

ANNUAL REPORT



2021  22

annual report 2021-22



EMERALD OIL INDUSTRIES LIMITED

Annual Report
2021-22



EMERALD OIL INDUSTRIES LIMITED

MISSION

MISSION

It serves the need of consumers and business in growth segments profitably by providing:

- It serves the need of consumers and businesses in growth segments profitably by providing:
- Manufacturing quality products and services provided at reasonable prices to our customers;
- A satisfactory work environment for our staff;
- Fair, respectful, and consistent working relationships with our suppliers and dealers;

VISION

To be the most trusted and preferred brand to every household in Bangladesh

CORE VALUE

CORE VALUE

Innovation:

We anticipate change and shape it to fit our purpose.

Quality:

We are committed to offering the highest quality products at all times to our customers.

Trustworthiness:

Our customers can trust our products because we can act with integrity and do what is right.

Customer:

We are passionate about our customers and embrace their priorities as our own.

Responsibility:

We take responsibility, ensure the safety of our people and products, contribute to our local communities & care for our environment.

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LETTER OF TRANSMITTAL

LETTER OF TRANSMITTAL

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

Subject: Submission of Annual Report for the year ended June 30, 2022.

Dear Sir(s),

We are pleased to submit a copy of the Annual Report together with the Audited Financial Statements including the Balance Sheet, Profit or Loss Account, Statement of Changes in Equity, and Cash Flows for the year ended 30 June 2022 along with notes thereon for your records.

Thank you for your support and confidence on us.

Best regards.



(Sadia Afrin)

Company Secretary

NOTICE OF THE 15TH ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General Meeting of Emerald Oil Industries Ltd. will be held virtually by using the digital platform through the link <https://spondonoil-agm15.bdvirtualagm.com> on Wednesday, 12 July 2023 at 5:30 P.M. to transact the following business:

01. To receive, consider and approve the Audited Financial Statements for the year ended 30th June 2022 together with the Auditors' Report thereon and the report of the Directors'.
02. To declare the Dividend for the year ended June 30, 2022.
03. To elect/re-elect of Directors.
04. To confirm the appointment of the Managing Director.
05. To consider the appointment of Statutory Auditors for the year ended June 30, 2023, and fix their remuneration.
06. To consider the appointment of Compliance Auditors for the year ended June 30, 2023, and fix their remuneration.

Dated, Dhaka
22 June, 2023

By order of the Board of Directors



(Sadia Afrin)

Company Secretary

Notes:

- (a) The "Record Date" is fixed on 26 June 2023. The Shareholders, whose names will appear in the Share register of the Company at the close of business on the record date, will be eligible to attend/participate and vote at the Annual General Meeting through the digital platform.
- (b) Pursuant to the Bangladesh Securities & Exchange Commission's Order No.SEC/CRMIC/94-231/91 dated March 31, 2021, the detailed procedures to attend the meeting will be communicated to the shareholder's E-mail ID in due course and it will also be available on the Company's website at www.spondonoil.com.
- (c) For login to the system, the Members need to put their 16-digit Beneficial Owners (BO) ID Number and other credentials as proof of their identity by visiting the link <https://spondonoil-agm15.bdvirtualagm.com>. The Members will be able to submit their questions/comments electronically 24 hours before the commencement of the AGM and during the AGM.
- (d) Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD /2006- 158/208/Admin/81 dated June 20, 2018, the soft copy of the Annual Report 2021-22 shall be sent to the E-mail address of the Members available in their Beneficial Owners (BO) accounts maintained with the depository. These are also available on the Company's website at www.spondonoil.com.
- (e) A member eligible to attend/participate and vote in the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. No person shall act as a proxy unless he/she is entitled to be present and vote in his/her own right. The "Proxy Form" duly filled, signed, and stamped at BDT 20/- must be sent through E-mail to Emerald Oil Industries Limited, share department at the registered office of the company not later than 48 hours before commencement of the AGM.
- (f) Members are requested to notify their changes of address, if any.

COMPANY PROFILE

Emerald Oil Industries Ltd. hereinafter referred to as EOIL was incorporated on July 17, 2008 with registration no.-C72229 (271)/08, as a Private Limited Company under The Companies Act 1994 with a mission to produce edible oil which is a common item for preparation of daily food of human being. The company started its commercial operation on 02 July 2011 and converted into Public Limited Company on December 21, 2011. The company was listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on March 11, 2014 and March 13, 2014 respectively.

NAME OF THE COMPANY	Emerald Oil Industries Limited
INCORPORATION NO. & DATE	C72229 (271)/08 dated July 17, 2008
LEGAL STATUS	Public Limited Company
LISTING	Dhaka Stock Exchange Ltd. Chattogram Stock Exchange Ltd.
DATE OF COMMERCIAL OPERATION	02 July 2011
NATURE OF BUSINESS	Manufacture, Marketing and Sale of Rice Bran Edible Oil
BRAND NAME	Spondon
MAIN RAW MATERIALS	Rice Bran
PRODUCTION CAPACITY	48 MT of Refined Rice Bran Oil and 240 MT of De-Oiled Rice Brand from 300 MT of Rice Bran per day
AUTHORIZED CAPITAL	Tk. 100 Million
PAID UP CAPITAL	597,135,000

AUDITORS:

Aziz Halim Khair Choudhury
Chartered Accountants
House #75/A, Abasar Bhaban (2nd Floor), Road #5/A, Dhanmondi, Dhaka-1209.

CORPORATE GOVERNANCE COMPLIANCE AUDITOR:

S.K Barua & Co.
Chartered Accountants
House #184 (Ground Floor), Road #02, New DOHS, Mohakhali, Dhaka-1206, Bangladesh.

BANKERS:

AB Bank, The Farmers (Padma) Bank Ltd., National Bank of Pakistan, Basic Bank Ltd., Bank Asia Ltd., BRAC Bank Ltd., Bangladesh Krishi Bank Ltd., Dutch Bangla Bank Ltd., Islami Bank Bangladesh Ltd., National Bank Ltd., Jamuna Bank Ltd., Janata Bank Ltd., Mutual Trust Bank Ltd., Prime Bank Ltd., Sonali Bank Ltd.

REGISTERED OFFICE:

Halimunnesa's Court (Floor-9), 23 Kakrail, Dhaka-1000, Bangladesh.

FACTORY:

Sheripara, Sherpur Sadar, Sherpur

CORPORATE DIRECTORY

Board of Directors

BOARD OF DIRECTORS

MR. MD. SAFIQUUL ISLAM
Chairman and Independent Director

PROFESSOR DR. PRASHANTA KUMAR BANERJEE
Independent Director

DR. SANTUS KUMAR DEB
Independent Director

MD. SAJIB HOSSAIN
Independent Director

MR. MOHAMMAD GOLAM SARWAR
Independent Director

SIDRATUL MAHABUB HASAN
Nominated Director (Minori Bangladesh Limited)

MD. AFZAL HOSSAIN
Managing Director

DIRECTOR'S PROFILE



MR. MD. SHAFIQL ISLAM
Chairman and Independent Director

Mr. Md. Shafiqul Islam, (Former Additional Secretary) Chairman and Independent Director of the Company.

DIRECTOR'S PROFILE

PROFESSOR DR. PRASHANTA KUMAR BANERJEE
Independent Director



Dr. Prashanta Kumar Banerjee is Professor (Selection Grade) at Bangladesh Institute of Bank Management (BIBM), a national training, research, consultancy, and education institute on banking and finance of Bangladesh. He also served the Institute as Director (RD&C) and Director (Accounts and Administration). He completed his Ph.D. in Finance from the Punjab University, India and later on, he did Post-Doctoral Research in the area of Corporate Finance under Senior Fulbright Scholarship in the United States of America (USA).

Dr. Banerjee has developed a very distinguished career at the BIBM as he has held a number of academic and administrative positions on his way to the present level. Dr. Banerjee served with the King Faisal University, Kingdom of Saudi Arabia as an Associate Professor between December 2009 and July, 2011. He has remained associated with a number of top universities in Bangladesh to teach courses at the graduate programs.

A number of articles authored by Dr. Banerjee were published in reputed national and international journals including the Journal of Developing Areas, Empirical Economics, The Journal of Energy and Development, Southwest Business and Economics Journal, Global Business and Finance Review, Wealth – International Journal of Money, Banking and Finance, Finance India and so on.

Dr. Banerjee completed a number of consultancy works for Bangladesh Bank, SME foundation, Agrani Bank Ltd, IPDC Bangladesh Ltd. International Finance Corporation (IFC), World Bank Group. Dr. Banerjee completed a consultancy work titled Financial Sector Strengthening Project of Afghanistan with Da Afghanistan Bank (DAB), Central Bank of Afghanistan.

The contribution of Dr. Banerjee in different policy issues relating to the financial sector of Bangladesh is highly acclaimed. He was the chairman of the Technical Committee on launching of International Factoring and Member of the core committee for introducing Internal Credit Risk Rating (ICRR) System of Bangladesh Bank.

As recognition of his ability and potentials, Dr. Banerjee has been awarded some prestigious academic and research awards and fellowships. They include i-Proclaim ARA-2017 Award as Distinguished Scientist (Awards for Publication Excellence by ABC Malaysia), Bangladesh Education Leadership Awards 2017 by Asian Confederation of Businesses with CMO Asia, Fulbright Post-Doctoral Fellowship, USA, University Grants Commission of India Fellowship and so on.

DIRECTOR'S PROFILE



DR. SANTUS KUMAR DEB
Independent Director

Dr. Santus Kumar Deb is a Professor of the Department of Tourism and Hospitality Management of the University of Dhaka. He has completed BBA and MBA major in Marketing, Post Graduation Diploma in Supply Chain Management, Executive Program in Strategic Digital Marketing, and PhD in Service Management. He is a renowned scholar in the field of Tourism and Service Management.

DIRECTOR'S PROFILE

MD. SAJIB HOSSAIN
Independent Director



Md. Sajib Hossain is an Associate Professor of the Department of Finance at the University of Dhaka. He currently doing his Ph.D. Student, Olin Business School, Washington University in St. Louis other than that he has studied MS in Finance: at Syracuse University, US (Top 10 percentile)–2016-17, MBA: Major in Finance, University of Dhaka (Top 1 percentile)–2011-12, BBA: Major in Finance, University of Dhaka (Top 2 percentile)–2006-10, and CFA Charterholder: CFA Institute 2015.

He has been Awards in Fulbright Fellowship Award by the US Department of State and Cultural Affair-2016-17, Academic Excellence Award by Whitman School of Management, Syracuse University and Deans Honor List Award, Provost Award, Deans Merit List Award for outstanding performance in the BBA program, and MBA program, Faculty of Business Studies, University of Dhaka.

His impactfulscholarly publications are “Post-IPO Operating Performance of Firms in Bangladesh”, International Journal of Accounting and Review, Vol. 7, No. 1; 2021 (Dr. Muhammad Saifuddin Khan), “True Expense Ratio and True Alpha of Imperfect Diversification: Evidence Stock Market in Bangladesh”, International Journal of Economics and Finance, vol. 12, No. 11, November 2020 issue, “Determinants of Interest Rate Spread in the Banking Sector of Bangladesh” Journal of Banking and Financial Services, Upcoming July-December Issue of 2020 (With Shabnaz Amin), “An Empirical Analysis of the Relationship between Monetary Policy Stance and Stock Price in Bangladesh” Journal of Bangladesh Development Studies (BDS), Volume XXXIX, March-June 2016, Number 1&2 (with Amzad Hossain and Shabnaz Amin), “Profitability from Momentum Strategies across Market States: Evidence from the Stock Market in Bangladesh” Journal of Business Studies, Vol. XXXVI, No. 1, April 2016 (With Shabnaz Amin), “Does Fama French Three Factor Model Explain the Cross Section of Return: Evidence from Bangladesh Market” Journal of Finance and Banking, Volume 11, Number 2, page 24-36, 2013, “Does Dividend Policy Matter for Price Volatility: Evidence from Dhaka Stock Exchange” Journal of Finance and Banking” Volume 12, Number 1, 2015, Does Capital Structure Matter for Bank Firm Performance; Evidence from Listed Banks in Bangladesh, Journal of Finance and Banking, 2013 (With Shabnaz Amin), and Profitability from Momentum Strategies across Market States: Evidence from the Stock Market in Bangladesh, Journal of Business Studies, vol.Vol. XXXVI, No. 1, April 2016, 2015 (with Shabnaz Amin).

Some of the Research Projects are in Progress such as the Principal Investigator of the Research Project: “The Effect of Covid-19 Pandemic on Tertiary Education: Evidence from a Renowned University in Bangladesh”. The co-investigator of the project is Md Amzad Hossain, Ph.D. Candidate, the University of Virginia. The project has been awarded BDT 6.4 lac by Centennial Research Grant, University of Dhaka, For conducting Research in Progress on “Regulatory Disclosure Choice and Capital Market Impact” along with co-author Charlie X. Cai, Management School, University of Liverpool, UK, Sabur Mollah, Sheffield University Management School, University of Sheffield, UK and Joanna Y. Ye Leeds University Business School, UK.

and Co-Investigator on Research Project: “Research in Capital Market: Firm Characteristics and Cross-Section of Expected Stock Return in Bangladesh” with Dr. Muhammad Saifuddin Khan, Associate Professor, Department of Finance, DU. The project has been awarded BDT 4 lac by Centennial Research Grant, University of Dhaka.

DIRECTOR'S PROFILE



MR. MOHAMMAD GOLAM SARWAR
Independent Director

Mohammad Golam Sarwar (FCO UK Government Chevening & Commonwealth Scholar) is currently an Assistant Professor at the Department of Law, University of Dhaka. He has worked as a Research Consultant for the University of Oxford under Reach Project on Clean River Policy in Urban Asia funded by DFID UK.

He has experience working as a Legal Consultant in different UN Agencies and Development organizations including UNDP, UN WOMEN, ILO, IDLO, UNHCR, UNODC, and Office of the UN Resident Coordinator, Swedwatch, and FORUM-ASIA.

He has served as a Legal Consultant for the Ministry of Foreign Affairs, Ministry of Law, Justice and Parliamentary Affairs, Ministry of Commerce, and Ministry of Home Affairs, Bangladesh. I have worked with the Ministries to prepare study reports and legal and policy briefs on different aspects of human rights, trade, investment, migration, and trafficking.

He has studied International Development Law at the University of Warwick with Chevening Scholarship. He studied Bachelor of Laws and Master of Laws from the University of Dhaka. He has been awarded in International Commonwealth Doctoral Scholarship 2021 United Kingdom, awarded Commonwealth Doctoral Scholarship to pursue Ph.D. in Law at SOAS University of London International FCO UK GOVERNMENT Chevening Scholarship 2015 United Kingdom, awarded the Chevening Scholarship given by the Foreign and Commonwealth Office of the British Government and National Best Researcher 2010 Bangladesh Inter year Moot Court Competition Organized by Dhaka University.

DIRECTOR'S PROFILE

SIDRATUL MAHABUB HASAN
Nominated Director (Minori Bangladesh Limited)

Sidratul Mahabub Hasan worked in Aman Group and different other companies over the last 10 years. Mr. Sidratul gathered remarkable experiences in different sectors, especially in Finance & Banking Industries. He completed a Postgraduate in Finance from International Islamic University, Malaysia, and graduated from the same University in economics. His article "Efficiency & Performance of Islamic Banks in Bangladesh" was published in the Journal of Islamic Banking & Finances.



MD. AFZAL HOSSAIN
Managing Director

Mr. Md. Afzal Hossain is a young, energetic and dynamic person is acting as Managing Director of the Company. He has completed Post-graduation in accounting discipline from National University in Bangladesh. He is also Director of Minori Bangladesh Ltd. In his Corporate life, he has vast experiences in different areas such as Banking, Accounts, Commercial, Export, Import, Logistic, Domestic and International Marketing of Agro and Live-Stock products.



Chairman Message to the Shareholders

CHAIRMAN MESSAGE

Bismillahir Rahmanir Rahim

Dear Shareholders,

It is with great pleasure and a sense of accomplishment that I am delighted to present our achievements and progress made during the past year, as well as share our vision for the future.

Spondon Rice Bran Oil is a pioneer in the Bangladesh Rice Bran Oil market. We are privileged and honored to announce that we have overcome all previous obstacles and re-launched Emerald Oil Industries Limited with a faithful commitment to the responsible growth of the business. In this regard, overcoming the previous crisis of the company was a challenge. However, our goal was to tackle this challenge vigorously and achieve a satisfactory goal. Honorable shareholders, stakeholders, technical personnel, management, and employees have worked tirelessly to reach our goal.

We would like to express our gratitude to the Bangladesh Securities and Exchange Commission to take the initiative in restoring the factory in consideration of the greater interest of the shareholders.

Dear Shareholders, it is to be informed that the company borrowed loans from different Banks & NBFIs. In April 2017, the company suddenly closed its production without repaying the dues of Banks & NBFIs, and as a result, these loans have been classified. In addition, no Annual General Meeting (AGM) was held since the financial year 2016-2017. The previous Managing Director and main sponsor of the company Mr. Syed Hasibul Gani Galib, who lead the company engaged in various cases and left the country putting the interest of the general investors and other stakeholders at significant risk. Then the company felt in management crisis and became shut down from 1st April 2017.

Bangladesh Securities and Exchange Commission (BSEC) reconstituted the Board of the company vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021 and appointed 5 distinguished persons as Independent Director of the Company. BSEC vide the said memo dated 02.03.2021 also directed to appoint two nominated directors from amongst shareholders, who have 2% or more shares. Thereafter, BSEC vide Memo No. BSEC/SRMIC/47/2014/112 dated 29.04.2021 advised Emerald Oil Industries Limited to appoint one or more directors in EOIL against the ownership of 7.81% shares held by Minori

Bangladesh Ltd (Minori), a Japan Bangladesh Joint Venture Company. Then Minori Bangladesh Ltd started its activities and renovate the factory and invested huge amount for Property, Plant & Equipment and its maintenance, Gas connection, Husk Boiler installation, Electric Sub-station, etc. for the company bringing into operation. Minori also recruited qualified & experienced persons for starting the operation.

It is to be noted that the domestic oil market is now experiencing a crisis due to the rising cost of edible oil on the global market. In this instance, the Hon'ble Prime Minister has prioritized the production of Rice Bran Oil. Since our object is similar to the guidance of the Hon'ble Prime Minister, therefore we are here to provide Rice Bran Oil in the local market to resolve the oil crisis rapidly, and we shall be able to play a significant role.

As we believe in sustainability and purposeful business, therefore, our notion is to endless performance in the oil industry arena. Hence, seeing the progress of the company it can be stated that the company had successfully restarted its commercial production on 09 January 2022 and make the company profitable within a short period of time. In addition to that, the company also declared 2% cash dividend for the year ended 30 June 2022. We assure that the company shall provide the best quality product to the consumer because we embrace their priorities as our own.

