) In 11,075 Shares of Tk.100/= each of Beximco Apparels Ltd	1,107,500
(e) In 10,000 Shares of Tk.100/= each of Beximco Engineering Ltd	1,000,000
(f) In 49,000 Shares of Tk.100/= each of Gammatech Ltd	4,900,000
(g) In 856,819 Shares of Tk.100/= each of International Hotel Holdings Ltd	85,681,900
(h) In 20,000 Shares of Tk.100/= each of International Cements Ltd	2,000,000
(i) In 40,000 Shares of Tk.100/= each of Shinepukur Hotels Ltd	4,000,000
(j) In 250,000 Share of Tk.10/= each of Beximco Zenith Ltd	2,500,000

(ii) Others :

(a) In 30,000,000 Share of Tk.10/= each of GMG Airlines Ltd	300,000,000
(b) In 778 Shares of Tk.100/= each of Investment Corporation of Bangladesh [Listed company, Market value Tk. 2,399.25 per share on 30/12/2009]	38,900
(b) In 1 Share of Tk.1,000,000/= each of Central Depository Bangladesh Ltd	1,000,000

Tk. 2,039,153,883

7. Inventories - Tk.3,440,843,696

This represents as follows:

Raw Material	327,976,606
Finished Goods	215,961,579
Work-In-Process	176,073,235
Stores and Spares	100,491,873
Packing Material	45,307,796
Land	1,847,732,087
Land development and others	206,675,164
Work in progress	429,618,602
Fish	85,579,321
Fish Feed	2,135,757
PIN Mailers	167,002
Jute Yarn (London Branch)	3,124,674

Tk. 3,440,843,696

8. Debtors - Tk. 1,467,635,347

This is unsecured but considered good.

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

9. Advances, Deposits and Pre-payments : Tk. 6,461,846,916

This consists of as follows:

(i) Advances:	6,356,357,627
Advance Income Tax	41,519,650
L/C- Margin	24,986,224
Suppliers	11,579,936
Trade Fair	6,977,155
Marketing Expenses	4,934,742
L/C- Insurance	1,530,511
Other Advances	6,264,829,409
(ii) Deposits	82,232,501
(iii) London Branch	23,256,788
	Tk. 6,461,846,916

This is unsecured but considered good.

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

No amount was due by the associated undertakings.

10. Cash and Cash Equivalents: Tk. 156,047,577

This consist of as follows:

In Hand	9,609,021
In Current Account with banks	120,752,333
In STD account with bank	24,150,112
In fixed deposit and accrued interest with bank	1,419,901
London Branch	116,210
	Tk. 156,047,577

11. Issued Share Capital: Tk. 942,372,510

(a) Authorised:	
100,000,000 Ordinary Shares of Tk. 10/-each	Tk. 1,000,000,000
(b) Issued, Subscribed and Paid-Up:	
4,000,000 Ordinary Shares of Tk.10/-each	40,000,000
43,057,412 Ordinary Shares of Tk.10/-each issued as fully paid-up bonus shares	430,574,120
22,019,999 Ordinary Shares of Tk.10/-each issued in exchange for acquisition of shares of Shinepukur Ceramics Ltd.	220,199,990
12,600,000 Ordinary Shares of Tk. 10/- each issued to the shareholders of Shinepukur Holdings Ltd.	126,000,000
650,000 Ordinary Shares of Tk. 10/- each issued to the shareholders of Beximco Fisheries Ltd.	6,500,000
11,909,840 Ordinary Shares of Tk. 10/- each issued to the shareholders of Bangladesh Online Ltd.	119,098,400
Total 94,237,251 Shares of Tk. 10/= each	Tk. 942,372,510

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

(c) Composition of Shareholding:

	No. of Shares	%
Sponsors	10,468,946	11.11%
Associates	9,566,370	10.15%
Foreign Investors	10,651,899	11.30%
General Public & Financial Institutions	63,550,036	67.44%
	94,237,251	100.00%

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

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

Share holding Range in number of Shares	Number of holders	% of total holders	Number of Shares	% of Share Capital
1 to 499	37,311	78.02%	4,601,213	4.88%
500 to 5,000	9,565	20.00%	12,002,996	12.74%
5,001 to 10,000	477	1.00%	3,444,546	3.66%
10,001 to 20,000	216	0.45%	3,153,599	3.35%
20,001 to 30,000	79	0.17%	1,997,149	2.12%
30,001 to 40,000	44	0.09%	1,556,509	1.65%
40,001 to 50,000	21	0.04%	963,925	1.02%
50,001 to 100,000	44	0.09%	3,207,142	3.40%
100,001 to 1,000,000	54	0.11%	20,552,739	21.81%
Over 1,000,000	14	0.03%	42,757,433	45.37%
Total:	47,825	100.00	94,237,251	100.00

(e) Option on un issued Shares :

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

(f) Market Price :

The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 309.30 and Tk. 309.10 per share in the Dhaka and Chittagong Stock Exchanges on 30 December, 2009.

(g) Voting Rights :

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

12. Reserves Tk. 4,341,482,191

This consists of as follows:

(i)	Profit on sale of fixed assets	28,100
(ii)	Surplus on revaluation of fixed assets of bone mill	6,350,993
(iii)	Surplus on consolidation of Beximco USA Ltd.	38,796,613
(iv)	Surplus on acquisition of shares of Shinepukur Ceramics Ltd	715,501,290
(v)	Surplus on merger of Shinepukur Holdings Ltd	2,437,398,388
(vi)	Surplus on merger of Beximco Fisheries Ltd	160,571,823
(vi)	Surplus on merger of Bangladesh Online Ltd	509,931,036
(vii)	Fixed assets revaluation Surplus	1,161,818,681
(viii)	Transfer to minority interests	(688,914,733)
		Tk. 4,341,482,191

13. Minority Interest In A Subsidiary Company - Tk.1,119,459,882

This represents break-up value of 42,014,169 ordinary shares of Shinepukur Ceramics Ltd. owned by minority shareholders.

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

14. Long Term Loan - Tk. 1,410,929,880

This represents Loans from:

Foreign Currency Loan:

Marubeni Corporation (J.Yen 144,000,000)	109,598,400
--	-------------

Local Currency Loan:

Sonali Bank- Project	186,495,071
Sonali Bank- PAD Blocked	156,089,248
Sonali Bank- CC Blocked	23,910,632
Consortium Loan	833,050,972
Term Loan (FLIL)	17,521,543
First Lease International Ltd. (Lease Obligation)	84,264,014

Tk. **1,410,929,880**

Loan from Marubeni Corporation is arrived at after debiting of TK.13,887,674 being decrease in liability on conversion of the loan balance in foreign currency as on 31-12-2009 at the exchange rates ruling on the balance sheet date.

Consortium loan represents term loan received under the consortium of Sonali Bank Ltd. (Lead Bank), Janata Bank and Rupali Bank Ltd.

Term loan (FLIL) represents amount received from First Lease International Ltd.

Nature of security :

- (a) Pursuant to supplementary Lenders' Paripassu Security Sharing Agreement dated 24-06-2004 among Marubeni Corporation, South-east Bank Ltd., Sonali Bank and Shinepukur Ceramics Ltd., Marubeni Corporation, Southeast Bank Ltd., and Sonali Bank are secured by:
 - (i) Equitable mortgage over the immovable property.
 - (ii) Hypothecation by way of a floating charge on all other movable assets both present and future.
 - (iii) First charge over all the finished stock, work - in - process and current assets excluding book debts.
- (b) Consortium loan is secured against 1st (legal mortgage) charge on pari passu basis with the participating bankson 84 acrs of land at Gazipur & Gulshan, personal guarantees of Directors, corporate guarantees and mortgage of shares worth Taka 15 crore of associated undertakings.
- (c) Term loan (FLIL) is secured against registered mortgage of project property consisting of 64 Flats with car parking in 2 (two) 9 (nine) storied building constructed on 16 kathas land at Senpara Parbata, Mirpur and personal guarantee of Directors.

Terms of Repayment :

Marubeni Corporation:

In 14 (Fourteen) equal half yearly installments commencing from December, 2004.

Sonali Bank Project Loan:

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

Sonali Bank PAD Blocked Loan:

In 120 (One hundred twenty) equal monthly installments commencing from January 31, 2005.

Sonali Bank CC Blocked Loan:

In 108 (One hundred eight) equal monthly installments commencing from January 31, 2005.

Consortium loan:

Sonali and Rupali Bank: In thirty six quarterly equal installments with effect from January, 2004

Janata Bank: In thirty six equal installments with effect from January, 2004

Term Loan (FLIL):

In 72 monthly equal installments with effect from January, 2004

Rate of Interest:

Marubeni Corporation:

Japanese long term prime rate (LTPR) + 3% p.a.

Sonali Bank Project Loan:

12.50% p.a. or the lending rate applicable from time to time based on Bank rate/policy.

Sonali Bank PAD Blocked Loan:

14% p.a. or the lending rate applicable from time to time based on Bank rate/policy.

Sonali Bank CC Blocked Loan:

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

Rate of Interest - nil

Consortium loan:

16% p. a. payable and chargeable at quarterly rest. This however, may vary following changes in the bank's policies.

Term Loan (FLIL):

20% p. a.

15. Deferred Tax Liabilities - Tk. 12,654,931

This is in respect of Shinepukur Ceramics Ltd. and is arrived at as follows.

As on 01-01-2009

11,029,742

Add: Deferred tax expenses provided for the year 2009 for Shinepukur Ceramics Ltd.

