



**UNITY
IN
DIVERSITY**

Balance for a Better Bangladesh





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Annual Report 2018
www.batbangladesh.com



UNITY IN DIVERSITY

Balance for a Better Bangladesh

British American Tobacco Bangladesh, with a rich legacy of 108 years, works towards inclusive economic development, ensuring that men and women work together in a framework, which brings the ideas of diversity and prosperity to life.

The Company believes in gender equality and diversity, which harnesses the development of the nation. (*Women empowerment initiatives, contd. on page 157*).

As a pioneering organisation, we welcome the diversity of ideas and perspectives for embracing an open approach to inclusivity that has helped us to become one of the most aspirational companies of Bangladesh.

The Company endorses the highest standards of principled stewardship, and we believe the journey towards a stronger and better Bangladesh can emanate through a meaningful balance in our efforts.

We feel privileged in harmonising our efforts with governmental initiatives for achieving the goals of sustainable development within 2030, while also engaging in fostering a better relationship with all our stakeholders.

GREETINGS!

We welcome you to our Annual Report for the year ended 31 December 2018.

Essential elements of our Report

This report has been developed to enable our stakeholders to make an informed assessment about our ability to create value over time.

To facilitate such an assessment, we have introduced the Company, outlining who we are, where we operate, what we do, and how we create and sustain value. We have also provided a strategic and governance overview incorporating the Chairman's statement, review of our leadership team, governance and remuneration practices. We have also disclosed our interaction with the six capitals that enable our business and our key stakeholder relationships.

This report covers the period from 1 January 2018 to 31 December 2018. A. Qasem & Co., Chartered Accountants, a member firm of Ernst & Young, has audited our annual financial statements 2018 and provided an unmodified opinion thereon.

Our reporting process has been guided by the principles and requirements contained in the International Financial Reporting Standards (IFRS), International Accounting Standards Board (IASB), and the BSEC Listings Requirements.

The full set of our Annual Report 2018, as well as a suite of additional information to assist in the better understanding of our Company, is available online (www.batbangladesh.com) or can be requested from our Company Secretary.

This report provides information on all those matters that we believe could substantively affect value creation at BAT Bangladesh.

Integrated thinking

At BAT Bangladesh, integrated thinking is essential in the way we manage our business and with respect to our internal strategy development and reporting practices. Our strategy has been developed to ensure that we manage the resources and relationships needed to create value over time.

Assurance

The Board has applied its collective wisdom to the preparation and presentation of the information in this report, following guidelines set out by the regulatory bodies of Bangladesh.

On the recommendation of the respective Board Committees, the Board approved the Company's Annual Report 2018 on 11th March 2019.

Golam Mainuddin
CHAIRMAN

Shehzad Munim
MANAGING DIRECTOR



CORPORATE INFORMATION



Board of Directors

Mr. Golam Mainuddin	Chairman
Mr. Shehzad Munim	Managing Director
Mr. Mohammad Moinuddin Abdullah	Non-Executive Director
Mr. K. H. Masud Siddiqui	Independent Director
Mr. A.K.M Aftab Ul Islam	Independent Director
Mr. Mikail Shipar (resigned)	Independent Director
Mr. Md. Abdul Halim	Non-Executive Director
Ms. Tahmina Begum	Non-Executive Director
Mr. Kazi Sanaul Hoq	Non-Executive Director
Mr. William Pegel	Finance Director



Head of Public Affairs & Company Secretary

Mr. Md. Azizur Rahman FCS



Board Audit Committee

Mr. Mohammad Moinuddin Abdullah	Chairman
Mr. Mikail Shipar (resigned)	Member
Mr. Md. Abdul Halim	Member
Ms. Tahmina Begum	Member
Mr. Kazi Sanaul Hoq	Member
Mr. Md. Azizur Rahman FCS	Company Secretary



Board CSR Committee

Mr. Mikail Shipar (resigned)	Chairman
Mr. Mohammad Moinuddin Abdullah	Member
Mr. Md. Abdul Halim	Member
Ms. Tahmina Begum	Member
Mr. Shehzad Munim	Member
Mr. Md. Azizur Rahman FCS	Company Secretary



Board Nomination and Remuneration Committee

Mr. K. H. Masud Siddiqui	Chairman
Mr. Golam Mainuddin	Member
Mr. Kazi Sanaul Hoq	Member
Mr. Md. Azizur Rahman FCS	Company Secretary



Executive Committee

Mr. Shehzad Munim	Managing Director
Mr. William Pegel	Finance Director
Mr. Ozsan Ozbas	Head of Operations
Ms. Mubina Asaf	Head of Legal & External Affairs
Mr. Saad Jashim	Head of Human Resources
Mr. Golam Safwat Choudhury	Head of Marketing
Mr. Shahed Zubair	Head of Business Development



Head of Internal Audit & Compliance

Mr. Md Zahidul Islam



Statutory Auditors

A. Qasem & Co., Chartered Accountants



Governance Compliance Auditor

Al-Muqtadir Associates, Chartered Secretaries



Bankers

Standard Chartered Bank
Hongkong and Shanghai Banking Corporation
Citibank N.A.
Commercial Bank of Ceylon
Sonali Bank Ltd.
Pubali Bank Ltd.
Eastern Bank Ltd.



Registered Office

British American Tobacco Bangladesh Company Limited
New DOHS Road, Mohakhali, Dhaka 1206
T: +880 2 9842791-5
F: +880 2 9842786
Email: md_azizur_rahman@bat.com
www.batbangladesh.com



Front view of Head Office, BATB

YEAR HIGHLIGHTS, 2018

SHAREHOLDERS

BDT 50 PER SHARE Cash Dividend

1:2 Stock Dividend

TAX CONTRIBUTION

BDT 19,133 Crore National Exchequer

82% of Revenues as taxes

EMPLOYEES & OTHERS

1,453 Employees
38,000 Farmers
1,300,000 Retailers

Only Company in Bangladesh to win Top Employer Award!

CSR

Bonayon: Pioneer in private sector afforestation since 1980

9.97 Crore Saplings Distributed

Probaho: Supply Fresh Water daily in Arsenic Prone Areas

4 Lac Litres Daily
2 Lac Families

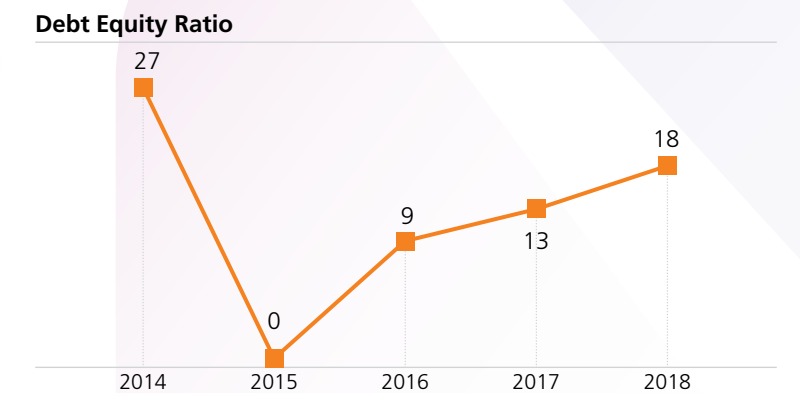
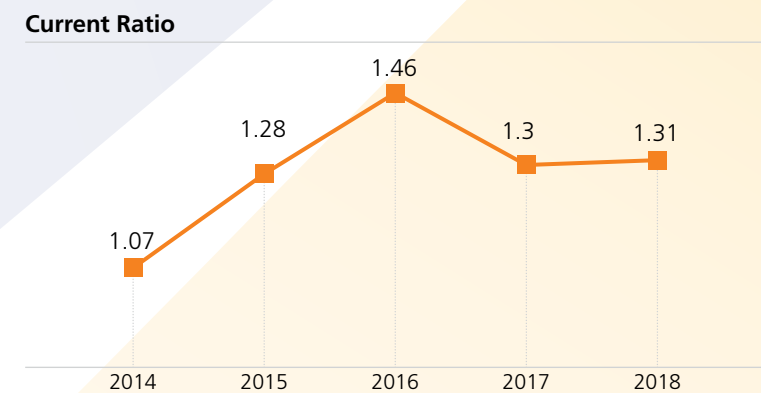
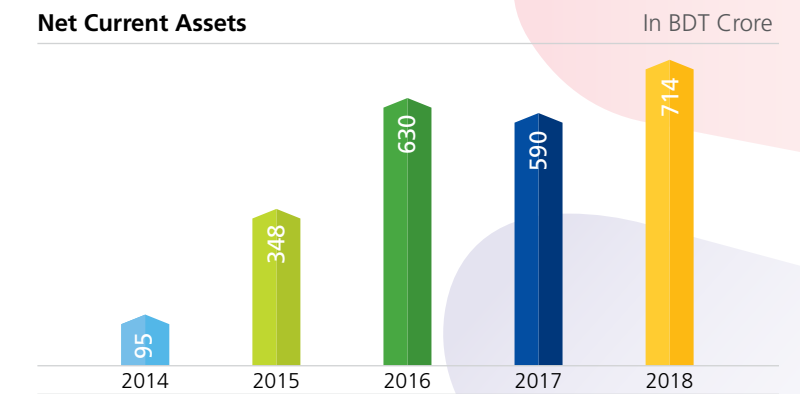
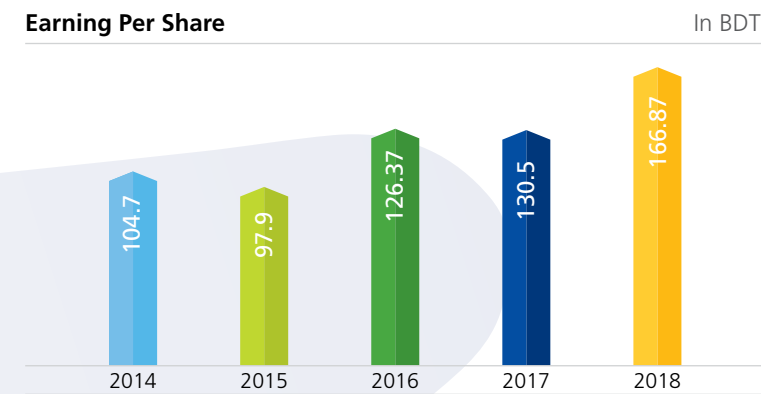
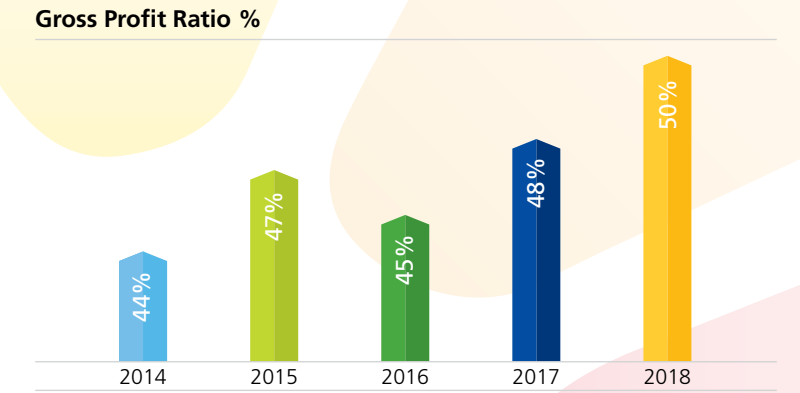
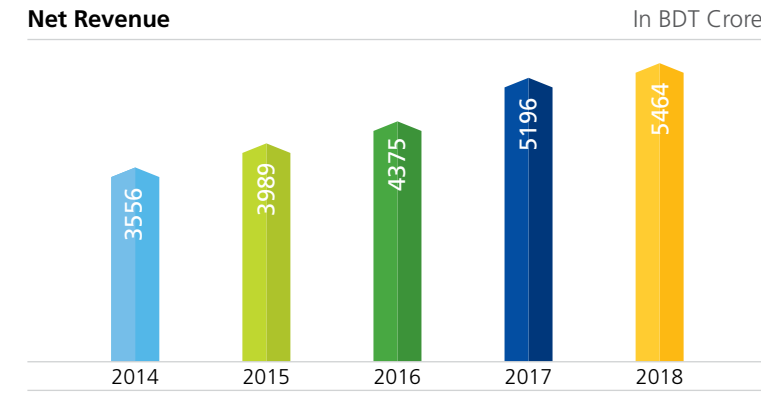
Depto: Solar Energy System in off Grid Areas

2,330 Units
13,000 Persons

EXPORT

USD 29 million Unmanufactured Tobacco

CAPACITY ENHANCEMENT for Cigarette Export



Cover Story	02
Greetings	04
Corporate Information	06
Year Highlights	08
Report Markers	12
Integrated Reporting Scope	13
EGM Notice	15
AGM Invitation	16
AGM Notice	17

18 OVERVIEW

Who We Are	20
Vision & Mission	22
Guiding Principles	23
Business Model	24
Our Value Chain	26
Chairman's Message	28
Performance 2018	33
Managing Director's Statement	34

38 LEADERSHIP

Board of Directors	40
Directors' Profile	42
Executive Committee	48
Profile of the Executive Committee	49
Steering Group	52

54 CORPORATE FOCUS

Our Strengths	56
Key Financial Metrics, 2018	57
Our Operating Environment	58
Our Value Creation Process	60
Financial Capital	61
Manufacturing Capital	65
Human Capital	67
Intellectual Capital	70
Social Capital	72
Natural Capital	73
Operating Environment Analysis	75

78 GOVERNANCE

Highlight 2018	80
Directors' Report 2018	81
Management Discussion Analysis	90
Corporate Governance Statement 2018	93
Statement on Risk Management & Internal Control	106
Audit Committee	112
Report of the Audit Committee 2018	113
Corporate Social Responsibility Committee	118
Report of the CSR Committee 2018	119
Nomination & Remuneration Committee	122

Report of the NRC 2018	123
Standard of Business Conduct	125
Patterns of Shareholding (Annexure-01)	126
Shareholders Information	127
BSEC Compliance Check List (Annexure-02)	128
Certificate of Due Diligence by CEO & CFO (Annexure-03)	139
Certificate of Compliance by AI Muqtadir Associates (Annexure-04)	140
Value Added Statement	141

142 PERFORMANCE

Key Performance Indicators	144
Marketing and Brands	146
Human Resource Value Creation	148
Going Global	150
Top Employer	152
Manufacturing Review	153

154 RESPONSIBILITY

Women Empowerment Initiatives	157
Gender Equality & Diversity	157
Maternity Benefits	169
Corporate Social Responsibility	170
Bonayan	171
Probaho	172
Deepto	173
Employee Centric Initiatives	174
Responsible Environmental Impact	177
Green Logistics	177
Go Green Initiatives	178
Sustainable Agriculture Initiative	180
Bondhusheba	180

Farmers Sustainability Management	181
Integrated Farm Management (IFM)	183
Integrated Pest Management Club	186
Success Story of Mst. Madina Khatun	187
Skill Development Initiatives	188
GTNF representation	189

190 YEAR AT A GLANCE

Awards & Achievements	192
BATB in Media	196
People Bringing the Difference	198
Snapshot	202

206 REPORTS & FINANCIAL STATEMENTS

Auditors Report to the Shareholders	208
Financial Position	212
Profit and Loss Account	214
Statement of Changes in Equity	215
Cash Flow Statement	216
Bangla Translated Accounts	262

300 CHECKLIST

Corporate Governance Checklist	300
Annual Report 2018 Checklist	303
Integrated Reporting Checklist	307
Proxy Form	317

REPORT MARKERS

For the ease of our shareholders and other readers, we present below a material index matrix that serves two purposes:

Firstly, to help our readers to reach quickly to the information sought in this annual report. Secondly, to showcase our intent in information transparency to enable our readers to make an informed assessment about our Company and its prospects

QUESTIONS TO ASK	WHERE THE INFORMATION IS	WHAT INFORMATION IT PROVIDES	PAGE NO.
LEADERSHIP What is the quality of our leadership?	Corporate Information Board profile Steering Group Audit Committee Nomination & Remuneration Committee CSR Committee	Profile of the board of directors	42-47
		Profile of the Executive Committee	49-51
		Functional leaders who lead the day to day operations	52
		Looking over the overall transparency	112
		Looking over the appointment, remuneration and promotions	122
OPERATIONS How we operate our business? How we are marketing and branding our products? How we are managing our human resource?	Chairman's statement Managing Directors statement Operating environment HR value creation and employee centric initiatives Value creation process Management Discussion and Analysis Operating Environment analysis	Monitoring the CSR initiatives	118
		Our vision and mission	22
		The operational context of our performance	30
		Key developments of 2018	36,57,81,144-145
		Food and health service, Supporting education, EHS and other safety	174-176
GOVERNANCE How our governance works?	Corporate Governance statement	Statements from our leadership	30,36
		Brief Summary on the Company's performance	81-89,90-92, 141
		An overview of the external environment under which the Company operates	75
		Our governance philosophy	93
		Our culture of compliance	88,95,139
SIX CAPITALS What makes us financially robust? How we are utilizing our capitals to get the highest value for our shareholders? How did we perform in 2018?	Financial capital Human Capital Natural Capital Manufacturing Capital Social Capital Intellectual Capital	Our compliance practices	140
		Our governance practices	95-105
		Our governance committees	97-99
		Our financial conservatism	67
		Key financial highlights for 2018	144-145
		Description of our financial capital	61-64
		Our key financial performances	90
		Financial statements	239-259
		Work environment improvement through 5S & Embedding HPO culture in shop-floor	65
		Battle of Minds 2018	150-151
		Employee productivity, rewards, recognition and skill development	167-169
		Our maternity benefits	169
		Our focus on IPR protection	70
		Our use of renewable energy, go green and green supply chain initiatives	177-179
		Our responsibility to the external environment	72
Our recycling practices	73-74		
RISK MANAGEMENT What are our strategies to manage and mitigate the market risks?	Statement of Risk Management and Internal Control	Performance of our divisions	57
		Our key strengths	56
		Our business model – Turning our capitals into Competitive advantages	24
		Our risk mitigation framework	106-111
CSR & OTHERS How we are harmonizing with the development of the nation? What sustainable measures we are taking for long term growth?	Corporate Social Responsibility Gender Equality and Diversity Sustainable agriculture	Our risk mitigation framework	106-111
		Our afforestation initiatives - Bonayon	171
		Our electrification initiatives - Deepto	173
		Our pure drinking water supply initiatives - Probaho	172
		Gender Equality and Diversity	157
		Success stories	160-168
		Bondhusheba	180
		Farmers sustainability management	181-182
		Our integrated farm management component	183-186
		The story of a successful woman	187



INTEGRATED REPORTING

SCOPE AND BOUNDARY OF THE REPORT

The cycle of integrated reporting acts as a force for financial stability and sustainability by focusing on value creation over time. Integrated reporting promotes a more cohesive and efficient approach to corporate reporting and aims to improve the quality of information available to our investors and other stakeholders. An integrated report aims to provide insights about the resources and relationships used and affected by an organisation.