In conclusion, I would like to express my heartfelt gratitude to our dedicated employees who are the driving force behind our success. I extend my appreciation to the board of directors for their guidance and wisdom. Lastly, I would like to thank our shareholders for their unwavering support and trust in our vision.

Together, let us embark on the journey ahead with confidence and enthusiasm, as we continue to create a brighter and healthier future of Emerald Oil Industries Limited. Thank you all.

On behalf of the Board of Directors,



(Md. Safiqul Islam)
Chairman

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

It is a great pleasure for us to welcome you all to the 15th Annual General Meeting of the Emerald Oil Industries Limited. We feel honored to submit you the Annual Report together with the Auditors' Report and Audited Financial Statements of the Company for the year ended 30 June 2022. The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission's (BSEC) notification no. SEC/CMRRCD/2006- 158/134/Admin/80 dated 03 July, 2018.

BUSINESS REVIEW

Emerald Oil Industries Ltd. was incorporated on 17 July 2008 and after that, the company had been officially started its commercial production of Rice Bran edible oil with the brand name "Spondon" on 02 July 2011. Eventually, Emerald Oil Industries Ltd. was listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in March 2014.

With the cordial support & cooperation of our honorable Consumers, Bankers, Financial institutions, Suppliers, and Shareholders as well as the regulatory authority of the capital market the company's business was progressing successfully. But with regret, it is to be informed that the company borrowed loans from different Banks & NBFIs. In April 2017, the company suddenly closed its production without repaying the dues of Banks & NBFIs, and as a result, these loans have been classified. In addition, no Annual General Meeting (AGM) was held since the financial year 2016-2017. The previous Managing Director and main sponsor of the company Mr. Syed Hasibul Gani Galib, who led the company engaged in various cases and left the country putting the interest of the general investors and other stakeholders at significant risk. Then the company fell in management crisis and became shut down from 1st April 2017.

In that situation whereas the company placed/transferred in the Z category, failed to declare cash dividend for a period of 4 Years, failed to hold AGM within the stipulated time, stopped operation production continuously for a period of 4 years as well as company is non-complied as per Listing Regulations and other securities laws, the Bangladesh Securities & Exchange Commission (BSEC) reconstituted the Board of Emerald Oil Industries Ltd. by a circular dated on 02 March 2021 (Ref. no. BSEC/SRMIC/47/2014/73) and nominated/appointed 05 distinguished individuals as independent directors of the Company, whereas Mr. Mohammad Shahidul Haque, Ex- Senior Secretary is selected as the chairman of the board of directors of the company from the nominated individuals. Moreover, in that circular it was mentioned that the appointed 05 Independent Directors will not be included in the particulars of directors (FORM-XII). BSEC vide the said memo dated 02.03.2021 also directed to appoint 2 (two) nominated directors from amongst shareholders, who have 2% or more shares.

Accordingly, Minori Bangladesh Ltd holding 7.81% shares of EOIL came into the Board of Directors of the

DIRECTORS' REPORT

Company. In this continuation, by the advice of BSEC the Board of Directors of the company appointed Md. Afzal Hossain as a Managing Director & Mr. Sidratul Mahabub Hasan was nominated as a director for and on behalf of Minori in Emerald Oil Industries Ltd.

Further, BSEC Memo No. BSEC/SRMIC/47/2014/211 dated 13.08.2021 appointed Mr. Md. Safiqul Islam as Chairman/Independent Director of Emerald in place of Mr. Mohammad Shahidul Haque.

Thereafter, according to the decision of the Board of Directors of Emerald Oil Industries Ltd. in its 19th Board of Directors meeting, the commercial production of the company has started again from 09 January 2022, upon successful completion of maintenance and trial production.

It is privileged and honored to state that Emerald Oil Industries Limited successfully finished its production and launch the product (Spondon Rice Bran Oil) on the market again dated 28 June 2022.

We are pleased to announce a significant accomplishment, as we successfully obtained permission from the Supreme Court of Bangladesh (High Court Division) dated 25 May 2023 to hold Annual General Meetings (AGMs) for the years ended 30th June 2017, 2018, 2019, 2020, 2021, and 2022. This achievement underscores our commitment to fulfilling our legal obligations and maintaining open lines of communication with our valued shareholders. The permission granted by the High Court Division was a result of meticulous preparation, extensive legal consultations, and a comprehensive presentation of our case. We deeply appreciate the Court's consideration of our circumstances and their approval of our request, recognizing the significance of conducting AGMs within a reasonable timeframe.

By obtaining permission to hold AGMs for multiple years, we are able to address the concerns and expectations of our shareholders effectively. These meetings provide an opportunity to discuss the company's performance, financial results, corporate governance practices, and future plans. This permission granted by the High Court signifies our dedication to upholding legal compliance and corporate governance standards. It also reflects our commitment to providing transparent and timely reporting to our stakeholders. We are grateful for the support and trust of our shareholders throughout this process.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE INDUSTRY

During the initial period, we encountered numerous challenges as people were completely unaware of rice bran oil and its associated health advantages. However, due to the growing health consciousness among residents, the demand for antioxidant-rich rice bran oil has been rapidly increasing. Through an intensive awareness campaign, especially targeting homemakers, the demand for rice bran oil has surged in recent years, leading consumers to switch from other edible oils.

Rice bran oil possesses significant market potential, with an abundance of raw materials available and numerous rice mills capable of supplying it. Our country annually produces more than 5 crore tons of paddy, resulting in 40 lakh tons of rice bran. The escalating demand for rice bran oil has raised hopes of reducing the country's reliance on imported cooking oil. Currently, the nation spends over Tk. 10,000 crore per year on importing 14-15 lakh tons of edible oil, while the domestic demand stands at 18 lakh tons and continues to increase annually.

Presently, Bangladesh has 16 (Approx.) rice bran oil mills with a combined production capacity of 2.5 lakh tons per year, effectively narrowing the demand-supply gap and reducing import dependency. Additionally, there is a considerable demand for rice bran oil in India. Bangladesh has already commenced exporting rice bran oil to India, with the trade volume increasing day by day. We also anticipate expanding our exports in the coming years. We have continued to emphasize responsible sourcing, eco-friendly production processes, and waste reduction initiatives. Our commitment to sustainability has not only benefited the environment but has also resonated with our discerning customers, who appreciate our dedication to social and environmental responsibility.

The global demand for healthier cooking oils is on the rise, and we are well-positioned to capitalize on this trend. We will continue to expand our market presence, both domestically and internationally, and explore new avenues for growth and diversification. Furthermore, we will remain steadfast in our pursuit of excellence, constantly seeking ways to improve our products and operations.

DIRECTORS' REPORT

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCES

There is no segment-wise product. However, product-wise revenue has been given in Note No. 20 in notes to the accounts of the financial statements.

RISKS AND CONCERNS

Rice bran oil is extracted from the hard outer brown layer of rice called chaff (rice husk). This variety of edible oil is more popular in developed countries than soybean or palm oil. However, the demand for rice bran oil is low in Bangladesh even though it is produced here.

The low demand has led to only around 1.5 lakh tonnes of crude bran oil being produced locally every year of which around 1 lakh tonnes is exported while the rest is refined for the local market. However, local manufacturers have the capacity to produce 7.68 lakh tonnes of oil per year.

According to a research report of the Department of Agricultural Extension (DEA), 47.48 lakh tonnes of rice bran is produced in the country's auto, semi-auto, and general rice mills.

Whereas according to Bangladesh Rice Bran Oil Mills Association, the country's annual demand for edible oil is 25 to 30 lakh tonnes. Rice bran oil production is about 2.5 lakh tonnes. At least Tk. 1,859 crore or \$200 million worth of this oil variety is exported per year. At the same time, 13 lakh tonnes of de-oiled rice bran are produced per year.

Very recently, the government ordered to ban the export of rice bran crude oil without consulting with the association. As a result of the unilateral decision, the traders are facing disaster. They are being forced to close down their factories. In this decision, the country is being deprived of foreign exchange. Besides, about one lakh people involved in this industry have become unemployed.

According to the government's decision, rice bran oil will be sold through trucks of the Trading Corporation Bangladesh. But in the present situation, it is difficult to suddenly refine the 600 to 2,000 tonnes of crude rice bran oil in stock. Recently the Bangladesh Rice Bran Oil Mills Association has been sent to the government to withdraw the decision on the export ban.

Although the new management of EOIL is aware of the different risks associated with doing business and is prepared to solve them through a systematic approach. However, business may be affected by risks and uncertainties presently not known to us or that we currently believe to be immaterial. Financial risk management has been disclosed in the Note - 4 of the Financial Statements.

DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN & NET PROFIT MARGIN

Amount in million Taka

Particulars	2022		2021	
Cost of Goods Sold	403.24	93.02%	37.24	-
Gross margin	30.27	6.98%	(37.24)	-
Net margin for the year	12.12	2.79%	(36.23)	-

DISCUSSION ON CONTINUITY OF ANY EXTRA ORDINARY GAIN OR LOSS

There was no extra-ordinary gain or loss in the Financial Statements 30 June 2022.

BASIS FOR RELATED PARTY TRANSACTION

Related party transaction is shown in note no. 35 in notes to the Financial Statements.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES AND/ OR RIGHTS ISSUES

The company did not raised any fund from Public Issues, rights issues and/or any other instruments during the year 2021-22.

DIRECTORS' REPORT

ENTITLEMENT OF DIVIDEND

Shareholders whose names shall appear in the Members Register of the Company or the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive the entitled dividend.

PROCESS OF DISTRIBUTION OF CASH DIVIDEND

Cash dividend shall be paid directly to the bank account within 15 days and not more than 30 (thirty) days from the date of approval by the Shareholders in the AGM and the date of the Board's approval in case of interim Dividend subject to compliance of circulars/directives of BSEC or Bangladesh Bank or other regulatory authority from time to time.

PROCEDURE OF STOCK DIVIDEND DISTRIBUTION

The stock dividend is being credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirement. Process for settling unpaid dividends unpaid or unclaimed cash dividends and stock dividends shall be settled as per instructions of the BSEC or other regulatory authority from time to time.

FINANCIAL STATEMENTS

The Board of Directors of EOIL would like to inform you that the Financial Statements containing the audited accounts for the year ended 30 June 2022, conform with the requirements of the Companies Act, 1994, IAS, and IFRS as adopted and applicable, Securities & Exchange Rules-1987 and the listing regulations of the Dhaka Stock Exchange Limited and Chittagong Stock Exchanges PLC, and believes that the financial statements reflect fairly the form and substance of all transactions carried out during the year under review and reasonably accurately present the Company's financial condition and results of its operations.

CODE OF CONDUCT FOR THE CHAIRPERSON, OTHER BOARD MEMBERS, AND CHIEF EXECUTIVE OFFICER

To prepare a Code of Conduct Policy for the Chairperson, other Board members, and the Chief Executive Officer of the Company is under processing.

DIVIDEND DISTRIBUTION POLICY

The dividend policy outlines the amount of cash that will be distributed to the Shareholders every year as dividends out of the after-tax profit of the Company. The dividend policy is based on balancing the value expectations of Shareholders and ensuring funds availability for future expansion plans. To prepare a Dividend Distribution Policy for the Company as per applicable Acts and regulatory directives issued by the Bangladesh Securities and Exchange Commission is under process.

GOING CONCERN

The new management as well as the re-constituted board of the company is trying their best to overcome all the obstacles within the shortest possible time. Therefore, the management adopted a going concern basis for the preparation of the financial statement.

DEVIATION FROM THE LAST YEAR'S OPERATING RESULTS

There is a significant deviance from the last year's operating results as the company was shut down from 01 April 2017 to 09 January 2022.

XIV. KEY OPERATING FINANCIAL DATA OF LAST PRECEDING 5 YEARS

The key operating and financial data of Emerald Oil Industries Ltd. for last five years have been given separately as under:

DIRECTORS' REPORT

Amount in Million Taka except ratios

Particulars	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Operational Result					
Turnover	433.51	-	-	-	-
Gross Profit	30.27	(37.24)	(41.24)	(42.32)	(46.45)
Net Profit before Tax	15.70	(43.66)	(44.25)	(64.27)	(111.06)
Net Profit after Tax	12.12	(36.23)	(46.31)	(68.26)	(117.65)
Net Cash Flow From Operation	(169.15)	(3.38)	6.47	0.20	0.12
Financial Position					
Fixed Assets	487.33	478.75	532.51	570.03	612.70
Current Assets	198.51	13.88	13.77	13.44	13.23
Shareholder's Equity	(1,066.05)	(1,278.03)	(1,247.57)	(1,228.45)	(1,160.19)
Long Term Liability (Including current Position)	1,304.46	1,305.15	1,326.22	1,357.80	1,337.34
Key Financial Ratio					
Current Ratio	0.52	0.03	0.03	0.04	0.03
Quick Ratio	0.31	0.02	0.02	0.02	0.02
Debt to Equity Ratio	(1.64)	(1.39)	(1.44)	(1.47)	(1.54)
Net Income Ratio (%)	2.79%	-	-	-	-
Return on Equity (%)	-1.14%	2.83%	3.71%	5.56%	10.14%
Earnings Per Share	0.17	(0.58)	(0.76)	(1.14)	(1.97)

REMUNERATION TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS

Bangladesh Securities and Exchange Commission (BSEC) reconstituted the Board of the company and removed the previous directors of the company vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021 and appointed the 5(five) persons as independent directors of Emerald. After that BSEC vide Memo No. BSEC/SR-MIC/47/2014/112 dated 29 April 2021 advised Emerald Oil Industries Limited to appoint one or more directors in Emerald against the ownership of 7.81% shares held by Minori Bangladesh Limited. During the year, 11 (eleven) board of director meeting was held and no remuneration was paid to Directors including Independent Directors except Managing Director.

DIVIDEND DECLARATION

The Board has recommended 2% Cash Dividend for the year ended 30 June 2022, except previous sponsors and directors holding 30.45% shares subject to approval of the Shareholders in the 15th Annual General Meeting (AGM).

ELECT/RE-ELECT OF DIRECTOR

During the year, there were no operational activities of the Directors of the Company and the Company was shut down. Finally, no AGM was held from the year 2016-17 and due to that no directors have been elected and re-elected. However, Bangladesh Securities and Exchange Commission (BSEC) reconstituted the Board of the company vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021 and appointed five (5) independent directors of Emerald Oil Industries Limited. From the vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021, it has been duly mentioned that the independent directors/directors appointed/nominated by the commission under Commission's Notification No. SEC/CMRRCD/2009-193/07/Admin. Dated 01 September 2020 and Commission's Order No. SEC/CMRRCD/2009-98/08 Dated 01 September 2020 will not be included in the particulars of directors (FORM-XII).

DIRECTORS' REPORT

Sl. No.	Name	Designation
1.	Mr. Mohammad Shahidul Haque	Chairman/Independent Director
2.	Professor Dr. Prashanta Kumar Banerjee	Independent Director
3.	Dr. Santus Kumar Deb	Independent Director
4.	Mr. Md. Sajib Hossain	Independent Director
5.	Mr. Mohammad Golam Sarwar	Independent Director

BSEC vide the said memo dated 02.03.2021 also directed to appoint two nominated directors from amongst shareholders, who have 2% or more shares. Thereafter, BSEC vide Memo No. BSEC/SRMIC/47/2014/112 dated 29.04.2021 advised Emerald Oil Industries Limited to appoint one or more directors in Emerald against the ownership of 7.81% shares held by Minori Bangladesh Limited. Accordingly, Mr. Sidratul Mahabub Hasan was nominated as a director for and on behalf of Minori in Emerald. Further, BSEC Memo No. BSEC/SRMIC/47/2014/211 dated 13.08.2021 appointed Mr. Md. Safiqul Islam as Chairman/Independent Director of Emerald in place of Mr. Mohammad Shahidul Haque. Hence, the board of directors of Emerald Oil Industries Limited as follows:

Sl. No	Name	Designation
1.	Mr. Md. Safiqul Islam	Chairman/Independent Director
2.	Professor Dr. Prashanta Kumar Banerjee	Independent Director
3.	Dr. Santus Kumar Deb	Independent Director
4.	Mr. Md. Sajib Hossain	Independent Director
5.	Mr. Mohammad Golam Sarwar	Independent Director
6.	Mr. Sidratul Mahabub Hasan	Nominated Director of Minori Bangladesh Ltd.

APPOINTMENT OF MANAGING DIRECTOR

After the reconstitution of the Board of Directors by BSEC, the Board of Directors in its 13th Board of Directors meeting held on 08 July 2021 appointed Md. Afzal Hossain as a Managing Director of Emerald Oil Industries Limited with effect from 12 July 2021 for the smooth operation of the Company and fixed his remuneration at Tk. 1,50,000/- per month.

STATUTORY AUDITORS QUALIFIED REPORT

Statutory Auditors Aziz Halim Khair Choudhury, Chartered Accountants submitted a "Qualified Opinion" on the Financial Statement of Emerald Oil Industries Limited for the year ended June 30, 2022 on Property, plant & equipment, Inventory, Trade, and Other Receivables, Advances, Deposits & Pre-Payments, Cash & Cash equivalents, Share money deposit, Deferred tax liabilities, Long term loan, Trade & Other Payables, Salary & Allowance. The company's new management has been considering these opinions with utmost priority. Appropriate measures will be taken and hopeful these issues will be mitigated in the upcoming year.

APPOINTMENT OF STATUTORY AUDITOR

In the 9th Annual General Meeting (AGM) Mahfel Haq & Co, Chartered Accountants has been appointed as an auditor of the company for the year ended 30th June 2017. But no AGM was held as well as no financial statement had also been audited by the Auditors from 2017. As a result, the office of the Auditor of the company felt vacant with effect from the year 2016-2017. Moreover, the then Board of Directors was removed by the Bangladesh Securities and Exchange Commission (BSEC), and independent directors were appointed by BSEC on 02 March 2021. There was no management as well in the company for a substantial period of time. Therefore, the new Board of Directors appointed Aziz Halim Khair Choudhury, Chartered Accountants for auditing the financial statements of the company for the financial years ending 30 June 2020, 30 June 2021, and 30 June 2022 in its 31st Board of Directors meeting held on 15 March 2023 in view of section 210(7) of the Companies Act 1994 which empowers the Board of Directors of the company to appoint ad-hoc auditors for the vacant office of auditors.

Then Aziz Halim Khair Choudhury, Chartered Accountants completed the audit of the financial statements of the company for the year ended June 30, 2022. As per section 210 of the Companies Act 1994, the Company's

DIRECTORS' REPORT

statutory auditors M/S Aziz Halim Khair Choudhury & Co., Chartered Accountants retires at the 15th Annual general Meeting as auditors of the Company.

Pursuant to the Bangladesh Securities and Exchange Commission Order No.-SEC/CMRRCD/2009-193/104/Admin Dated 27 July 2017 the retiring Auditors are not eligible for re-appointment as Statutory Auditors for 2022-2023. Then the Audit Committee recommended to appoint M/S Ahsan Manzur & Co., Chartered Accountants as the Statutory Auditor of the Company for the Year 2022-2023. The Directors endorsed recommendation of the Audit Committee for appointment of M/S Ahsan Manzur & Co., Chartered Accountants as the Statutory Auditor of the Company for the Year 2022-2023 at a fee of Taka 3,00,000/- (Three Lac Only) excluding VAT subject to approval of the Shareholders in the 15th Annual General Meeting (AGM).