1,625,189

Tk. **12,654,931**

16. Short Term Loan from Banks and Others - Tk. 3,560,003,014

This is secured and consists of as follows:

Sonali Bank- CC (Hypothecation)

528,869,521

Bank Asia Ltd. - Over Draft

252,774,184

Sonali Bank- LTR

81,139,551

Southeast Bank - LTR

54,820,598

Bank Overdraft

142,399,160

Other Short Term Loan

2,500,000,000

Tk. **3,560,003,014**

17. Long Term Loan - Current Portion Tk. 861,063,929

This consists of as follows:

Foreign Currency Loan:

Marubeni Corporation (J. Yen 432,000,000)

328,795,200

Local Currency Loan:

Sonali Bank- PAD Blocked

23,301,692

Sonali Bank- Project

23,463,853

Sonali Bank- CC Blocked

9,359,370

Lease Obligation

70,984,181

Consortium Loan

311,353,388

Term Loan (FLIL)

11,527,840

14% Debenture

82,278,405

Tk. **861,063,929**

18. Trade and Other Payables: Tk. 291,715,741

This consists of as follows:

L/C and Others

4,325,400

Creditors for Goods

6,274,374

Security Deposit

4,665,000

Outstanding Export Commission

3,110,797

Others

273,340,170

Tk. **291,715,741**

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

19. Revenue: Tk. 5,327,783,716

Sale of Goods (Net)	1,958,145,983
Dividend Income	7,826,029
Exchange loss (Net)	(26,047)
Commission and other Income	810,618
Capital Gain on Sale of Shares	3,360,607,457
Other Income	419,676

Tk. **5,327,783,716****20. Cost of Revenue - Tk. 1,358,255,528**

Table Ware (Shinepukur Ceramics Ltd.)	1,136,510,173
Internet Services & Soft Ware	123,937,374
Shrimp, Fish and Salt (Fisheries Unit)	10,738,058
Jute Yarn and Other Jute Products (London Branch)	87,069,923

Tk. **1,358,255,528****21. Administrative Expenses: Tk 141,174,422**

Salaries and allowances	35,160,009
Rent, Rates and Taxes	8,609,496
Postage, Telegram, Telex and Telephone	3,214,339
Publicity and advertisement	564,470
Petrol, Fuel, Electricity, Gas and Water	2,278,614
Printing and stationery	4,015,952
Car repairs and maintenance	5,810,637
Travelling and conveyance	5,362,473
Repair and Maintenance	4,089,766
Fees and charges	4,253,055
Entertainment	1,841,816
Subscription	939,701
Audit fee	550,000
Tender document	14,000
AGM expenses	7,104,673
Contribution to Provident Fund	191,220
General Office Expenses	4,525,113
Miscellaneous overhead	1,135,364
Depreciation	20,475,108
Welfare Expenses	7,643,228
Utilities Expenses	443,243
CDBL charges	2,633,493
Loss on sale & lease back of assets	12,246,846
London Branch Expenses	8,071,806

Tk. **141,174,422**

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

22. Selling and Distribution Expenses Tk. 53,210,523

Promotional Expenses	23,552,271
Salaries and allowances	11,114,584
Occupancy Expenses	3,503,840
Office Expenses	5,418,299
Communication Expenses	549,273
Travelling and conveyance	3,253,603
Transport Expenses	1,405,669
Welfare Expenses	1,629,715
Advertisement and Publicity	867,263
Utilities Expenses	501,816
Showroom Expenses	291,192
Handling and Carrying Expenses	235,969
Repair and Maintenance	94,024
Legal and Professional Fees	601,355
General Expenses	12,870
Product Research	178,780

Tk. **53,210,523****23. Financial Expenses : Tk. 327,699,387**

Interest on loan from banks and others	246,431,080
Bank Charges and Commission	7,110,987
Interest on loan to related companies (Net)	31,164,384
Lease Interest	42,959,967
Other Interest Income	(139,682)
London Branch Expenses	172,651

Tk. **327,699,387****24. Income Tax Expenses – Tk. 88,996,040**

Current Tax	49,734,367
Deferred Tax	1,625,189
Short Provision of tax for earlier years	37,472,643
London Branch Expenses	163,841

Tk. **88,996,040****25. Basic Earnings per Share (EPS) :**

The computation of EPS is given below :

(a) Net Profit for the year (after tax and minority interest)	Tk. 3,259,800,617
(b) Weighted average number of shares used for EPS (Note - 21.14)	94,237,251
(c) Basic EPS (a/b)	Tk. 34.59

Bangladesh Export Import Company Limited and its Subsidiaries

Notes to the Consolidated Financial Statements

31 December 2009

26. Related Party Disclosures :

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

Name of the Related Parties	Nature of transactions	Value of transactions during the year	Balance at the end of the year
Bextex Ltd.	Investment in Shares	1,581,536,262	1,633,706,993
Bextex Ltd.	Long Term Loan	(1,581,536,258)	-
Beximco Pharmaceuticals Ltd.	Investment in Shares	-	2,032,910
Beximco Pharmaceuticals Ltd.	Dividend Income	7,574,084	-
Beximco Pharmaceuticals Ltd.	Short Term Loan	2,500,000,000	(2,500,000,000)
Beximco Pharmaceuticals Ltd.	Interest Expenses	31,164,384	(31,164,384)
Beximco Synthetics Ltd.	Investment in Shares	-	1,185,680
Beximco Apparels Ltd.	Investment in Shares	-	1,107,500
Beximco Engineering Ltd.	Investment in Shares	-	1,000,000
Gamatech Ltd.	Investment in Shares	-	4,900,000
International Hotel Holdings Ltd.	Investment in Shares	-	85,681,900
International Cement Ltd.	Investment in Shares	-	2,000,000
Shinepukur Hotels Ltd.	Investment in Shares	-	4,000,000
Beximco zenith Ltd.	Investment in Shares	-	2,500,000

Nature of Relationship:

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

27. Segmental Reporting:

	Bangladesh Operation	London Operation	USA Operation	TOTAL
Revenue:				
Sale of Ceramic Tableware of subsidiary-Shinepukur Ceramics Ltd.	1,695,710,571	-	-	1,695,710,571
Internet Services & Software	153,941,799	-	-	153,941,799
Sale of shrimp, fish and salt (Fisheries unit)	13,351,256	-	-	13,351,256
Sale of Jute Yarn and other Jute products	-	3,623,836	91,518,521	95,142,357
Dividend Income	7,826,029	-	-	7,826,029
Exchange Gain/(Loss)	1,874,710	(1,900,757)	-	(26,047)
Commission and other Income	810,618	-	-	810,618
Capital gain on sale of shares	3,360,607,457	-	-	3,360,607,457
Other Income	419,676	-	-	419,676
Total Revenue	5,234,542,116	1,723,079	91,518,521	5,327,783,716
Less: Cost of Revenue	(1,271,185,605)	-	(87,069,923)	(1,358,255,528)
Gross Operating Profit	3,963,356,511	1,723,079	4,448,598	3,969,528,188
Less: Expenses (net)	(526,299,208)	(1,018,516)	(7,225,941)	(534,543,665)
Net Profit/(Loss) before tax	3,437,057,303	704,563	(2,777,343)	3,434,984,523
Less: Income tax expenses	(88,832,199)	(163,841)	-	(88,996,040)
Net profit after tax	3,348,225,104	540,722	(2,777,343)	3,345,988,483
Less: Minority Interest in income	(86,187,866)	-	-	(86,187,866)
Net profit after tax and minority interest	Tk. 3,262,037,238	540,722	(2,777,343)	3,259,800,617

28. Contingent Liabilities

There was no sum for which the company is contingently liable as on 31 December 2009.

Bangladesh Export Import Company Limited and its Subsidiaries
Notes to the Consolidated Financial Statements
 31 December 2009

29. Capital Expenditure Commitment

- (a) There was no capital expenditure contracted but not incurred or provided for at 31 December 2009.
 (b) There was no material capital expenditure authorized by the Board but not contracted for at 31 December 2009.

30. Claims Not Acknowledged As Debt

There was no claim against the Company not acknowledge as debt as on 31 December 2009.

31. Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed of as on 31 December 2009 other than trade credit available in the ordinary course of business.

32. Production Capacity and Actual Production

	Porcelain	Bone China
(a) Shinepukur Ceramics Ltd. (In pieces)		
Production Capacity	21,600,000	3,600,000
Actual Production	13,714,093	2,913,732
Shortfall	(7,885,907)	(686,268)

Reason for shortfall: Production as per market demand.

- (b) There was no production in the Bone Mill of the company as there was no demand.

33. Benefit to Directors

During the year under review:

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


34. Events After The Reporting Period

Subsequent to the balance sheet date, the board of directors recommended 60% Bonus Shares (60 Bonus Shares for each 100 Shares held). The dividend (Bonus Shares) proposal is subject to shareholders' approval at the forthcoming annual general meeting.

Except the fact as stated above, no circumstances has arisen since the balance sheet date which would require adjustments to, or disclosure in, the financial statements or notes thereto.



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Date: 29 April, 2010
Dhaka.

REPORT AND AUDITED FINANCIAL STATEMENT
of

Bangladesh Export Import Company Limited
for the year ended 31 December 2009

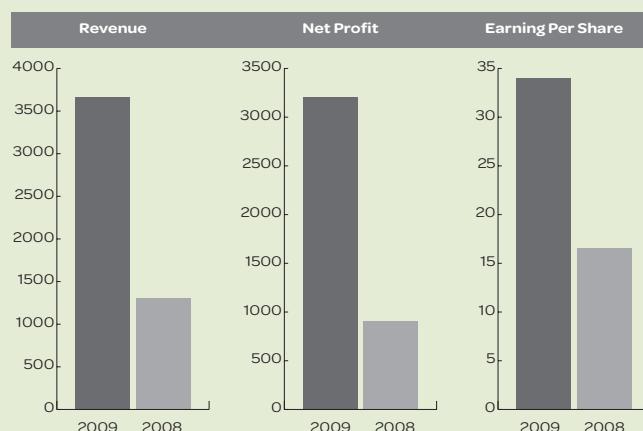
COMPARATIVE STATISTICS

Taka In '000

Particulars	2009	2008	2007	2006	2005
Paid up Capital	942,373	548,849	362,043	314,820	286,200
Revenue	3,666,996	1,312,403	335,183	183,624	5,558
Gross Profit	3,445,251	989,458	121,153	183,624	5,558
Profit Before Income Tax	3,220,810	934,489	70,811	149,149	44,030
Net Profit after Income Tax	3,208,628	909,947	55,405	132,188	43,870
Tangible Assets (Gross)	732,773	267,799	37,308	37,295	78,284
Cumulative Surplus	4,063,050	1,183,731	328,015	287,117	197,858
Dividend-both Cash and Stock	60%(B)	10%(C)&50%(B)	15%(B)	15%(B)	5%(C)&10%(B)
Return on Paid up Capital	340%	166%	15%	42%	15%
Shareholders' Equity	8,560,103	4,777,330	1,136,837	1,048,716	971,311
Earning per Share (Taka)	34.05	16.58	1.53	3.65	1.53
Shareholders' Equity Per Share(Taka)	91	87	31	33	34
Number of Shareholders	47,825	34,083	8,962	6,955	7,043

HIGHLIGHTS

	2009	2008	Change	
			Amount	%
Revenue & Other income (Million Taka)	3,667.00	1,312.40	2,354.60	179.41
Net Profit after tax (Million Taka)	3,208.63	909.95	2,298.68	252.62
Earning Per Share (Tk.)	34.05	16.58	17.47	105.37



AUDITORS' REPORT

TO THE SHAREHOLDERS OF

BANGLADESH EXPORT IMPORT COMPANY LIMITED

We have audited the accompanying Balance Sheet of the Bangladesh Export Import Company Limited as of December 31, 2009 and the related Profit and Loss Account, Statement of Changes in Equity and Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the company's affairs as of December 31, 2009 and of the results of its operations and its cash flows for the year then ended and comply with the applicable sections of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (c) the company's balance sheet and profit and loss account dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the company's business.



M.J.ABEDIN & CO.
Chartered Accountants

Date: 29 April, 2010
Dhaka.