Our report highlights fiscal year's financial performance in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), issued by the Institute of Chartered Accountants of Bangladesh (ICAB).

The report is produced annually and this report covers the period from 1 January 2018 to 31 December to 2018.

The non-financial information provided in our 2018 report has been published from internally maintained records.

Content and preparation of the report

In preparing our 2018 report, we have referred to the 'Annual Report Review Checklist' issued by both the Institute of Chartered Accountants of Bangladesh (ICAB) and South Asian Federation of Accountants (SAFA) and the 'Integrated Reporting Checklist' which is in line with the integrated reporting elements issued by the International Integrated Reporting Council (IIRC). The financial statements and other disclosures for the year 2018 are in accordance with the requirements of:

- International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS);
- The Companies Act, 1994;
- The Securities and Exchange Rules, 1987;
- The Income Tax Ordinance, 1984;
- The Income Tax Rules, 1984;
- BSEC Corporate Governance Code, 2018 and
- Other applicable laws and regulations of the country.

The contents are prepared using results of our engagement with stakeholders and the Integrated Reporting framework. All material topics, which are of interest to different stakeholders and which reflect significant impact of our activities on the economy, environment and the society has been taken into account in preparing this report.

The content laid out in the report and the methodology in preparing the Integrated Report sets out to provide a holistic and meaningful picture of our business model, strategy, governance, performance and future prospects.

Our corporate governance practices report has been drawn in reference from the revised Corporate Governance Guidelines (CGG) issued by Bangladesh Securities and Exchange Commission (BSEC).

External Assurance

BATB obtains external assurance from the following two firms during the period under consideration. In accordance with regulatory requirements, auditors are rotated every three years to ensure their independence and objectivity. In order to maintain compliance, auditors have been rotated this year, the outcomes of which are duly published in this report.

Sl.	Description of Report	External Assurance
1	Financial Statements Audit Report	A. Qasem & Co. Chartered Accountants
2	Corporate Governance	Al-Muqtadir Associates, Chartered Secretaries & Consultants

Availability of the Annual Report

The annual report is published within three months from the date of preparation of Financial Statements. The printed hard copy of the Annual Report is forwarded to all shareholders, prior to the Annual General Meeting, giving required period of notice. For extended use of the report by our stakeholders, a soft copy of the report is also made available on our website.

Capitals

Our significance as a leading manufacturing company today and in the future and our ability to create value over different time horizons primarily depends on the forms of capital available to us (inputs), how we use these capitals (value creation activities), our impact on these capitals and the ultimate value we deliver (outputs and outcomes).

Here is a brief synopsis of the various stocks of capitals, as articulated in the IIRC's integrated reporting framework:

- FINANCIAL CAPITAL**
Finance – equity and debt – required to efficiently manage business operations and activities.
- MANUFACTURING CAPITAL**
Manufacturing plant and infrastructure used for the production of goods and how business is done.
- INTELLECTUAL CAPITAL**
Our brand reputation and intellectual property.
- HUMAN RESOURCE CAPITAL**
Our human resources, their competencies and innovation focus and our investment in developing our people to enhance their skills. This is an important constituent that ensures the availability of our products in the market.
- SOCIAL AND RELATIONSHIP CAPITAL**
The strong relationship built among BATB and its stakeholders.
- NATURAL CAPITAL**
Our impact on the environment and our focus on sustenance.

Please refer to pages 61-74 for detailed descriptions of the six capitals.





BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED

New D.O.H.S. Road, Mohakhali, Dhaka -1206

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting (EGM) of British American Tobacco Bangladesh Company Limited will be held on Sunday, 28th April 2019 at 10 am at the Ballroom of Pan Pacific Sonargaon Hotel, 107 Kazi Nazrul Islam Avenue, Karwan Bazar, Dhaka-1215 to transact the following business and to pass the following as Special Resolutions:

AGENDA - 1

To amend clause 5 of Memorandum of Association of the Company- "The Share capital of the Company is Tk. 60,00,00,000 divided into 6,00,00,000 ordinary shares of Tk. 10 each, with power to increase the capital and to divide the shares in the capital for the time being in to several classes, and to attach there to any preferential, deferred, qualified or special rights, privileges or conditions" subject to approval of the shareholders at the Extraordinary General Meeting (EGM):

Proposed Special Resolution -

Resolved that the Authorized Capital of the Company be and is hereby increased from Tk. 60, 00,00,000 (Sixty crores) to Tk. 540, 00,00,000 (Five hundred forty crores) and accordingly the clause 5 of the Memorandum of Association of the Company be and is hereby amended to read as follows –

"Clause 5: The Authorized Share capital of the Company is Tk. 540,00,00,000 (Five hundred forty crores) divided into 54,00,00,000 ordinary shares of Tk. 10 each, with power to increase the capital and to divide the shares in the capital for the time being into several classes, and to attach there to any preferential, deferred, qualified or special rights, privileges or conditions."

AGENDA - 2

To amend Article 80(a) of the Articles of Association of the Company- "The ordinary remuneration of a Director shall not exceed Taka 750 per meeting of the Board of Directors or a Committee of such Board attended by him." by passing the following as Special Resolution, subject to approval of the shareholders at the Extraordinary General Meeting (EGM):

Proposed Special Resolution -

Resolved that Article 80(a) of the Articles of Association of the Company be and is hereby amended to read as follows:

"Article 80(a): The meeting attendance fees of a Director per Meeting of the Board of Directors or a Committee of such Board attended by him/ her and remuneration, honorarium, advisory service fees and any other fees relating to the Board of Directors or a Committee of such Board may be revised, amended and enhanced from time to time and at any time by recommendation of the Nomination & Remuneration Committee (NRC) or any other Committee so constituted under the Bangladesh Securities and Exchange Commission (BSEC) Codes of Corporate Governance and approved by the Board."

By order of the Board

Sd/-

Md. Azizur Rahman FCS
Company Secretary

Dhaka
April 7, 2019

Notes:

- ▶ The Shareholders whose names appear in the Members/Depository Register on the Record Date i.e. 4th April 2019 shall be eligible to attend the EGM of the Company.
- ▶ A Shareholder wishing to appoint a Proxy must deposit the Proxy Form, duly stamped at the Company's registered office by 10:00 am of 24th April 2019.



AGM INVITATION TO OUR SHAREHOLDERS



46th ANNUAL GENERAL MEETING OF BRITISH AMERICAN TOBACCO BANGLADESH



WILL BE HELD AT PAN PACIFIC SONARGAON

107 Kazi Nazrul Islam Avenue
Dhaka 1215, Bangladesh
On Sunday, 28th April 2019
At 10:30 am



AGM HELPLINE

Md Atiqur Rahman
Dewan Rahat Islam
Md. Kamrul Hassan

Tel: +88029842791-5, Ext – 394, 635 & 567
Fax: +882 8714819
Email: shareoffice@bat.com



BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED

New D.O.H.S. Road, Mohakhali, Dhaka -1206

NOTICE OF THE 46TH ANNUAL GENERAL MEETING

Notice is hereby given that 46th Annual General Meeting (AGM) of British American Tobacco Bangladesh Company Limited will be held on Sunday, 28th April 2019 at 10:30 am at the Ballroom of Pan Pacific Sonargaon Hotel, 107 Kazi Nazrul Islam Avenue, Karwan Bazar, Dhaka 1215, for transaction of the following businesses:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st December 2018, and the Reports of the Directors and the Auditors there on.
2. To approve Stock and Cash Dividend for the year ended 31st December 2018.
3. To elect Directors.
4. To appoint the Statutory Auditors for the year 2019 and to fix their remuneration.
5. To appoint the Compliance Auditor for the year 2019.

7 April 2019

By order of the Board

Sd/-

Md. Azizur Rahman FCS
Company Secretary

Notes:

- ▶ The Shareholders whose names appear in the Members/Depository Register on the Record Date i.e. 4th April 2019 shall be eligible to attend the AGM of the Company and to receive the Dividend.
- ▶ A Shareholder wishing to appoint a Proxy must deposit the Proxy Form, duly stamped (Tk.20) at the Company's registered office by 10:30 am of 24th April 2019.
- ▶ Only the Shareholders or their validly appointed proxies shall be allowed to have access to the registration process to attend the meeting.
- ▶ Admission into the auditorium will be allowed strictly on submission of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or Proxy holder(s).
- ▶ In case of non-receipt of Annual Report 2018 of the Company sent through e-mail, members may collect the same from the Company's share office within 25th April 2019 by submitting a written application. Annual Report is available in investor Relations section of the Company's Website: www.batbangladesh.com
- ▶ No children will be allowed at the AGM.

(As per directive of the Bangladesh Securities and Exchange Commission, no gift/food/coupon will be offered in the upcoming Annual General Meeting)



Women empowerment – Balance for *gender equality*

At BAT Bangladesh, we are among the pioneers in gender inclusion and women empowerment, fostering a robust support framework that encourages collaboration, co-working and co-existence. Today, we offer unique and innovative women-centric benefits, including extended maternity leave and a full-fledged day care center, while also providing them with challenging workplace opportunities that help them realise their potential.

At BAT Bangladesh, women comprise almost 14% of our total employees. Furthermore, it is a matter of pride that the skills and capabilities of our women and men have been recognised far and wide, with the result that they have been invited across several group markets abroad for sharing best practices.



Women in our Top Management

OVERVIEW

WHO WE ARE

We thrive in a culture that is rich in diversity to meet the evolving expectations of our stakeholders



OUR LEGACY

With a rich legacy that can be traced back to the year 1910, British American Tobacco Bangladesh (BAT Bangladesh) today is a business built on great brands and strong people resources.

BAT Bangladesh is a subsidiary of BAT plc, the world's leading tobacco group that operates in over 200 markets around the world and is engaged in sustainable initiatives in transforming tobacco to shape a future that provides consumers with more choice, more innovation and reduced risk.



OUR IMPACT

BAT Bangladesh is among the few legal manufacturers of cigarettes in Bangladesh and one of the country's most economically impactful business establishments. As the country's largest individual tax contributor, BAT Bangladesh accounts for around 10% of the total industry's tax contributions and constitutes around 8% of the Government's total tax revenue.

Our holistic corporate social initiatives and our forward-looking agricultural development practices aim to drive socio-economic change of create a sustainable impact among population pools that need it the most.



OUR BUSINESS CREDENTIALS

At BAT Bangladesh, we are engaged in the business of making world-class tobacco products that meet the diverse preferences of our consumers. Our integrated value chain that spans from 'crop to consumer' enables high levels of operational and quality control.

As an organisation operating in a highly-regulated industry, we understand our added responsibility and take pride in upholding the highest standards of corporate governance, while stewarding our operations in a sustainable and responsible way. Furthermore, our deep and comprehensive involvement in the tobacco supply chain has enabled us to empower livelihoods across Bangladesh, and this is a testament to our unambiguous impact on the national economy.



OUR LISTING

BAT Bangladesh is the tobacco industry's largest and the only listed company on the Dhaka Stock Exchange and Chittagong Stock Exchange. The Company closed the year with a market capitalisation of Taka 212,502 crore, against the year-start market capitalisation of Taka 204,018 crore.

“ We are one of the country's top employers and our successful value creation case is possible due to the passion, skills, commitment and diversity of our strong team of 1,453 employees.

Shehzad Munim
MANAGING DIRECTOR



1,453
Our employees



1,300,000
Our retail network



5
Trade marketing regions



38,000
Our registered farmers



VISION AND MISSION

Our vision, supported by our well-defined mission, unites us to move forward with confidence, while meeting the diverse aspirations of our various stakeholder groups



VISION

To be the world's best at satisfying consumer moments in tobacco and beyond.

Satisfying consumer moments

We believe that by being the world's best at satisfying consumer moments, we will become the leader in our industry. Consumers are at the core of everything we do, and our success depends on addressing their evolving concerns, needs and behaviours.

Tobacco and beyond

The second part of our vision – tobacco and beyond – recognises the strength of our traditional tobacco business and the opportunities we see in Next Generation Products. This is a great potential business opportunity because consumers are looking for choices and product categories in which we are uniquely placed to succeed.



MISSION

Delivering on our commitments to society, while championing informed consumer choice.

Champion informed consumer choice

We need to continue to ensure that our adult consumers are fully aware of the choices they are making when they purchase our products. We recognise that we have a responsibility to offer a range of products across the risk continuum, but we will also defend people's right to make an informed choice.

Deliver our commitments to society

As society changes and priorities and needs shift, we must be ready to meet new challenges and take advantage of new opportunities. We are a major international business and with this status comes responsibilities such as developing less risky products, being open about the risks of all our products, supporting agricultural communities in leaf-growing areas worldwide and minimising our impact on the environment.



STRATEGIC FOCUS AREAS

The foundations upon which our strategy is built have been in place for many years, but we continue to refocus our activities in all four areas and constantly review our ways of working.

Growth

Developing brands, innovations and new products to meet consumers' evolving needs.

Productivity

Effectively deploying resources to increase profits and generate funds for investment.

Winning organisation

Ensuring we have great people, great teams and a great place to work.

Sustainability

Ensuring a sustainable business that meets stakeholders' expectations.

GUIDING PRINCIPLES

Our guiding principles articulate our key attributes, represent our intrinsic culture and guide us in delivering value for our stakeholders



OPEN-MINDED

Our corporate culture embodies the inherent strength of our business and represents one of the key reasons we have been, and will continue to be, successful. We are forward-looking and anticipate consumer needs, behaviours and preferences, focusing on winning with innovative, high-quality products. We listen to, and genuinely consider, diverse perspectives and changing social expectations. We are open to new ways of doing things.



FREEDOM THROUGH RESPONSIBILITY

We provide our people the freedom to operate in their local environment, providing them with the benefits of our scale and empowering them with the ability to succeed. We strive to do the right thing, exercising our responsibility to the society and other stakeholders. We use our freedom to take decisions and act in the best interest of our consumers.



ENTERPRISING SPIRIT

We value the spirit of enterprise and expose our people to a tremendous breadth of ideas and viewpoints towards enhancing the way we do business. We have the confidence to passionately pursue growth and new opportunities, while accepting the considered entrepreneurial risk that comes with it. We are bold and strive to overcome challenges. This represents the cornerstone of our success.



STRENGTH FROM DIVERSITY

We respect and celebrate differences and enjoy working together, embracing a participative and collaborative style of working. We harness diversity – of our people, cultures, viewpoints, brands, markets and ideas – to strengthen our business. We value what makes each of us unique.



BAT Bangladesh's vision, mission and strategic focus are in line with the BAT Group.



BUSINESS MODEL

WHAT WE DO

Essentially, we make and sell cigarettes, but there is definitely a lot more to it than that. Our sustainable approach to sourcing, production and distribution helps us to create value for a wide range of stakeholders. They include farmers and their communities, suppliers, retail and wholesale trade partners, NGOs, Government, regulators and the society at large.



OUR PEOPLE AND RELATIONSHIPS

We employ 1,453 people directly and approximately 50,000 people indirectly as farmers, distributors, local suppliers and over 1.3 million retailers. We take great pride that BAT Bangladesh is one of the most preferred employers in the country. It is the people who bring their different ideas and perspectives every day that make BAT Bangladesh a great place to work in. In the last year, we once again ensured that our contribution to the Government is very significant by paying BDT 19,133 crores to Government exchequer. We encourage a culture of personal ownership and value our employees' talents. Their diverse perspectives help us to succeed and we recognise their critical role in achieving the goals we set for our business. We value what makes each of us unique.

SOURCE



What We Do

We do not own tobacco farms, but we provide agronomy support through our extensive services. The Company's Leaf function starts with the hard work of 38,000 registered farmers within the village community.



What Makes Us Different

We have implemented the policy on Sustainable Tobacco Programme with an aim to apply the best local and international practices in the areas of Agronomy, Leaf Depot Operations, Leaf Processing Operations, Environmental Management, Human Rights, Occupational Health and Safety Standards encompassing its Leaf Operations.

PRODUCE



What We Do

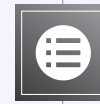
Manufacturing tobacco products is a large-scale operation and we have state-of-the-art manufacturing facilities in the country. We work to ensure that our costs are competitive and that we use our resources as effectively as possible.



What Makes Us Different

- ▶ Our production facilities are designed to meet the needs of an agile and flexible supply chain, providing a world-class operational base that is fit for the future.
- ▶ To meet the market needs and to improve the quality and future export potential of our products, the manufacturing facility has to undergo balancing and modernisation and, as such, investment has been made day-to-day basis.
- ▶ Ensuring leaf and products in right place at the right time at the right quantity is a formidable logistical exercise for which BATB is highly committed.
- ▶ The nature of our business allows us to pool resources on a global scale and maximise efficiency.

MARKET



What We Do

We produce a range of products including: Benson & Hedges, John Player Gold Leaf, Pall Mall, Capstan, Star, Derby, Pilot and Hollywood. Our range of products covers all segments, from low to premium.



What Makes Us Different

We have a successful brand strategy based on sound consumer insights. Our portfolio of a good number of international as well as local brands is designed to meet a broad array of consumer preferences around the country, with the idea of delivering today and investing for tomorrow.