APPOINTMENT OF CORPORATE GOVERNANCE AUDITOR

As per Corporate Governance Code No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, the Audit Committee recommended to appoint M/S S.R. Islam & Co. Chartered Accountants as the Corporate Governance Compliance Auditor of the Company for the Year 2022-2023. The Directors endorsed recommendation of the Audit Committee for appointment of M/S S.R. Islam & Co., Chartered Accountants as the Corporate Governance Compliance Auditor of the Company for the Year 2022-2023 at a fee of Taka 60,000/- (Sixty Thousand Only) including VAT& Tax VAT subject to approval of the Shareholders in the 15th Annual General Meeting (AGM).

DECLARATION ON THE FINANCIAL STATEMENTS

The Directors are responsible for the governance of the Company and, as part of the preparation and presentation of the financial statements for the year ended June 30, 2022, of Emerald Oil Industries Limited (EOIL), the Directors confirm, to the best of their knowledge that:

- (a) The financial statements, prepared by the Management of the Company, which were duly scrutinized by the external auditors, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity.
- (b) Proper books of account of the Company have been maintained.
- (c) Appropriate accounting policies have been consistently applied in the preparation of the Financial Statements and the accounting estimates are based on reasonable and prudent judgments.
- (d) The International Accounting Standards (IAS) and/or IFRS as applicable in Bangladesh, have been followed in the preparation of the Financial Statements and any departure there from has been adequately disclosed.
- (e) The system of internal control is sound in design and has been effectively implemented and monitored.
- (f) There is no doubt, whatsoever, upon the Company's ability to continue as a going concern.
- (g) The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirmed that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (h) The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirmed that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (i) The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct. The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (j) The declaration of the CEO & CFO of the Board of Directors is shown of page 32 of this report.

DIRECTORS' REPORT

OTHER REGULATORY DISCLOSURES

Pursuant to the BSEC Notification on 'Code of Corporate Governance (CGC) dated June 03, 2018, the Directors of EOIL also report that:

- (i) The Company is aware of its various risks and concerns. The financial risk management has been disclosed under Note -4 of the financial statements;
- (ii) All transactions with related parties have been made on a commercial basis and the details of related parties and transactions have been disclosed under note-3.17 of the financial statements;
- (iii) Appropriate accounting policies have been followed in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- (iv) The financial statements are prepared in accordance with IAS/IFRS and any departure there from has been adequately disclosed;
- (v) From inception, the financial results of the Company have continued to grow as reflected in the yearly financial statements of the Company;
- (vi) No extraordinary gain or loss has been recognized in the financial statements of the Company;
- (vii) No significant variations have occurred between the quarterly and final financial results of the Company during 2021-22;
- (viii) During the year, the Company has paid a total amount of Tk. 7,60,000 as Board meeting attendance fees;
- (ix) All significant deviations from the previous year in the operating results of the Company have been highlighted and the reasons thereof have been explained;
- (x) The key operating and financial data for the last five years have been disclosed on page# 20 of this report;
- (xi) The Company has proposed 2% cash dividend for the FY 2022, except previous sponsors and directors holding 30.45% shares;
- (xii) During FY 2021-22, 11(Eleven) Board Meetings were held, which met the regulatory requirements. The attendance records of the Directors are shown on page 29 of this report;
- (xiii) Rights and interests of the minority Shareholders have been duly protected by means of transparent operations and proper disclosure of material information of the Company;
- (xiv) No bonus or stock dividend has been declared or an interim dividend declared during the year;
- (xv) A statement of 'Management Discussion and Analysis' has been presented on pages 26-28 in this report;
- (xvi) The Shareholding pattern of the Company as FY 2022, is shown on page 47 of this report; and
- (xvii) Directors' profiles have been included in the Annual Report as per BSEC Guidelines.

CORPORATE GOVERNANCE

Corporate governance is the system of rules, practices, and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders such as Shareholders, Management, Customers, Suppliers, Financiers, Government, and the community. Corporate governance facilities are the rules & regulations to work in the best interest of stakeholders. The Board of Directors firmly believes that the practice of good corporate governance is essential to ensuring a disciplined and sustainable national economy. The Management strictly adheres to two basic principles of Corporate Governance

DIRECTORS' REPORT

i.e. transparency and disclosure. Since the inception of the Company the Board of Directors has been fully committed to building a strong and empowered Management Team. This helped RICL to maintain Good Corporate Governance. Status of compliance with the conditions imposed by Bangladesh Securities and Exchange Commission's Notification No. SEC/CMMRRCD/2006-158/ 207/Admin/80, dated June 03, 2018, along with a certificate from S.K Barua & Co. Chartered Accountants have been presented in this report.

The Board of Directors of Emerald Oil Industries Limited in its 30th Board of Directors meeting held on 23 February 2023 appointed S.K Barua & Co. Chartered Accountants for Corporate Governance audit for the year ended 30th June 2022. Further, the Corporate Governance Compliance Report and a Certificate of Compliance required under the said Guidelines, as provided by S.K Barua & Co. Chartered Accountants are also annexed to this report.

FUTURE PROSPECTUS

In Bangladesh, we are committed to seizing future opportunities and driving sustainable growth, as outlined in this Annual Report. Looking ahead, we anticipate several key areas of focus that will shape our future prospects and guide our strategic initiatives. These areas encompass market expansion, sustainability, and talent development.

As we move forward, our company aims to expand its presence and capture a larger market in Bangladesh. We will leverage our strong brand reputation, customer trust, and deep understanding of local market dynamics to identify new growth avenues. Our strategic focus will be on exploring untapped regions, targeting emerging consumer segments, and diversifying our product/service offerings to meet evolving customer needs.

Sustainability is an integral part of our future roadmap. We are committed to conducting our business in an environmentally responsible and socially conscious manner. Our sustainability initiatives will focus on reducing our carbon footprint, conserving resources, promoting renewable energy, and minimizing waste generation.

Investing in our people will remain a priority as we look to the future. We recognize that our employees are our most valuable asset and the driving force behind our success. We will continue to foster a culture of learning, innovation, and inclusivity to attract and retain top talent. Our focus will be on providing professional development opportunities, nurturing leadership capabilities, and promoting a diverse and inclusive work environment. We will also strengthen our talent acquisition strategies to ensure we have the right skills and expertise to navigate future challenges and capitalize on emerging opportunities.

As we reflect on our achievements and progress outlined in this Annual Report, we are excited about the future prospects for our company in Bangladesh. By expanding our market presence, prioritizing sustainability, and investing in our people, we are well-positioned to navigate the evolving business landscape and drive sustainable growth. We remain committed to creating long-term value for our shareholders, contributing to the socio-economic development of Bangladesh, and shaping a brighter future for our organization and the communities we serve.

INTERNAL CONTROL

At Emerald Oil Industries Limited, we place a strong emphasis on maintaining robust internal controls to ensure the integrity of our operations, including the production and distribution of rice bran oil in Bangladesh. Our internal control framework is designed to safeguard our assets, mitigate risks, ensure compliance with laws and regulations, and maintain the accuracy and reliability of financial reporting. We continuously evaluate and enhance our internal control systems to meet evolving challenges and best practices.

We foster a control-conscious culture throughout the organization, emphasizing the importance of ethics, accountability, and integrity. Our management sets the tone at the top, promoting a strong commitment to internal control and providing clear guidance and expectations to employees.

INFORMATION TECHNOLOGY

In our company, we recognize the critical role of Information Technology (IT) in driving operational efficiency in Bangladesh. Our IT infrastructure and systems are designed to enable seamless operations, ensure data integrity

DIRECTORS' REPORT

and security, and facilitate decision-making processes. We maintain a robust and secure IT infrastructure that supports our business operations. This includes hardware, software, networks, servers, and databases that are regularly updated and maintained to ensure optimal performance. Data management is a key priority for us. We have implemented secure and scalable data storage systems to manage the vast amount of information generated by our operations. As technology advances, cyber security remains a critical concern. We prioritize cyber security measures to protect our IT infrastructure, systems, and data from unauthorized access, cyber threats, and data breaches. We consider IT to be a strategic enabler in our business operations. We are committed to leveraging technology to enhance productivity, streamline processes, and improve customer experiences.

ENVIRONMENTAL POLICY

At Emerald Oil Industries Limited, we are committed to protecting the environment and operating our business in a sustainable manner. We recognize the importance of environmental stewardship and the role we play in preserving the natural resources of Bangladesh. Our environmental policy outlines our commitment to minimizing our environmental impact, complying with applicable regulations, and continuously improving our environmental performance. We are committed to complying with relevant environmental laws, regulations, and standards set forth by the government of Bangladesh. We strive to ensure that our operations, products, and services meet or exceed these requirements, incorporating environmental considerations into our decision-making processes.

We prioritize pollution prevention and aim to minimize the generation of waste, emissions, and pollutants. Through the implementation of efficient processes, technologies, and practices, we strive to reduce our environmental footprint and promote sustainable resource management. We actively seek to identify opportunities to minimize the use of hazardous substances and promote the use of environmentally friendly alternatives.

We recognize the importance of conserving natural resources and promoting their responsible use. We strive to optimize resource utilization, including energy, water, and raw materials, by implementing energy-efficient technologies, promoting water conservation practices, and exploring recycling and reuse opportunities. We encourage our employees to adopt sustainable practices both at work and in their personal lives.

Our environmental policy reflects our dedication to responsible environmental management and sustainable practices in Bangladesh. We are committed to minimizing our environmental impact, conserving natural resources, complying with applicable regulations, and continuously improving our environmental performance.

ACKNOWLEDGMENT

In conclusion, we would like to express our sincere thanks to our valued shareholders, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Central Depository of Bangladesh Ltd. (CDBL), RJSC, Banks and other business associates for their valuable suggestions, continuous support, and co-operation extended during the period under review. We would like to thank our auditors for their efforts for the timely completion of the audit. We also thank our dedicated management team and employees whose hard work and firm commitment made this year a successful one.

We hope to get all of your support, advice, and encouragement for our continuous growth.

Thank you all.

On behalf of the Board of Directors,



(Md. Safiqul Islam)
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of the company's position and operation along with a brief discussion of changes in the financial statements as per condition no 5 (XXV) of the Corporate Governance Code dated June 03, 2018.

Management Discussion and Analysis of the company's position and operation along with a brief discussion of changes in the financial statements as per condition no 5 (XXV) of the Corporate Governance Code dated June 03, 2018.

Distinguished Shareholders,

Assalamu Alaikum,

We provide an overview of the company's position and operations of our company along with the financial performance or result and financial position as well as cash flows for the current year Annual Report 2012-2011. You might be aware that the Bangladesh Securities and Exchange Commission (BSEC) for the greater interest of the investors Bangladesh Securities and Exchange Commission (BSEC) reconstituted the Board of the company vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021 and appointed five (5) independent directors of Emerald Oil Industries Limited. BSEC vide the said memo dated 02.03.2021 also directed to appoint two nominated directors from amongst shareholders, who have 2% or more shares. Thereafter, Emerald Oil Industries Limited appointed one shareholder director to the Board of Emerald Oil Industries Limited against the ownership of 7.81% shares held by Minori Bangladesh Limited.

However, we had to go through many challenging situations; not only in terms of financial anomalies but also operational barriers too. We are optimistic new changes will bring position impact on our company. A brief discussion on the company's position and operations shown below with the immediate preceding five years explaining the reasons are as follows:

Amount in Million Taka except ratios

Particulars	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Turnover	433.51	-	-	-	-
Gross Profit	30.27	(37.24)	(41.24)	(42.32)	(46.45)
Net Profit before Tax	15.70	(43.66)	(44.25)	(64.27)	(111.06)
Net Profit after Tax	12.12	(36.23)	(46.31)	(68.26)	(117.65)
Net Cash Flow From Operation	(169.15)	(3.38)	6.47	0.20	0.12
Fixed Assets	487.33	478.75	532.51	570.03	612.70
Current Assets	198.51	13.88	13.77	13.44	13.23
Shareholder's Equity	(1,066.05)	(1,278.03)	(1,247.57)	(1,228.45)	(1,160.19)
Long Term Liability	1,304.46	1,305.15	1,326.22	1,357.80	1,337.34
(Including current Position)					
Current Ratio	0.52	0.03	0.03	0.04	0.03
Earnings Per Share	0.17	(0.58)	(0.76)	(1.14)	(1.97)

After long time shut down, the company restarted the commercial production on 09 January 2022 upon successful completion of trial production and therefore, the company earned a net profit of BDT. 12.12 million during the year.

Compliance of International Accounting Standards (IAS), and International Financial Reporting

Name of the accounting standards	Ref. No.
Presentation of Financial Statements	IAS – 1
Inventories	IAS – 2
Statements of Cash Flows	IAS – 7
Accounting Policies, Changes in Accounting Estimates and Errors.	IAS – 8
Events after the reporting period	IAS – 10
Income Taxes	IAS – 12
Property, Plant and Equipment	IAS – 16
Employee Benefit	IAS – 19
The Effects of Changes in Foreign Exchange Rates	IAS – 21
Borrowing Costs	IAS – 23
Related Party Disclosures	IAS – 24
Financial Instrument, Presentation	IAS – 32
Earnings Per Share	IAS – 33
Interim Financial Reporting, Comparative Information	IAS – 34
Impairment of Assets	IAS – 36
Provisions, Contingent Liabilities and Contingent Assets	IAS – 37
Intangible Assets	IAS – 38
Financial Instruments: Recognition & Measurement	IAS – 39
Financial Instruments disclosure	IFRS – 7
Fair Value Measurement	IFRS – 13
Revenue	IFRS – 15
Leases	IFRS – 16

There is no changes in accounting policies and estimation during the preparation of financial statements for the year ended June 30, 2022.

Bangladesh Economy reeling under Russia-Ukraine war impact. We already know that the world after getting wrecked by the pandemic, and price hike, is now faced with the worst human and economic catastrophe. During an economic downturn, local supplier often face reduced purchasing power due to inflation. For the gas problem, the economic downturns disrupt the production. During economic downturns, input costs such as raw materials, transportation, and energy increased. This can impact the production costs of rice bran oil, potentially squeezing profit margins for producers. In this section, we address the key risks and concerns faced by our company, both internally and externally. Identifying and addressing these risks is crucial for maintaining operational stability, safeguarding assets, and sustaining long-term growth. By proactively managing these risks, we aim to mitigate their potential impact and protect the interests of our shareholders.

We ensuring consistent product quality is a priority for our company. Internal risks associated with quality control include deviations from desired product specifications, production errors, and adherence to regulatory standards. We have established rigorous quality control measures, including regular inspections, adherence to international quality standards, and continuous improvement initiatives, to mitigate these risks and maintain our reputation for superior quality. Effective supply chain management is crucial to ensure a reliable and uninterrupted flow of raw materials and finished products. Internal risks include procurement delays, inventory management challenges, and supplier relationship management. We actively monitor our supply chain, maintain relationships with trusted suppliers, and implement inventory optimization strategies to minimize disruptions and mitigate

supply chain risks. Our employees play a vital role in our success. Internal risks related to human resources include recruitment and retention challenges, skills gaps, and employee satisfaction and engagement. We prioritize talent development, offer competitive compensation packages, and provide a supportive work environment to attract and retain skilled professionals. Regular training programs and performance evaluations help address skills gaps and foster employee growth.

External economic factors, such as inflation, currency exchange rates, and GDP growth, can impact consumer purchasing power, input costs, and market demand. We monitor economic conditions, conduct sensitivity analyses, and implement cost management strategies to mitigate the effects of economic volatility and maintain profitability. Concerns related to environmental sustainability have gained prominence globally. External risks include increased regulations, reputational damage from environmental incidents, and changing consumer preferences toward eco-friendly products. We are committed to sustainable practices, including responsible sourcing, waste reduction, and energy efficiency. We proactively assess and address potential environmental risks, aiming to minimize our ecological footprint.

We would like to express our deepest gratitude and heartfelt appreciation for the unwavering support and guidance on our company provided by the Bangladesh Securities and Exchange Commission. Your commitment to ensuring fair and transparent practices, promoting investor confidence, and fostering a robust regulatory framework have been paramount in shaping the financial landscape of Bangladesh. We truly value the collaborative approach and dedication exhibited by the Commission in upholding the highest standards of corporate governance and investor protection. Throughout our journey, the guidance and regulations set forth by the Bangladesh Securities and Exchange Commission have served as a compass, enabling us to navigate the complexities of the securities market with confidence. Your efforts to create a level playing field, encourage ethical business practices, and foster a culture of compliance have not only strengthened our company but also enhanced the overall integrity of the industry. As we continue to grow and contribute to the economic progress of Bangladesh, we remain committed to upholding the principles set forth by the Commission and adhering to the regulatory framework in place. We greatly appreciate the trust and confidence you have placed in our company, and we assure you that we will continue to operate with the highest level of integrity and transparency.



(Md. Afzal Hossain)
Managing Director

DIRECTORS' MEETING AND ATTENDANCE FOR THE YEAR 2021-22

Name of Board Members and position in the Board	Board of Directors (BOD)			Audit Committee (AC)			Nomination and Remuneration Committee (NRC)					
	Total BOD meeting held	Meeting Attended	Attendance as % of Total meeting held	Total AC meeting held	Meeting Attended	Attendance as % of Total meeting held	Total NRC meeting held	Meeting Attended	Attendance as % of Total meeting held			
Mohammad Shahidul Islam, Chairman & Independent Director	11	3	27%	During the year ended June 30, 2022 no meetings were held of the Audit Committee.						During the year ended June 30, 2022 no meetings were held of the NRC Committee.		
Md.Safiqul Islam, Chairman & Independent Director	11	8	73%									
Professor. Dr. Prashanta Kumar Banerjee, Independent Director	11	11	100%									
Dr. Santus Kumar Deb, Independent Director	11	11	100%									
Md.Sajib Hossain, Independent Director	11	11	100%									
Mohammad Golam Sarwar, Independent Director	11	11	100%									
Sidratul Mahabub Hasan, Nominated Director (Minori Bangladesh Limited)	11	11	100%									
Md. Afzal Hossain, Managing Director	11	10	91%									

REPORT OF AUDIT COMMITTEE

Dear Shareholder,

The audit committee of Emerald Oil Industries Ltd. is a sub-committee of the Board of Directors and is appointed and authorized by the Board in pursuance of BSEC notification to review the activities of the business. The Audit Committee of the Company comprises of three Directors, nominated by the Board of Directors of the Company. The committee has worked closely with the company's financial terms to ensure that the audit processes adopted in connection with the financial statements deal with best practices. The committee was empowered to examine the matter related to the financial and other affairs of the Company. This committee ensures a sound financial reporting system and updated information to the Board of Directors.