Balance Sheet

At 31 December 2009

	Notes	Amount in Taka
ASSETS		
Non - Current Assets		2,620,471,320
Property, Plant and Equipment	4	323,560,188
Investment In Shares	5	2,087,349,969
Deferred Assets		36,740,537
Long Term Loan	6	172,820,626
Current Assets		10,205,564,046
Inventories	7	2,582,169,042
Trade and Other Receivables	8	1,106,094,251
Advances, Deposits and Pre-Payments	9	6,379,664,646
Cash and Cash Equivalents	10	137,636,107
Total Assets		Tk. 12,826,035,366
EQUITY AND LIABILITIES		
Shareholders' Equity		8,560,102,875
Issued Share Capital	11	942,372,510
Capital Reserve	12	3,554,680,320
Retained Earnings		4,063,050,045
Non - Current Liabilities		933,871,808
Long Term Loans - Net of Current Maturity	13	933,871,808
Current Liabilities		3,332,060,683
Long Term Loans - Current Maturity	14	474,135,300
Short Term Loan	15	2,500,000,000
Trade and other Payables	16	357,925,383
Total Equity and Liabilities		Tk. 12,826,035,366
Net Assets Value Per Share		90.84

The notes are an integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.


M.J. Abedin & Co.
Chartered Accountants

Profit and Loss Account

For the year ended 31 December 2009

	Notes	Amount in Taka
Revenue	17	3,666,996,027
Cost of Revenue	18	221,745,355
Gross Operating Profit		3,445,250,672
		(224,440,956)
Less: Administrative Expenses	19	(102,871,557)
Selling and Distribution Expenses		(3,542,128)
Interest Expenses	20	(118,027,271)
Net Profit before tax		3,220,809,716
Income Tax Expenses	21	(12,181,325)
Net Profit after tax transferred to statement of changes in equity		Tk. 3,208,628,391
EPS (Par Value of Share Tk. 10/=)	22	Tk. 34.05

The notes are an integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.



M.J. Abedin & Co.
Chartered Accountants

Statement of Changes in Equity


For the year ended 31 December 2009

	Share Capital	Capital Reserve	Retained Earnings	Total Equity
As on 31.12.2008	548,849,410	3,044,749,284	1,183,731,295	4,777,329,989
Net Profit after tax for the year 2009	-	-	3,208,628,391	3,208,628,391
Issue of Bonus Shares for the prior period (2008)	274,424,700	-	(274,424,700)	-
Cash Dividend for the prior period (2008)	-	-	(54,884,941)	(54,884,941)
Issue of Share Capital on amalgamation of Bangladesh Online Ltd.	119,098,400	-	-	119,098,400
Surplus on merger of Bangladesh Online Ltd	-	509,931,036	-	509,931,036
As on 31.12.2009	Tk. 942,372,510	3,554,680,320	4,063,050,045	8,560,102,875

Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.



M.J. Abedin & Co.
Chartered Accountants

Cash Flow Statement

For the year ended 31 December 2009

Amount in Taka


Cash Flows From Operating Activities:	237,218,148
Cash received against revenues and others	5,584,950,728
Cash paid to suppliers and others	(5,347,732,580)
Cash Flows From Investing Activities:	(5,596,124)
Purchase of Property, Plant and Equipment	(5,596,124)
Cash Flows From Financing Activities:	(118,159,898)
Long Term Loan	(118,159,898)
Increase in Cash And Cash Equivalents	113,462,126
Cash And Cash Equivalents at Opening	24,173,981
Cash And Cash Equivalents at Closing	Tk. 137,636,107
Net Operating Cash Flow Per Share	Tk. 2.52

The notes are an integral part of the Financial Statements.

Approved and authorised for issue by the board of directors on 29 April, 2010 and signed for and on behalf of the board :



A S F Rahman
Chairman



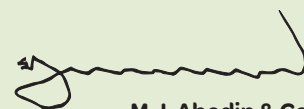
Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Per our report of even date.

April 29, 2010
Dhaka.



M.J. Abedin & Co.
Chartered Accountants

Notes to the Financial Statements

as at and for the year ended 31 December 2009

1. Reporting Entity

1.1 Company Profile

Bangladesh Export Import Company Limited (the company) was incorporated in Bangladesh in 1972 under the Companies Act, 1913 as a Public Limited Company and commenced its commercial operation in the same year. The company became a listed company in 1989.

The shares of the Company are traded in Dhaka and Chittagong Stock Exchanges of Bangladesh.

During the year 2009, the company took over, under a Scheme of Amalgamation, erstwhile Bangladesh Online Ltd. (Internet Service Provider), a listed company of Beximco Group.

During the year 2009, the company sold 26.38% shares (23.62% shares sold in 2008) out of 100.00% shares acquired in 2005 of Shinepurkur Ceramics Ltd., a company of the Beximco Group engaged in manufacturing and marketing of ceramic tableware, under the Dhaka and Chittagong Stock Exchange (Direct Listing) Regulations, 2006. Therefore, as on 31-12-2009, the company holds 50% shares.

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

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

1.2 Nature of Business

The business activities include investment operation, agency and trading in other commodities and produces.

2. Basis of Preparation of Financial Statements

2.1 Basis of Measurement

The financial statements have been prepared on the Historical Cost basis as modified to include the revaluation of certain fixed assets of bone mill (in 1977 and 1988) which are stated at revalued amount.

Accordingly, historical cost is employed to determine the monetary amounts at which the elements of the financial statements are to be recognized and carried in the balance sheet and income statement.

Under the Historical Cost, assets are recorded at the amount of cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.2 Statement of Compliance

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

2.3 Presentation of Financial Statements

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

2.4 Reporting Period

The financial period of the company covers one calendar year from 1st January to 31st December consistently.

2.5 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 29 April, 2010.

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

2.6 Reporting Currency

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

2.7 Comparative Information

No comparative information has been disclosed in respect of the year 2008, as such information, after amalgamation of the aforesaid company, is not comparable with the current year's financial statements.

2.8 Use of Estimates and Judgements.

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

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

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

2.9 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.10 Financial Instruments

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

2.11 Statement of Cash Flows

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

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

2.12 Segmental Reporting

In accordance with the requirements of BAS 14: Segmental Reporting, Information in respect of industry and geographical segments of the company has been disclosed in a separate note.

2.13 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by BAS 24: Related party Disclosures has been disclosed in a separate note to the accounts.

2.14 Events after the Reporting Period

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

Notes to the Financial Statements
as at and for the year ended 31 December 2009 (continued)

3. Accounting Policies

3.1 Revenue Recognition

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

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

3.2 Property, Plant and Equipment

3.2.1. Recognition and Measurement

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

3.2.2. Pre-Operating Expenses and Borrowing Costs

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

3.2.3. Subsequent Expenditure

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

3.2.4. Software

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

3.2.5. Disposal of Fixed Assets

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

3.2.6. Depreciation on Fixed Assets

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

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

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

3.2.7 Impairment

In accordance with the provisions of BAS 36: Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been raised till to date.

3.2.8 Lease Assets

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

3.3 Investment in Shares

3.3.1 In compliance with the requirements of BAS 27 : Consolidated and Separate Financial Statements, investment in shares of Beximco USA Ltd. by Beximco London Branch is carried in this balance sheet at Net Assets by consolidating assets and liabilities thereof.

3.3.2 In compliance with the requirements of BAS 25: Accounting For Investments, investment in other shares being classified as long term assets, are carried in the balance sheet at Cost.

3.4 Inventories

Inventories are valued at the lower of cost or market with cost determined by FIFO (First – in, First – out) method.

3.5 Accounts Receivables

Accounts receivables are recognized at cost, which is the fair value of the consideration given for them.

3.6 Advances, Deposits and Prepayments

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

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit and loss account.

3.7 Cash and Cash Equivalents

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

3.8 Provisions

In accordance with the guidelines as prescribed by BAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

3.9 Accrued Expenses and Other Payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services.

Payables are not interest bearing and are stated at their nominal value.

3.10 Borrowing Costs

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

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

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

3.11 Income Tax Expenses

Current Tax

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

Deferred Tax

Deferred tax asset is not recognized as it is probable that future taxable profit will not be available against which temporary differences can be utilized.

3.12 Employee Benefits

The company has accounted for and disclosed of employee benefits in compliance with the provisions of BAS 19: Employee Benefits. The costs of employee benefits are charged off as revenue expenditure in the period to which the contributions relate. The company's employee benefits includes the following:

Defined Contribution Plan

This represents recognized contributory provident fund for all its permanent employees. Assets of provident fund are held in a separate trustee administered fund as per relevant rules and is funded by contribution from both the employees and the company at pre-determined rates.

3.13 Proposed Dividend

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

3.14 Earnings Per Share

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

Basic Earnings

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

Weighted Average Number of Shares In Issue

Current Year (2009)

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year. However, the Bonus Shares issued during the year 2009 were treated as if they always had been in issue. Hence, in computing the Basic EPS of 2009, the total number of bonus shares has been considered.

Earlier Year (2008)

The number of shares outstanding before the bonus shares issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issues had occurred at the beginning of the earliest period reported (2008), and accordingly, in calculating the adjusted EPS of 2008, the total number of shares including the subsequent bonus issue in 2009 has been considered as the weighted Average Number of Shares Outstanding during the year 2008.

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

Diluted Earnings Per Share

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

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

3.15 Foreign Currency Translations

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

4 Property, Plant and Equipment : Tk. 323,560,188

The details are stated below:

Particulars	Land and Land Development	Building and other construction	Plant & Machinery	Furniture, Fixture & Equipment	Vehicle	Total Bangladesh	Furniture, Fixture & Equipment of London Branch	Total
Cost/Valuation								
At 31 Dec, 2008	198,538,157	64,521,514	276,861,223	165,349,849	21,905,913	727,176,656	-	727,176,656
Addition in 2009			2,136,818	3,145,946	313,360	5,596,124		5,596,124
At 31 December, 2009	Tk. 198,538,157	64,521,514	278,998,041	168,495,795	22,219,273	732,772,780	-	732,772,780
Depreciation								
At 31 Dec, 2008	-	55,999,067	199,200,099	100,557,050	19,824,629	375,580,845	-	375,580,845
Charged in 2009		998,508	14,804,654	21,404,228	474,358	37,681,748	-	37,681,748
At 31 December, 2009	Tk. -	56,997,575	214,004,753	121,961,278	20,298,987	413,262,593	-	413,262,593
Carrying Value								
At 31 December, 2009	Tk. 198,538,157	7,523,939	64,993,288	46,534,517	1,920,286	319,510,187	-	319,510,187
Lease Hold Land	4,050,001							4,050,001
Carrying Value								
At 31 December, 2009	Tk. 202,588,158							323,560,188

DETAILS OF REVALUATION OF FIXED ASSETS OF KHULNA BONE MILL

Particulars	Land & Land Development	Building & Other Construction	Plant & Machinery	Furniture, Fixture & Equipment	Total
Increase by re-valuation in 1976-77	104,400	596,220	1,012,500	20,000	1,733,120
Increase by re-valuation in 1987-88	3,717,600	900,273	-	-	4,617,873
Total Increase by re-valuation	3,822,000	1,496,493	1,012,500	20,000	6,350,993
Original Cost :	140,000	20,500	16,500	3,000	180,000
Gross carrying amounts :	Tk. 3,962,000	1,516,993	1,029,000	23,000	6,530,993

DISCLOSURE ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

- (a) The revaluation were done during the years 1977 and 1988, the details of which has been stated in the previous para.
- (b) The independent professional valuers were involved in carrying out the said revaluations.