DISTRIBUTE



What We Do

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



What Makes Us Different

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

CONSUMERS

We place consumers at the heart of our business. We invest in world-class research to understand changing consumer needs and buying behaviour. This drives our supply chain, product development, innovations, brands and trade activities. We aim to satisfy consumers while addressing stakeholder expectations about how we should sell our products. We are developing innovative solutions to evolve our brand portfolio and create more differentiated products. This supports our aim to champion consumer choice and provide a range of products.



INNOVATION

We make significant investments in research and development to deliver innovations that satisfy or anticipate diverse preferences of consumers and generate growth for the business. We also research, develop and test new products to meet changing consumer needs. Specific targeted investments in new ventures, R&D projects, equipments and services all play a role in our short-term success and in the long-term development of our organisation. They support our strategic ambitions of achieving sustainable growth and working more productively by opening up new ways of working, helping to define new product areas and providing new opportunities for our people. We have research programme and our own laboratory plays a useful role in regular quality control and new innovations. Our work with scientists and public health professionals aims to secure widespread support for tobacco harm reduction, including the regulatory changes needed to bring reduced-risk products to the market.

OUR VALUE CHAIN

At BAT Bangladesh, our integrated business spans the full value chain comprising sourcing, processing/manufacturing, marketing, distribution and consumer-centric innovation. The key aspects of our value chain that enable us to create value comprise the following:



SOURCING

We engage with our farmer communities and provide extensive agronomy support through our wide range of solutions and services. The Company's leaf function starts with the commitment of around 38,000 registered farmers within the village community.

Our differentiator:

We have implemented a comprehensive Sustainable Tobacco Programme policy with an aim to apply the best local and international depot operations, leaf processing operations, environmental management, human rights and occupational health and safety standards encompassing our leaf operations.

Pg 182 Refer to it for more information on our farm sustainability initiatives.



MARKETING

We produce a range of branded products, including Benson & Hedges, John Player Gold Leaf, Capstan, Star, Derby, Pilot and Hollywood. Our range of products covers all segments of the market, from low to premium.

Our differentiator:

We possess a successful and time-tested brand strategy based on sound consumer insights. Our portfolio of a good number of brands is oriented to meet a broad array of consumer preferences around the country.



PROCESSING/ PRODUCTION

Processing/manufacturing tobacco products is a large-scale operation and we possess state-of-the-art manufacturing facilities in Bangladesh that enable us to produce best-in-class quality products in the country. We work to ensure that our costs are competitive and that we use our resources as efficiently as possible. Furthermore, we possess rich experience in ensuring leaf and products are in the right place, at the right time and in the right quantity, and for this, our formidable logistical infrastructure and resources team is highly committed to achieve these objectives.

Our differentiator:

Our production facilities are designed to meet the needs of an agile and flexible supply chain, providing a world-class operational base that is fit for the future. Also, the nature of our business allows us to pool resources on a global scale and maximise efficiency.

With a view to meet the market needs and to improve the quality and the future export potential of our products, investments have been made for the manufacturing facility to undergo balancing and modernisation.



DISTRIBUTION

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

Our differentiator:

We continuously review our route-to-market, including our relationships with wholesalers, distributors and logistics providers. We also encourage our distribution ecosystem to embed best practices and also to ensure comprehensive regulatory compliance. After meeting our domestic needs and in line with the Government's policy, we are exploring the prospect of export of tobacco leaf and tobacco-related products.



RESPONSIBLE CONSUMER PRACTICES

We place consumers at the heart of our business model. We invest in world-class research to understand changing consumer preferences and buying behaviours. This drives our supply chain, product development, innovation, brands and trade activities. We aim to satisfy consumers, while addressing stakeholder expectations about how we should sell our products. We are also developing innovative solutions to evolve our brand portfolio and create more differentiated products. This supports our aim to champion consumer choice and provide a range of products.



"2018 was an eventful year for BATB as the Company had to face multiple issues and challenges. The Board of Directors guided the Management and the Company to grow in the business and uphold the long term value creation for shareholders. The company strongly believes in corporate governance, supports Government initiatives to move forward towards being a middle-income country and sustain the growth potential."

Golam Mainuddin
CHAIRMAN



CHAIRMAN'S MESSAGE

Dear shareholders,

I welcome you to the 46th Annual General Meeting of your company and continue to take pride in your association with us. Like in the past, we will stay on a path that takes into cognisance the best interests of our stakeholders, while safeguarding the long-term value creation platform for our shareholders.

2018 overview

It is my pleasure to report that BAT Bangladesh continued to deliver on its commitment to a strong performance, with revenues growing 14% to Taka 23,312 crore and earnings per share increasing by 28% in 2018. The Board has approved a cash dividend of BDT 50 Per Share and 1:2 Bonus shares as stock dividend for 2018 at the Board meeting held on 11 March 2019. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company for 2018.

Despite the continued challenges from the external environment, we navigated the business with the accountability and responsibility that is expected of us. The end result was that we maintained our spot as one of the most valuable listed entities on the Dhaka and Chittagong Stock Exchange. Due to the 30% price increase in the low segment, the second half of 2018 was very tough with industry volume decline of 17% (low segment decline of 49%). This impacted Government revenue and Company profitability. If the Government does not intervene in low segment pricing, we foresee revenue decline in 2019/2020.

Going forward, as the leader of the domestic tobacco industry, we will continue to institutionalise our culture that celebrates diversity, respects inclusion, upholds regulations and reliably caters to evolving consumer preferences and choices.

Responsible navigation

The Company continued to face several challenges arising out of its operating environment. The government-led price hike in the low segment sharply impacted our category volumes through the growth of illegal cigarettes.

We continued to steer our enterprise in the direction of responsible value creation, with a very healthy profit growth. This result was



achieved due to the proactive guidance from our Board, strong leadership of our Managing Director, dedication of our Executive Committee members and the hard work of our diversified talent base in our company. An outstanding range of high-quality brands, vibrant supply chain network, effective cost management strategies and productivity improvement and machine utilisation initiatives across the Company influenced the overall results.

Unity in diversity

Women empowerment is an essential component to meet the objectives prescribed under the United Nation's Sustainable Development Goals (SDGs). In this respect, I am delighted to state that our Company is a model of inclusivity and diversity, where differences are encouraged to foster healthy discussions and nurture a collaborative approach to work. As a consumer-facing enterprise, this ability has enabled us to thrive in a culture of research and innovation, which has ultimately enabled us to meet the preferences of our consumers and cater to evolving consumption patterns.

We are proud that almost 14% of our staff comprises women, which is among the highest in any Fast Moving Consumer Goods (FMCG) company in Bangladesh. Furthermore, almost 29% of our women employees are in mid and senior management roles, which is testament to the tenacity, passion, knowledge and commitment they bring to the workplace. As a Company, we empower our women colleagues by offering all support that help them achieve their aspirations. These include extended maternity leave, day-care centre facilities, etc. I am also enthused by the success of our Symmetry program that has nurtured a culture where diversity of thought and opinion is celebrated.

Yet another facet that showcases our diversity is that we have people from as many as five nationalities working at our Company. We consider their experiences and insights as truly valuable in helping us assimilate global best practices. On the human resources front, we truly cherish our people resources, and 45 Bangladeshi managers are seconded to 27 countries, and time to time our factory floor employees/technicians are also going to BAT group companies in like Poland, Singapore and Fiji on short-term assignment to train their different category of employees.

Socio-economic impact

In 2018, as in the previous years, BAT Bangladesh maintained its position as one of the nation's most economically impactful business entities. Our contributions by way of taxes and various duties comprised 82% of our 2018 revenues. This represents a substantial resource base for Government mobilisation of initiatives around public welfare. Moreover, our contribution as a percentage of total tobacco industry contributions stood at 10%, while individually, we contributed 8% to the consolidated tax revenue base of the Governmental exchequer during the year, which makes the entity the highest individual taxpayer in the country.

Across our value chain, I'm proud of the fact that we are among the largest source of direct and indirect employment providers in the manufacturing ecosystem, supporting over 1.5 million livelihoods engaged in farming, production and retailing.

As part of our efforts in sustainable farming, we provide holistic agro-support to our farm communities, enabling them to deploy modern practices in soil, crop and yield management. Additionally, we are also initiating like-minded collaborations with a view to further engage our farming societies in agriculture.

With respect to our social investment practices, I'm proud that we are among the few in the country to embrace social responsibility initiatives as a fundamental part of our culture. Our clean water, renewable energy and afforestation programs have gathered such a momentum that we are humbled by the positive impact these are creating across 15,000 beneficiaries in economically-backward families.

Tobacco regulations

It is deeply disturbing that the year 2018 witnessed an influx of illicit cigarettes. The price increase in low segments had unintended consequences in terms of consumers shifting to cheaper illicit products, thereby undermining the public health objectives of the Government, as well as depriving the country of much-needed resources in terms of tax revenues.

Compared to other industries, the Government's tobacco pricing policy is influenced to a large extent to meet the projected budget gap. Though we understand that regulation is necessary, a corporate tax rate of 47.5% with the imposition of additional taxes and duties, including supplementary duty, HDSC and VAT, and no corporate tax differentiation between listed and non-listed company is not only discriminatory but also unjustified from a shareholder's point of view. We appeal to the Government to engage in a serious and comprehensive analysis of the impact of the illicit cigarettes trade and create regulations and policies that are balanced and evidence-based, which delivers public health policy goals, while also preserving the rights of adult consumers and upholds the economic interests of the legal tobacco business.

Governance and sustainability

A retrospective tax claim by the LTU (Large Tax Unit) of the NBR (National Board of Revenue) was advocated in our favour, which we believe will go a long way in reinforcing the trust placed by companies in the nation's judicial system and the Government. We have remained prompt in discharging our due tax obligations to the NBR and we will move forward to continue to assist in the tax revenue mobilisation efforts of the Government.

At BAT Bangladesh, good governance has been a longstanding priority. Continuing to meet all our obligations under various legal frameworks, the Company is delivering results with integrity and transparency. This is showcased in the fact that towards ensuring fulfilment of the requirements of Bangladesh Securities and Exchange Commission (BSEC) guidelines, the Corporate Governance Compliance was carried out and certified by Al-Muqtadir Associates, Chartered Secretaries, a reputed firm in Bangladesh.

Outlook

Despite the numerous challenges facing the legal cigarette industry, the Company remains committed to our vision of long term sustainability. The progress that we have made to-date gives us confidence to set a clear ambition for the future.

As a Company that is focused on augmenting public resources for general welfare, we are exploring the possibility of cigarette exports that will open up a new vista in terms of foreign exchange earnings, while also enabling the Government to diversify its exports basket.

We have steadfast confidence in our ability to efficiently manage our business in a dynamic operating environment and expect to continue delivering long-term value for all our shareholders. In moving forward, though we see new challenges, we are confident in overcoming these, thanks to the combination of our commitment to long-range sustainability and excellence in ethics and governance. We believe that a sustained dialogue with our regulators will help sustain a policy environment that will represent beneficial outcomes for all the concerned stakeholders. I am especially confident about this because our operating model is aligned to complement the developmental vision of Bangladesh. We are indeed focused on creating a balance for a better Bangladesh.

Acknowledgements

I would like to extend my sincere appreciation to my fellow Directors on the Board for their continued support, guidance and valuable insights through the years. I treasure their wisdom and unstinted support. I would also like to especially thank the Government of Bangladesh for their support and cooperation and consider ourselves as partners to the nation's growth manifesto. I acknowledge the authentic enthusiasm and commitment of our employees and am proud of the way they are upholding our high standards of ethics and integrity. Finally, a special thanks to our investors and shareholders, customers, distributors and business partners for placing their faith and trust in us.

With my best wishes,

Sd/-


Golam Mainuddin
CHAIRMAN




PERFORMANCE, 2018


During the first half of 2018, BAT Bangladesh demonstrated robust operational resilience, supported by a diverse talent pool that was united in cost efficiency of strengthening brand relevance and expanding market presence. But the second half of 2018 was difficult due to significant increase of illicit trade especially in low segment and price increase in budget 2018-19.

REVENUES	PROFIT BEFORE TAX	NET PROFIT	LOW SEGMENT VOLUME
14% ▲ 23,312 CR.	15% ▲ 1,931 CR.	28% ▲ 1,001 CR.	26% ▼ 17.3 BILLION


 Achieved good progress in our strategy

 Enhanced manufacturing quality to Q2S specifications

 Launched 'Battle of Minds' on a global level

 Packed highest-ever volume of premium green tobacco

 Embedded successfully SOx controls

 Attained improved gender balance with greater senior-level women participation

All metrics are in Taka, unless otherwise stated.



“Our business strategy complemented by the right focus behind our portfolio, capacity, community development and most importantly human resources have enabled us to deliver satisfactory shareholders' return and contribute proudly towards the sustainable development goals of the country with the overarching aim of building a better Bangladesh.”

Shehzad Munim
Managing Director

MANAGING DIRECTOR'S STATEMENT

Dear Shareholders,

2018 was yet another splendid year for BAT Bangladesh, as the company delivered strong business results amidst a very competitive environment and challenging operating landscape. As one of the leading corporates in Bangladesh, BATB always believes in staying ahead of the curve and establishing progressive standards for others to follow. The operating results of 2018 are a true testament of our commitment towards building on the company's rich legacy of strong shareholder returns. Complementing our financial performance are our increasing contributions to the national exchequer and our continued excellence in leading the tax compliance journey of the cigarette industry in Bangladesh. BATB is also very proud to contribute towards the economic development journey of the country through its support in the development of skilled human resources, globally integrated work practices, environmentally sustainable business operations and several other of the government's sustainable development goals for the overarching purpose of building a better Bangladesh.

Business Results for 2018

The management is pleased to report another successful year of revenue growth, supported by profit and earnings growth. The company recorded a Gross Turnover of BDT 23,312 crore in 2018, up 14% from last year. This increase was driven mostly by the value growth in the top segments which was achieved despite the immense challenges faced in the low segment due to the strong growth of duty evaded cheap brands since the last national budget when the minimum legal price was increased by 30%.

The company's profit before tax stood at BDT 1,931 crore, going up by 15% from last year due to better brand mix, effective cost management and productivity savings. Net profit after tax was BDT 1,001 crore, an increase of 28%. The company also contributed BDT 19,133 crore to the government exchequer, an increase of 18% over last year which enabled us to retain our position as the largest taxpayer in the country.



Pavillion besides BATB play ground

We continued our export journey of unmanufactured tobacco in 2018, achieving a commendable export value of USD 29 million (BDT 244 crore). To further enhance shareholders' equity and ensure diversification, the company aims to build on this success and explore opportunities for exporting factory made cigarettes in 2019. Through these export initiatives, BATB would also be supporting the Bangladesh government in earning much desired foreign remittance.

Our People- Always at the Core of our Business

At BATB, employees have always been at the core of our business and the major driving force for the company since its inception. BATB takes immense pride in employing around 1,500 people directly and engaging approximately 1,350,000 people indirectly as farmers, distributors, suppliers and retailers, all of whom together make us one of the most preferred employers in the country. The company believes in achieving strength through diversity which is reflected through the 116 female representation within the workforce, with 29% of the Company's leadership roles being ably held by women talent. The company also holds the distinction of being awarded as the 'Most Female Friendly Organization' in 2018.

Building on its rich legacy of developing business leaders, BAT Bangladesh is one of the top exporters of talent to the BAT group with 45 BATB managers currently working in key roles across several countries. The very recent appointment of Rumana Rahman as the Regional Head of Human Resources for Asia Pacific and Middle Eastern markets comprising of 27 countries is also a remarkable achievement and a visible testimony to the potential of our talent in BAT Bangladesh. The Regional Head of HR, APME position is also one of the highest posts held by any Bangladeshi talent within global MNCs.

It is also worth mentioning that one of BATB's flagship initiative Battle of Minds (BoM) was taken to the global stage in 2018. BoM, a true Bangladeshi initiative was successful in setting standards at the global stage, with our participants from Bangladesh making us prouder by becoming champions at the inaugural event finale held in London. All of the above put together has enabled BAT

Bangladesh to earn the prestigious title of 'Top Employer' in Bangladesh for 2018, certified by the renowned global Top Employer Institute. BATB is the first company from Bangladesh to be awarded by the Top Employer Institute.

Products & Services

Over the years, we have remained tuned to the consumers' evolving need for progressive offers and matched them through the launch of Bangladesh's first ever capsule-based product in Benson & Hedges Switch, followed by capsule offer in John Player Gold Leaf Switch. More recently, Benson & Hedges and John Player Gold Player brands launched first ever Tube filter products in Bangladesh – Benson & Hedges Platinum and John Player Gold Leaf HD respectively. All these offers complement the already established ones such as Benson & Hedges Blue Gold and John Player Gold Leaf Special. Star Next in the high segment is our progressive offer for consumers looking for more value for money. The relatively newer products launched in recent years are performing and delivering faster revenue growth for the Company.

We aim to continue staying up-to-date with consumer trends and delivering brands and offers that will satisfy consumers of today and tomorrow.

Approach to Sustainability

With a successful 108 years' experience of operating in Bangladesh, BATB believes in the strategy of delivering business growth with integrity to invest for a sustainable future. With the right strategy, production capability, portfolio and most importantly people, I am confident that we will be able to continue delivering sustainable value for our shareholders.

Competition was fierce in 2018 and we were happy to compete fairly, but we hope to see further increase in industry compliance as international companies enter Bangladesh. In 2019, our primary four focus areas of growth, productivity, winning organization and sustainability remain constant. We have

also been recognized both locally and globally in 2018 for several achievements in the fields of corporate governance, corporate social responsibility, process excellence and human resources development.

As a company, we strongly support the government's ambition of becoming a middle-income country by 2024 and would like to continue providing our support for the cause through enhanced exports, increased FDIs and investments in CSR initiatives aligned with the country's Sustainable Development Goals.

Approach to Governance

The practice of good governance has been embedded into our company's culture since inception. We pride ourselves in being one of the most law-abiding companies in the country operating within the various frameworks we are bound by and delivering results with integrity. We believe in transparency for abiding by all laws and regulations of the country and support sensible and enforceable regulations.