During the year ended June 30, 2022 no meetings were held of the Audit Committee. The Audit Committee Member and attendances for the year ended June 30, 2022, were as follows:

Sl#	Name	Position in the Committee
01	Mr. Md. Sajib Hossain, CFA Independent Director	Chairman
02	Professor. Dr. Prashanta Kumar Banerjee, Independent Director	Member
03	Mr. Mohammad Golam Sarwar Independent Director	Member

Noted that Mr. Md. Sajib Hossain, CFA resigned on 24 February 2023 and Ms. Shahinoor Khanum FCA appointed as Independent Director of the Company 03 January 2023 and as well appointed as Chairman of the Audit Committee in its 30th meeting of the Board of Directors held on 23 February 2023.

TERMS OF REFERENCE:

The terms of reference of the Committee has been agreed upon as follows:

- To review all internal and external audit report;
- To recommend the statutory annual audited financial statements to the Board of Directors for approval;
- To review the finding of the internal and external auditors;
- To review and approve the Annual Audit Plan of the Internal Audit Department;
- To monitor the implementation of the recommendations of the Internal and External auditors;
- To review the performance of the external auditors and make recommendations to the

- Board regarding their appointment and fees;
- To review the quarterly, half yearly and annual financial statements before submission to the Board for approval;
- To review the company's statement on internal control systems prior to endorsement by the Board; and
- Company secretary shall be the secretary of the audit committee.

ACTIVITIES:

- The financial statements of the first quarter, half year, third quarter and the full year were reviewed by the committee and subsequently recommended to the Board for consideration and approval;
- The Committee also reviewed the work of the internal audit department and made suggestions for improvement; and
- The Committee recognized the observation of the internal audit department regarding internal control and suggestions made to improve operational systems and procedures and their implementation.

RECOMMENDATION:

- The Financial Statements for the year ended 30th June, 2022 may be approved;
- Ahsan Manzur & Co. Chartered Accountants may be appointed as the statutory auditor of the Company for the year ended 30th June, 2023 at fees of Tk. 3,00,000/- (excluding VAT) subject to approval of the Shareholders at the 15th Annual General Meeting of the Company; and
- S.R. Islam & Co. Chartered Accountants may be appointed as the compliance auditor of the Company for the year ended 30th June, 2022 at fees of Tk. 60,000/- (including VAT & Tax) subject to approval of the Shareholders at the 15th Annual General Meeting of the Company.

Sd/-

(Shahinoor Khanum FCA)

Chairman of the Audit Committee

REPORT OF THE NOMINATION & REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee of Emerald Oil Industries Limited (EOIL) is a sub-committee of the Board of Directors and appointed and authorized by the Board in pursuance of BSEC notification to assist the Board in the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives.

During the year ended June 30, 2022, no meetings were held of the Committee. The NRC Member for the year ended June 30, 2022, were as follows:

SI #	Name	Position in the Committee
01	Professor. Dr. Prashanta Kumar Banerjee	Chairman
02	Dr. Santus Kumar Deb	Member
03	Mohammad Golam Sarwar	Member
04	Sidratul Mahabub Hasan	Member

The Nomination and Remuneration Committee of EOIL acts in accordance with the Terms of Reference in compliance with the Code-6 of the Securities and Exchange Commission's Corporate Governance Code Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

The Nomination and Remuneration Committee focuses on the selection of individuals with suitable skills and experience to develop the human resources pool of the Company and recommend to the Board for an appointment.

The Chairman of the Nomination and Remuneration Committee, on behalf of all the members of the Committee, extends gratitude to all the Stakeholders, Management Team, and especially the Board of Directors of EOIL for their continued support & guidance during the year 2021-2022 and seek cooperation in the years to come.

Sd/-

(Professor. Dr. Prashanta Kumar Banerjee)
Chairman, NRC

DECLARATION BY MD & CFO

Annexure-A

As per condition No. 1(5)(xxvi) of CGC

The Board of Directors
Emerald Oil Industries Limited
Halimunnnes's Court (Floor-9), 23, Kakrail, Dhaka-1000

Subject: **CEO & CFO's Declaration to the Board of Directors.**

Dear Sir(s),

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

01. The Financial Statements of Emerald Oil Industries Limited (EOIL) for the year ended 30th June 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
02. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
03. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
04. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
05. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
06. The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

We have reviewed the financial statements for the year ended 30th June, 2022 and that to the best of our knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
- (ii) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.


(Managing Director)


(Chief Financial Officer)

CERTIFICATE OF CORPORATE GOVERNANCE



S.K. BARUA & CO.
CHARTERED ACCOUNTANTS

a member of
empacta
registered in Berlin-Germany

Report to the Shareholders of Emerald Oil Industries Limited on compliance on the Corporate Governance Code

[Certificate as per condition No. 1(5) (xxvii)]

We have examined the compliance status to the Corporate Governance Code by **Emerald Oil Industries Limited** for the year ended on 30 June 2022. This Code relates to the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

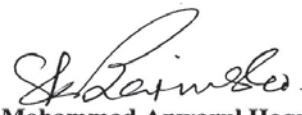
This is a security and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by The Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards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

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except as stated in the remark's column in Annexure-C;
- The Company has complied with the provision of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws except as stated in the remark's column in Annexure-C; and
- The Governance of the company is not satisfactory.

Dated: Dhaka
26 June 2023




Mohammad Anwarul Hoque FCA
Partner
S.K. Barua & Co.
Chartered Accountants

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COMPLIANCE REPORT ON BSEC'S NOTIFICATION

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

Status of compliance with the conditions of Corporate Governance Code as imposed by Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of The Bangladesh Securities and Exchange Ordinance, 1969:

(Report under Condition No.9.00)

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1.0	Board of Directors			
1(1)	Board's Size: The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty).	√		The EOIL Board is comprised of 6 (six) Directors. Bangladesh Securities and Exchange Commission (BSEC) reconstituted the Board of the company and removed the previous directors of the company vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021 and appointed the 5(five) persons as independent directors of Emerald. After that BSEC vide Memo No. BSEC/SRMIC/47/2014/112 dated 29.04.2021 advised Emerald Oil Industries Limited to appoint one or more directors in Emerald against the ownership of 7.81% shares held by Minori Bangladesh Limited. As of now, the EOIL board is comprised 6(six) Directors.
1.2	Independent Directors			
1(2)(a)	At least one fifth(1/5) of the total number of directors in the company's board shall be independent directors.	√		
1(2)(b)(i)	The independent director does not hold any share in the company or holds less than one percent (1%)shares of the total paid up shares of the company	√		
1(2)(b)(ii)	The independent director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		Do

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	√		Do
1(2)(b)(iv)	The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	√		Do
1(2)(b)(v)	Independent Directors are not the members or TREC holder, directors or officers of any stock exchange.			Do
1(2)(b)(vi)	Who is not the shareholder, directors excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	√		Do
1(2)(b)(vii)	The independent director is not a partner or an executive or was not a Partner or an executive during the preceding 3(three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	√		Do
1(2)(b)(viii)	The independent director shall not be an independent director in more than 5(five)listed companies.	√		Do
1(2)(b)(ix)	The independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution(NBFI).	√		Do
1(2)(b)(x)	The independent director has not been convicted for a criminal offence involving moral turpitude.	√		Do
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).		√	The EOIL Board is comprised of 6 (six) Directors. Bangladesh Securities and Exchange Commission (BSEC) reconstituted the Board of the company and removed the previous directors of the company vide letter no. BSEC/SRMIC/47/2014/73 dated 02 March 2021 and appointed the 5(five) persons as independent directors of Emerald. After that BSEC vide Memo No. BSEC/SR-MIC/47/2014/112 dated 29.04.2021 advised Emerald Oil Industries Limited to appoint one or more directors in Emerald against the ownership of 7.81% shares held by Minori Bangladesh Limited. EOIL appointed such directors on 08 May 2021.As of now, the EOIL board is comprised 6(six) Directors.

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		Independent Directors has been continuing their position for the first term
1.3	Qualification of Independent Director(ID)			
1(3)(a)	Independent Director shall be knowledgeable individual with integrity	√		
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100 million or any listed company or a member of any national or international chamber of commerce or business association			N/A
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or company secretary or head of internal audit and compliance or head of legal service or a candidate with equivalent position of an unlisted company having minimum paid up capital of 100 million or of a listed company.			N/A
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th grade of the national pay scale (at least bachelor degree in economics or commerce or business or law)	√		
1(3)(b)(iv)	University teacher who has an educational background in economics or commerce or business studies or law.	√		
1(3)(b)(v)	Professional or who is or was an advocate practicing at least in the high court division of supreme court or a CA or CMA or CFA or CCA or CPA or CMA or CS or equivalent position.			N/A
1(3)(c)	The Independent Director shall have at least 10 years of experience in any field mentioned in clause (b)	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	√		
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The Chairman of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) shall be different individuals;	√		The Chairman of the Board and Managing Director are different individuals.
1(4)(b)	The MD and/or CEO of a listed company shall not hold the same in another listed company;	√		The Managing Director does not hold the same position in any other listed company.
1(4)(c)	The Chairman of the board shall be elected from among the non-executive Directors of the company;	√		The chairman is elected from among non-executive directors.
1(4)(d)	The board shall clearly define respective roles & responsibilities of chairperson and MD or CEO;	√		The roles and responsibilities of the chairperson and MD are clearly defined

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(4)(e)	In the absence of chairperson of the board, remaining members may elect one of themselves from non-executive directors as chairperson & the reason of absence shall be duly recorded in the minutes.	√		In Practice
1.5	The Director's Report to Shareholders			
1(5)(i)	Industry outlook and possible future developments in the industry.	√		
1(5)(ii)	Segment-wise or product-wise performance	√		
1(5)(iii)	Risk and Concern including external & internal risk factors threat to sustainability & negative impact on environment, if any	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1(5)(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1(5)(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the Annual Report.	√		Related party transactions are disclosed under notes to the financial statements note no.3.17
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/ or through any others instruments.			No such issues have arisen in the financial year 2021-22.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering(RPO), Rights Offer, Direct Listing etc.			N/A
1(5)(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		It has been mentioned in the Director's Report but quarterly financial statements were not prepared.
1(5)(x)	Remuneration to directors including independent directors.	√		Disclosed in directors report.
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes inequity.	√		
1(5)(xii)	Proper books of accounts of the issuer company have been maintained.	√		It has been mentioned in the Director's report that proper books of accounts have been maintained but there are several observations in the audit report
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1(5)(xiv)	International Accounting Standards (IAS)/ International Financial Reporting Standard (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		There is an observation in the audit report related to IAS 16.
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		Sound internal control has been mentioned in the Director's report but the audit report indicates significant control weakness.
1(5)(xvi)	Minority shareholders have been protected.	√		
1(5)(xvii)	There are no significant doubts upon the issuer-company's ability to continue as a going concern. If-	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	he issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.			
1(5)(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		Disclosed in directors report.
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			The Board of EOIL has recommended 2% cash dividend for the year. Except the previous sponsor, and Directors.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.			N/A
1(5)(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		11 (eleven) Board of Directors meetings have been held during the year. The meeting's attendance by each director shall be disclosed in Annual Report.
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	√		
1(5)(xxiii)(c)	Executives.	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)	In case of appointment/re-appointment of a Director the company shall disclose the following information to the shareholders			
1(5)(xxiv)(a)	A brief resume of the director;	√		Stated in the annual report
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5)(xxv)	A management discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statement, among others focusing on:	√		
1(5)(xxv)(a)	Accounting policies & estimation for preparation of financial statements.	√		
1(5)(xxv)(b)	Changes in accounting policies & estimation, if any clearly describing the effect on financial performance or results and financial position as well as cash flows in the absolute figures.	√		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows in the absolute figures.	√		Stated in the annual report
(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe.	√		
1(5) (xxv)(f)	Risks & concerns issued related to the financial statements, explaining such risk and concerns mitigation plan of the company.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with jurisdiction thereof, i.e. actual position shall be explained to the shareholders in the next AGM.	√		The actual position will be explained in the AGM.
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the board as required under condition No.3(3) shall be disclosed as per (Annexure-A).	√		Stated in annual report under CEO and CFO declaration
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of the code as required under condition No.9 shall be disclosed as per Annexure C	√		
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with Bangladesh Secretarial Standards as adopted by the Institute of Chartered Secretaries of Bangladesh.	√		The company maintains a minutes book for Board Meeting Minutes as per the provision of Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).
1.7	Code of conduct for the chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The board shall lay down a code of conduct , based on the recommendation of the NRC at condition No.6 for the chairperson of the board, other board members & CEO of the company.	√		To prepare a code of conduct set for chairmen of the Board, other members of the Board and Chief Executive Officer of the company is under process.
1(7)(b)	The code of conduct as determined by the NRC shall be posted in the website of the company among others prudent conduct & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2.00	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	N/A		EOIL does not have any subsidiary company
2(b)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	N/A		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the	N/A		

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	following Board meeting of the holding company.			
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	N/A		EOIL does not have any subsidiary company
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary Company.	N/A		
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC).	√		The Company has appointed MD, CFO, CS and Head of Internal Audit
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals.	√		The MD, CFO, CS and Head of Internal Audit are four different individuals.
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		In Practice
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		In Practice
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board. Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.		√	
3.3	Duties of Managing Director or Chief executive Officer and Chief Financial Officer			
3(3)(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements	√		In Practice
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		CEO & CFO declared but there are several observations in the audit report.
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
3(3)(b)	The certification of the MD or CEO and CFO that no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members.	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the annual report	√		Disclosed in Annual Report

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
4.0	Board of Directors' Committee			
4(i)	The Board shall have an Audit Committee as a sub-committee of the Board.	√		
4(ii)	The Board shall have a Nomination & Remuneration Committee as a sub-committee of the Board.	√		
5.0	Audit Committee			
5.1	Responsibility to the Board of Directors			
5(1)(a)	Audit Committee shall be the sub-committee of the Board of Directors.	√		In Practice, TOR is available
5(1)(b)	The committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		The audit committee duly discharged its responsibilities.
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		In Practice
5.2	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least three members.	√		
5(2)(b)	Board shall appoint members of Audit Committee from non-executive directors except chairperson including one independent director.	√		
5(2)(c)	All members of the audit committee should be financially literate and at least one member shall have accounting or related financial management experience and ten years of such experience.	√		Based on the academic qualifications and professional experiences, the Board reviewed and considered that all the existing members of the Audit Committee are 'financially literate' and they have 'related financial management experience' as per codes of BSEC. The members have also given their declarations.
5(2)(d)	When the terms of service of any committee member expires or there is any circumstances causing any committee member to be unable to hold before expiration of terms of service where number of Committee members falls short than the prescribed number the board shall fill the vacancy immediately or not later than 1 one month from the date of vacancy.	√		Such situation does not arise during the financial year
5(2)(e)	The company secretary shall act as the secretary of the committee.	√		In Practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least one independent director.	√		In Practice
5.3	Chairperson of the Audit Committee			
5(3)(a)	Chairman of the Audit Committee shall be an Independent Director appointed by the Board.	√		In Practice
5(3)(b)	In the absence of the chairperson of the audit committee remaining members may elect one of themselves as Chairperson for that particular meeting.	√		In Practice
5(3)(c)	Presence of Chairman of the Audit Committee in the Annual General Meeting	√		AGM with regard to the financial year 2021-2022 will be held on 12 July 2023 and this compliance will be complied.

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
5.4	Meeting of the Audit Committee			
5(4)(a)	Frequency of Meeting of the Audit Committee.	√		No meeting was held during the year.
5(4)(b)	Quorum of the Audit Committee Meeting.	√		
5.5	Role of Audit Committee shall include the following			
5(5)(a) 5(5)(b)	Oversee the financial reporting process. Monitor choice of accounting policies and principles.	√		In Practice
5(5)(c)	Monitor internal audit and compliance process, approval of internal audit and compliance plan and review of these reports.		√	
5(5)(d)	Oversee hiring and performance of external auditors.	√		In Practice
5(5)(e)	Hold meeting with external auditors for review of annual financial statements before submission to the board.	√		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
5(5)(h)	Review the adequacy of internal audit function.	√		
5(5)(i)	Review the Management's discussion and analysis before disclosing in the annual report.		√	
5(5)(j)	Review statement of all related party transactions submitted by the management.		√	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee the determination of audit fees and others for effective audit and evaluate performance of external auditors.	√		In Practice
5(5)(m)	When money is raised through Initial Public Offering(IPO)/Repeat Public Offering (RPO)/ Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis and annual basis.		√	
5.6	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		In Practice
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the followings, if any			
5(6)(a)(ii)(a)	Report on conflicts of interests;			Such situation didn't occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal audit & compliance process or in the financial statement.			There was no such issue arise during the year
5(6)(a)(ii)(c)	Suspected infringement of laws, including securities related law, rules and regulations.			
5(6)(a)(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately.			