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

5 Investment in Shares: Tk. 2,087,349,969

This consists of as follows:

(a) In Associated undertakings :

(i)	In 42,014,151 Shares of Shinepukur Ceramics Ltd. (Subsidiary Company) (Average cost price per share is Tk. 7.39 against face value of Tk. 10.00) {Listed company, Market value Tk. 78.40 per share on 30/12/2009}	310,481,970
(ii)	In 52,027,274 Shares of Bextex Ltd. (Average cost price per share is Tk. 26.38 against face value of Tk. 10.00) [Listed company, Market value Tk. 81.40 per share on 30/12/2009]	1,372,606,789
(iii)	In 1,756,826 Shares of Beximco Pharmaceuticals Ltd. (Average Cost price per share is Tk. 1.16 against face value of Tk. 10.00) {Listed company, Market value Tk. 155.80 per share on 30/12/2009}	2,032,910
(iv)	In 11,075 Shares of Tk. 100/= each of Beximco Apparels Ltd	1,107,500
(v)	In 10,000 Shares of Tk. 100/= each of Beximco Engineering Ltd	1,000,000
(vi)	In 49,000 Shares of Tk. 100/= each of Gammatech Ltd	4,900,000
(vii)	In 856,819 Shares of Tk. 100/= each of International Hotel Holdings Ltd.	85,681,900
(viii)	In 20,000 Shares of Tk. 100/= each of International Cements Ltd.	2,000,000
(ix)	In 40,000 Shares of Tk. 100/= each of Shinepukur Hotels Ltd.	4,000,000
(x)	In 250,000 Shares of Tk. 10/= each of Beximco Zenith Ltd.	2,500,000
		1,786,311,069

(b) Others :

(i)	In 30,000,000 Shares of Tk. 10/= each of GMG Airlines Ltd.	300,000,000
(ii)	In 1 Shares of Tk. 1,000,000/= each of Central Depository Bangladesh Ltd.	1,000,000
(iii)	In 778 Shares of Investment Corporation of Bangladesh (Average cost price per share is Tk. 50/= against face value of Tk. 100.00) {Listed company, Market value Tk. 2,399.25 per share on 30/12/2009}	38,900

Tk. 2,087,349,969

DISCLOSURE IN RESPECT OF SUBSIDIARY COMPANY UNDER SECTION 186 OF THE COMPANIES ACT 1994

Investment in subsidiary company Shinepukur Ceramics Ltd. of 42,014,151 No. of shares represents 50.00% of the paid-up capital of the said Company (84,028,320 shares of Tk. 10/ each). The accumulated profit of Shinepukur Ceramics Ltd. as on 31-12-2009 of Tk. 284,143,330 including net profit after tax for the year ended 31-12-2009 of Tk. 172,371,934 as per its audited financial statements for the year ended 31 December, 2009 is being carried forward to the next year's accounts of the said subsidiary company and has not been dealt with in or for the purpose of the accounts of Bangladesh Export Import Company Limited.

6 Long Term Loan: Tk. 172,820,626

The Loan was given to Shinepukur Ceramics Ltd. a related company.

This is unsecured and bears interest @ 14% per annum which is repayable after 31-12-2009 as mutually agreed upon.

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

7 Inventories: Tk. 2,582,169,042

This consists of as follows:

Land	1,847,732,087
Land development and others	206,675,164
Work in progress	429,618,602
Fish	85,579,321
Fish Feed	2,135,757
Stores and spares	7,136,435
PIN Mailers	167,002
Jute Yarn	3,124,674

Tk. 2,582,169,042

8 Trade and other Receivables : Tk. 1,106,094,251

This is unsecured but considered good.

9 Advances, Deposits and Pre-payments : Tk. 6,379,664,646

This consists of as follows:

Advance Income Tax	30,183,682
Security deposit	35,488,839
Lease deposit	27,218,128
Bank guarantee margin	285,409
Other Advances	6,263,231,800
London Branch	23,256,788

Tk. 6,379,664,646

This is unsecured but considered good.

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

No amount was due by the associated undertakings.

10 Cash and Cash Equivalents: Tk. 137,636,107

This consist of as follows:

Cash in Hand	5,720,902
In Current Account with banks	109,900,248
In STD Account with banks	20,986,838
In fixed deposit and accrued interest thereon with a bank	911,909
London Branch	116,210

Tk. 137,636,107

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

11 Issued Share Capital: Tk. 942,372,510

(a) Authorised:

100,000,000 Ordinary Shares of Tk. 10/-each Tk. **1,000,000,000**

(b) Issued, Subscribed and Paid-Up:

4,000,000 Ordinary Shares of Tk.10/-each fully paid-up in cash	40,000,000
43,057,412 Ordinary Shares of Tk.10/-each issued as fully paid-up bonus shares	430,574,120
22,019,999 Ordinary Shares of Tk.10/-each issued in exchange for acquisition of shares of Shinepukur Ceramics Ltd.	220,199,990
12,600,000 Ordinary Shares of Tk.10/-each issued to the shareholders of Shinepukur Holdings Ltd.	126,000,000
650,000 Ordinary Shares of Tk.10/-each issued to the shareholders of Beximco Fisheries Ltd.	6,500,000
11,909,840 Ordinary Shares of Tk.10/-each issued to the shareholders of Bangladesh Online Ltd.	119,098,400
Total 94,237,251 Shares of Tk. 10/= each	Tk. 942,372,510

(c) Composition of Shareholding:

	No. of Shares	%
Sponsor	10,468,946	11.11%
Associates	9,566,370	10.15%
Foreign Investors	10,651,899	11.30%
General Public & Financial Institutions	63,550,036	67.44%
	94,237,251	100.00%

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

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

Share holding Range in number of Shares	Number of holders	% of total holders	Number of Shares	% of Share Capital
1 to 499	37,311	78.02%	4,601,213	4.88%
500 to 5,000	9,565	20.00%	12,002,996	12.74%
5,001 to 10,000	477	1.00%	3,444,546	3.66%
10,001 to 20,000	216	0.45%	3,153,599	3.35%
20,001 to 30,000	79	0.17%	1,997,149	2.12%
30,001 to 40,000	44	0.09%	1,556,509	1.65%
40,001 to 50,000	21	0.04%	963,925	1.02%
50,001 to 100,000	44	0.09%	3,207,142	3.40%
100,001 to 1,000,000	54	0.11%	20,552,739	21.81%
Over 1,000,000	14	0.03%	42,757,433	45.37%
Total :	47,825	100.00	94,237,251	100.00

(e) Option on un issued Shares :

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

(f) Market Price :

The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 309.30 and Tk. 309.10 per share in the Dhaka and Chittagong Stock Exchanges on 31 December, 2009.

(g) Voting Rights :

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

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

12 Capital Reserve Tk. 3,554,680,320

This consists of as follows:

As on 01-01-2009

3,044,749,284

Add: Surplus on merger of Bangladesh Online Ltd. in 2009

509,931,036

Tk. **3,554,680,320**

13 Long Term Loans - Net of Current Maturity (Secured) - Tk. 933,871,808

This is secured and consists of as follows:

Consortium Loan

833,050,972

Term Loan (FLIL)

17,521,543

Lease Obligation

83,299,293

Tk. **933,871,808**

Consortium loan represents term loan received under the consortium of Sonali Bank Ltd. (Lead Bank), Janata Bank and Rupali Bank Ltd.

Term loan (FLIL) represents amount received from First Lease International Ltd.

Nature of Security of Loans:

Consortium loan is secured against 1st (legal mortgage) charge on pari passu basis with the participating banks on 84 acrs of land at Gazipur & Gulshan, personal guarantees of Directors, corporate guarantees and mortgage of shares worth Taka 15 crore of associated undertakings.

Term Loan (FLIL) is secured against registered mortgage of project property consisting of 64 Flats with car parking space in 2 (two) 9 (nine) storied building constructed on 16 khata land at Senpara Parbata, Mirpur & personal guarantee of Directors.

Terms of Repayment:

Consortium Loan:

Sonali Bank and Rupali Bank: In thirty six quarterly equal installments with effect from January, 2004

Janata Bank: In thirty six equal installments with effect from January, 2004

Term Loan (FLIL): In 72 monthly equal installments with effect from January, 2004

Rate of Interest:

Consortium Loan: 16% per annum payable and chargeable at quarterly rest. This however, may vary following changes in the bank's policies.

Term Loan (FLIL): 20% per annum.

14 Long Term Loans - Current Maturity (Secured) - Tk. 474,135,300

This is secured and consists of as follows:

Consortium Loan

311,353,388

Term Loan (FLIL)

11,527,840

14% Debentures

82,278,405

Lease Obligation

68,975,667

Tk. **474,135,300**

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

15 Short Term Loan Tk. 2,500,000,000

This represents the company's temporary loan from Beximco Pharmaceuticals Ltd., carrying interest @ 14% per annum, computed on day's product basis. This loan is repayable as and when required by the lender.

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

16 Trade and Other Payables : Tk. 357,925,383

This is made-up as follows:

Bank Overdraft	142,399,160
Provision for income-tax	25,705,561
Other current liabilities	135,500,497
London Branch	54,320,165
	Tk. 357,925,383

17 Revenue: Tk. 3,666,996,027

This is made-up as follows:

Sale of Goods (Note - 17.1)	262,435,412
Dividend Income (Note- 17.2)	42,837,871
Exchange Loss (Net)	(26,047)
Commission and other Income	810,618
Capital gain on Sale of Shares	3,360,607,457
Other Income	330,716
	Tk. 3,666,996,027

17.1 Sale of Goods: Tk. 262,435,412

This represents sales of:

(a) Internet Service & Software	153,941,799
(b) Shrimp, Fish and Salt (Fisheries Unit)	13,351,256
	167,293,055
(c) Jute Yarn and Other Jute Products (London Branch & USA operation)	95,142,357
	Tk. 262,435,412

17.2 Dividend Income: Tk. 42,837,871

This consists of dividend from:

Beximco Pharmaceuticals Ltd.	7,574,084
Shinepukur Ceramics Ltd.	35,011,842
Central Depository Bangladesh Ltd.	250,000
Investment Corporation of Bangladesh	1,945
	Tk. 42,837,871

18 Cost of Revenue: Tk. 221,745,355

This represents cost of goods sold against sale of:

(a) Internet Services & Soft Ware	123,937,374
(b) Shrimp, Fish and Salt (Fisheries Unit)	10,738,058
	134,675,432
(c) Jute Yarn and Other Jute Products (London Branch)	87,069,923
	Tk. 221,745,355

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

19 Administrative Expenses: Tk 102,871,557

This consists of:

Salaries and allowances	27,416,381
Staff Welfare	3,577,391
Postage, Telegram, Telex & Telephone	2,672,152
Publicity and advertisement	564,470
Petrol, Fuel, Electricity, Gas and Water	2,278,614
Printing and stationery	4,015,952
Car repairs and maintenance	3,022,413
Local Travel	106,423
Travelling and conveyance	1,340,418
Repair and Maintenance	3,987,506
Fees and charges	2,198,867
Entertainment	1,841,816
Rent Rates and Taxes	6,834,099
Subscription	939,701
Audit fee	300,000
Tender document	14,000
Insurance	433,720
AGM expenses	3,683,115
Contribution to provident fund	191,220
Miscellaneous overhead	1,135,364
Depreciation	13,365,790
CDBL charges	2,633,493
Loss on sale & lease back of assets	12,246,846
London Branch Expenses	8,071,806