Our Concerns

Illicit Trade

Illegal cigarette brands remain a significant threat to the revenue growth of the government and the overall sustainability of the industry. Aggressive price and tax increase in the low segment during the 2018-19 national budget have paved the way for numerous illicit cigarette brands to flourish, causing an estimated revenue loss for the government of over BDT 2,000 crore. There have been examples of such rapid growth of illicit brands across many neighboring countries as well, like Malaysia where 60% of the cigarette industry now comprises of illicit brands, depriving the government of millions of dollars of tax revenue. Although the Bangladesh government has conducted a few successful enforcements against illegal cigarettes since the second half of 2018, we believe there remains a lot more scope for intervention towards ensuring a level playing field for legit operators.

We also expect the government to introduce a total tobacco product tax and compliance

approach where all tobacco products are covered under the same set of regulatory measures and tax regime.

Corporate Tax Rate

Tobacco product is already taxed in the form of Supplementary Duty, VAT and Health Development Surcharge. Total indirect tax on average accounts for 77% of our Gross Turnover. In the Premium segment, indirect taxes comprise of 81% of the price. The 47.5% corporate tax in the sector is by far the highest in the country and is deemed unjustified by the shareholders. Being a publicly listed company, BATB has long been disadvantaged from the 10% relief of corporate tax. Moreover, the government has imposed an additional 2.5% surcharge on top of our current tax rate of 45%. Such duplication of tax is against the principal of encouraging investors' confidence in the stock market. The company believes that with the new government coming in, investment friendly, pragmatic and progressive taxation policies will be reinstated in the upcoming national budget for the sustainability of industry and its shareholders.

Our Gratitude

I express my sincere thanks to all the shareholders of the company for upholding their confidence in us and our employees for providing their valuable contribution to BATB throughout 2018. The guidance from our Board of Directors have always been instrumental in shaping the success of the company. We are also grateful to the millions of our consumers who have been with us and appreciated our products throughout 2018. We aim to passionately continue building value for our consumers and shareholders in the future.

Sd/-

Shehzad Munim
Managing Director



Bonayan — Largest private sector driven afforestation initiative

Balance for a Greener Bangladesh

At BAT Bangladesh, our Bonayan afforestation program is a one-of-its-kind in the country, which has ensured an expansive green cover. This has helped create a vast carbon sink that not only contributes to environmental sustenance but also offers lucrative economic return to the beneficiaries.



Under Bonayan, BAT Bangladesh has distributed 99.7 mn saplings free of cost across the country which is the largest afforestation program by a private organization

- Enhancing the environment through tree plantation
- Increasing economic benefits
- Supplying adequate food from plants
- Bringing positive impacts on health through medicinal plants
- Improving livelihoods

99,700,000

Saplings Distributed Since 1980

BOARD OF DIRECTORS



Mr. K. H. Masud Siddiqui
Independent Director

Mr. Kazi Sanaul Hoq
Non-Executive Director

Mr. William Pegel
Finance Director

Sitting from Left to Right:

Mr. A. K. M. Aftab Ul Islam
Independent Director

Mr. Golam Mainuddin
Chairman

Standing from Left to Right:

Mr. Mohammad Moinuddin Abdullah
Non-Executive Director
(w.e.f 11th March 2019)

Mr. Mikail Shipar
Independent Director
(resigned on 11th March 2019)

Mr. Md. Abdul Halim
Non-Executive Director

Mr. Md. Azizur Rahman FCS
Head of Public Affairs & Company Secretary

Sitting from Left to Right:

Mr. Shehzad Munim
Managing Director

Ms. Tahmina Begum
Non-Executive Director

BOARD OF DIRECTORS' PROFILE

At BAT Bangladesh, the diversity, experience and knowledge of our Board represents the Company's principal asset. As part of its general oversight function, the Board takes the lead on decisions regarding governance and compliance with all legislations and statues, long-term strategy and on formulating the most appropriate social responsibility policies.



Mr. Golam Mainuddin
CHAIRMAN

Background

Mr. Golam Mainuddin has been the Chairman of British American Tobacco Bangladesh since August 2008. After obtaining his Master of Science degree from Dhaka University, Mr. Mainuddin was a part of the agro-based industry for 28 years, following which he switched to corporate management in which he has been engaged since the past 20 years. With humble beginnings comprising a role as a tea garden manager at Duncan Brothers from 1969 to 1982, he then joined BAT Bangladesh and was soon promoted as Head of Leaf in 1985.

Date of appointment to BATB Board

Mr. Mainuddin was appointed to the Board of Directors in 1986 and was entrusted with the responsibility of Deputy Managing Director in 1997.

Achievements

Over the last 35 years in BAT Bangladesh, Mr. Mainuddin has held various responsibilities. He was instrumental in the Company's tobacco production achieving self-sufficiency, while also laying down the groundwork for focus on quality improvements to meet international standards. This helped the Company provide world-class products in Bangladesh, while also facilitating exports that helped drive the wider introduction of Bangladeshi tobacco in the world markets. He also played a pivotal role in popularising the tree plantation program of BAT Bangladesh, which was widely recognised throughout the country. Mr. Mainuddin has been selected as a CIP (Commercially Important Person) by the Government of Bangladesh (since 2010). Mr. Golam Mainuddin was awarded with "Life Time Achievement Award" by the Asia's Best Employer Brand Awards organization.

Other responsibilities

- ▶ Mr. Mainuddin is a Director of Federation of Bangladesh Chamber of Commerce & Industries (FBCCI)
- ▶ He is the Vice-Chairman of Bangladesh Cigarette Manufacturer's Association and in this position he has strived to create a level playing field for all the legally-established cigarette manufacturers of the country
- ▶ He is a Director in Advanced Chemical Industries (ACI) Bangladesh
- ▶ He is a Director in IIFC (Infrastructure Investment Facilitation Company) under the aegis of the Ministry of Finance, Government of Bangladesh
- ▶ He is the Vice-President of Metropolitan Chambers of Commerce and Industries (MCCI)



Mr. Shehzad Munim
MANAGING DIRECTOR

Background

Mr. Shehzad Munim joined BAT Bangladesh as a Territory Officer in 1997, after graduating from the Institute of Business Administration (IBA), University of Dhaka.

Date of appointment to BATB Board

Mr. Munim was appointed to the Board of Directors in the year 2010.

Achievements

Mr. Munim worked in various marketing roles within BAT Bangladesh before taking up assignments in BAT New Zealand as Group Brand Manager in 2003 and, subsequently, taking over the role of Head of Brand Marketing in 2005. In 2006, he was engaged as a Manager in product and packaging innovation in Sydney. He subsequently returned to Bangladesh as Head of Brand and was appointed as Head of Marketing. In 2010, he took over the role of Area Head of Marketing for South Asia. Thereafter, he was appointed as the Managing Director of BAT Bangladesh in 2013 and is the first Bangladeshi to become the Managing Director of BAT Bangladesh.

Other responsibilities

In 2017, Mr. Munim was elected as the President of Foreign Investors' Chamber of Commerce & Industry, a representative body of 180+ foreign companies operating in Bangladesh and a prestigious business chamber of the country with a heritage of over 50 years.



Mr. Mohammad Moinuddin Abdullah
INDEPENDENT DIRECTOR

Background

Mr. Mohammad Moinuddin Abdullah obtained his Honors and Master's Degree in Soil Science from the University of Dhaka. In 1994, he received international training on 'Planning & Appraisal of Rural Development Project' in the UK.

Date of appointment to BATB Board

Mr. Abdullah was appointed as an Independent Director to the Board of Directors in October 2012.

Achievements

Mr. Abdullah joined the Administration Cadre of Bangladesh Civil Service in 1983. He was appointed to the Ministry of Agriculture in March 2016 as a Secretary and then was promoted to the Senior Secretary. Before that, he was appointed as:

- ▶ Secretary of the Ministry of Housing & Public Works in 2014
- ▶ Secretary of the Ministry of Industries in 2012
- ▶ Divisional Commissioner of Dhaka in 2010
- ▶ Director General of Prime Minister's Office as Additional Secretary in 2009
- ▶ Joint Secretary of Cabinet Division in 2008
- ▶ Chairman of KAFCO for more than two years when he was the Secretary in the Ministry of Industries.

Apart from holding these positions, Mr. Abdullah was also 'Syndicate Member' of Jahangirnagar University, Jatiya Kabi Kazi Nazrul Islam University and Dhaka University of Engineering and Technology. He was also appointed as the 'Regent Board Member' of Bangabandhu Sheikh Mujibur Rahman Science & Technology University while he was serving as Divisional Commissioner of Dhaka.

Other responsibilities

Mr. Abdullah is involved with several social and educational organisations engaged in the development of the country.





Mr. K. H. Masud Siddiqui
INDEPENDENT DIRECTOR

Background

Mr. K. H. Masud Siddiqui joined in Bangladesh Civil Service in 1982 after completing his Master's from the University of Dhaka. He also earned his MA degree in Economics from the University of Manchester, UK. He further received a Post Graduate Diploma in Development Administration and Management from the UK.

Date of appointment to BATB Board

Mr. Siddiqui joined the Board of Directors as Independent Director in October 2010, representing the Government, a shareholder of the Company. Mr. Siddiqui is also the Chairman of the Company's Nomination and Remuneration Committee. Mr. Siddiqui was reappointed as an Independent Director to the Board of Directors in October 2018.

Achievements

Mr. Siddiqui was appointed as Secretary of the Ministry of Industries on September 2010 and then as Secretary of Ministry of Liberation War Affairs in 2012. At this time, Mr. Siddiqui was re-appointed as the Independent Director of BAT Bangladesh, as well as a member of the Company's Audit Committee. Before this, Mr. Siddiqui led Bangladesh Chemical Industries Corporation as its Chairman. During his successful stint in the civil services for almost 34 years, he held several important positions at both the field administration level and in different ministries. He also worked in the Prime Minister's Office in the capacity of a Director.

Other accomplishments

Mr. Siddiqui is a distinguished writer. He has five publications to his credit, including Lok Shadhonar Sangskriti, Tasauf and Other Contexts, Malgoody Days and Bihongo Abolokon.



Mr. A. K. M. Aftab Ul Islam FCA
INDEPENDENT DIRECTOR

Background

Mr. A. K. M. Aftab Ul Islam, a FCA and LL.B, began his career at NCR Corporation, a US-based multinational company, and launched his own business under IOE (Bangladesh) Ltd in 1996.

Date of appointment to BATB Board

Mr. Islam was appointed as an Independent Director to the Board of Directors in 2019.

Achievements

With his spectacular achievements in the IT sector, Mr. Islam was elected as the President of the Bangladesh Computer Samity and played a pivotal role in the development of Bangladesh's IT sector. He was elected as the President of Dhaka Chamber of Commerce and Industry (DCCI) following his contributions to the ICT sector. Mr. Aftab was also elected as President of the American Chamber of Commerce in Bangladesh (AmCham) thrice and was instrumental in attracting substantial FDI in Bangladesh. Mr. Islam is a former Chairman of the Small and Medium Enterprise (SME) Foundation and former Board member of Chittagong Stock Exchange (CSE), among other reputed organisations.

Other responsibilities

Currently, Mr. Aftab is serving as a Director of the Board of Bangladesh Bank, Director of the Federation of Bangladesh Chamber of Commerce & Industry (FBCCI), member of Governing Body in Institute of Business Administration, Dhaka University and member of the Advisory Council of BRAC Business School of BRAC University.



Mr. Mikail Shipar
INDEPENDENT DIRECTOR

Background

Mr. Mikail Shipar possesses vast experience in administrative duties, including magistracy and field administration. He was awarded his MS degree in Agricultural Extension from Institute of Post Graduate Studies in Agriculture, Gazipur, Dhaka. In 1981, he graduated from Bangladesh Agricultural University, Mymensingh. He also received training in Agricultural Research Management in Hyderabad, India, and Women in Development from AIT, Bangkok.

Date of appointment to BATB Board

Mr. Shipar has been serving as an Independent Director to the Board since March 2016.

Achievements

Mr. Shipar joined the Bangladesh Civil Service, Administration Cadre, in 1983. He was the Secretary of the Ministry of Labour and Employment, Government of Bangladesh, from February 2012 to October 2017. He also held the post of Director General (Administration) in the Prime Minister's Office. Moreover, he has experience in the diplomatic field, being appointed as the First Secretary in the Bangladesh Deputy High Commission in Kolkata, India.

Other responsibilities

In his versatile experience, Mr. Shipar was the National Commissioner of Bangladesh Scouts and also held the position of Chairman of Governing body of Dhaka Women's College, Uttara.



Mr. Md. Abdul Halim
NON-EXECUTIVE DIRECTOR

Background

Mr. Md. Abdul Halim obtained his MBA degree in Human Resources and also an MCom in Management from Dhaka University. He has vast working experience of more than 32 years in diverse fields, such as public administration, human resources and financial management. Mr. Halim has proven ability in public policy formulation, implementation, organisational modelling, innovation and improving the culture in the public sector.

Date of appointment to BATB Board

Mr. Halim has been serving as a Non-Executive Director to the Board since 2018.

Achievements

Mr. Md. Abdul Halim, Secretary, Ministry of Industries, Government of the People's Republic of Bangladesh is a career civil servant. He took over the charge of Secretary in August 2018. Prior to current position, Mr. Halim was:

- ▶ Director General (Additional Secretary), Governance Innovation Unit, Prime Minister's Office (6/20102-8/2018)
- ▶ Deputy Secretary, Ministry of Posts and Telecommunications (9/2008-10/2010)
- ▶ Deputy Commissioner & District Magistrate, Magura (11/2006-8/2008)
- ▶ Deputy Secretary (O&M), Ministry of Public Administration (4/2005-10/2016)
- ▶ Deputy Director (Deputy Secretary, Anti-Corruption Commission (4/2005-10/2016)
- ▶ Additional Deputy Commissioner, Chandpur in (4/2001-3/2003)
- ▶ Senior Assistant Secretary, Finance Division, Ministry of Finance in (6/2000-7/2001) & others.

Mr. Halim's contributions were recognised when he was bestowed with the prestigious Public Service Award as the team leader of the Governance Innovation Unit and Recognition Award from the High Commission of Canada for the Governance Innovation Unit's contribution in preventing child marriage and gender-based violence in Bangladesh.

Other responsibilities

Today, Mr. Halim is engaged in several initiatives that are contributing to the growth and development of Bangladesh.



Ms. Tahmina Begum
NON-EXECUTIVE DIRECTOR

Background

Ms. Tahmina Begum, Additional Secretary, Finance Division, is a part of the Bangladesh Civil Service (Administration Cadre) 1985 batch. She holds a Honors and Master's Degree in Sociology from the University of Dhaka. Over the years, she has accomplished a number of professional trainings and courses in Bangladesh and abroad.

Date of appointment to BATB Board

Ms. Begum has been serving as a Non-Executive Director to the Board since 2018.

Achievements

Having professional knowledge and experience on matters of expenditure control of revenue budget, administration and governance, Ms. Begum is a proficient civil servant with a prominent career of 31 years. Prior to this appointment, she served as Joint Secretary, Deputy Secretary and Senior Assistant Secretary to the Finance Division. She had the opportunity to work in different ministries of the Government. She served in the Ministry of the Health and Family Welfare as Senior Assistant Secretary as well as Assistant Secretary. She also worked in Rural Development and Cooperative Division as Senior Assistant Secretary. She has the knowledge and experience of serving in both field administration as well as secretariat.

Other responsibilities

As part of her broader public responsibilities, Ms. Begum was appointed as Upazila Magistrate of Delduwar Upazila of Tangail District earlier. She joined the Bangladesh Civil Service as Assistant Commissioner and Magistrate of Tangail.



Mr. Kazi Sanaul Hoq
NON-EXECUTIVE DIRECTOR

Background

Mr. Kazi Sanaul Hoq completed his BCom (Hons) and MCom in Accounting from the University of Dhaka.

Date of appointment to BATB Board

Mr. Hoq has been serving as a Non-Executive Director to the Board since 2017.

Achievements

Mr. Hoq started his career as a Senior Officer in Investment Corporation of Bangladesh (ICB) in October 1984 and served in different positions in the organisation. With such humble beginnings, he was appointed as Managing Director of ICB in August 2017 and Chairman of ICB Capital Management Ltd. During his career span, he served in different banks and financial institutions. He served as Managing Director (Current Charge) and Deputy Managing Director at Agrani Bank Ltd. In addition, he also served as General Manager at BDBL and RAKUB. He served as the CEO of ICB Securities Trading Company Ltd and was also appointed as Managing Director at Rajshahi Krishi Unnayan Bank (RAKUB).

Other responsibilities

Mr. Kazi Sanaul Hoq serves as the Director in such prestigious institutions as:

- ▶ Linde Bangladesh Limited
- ▶ GlaxoSmithKline Bangladesh Ltd. (GSK)
- ▶ Renata Limited
- ▶ Bangladesh Krishi Gobeshona Endowment Trust (BKGET)
- ▶ Credit Rating Agency of Bangladesh Ltd. (CRAB)
- ▶ Credit Rating Information and Services Ltd. (CRISL)
- ▶ Standard Bank Limited
- ▶ National Tea Company Limited
- ▶ Apex Tanary Limited
- ▶ Central Depository Bangladesh Ltd. (CDBL)



Mr. William Pegel
FINANCE DIRECTOR

Background

Mr. William Pegel joined British American Tobacco Bangladesh as Finance Director in 2014 and has been instrumental in creating stronger financial foundations of the Company. He is a Certified Chartered Accountant from the South African Institute of Chartered Accountancy.

Date of appointment to BATB Board

Mr. Pegel was appointed to the Board as Finance Director in 2014.

Achievements

Mr. Pegel possesses over 21 years of rich experience in various BAT companies and was appointed to the role of Finance Director in various end markets, including New Zealand, Papua New Guinea and Ghana, and has held senior finance roles within BAT Australia and BAT South Africa since 1996.

Other responsibilities

Prior to joining BAT Bangladesh, Mr. Pegel was an integral member of the Australasian Finance Leadership Team and Supply Chain Leadership Team, displaying strong leadership and business acumen.