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of the period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	N/A		There was no such issue arise during the year
5(7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5.6.a(ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6.00	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the board of directors			
6(1)(a)	The company shall have a NRC as a sub-committee of the board.	√		Already in place. The TOR is available
6(1)(b)	NRC shall assist the board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors & top level executives as well as considering remuneration of directors, top level executive.	√		The NRC duly discharged its responsibilities
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing.	√		In practice. The Terms of Reference is clearly set forth in writing covering all relevant areas as stated in the code
6.2	Constitution Of the NRC			
6(2)(a)	The committee shall comprise of at least 3 members including an independent director.	√		
6(2)(b)	All members of the committee shall be non-executive directors.	√		In Practice
6(2)(c)	Members of the committee shall be nominated and appointed by the board.	√		The NRC members are appointed by the Board
6(2)(d)	The board shall have authority to remove and appoint any member of the committee.	√		In Practice
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the committee or any other cases of vacancies, the board shall fill the vacancy within 180 days (one hundred eighty) of occurring such vacancy.			Such situation does not arise during the financial year 2021-22.
6(2)(f)	The chairperson of the committee may appoint or co-opt any external expert or members of staff to committee who shall be non-voting member.			The Committee didn't appoint or co-opt any external expert or member

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
6(2)(g)	Company secretary shall act as the secretary of the committee.	√		In Practice
6(2)(h)	Quorum of the NRC shall not constitute without attendance of at least an independent director.			No meeting was held during the financial year.
6(2)(i)	No member of the NRC shall receive any remuneration other than Directors' fees or honorarium from the company.	√		In Practice
6.3	Chairperson of the NRC			
6(3)(a)	The board shall select one member of the NRC to be chairperson of the committee who shall be an independent director.	√		In Practice
6(3)(b)	In the absence of chairperson of NRC, the remaining members may elect one of themselves as chairman of the meeting.	√		
6(3)(c)	The chairperson of NRC shall attend the AGM and in the absence of regular chairperson, any member from the NRC shall be selected to attend in AGM.	√		AGM for the year 2022 will be held on 12 July 2023 and this compliance will be complied.
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.		√	No meeting was held during the financial year
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.			To be complied if needed
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must.		√	No meeting was held during the year.
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.		√	In Practice
6.5	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the board and shareholders.	√		In Practice
6(5)(b)	NRC shall oversee among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:		√	No activities were carried out by NRC during the financial year.
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.		√	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;		√	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance		√	

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	objectives appropriate to the working of company and its goals;			
6(5)(b)(ii)	A policy on boards diversity considering age, gender, experience, ethnicity, educational background & nationality;		√	Do
6(5)(b)(iii)	Identifying persons who are qualified to become directors and top level executive in accordance with the criteria laid down and recommend their appointment and removal to the board;		√	No such list has been prepared
6(5)(b)(iv)	Formulating the criteria for evaluation of independent directors and the board;		√	No activities were carried out by NRC during the financial year.
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement or promotion criteria;		√	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;		√	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.		√	No meeting was held during the year.
7.0	External or Statutory Auditors			
7(1)(i)	Non-engagement in Appraisal or valuation services or fairness opinions.	√		In Practice
7(1)(ii)	Non-engagement in designing and implementation of Financial Information System.	√		
7(1)(iii)	Non-engagement in Book-keeping or other services related to the accounting records or financial statements.	√		
7(1)(iv)	Non-engagement Broker-dealer services.	√		
7(1)(v)	Non-engagement in Actuarial services.	√		
7(1)(vi)	Non-engagement in Internal audit or special audit services.	√		
7(1)(vii)	Non-engagement in any other service determined by the Audit Committee.	√		
7(1)(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition: 9(1).	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees and family members of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
7(3)	Representative of external or statutory auditors shall remain present in the shareholders meeting (AGM or EGM) to answer the queries of the shareholders.	√		
8.0	Maintaining Website by the Company			
8(1)	The company shall have an official website linked with the websites of the stock exchange.	√		Website is there which is linked with those of the stock exchanges
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed		√	

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Condition No.	Title	Status		Remarks
		Complied	Not Complied	
	disclosures on its website as required under the listing regulations of the concerned stock exchange(s).			Due to shut down of the company quarterly financial statements were not posted in the website.
9.0	Reporting and Compliance of Corporate Governance			
9(1)	Obtaining Certificate from a professional accountant/ Secretary other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and disclose it in the Annual Report.	√		The company obtained the certificate from S,K. Barua & Co. Chartered Accountants regarding the compliance of the conditions of Corporate Governance of the Commission and such certificate is disclosed in the Annual Report
9(2)	The professional who will provide the certificate on compliance of the Corporate Governance Code shall be appointed by the shareholders in AGM.		√	The Board of Directors of Emerald Oil Industries Limited at its 30th Board of Directors meeting held on 23 February 2023 has appointed S,K. Barua & Co. Chartered Accountants for Corporate Governance audit for the year ended 30th June 2022.
9(3)	The directors of the company shall state, in accordance with the annexure attached, in the directors' report whether the company has complied with these conditions.	√		Detailed status given at Annexure - C and published in the Report

Compliance of condition no. 1(5)(xxiii)

The pattern of shareholding as at June 30, 2022

- i) Parent/Subsidiary/Associated companies and other related parties N/A
 ii) Directors, Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Auditor (IA) and their spouses and minor children:

SI	Name of Directors & Executives	Status	No. of Share held	Share held by the Spouse/Children	Remarks
(a)	Mr. Md. Safiqul Islam	Chairman/ Independent Director	Nil	Nil	Nil
	Professor Dr. Prashanta Kumar Banerjee	Independent Director	Nil	Nil	Nil
	Dr. Santus Kumar Deb	Independent Director	Nil	Nil	Nil
	Mr. Md. Sajib Hossain	Independent Director	Nil	Nil	Nil
	Mr. Mohammad Golam Sarwar	Independent Director	Nil	Nil	Nil
	Mr. Sidratul Mahabub Hasan	Nominated Director of Minori Bangladesh Ltd.	Nil	Nil	Nil
(b)	Md. Afzal Hossain	Managing Director	Nil	Nil	Nil
(c)	Sadia Afrin	CS	Nil	Nil	Nil
(d)	Md. Ashraful Alam	CFO	Nil	Nil	Nil

- iii) Executive (top five Salaried Employees of the Company), other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.

Name	Designation	Share
Ahsan Habib Baig	Factory Incharge	Nil
Saidur Rahman Phasa	CMO	Nil
Md. Rubel Sardar	Manager (Finance & Accounts)	Nil
Shawkat Akbar	Manager(Accounts & Commercial)	Nil
Sujit Cornelious Gomes	PS. To MD	Nil

- iv) Shareholders holding 10% or more voting interest in the Company.

Name	Designation	Share
Mr. Syed Hasibul Gani Galib	12,782,000	21.41%

INDEPENDENT AUDITORS' REPORT

to the Shareholders of EMERALD OIL INDUSTRIES LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Emerald Oil Industries Limited. ("the Company"), which comprise the Statement of Financial Position as at 30 June 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion Section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2022, and its financial performance and its cash flow year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

01. As disclosed in note # 5 Property, plant & equipment are at a written down value (WDV) of Taka 487,332,169 as on 30 June 2022. The authenticity and existence of property, plant & equipment could not be verified due to the non-availability of the fixed assets register (Soft or hard copy).
02. No revaluation of Property, Plant & Equipment was carried out till 30th June 2022 to determine the fair value as per IAS-16.
03. The evidence with respect to inventory having a carrying amount of Taka 70,375,466 was limited as we could not observe the physical inventory count as of 30 June 2022. As a result, the accuracy of the physical existence of the inventory on 30 June 2022 could not be ascertained.
04. Trade and Other Receivables of Taka 1,556,653,675 (Ref. note # 7.00) were shown as receivable from Mr. Syed Hasibul Gani Galib, Ex-Managing Director of the Company for the credit sales that were made during his tenure. Because the company could not collect the said receivables from the parties due to the unavailability of the parties' details (name, address, etc.). However, 100% provision for doubtful debt is provided by the company against the aforesaid receivable on the ground of uncertainty of recovery.
05. We could not confirm the authenticity, existence, aging, etc. of carry forward balances of Tax deducted at the source of Taka 1,000,856 and a Bank Guarantee Margin of Tk. 358,600 (Note-08.00) due to the non-availability of sufficient/appropriate audit evidence like bank guarantee agreement, correspondence with the bank, bank statements or confirmations from the bank, and any other supporting documentation, etc.
06. As disclosed in note # 9.00 Cash & Cash Equivalents Taka 10,227,296 as on 30 June 2022. To confirm this amount we sent balance confirmation letters to the respective bank branches maintaining accounts by the company. We did not receive the following balance confirmation certificates from the concerned bank branches:

Name of the Bank	Account No.	Amount
National Bank of Pakistan	000111100008392	26,831
Bank Asia Ltd	02336000081	726,151
Basic Bank Ltd.	1510-01-0004855	31,992
Dutch Bangla Bank Ltd.	2061100009548	3,310
Jamuna Bank Ltd.	0069-0210000639	29,277
Mutual Trust Bank Ltd.	30260000721	386,597
Mutual Trust Bank Ltd.	30260000730	27,637
Total		1,231,795

Further,

- i. We obtained a balance confirmation from National Bank Limited, Jamalpur Branch for A/C No. 007533014231. The balance as per the confirmation was Taka 2,080. However, this amount was not included in the financial statements.
 - ii. Bank statements of Jamuna Bank Ltd., Sherpur Branch, A/C No. 0069-0210000639 were not provided to us for verification. The balance of the said account was Taka 29,277.
07. As per financial statements, Minori Bangladesh Limited invested Taka 232,735,044 as a share money deposit as on 30 June 2022. During the year 2021-2022, the company received Taka 199,864,944 from Minori Bangladesh Limited as Share Money Deposit. While examining the share money deposit we found that no amount was transferred to the company's bank account from "Minori Bangladesh Limited" as per instruction of BSEC vide letter no. BSEC/SRMIC/47/2014/453 Dated 23 December 2021.

However, the management informed us of the reason for the non-depositing of share money deposit in a separate bank account of Emerald Oil Industries Limited as per the instruction of BSEC which is as follows:

"Banks were not cooperating with us for the previous management misconduct. We could not able to operate any bank account which was opened by previous management. All bank accounts remained in dormant mode. Therefore there was no other way to maintain a separate bank account in the name of Emerald Oil Industries Limited. Furthermore, we tried to activate the bank account by changing the previous signatories in this context. However, this process was delayed as we have not been able to update Form-XII from the Registrar of Joint Stock Companies And Firms ('RJSC') as a permanent board has not yet been formed. In addition to that, we could not open a bank account in the name of Emerald Oil Industries Limited due to the above-mentioned issues. It is to be noted that the company has taken a variety of initiatives in the abovementioned subject. Accordingly, we are able to open a separate bank account under the name Emerald Oil Industries Limited, subsequently Minori Bangladesh Limited deposited BDT 8,28,50,000/- in AB Bank Limited as a share money deposit"

Furthermore, Emerald Oil Industries Limited maintained a ledger to record the transactions made by "Minori Bangladesh Limited" on behalf of the company.

08. As disclosed in note # 13 in the year 2021-2022 an amount of Taka 65,135,923 was shown as deferred tax liability in the statement of financial position and Taka 108,821 as deferred tax expense in the statement of profit or loss and other comprehensive income. The accuracy of the calculation of the said deferred tax liability and expense could not be confirmed due to the non-availability of the latest tax assessment order.
09. As disclosed in note # 14 Long Term Loan (Secured) Taka1,304,464,534, to confirm this amount we sent balance confirmation letters to the respective bank branches maintaining accounts by the company. Out of which we have not received some balance confirmation certificates from the concerned bank branches. Details are given below:

Bank Name	Account No.	Amount
Basic Bank Ltd	1502-04-0000016	197,338,045
Basic Bank Ltd	1502-01-0000901	89,014,251
Basic Bank Ltd	1502-01-0000917	102,280,237
Basic Bank Ltd	1502-01-0000959	200,650,071
Basic Bank Ltd	1502-04-000042	76,689,913
Basic Bank Ltd	1560-01-0000579	58,611,910
Midas Financing Ltd.	S00098 & L00937	243,654,888
Total		968,239,315

Further, we received balance confirmation Certificates from the following Bank & NBFIs and found that there was a difference between the amount of the Company's Books & Financial Statements and the Balance Confirmation Certificate/Statements of Banks & NBFIs. Details are given below:

Bank Name	Account No.	Amount as per Financial Statements	Amount as per Balance Confirmation	Difference
Bank Asia Ltd	2335000430	62,846,059	-	62,846,059
Bank Asia Ltd	2335000491	200,065,000	-	200,065,000
Prime Finance & Investment Ltd.	LAD # 2013/015	73,314,160	99,306,882	(25,992,722)
Total		336,225,219	99,306,882	236,918,337

10. The company did not show any financial expenses in the financial statements against interest on Long Term loans from Banks and NBFIs in 2021-2022. If the company would have charged interest on Long Term Loan, the loss and the loan liability of the company would have been increased to that extent. The matter of non-charging of interest has been disclosed in note-14 of the financial statements.
11. As disclosed in note # 16 Trade and Other Payables of Taka 260,951,139 as of 30 June 2022 in comparison to the previous year's Taka 288,794,833. To confirm the above amount we sent balance confirmation letters to various parties but no confirmation letters have been received from the parties.
12. The company paid salary & allowance of Taka 8,828,756 and Taka 2,232,855 respectively in cash instead of A/C Payee cheque or Bank transfer to its employees which are disclosed in notes # 21.05& 22.00 (Salary & Allowance).

Moreover, we also noticed various noncompliances with ITO 1984 & Rules as follows:

- a. In applicable cases, salary tax was not deducted at source and not deposited to the govt. treasury;
- b. The statement of 'Information regarding payment of salary' was not furnished to DCT in accordance with Section 108 of Income Tax Ordinance 1984 as per the prescribed Form.
- c. The statement of 'Information regarding the filing of return by employees' was not furnished to DCT in accordance with Section 108A Income Tax Ordinance 1984 as per the prescribed Form.

Due to non-deduction of salary tax and the non-furnish of aforesaid statements, the tax authority may disallow the salary & allowance expenses and subsequently impose a tax on the amount of salary & allowance expenses as per tax rate.

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to this following:

01. As per Section 81 of The Companies Act 1994, every company shall hold an AGM each year. As per Section 82 if the default is made in holding a meeting of the Company, the company and every officer of the company who is in default shall be punishable.....". But the company could not hold its Annual General Meeting (AGM) since December 2016.
02. As per Section 36 of The Companies Act 1994 "Annual Summary of Share Capital and List of Shareholders and Directors to be filed within 21 days of an Annual General Meeting (AGM) to RJSC." But the company management did not comply with the aforesaid section of the Companies Act 1984.
03. The company management could not provide us with the latest Tax Assessment Status of the company for our verification, so we could not determine the actual tax liability of the company. The company did not submit the Income Tax Return of the company since the income year 2014-2015 as per section 75 (1) of the Income Tax Ordinance 1984. Further, the company provided us with a Tax Assessment Certificate of the company U/S 82BB of Income Tax Ordinance 1984 for the Assessment Year 2014-2015 (The income year 2013-2014).
04. According to Section 232 of the Labour Law 2006 of Bangladesh, it is obligatory for companies or establishments in Bangladesh to establish a Workers Profit Participation Fund (WPPF). The law mandates that a company must allocate five percent (5%) of its Net Profit to the Workers Profit Participation Fund, Welfare Fund, and Bangladesh Worker's Welfare Foundation Fund, with a distribution ratio of 80:10:10. The payment should be made within nine (9) months after the end of each fiscal year. The company did not make any payment within the stipulated time since the year 2015-2016 in accordance with the abovementioned Law.
05. As per Income Tax Ordinance, 1984 Section 52 Rule 16 and VAT & SD Act, 2012 SRO no.240/Dated 29.06.2021. VAT & TAX should be deducted at source in applicable cases. We observed that in no cases VAT & TAX was deducted at source where applicable.
06. According to Section 232 of the Labour Law 2006 of Bangladesh, it is obligatory for companies or establishments in Bangladesh to establish a Workers Profit Participation Fund (WPPF). The law mandates that a company must allocate five percent (5%) of its Net Profit to the Workers Profit Participation Fund, Welfare Fund, and Bangladesh Worker's Welfare Foundation Fund, with a distribution ratio of 80:10:10. The payment should be made within nine (9) months after the end of each fiscal year.

In accordance with the abovementioned Law, the company made provision for Workers Profit Participation Fund (WPPF) in the financial statements. But no payment was made within the stipulated time since the year 2015-2016.

07. The company's failure to provide gratuity to its permanent employees as per Section 27(4) of the Bangladesh Labour Act 2006, as amended, which mandates employers to grant gratuity payments to permanent employees after one year of continuous service. This was reported in the "Emphasis of Matter" Paragraph of last year's audit report.
08. Due to the unavailability of required documents the verification of potential liability for pending tax cases which is dependent on the outcomes of such cases, could not be ascertained. Furthermore, there has been no disclosure in the financial statements regarding this issue.
09. No information was provided to the audit team regarding action taken by the company to recover the receivables from Mr. Syed Hasibul Gani Galib (Ex. Managing Director of the company).

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. Those matters were addressed in context of our audit of the financial

statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is produced in the context.

Risks	Our response to the risks
Property, plant and equipment (PP&E)	
<p>The carrying value of PP&E as at 30 June 2022 was BDT. 487,332,169 which is 71.06% of total assets.</p> <p>There are a number of areas where management judgment impacts the carrying value of PP&E, and the related depreciation profiles. These include:</p> <ul style="list-style-type: none"> ● Determining which costs meet the criteria for capitalization; ● The estimation of economic useful lives and residual values assigned to property, plant and equipment. <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of PP&E included the following:</p> <ul style="list-style-type: none"> ● assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment, including the key internal controls over the estimation of useful economic lives and residual values; ● assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization; and ● evaluating management's estimation of useful economic lives and residual values by considering our knowledge of the business.
See note no. 5.00 of the financial statements.	

Reporting on Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

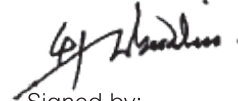
In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission and other applicable laws and regulations. We, as required by law, further report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purpose of our audit and made due verification thereof;

- (b) In our opinion, proper books of accounts, records and other statutory books are required by law have been kept by the Company so far as it appeared from our examinations of those books ;
- (c) The information and explanations required by us have been received and found satisfactory;
- (d) The Statement of Financial Position, and the Statement of Profit or Loss and Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns; and
- (e) The expenditure was incurred for the purpose of the Company's business.

Date: 05 June 2023
Place: Dhaka

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants



Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrollment No.804
DVC: 2306050804AS553581

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION

As at 30 June, 2022

Particulars	Notes	Amount In Taka	Amount In Taka
		30.06.2022	30.06.2021
A. NON-CURRENT ASSET		487,332,169	478,746,658
Property, Plant & Equipment	5.00	487,332,169	478,746,658
B. CURRENT ASSET		198,506,305	13,884,148
Inventories	6.00	70,375,466	-
Trade & Other Receivable	7.00	106,997,458	-
Advances, Deposits & Pre-Payments	8.00	10,906,085	4,298,138
Cash & Cash Equivalents	9.00	10,227,296	9,586,010
TOTAL ASSETS & PROPERTIES (A+B)		685,838,474	492,630,806
C. SHAREHOLDERS EQUITY		(1,066,054,111)	(1,278,034,901)
Share capital	10.00	597,135,000	597,135,000
Share Money Deposit	11.00	232,735,044	32,870,100
Retained earnings	12.00	(1,895,924,155)	(1,908,040,001)
D. NON-CURRENT LIABILITIES		1,369,600,457	1,370,177,887
Deferred Tax Liabilities	13.00	65,135,923	65,027,102
Long term Loan (Secured)	14.00	1,304,464,534	1,305,150,784
E. CURRENT LIABILITIES		382,292,128	400,487,820
Short Term Loan	15.00	13,326,479	-
Trade & Other Payables	16.00	260,951,139	288,794,833
Unclaimed Public Subscription Money against IPO	17.00	6,286,250	6,286,250
Unclaimed Dividend Account	18.00	1,193,709	1,193,709
Accruals & Provisions	19.00	100,534,551	104,213,028
TOTAL EQUITY & LIABILITIES (C+D+E)		685,838,474	492,630,806
Net Asset Value (NAVs) Per Share		(12.85)	(20.29)

The annexed notes (1-36) the integral part of these financial statements. These financial statements were authorized for issue by the Board of Directors on 01 June 2023.