Tk. **102,871,557**

20 Interest Expense : Tk. 118,027,271

This consists of as follows:

Interest on loan from related companies (Net)	29,806,554
Interest on loan from banks and others	45,227,781
Lease Interest	42,959,967
Other Interest Income	(139,682)
London Branch Expenses	172,651

Tk. **118,027,271**

21 Income Tax Expense : Tk. 12,181,325

This represents:

Current Tax on dividend income	8,517,163
Short provision for the year 2008	3,500,321
London Branch	163,841

Tk. **12,181,325**

22 Basic Earnings per Share (EPS)

The computation of EPS is given below :

(a) Net profit after tax for the year	Tk. 3,208,628,391
(b) Weighted average number of shares in issue	94,237,251
(c) Basic EPS (a/b) (Par Value of Share Tk. 10/=)	Tk. 34.05

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

23 Segmental Reporting:

	Bangladesh Operation	London Operation	USA Operation	TOTAL
Revenue:				
Internet services and Software sale	153,941,799	-	-	153,941,799
Sale of shrimp, fish and salt (Fisheries unit)	13,351,256	-	-	13,351,256
Sale of Jute Yarn and other Jute products	-	3,623,836	91,518,521	95,142,357
Dividend Income	42,837,871	-	-	42,837,871
Exchange Gain/(Loss)	1,874,710	(1,900,757)	-	(26,047)
Commission and other Income	810,618	-	-	810,618
Capital gain on sale of shares	3,360,607,457	-	-	3,360,607,457
Other Income	330,716	-	-	330,716
Total Revenue	3,573,754,427	1,723,079	91,518,521	3,666,996,027
Less: Cost of Revenue	(134,675,432)	-	(87,069,923)	(221,745,355)
Gross Operating Profit	3,439,078,995	1,723,079	4,448,598	3,445,250,672
Less: Administrative Expenses	(94,799,751)	(942,965)	(7,128,841)	(102,871,557)
Selling and distribution Expenses	(3,542,128)	-	-	(3,542,128)
Interest Expenses	(117,854,620)	(75,551)	(97,100)	(118,027,271)
Net Profit/(Loss) before tax	3,222,882,496	704,563	(2,777,343)	3,220,809,716
Less: Income tax expenses	(12,017,484)	(163,841)	-	(12,181,325)
Net profit after tax	Tk. 3,210,865,012	540,722	(2,777,343)	3,208,628,391

24 Related Party Transactions

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

Name of the Related Parties	Nature of transactions	Value of transactions during the year	Receivable/(Payable) at the end of the year
Bextex Ltd.	Investment in Shares	1,321,750,374	1,372,606,789
Bextex Ltd.	Long Term Loan	(1,321,750,374)	-
Beximco Pharmaceuticals Ltd.	Investment in Shares	-	2,032,910
Beximco Pharmaceuticals Ltd.	Dividend Income	7,574,084	-
Beximco Pharmaceuticals Ltd.	Short Term Loan	2,500,000,000	(2,500,000,000)
Beximco Pharmaceuticals Ltd.	Interest Expenses	31,164,384	(31,164,384)
Beximco Apparels Ltd.	Investment in Shares	-	1,107,500
Beximco Engineering Ltd.	Investment in Shares	-	1,000,000
Gammatech Ltd.	Investment in Shares	-	4,900,000
Shinepukur Ceramics Ltd	Investment in Shares	(184,688,000)	310,481,970
Shinepukur Ceramics Ltd	Dividend Income	35,011,842	-
Shinepukur Ceramics Ltd	Long Term Loan	172,820,626	172,820,626
Shinepukur Ceramics Ltd	Interest Income	1,357,830	-
International Hotel Holdings Ltd.	Investment in Shares	-	85,681,900
International Cements Ltd.	Investment in Shares	-	2,000,000
Shinepukur Hotels Ltd	Investment in Shares	-	4,000,000
Beximco Zenith Ltd.	Investment in Shares	-	2,500,000

Nature of Relationship:

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

25 Contingent Liabilities

There was no sum for which the Company is contingently liable as on 31 December 2009.

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

26 Capital Expenditure Commitment

- (a) There was no capital expenditure contracted but not incurred or provided for at 31 December 2009.
 (b) There was no material capital expenditure authorized by the Board but not contracted for at 31 December 2009.

27 Claims Not Acknowledged As Debt

There was no claim against the Company not acknowledge as debt as on 31 December 2009.

28 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed of as on 31 December 2009 other than trade credit available in the ordinary course of business.

29 Payments in Foreign Currency

- (a) As the company has no loan in foreign currency, no loan and interest was remitted during the year.
 (b) No dividend was remitted in foreign currency, during the year.
 (c) No other expenses including royalty, technical expert and professional advisory fee, etc. was incurred or paid by the company in foreign currency during the year.

30 Commission, Brokerage or Discount Against Sales

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

31 Payments/Perquisites to Directors/Officers

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

Basic Salary	9,579,280
House rent allowance	3,244,592
Other allowances and benefits	740,728
	Tk. 13,564,600

- (b) During the year under review:

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

32 Events After The Reporting Period

- (a) Subsequent to the balance sheet date, the board of directors recommended 60% stock dividend of Tk. 10/= each (60 Bonus Shares for each 100 shares held) which is subject to shareholders' approval at the forthcoming annual general meeting.
 (b) On 28 April, 2010 The Extra-Ordinary General Meeting (EGM) of the shareholders of the Company has approved further issue of capital of Tk. 91,874,870 consisting of 9,187,487 shares of Tk. 10/= each pursuant to section 155(2) of the Companies Act, 1994 be issued for acquisition of 100% shares of Dhaka-Shanghai Ceramics amounting to Tk. 367,499,480 consisting of 36,749,948 shares of Tk. 10/= each by exchange of one Beximco Share for four Dhaka-Shanghai Ceramics Shares, subject to SEC's consent to further issue of Capital under rule 3 of the Securities and Exchange Commission (Capital Issue of Companies) Rule, 2001 and; Ammendment of Clause - v of the Memorandum of Association and Article - 4 of the Articles of Association of the company to increase the Authorised Capital of the company from 1,000,000,000/= to Tk. 5,000,000,000 to enabling it to issue capital for acquisition, bonus and other purposes under the Companies Act, 1994.



A S F Rahman
Chairman



Salman F Rahman
Vice Chairman



O K Chowdhury
Director

Date : 29 April, 2010
Dhaka.

REPORT AND AUDITED FINANCIAL STATEMENT
of
Shinepukur Ceramics Limited
for the year ended 31 December 2009

Auditors' Report

TO THE SHAREHOLDERS OF

Shinepukur Ceramics Limited

We have audited the accompanying Balance Sheet of Shinepukur Ceramics Limited as of December 31, 2009 and the related Profit and Loss Account, Statement of Changes in Equity and Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the company's affairs as of December 31, 2009 and of the results of its operations and its cash flows for the year then ended and comply with the applicable sections of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (c) the company's balance sheet and profit and loss account dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the company's business.

Dhaka
Dated : 29 April 2010



M. J. Abedin & Co.
Chartered Accountants

SHINEPUKUR CERAMICS LIMITED

Balance Sheet

As at 31 December 2009

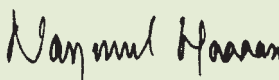
	Notes	2009 Amount in Taka	2008 Amount in Taka
NET ASSETS:			
Non-Current Assets		3,324,211,447	3,256,104,293
Property, Plant and Equipment	18	2,889,104,937	2,993,818,409
Investment in Shares	19	262,285,884	2,500,000
Capital Work in Progress		172,820,626	-
Long Term Loan		-	259,785,884
Current Assets		1,320,809,490	1,193,107,130
Inventories	20	858,674,654	855,108,197
Trade Debtors	21	361,541,096	247,899,640
Advances and Deposits	22	82,182,270	83,247,316
Cash and Cash Equivalents	23	18,411,470	6,851,977
Current Liabilities and Provisions		1,503,775,825	1,340,348,231
Short Term Loan from Banks (Secured)	24	917,603,854	866,144,105
Long Term Loan-Current Maturity (Secured)	25	386,928,629	315,339,151
Creditors, Accruals and other Payables	26	101,895,079	97,671,671
Income Tax Payable	27	97,348,263	61,193,304
Net Current Assets		(182,966,335)	(147,241,101)
		Tk. 3,141,245,112	3,108,863,192
FINANCED BY:			
Shareholders' Equity		2,478,711,483	2,376,363,149
Share Capital	28	840,283,200	700,236,000
Fixed Assets Revaluation Surplus	29	1,354,284,953	1,354,284,953
Retained Earnings-As per Statement of Changes in Equity		284,143,330	321,842,196
Non-Current Liabilities		662,533,629	732,500,043
Long Term Loan Secured (Net-off Current Maturity)	30	477,058,072	721,470,301
Long Term Loan	31	172,820,626	-
Deferred Tax Liability	32	12,654,931	11,029,742
		Tk. 3,141,245,112	3,108,863,192
Net Assets Value Per Share		Tk. 29.50	33.94

The notes are an integral part of the financial statements.

Approved and authorized for issue by the Board of Directors on 29 April 2010 and signed for and on behalf of the board:



Salmán F Rahman
Vice-Chairman

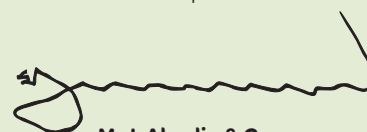


Nazmul Hassan
Managing Director



Md. Luthfor Rahman
General Manager

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

SHINEPUKUR CERAMICS LIMITED

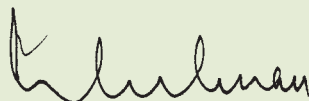
Profit and Loss Account

For the Year ended 31 December 2009

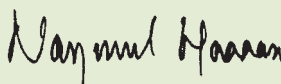
	Notes	2009 Amount in Taka	2008 Amount in Taka
Revenue (Turnover) from net sales	33	1,695,710,571	1,529,918,239
Cost of Goods Sold	34	1,136,510,173	1,030,525,596
Gross Profit		559,200,398	499,392,643
Operating Expenses:		87,971,260	90,637,779
Administrative Expenses	35	38,302,865	39,538,087
Selling & Distribution Expenses	36	49,668,395	51,099,692
Operating Profit		471,229,138	408,754,864
Financial Expenses	37	(209,672,116)	(188,309,477)
Other Income	38	88,960	471,606
Net Profit Before Cont. to WPWF		261,645,982	220,916,993
Contribution to Workers' Participation/Welfare Fund		12,459,333	10,519,857
Net Profit Before Tax		249,186,649	210,397,136
Income Tax Expenses	39	76,814,715	30,481,549
Net Profit After Tax Transferred to Statement of Changes in Equity		Tk. 172,371,934	179,915,587
EPS (Face Value per Share is Tk. 10.00) (Adjusted EPS of 2008)	40	Tk. 2.05	2.14

The notes are an integral part of the financial statements.