Mr. Md. Azizur Rahman FCS
HEAD OF PUBLIC AFFAIRS & COMPANY SECRETARY

Background

Mr. Md. Azizur Rahman is a Fellow Chartered Secretary (FCS) and elected Council Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). After obtaining his Master's Degree in Accounting from the University of Dhaka, he completed the Chartered Accountancy course at ICAB.

Achievements

Mr. Rahman joined BAT Bangladesh in March 2002 in the Company Secretarial function. In his 26-year career span, he took the challenge of engaging in cross-functional assignments, which refined his expertise in various areas like corporate affairs, finance, audit, legal, intellectual property rights, land management, corporate banking and records management. Apart from his diverse role as Head of Public Affairs & Company Secretary, he is also Secretary of the Audit Committee, Board CSR Committee, NRC and Trust Funds of the Company. As someone who believes in education-driven empowerment, Mr. Rahman is a visiting lecturer on corporate affairs in different private universities and professional institutes. He also conducts various professional management courses for professionals.

Other responsibilities

In his capacity as the Director General of Intellectual Property Association of Bangladesh (IPAB) and Vice-Chairman of IP Committee of FBCCI, Mr. Rahman works with various national and international organisations for addressing IPR issues in Bangladesh. He has also been selected as the Chairman of Audit Committee and Seminar Committee of ICSB.



EXECUTIVE COMMITTEE



From Standing Left:

Mr. Golam Safwat Choudhury
Head of Marketing

Mr. Huseyin Ozsan Ozbas
Head of Operations

Mr. William Pegel
Finance Director

Mr. Shahed Zubair
Head of Business Development

From Sitting Left:

Mr. Saad Jashim
Head of Human Resources

Mr. Shehzad Munim
Managing Director

Ms. Mubina Asaf
Head of Legal & External Affairs

EXECUTIVE COMMITTEE MEMBERS' PROFILE



Mr. Shehzad Munim
Managing Director

Mr. Munim joined BAT Bangladesh as a Territory Officer in 1997 after graduating from the Institute of Business Administration (IBA), University of Dhaka. He worked in various marketing roles within BAT Bangladesh before taking up assignments in BAT New Zealand as Group Brand Manager in 2003 and subsequently taking over the role of Head of Brand Marketing in 2005. In 2006, Mr. Munim was engaged as a Manager in the role of product and packaging innovation in Sydney, before returning to Bangladesh as Head of Brand and subsequently as Head of Marketing. In 2010, he took over the role of Area Head of Marketing for South Asia. He was appointed as the Managing Director of BAT Bangladesh in 2013 and is the first Bangladeshi to become the Managing Director of BAT Bangladesh. In 2017, he was elected as President of Foreign Investors' Chamber of Commerce & Industry (FICCI). FICCI is a representative body of 180+ foreign companies operating in Bangladesh and has a rich heritage of over 50 years.



Mr. William Pegel
Finance Director

Mr. Pegel joined British American Tobacco Bangladesh as Finance Director in 2014. He possesses over 21 years of rich experience in various BAT companies and was appointed to the role of Finance Director in various end markets, including New Zealand, Papua New Guinea and Ghana, and has also held senior finance roles within BAT Australia and BAT South Africa, since 1996. Prior to joining BAT Bangladesh, Mr. Pegel was an integral member of the Australasian Finance Leadership Team and Supply Chain Leadership Team.



Mr. Huseyin Ozsan Ozbas
Head of Operations

Mr. Ozbas was appointed as Head of Operations in August 2016 and he brings diverse experience of more than 21 years in operations. He joined BAT in 2002 as part of the startup team to set-up the Izmir factory. He has performed various roles across manufacturing, quality and engineering in Turkey before moving to Australia for his first overseas assignment. In mid-2008, he moved back to Turkey as Production Manager of the Samsun Factory, following the Tekel acquisition. He played a key role in Samsun, being a part of its overall transformation journey. Subsequently, he moved to Egypt as Head of Operations in the beginning of 2013, and later took over the role of Area Head of Operations for North Africa, before moving to Bangladesh. Mr. Ozbas is now leading the transformation journey of BAT Bangladesh's operations, which has emerged as the largest crop-to-consumer model in the Group.





Ms. Mubina Asaf

Head of Legal & External Affairs

Ms. Asaf possesses over 20 years of rich experience in the legal profession. Before joining BAT Bangladesh, she worked in the Attorney General's Office of the Government of Bangladesh, first as an Assistant Attorney General and then as Deputy Attorney General for more than seven years. Before this, she was appointed as an Associate of Rokanuddin Mahmud and Associates, one of the most reputed law firms of Bangladesh. She is enrolled as an Advocate of the Dhaka District Court, High Court Division and Appellate Division of the Supreme Court of Bangladesh.



Mr. Saad Jashim

Head of Human Resources

Mr. Jashim joined BAT Bangladesh in 2006 as a Territory Officer after completing his Bachelor of Business Administration from Institute of Business Administration, University of Dhaka. In 2008, he moved to the role of HR Executive, Industrial Relations & Welfare, and, since then, has performed a number of business partner roles across all the functions of BAT Bangladesh. In 2013, he took over the role of Organizational Effectiveness Manager in BAT AsPac before taking over the role of HR Business Partner - Marketing in 2015. He also executed talent management for BAT Bangladesh in 2016 as Senior HR Business Partner. He eventually moved to the role of Senior HR Business Partner Operations & Corporate in 2016. He was appointed as the Head of HR in February 2019.



Mr. Shahed Zubair

Head of Business Development

Mr. Zubair completed his Bachelor's in Electrical and Electronics Engineering from Bangladesh University of Engineering and Technology (BUET), Dhaka, and Master of Business Administration from the Institute of Business Administration (IBA), University of Dhaka. He joined BAT Bangladesh in 2007 as Corporate Communications Manager. Before joining BAT, he served in Nestle, Unilever and Banglalink, gaining diverse knowledge and experience. Thereafter, he moved to the role of Regulatory Affairs Manager in 2007 and was then transferred to BAT Australia to work as Area Internal Communications Manager as well as Strategy and Planning Manager in Corporate and Regulatory Affairs (CORA) function. He has over 23 years of strong experience in global FMCG and telecommunications sectors. Mr. Zubair rejoined BAT Bangladesh as Head of Corporate and Regulatory Affairs in 2012. In 2016, he took over the role of Head of Business Development.



Mr. Golam Safwat Choudhury

Head of Marketing

Mr. Choudhury joined BAT Bangladesh as a Territory Officer in 2002 after completing his Master's degree from the Institute of Business Administration (IBA), University of Dhaka. He worked in various roles within BAT Bangladesh's Marketing division before being appointed in BAT South Korea as Group Brand Manager for Dunhill. In 2015, he took up the challenge as Area Head of SP&I in South Asia Area. In 2018, he moved to the role of Regional Planning Manager APME. He eventually returned to BAT Bangladesh as Head of Marketing in 2019.

STEERING GROUP

The Company's Steering group comprises members who are engaged with the day-to-day functioning, leading their respective teams with a performance-oriented approach.



From Left to Right:

Mr. Kazi Mushfiqur Rahman
Group Brand Manager - VFM & Low

Mr. Khaled Rahman
Corporate Finance Controller

Ms. Farah Zabeen
Project Manager, Operations

Mr. Mehedi Arif Mozzamel
Programme Manager Evolution & Change

Mr. Sheikh Shabab Ahmed
Head of External Affairs

Mr. Ibrahim Sheikh
Project Manager- Auctus

Mr. Md Azizur Rahman
Head of Public Affairs & Company Secretary

Mr. Fazle Rabbi Chowdhury
Head of SP&I

Mr. Syed Mahub Ali
Head of Trade Marketing & Distribution

From Right to Left:

Mr. Shabab Ahmed Choudhury
Commercial Finance Controller - Operations

Mr. Ilker Ogretir
Head of Manufacturing

Ms. Adrita Datta
Senior HR Business Partner- Operations

Mr. Mokhlesuzzaman
Project Manager – Operations

Mr. Sazzad Hossain
Consumer Product Manager

Mr. Dewan Ashrakat Hossain
Commercial Finance Controller-Marketing

Mr. Rajiv Ahmed
Group Brand Manager - Premium & AP

Mr. Hasnain Ishtiaq
Supply Chain Manager

Mr. Zahurul Haque Sarker
Head of Leaf

Top Employer– Pioneering Benchmark People Practices in Bangladesh

At BAT Bangladesh, we believe that people make the organisation. Our people practices enable empowerment, leading to a thriving, collaborative and engaged workplace. Also, we promote diversity that fosters innovation, representing our edge in a competitive market environment.



At BAT Bangladesh, we received the prestigious 'Top Employer' award, certified by the Top Employers Institute. This honor is a recognition of our people practices, reinforcing our stature as an employer of choice. The award has also strongly validated the impact of our people strategies.



- Best in class people practices in the country
- Strategic talent acquisition and development.
- High performance culture - engaged & energized organization
- Benchmark practices in reward, recognition & employee care
- Embracing strength in diversity

CORPORATE FOCUS

OUR STRENGTHS

At BAT Bangladesh, we are an enterprise that represents the coming together of various strengths that have enabled us to create a formidable business that is rooted in governance, accountability and sustainable value creation.



BRANDS

Our consumer-relevant innovation has enabled us to nurture brands that are category leaders.



PEOPLE AND CULTURE

We endeavour to attract, develop and retain talented people that enable us to sustain our winning culture. Furthermore, we are a gender-inclusive and meritocratic organisation that respects participation, performance and ethics.



FARM INITIATIVES

Our integrated business model begins with robust agronomy support that we extend to our registered farm communities and, over the years, our supportive interventions have enabled transformation in farm economics.



MARKETS

We possess diversified presence with our branded products available across Bangladesh. We have a strong distributor network and we engage in a partnership-oriented approach with this important constituent that ensures the availability of our products in the market.



REGULATORY COMPLIANCE

We foster a culture of high compliance that seeks to align with regulations. We also engage in a positive dialogue with our regulatory bodies to bring to their notice market distortions.



INNOVATION

Aligned with our Group principles, we have a strong emphasis on consumer-centric innovation that enable us to meet the evolving preferences of our consumers.

KEY FINANCIAL METRICS

At BAT Bangladesh, our proven business model, geographic diversity, strong brands and talented human resources enabled us to continue to deliver our strategy, reflected in good performance in 2018. However second half of 2018 was difficult especially low segment volume decreased by 26% from last year due to illicit trade as a consequence of price increase in the national budget.

FINANCIAL INFORMATION

CIGARETTE VOLUMES

51 Billion
-3%

2017: 53 Billion

REVENUES

23,312 Crore
+14%

2017: 20,414 Crore

OPERATING PROFIT

2,082 Crore
+17%

2017: 1,780 Crore

PROFIT BEFORE TAX

1,931 Crore
+ 15%

2017: 1,676 Crore

PROFIT AFTER TAX

1,001 Crore
+28%

2017: 783 Crore

EARNINGS PER SHARE (BASIC)

166.87
+28%

2017: 130.50

DIVIDEND PER SHARE

BDT **50** cash dividend

1:2 stock dividend

2017 : Cash dividend of BDT 60



OUR OPERATING ENVIRONMENT

The domestic market's size is pegged at about Taka 300 bn, with the industry being one of the most highly regulated in the world.

Tobacco regulations

The tobacco industry is highly regulated in Bangladesh, with tobacco subject to extensive product, marketing and taxation requirements. Regulations cover almost all facets of the business, majorly comprising taxation and pricing.

Over the last few years, the country's legal tobacco industry has witnessed the introduction of hostile regulations. For instance, in the 2018 Budget, the Government effected an almost 30% increase in Govt.-driven price hike in the legal lower-end cigarette category, resulting in a highly volatile operating environment that will further hamper our commercial interests.

In the face of this inimical external environment, as a responsible tobacco enterprise, we will continue to support balanced and evidence-based regulations that meet public health objectives, while also ensuring livelihood sustenance of our business partners and protecting our long-term economic interests as well. The enactment of unreasonable regulations leads to increased costs and complexity, while putting at risk the rights of the legal tobacco industry of the country.

Steep increases in supplementary duties and taxes

The lack of a cohesive policy in the implementation of supplementary duties has

resulted in steep increases in the retail prices of cigarettes. Over the past five years, excise-driven increases have pushed up the retail price. This unprecedented increase in the price of legal cigarettes has not only led to a distorted market environment, but has also resulted in consumers increasingly shifting to cheaper alternatives.

As in other regulated industries, we believe that the enactment of tobacco regulations with respect to excise duties and taxes should include constructive and consistent dialogue with the concerned authorities to ensure that the manufacture and consumption of cigarettes is regulated in a just and rational manner.

Growing illicit cigarettes market

In Bangladesh, we are the largest and only listed tobacco enterprise. The market also constitutes some small players, the under-regulated biri market and the illicit cigarette market.

With regulations targeting only the legally-established tobacco market, the outcome is that the illegal cigarette trade has jumped exponentially over the past few years. With legally-manufactured cigarettes becoming more expensive, consumers have increasingly shifted to smuggled cigarettes, thereby causing a loss in revenue to the state and defeating the Government's public health objectives.

In 2018, especially during the last quarter of the year, law enforcement agencies impounded a large cache of smuggled cigarettes. However, the initiative was ad-hoc and inconsistent because of the absence of a policy framework and a national strategy seeking to curb the illicit trade. Today, estimates suggest that smuggled cigarettes make up for around 7% of the country's total tobacco market.

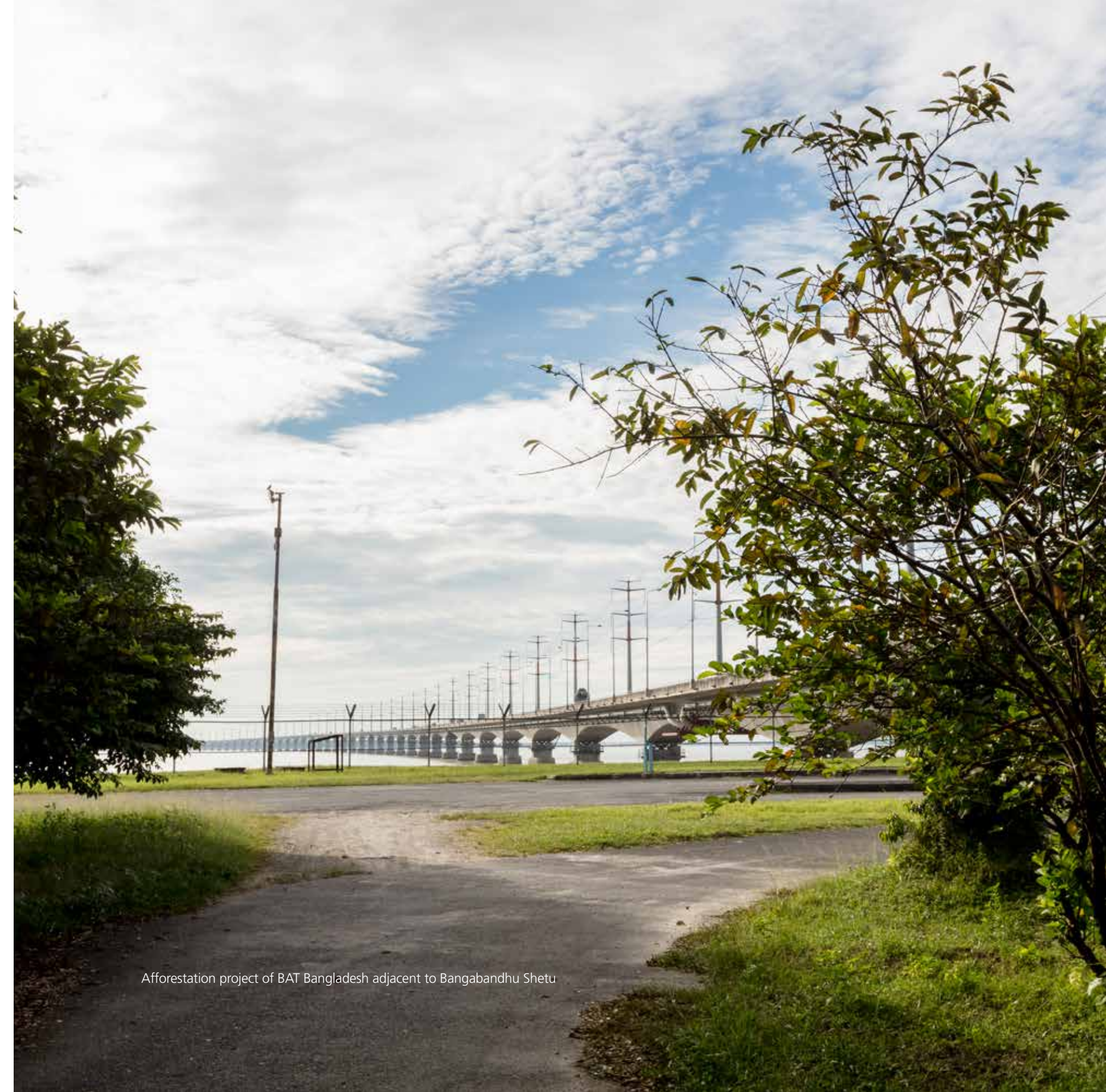
Steep excise-led price increases of legally-manufactured cigarettes have resulted in a booming biri market, which has rapidly gained market share as a cheaper substitute

to cigarettes. The biri market flourishes as a cottage industry and, despite accounting for nearly 40% of the total combustible market, contributes less than around Taka 1,200 crore to the Government's tobacco tax revenue with the tax burden unfairly falling on legal cigarettes.

Responsible consumption

Harm reduction is a central pillar of BAT plc's sustainability agenda and the Group sees strong potential in the development of less-risky tobacco alternatives.

At BAT Bangladesh, as a part of this ecosystem, we also engage in product innovation to foster responsible consumption practices and some of our launches during the year sought to fulfill these objectives.