CFO



Company Secretary



Director



Managing Director



Chairman

Signed in terms of our separate report of even date annexed.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants



Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrolment No.: 804
DVC: 2306050804AS553581

Date: 05 June 2023
Place: Dhaka

EMERALD OIL INDUSTRIES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June, 2022

Particulars	Notes	Amount In Taka	Amount In Taka
		30.06.2022	30.06.2021
Revenue	20.00	433,507,612	-
Less: Cost Of Goods Sold	21.00	403,241,956	37,236,709
Gross Profit/ (Loss)		30,265,656	(37,236,709)
Operating Expenses		(17,515,169)	(6,453,596)
General and Administrative Expenses	22.00	(15,256,481)	(6,453,596)
Selling and Distribution Expenses	23.00	(2,258,688)	-
Profit/ (Loss) from Operations		12,750,487	(43,690,305)
Other Income	24.00	3,892,768	135,917
Financing Expenses	25.00	(115,270)	(107,320)
Profit/ (Loss) before WPPF & Tax		16,527,985	(43,661,708)
Contribution to WPPF		(826,399)	-
Profit/(Loss) before Tax		15,701,586	(43,661,708)
Income Tax Expenses	26.00	(3,585,740)	7,429,930
Current Tax		(3,476,919)	(30,581)
Deferred Tax (Expense)/Income		(108,821)	7,460,511
Net profit / (loss) after tax		12,115,846	(36,231,778)
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		12,115,846	(36,231,778)
Earnings Per Share Par Value of Tk. 10/- each	27.00	0.17	(0.58)

The annexed notes (1-36) the integral part of these financial statements. These financial statements were authorized for issue by the Board of Directors on 01 June 2023.


CFO


Company Secretary


Director


Managing Director

Chairman

Signed in terms of our separate report of even date annexed.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants



Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrolment No.: 804
DVC: 2306050804AS553581

Date: 05 June 2023
Place: Dhaka

EMERALD OIL INDUSTRIES LIMITED**STATEMENT OF CHANGES IN EQUITY**
For the year ended 30 June, 2022

Particulars	Amount in Taka			
	Share Capital	Share Money Deposit	Retained Earnings	Total Amount
Balance as at July 01, 2021	597,135,000	32,870,100	(1,908,040,001)	(1,278,034,901)
Share Money Deposit During the year	-	199,864,944	-	199,864,944
Net profit after tax for the year	-	-	12,115,846	12,115,846
Balance as at June 30, 2022	597,135,000	232,735,044	(1,895,924,155)	(1,066,054,111)

EMERALD OIL INDUSTRIES LIMITED**STATEMENT OF CHANGES IN EQUITY**
For the year ended 30 June, 2021

Particulars	Amount in Taka			
	Share Capital	Share Money Deposit	Retained Earnings	Total Amount
Balance as at July 01, 2020	597,135,000	27,100,000	(1,871,808,223)	(1,247,573,223)
Share Money Deposit During the year	-	5,770,100	-	5,770,100
Net profit after tax for the year	-	-	(36,231,778)	(36,231,778)
Balance as at June 30, 2021	597,135,000	32,870,100	(1,908,040,001)	(1,278,034,901)

The annexed notes (1-36) the integral part of these financial statements. These financial statements were authorized for issue by the Board of Directors on 01 June 2023.


CFO


Company Secretary

Director


Managing Director

Chairman

Date: 05 June 2023
Place: Dhaka

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF CASH FLOWS

For the year ended 30 June, 2022

Particulars	Notes	Amount In Taka	Amount In Taka
		30.06.2022	30.06.2021
A. Cash flows from operating activities:			
Cash received from customer & other income	28.00	330,402,922	135,917
Payment to Creditors, Suppliers & Others	29.00	(499,545,211)	(3,506,150)
Income Tax Paid during the year	30.00	(10,937)	(13,455)
Net Cash provided by operating activities		(169,153,226)	(3,383,688)
B. Cash flows from investing activities:			
Acquisition of property, plant and Equipment		(42,595,391)	(1,511,200)
Disposal of property, plant and Equipment		-	20,400,000
Net Cash used in investing activities		(42,595,391)	18,888,800
C. Cash flows from financing activities:			
Financial Expenses		(115,270)	(107,320)
Share Money Deposit		199,864,944	5,770,100
Long Term Bank Loan (paid)/Received-Net		(686,250)	(21,068,750)
Short Term Loan (paid)/Received-Net		13,326,479	-
Net Cash from financing Activities		212,389,903	(15,405,970)
Net Decrease in cash & cash equivalents (A+B+C)		641,286	99,142
Cash & cash equivalents at the beginning of the year		9,586,010	9,486,868
Cash & cash equivalents at the end of the year		10,227,296	9,586,010
Net Operating Cash Flow Per Share	32.00	(2.40)	(0.05)

The annexed notes (1-36) the integral part of these financial statements. These financial statements were authorized for issue by the Board of Directors on 01 June 2023.


CFO


Company Secretary

Director


Managing Director

Chairman

Date: 05 June 2023
Place: Dhaka

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1.00 REPORTING ENTITY

1.01 Formation and legal status

Emerald Oil Industries Ltd, (hereinafter referred to as EOIL), a Public Limited Company was incorporated under the Companies Act 1994 vide Registration No. C-72229(271/2008) dated July 17, 2008. Initially the company named as 'Emerald Oil & Poultry Industries Limited' having its registered office in Dhaka. The Corporate Office of the company is situated at Halimunnesa's Court (9th floor), 23 Kakrail Road, Dhaka 1000. The company started its commercial operation from July 02, 2011. The board in its meeting held on December 21, 2011 decided to convert the company into public limited and converted into public limited accordingly. The company was renamed as "Emerald Oil Industries Ltd" with effect from December 01, 2011. The company was listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on March 11, 2014 and March 13, 2014 respectively.

1.02 Nature of business

The Company is engaged in manufacturing of Rice Bran Oil by processing of Rice Bran. In the processing of rice bran, De-oil Bran, Fatty Acid, Wax, Gum & Spent Earth are produced as by-product.

2.00 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS

2.01 Statement of Compliance

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

2.02 Other regulatory compliances

As required, Emerald Oil Industries Ltd complies with the following major Act and Rules in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Ordinance, 1984
- b) The Income Tax Rules, 1984
- c) The Value Added Tax & Supplementary Duty Act, 2012
- d) The Value Added Tax & Supplementary Duty Rules, 2016
- e) Bangladesh Securities and Exchange Commission Rules 1987

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis, accrual concept and going concern assumptions.

2.04 Functional and presentation currency

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

2.05 Use of Estimates and Judgment

The preparation of these financial statements is in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported

amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.06 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements, The Financial Statement comprises:

- a) Statement of financial position
- b) Statement of profit or loss and others comprehensive income
- c) Statement of changes in equity
- d) Statement of cash flows and
- e) Notes to the financial statements, comprising a summary of significant accounting policies and explanatory information.

2.07 Reporting Period

The financial period of the company covers twelve months from 01 July 2021 to 30 June 2022

2.08 Date of Authorization

The Board of Directors has authorized these financial statements on 01 June, 2023.

2.09 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.00 APPLICATION OF STANDARDS

The following Standards are applied to the financial statements for the year under review:

Name of the accounting standards	Ref. No.	Status of Application
Presentation of Financial Statements	IAS – 1	Applied
Inventories	IAS – 2	Applied
Statements of Cash Flows	IAS – 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS – 8	Applied
Events after the reporting period	IAS – 10	Applied
Income Taxes	IAS – 12	Applied
Property, Plant and Equipment	IAS – 16	Applied
Employee Benefit	IAS – 19	Applied
The Effects of Changes in Foreign Exchange Rates	IAS – 21	Applied
Borrowing Costs	IAS – 23	Applied
Related Party Disclosures	IAS – 24	Applied
Financial Instrument, Presentation	IAS – 32	Applied
Earnings Per Share	IAS – 33	Applied
Interim Financial Reporting, Comparative Information	IAS – 34	Applied
Impairment of Assets	IAS – 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS – 37	Applied
Intangible Assets	IAS – 38	Applied
Financial Instruments: Recognition & Measurement	IAS – 39	Applied
Financial Instruments disclosere	IFRS – 7	Applied
Fair Value Measurement	IFRS – 13	Applied
Revenue	IFRS – 15	Applied
Leases	IFRS – 16	Not Applicable

3.01 Property, Plant and Equipment

3.01.01 Recognition and Measurement and Disclosure

Items of property, plant and equipment are measured at cost less accumulated depreciation less impairment loss, if any. Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use, are stated at cost.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material and direct labor and any other costs directly attributable to bringing the assets to the state of its intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

3.01.02 Borrowing Costs

Interest and other expenses incurred by the company in respect of borrowing of fund are recognized as expenses in the period in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS 23: Borrowing Costs.

3.01.03 Subsequent Costs and Maintenance Activities

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 the 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 repair 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 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.

3.01.04 Disposal of property, plant and equipment

On Disposal of property, plant and equipment, 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.

3.01.05 Maintenance Activities

The company incurs maintenance cost for all its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

3.01.06 Depreciation

Depreciation on all items of Property, Plant & Equipment other than Land & Land development is computed using the reducing balance method so as to write off the assets over their expected useful life. Depreciation on Property, Plant & Equipment has been charged on acquisition of Property, Plant & Equipment when it is available for use.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Category	Rate of Depreciation	
	30.06.2022	30.06.2021
Land & Land Development	-	-
Building & Other Civil Works	5%	5%
Plant & Machineries	10%	10%
Electrical & Gas Line Installation	15%	15%
Furniture & Fixtures	15%	15%
Office Decoration	15%	15%
Office Equipment	20%	20%
Vehicle	20%	20%

3.02 Capital Work-in-progress

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

3.03 Intangible Assets

3.03.01 Recognition and measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per IAS 38: "Intangible assets" are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

3.03.02 Amortization

Amortization is recognized in the statement of comprehensive income on straight line method. The estimated useful life for computer software is 10 years and Campaign film is 5 years.

3.04 Inventories

Inventories comprise of raw materials, Finished goods, Processing Material, Packing Materials and Stores & Spares. Raw materials and Stores and Spares have been valued at average cost. Finished goods have been valued at lower of net realizable value and total of cost of material and other production Overhead attributable to bringing the goods to the state of sale under the convention of IAS-2.

3.05 Accounts Receivable

Accounts receivable is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to doubtful of recovery of any amount so recognized.

3.06 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 such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

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

3.07 Cash and Cash Equivalent

Cash and cash equivalent include cash in hand, cash at banks which are held and available for use by the Company without any restriction.

3.08 Contingencies

There is ongoing litigation against the Ex Directors removed on 02 March 2021 as well as Emerald Oil Industries Ltd. by Anti-Corruption Commission (ACC) and some other government parties regarding loan arrangement from BASIC bank against which a writ petition (No. 13250 of 2015) has been lodged. At this point management is unable to measure the obligation with sufficient reliability or ascertain the outcome of this litigation. Hence no provision for liability has been recorded.

3.09 Going Concern

Through the company made a net Profit after tax Tk. 12,115,846/- during the year but the company could not repay its banks'/financial Institutions' loans in due time which resulted in anti-corruption commission filing a lawsuit against the Directors as well as the Company as detailed in 3.08.

However Bangladesh Securities & Exchange Commission vide letter no.-BSEC/SRMIC/47/2014/73, Dated: 02 March 2021 appointed 5 (Five) distinguished individuals as Independent Directors of the Company in accordance with condition under 2 of the Commission's Notification No. SEC/CMRRCD/2009-193/07/Admin, Dated September 01, 2020. The new Board already included an investor namely "Minori Bangladesh Ltd." vide letter No.-BSEC/SRMIC/47/2014/112, Dated 29 April 2021 to bring the company into operation.

3.10 Income Tax & VAT

Current Tax

A provision @ 0.6% on the Gross Revenue Income except other income of the company has been provided during the year as per the Income Tax Ordinance, 1984. However provision 22.5% is made on total others income of the company.

Deferred Tax

Deferred tax is provided for all temporary differences comprising between the tax base of assets and liabilities and their carrying amounts in financial statements in accordance with the provision of IAS-12.

Value Added Tax (VAT)

No VAT is applicable on the sale proceeds of the company as the company's sales is exempted from VAT under Table-3, Heading No.-15.15, H.S.Code-1515.90.00 of related SRO of The Value Added Tax & Supplementary Duty Act, 2012.

3.11 Revenue Recognition

In compliance with the requirements of IFRS – 15: 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.

3.12 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using effective interest method. Borrowing cost incurred against loan for BMRE project has been capitalized under effective interest rate method.

3.13 Statement of Cash Flows

Cash flow statement is prepared in accordance with IAS-7 titled "Statement of Cash Flows" and the Cash flow from operating activities has been presented under direct method.

3.14 Statements of Changes in Equity

Statement of changes in equity is prepared in accordance with IAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.15 Earnings Per Share

The company calculates its earnings per share in accordance with International Accounting Standard (IAS) -33 which has been reported on the face of Statement of profit or loss and others comprehensive income.

Basic Earnings Per Share

The Company present its Basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted Earnings Per Share

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

3.16 Employee Benefit Schemes

Workers Profit Participation Fund (WPPF)

During 2011-12, The company has introduced Workers Profit Participation Fund for its employees in accordance with provisions of Bangladesh Labour Act, 2006 (Sec-232(1)).

3.17 Related Party Transactions

The Company carried out related party transaction only with key management personal. The information as required by IAS 24: "Related party Disclosure" has been disclosed in notes to the accounts (Note: 35).

3.18 Events After the Reporting Period

In compliance with the requirements of IAS 10: Events after the reporting period, post Balance Sheet events that provide additional information about the company's position at the reporting Date are reflected in the financial statements.

The Board of Directors in its meeting held on 01 June, 2023 approved the financial statements of the company for the year ended June 30, 2022 and authorised the same for issue. The Board of Directors also recommended a cash dividend @2% except for previous Sponsors & Directors holding 30.45% of Shares for the year ended June 30, 2022, which is subject to the approval of the Shareholders in the Annual General Meeting.

3.19 Net Asset Value per Share (NAVs):

Net Asset Value (NAVs) per share has been calculated by dividing net asset value reported in the statement of financial position by the number of ordinary shares in issue.

3.20 Comparative

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

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors"

3.21 Impairment of assets

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the period no impaired loss occurred to recognize in the Financial Statements.

3.22 Leases

In compliance with IFRS 16, Lease in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases and all other leases are classified as operating lease.

3.23 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

4.00 Risk Factors & Management Perception About The Risks

An investment in Equity Shares is not always risk free. Sometimes it involves a high degree of risk. Before making an investment in the Equity Shares, please carefully consider all the information in this Prospectus including the risk and uncertainties described below. If any of the following risk actually occurs, our business, financial condition and results of our operations could suffer, the trading price of our equity shares could decline and you may lose all or part of your investment:

4.01 Interest Rate Risks

Financial market of Bangladesh has been experiencing volatile interest rate over the year. Unfavorable movement of interest rate enhances the cost of fund of the company and could adversely affect the business and future financial performance.

Management Perception

Management of the Company is aware about the interest rate volatility and always sourcing bank loan at competitive market rate. On the other hand management emphasizes on equity based financing to reduce the dependency on bank borrowings. Nevertheless, it may not always be possible while funding of local procurement of raw materials is done against bank borrowings.

4.02 Exchange Rate Risks

The company faces foreign exchange rate fluctuation risk as the Company imports small portion of raw materials like hexane, phosphoric acid, bleaching earth, citric acid etc. against payment of foreign currency. Unfavorable volatility of foreign currency may affect the profitability of the company.

Management Perception

Cost of imported materials for the company is insignificant compared to total cost of production. On the other hand, all other market players in edible oil industry faces very high exchange rate risk as they operate based on import of entire raw materials. This provides the company in a favorable position to manage exchange rate fluctuations.

4.03 Industry Risks

(a) Competitive Market for Edible Oil

Presently, Edible oil industry of Bangladesh is very much competitive. Soybean Oil and palm oil dominate the whole edible oil industry in Bangladesh. For the first time Rice bran oil emerged as an alternative to Soybean Oil and palm oil in our market. Demand, supply, consumption, competitive scenario, etc. of Rice bran oil are the triggering factors for successful operation of the company.

Management Perception

Rice Bran Oil is currently being considered as the world's healthiest edible oil that contains vitamins, antioxidants, nutrients and free from trans fat. It can help lower cholesterol, fight diseases, enhance the immune system, fat free radicals and more. Rice Bran Oil is used to fry, sauté, in salad dressings, baking, dipping oils and where ever you use cooking oil.

Increasing health consciousness of general people and due emphasis of the Government in this sector, the demand for rice bran oil is growing very fast. These are important ingredients for defining unique selling proposition (USP) for marketing the products. The Company also foresees growing demand for its products. With the proposed expansion and strengthening financial condition due to the public issue the company will

be in a very strong position to develop effective marketing strategies and compete in the market in order to grab emerging market opportunities.

(b) Market penetration

The company has recently introduced the rice bran oil in the market where the imported as well as local brands of rice bran/soyabean oil have already been dominating huge local edible oil market. In case the company fails to secure market for its products at the desired price, profitability as well as growth of the company may be seriously affected.

Management Perception

Since commencement of operation the company is in a position to sale the entire product of oil in the local market. With the increasing awareness as well as continuing branding campaigns for the product the retail sale has been growing which is expected to increase further. In view of growing demand as well as higher margin in retail sales the management feels that profitability can be safely maintained in the future years.

(c) Sourcing of Raw Materials

Main raw material for the project is rice bran which is available locally. The company collects rice bran usually from five nearer districts (i.e. Sherpur, Mymensingh, Tangail, Natokona, Jamalpur). Except rice bran, the project requires hexane phosphoric acid, bleaching earth, citric acid etc. as raw materials, which are usually sourced from abroad.

Management Perception

The risks on sourcing raw materials are very limited. There are 460 auto rice mills in these five districts and these mills produces around 3,11,645 kg of rice bran every day (Source: Bangladesh Rice Mills Association). The sponsors of the company developed very strong network with most of these rice millers. As a result, the company has been enjoying smooth flow of raw materials since inception of the company and expected to continue the same.

4.04 Market and Technology-Related Risks

Technology plays an important role for the existence of a company. Innovation of a new and cost effective technology may render the existing technology obsolete, which may cause negative impact on the performance of the company.

Management Perception

Management of EOIL is very much aware of this risk. The company took initiative to expand its production capacity with the latest technology to minimize the market and technological risk.

4.05 Potential or Existing Government Regulations

Adverse Changes in the regulations governing the edible oil and compounded animal feed industries may bring adverse effect on our business growth, financial condition and operational performance.

Management Perception

The edible oil industry is one of the high regulated sectors in Bangladesh and has stringent laws for consumer protection. Any change in the statutory and regulatory framework for edible oil as well as the compounded animal feed industry will have impact on the business of all market players almost equally.

4.06 Potential Changes in Global or National Policies

Performance of the Company will be hampered due to unfavorable changes in national as well as global policy. Furthermore, the performance of the Company may adversely affect due to unavoidable circum-

stances like political turmoil both in Bangladesh and worldwide.

Management Perception

Any change in the global and national policy will affect all the market players almost equally. However, impact of change in global policies will be very negligible because EOIL operates its business based on local raw material. On the other hand, rice bran oil is the new introduction in Bangladesh. Hence, as far as national policy is concerned, rice bran oil sector is not expected to face any adverse effect in near future.