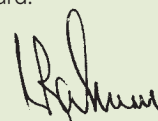
Approved and authorized for issue by the Board of Directors on 29 April 2010 and signed for and on behalf of the board:



Salman F Rahman
Vice-Chairman



Nazmul Hassan
Managing Director



Md. Luthfor Rahman
General Manager

Per our report of even date.

Dhaka
Dated : 29 April 2010



M. J. Abedin & Co.
Chartered Accountants

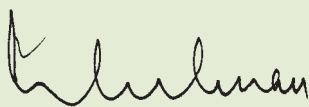
SHINEPUKUR CERAMICS LIMITED

Statement of Changes in Equity

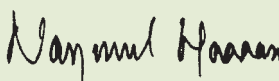
For the Year ended 31 December 2009

	Share Capital	Retained Earning	Revaluation Reserve	Total
As on 01.01.2009	700,236,000	321,842,196	1,354,284,953	2,376,363,149
Net Profit after tax for the year -2009	-	172,371,934	-	172,371,934
Issue of Bonus Shares for the prior period (2008)	140,047,200	(140,047,200)	-	-
Cash Dividend for the prior period (2008)		(70,023,600)	-	(70,023,600)
As on 31 December 2009	840,283,200	284,143,330	1,354,284,953	2,478,711,483

Approved and authorized for issue by the Board of Directors on 29 April 2010 and signed for and on behalf of the board:



Salman F Rahman
Vice-Chairman



Nazmul Hassan
Managing Director



Md. Luthfor Rahman
General Manager

Per our report of even date.

Dhaka
Dated : 29 April 2010



M. J. Abedin & Co.
Chartered Accountants

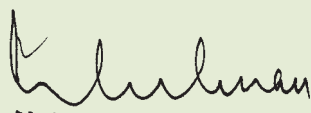
SHINEPUKUR CERAMICS LIMITED

Statement of Cash Flows

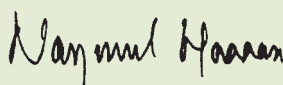
For the Year ended 31 December 2009

	2009 Amount in Taka	2008 Amount in Taka
Cash Flows From Operating Activities:		
Collections from turnover and other income	1,582,158,075	1,576,679,443
Payments for costs and expenses	(1,142,884,344)	(980,747,699)
Interest Paid	(200,313,511)	(181,009,112)
Income-Tax paid and /or deducted at sources	(37,495,700)	(25,910,018)
Net cash Generated from operating activities	201,464,520	389,012,614
Cash Flows From Investing Activities:		
Property, Plant and Equipment acquired	(12,406,099)	(29,690,412)
Long Term Loan Paid to a Related Party	-	(259,785,884)
Capital Work in Progress	(172,820,626)	-
Net cash used in investing activities	(185,226,725)	(289,476,296)
Cash Flows From Financing Activities:		
Long Term Loan increased	13,885,549	(171,098,537)
Short Term Loan increased	51,459,749	171,299,789
Dividend Paid	(70,023,600)	(99,090,000)
Net cash used in financing activities	(4,678,302)	(98,888,748)
Increase/(Decrease) in Cash and Cash Equivalents	11,559,493	647,570
Cash and Cash Equivalents at the beginning of the period	6,851,977	6,204,407
Cash and Cash Equivalents at the end of the period	Tk. 18411470	6,851,977
Net Operating Cash Flow Per Share	2.40	5.56

Approved and authorized for issue by the Board of Directors on 29 April 2010 and signed for and on behalf of the board:



Salman F Rahman
Vice-Chairman



Nazmul Hassan
Managing Director



Md. Luthfor Rahman
General Manager

Per our report of even date.



M. J. Abedin & Co.
Chartered Accountants

Dhaka
Dated : 29 April 2010

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009

1. REPORTING ENTITY**1.1 Company Profile**

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

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

1.2 Nature of Business

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

2. BASIS OF MEASUREMENT

The financial statements have been prepared on the Historical Cost basis, except lands, buildings and plant & machinery re-stated at current cost.

Accordingly, historical cost is employed to determine the monetary amounts at which the elements of the financial statements are to be recognized and carried in the balance sheet and income statement.

Under the Historical Cost, assets are recorded at the amount of cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

3. STATEMENT OF COMPLIANCE

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

4. PRESENTATION OF FINANCIAL STATEMENTS

This is in accordance with the guidelines provided by **BAS 1: Presentation of Financial Statements**.

5. REPORTING PERIOD

This covers from 1st January 2009 to 31 December 2009 in consistent with earlier years.

6. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 29 April 2010.

7. REPORTING CURRENCY

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

8. COMPARATIVE INFORMATION

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

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

9. USE OF ESTIMATES AND JUDGMENTS

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

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

10. PROVISIONS

In accordance with the guidelines as prescribed by **BAS 37: Provisions, Contingent Liabilities and Contingent Assets**, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

11. ACCRUED EXPENSES AND OTHER PAYABLES

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

12. GOING CONCERN

The company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

13. FINANCIAL INSTRUMENTS

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

14. SEGMENTAL REPORTING

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

15. STATEMENT OF CASH FLOWS

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

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

16. EVENTS AFTER THE REPORTING PERIOD

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

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

17. ACCOUNTING POLICIES

The accounting policies used in preparation of these financial statements are consistent with those adopted in the annual financial statements for the year ended 31 December 2008.

17.1 Revenue Recognition

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

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

17.2 Property, Plant and Equipment

17.2.1 Recognition and Measurement

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

17.2.2 Pre-Operating Expenses and Borrowing Costs

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

17.2.3 Subsequent Expenditure

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

17.2.4 Software

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

17.2.5 Disposal of Fixed Assets

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

17.2.6 Depreciation on Fixed Assets

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

Building and Other Construction	2.5% to 5%
Plant and Machinery	5% to 7.5%
Furniture & Fixture	20%
Transport & Vehicle	20%
Office Equipment	20%

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

17.2.7 Impairment

In accordance with the provisions of **BAS 36: Impairment of Assets**, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been raised till to date.

17.3 Borrowing Costs

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

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

17.4 Inventories

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

17.5 Trade Debtors

Trade Debtors are recognized at cost, which is the fair value of the consideration given for them.

17.6 Advances and Deposits

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

Deposits are measured at payment value.

17.7 Cash and Cash Equivalents

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

17.8 Leases

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

17.9 Income Tax Expenses

Current Tax

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

Provision for taxation for the year ended 31 December 2009 has been made on the basis of the provisions of the Income Tax ordinance 1984 and the Finance Act 2009. Currently the tax rate applicable for listed companies is 27.50 % and there is a 50% exemption of income tax on profit relating to export sales.

Deferred Tax

The company has recognized deferred tax using balance sheet method in compliance with the provisions of **BAS 12: Income Taxes**. The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences (taxable or deductible) between the carrying amount (Book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per shares (EPS).

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

The tax base of assets is the amount that will be deductible for tax purposes against any taxable economic benefits that will flow to an entity (the company / SCL) when it recovers the carrying amount of the assets. The tax base of liabilities is their carrying amount, less any amount that will be deductible for tax purposes in respect of the liabilities in future periods. In 2008, deferred tax liability is arrived at by applying the corporate tax rate applicable for listed companies (27.50%) on the temporary taxable differences. Exemption of 50 % income tax on profit relating to export is considered for deferred tax purposes.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and / are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

17.10 Employee Benefits

The company has accounted for and disclosed of employee benefits in compliance with the provisions of **BAS 19: Employee Benefits**.

The costs of employee benefits are charged off revenue expenditure in the period to which the contributions relate.

The company's employee benefits includes the following:

(a) Defined Contribution Plan

This represents recognized contributory provident for all its permanent employees. Assets of provident fund are held in a separate trustee administered fund as per relevant rules and is funded by contribution from both the employees and the company at pre-determined rates.

(b) Group Insurance Scheme**(c) Contribution to Workers' Participation/Welfare Funds**

This represents 5% of net profit before tax contributed by the Company as per provisions of Bangladesh Labor Law, 2006 and is payable to workers as defined in the said law.

17.11 Earnings Per Share

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

Basic Earnings

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

Weighted Average Number of Ordinary Shares Outstanding during the year**Current Year (2009)**

The Bonus Shares issued during the year 2009 were treated as if they always had been in issue. Hence, in computing the basic EPS of 2009, the total number of shares including the said bonus shares has been considered as the Weighted Average number of Shares outstanding during the year 2009.

Earlier Year (2008)

The number of shares outstanding before the bonus issue has been adjusted for the proportionate change in the number of shares outstanding as if the bonus issue had occurred at the beginning of the earliest period reported (2008), and accordingly, in calculating the adjusted EPS of 2008, the total number of shares including the subsequent bonus issue in 2009 has been considered as the Weighted Average Number of Shares outstanding during the year 2008.

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

Diluted Earnings Per Share

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

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

17.12 Foreign Currency Transactions

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

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

17.13 Proposed Dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts alongwith dividend per share in accordance with the requirements of the Para 125 of **Bangladesh Accounting Standard (BAS) 1 (Revised 2008): Presentation of Financial Statements**. Also, the proposed dividend has not been considered as "Liability" in accordance with the requirements of the Para 12 & 13 of **Bangladesh Accounting Standard (BAS) 10: Events After The Reporting Period**, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

18. PROPERTY, PLANT AND EQUIPMENT : Tk. 2,889,104,937

Particulars	Land & Land Development	Building & Other Construction	Plant & Machinery	Office Equipment	Furniture & Fixture	Transport & Vehicle	Total (Amount in Tk.)
COST OR VALUATION							
At 31 December 2008	732,637,500	824,900,870	2,447,475,073	47,074,810	20,882,581	14,947,544	4,087,918,378
Exchange Loss/(Gain)	-	-	(13,887,674)	-	-	-	(13,887,674)
Addition during the year	-	1,401,011	7,996,012	982,146	831,930	1,195,000	12,406,099
At 31 December 2009	732,637,500	826,301,881	2,441,583,411	48,056,956	21,714,511	16,142,544	4,086,436,803
DEPRECIATION							
At 31 December 2008	-	162,433,420	870,062,912	36,413,744	17,545,503	7,644,390	1,094,099,969
Depreciation for 2009	-	17,057,820	82,476,323	1,164,321	833,802	1,699,631	103,231,897
At 31 December 2009	-	179,491,240	952,539,235	37,578,065	18,379,305	9,344,021	1,197,331,866
Carrying Amount 31 December 2009	Tk. 732,637,500	646,810,641	1,489,044,176	10,478,891	3,335,206	6,798,523	2,889,104,937
Carrying Amount on 31 December 2008	Tk. 732,637,500	662,467,450	1,577,412,161	10,661,066	3,337,078	7,303,154	2,993,818,409

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

Particulars	Land & Land Development	Building & Other Construction	Plant & Machinery	Total
Surplus on Revaluation in 2004	192,466,272	-	-	192,466,272
Surplus on Revaluation in 2008	376,892,108	351,072,849	433,853,724	1,161,818,681
Total Surplus on Revaluation	Tk. 569,358,380	351,072,849	433,853,724	1,354,284,953

(b) Disclosure on Revaluation of Land under Bangladesh Accounting Standard (BAS) 16 "Property, Plant and Equipment"

- (i) Independent professional valuer, M/S G. K. Adjusters Ltd. (Insurance Surveyors, Loss Adjusters, Controllers, Consultants and Valuers) of Chand Mansion (5th floor), 66 Dilkusha Commercial Area, was involved to carry out the said revaluation.
- (ii) S F Ahmed & Co, Chartered Accountants and valuers have revalued the lands, buildings and plant & machinery of the Company as of 31 December 2008, following "current cost method". Such revaluation resulted in a revaluation surplus aggregating Tk. 1,161,818,681.