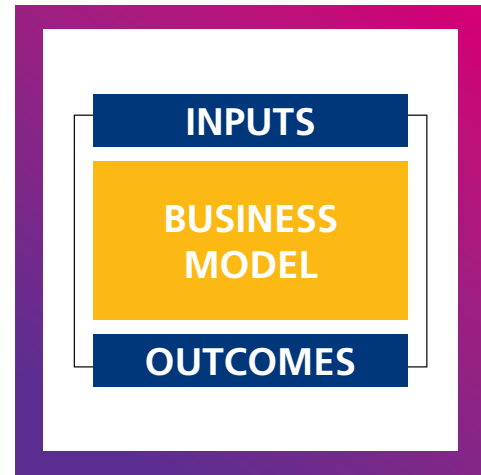


Afforestation project of BAT Bangladesh adjacent to Bangabandhu Shetu

OUR VALUE CREATION PROCESS

INPUTS

- FINANCIAL CAPITAL**
 - Equity capital
 - Short-term debt
 - Financial policies
- MANUFACTURED CAPITAL**
 - Enhanced manufacturing facilities
 - Tangible infrastructure
 - Safe and secured warehouses
 - Effective distribution channels
- INTELLECTUAL CAPITAL**
 - In-house and purchased software
 - Brands
 - Patents
- HUMAN CAPITAL**
 - Enhanced work-life balance
 - Increased employee productivity and value creation
- SOCIAL RELATIONSHIP CAPITAL**
 - Relations with customers, suppliers and stakeholders
- NATURAL CAPITAL**
 - Afforestation program
 - Impactful environmental practices
 - Environment control infrastructure



OUTCOMES

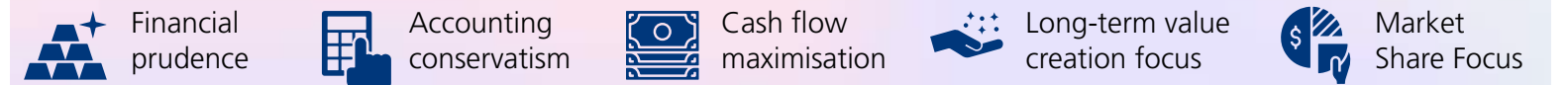
- FINANCIAL CAPITAL**
 - Returns for shareholders: ROE increased by 470 bps to 17.7%
 - Property, plant and equipment expansion: 27% increase to BDT 2,091 crore
 - Boost in net sales by 5%: To BDT 5,463 crore
- MANUFACTURED CAPITAL**
 - Wider market reach
 - Reduced wastage
 - Increased production capability
- INTELLECTUAL CAPITAL**
 - Faster operations and accurate process
- HUMAN CAPITAL**
 - Enhanced work-life balance
 - Increased employee productivity and value creation
- SOCIAL RELATIONSHIP CAPITAL**
 - BDT 3 crore invested in CSR initiatives
 - Total dividend recommended for 2018: BDT 50 per share cash, 1:2 stock
 - Strong and transparent relationships with stakeholders
- NATURAL CAPITAL**
 - Reduction in utility usage and energy optimisation
 - Reduced impact on the environment
 - Lower carbon emissions

FINANCIAL CAPITAL

HIGHLIGHTS



FOCUS AREAS



CHALLENGES

- Illegal Cigarette
- Resource costs
- Balance sheet strengthening

MITIGATION TECHNIQUES ADOPTED

- Enforcement
- Focus on integration
- Debt optimisation

At BATB, our financial capital includes our monetary resources, which are obtained through our business activities and from external sources. Funding mechanisms, such as overdraft and revenue, are the principal sources of our financial capital. Every year, we continue to implement prudent financial strategies that enhance our financial capital to enable us to:

- Conduct our day-to-day business activities smoothly
- Strengthen our ability to create value for all our stakeholders

Doing so requires us to effectively manage our risks, assess the wider economic impact of our activities on the society and maintain a balance between good corporate governance, while staying true to the values on which our business is built.

In 2018, our financial capital was enhanced by the strong performance achieved from our business segments.

Overview

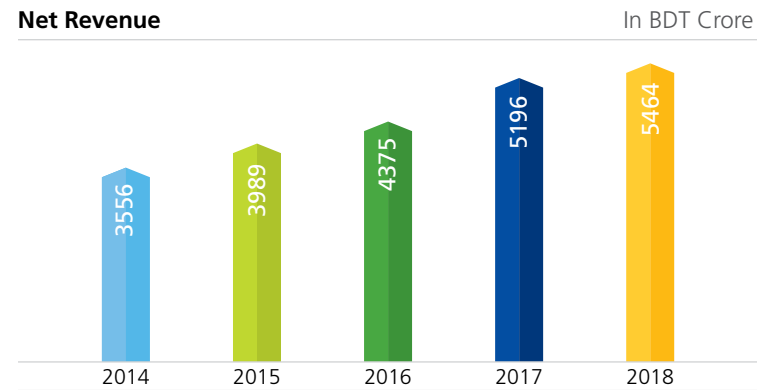
Improved overall equipment effectiveness and promoted higher and consistent production performance which supported the attainment of sales volumes of BDT 51,425 mn. However, pricing pressures in the low end product categories lowered volumes in 2018 vis-à-vis 2017.

Financial Performance

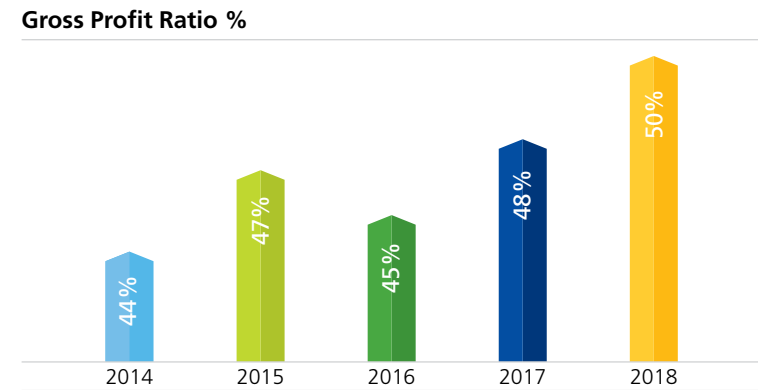
The financial performance of the Company is measured in terms of various key financial metrics, which include operating profit, return on capital employed, cash flow generation, gearing and liquidity.

Key operating and financial information for the year 2018, along with the preceding four years' information, is presented below:

Operational results (in BDT Cr)	2018	2017	2016	2015	2014
Gross turnover	23,312	20,414	16,563	14,371	12,672
Net turnover	5,464	5,196	4,375	3,989	3,556
PBT	1,931	1,676	1,317	1,246	1,086
PAT	1,001	783	758	587	628
Share capital	60	60	60	60	60
EPS (BDT)	167	131	126	98	105
No. of employees	1,453	1,459	1,476	1,400	1,353
Total exchequer contributions	19,133	16,427	13,631	11,051	10,007



Net revenue growth was driven by price increase in low segments, volume growth in the top-3 segments and higher export value. Despite volume drop in the low segment, NTO growth over the years was driven primarily by volume growth and gradual improvement of product mix.

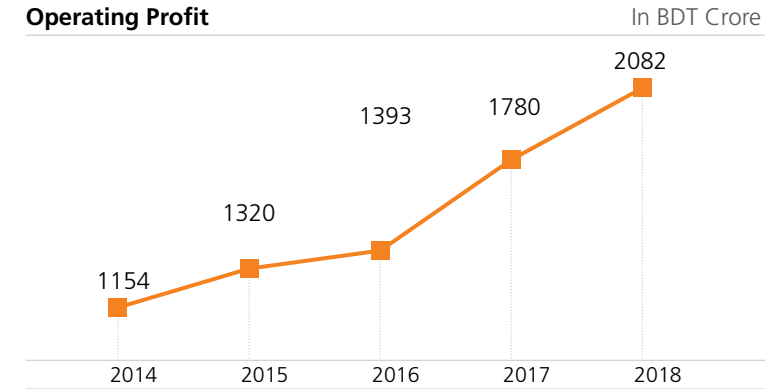


Over the years, BATB delivered high gross profit margin and maintained it at 44% plus due to progressive growth of mix and productivity savings. The ratio for 2018 is higher, achieved on account of better brand mix, effective cost management and productivity savings.

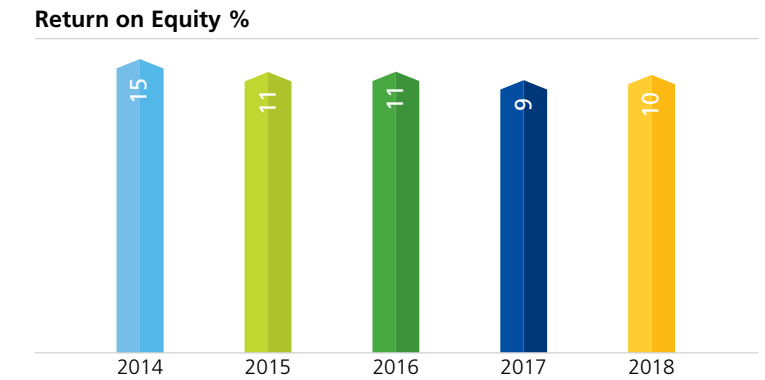
Summarized Income Statement

Details	2018	2017	YoY growth
Total income	5,464	5,196	5%
Operating expense	672	698	-4%
Tax	930	893	4%
Profit after tax	1,001	783	28%

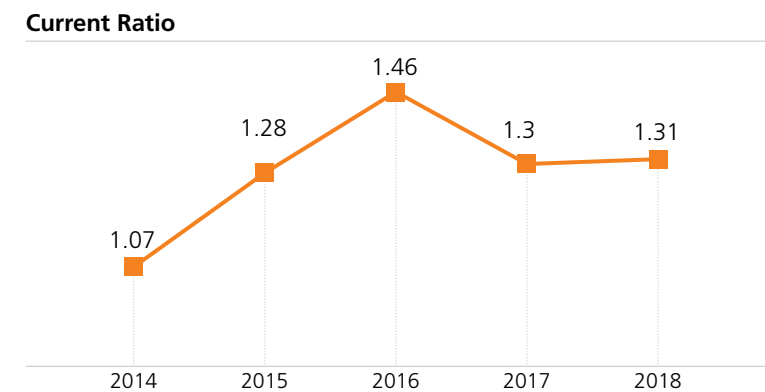
in BDT crore



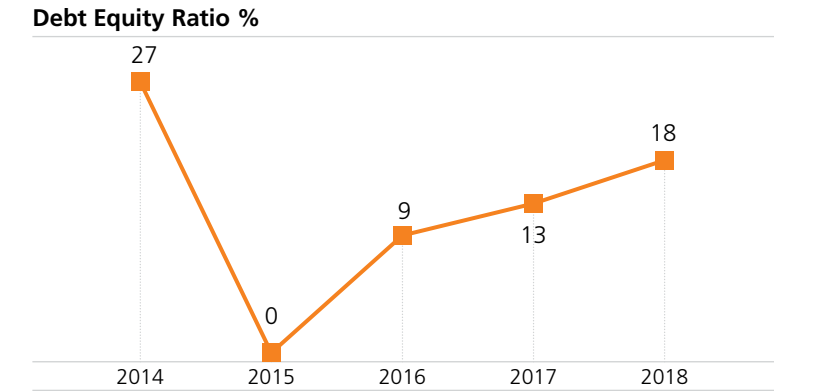
One of the features of BATB's financial performance is growth in operating profit. Improving productivity, effective cost management and drive to improve the brand mix played a pivotal role in improving operating profit.



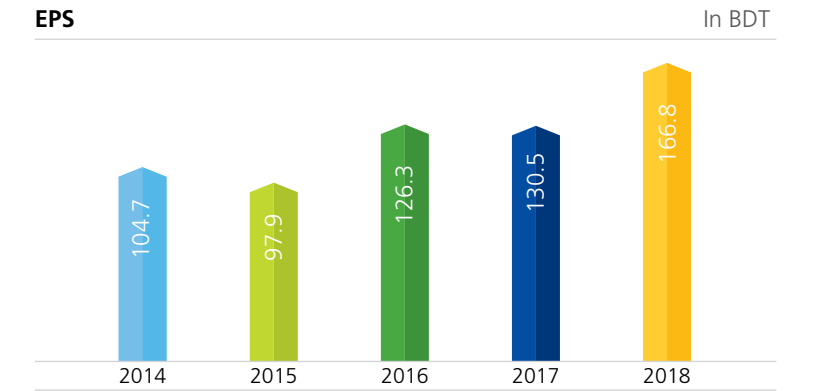
Return on equity remained positive and improved, reaching 17.7% in 2018 from 16.9% in 2017. The higher ratio is driven by 11% growth in net profit in 2018. As the base of the equity is growing in line with net profit growth, the ratio is thus declining.



The current ratio is being maintained at a steady rate of 1.3x, which was the same as the previous year. Although current assets grew on account of purchase of leaf and higher receivables, this has been offset by growth in the current liabilities.



The debt equity ratio for 2018 is 18%, which is higher than in 2017 (13% in 2017). This year, the Company borrowed Short Term Loan and overdraft to support the higher stock purchases and capital expenditure. The debt can be termed as short-term borrowing.

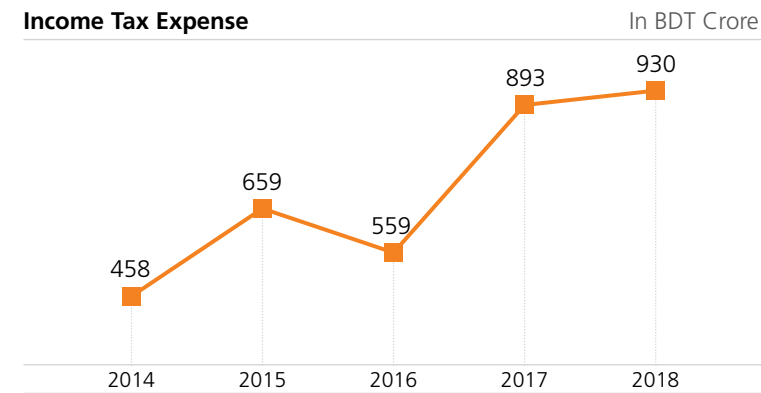


EPS increased by 28% from BDT 130.5 in 2017 to BDT 166.9 in 2018. The overall growth in business performance resulted in higher EPS growth. EPS for 2017 was lower due to retrospective impact of tax and surcharge (2.5% above the 45% tax rate). Hence, the base EPS was BDT 135.5, which was supposed to be BDT 135.8 in 2017.

Taxation

The effective tax rate decreased from 53.28% in 2017 to 48.16% in 2018. The current tax growth has increased by 11%, which is in line with the growth of profit before tax. However, deferred tax has decreased by 61% due to less capitalisation of assets compared to the last year. In addition, last year's provision for taxation was higher due to higher effective tax

rate. Also, in 2017, the government imposed a 2.5% surcharge over the 45% tax rate with a retrospective impact, resulting in higher tax provision in 2017 for both current and deferred tax.



Borrowings and Liquidity

Net borrowings closed at BDT 518 crore, up by BDT 212 crore in the prior year closing position. Overall borrowings were higher due to higher working capital, capital expenditure and advance excise payment during the year end. To support the business requirement short-term borrowing was availed from different banks over the years.

Dividend

The Board of Directors has recommended a cumulative dividend for the year ended 31 December 2018, i.e. BDT 50 per share as cash and 1:2 bonus share as stock dividend at the Board meeting held on 11 March 2019. The dividend is subject to final approval by the shareholders at the Company's ensuing Annual General Meeting.

Cash Flow Analysis (BDT crore)

Particulars	2018	2017
A) Net cash flows from operating activities	901	973
B) Net cash used in investing activities	(688)	(799)
C) Net cash flow from financing activities	78	(510)
D) Net Increase/(decrease) in cash and cash equivalents (A+B+C)	291	(336)
E) Cash and cash equivalents at beginning of the year	(208)	128
F) Cash and cash equivalents at end of the year (D+E)	83	(208)

Cash Flow

The Company generated net cash flow of BDT 291 crore in 2018 which is driven by cash generated from operating and financing activities.

Cash Flow from operating activities

Cash flow from operating activities increased by 18% due to higher collection from last year, which is offset by 15% increase in Supplementary Duty and VAT. Operating activity generated higher cash flow but due to higher payment of tax net cash flow is showing a lower growth in 2018.

Cash Flow from investing activities

Cash flow from investing activities decreased to BDT 688 crore in 2018, from BDT 799 crore in 2017, because of lower investments on plant, property and equipment as compared to 2017.

Cash Flow from financing activities

An amount of BDT 78 Cr was generated from financing activity. The cash flow was generated from short term loan and overdraft to support the growth of the business. Dividend payment was at par as last year, making no impact on the cash flow.

MANUFACTURING CAPITAL

HIGHLIGHTS

- Yield increased to 73.2% from 68%
- Capacity increased to 70 bn to support business growth
- MTBF increased to 10.1 min ensuring machine reliability
- Delivered highest- ever Q2S and Q2C (+5 ppt improvement)

FOCUS AREAS

- 1 Manufacturing Phase
- People capability development
- Work environment improvement through 5S implementation
- Embedding HPO culture in shop-floor

CHALLENGES

- Agility and responsiveness
- Balancing cost and benefit of investment
- Capability development
- Periodic feedback session to support HPO

MITIGATION TECHNIQUES

- AM/PM pillar deployment as per plan
- Loss analysis and savings initiatives through LDM/VSM exercise
- Q pillar deployment through QIE/CoCoE DMS

Manufactured capital represents the infrastructure, plant and equipment we use to manufacture our products. It includes assets that are manufactured by other entities and those manufactured internally and exclude intellectual capital, such as software.

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

Operation task criticality

To determine activities related to assets that can cause harm to people and the environment while performing these activities.

Equipment criticality analysis

To identify the most significant equipment and determine the most appropriate approach to develop maintenance tasks.

Spares criticality analysis

To determine inventory categories and develop an approach for a specific spare part or material.

Asset acquisition risk management

To determine issues that should be included in the specification of the asset, such as training, integration of systems, energy considerations, critical spares and technology.