4.07 Operational Risks

Shortage or non-availability of power and gas may adversely affect the manufacturing processes of the factory. In addition, shortage in treated water, flawed machineries etc. may disrupt the company's operational activities which in turn will affect the quality of refined rice bran oil.

Management Perception

Manufacturing process of our Company requires substantial amount of power, gas and fuel. To facilitate the manufacturing facilities, company has adequate power backup from own fuel generator along with adequate Rural Electrification Board of Bangladesh (REB) load sanction. In addition, the company gets required water from its own water treatment plant. However, shortage of gas supply may increase our dependency on the usage of furnace oil which will increase our cost and may have an adverse impact on our profitability.

4.08 Nonoperating History

Any interruption in the operations of the company affects the company's image as a going concern. This is crucial for every company to operate its business activities in an ongoing basis albeit saving for the scheduled shut down for maintenance. Failure to do so would result in loss in profitability in the long run. Emerald Oil Industries Ltd. was not in production from April 2017 to December 2021 due to then management's failure.

Management Perception

The company is operating normally except that for the nature of the project 35 to 40 days is generally required for yearly overhauling of plant and machineries.

4.09 Dependability on Agricultural Production (Paddy)

The business of EOIL is very much dependent on agricultural production particularly Paddy. If the paddy production is hampered due to any environmental reasons then the production of main raw material of rice bran oil i.e. rice bran will be also hampered. As result, production of EOIL will be affected due to lack of main raw material i.e. rice bran.

Management Perception

If there is a shortfall of paddy production due to adverse climatic conditions, performance of our company may also be affected adversely. Any significant increase in the prices of these raw materials or decrease in the availability of the raw materials could also adversely affect our results of operations.

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

5.00 PROPERTY, PLANT & EQUIPEMENTS: TK. 487,332,169

This is made up as follows:

Particulars

Opening Balance	956,429,983	975,318,783
Addition during the year	42,595,391	1,511,200
	999,025,374	976,829,983
Less: Disposal during the year	-	20,400,000
Closing Balance	999,025,374	956,429,983
Less: Accumulated Depreciation	511,693,205	477,683,325
Written Down Value:	487,332,169	478,746,658

The details have been shown in Annexure: A

6.00 INVENTORIES: TK. 70,375,466

This is made up as follows:

Particulars

Finished Goods	59,055,383	-
Raw Materials	5,659,733	-
Processing Materials	1,133,691	-
Packing Materials	1,927,127	-
LP Gas	1,660,000	-
Stores & Spares	939,532	-
TOTAL	70,375,466	-

The details have been shown in Annexure: B

7.00 TRADE & OTHER RECEIVABLES: TK. 106,997,458

This is made up as follows:

Particulars

Dues within three months	106,997,458	-
Dues over three months but within six months	-	-
Dues over six months	1,556,653,675	1,556,653,675
TOTAL	1,663,651,133	1,556,653,675
Less: Provision for Bad & Doubtful Debts	1,556,653,675	1,556,653,675
Net Amount	106,997,458	-

Since the Buyers name, address, and other details were not available and there was an uncertainty of recovery, the full amount of Accounts Receivables as of 30.06.2016 was transferred to Ex-Managing Director Mr. Syed Hasibul Gani Galib and all credit sales which was made during the year (2016-17) also transferred in his name. During the year 2019-2020, Bank Asia management realized an amount of Tk.1,05,00,000 against their loan to the company through a sale of Ex-Managing Director, Mr. Syed Hasibul Gani Galib's personal assets by auction.

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

8.00 ADVANCES, DEPOSITS & PRE-PAYMENTS: TK. 10,906,085

This is made up as follows:

Particulars**Advances:**

Tax Deducted at source		1,062,025	1,051,088
Deposits	Note: 8.01	5,581,400	3,247,050
Advance to Employee		2,608,898	-
Other Advance		1,653,762	-
TOTAL		10,906,085	4,298,138

8.01 DEPOSITS: TK. 5,581,400

This is made up as follows:

Particulars

Security Deposits-REB		8,250	8,250
Security Deposits-Titas Gas		3,093,300	896,500
Security Deposits-T & T		10,000	10,000
Security Deposits-Office Space		340,000	-
Bank Guarantee Margin		358,600	358,600
Lease Deposits-PFIL		1,371,250	1,371,250
Lease Deposits-ULCL		-	202,450
Security Deposits-CDBL		400,000	400,000
TOTAL		5,581,400	3,247,050

9.00 CASH & CASH EQUIVALENTS: TK. 10,227,296

This is made up as follows:

Particulars

Cash in Hand	Note: 9.01	277,704	-
Cash at Bank	Note: 9.02	9,949,592	9,586,010
TOTAL		10,227,296	9,586,010

9.01 CASH IN HAND: TK. 277,704

This is made up as follows:

Particulars

Cash at Head Office		-	-
Cash at Factory		277,704	-
TOTAL		277,704	-

9.02 CASH AT BANK: TK. 9,949,592

This is made up as follows:

Particulars

Name of the Bank	Branch	Account No.	30.06.2022	30.06.2021
The Farmers Bank Ltd.	Gulshan	0111100043807	301,200	1,212
National Bank of Pakistan	Motijheel	000111100008392	26,831	27,521
Bank Asia Ltd	Bashundhara	02336000081	726,151	731,215
Basic Bank Ltd.	Dilkusha	1510-01-0004855	31,992	91,677
Brac Bank Ltd.	Sherpur	6001-2026-2539-9001	575	575

			Amount In Taka	Amount In Taka
			30.06.2022	30.06.2021
Dutch Bangla Bank Ltd.	Jamalpur	2061100009548	3,310	3,310
Islami Bank Bangladesh Ltd	Dilkusha	20502130100194512	9,100	9,790
Jamuna Bank Ltd.	Sherpur	0069-0210000639	29,277	29,277
Janata Bank Ltd	Dilkusha	010233068969	-	392
Mutual Trust Bank Ltd.	Panthapath	30210014971	4,655	-
Mutual Trust Bank Ltd.	Panthapath	30210014926	3,965	-
Mutual Trust Bank Ltd.	Panthapath	30320001642	7,779,045	7,697,069
Mutual Trust Bank Ltd.	Panthapath	30260000721	386,597	350,813
Mutual Trust Bank Ltd.	Panthapath	30260000730	27,637	28,577
Mutual Trust Bank Ltd.	Principal	20210029840	613,391	614,582
AB Bank	Gulshan	4019-781334-430	5,866	-
TOTAL			9,949,592	9,586,010

10.00 SHARE CAPITAL: TK. 597,135,000

This is made up as follows:

Authorised Capital:

Authorised Capital:

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

1,000,000,000 **1,000,000,000**

Issued and Paid-up Capital

5,97,13,500 ordinary shares of tk. 10/- each

597,135,000 597,135,000

TOTAL:

597,135,000 **597,135,000**

The aforesaid share capital is subscribed as under:

Holding of the Share	No. of Shareholder	No. of Share	Value in Taka	Value in Taka
Sponsors/Directors	7	22,848,125	228,481,250	228,481,250
Institutions	266	5,131,995	51,319,950	85,830,800
General Public	6,553	31,733,380	317,333,800	282,822,950
TOTAL	6,826	59,713,500	597,135,000	597,135,000

Details of Number of holders and percentage as under:

Shareholding Range	30.06.2022			30.06.2021		
	No. of Shareholder	No. of Shares	Ownership (%)	No. of Shareholder	No. of Shares	Ownership (%)
0001-499	2,092	351,734	0.59%	1,547	250,102	0.42%
500-5000	3,590	5,698,818	9.54%	2,462	4,080,304	6.83%
5001-10000	463	3,544,233	5.94%	362	2,752,289	4.61%
10001-20000	314	4,662,709	7.81%	199	2,986,058	5.00%
20001-30000	123	3,087,701	5.17%	93	2,348,201	3.93%
30001-40000	50	1,751,268	2.93%	50	1,784,578	2.99%
40001-50000	47	2,164,155	3.62%	35	1,609,001	2.69%
50001-100000	89	6,268,633	10.50%	96	7,123,233	11.93%
100001-1000000	52	9,653,749	16.17%	57	12,438,076	20.83%
1000001-1000000000	6	22,530,500	37.73%	7	24,341,658	40.76%
TOTAL	6,826	59,713,500	100.00%	4,908	59,713,500	100.00%

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

11.00 SHARE MONEY DEPOSIT: TK. 232,735,044

This is deposited by Minori Bangladesh Ltd and is made up as follows:

Particulars

Opening Balance	32,870,100	27,100,000
Deposit During the Year	199,864,944	5,770,100
Share Allotment	-	-
CLOSING BALANCE	232,735,044	32,870,100

12.00 RETAINED EARNINGS: TK. -1,895,924,155

This is made up as follows:

Particulars

Opening Balance	(1,908,040,001)	(1,871,808,223)
Add: Prior year adjustment	-	-
Add: Net Profit/(Loss) after tax for the year	12,115,846	(36,231,778)
Less: Dividend for the year	-	-
TOTAL	(1,895,924,155)	(1,908,040,001)

13.00 Deferred Tax Liability: TK. 65,135,923

The break-up of the amount is given below:

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Deferred Tax (Assets)/Liab.	Deferred Tax (Assets)/Liab.
Property, Plant & Equipment	487,332,169	197,839,177	289,492,992	22.50%	65,135,923	65,027,102
Deferred Tax Liability	487,332,169	197,839,177	289,492,992		65,135,923	65,027,102

The details have been shown in Annexure: C

14.00 LONG TERM LOAN (SECURED): TK. 1,304,464,534

This is made up as follows:

Particulars

Bank Name	Types of A/C	Branch	Account No.	30.06.2022	30.06.2021
Basic Bank Ltd	Term Loan	Dilkusha	1502-04-0000016	197,338,045	197,338,045
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000901	89,014,251	89,014,251
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000917	102,280,237	102,280,237
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000959	200,650,071	200,650,071
Basic Bank Ltd	Term Loan	Dilkusha	1502-04-000042	76,689,913	76,689,913
Basic Bank Ltd	CC	Dilkusha	1560-01-0000579	58,611,910	58,611,910
Bank Asia Ltd	Term Loan	Bashundhara	2335000430	62,846,059	62,846,059
Bank Asia Ltd	Term Loan	Bashundhara	2335000491	200,065,000	200,065,000
United Leasing Co. Ltd.	Lease Finance	Kazi Nazrul Islam Avenue	67011400194	-	686,250
Prime Finance & Investment Ltd.	Lease Finance	Dilkusha	LAD # 2013/015	73,314,160	73,314,160
Midas Financing Ltd.	Lease Finance	Dhanmondi	S00098 & L00937	243,654,888	243,654,888
TOTAL				1,304,464,534	1,305,150,784

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

Since the Company has pending litigation with its Lender Bank & NBFI which is disclosed in Note-36, therefore no interest is charged during the year.

15.00 SHORT TERM LOAN: TK. 13,326,479

This is made up as follows:

Particulars

Minori Bangladesh Ltd.	13,326,479	-
TOTAL	13,326,479	-

16.00 TRADE & OTHER PAYABLES: TK. 260,951,139

This is made up as follows:

Particulars

Trade Creditors	138,657,999	166,381,247
Advance against Sales	45,848,547	45,848,547
Payable to Ex-Managing Director Mr. Syed Hasibul Gani Galib**	10,500,000	10,500,000
Bills & Others Payable	65,944,593	66,065,039
TOTAL	260,951,139	288,794,833

**The above amount of Tk. 10,500,000 was realized by Bank Asia through auction sale of personal assets of Ex-Managing Director Mr. Syed Hasibul Gani Galib against the bank loan to the company.

17.00 UNCLAIMED PUBLIC SUBSCRIPTION MONEY AGAINST IPO: TK. 6,286,250

This is made up as follows:

Particulars

This represent the amount payable against uncollected IPO subscription for Initial Public Offering liability as follows:

Bank Name	Account Types	Currency	Account No.	30.06.2022	30.06.2021
Mutual Trust	SND	BDT	0003-0320001642	5,965,250	5,965,250
Bank Limited	FC	USD	0003-0260000721	321,000	321,000
TOTAL:				6,286,250	6,286,250

18.00 UNCLAIMED DIVIDEND ACCOUNT: TK. 1,193,709

This is made up as follows:

Particulars

	No of Shareholders		
For the Year 2013-14	385 no's	598,450	598,450
For the Year 2014-15	215 no's	595,259	595,259
TOTAL		1,193,709	1,193,709

19.00 ACCURALS & PROVISIONS: TK. 100,534,551

This is made up as follows:

Particulars

Salary & Wages	2,052,132	-
Managing Directors Remuneration	140,000	-
Audit & Professional Fees	1,690,000	3,765,000

		Amount In Taka	Amount In Taka
		30.06.2022	30.06.2021
Office Rent Payable		-	240,000
Gas Bill		9,413,324	16,376,447
CSE Listing Fee Payable		1,925,707	1,627,139
DSE Listing Fee Payable		-	1,194,372
Workers' Profit Participation Fund	Note - 19.01	34,400,033	33,573,634
Provision for Income Tax	Note - 19.02	50,913,355	47,436,436
TOTAL		100,534,551	104,213,028

19.01 WORKERS PROFIT PARTICPATION FUND PAYABLE: TK. 34,400,033

This is made up as follows:

Particulars

Opening Balance	33,573,634	33,573,634
Add: Accrued During the year	826,399	-
	34,400,033	33,573,634
Less: Paid/Adjusted During the year	-	-
Outstanding Balance	34,400,033	33,573,634

19.02 PROVISION FOR INCOME TAX: TK. 50,913,355

This is made up as follows:

Particulars

Opening Balance	47,436,436	47,405,855
Add: Addition during the year	3,476,919	30,581
Add: Adjustment of Deferred Tax for Rate Difference	-	-
TOTAL	50,913,355	47,436,436

20.00 REVENUE: TK. 433,507,612

This is made up as follows:

Particulars

This represents cash and credit sales during the year under audit and made up as follows:

Rice Bran Oil (Bulk)	256,953,946	-
De-Oiled Rice Bran	176,553,666	-
TOTAL:	433,507,612	-

21.00 COST OF GOODS SOLD: TK. 403,241,956

This is made up as follows:

Particulars

Raw Material Consumed	Note -21.01	402,365,750	-
Processing Material Consumed	Note -21.02	681,635	-
Packing Material Consumed	Note -21.03	2,887,473	-
Stores & Spares Consumed	Note -21.04	626,354	-
Factory Overhead	Note -21.05	55,736,127	37,236,709
Cost of Production		462,297,339	37,236,709
Add: Opening Stock of Finished Goods		-	-
Cost of Goods available for Sale		462,297,339	37,236,709

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021
Less: Sales of by-product	-
Less: Closing Stock of Finished Goods	59,055,383
Cost of Goods Sold:	37,236,709

21.01 RAW MATERIAL CONSUMED: TK. 402,365,750

This is made up as follows:

Particulars

Opening Stock	-	-
Add: Purchase during the year	408,025,483	-
	408,025,483	-
Less: Closing Stock	5,659,733	-
TOTAL:	402,365,750	-

21.02 PROCESSING MATERIAL CONSUMED: TK. 681,635

This is made up as follows:

Particulars

Opening Stock	-	-
Add: Purchase during the year	1,815,326	-
	1,815,326	-
Less: Closing Stock	1,133,691	-
TOTAL:	681,635	-

21.03 PACKING MATERIAL CONSUMED: TK. 2,887,473

This is made up as follows:

Particulars

Opening Stock	-	-
Add: Purchase during the year	4,814,600	-
	4,814,600	-
Less: Closing Stock	1,927,127	-
TOTAL:	2,887,473	-

21.04 STORES & SPARES CONSUMED: TK. 626,354

This is made up as follows:

Particulars

Opening Stock	-	-
Add: Purchase during the year	1,565,886	-
	1,565,886	-
Less: Closing Stock	939,532	-
TOTAL:	626,354	-

21.05 FACTORY OVERHEAD: TK. 55,736,127

This is made up as follows:

Particulars

Salary & Allowances	8,828,756	2,534,500
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	Amount In Taka 30.06.2022	Amount In Taka 30.06.2021
Fuel & Lubricants	1,332,744	-
Depreciation	33,585,904	34,647,009
Electricity Expense	108,841	8,200
Fooding & Entertainment	703,725	-
Factory Expense	487,764	47,000
Gas Bill	7,626,584	-
Stationery	22,070	-
Loading & Unloading	2,378,819	-
Medical Expenses	8,202	-
Electric Accessories	202,109	-
Conveyance	37,394	-
Mobile Bill	44,150	-
Repair & Maintenance	369,065	-
TOTAL:	55,736,127	37,236,709

22.00 GENERAL ADMINISTRATIVE EXPENSES: TK. 15,256,481

This is made up as follows:

Particulars

Salary & Allowances	6,254,349	880,259
Directors Remuneration	1,840,000	-
Audit Fees	250,000	250,000
Advertisement Expense	-	22,500
Board Meeting Fees	760,000	360,000
Computer Accessories	51,050	-
Conference Expenses	52,000	-
Donation & Subscription	47,500	-
Electric Accessories	14,890	-
Electricity Expense	96,868	8,192
Fooding & Entertainment	138,190	18,785
Internet & Server Expenses	111,532	14,550
Legal & Professional Expenses	957,200	2,725,000
Miscellaneous Expenses	2,800	3,900
Mobile & Telephone Bill	97,830	4,700
Newspaper & Periodicals	320	-
Office Maintenance	409,523	36,552
Office Rent	815,500	240,000
Office Service Charge	439,688	69,730
Postage & Courier	19,965	-
Printing & Stationery	210,486	7,060
Registration & Renewals	1,009,672	1,556,244
Travelling & Conveyance	714,170	19,957
Vehicle Fuel	269,355	-
Vehicle Maintenance	241,617	6,065
Website Expense	28,000	-
Depreciation	423,976	230,102
TOTAL:	15,256,481	6,453,596

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

23.00 SELLING & DISTRIBUTION EXPENSES: TK. 2,258,688

This is made up as follows:

Particulars

Advertisement	151,300	-
Delivery Expenses	276,700	-
Fooding & Entertainment	323,899	-
Salary & Allowances	900,000	-
Sample Expenses	66,789	-
Vehicle Maintenance	540,000	-
TOTAL:	2,258,688	-

24.00 OTHER INCOME: TK. 3,892,768

This is made up as follows:

Particulars

Bank Interest Received	109,374	134,558
Foreign Exchange Gain/ (Loss) Note -24.01	34,844	1,359
Wastage Sales	3,748,550	-
TOTAL:	3,892,768	135,917

24.01 FOREIGN EXCHANGE GAIN/ (LOSS) DURING THE YEAR: TK. 34,844

This is made up as follows:

Particulars

Opening Balance	(379,390)	(378,721)
Bank Charge During the Year	-	690
CLOSING BALANCE Note -24.02	414,234	379,390
Foreign Exchange Gain/ (Loss) during the year	34,844	1,359

24.02 CLOSING BALANCE OF FOREIGN CURRENCY ACCOUNT: TK. 414,234

This is made up as follows:

Name of the Bank	Account No.	FC Amount	Currency	Exchange Rate	Value in Taka	Value in Taka
Mutual Trust Bank Ltd.	30260000721	4,137	USD	93.45	386,597	350,813
Mutual Trust Bank Ltd.	30260000730	283	URO	97.55	27,637	28,577
TOTAL					414,234	379,390

25.00 FINANCING EXPENSES: TK. 115,270

This is made up as follows:

Particulars

Bank Charges & Commission	115,270	107,320
Interest on Long Term Loan	-	-
Interest on Lease Finance	-	-
TOTAL:	115,270	107,320

Since the Company has pending litigation with its Lender Bank & NBFI which is disclosed in Note-36, therefore no interest is charged during the year.