(c) Assets include Leased Assets of Tk. 7,750,000 at cost and Tk. 2,871,296 at written down value.

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

19.	INVESTMENT IN SHARES : TK. 262,285,884	2009	2008
	This consists of Investment in Shares of listed Companies as follows:		
	(a) In 4,203 Shares of Beximco Synthetics Ltd. (Average cost price per share is Tk. 282.10 against face value of Tk. 100.00) [Market value as on 31.12.09 Tk. 373.00]	1,185,680	1,185,680
	(b) In 8,216,383 Shares of Bextex Ltd. (Average cost price per share is Tk. 31.78 against face value of Tk. 10.00) [Market value as on 31.12.09 Tk. 81.40]	261,100,204	1,314,320
		Tk. 262,285,884	2,500,000
20.	INVENTORIES : Tk. 858,674,654		
	This represents as follows:		
	Raw Material & Chemical	327,976,606	324,729,313
	Finished Goods	215,961,579	213,823,346
	Work-In- Process	176,073,235	159,342,294
	Stores & Spares	93,355,438	104,205,443
	Packing Material	45,307,796	53,007,801
		Tk. 858,674,654	855,108,197
21.	TRADE DEBTORS : Tk. 361,541,096		
	This is considered good and is falling due within one year.		
	No amount was due by the directors (including Managing Director), managing agent, managers and other officers of the company and any of them severally or jointly with any other person.		
	No amount was due by any associated undertaking.		
22.	ADVANCES AND DEPOSITS : Tk. 82,182,270	2009	2008
	This is considered good and consists of as follows:		
	Advances	62,942,145	62,824,973
	Deposits	19,240,125	20,422,343
		Tk. 82,182,270	83,247,316
	The break -up of advances is as follows:		
	L/C-Margin	24,986,224	24,251,063
	Suppliers	11,579,936	13,988,350
	Income Tax (Note -22.1)	11,335,968	12,874,835
	Trade Fair	6,977,155	5,088,775
	Employees (other than officers)	144,198	474,198
	Marketing Expenses	4,934,742	3,714,661
	L/C-Insurance	1,530,511	1,361,574
	L/C- Commission	697,923	214,017
	Advance Travel	442,988	245,000
	Show Room	312,500	612,500
		Tk. 62,942,145	62,824,973

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

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

No amount was due by any associated undertaking.

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

The break -up of deposits is as follows:

	2009	2008
Bank Guarantee Margin	2,755,718	2,755,718
Security Deposit	10,247,402	10,247,402
Lease Deposit	3,700,134	3,700,134
VAT Deposit	2,536,871	3,719,089
	Tk. 19,240,125	20,422,343

22.1. ADVANCE INCOME TAX PAID : Tk. 11,335,968

This has been arrived at :

Opening Balance	12,874,835	14,231,071
Add : Paid / Deducted during the year under review	11,335,968	12,874,835
	24,210,803	27,105,906
Less : Adjustment made during the year under review (Note -27)	12,874,835	14,231,071
	Tk. 11,335,968	12,874,835

23. CASH AND CASH EQUIVALENTS : Tk. 18,411,470

This consists of :

(a) In Hand	3,888,119	3,144,028
(b) At Banks in :		
(i) Current Deposit	10,852,085	2,650,402
(ii) STD	3,163,274	549,555
(iii) FDR	507,992	507,992
	14,523,351	3,707,949
	Tk. 18,411,470	6,851,977

24. SHORT TERM LOAN FROM BANKS : Tk. 917,603,854

This is secured and consists of as follows:

Sonali Bank Ltd. - CC (H)	528,869,521	533,546,285
Bank Asia Ltd. - Over Draft	252,774,184	172,087,028
Sonali Bank Ltd. - LTR	81,139,551	96,975,242
Southeast Bank Ltd. - LTR	54,820,598	63,535,550
	Tk. 917,603,854	866,144,105

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

25.	LONG TERM LOAN - CURRENT MATURITY : Tk. 386,928,629	2009	2008
	This consists of as follows:		
	Foreign Currency Loan :		
	Marubeni Corporation (J.Yen 432,000,000) (in 2008 J.Yen 322,883,392)	328,795,200	250,234,629
	Local Currency Loans :		
	Sonali Bank PAD Blocked	23,301,692	33,293,803
	Sonali Bank Project	23,463,853	19,606,653
	Sonali Bank CC Blocked	9,359,370	9,961,740
	First Lease International Ltd.	2,008,514	2,242,326
		58,133,429	65,104,522
		Tk. 386,928,629	315,339,151
26.	CREDITORS, ACCRUALS AND OTHER PAYABLES : TK. 101,895,079		
	This consists of as follows:		
	L/C & Others	4,325,400	11,875,862
	Creditors for Goods	6,274,374	6,082,265
	Security Deposit	4,665,000	3,505,000
	Outstanding Export Commission	3,110,797	2,586,821
	Employees' Provident Fund	3,548,589	6,431,866
	Workers' Profit Participation Fund	22,979,190	10,519,857
	Tax deducted at source from Salary & Rent	707,881	668,754
	Bank & Other Interest due	8,495,404	6,247,786
	Salary & Wages	19,088,921	22,061,929
	Gas & Electricity	28,440,523	27,498,531
	Audit Fees	250,000	175,000
	Provision of Legal Fees	9,000	18,000
		Tk. 101,895,079	97,671,671
27.	INCOME TAX PAYABLE : Tk. 97,348,263		
	This is arrived at as follows :		
	Opening Balance	61,193,304	63,907,140
	Add: Tax provided in the year 2009 (Note-39)	75,189,526	24,552,418
		136,382,830	88,459,558
	Less: Adjustments (Note-22.1)	(12,874,835)	(14,231,071)
	Less: Tax paid	(26,159,732)	(13,035,183)
		Tk. 97,348,263	61,193,304
28.	SHARE CAPITAL : Tk. 840,283,200		
	This represents:		
	(a) Authorised:		
	500,000,000 Ordinary Shares of Tk.10/- each	Tk. 5,000,000,000	5,000,000,000
	(b) Issued, subscribed and paid-up:		
	66,060,000 Ordinary Shares of Tk. 10/- each fully paid-up in cash	660,600,000	660,600,000
	17,968,320 Ordinary Shares of Tk. 10/- each fully paid-up bonus shares	179,683,200	39,636,000
		Tk. 840,283,200	700,236,000

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

(c) Composition of Shareholding:

	2009	
	No. of Shares	%
Beximco Group and its Associates	42,014,158	50.00%
Institutions	4,407,200	5.24%
Other Investors and General Public	37,606,962	44.76%
	84,028,320	100.00%

(d) Distribution Schedule:

Share holdings	No. of Shareholders	No. of Shares	Holding %
Less than 500 shares	15,253	2,867,593	3.41
500 to 5,000 shares	11,782	14,955,739	17.80
5001 to 10,000 shares	474	3,442,142	4.10
10,001 to 20,000 shares	159	2,230,640	2.65
20,001 to 30,000 shares	50	1,280,300	1.52
30,001 to 40,000 shares	22	767,500	0.91
40,001 to 50,000 shares	9	407,140	0.48
50,001 to 100,000 shares	23	1,658,435	1.97
100,001 to 1,000,000 shares	25	7,902,720	9.40
Over 1,000,000 shares	6	48,516,111	57.74
Total	27,803	84,028,320	100.00

29. FIXED ASSETS REVALUATION SURPLUS : Tk. 1,354,284,953

The details of revaluation has been stated in notes on Property, Plant & Equipment (Note -18)

30. LONG TERM LOAN - SECURED (NET OFF CURRENT MATURITY) : 477,058,072

This represents loans from :

Foreign Currency Loan :	2009	2008
Marubeni Corporation (J.Yen 144,000,000) (in 2008 J.Yen 432,000,000)	109,598,400	334,800,000
Local Currency Loans :		
Sonali Bank Project	186,495,071	211,832,099
Sonali Bank PAD Blocked	156,089,248	140,679,916
Sonali Bank CC Blocked	23,910,632	31,877,524
First Lease International Ltd.	964,721	2,280,762
	367,459,672	386,670,301
	Tk. 477,058,072	721,470,301

Loan from Marubeni Corporation is arrived at after debiting of Tk.13,887,674 (in 2008 credit Tk.123,920,598) being decrease in liability on conversion of the loan balance in foreign currency as on 31.12.09 at the exchange rates ruling on the Balance Sheet date.

Nature of Security :

Pursuant to Supplementary Lenders' Paripassu Security Sharing Agreement dated 24.06.2004 among Marubeni Corporation, Industrial Promotion and Development Co. of Bangladesh Ltd. (IPDC), Southeast Bank Ltd., Sonali Bank and Shinepukur Ceramics Ltd., Marubeni Corporation, IPDC, Southeast Bank Ltd. and Sonali Bank are secured by :

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

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

TERMS OF REPAYMENT**Marubeni Corporation :**

In 14 (Fourteen) half-yearly installments commencing from December, 2004.

Sonali Bank Project Loan :

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

Sonali Bank PAD Blocked Loan :

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

Sonali Bank CC Blocked Loan :

In 108 (One hundred eight) equal monthly installments commencing from January 31, 2005.

RATE OF INTEREST**Marubeni Corporation :**

Japanese long term prime rate(LTPR) +3.0% p.a.

Sonali Bank Project Loan :

12.50% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Sonali Bank PAD Block Loan :

14% p.a. or the lending rate applicable from time to time based on Bank rate / policy.

Sonali Bank CC Blocked Loan :

Interest Free

31. LONG TERM LOAN (UN SECURED) : 172,820,626

The Loan was taken from Bangladesh Export Import Company Limited, a related Company.