ASSET CARE

The asset care team ensures that equipment is kept in good, functional condition and that it contributes to safe working conditions and prevents environmental damage.

Our dedicated asset care team is focused on furthering the:

- Development and implementation of asset risk management policies and governance
- Development and implementation of centralised work planning and control
- Development and implementation of improved material management systems. Our reliance on manufactured capital and our approach to the management thereof allow us to extract the benefits and value out of our assets.

Our investment in manufactured capital is consistent with our organisational growth plan. Our business model relies on this resource. To facilitate the growing business needs, we have been steadily investing in technology.

Outlook
 Improve process efficiencies to enable further utilisation and waste reduction of manufactured inputs

ASSET MANAGEMENT STRATEGY

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

Scalability of Business Operations

As a manufacturing company, we remain prepared to scale our operations in response to a sudden rise in business or unexpected opportunities requiring quick decision-making.

What makes us scalable is our long-term focus and a blend of ambitious goal-setting combined with prudent investments in infrastructure.

A key component driving the balance between maintaining scalability and resource utilisation remains in our efforts to engage in continuous improvement to enhance process efficiencies.

This is further elaborated in our intellectual capital.

Enhancing Our Work Environment
 Our state-of-the-art manufacturing and office premises cater to employees in terms of adequate work space and facilities for sporting and outdoor activities. These help create greater attachment to the Company and is in line with our philosophy that a good work-life balance should start at the workplace. In order to help employees reach their potential, a good work environment needs to be complemented with employee engagement initiatives, efforts towards employee health and well-being and numerous other factors that are discussed in our human capital (page: 67).

Investing in Eco-friendly Workspace and Policies
 We have embraced initiatives to make our plant, warehouses and offices more eco-friendly and reduce our carbon footprint. Towards this extent, we invest in making our premises more energy-efficient. Our efforts towards environmental protection are highlighted in detail in our natural capital (page: 73).

Economies-of-scale

When we invest in a new asset or in additional equipment for our employees, costs incurred are paid through the additional number of consumers we are able to serve. These benefits are multiplied by investing in our manufactured capital, which also enables economies-of-scale when it transforms into:

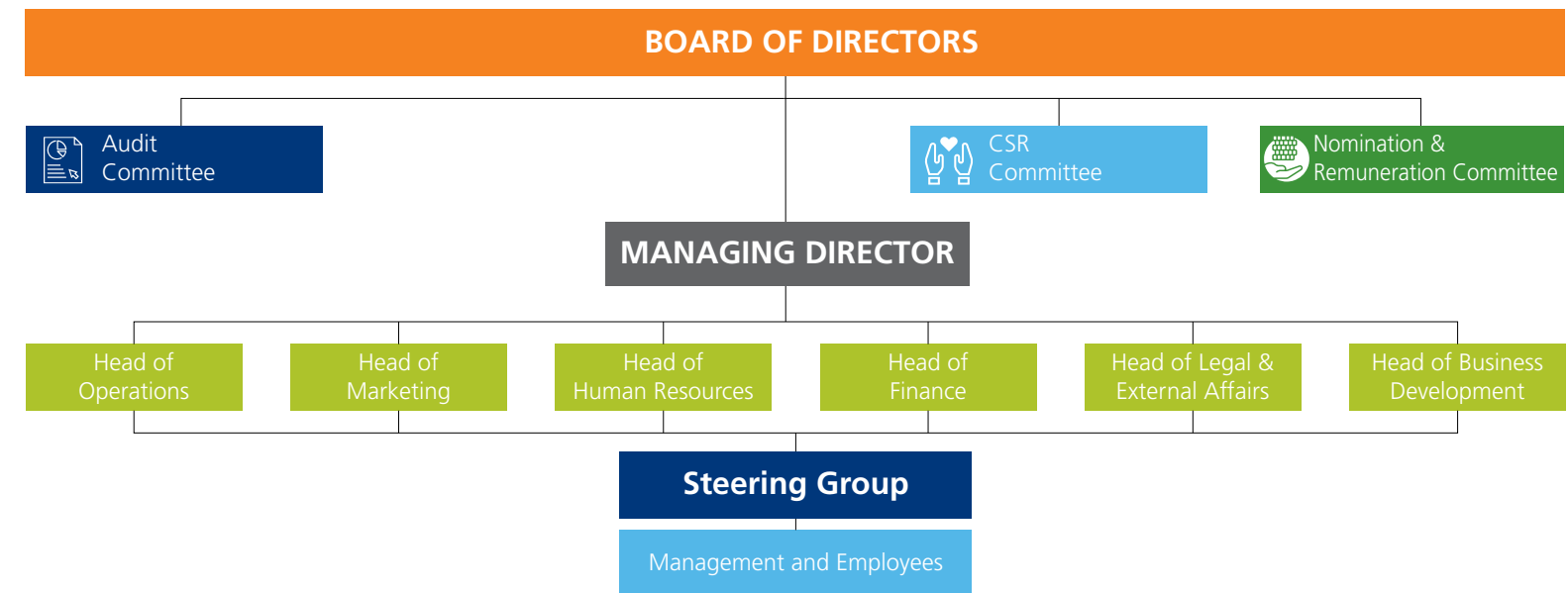
- ▶ Intellectual capital, by enabling process innovation and knowledge-sharing through investment in technology and platforms
- ▶ Human capital, through providing our people with platforms and tools they can use to improve efficiency and reduce turnaround times. Also, when we invest in smarter work environments, our employees are able to deliver better.
- ▶ Social and relationship capital, by enabling us to extend our services to a wider geographical location.

HUMAN CAPITAL

KEY HIGHLIGHTS & FOCUS AREAS

- Attracting the Best**
 - First Top Employer Certification in Bangladesh
 - Battle of Minds Going Global in its 15th Grand Anniversary in Bangladesh
- Nurturing Great Talent**
 - Leading in Gender Equality
 - Leading Talent Exporter of Bangladesh
- Driving High Performance Culture**
 - Benchmark Employee Care
 - Highly Engaged Organization

ORGANISATIONAL STRUCTURE



Developing Talent as a Competitive Advantage

A team of motivated, multi-talented employees are the main asset of BAT Bangladesh. The company has been certified as the first and only “Top Employer” of the country by the Top Employer Institute. The company has positioned itself with a performance-driven, rewarding work culture where employees are treated with respect and receive expanded opportunities, nationally and internationally, to realize their potential.

To ensure long-term sustainability, BAT Bangladesh emphasizes on skill and merit-based recruitment and selection process, highly competitive remuneration package, sufficient training and development programs, career growth and succession planning, high-performance culture and an inspiring and challenging work atmosphere where employees are able to identify challenges and receive constructive feedback for continuous growth.

The company recognizes its human capital as a core part of its business sustainability and growth agenda. BAT Bangladesh promotes a safe and conducive environment for the development of employees, which leads to stronger levels of commitment and enhances productivity. BAT Bangladesh recognizes that in order to retain market leadership, hiring, retention and training of talented employees is a continuous process.

BATB considers quality and skilled human resources as one of the most valued assets for the Company to attain organisational objectives and goals. BATB believes that its human resources are critical in building and running the Company.

Attracting the Best

The Company believes that its uniqueness and strength comes from the emphasis it puts in the quality of the people in the organisation as they play an integral role in the Company's success.

Battle of Minds, a renowned competition organised and hosted by BATB every year, is a highly anticipated business recruitment platform for thousands of ambitious and capable final year university students. It is the flagship employer branding initiative of BATB and has been conducted for 15 years now with a specific focus on graduate engagement and as a platform that helps fresh aspiring graduates to transition into the corporate world. By reaching out to students from three disciplines – Business, Engineering and Agriculture, through extensive roadshows and student engagement sessions, it gives an opportunity to more candidates to get a feel of the BAT way of doing things. Teams who make it to the final stage showcase their understanding of real-time business complexities and idea generation in order to recommend relevant and realistic business solutions on the local and global stage.

Other than Battle of Minds, the Company uses a wide array of interactive and engaging assessments to identify and select the most talented applicants through rigorous multi-layered recruitment processes. The Company also has a Global Graduate Programme which is aimed to recruit outstanding fresh graduates and develop them as the future leaders of the country.

A career at BAT Bangladesh offers an opportunity to influence professional growth and eventually also lead to better social standing. We constantly strive to identify and define the intangible characteristics that contribute to our unique culture and aim to reinforce these in everyday life. We want our employees to have a clear vision for the business and to foster enthusiasm to drive superior performance.

Nurturing Great Talent

Learning and Development: BAT Bangladesh emphasizes on training and provides resources and opportunities for the holistic development of employees. The goal of training is for employees to master the knowledge, skills and behaviors emphasized in training programs and to apply these to their day-to-day activities. BATB acknowledges and supports the need for employees to balance work and personal interests and encourages flexibility, wherever possible.

Effectively designed training programs targeting the right groups of employees are conducted on a regular basis. In 2018 alone, 14 training modules covered 281 employees within the organization. 79% of these trainings were internally facilitated with a cost of BDT 23.15 million.

BAT's talent development is a process for identifying and developing new leaders who can bring strength to the talent pipeline. Succession planning is critical as it enables us to ensure leadership continuity and avoid extended and costly leadership vacuum. We work hard to promote from within the organisation so that we can create greater career opportunities for our people. BATB assesses the leadership needs of the Company in a way that ensures the selection of qualified leaders which matches its mission and goals.

HR Composition in 2018

Category	No. of Employees	%
Top Management	7	0.48
Senior Employees	54	3.72
Mid- Level Employees	166	11.42
Junior & shop floor Employees	1226	84.38
Total	1453	100

Developing New Talent – Global Graduate Program: BAT Bangladesh believes in developing talent from within, early on. The organisation wants to give priority to its own employees to take the challenge to be a leader in the future through its Global Graduate Programme. The programme helps fast-track talent from within into leadership positions who will feed into the organisation's leadership pipeline.

BATB has a strong pipeline of talent who have joined through the programme and have progressed into senior and leadership-level positions within Bangladesh and across the BAT Group. Since 2016, BAT Bangladesh has hired 21 Global Graduates across marketing, HR, finance and operations functions. Through this 18-month programme, Global Graduates are prepared in such a way that in the future, they can face any challenge with confidence and poise. Furthermore, applying active learning methods, this program helps produce a pool of skilful managers ready to easily and quickly make a real contribution to the organization.

Health and Safety

Adequate attention is always accorded to the health and safety of our employees, primarily through providing safeguards with appropriate security arrangements. Employees enjoy favorable working hours so that they can ensure a balance between professional and personal interests.

On the security front, the Company has fire safety alarms, fire extinguishers and emergency exit in its all premises in order to safeguard employees in case of emergencies. To create a healthy working environment, the Company extends priority by facilitating central air-conditioning, ambient lighting systems, canteen facility, separate prayer rooms for both males and females and sufficient sanitary facilities, etc.

Benefits at BATB

- ▶ House Rent Advance Policy
- ▶ Tool of Trade Vehicle Policy
- ▶ Benefit Car Policy for Senior Managers
- ▶ Retirals Policy
- ▶ Recognition Policy
- ▶ Outstation Allowance
- ▶ Group Life + Accidental Insurance Scheme
- ▶ Medical Benefit
- ▶ Canteen Benefit
- ▶ Dispensary Benefits
- ▶ Shift Allowance
- ▶ Motor Cycle Loans for Unionized Employees
- ▶ Education Assistance Policy
- ▶ Maternity and Adoption Leave Benefit

Compensation and Benefits: The Company recognizes the need for remuneration policies to be competitive and these have been designed to correspond to individual qualifications, skills, performance, contribution and responsibility, ensuring a real differentiation among other companies. The

Value created by our employees

	Unit	2018	2017	2016	2015	2014
Full Time Employees	No.	1453	1459	1747	1400	1353
Gross Turnover		160.43	139.92	112.22	102.65	93.66
Operating Cost		4.63	4.8	4.02	3.92	3.13
Training Cost	BDT in Million per Employee	0.19	0.17	0.11	0.17	0.16
Operating Profit		14.33	12.20	9.43	9.43	8.53
Profit Before Tax		13.30	11.49	8.92	8.9	8.03
Profit After Tax		6.89	5.37	5.14	4.2	4.64

Outlook

- ▶ Steady investment in developing in-house talent. Increase our talent pool, taking into account various aspects through role-based training and development
- ▶ Formulate a customised reward system to enhance performance
- ▶ Progress through nurturing an inspiring culture based on trust, mutual respect and accountability

recruitment strategy of the Company is based on attracting and retaining the most suitable people at all levels of the business.

Comprehensive Performance Management Programme: BATB has a comprehensive performance management program that evaluates employees' yearly performance against business targets at the year-end. This performance appraisal system is considered as vital for the Company as it is a significant tool to identify performers and provide opportunity for non-performers to course-correct and improve.

Maternity Policy: BAT Bangladesh helps employees manages their family and work life during the exciting and demanding first year of parenthood. Through this launch, we are proud to extend our legacy of pioneering people policies within the country, especially those catering to the changing needs of our talented women at work.

Rewards and Recognition Programme: BATB has a well-designed rewards and recognition program that gives special attention to employees' actions, efforts, behaviours and performance. Our performance appraisal process enables us to emphasise on the growth of our employees as well as identify their learning and career development needs. Annual incentive schemes are used to reward short-term business results which create noteworthy value for the business. They represent a reward for the collective achievement of defined corporate results to which each individual has made a contribution.

INTELLECTUAL CAPITAL

HIGHLIGHTS

- Strong resident i-cap
- Focus on Intellectual Property Rights protection
- Robust process knowhow
- Access to global i-cap pool

FOCUS AREAS

- Process efficiency
- Strategic business planning
- Risk management
- Global IT software platform

CHALLENGES

- ▶ IPR protection
- ▶ Product/packaging

RESPONSES

- ▶ Sustained awareness efforts
- ▶ Strong differentiation

Our intellectual capital comprises the intangible factors that are unique to BATB. Our values, our culture, the knowledge of our people, our processes and the specific way we conduct our business, together cannot be easily quantified but go a long way in reinforcing our long-term competitive position and sustainability. It also includes all our knowledge-based assets, such as process blueprint, procedures, protocols, copyrights, software and licenses. As a key competitive advantage that underpins our growth ambitions, we assess the extent to which our proprietary and licensed technologies, in combination with our expertise, provide sufficient advantage to generate the returns on investment we seek.

As technology and process improvements become more of a differentiating factor within modern companies, intellectual capital becomes a greater factor in achieving success in a competitive marketplace. Hence, strengthening all aspects of our intellectual capital remains a strategic imperative, which calls for broad-ranging investments, especially in Legal & External Affairs (LEX), Marketing, Operations and IT.

In a world where access to critical information and the ability to act quickly and effectively are becoming strong business differentiators, the focus for BATB's technology team is to sharpen the technology edge and

transform the business today, in a way that would reshape the Company tomorrow.

This means leveraging pathbreaking technologies in cloud systems management and business analytics to tap into new opportunities and create new competitive differentiators that would provide a leading edge in the market.

Risk Mitigation through IT

Besides enabling us to scale our operations, these investments also help us mitigate various risks.

Global Application

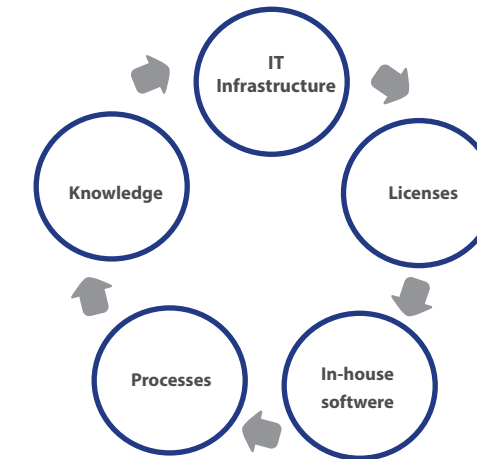
As a part of a global organisation, to harness maximum benefit, we use ERP (enterprise resource planning) to capture real-time transaction data and enable effective monitoring and management reporting. All processes are in line with TOM (target operating model) and EPR systems are the interface for BAT-defined processes.

Modern Application Support

In order to further enhance operational efficiency and enable the management to take effective decisions, our IT division continues to support, improve and implement various modern systems by leveraging technology to support our main business processes. A few of our critical application areas include:

- ▶ Payroll system for management and unionised employees
- ▶ Share management system
- ▶ Secondary sales reporting application
- ▶ Internal systems to manage contract approval process
- ▶ Integrated quality management system to ensure product quality
- ▶ LC management system

SI	System	Function	Practical benefits
1.	Payroll	Built to manage wages, benefits, and deductions and prepare payslips, taxes, and other related documents	Optimizes payroll management by automating the processes involved in it, maintaining data accuracy, and ensuring compliance. In addition, the developed system promotes transparency and security
2.	Share management system	Store shareholder details, records, and history, generate dividend warrant payments and integrate with management systems	Faster and accurate data processing, retrieval function. Integrated with management and automate shareholder information updating
3.	Integrated quality management	Document control, specialised modules, process optimisation, resource management, risk management	Enables to meet the challenge to drive operational efficiency and improve overall compliance. Automate and streamline paper processes for increased efficiency and regulatory compliance



Processes

The focus for our IT department is to align IT strategy to support business growth. The IT function is responsible for information security, risk and compliance ensuring accessibility and availability of right information to the right people.

Knowledge

Knowledge is a key element to capture and make it available to everyone to make a leap from the current stage. The Company's IT team has introduced a few systems as depository of information to learn and disseminate to a larger audience. Our interact system is the core knowledge-sharing destination where all our people can contribute and also benefit.

Training

We take several initiatives to improve user experience using IT collaboration tools. We also create awareness on the use of Skype and One Drive where people can connect and share information with others within the country and beyond.

Outcomes

As a result of improving operational efficiency, it has been possible to attain value-addition in several stages. From regular operations to elimination of redundant work for our employees, from cost savings translating to better profits for our shareholders to better resource planning in turn leading to lower our carbon footprint, investments in developing our intellectual capital has given us strong and sustainable yields.