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

26.00 INCOME TAX EXPENSES: TK. 3,585,740

This is made up as follows:

Current Tax	Note -26.01	3,476,919	30,581
Deferred Tax	Note -26.02	108,821	(7,460,511)
TOTAL:		3,585,740	(7,429,930)

26.01 CURRENT TAX: TK. 3,476,919

This is made up as follows:

Particulars

Net Profit excluding other income as per accounts		11,808,818	(43,797,625)
Add: Accounting Depreciation		34,009,880	34,877,111
Add: WPPF		826,399	-
		46,645,097	(8,920,514)
Less: Tax Depreciation		34,493,528	33,936,000
		12,151,569	(42,856,514)
Less: Exempted Income (50%)		-	-
Current Profit excluding other income		12,151,569	(42,856,514)
Less: Set Off of Business Loss		(12,151,569)	-
Taxable Business Income		-	-
Other Income		3,892,768	135,917
Income Tax Rate (Operating)		22.5%	22.5%
Income Tax Rate (Non-operating)		22.5%	22.5%
Current Tax:			
Other than other income		2,601,046	-
Other Income		875,873	30,581
Total Current Tax		3,476,919	30,581

26.02 DEFERRED TAX EXPENSES: TK. 108,821

Particulars

Closing Deferred Tax Liability		65,135,923	65,027,102
Opening deferred Tax Liability		65,027,102	72,487,614
TOTAL:		108,821	(7,460,511)

27.00 CALCULATION OF BASIC EARNINGS PER SHARE: TK. 0.17

This is made up as follows:

Particulars

Net Profit / (Loss) for the Year		12,115,846	(36,231,778)
Earnings attributable to the ordinary share holders		12,115,846	(36,231,778)
Weighted average no. of Shares	(Note - 27.01)	70,509,022	62,640,070
Basic Earning Per Share:		0.17	(0.58)

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

27.01 WEIGHTED AVERAGE NUMBER OF SHARES: 70,509,022

This is made up as follows:

Particulars

63,000,510 shares for 365 days	63,000,510	-
137,419 shares for 334 days	125,748	-
268,516 shares for 272 days	200,100	-
570,475 shares for 242 days	378,233	-
1,914,379 shares for 211 days	1,106,668	-
4,664,609 shares for 181 days	2,313,135	-
1,830,519 shares for 150 days	752,268	-
2,481,396 shares for 119 days	809,003	-
4,627,729 shares for 91 days	1,153,763	-
3,491,452 shares for 70 days	669,594	-
62,423,500 shares for 365 days	-	62,423,500
357,200 shares for 212 days	-	207,470
106,966 shares for 30 days	-	8,792
112,844 shares for 1 day	-	309
TOTAL:	70,509,022	62,640,070

Share money deposit has been considered as potential share capital in calculating Weighted average number of shares as per Financial Reporting Council Circular Vide ref. no 146/FRC/Admin/circular/2020/01, dated 11 February 2020.

28.00 CASH RECEIVED FROM CUSTOMER & OTHER INCOME: 330,402,922

This is made up as follows:

Particulars

Revenue	433,507,612	-
Opening Accounts Receivable	-	-
Closing Accounts Receivable	(106,997,458)	-
Closing Advance Against Sales	45,848,547	45,848,547
Opening Advance Against Sales	(45,848,547)	(45,848,547)
Other Income	3,892,768	135,917
Prior year adjustment	-	-
TOTAL:	330,402,922	135,917

29.00 RECEIVED FROM/ (PAYMENT TO) CREDITORS, SUPPLIERS & OTHERS: -499,545,211

This is made up as follows:

Particulars

Cost of Goods Sold	(403,241,956)	(37,236,709)
General and Administrative Expenses	(15,256,481)	(6,453,596)
Selling & Distribution Expenses	(2,258,688)	-
Depreciation	34,009,880	34,877,111
Opening Inventory	-	-
Closing Inventory	(70,375,466)	-
Opening Advance, Deposits & prepayments excluding TDS	3,247,050	3,247,050
Closing Advance, Deposits & prepayments excluding TDS	(9,844,060)	(3,247,050)
Closing Accounts & Other Payables excluding Advance against sales	215,102,592	242,946,286
Opening Accounts & Other Payables excluding Advance against sales	(242,946,286)	(241,301,378)
Closing Accrued Expenses	15,221,163	23,202,958
Opening Accrued Expenses	(23,202,958)	(19,540,822)
TOTAL:	(499,545,211)	(3,506,150)

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

30.00 INCOME TAX PAID DURING THE YEAR: -10,937

This is made up as follows:

Particulars

Closing Provision	50,913,355	47,436,436
Opening TDS	1,051,088	1,037,633
Opening Provision	(47,436,436)	(47,405,855)
Current Provision	(3,476,919)	(30,581)
Closing TDS	(1,062,025)	(1,051,088)
TOTAL:	(10,937)	(13,455)

31.00 RECONCILIATION OF NET OPERATING CASH FLOW

Cash flow from operating activities (indirect method)

Profit/(Loss) for After tax	12,115,846	(36,231,778)
Adjustment for:		
Income Tax expense recognized in profit and loss	3,585,740	(7,429,930)
Depreciation of non-current assets	34,009,880	34,877,111
Cash Generated from Operating activities before changes in working capital	49,711,466	(8,784,597)

Adjustment for separate consideration

Finance cost recognized in profit and loss	115,270	107,320
--	---------	---------

Movement in Working Capital:

(Increase)/decrease in inventories	(70,375,466)	-
(Increase)/decrease in Trade & Other Receivable	(106,997,458)	-
(Increase)/decrease in advance, deposit and prepayment	(6,607,947)	(13,455)
Increase/(decrease) in trade payables & other payables	(27,843,694)	1,644,908
Increase/(decrease) in provision for expense	(7,155,396)	3,662,136
Cash generated from operations	(218,979,961)	5,293,589
Income Tax Paid	-	-
Net cash (used in)/ generated by operating activities	(169,153,226)	(3,383,688)

32.00 NET OPERATING CASHFLOW PER SHARE

Net Operating Cashflows (From statement of cash flows)	(169,153,226)	(3,383,688)
Total number of shares	70,509,022	62,640,070
Net Operating Cashflow per share	(2.399)	(0.054)

33.00 NO. OF EMPLOYEES

The company had 41 permanent employees as at June 30, 2022 and 58 number of seasonal and temporary workers as required, which was as at June 30, 2022. All the permanent employees received remuneration in excess of Tk. 36,000 per annum.

Amount In Taka	Amount In Taka
30.06.2022	30.06.2021

34.00 REDUCTION CAPACITY

This is made up as follows:

Particulars

****Installed Capacity:**

	(Ton/Year)	(Ton/Year)
Rice Bran Oil	13,200	-
De-oiled Rice Bran (DORB)	46,200	-

Actual Production:

Rice Bran Oil (Refined)	2,498	-
De-oiled Rice Bran (DORB)	10,125	-

Achieved (%)

Rice Bran Oil (Refined)	18.92%	-
De-oiled Rice Bran (DORB)	21.92%	-

Emerald Oil Industries Ltd. was not in production from April 2017 to December 2021. The company again started its commercial production on 09 January 2022 upon successful completion of trial production.

35.00 RELATED PARTY DISCLOSURE

The aggregate amount paid/provided during the year in respect of directors & key management personnel of the company as required by IAS-24 are disclosed below:

		Taka	Taka
a) Key Management Benefits		4,891,500	Nil
b) Post Employment Benefit		Nil	Nil
c) Other Long Term Benefits		Nil	Nil
d) Termination Benefit		Nil	Nil
e) Share Based payment		Nil	Nil
f) Trade Receivable (Mr. Syed Hasibul Gani Galib)	(Note-7)	1,556,653,675	1,556,653,675
g) Short Term Loan (Minori Bangladesh Ltd.)	(Note-15)	13,326,479	-

36.00 CONTINGENT LIABILITY

Since the Company has pending litigation with its Lender Bank & NBFI, no interest is charged during the year. The details of Pending litigation is given below:

Sl. No.	Particulars	Filed by	Present Status
1	Artha Rin Suit No. 259/2017 & Artha Jari Suit No. 15/2020	BASIC Bank Ltd	Pending
2	Artha Rin Suit No. 2406/2016 & Artha Jari Suit No. 437/ 2018	Bank Asia Ltd MIDAS Financing Ltd.	Pending
3	Artha Rin Suit No. 371/2018		Pending
4	Artha Rin Suit No. 705/2017 & Artha Jari Suit No. 64/ 2019	Prime Finance & Investment Ltd.	Pending


CFO


Company Secretary

Director


Managing Director

Chairman

Date: 05 June 2023
Place: Dhaka

EMERALD OIL INDUSTRIES LIMITED
Schedule of Property, Plant & Equipments
 As at 30 June, 2022

Annexure-A

Particulars	C O S T				Rate	D E P R E C I A T I O N			Written down value
	As at 01.07.2021	Addition during the year	Dispose during the year	As at 30.06.2022		As at 01.07.2021	Charged during the year	As at 30.06.2022	
Land & Land Development	50,600,447	-	-	50,600,447	-	-	-	50,600,447	
Building & Other Civil Works	359,711,979	19,402,690	-	379,114,669	5%	11,538,777	150,176,553	228,938,116	
Plant & Machineries	529,439,314	7,720,151	-	537,159,465	10%	20,788,608	346,201,919	190,957,546	
Electrical & Gas Line Installation	9,842,954	12,904,606	-	22,747,560	15%	1,258,519	9,163,648	13,583,912	
Furniture & Fixtures	3,272,194	751,304	-	4,023,498	15%	2,633,756	2,785,870	1,237,628	
Office Decoration	-	150,000	-	150,000	15%	-	11,250	138,750	
Office Equipment	3,563,095	1,438,440	-	5,001,535	20%	3,093,353	3,331,145	1,670,390	
Vehicle	-	228,200	-	228,200	20%	-	22,820	205,380	
Balance as at June 30, 2022	956,429,983	42,595,391		999,025,374		477,683,325	511,693,205	487,332,169	
Balance as at June 30, 2021	975,318,783	1,511,200	20,400,000	956,429,983		442,806,214	477,683,325	478,746,658	

Depreciation Charged To-

General & Administrative Expenses
 Factory Overhead
Total

30.06.2021	30.06.2022
423,976	230,102
33,585,904	34,647,009
34,009,880	34,877,111

EMERALD OIL INDUSTRIES LIMITED

Quantity-wise break-up of Inventory

As at 30 June, 2022

Annexure-B

Finished Goods:

Items Name	Balance as on 30 June 2022			Balance as on 30 June 2021		
	Quantity (Kg)	Rate	Amount	Quantity (Kg)	Rate	Amount
Rice Bran Oil (Bulk)	460,673.00	126.84	58,430,258	-	-	-
De-oiled Rice Bran	27,880.00	19.22	535,875	-	-	-
Empty Bag	5,250.00	17.00	89,250.00	-	-	-
Total Finished Goods			59,055,383			-

Raw Materials:

Items Name	Balance as on 30 June 2022			Balance as on 30 June 2021		
	Quantity (Kg)	Rate	Amount	Quantity (Kg)	Rate	Amount
Rice Bran	159,086.00	35.58	5,659,733	-	-	-
Total	159,086.00	35.58	5,659,733			-

Processing Material:

Items Name	Balance as on 30 June 2022			Balance as on 30 June 2021		
	Quantity (Kg)	Rate	Amount	Quantity (Kg)	Rate	Amount
Activated Carbon	2,250.00	70.00	157,500	-	-	-
Bleaching Earth	9,050.00	58.00	524,900	-	-	-
Boric Acid	25.00	220.00	5,500	-	-	-
Caustic Soda	130.00	67.73	8,805	-	-	-
Citric Acid	50.00	210.71	10,536	-	-	-
Filter Aid	900.00	108.00	97,200	-	-	-
Phosphoric Acid	735.00	440.00	323,400	-	-	-
Sodium Carbonate	90.00	65.00	5,850	-	-	-
Total			1,133,691			-

Packing Materials:

Items Name	Balance as on 30 June 2022			Balance as on 30 June 2021		
	Quantity (Kg/Pcs)	Rate	Amount	Quantity (Kg/Pcs)	Rate	Amount
DORB Bag	28,838.00	16.80	484,371	-	-	-
Carton	6,305.00	49.33	311,038	-	-	-
Bottle	44,140.00	22.20	979,902	-	-	-
Others	-	-	151,816	-	-	-
Total			1,927,127			-

LPG Cylinder:

Items Name	Balance as on 30 June 2022			Balance as on 30 June 2021		
	Quantity (Pcs)	Rate	Amount	Quantity (Pcs)	Rate	Amount
LPG Cylinder	400.00	4,150.00	1,660,000	-	-	-

Stores & Spares:

	Balance as on 30 June 2022		Balance as on 30 June 2021		
Quantity-wise break-up of Stores & Spares could not be given as it was difficult to quantify each item in a separate and distinct due to large variety of stores & spares.		939,532	-	-	-
Value of Closing Inventory		70,375,466			-

EMERALD OIL INDUSTRIES LIMITED
CALCULATION OF DEFERRED TAX
For the year ended 30 June, 2022

Annexure-C

Property, Plant & Equipment (Carrying Amount):

Particulars	C O S T				Rate	D E P R E C I A T I O N			Written down value
	As at 01.07.2021	Addition during the year	Dispose during the year	As at 30.06.2022		As at 01.07.2021	Charged during the year	As at 30.06.2022	
Land & Land Development	50,600,447	-	-	50,600,447	-	-	-	50,600,447	
Building & Other Civil Works	359,711,979	19,402,690	-	379,114,669	5%	11,538,777	150,176,553	228,938,116	
Plant & Machineries	529,439,314	7,720,151	-	537,159,465	10%	20,788,608	346,201,919	190,957,546	
Electrical & Gas Line Installation	9,842,954	12,904,606	-	22,747,560	15%	1,258,519	9,163,648	13,583,912	
Furniture & Fixtures	3,272,194	751,304	-	4,023,498	15%	2,633,756	2,785,870	1,237,628	
Office Decoration	-	150,000	-	150,000	15%	11,250	11,250	138,750	
Office Equipment	3,563,095	1,438,440	-	5,001,535	20%	3,093,353	3,331,145	1,670,390	
Vehicle	-	228,200	-	228,200	20%	-	22,820	205,380	
Balance as at 30.06.2022	956,429,983	42,595,391	-	999,025,374		477,683,325	511,693,205	487,332,169	

Property, Plant & Equipment (Tax Base):

Particulars	C O S T				Rate	D E P R E C I A T I O N			Written down value
	As at 01.07.2021	Addition during the year	Dispose during the year	As at 30.06.2022		As at 01.07.2021	Charged during the year	As at 30.06.2022	
Land & Land Development	50,600,447	-	-	50,600,447	-	-	-	50,600,447	
Building & Other Civil Works	47,018,825	19,402,690	-	66,421,515	20%	13,284,303	-	53,137,212	
Plant & Machineries	80,693,508	7,720,151	-	88,413,659	20%	17,682,732	-	70,730,927	
Electrical & Gas Line Installation	3,061,283	12,904,606	-	15,965,889	10%	1,596,589	-	14,369,300	
Furniture & Fixtures	992,104	751,304	-	1,743,408	10%	174,341	-	1,569,067	
Office Decoration	2,299,542	150,000	-	2,449,542	10%	244,954	-	2,204,588	
Office Equipment	191,152	1,438,440	-	1,629,592	30%	488,878	-	1,140,714	
Vehicle	4,880,454	228,200	-	5,108,654	20%	1,021,731	-	4,086,923	
Balance as at 30.06.2022	189,737,314	42,595,391	-	232,332,705		34,493,528	-	197,839,177	

Particulars	Carrying Amt.	Tax Base	Temporary Difference	Tax Rate	Cl. Liab/(Asset)	Op. Liab/(Asset)	Exps/(Income)
Property, Plant & Equipment's WPPF	487,332,169	197,839,177	289,492,992	22.50%	65,135,923	65,027,102	108,821
Total	487,332,169	197,839,177	289,492,992	22.50%	65,135,923	65,027,102	108,821

EMERALD OIL INDUSTRIES LIMITED

Halimunnesa's Court (Floor-9), 23 Kakrail, Dhaka-1000, Bangladesh

PROXY FORM

I/We _____
of _____
being a member(s) of Emerald Oil Industries Limited hereby appoint Mr./Ms. _____
_____ of _____
as my/our proxy to attend and vote for me/us and on my/our behalf at the 15th Annual General Meeting (AGM)
of the Company to be held on 12 July, 2023 (Wednesday) and or at any adjournment thereof.
Signed this _____ day of _____ 2023

Signature of Shareholder(s) _____ Signature of the Proxy: _____
BO ID: _____
No. of Shares held: _____

Authorized Signature
Emerald Oil Industries Limited

Signature verified

N.B.: This Form of Proxy, duly signed (as recorded with the company), stamped and completed must be submitted to the Registered Office or Share Department (the Company's registered office: Halimunnesa's Court, Floor-9, 23, Kakrail, Dhaka-1000, Bangladesh) of the Company at least 48 (Forty Eight) hours before the Meeting.

EMERALD OIL INDUSTRIES LIMITED

Halimunnesa's Court (Floor-9), 23 Kakrail, Dhaka-1000, Bangladesh

ATTENDANCE SLIP

I/We hereby record my attendance at the 15th Annual General Meeting of Emerald Oil Industries Limited being held on 12 July, 2023 (Wednesday).

Signature of Shareholder(s) _____ Signature of the Proxy: _____
Name of Shareholder(s) _____ Name of Proxy: _____
BO ID: _____
No. of Shares held: _____

Authorized Signature
Emerald Oil Industries Limited

Note: Please complete the attendance slip and hand it over at the entrance of the venue.



EMERALD EMERALD OIL INDUSTRIES LIMITED

REGISTERED OFFICE:

Halimunnesa's Court (Floor-9), 23, Kakrail, Dhaka-1000, Bangladesh

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E-mail : emldoik@yahoo.com, Web : www.spondonoil.com

FACTORY: Sheripara, Sherpur Sadar, Sherpur