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

32. DEFERRED TAX LIABILITY : TK. 12,654,931**2009****2008**

This is arrived at as follows:

Opening Balance	11,029,742	5,100,611
Provided during the year	1,625,189	5,929,131
Tk.	12,654,931	11,029,742

33. REVENUE (TURNOVER) FROM NET SALE : Tk. 1,695,710,571

This is made up as follows :

A. Local Gross Sales	358,818,015	308,863,719
Less: Value added tax	(46,802,347)	(40,286,572)
Less: Commission	(25,414,509)	(21,654,343)
Net Local Sales	286,601,159	246,922,804
B. Export Sales Less : Freight, C&F and Others Charges	1,386,693,669	1,263,846,492
C. Duty Drawback	22,415,743	19,148,943
Net sales (A+B+C)	Tk. 1,695,710,571	1,529,918,239

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

34.	COST OF GOODS SOLD : Tk. 1,136,510,173	2009	2008
	This is arrived at as follows:		
	Opening WIP	159,342,294	140,678,634
	Raw Material Issued (Note- 34.1)	662,688,445	527,443,803
	Material available for consumption	822,030,739	668,122,437
	Closing WIP	(176,073,235)	(159,342,294)
	Consumption	645,957,504	508,780,143
	Manufacturing overhead (Note- 34.2)	493,759,589	527,188,509
	Cost of production	1,139,717,093	1,035,968,652
	Opening Finished Goods	213,823,346	209,837,006
	Cost of Goods Available for Sale	1,353,540,439	1,245,805,658
	Closing Finished Goods	(215,961,579)	(213,823,346)
	Cost of Free Distribution of Sample	(1,068,687)	(1,456,716)
		Tk. 1,136,510,173	1,030,525,596
34.1.	RAW MATERIAL ISSUED : Tk. 662,688,445		
	This is arrived at as follows:		
	Opening Stock of Raw Material	324,729,313	316,962,703
	Purchase of Raw Material	665,935,738	535,210,413
		990,665,051	852,173,116
	Closing Stock of Raw Material	(327,976,606)	(324,729,313)
		Tk. 662,688,445	527,443,803
34.2.	MANUFACTURING OVERHEAD : TK. 493,759,589		
	This is arrived at as follows:		
	This consists of as follows :		
	Depreciation	96,122,579	105,832,306
	Salaries ,Wages,etc	168,269,571	159,810,182
	Power & Fuel	71,372,921	62,815,116
	Packing Materials	58,476,899	88,672,671
	Consumable Store & Spares	60,320,843	73,934,890
	Transport Expenses	16,255,136	15,913,816
	Office Expenses	5,438,144	4,888,210
	Insurance Expenses	3,296,113	4,301,101
	Welfare Expenses	7,347,148	5,625,208
	Repairs & Maintenance	3,887,254	3,537,220
	Communication Expenses	488,883	550,912
	Travelling & Conveyance	1,228,977	538,946
	Occupancy Expenses	229,403	226,375
	Handling & Carrying Expenses	617,857	464,536
	Legal & Prof. Expenses	407,861	-
	Training & Conference	-	77,020
		Tk. 493,759,589	527,188,509

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

35. ADMINISTRATIVE EXPENSES: TK. 38,302,865	2009	2008
This consists of as follows :		
Depreciation	7,109,318	8,603,163
Welfare Expenses	4,065,837	5,976,491
Salaries & Allowances	7,743,628	6,424,156
Transport Expenses	2,788,224	2,192,112
Office Expenses	4,015,908	2,707,151
Communication Expenses	542,187	494,094
Occupancy Expenses	1,775,397	1,574,762
Fees & Expenses for Direct Listing	-	6,890,657
AGM Expenses	3,421,558	-
Utilities Expenses	443,243	339,656
Legal Fees, Prof. & Others Fees	2,054,188	859,525
Travelling & Conveyance Expenses	3,915,632	2,987,783
Repairs & Maintenance	102,260	271,537
Audit Fees	250,000	175,000
General Expenses	75,485	42,000
	Tk. 38,302,865	39,538,087
36. SELLING & DISTRIBUTION EXPENSES: TK. 49,668,395		
This consists of as follows :		
Promotional Expenses	20,091,729	24,592,940
Salaries & Allowances	11,114,584	9,110,609
Occupancy Expenses	3,503,840	3,385,400
Office Expenses	5,418,299	3,651,083
Communication Expenses	549,273	782,258
Travelling & Conveyance Expenses	3,253,603	4,391,310
Transport Expenses	1,405,669	1,165,893
Welfare Expenses	1,629,715	1,617,391
Advertising & Publicity	795,033	807,800
Utilities Expenses	501,816	385,709
Show Room Expenses	291,192	441,594
Handling & Carrying Expenses	226,613	252,146
Repairs & Maintenance	94,024	254,729
Legal & Professional Fees	601,355	167,580
General Expenses	12,870	4,750
Product Research	178,780	81,000
Training & Conference	-	7,500
	Tk. 49,668,395	51,099,692
37. FINANCIAL EXPENSES : Tk. 209,672,116		
This consists of as follows :		
Interest on Loan from Banks & Others	201,203,299	190,775,750
Interest on Long Term Loan to a Related Party	-	(10,863,885)
Interest on Long Term Loan from a Related Party	1,357,830	-
Bank Commission & Charges	7,110,987	8,397,612
	Tk. 209,672,116	188,309,477

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

38. OTHER INCOME :Tk. 88,960

This represents Interest on FDR and STD A/c Received

39. INCOME TAX EXPENSES : TK. 76,814,715**2009****2008**

This represents:

(a) Current Tax**Tax for the year under review****41,217,204****34,542,732****Short/(Excess) Provision of earlier years****33,972,322****(9,990,314)**

For the Year 2008

30,625,356

-

For the Year 2007

3,346,966

-

For the Year 2006

-

(910,651)

For the Year 2005

-

(9,079,663)

Current Tax**75,189,526****24,552,418****(b) Deferred Tax****1,625,189****5,929,131**Tk. **76,814,715****30,481,549****40. EARNING PER SHARE (EPS):**(a) Earning Attributable to the Ordinary Shareholders
(Net Profit After Tax)

172,371,934

179,915,587

(b) Weighted Average number of Ordinary Shares
outstanding during the year (Note 17.11)

84,028,320

84,028,320

(c) EPS (Adjusted EPS of 2008) (a/b)

Tk. **2.05****2.14****41. PAYMENTS / PERQUISITES TO DIRECTORS AND OFFICERS****(a) Directors:**

No amount of money was expended by the company for compensating any member of the board for special services rendered.

No board meeting attendance fee was paid to the directors of the company.

(b) Officers:

Managerial Remuneration

29,422,054

25,640,050

Bonus

4,659,335

2,254,336

Perquisites :

Housing

12,093,558

10,551,200

Medical

1,975,073

1,705,813

Transport

658,555

563,537

Tk. **48,808,575****40,714,936****42. PRODUCTION CAPACITY AND ACTUAL PRODUCTION IN THE YEAR 2009**

	Production Capacity (in pieces)	Actual Production (in pieces)	Shortfall (in pieces)
Porcelain	21,600,000	13,714,093	(7,885,907)
Bone China	3,600,000	2,913,732	(686,268)

Reason for shortfall : Production as per market demand.

SHINEPUKUR CERAMICS LIMITED

Notes to the Financial Statements

as at and for the year ended 31 December 2009 (continued)

43. CAPITAL EXPENDITURE COMMITMENT

There was no capital expenditure contracted but not incurred or provided for as on 31.12.09.

There was no material capital expenditure authorised by the board but not contracted for as on 31.12.09.

44. CONTINGENT LIABILITIES

There was no sums for which the company is contingently liable as on 31.12.09.

45. CLAIMS NOT ACKNOWLEDGED

There was no claim against the company not acknowledged as debt as on 31.12.09

46. CREDIT FACILITIES NOT AVAILED

There was no credit facilities available to the company but not availed of as on 31.12.09 under any contract, other than trade credit available in the ordinary course of business.

47. COMMISSION, BROKERAGE OR DISCOUNT AGAINST SALES

Selling commission of Tk.25,414,509 was incurred and paid during the year 2009.

No other commission, brokerage or discount was incurred or paid by the company against sales during the year 2009.

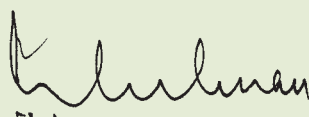
48. EVENTS AFTER THE REPORTING PERIOD

The material events after the reporting period have been disclosed below:


- (a) On 29 April 2010 the board of directors recommended 15 % stock dividend (15 Shares for every 100 Shares held) which is subject to the shareholders' approval at the forth-coming annual general meeting.

49. RELATED PARTY DISCLOSURE

Sl. No.	Name of Related Party	Nature of Transactions	Value of Transactions during the year	Balance at the year end Taka
1	Bextex Ltd.	Investment in Shares	259,785,888	261,100,204
2	Beximco Synthetics Ltd.	Investment in Shares	-	1,185,680
3	Bangladesh Export Import Co. Ltd.	Long Term Loan	172,820,626	172,820,626
4	Bangladesh Export Import Co. Ltd.	Interest Expenses	1,357,830	-



Salman F Rahman
Vice-Chairman



Nazmul Hassan
Managing Director



Md. Luthfor Rahman
General Manager

Dhaka
Dated : 29 April 2010

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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

PROXY FORM

I/We of being a member of **BANGLADESH EXPORT IMPORT COMPANY LIMITED** hereby appoint Mr./Ms of as my proxy to attend and vote for me on my behalf at the 37th Annual General Meeting of the Company to be held on Thursday, the 17th June, 2010 at 10.00 a.m. at Beximco Industrial Park, Sarabo, Kashimpur, Gazipur and at any adjournment thereof.

As witness my hand this day of, 2010 signed by the said in presence of

.....
(Signature of the Proxy)

Date :

Revenue
Stamp
Tk. 8.00

.....
(Signature of Witness)

.....
Signature of the Shareholder(s)

BOID/Register Folio No.....

Dated

Note :

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

Signature Verified

.....
Authorised Signatory

BANGLADESH EXPORT IMPORT COMPANY LIMITED

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

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my attendance at the 37th Annual General Meeting being held on Thursday, the 17th June, 2010 at 10.00 a.m. at Beximco Industrial Park, Sarabo, Kashimpur, Gazipur.

Name of Member(s) BOID/Register Folio No.
holding of ordinary Shares of **Bangladesh Export Import Company Limited**.

.....
Signature of Shareholder (s)

N. B.

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy will not be allowed into the meeting venue.
2. Please present this slip at the reception Desk.

The first part of the paper discusses the importance of understanding the local context in which a project is implemented. This includes a thorough analysis of the social, economic, and cultural factors that may influence the success or failure of the intervention. It is essential to engage with local stakeholders from the outset to ensure that the project is relevant and sustainable.

The second part of the paper explores the challenges of implementing a project in a resource-poor environment. Limited access to funding, skilled personnel, and infrastructure can significantly hinder progress. However, these challenges can be mitigated through creative problem-solving and the utilization of local resources and expertise.

The third part of the paper focuses on the importance of monitoring and evaluation (M&E) in assessing the impact of the project. A robust M&E system should be established from the beginning to track progress, identify bottlenecks, and make necessary adjustments. This involves setting clear, measurable objectives and using a variety of data collection methods to gather comprehensive information.

The fourth part of the paper discusses the role of community participation in the project. Active involvement of the target population is crucial for ensuring that the project meets their needs and is accepted by the community. This can be achieved through the formation of local committees, regular meetings, and transparent communication channels.

The fifth part of the paper addresses the issue of sustainability. A project should be designed with the goal of being self-sustaining after the initial implementation phase. This requires building local capacity, transferring knowledge, and establishing mechanisms for ongoing support and funding.

In conclusion, the paper emphasizes that successful project implementation is a complex process that requires careful planning, adaptability, and a commitment to the well-being of the community. By following the principles outlined in this paper, project managers can increase the likelihood of achieving their goals and creating a lasting positive impact.

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