To support these processes, we are also using global applications and office productivity tools for efficient recording of business transactions, processing data, generating reports and performing daily correspondence, which are:

- ▶ EPR (SAP ECC6)
- ▶ SRM
- ▶ BPC
- ▶ Success factors
- ▶ Microsoft team
- ▶ Share Drive, Share Point and One Drive
- ▶ MS Office (Outlook, Power Point, etc.)

SOCIAL AND RELATIONSHIP CAPITAL

Our success story is defined by the relationship we have created and nurtured with our stakeholders - customers, employees, regulators, shareholders and community. We stay in touch with all our stakeholders to ensure sustainable development and that objectives are met in a mutually-beneficial way. We actively work with our stakeholders to ensure that we contribute to the holistic development of the country.

FOCUS AREAS

- Gain stakeholder confidence
- Use renewable energy, wherever possible
- Engage in impactful corporate social responsibility programs
- Ensure environmental, social and governance (ESG) standards

CHALLENGES

- ▶ Strict regulatory framework in performing CSR activities
- ▶ Difficult to reach all stakeholders due to regulations

The material aspects of our social and relationship capital include:

- ▶ Focusing on gaining stakeholder confidence
- ▶ Ensuring 'green' practices
- ▶ Using renewable energy

We consistently engage with our stakeholders, which enable us to identify the material aspects. In return, we grow in strength by fulfilling the expectations of our stakeholders. Engaging in such a relationship and working together paves a path for us to do more for the country.

Stakeholder Identification and Engagement

Key stakeholders	Engagement tools	Objectives	BATB's approach to achieve objectives
Shareholders	Annual Report	Maximising shareholder value	Ensuring the highest standards of governance in order to protect shareholder value
Consumers	Website Annual General Meeting	Keep pace with the growing needs of all our customers	Initiatives to become a sustainable manufacturing business capable of serving today's customers, as well as paving the way for future generations of Bangladesh to succeed in an ever-changing world
Suppliers		Go beyond providing traditional manufacturing facilities and create real value for individuals and businesses that collaborate with us	Investment in education and training to provide opportunities and tools to help our employees today and in the future A supplier code of conduct requiring our suppliers to adhere to high standards for safe working conditions, fair treatment of workers and environmentally safe manufacturing
Community		Achieve the necessary sustainable balance of economic growth, environmental protection and social progress	Designed the Company's CSR initiatives to contribute to the economic, social and environmental sustainability of the communities in which we operate

HIGHLIGHTS

- ▶ Planted 4.2 million saplings in 2018; 99.7 million in aggregate
- ▶ More than 200,000 people get access to pure drinking water every day through 78 water filtration plants initiated by BATB's 'Probaho' initiative
- ▶ 2,330 units of solar home systems under BATB's 'Deepto' project has reached 13,000 people in off-grid areas
- ▶ A united family of 1,400+ employees located across the country

NATURAL CAPITAL

At BATB, as a responsible and future-facing enterprise, we are deeply conscious of our environmental imprint and focus on all possible ways and initiatives to engage in environmental preservation and sustenance.

HIGHLIGHTS

- Planted 99.7 million trees across the country
- Installed 2,330 units of solar home systems
- Installed 78 water filtration plants

FOCUS AREAS

- Create a greener community
- Provide energy support in off-grid areas
- Engage in efficient farming practices
- Fostering recycling practices to reduce energy consumption

BATB makes only a limited impact on the environment due to the nature of its manufacturing process. Therefore, though considered to have a low impact to the overall GHG emissions, we realise that this does not in any way reduce our responsibility towards the environment. It is why we strive to assess the impact our actions may have on the environment and, based on the results of these findings, we look for ways to improve.

Spearheading the entire effort is a broad-ranging environmental strategy aimed at reducing the Company's carbon footprint. Focusing on what we consider to be material environmental aspects relevant to our business, the strategy seeks to ensure that our impact on the environment is minimal. This is not only to help the Company to minimise its environmental footprint, but also to create a strong social impact that will transmit a positive benefit to our stakeholders.

Our CSR initiatives, focused on our commitment to maintain our environment, reflects why BAT Bangladesh is a responsible business organisation and the flagship CSR initiatives of the Company are designed to contribute to the economic, social and environmental sustainability.

Key Awards & Achievements

- ▶ Asia Responsible Entrepreneurship Award for 'Green Leadership'
- ▶ CMO Asia Award in the 'Community Development' category for solar home systems project
- ▶ CMO Asia Award for 'Best CSR Practices'
- ▶ 'Innovation Award' for SDG inclusion by Bangladesh Brand Forum and Mastercard for solar home systems project

The CSR initiatives undertaken by BATB contribute to the society and fall align with the regulators, considering the requirements of relevant stakeholders. These initiatives also complement the SDG of the United Nations.

THE MAIN PILLARS OF OUR ENVIRONMENTAL STRATEGY

BAT Bangladesh is committed to its shareholders and stakeholders to reduce the impact on the environment that arises from its operations. The Company has taken several initiatives to reduce energy and water consumption, while at the same time also taken appropriate measures to ensure reduction in carbon emission from its operations.

Key Drivers

- ▶ Installation of LED lighting solutions
- ▶ Upgradation of air-conditioning units at branches
- ▶ Installation of energy-control equipment to optimise energy utilisation at branches
- ▶ Usage of solar power

ENGAGING EMPLOYEES

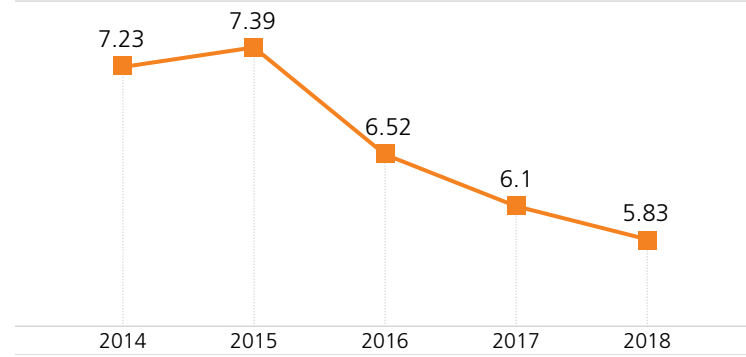
Commitment

Introducing an environmentally-conscious culture among employees ensures that the team is aligned to the Company's environmental objectives and goals.

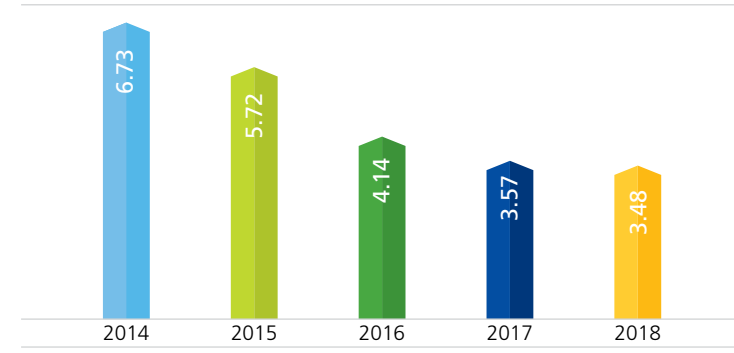
Key Drivers

- ▶ Providing training to educate employees regarding environmental issues
- ▶ Promoting employee participation in the Company's CSR initiatives in environment protection and conservation

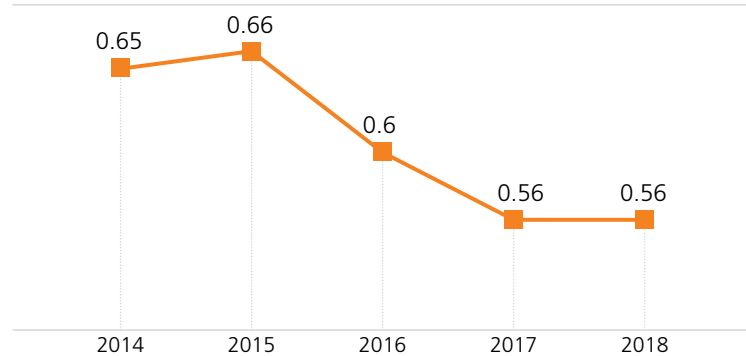
Energy Consumption GJ/mce



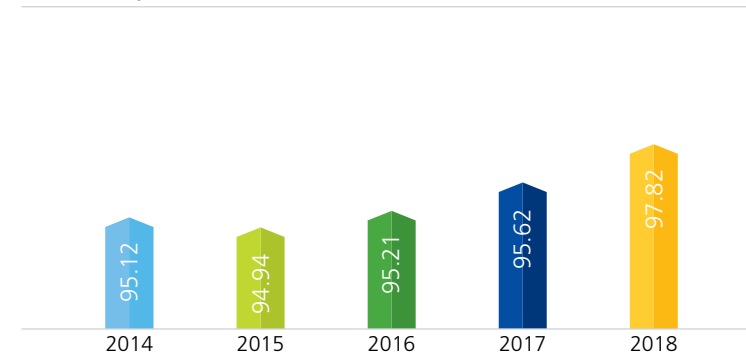
Water Consumption m³/ce



CO2 Emission Reduction Ton/mce



Waste Recycle %



OPERATING ENVIRONMENT ANALYSIS

At BAT Bangladesh, our operating context is characterised by an environment in which the legal tobacco industry is subject to high levels of regulations through Governmental policies and interventions. This skewed operating environment has spawned a large and growing illicit trade business that not only denies the Government of its rightful share of revenue, but also defeats its public health policy agenda. On the other hand, with Bangladesh being one of the most populous countries of the world with economic transformation into a middle-income country, there represents significant opportunity in the consumer products space.

Below is a detailed articulation of some of the factors that impact our business and our adjoining strategy and response.

POLITICAL

Overview

The political climate in Bangladesh has been stable and improving over the last few of years. However, we are future-ready with our crisis management plans that can be activated to counter probable issues to ensure the safety of our people and processes for business continuity.

Industry and the operating context

Tobacco price in Bangladesh, especially in the low segments in the past few years, have been hiked by the Government to reduce tobacco consumption. This price control has had a negative trade-off with loss of potential revenue to the Government, which could have been otherwise used for public welfare and infrastructure development. With the rise in prices effected for the legal business, cheap and illicit products have flooded the market with price-pressured consumers shifting to these, resulting in volume decline in the legal low segment products.

BATB's response and strategy

In this context, we are:

- ▶ Maintaining product quality and integrity that can be the biggest brand differentiator for BATB's brands
- ▶ Engaging in long-term business planning and expansion on account of a stable political environment
- ▶ Continuing to appeal to the Government to conduct sustained enforcement drives to thwart the proliferation of the illegal and illicit trade

ECONOMIC

Overview

Bangladesh is one of the fastest growing economies in the world. Currently, the country has been recognised as a middle-income country from the LDC (least developed country) grade. Standards of living has been improving in the recent years on the back of sustained economic growth. The country's GDP rose from 7.28% in 2017 to 7.86% in 2018. BATB is proud of its status as leading the country's tax compliance efforts in the legal tobacco industry and also fulfilling its humble role in the economic development journey of the country, while also delivering sustainable shareholder returns.

Industry and the operating context

With the rise in major country indicators, including the gross domestic product, standards of living have been improving in recent years, which is visible in the fact that consumer spending reached to a record high in 2018.

BATB's response and strategy

In this context, we are:

- ▶ Employing more than 51,500 people directly and indirectly in our operations
- ▶ Continuing our legacy of being among the highest tax payers of the country, thereby playing our humble role in contributing to the economic growth of the nation
- ▶ Reaching out to consumers through appointing effective distribution channels, especially in the rural areas of the country
- ▶ Maintaining customer loyalty through offering strong consumer relevant innovation and value propositions



SOCIAL

Overview

As a responsible enterprise, we are deeply engaged in the socio-economic welfare and transformation of the country, while also playing our part in environmental sustenance. Our social investment portfolio includes three flagship programmes in the realm of:

- ▶ Afforestation
- ▶ Safe drinking water
- ▶ Solar home systems

These CSR programs contributed to:

- ▶ Local revenue growth
- ▶ Job opportunities
- ▶ Business investment opportunities
- ▶ Better social facilities, including for education and small livelihood creation
- ▶ Enhanced standards of living

Industry and the operating context

Like most developing nations, Bangladesh is an impoverished country with large percentage of the population pools still living on low wages and surviving on less-than-basic means and facilities. This clearly puts the onus on companies like ours to play a more meaningful and impactful role in ensuring social progress and development.

BATB's response and strategy

In this context, we are:

- ▶ Aligning our CSR initiatives with the Sustainable Development Goals (SDGs) of the United Nations, while also contributing to the Government's ambitious social development plans
- ▶ Actively helping the society to achieve the necessary sustainable balance of economic growth, environmental protection and social progress
- ▶ Enhancing the impact of Deepto (renewable energy program), Probaho (reaching clean potable drinking water) and Bonayan (extending the green cover) to benefit the maximum number of people, especially those living at the grassroots



TECHNOLOGICAL

Overview

We make significant investments in research, development and technological upgradations to deliver innovation that satisfy or anticipate diverse consumer preferences, cater to a growing base of consumers, contribute to growth and ensure sustainability of the business. We also engage in the research, development and testing of new products to meet changing consumer needs. Specific targeted investments in equipment, quality and productivity play a key role in our short-term success and in the long-term growth of our organisation. Rapid technological innovation has altered customer's expectations in terms of product, quality and availability.

Industry and the operating context

Technological changes are rapid and we harness it to positively impact our businesses, our processes and our manufacturing efficiency. Also, we leverage modern technology to enhance the business with respect to achieving greater manufacturing efficiency and extended customer outreach. Due to substantive technological investments and stringent regulatory compliance, threat of new entrants in the market is rare.

BATB's response and strategy

In this context, we are:

- ▶ Utilising our technological edge to bring forth new process innovation and demand analysis
- ▶ Maintaining proper checks and balances in weighing benefits over costs as far as technology is concerned
- ▶ Ensuring adequate research on all possible alternatives with a view to shortlist and select the best-possible solution that enables us to draw the maximum advantage



LEGAL

Overview

As a responsible enterprise, BATB ensures the highest compliance with all regulations – in both letter and spirit. The Company's activities, policies and procedures are developed in accordance with local as well as international applicable regulations. Currently, the tobacco industry is governed under stringent regulations imposed by the Government.

Industry and the operating context

Manufacturing companies are subject to substantive regulatory requirements and scrutiny by authorities. Factors such as health and safety, advertising standards, consumer rights and laws, product labelling and product safety are important factors to be considered in the course of business.

BATB's response and strategy

In this context, we are:

- ▶ Ensuring compliance proactively with all applicable laws and statutes
- ▶ Nurturing a culture where the spirit of compliance comes first and foremost

Highest Tax payer in private sector Balance for a *progressive* Bangladesh

At BAT Bangladesh, we are one of the most economically-impactful organisations. This is a matter of nationalistic pride, as resources contributed by us are mobilised for public investments and welfare that go a long way in helping create a strong and progressive Bangladesh.

At BAT Bangladesh, we are not only the largest contributors to the Governmental exchequer in the country's tobacco industry, but also the largest individual tax-payer, contributing almost 8% to the Government's total tax revenue collections.



19,133 crores

BDT Tax Contributions in 2018

HIGHLIGHTS



LEGACY

108 YEARS



MARKET CAPITALIZATION

2nd POSITION



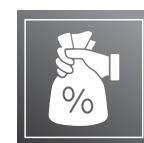
NET PROFIT

BDT **1,001** Crore



EPS

BDT **166.87**



DIVIDEND

BDT **50** CASH PER SHARE
1:2 STOCK DIVIDEND

DIRECTORS' REPORT 2018

It is a pleasure and a privilege on the part of the Board of Directors to present the Directors' Report and Auditor's Report together with the audited financial statements of British American Tobacco Bangladesh Company Limited (BATB) for the year ended 31 December 2018.

It is pleasing to state that BATB witnessed yet another successful year in 2018. The Company made steady progress across multiple areas during the year, despite persistent economic challenges and a regulatory backdrop. Some of the key challenges faced by the Company during the year were operational and regulatory challenges, as well as an uneven competitive platform due to growth of illicit cigarettes. Your Company however continued to remain resilient and reported sound results for the year, while contributing to value enhancement for all stakeholders.

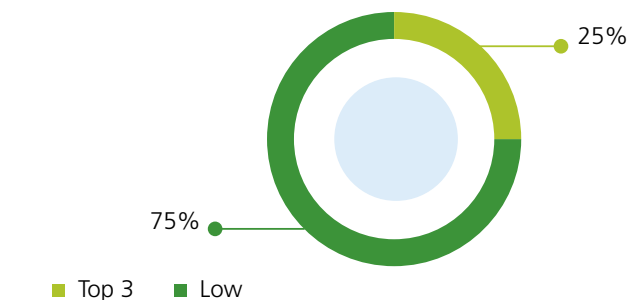
INDUSTRY & COMPANY PERFORMANCE

Economic & Industry Overview

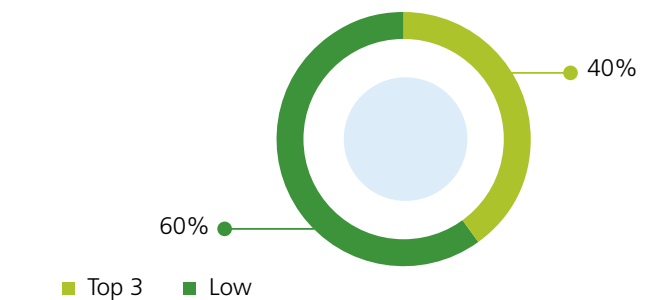
In 2018, Top 3 segments continued growth momentum which helped the favourable price indexing between Top 3 and Low segment also focused brand initiatives by BATB. Low segment price increased by +30% which put consumer affordability under severe stretch resulting into 26% Low segment volume decline vs last year (driven by 49% drop in post budget 2018). The decline in Low segment has offset the gains in Top 3 segments and overall legal industry volume declined by 9% vs last year (Jul-Dec'18 total industry decline was 17% vs Jul-Dec'17). With Low segment consumer affordability stretch, in post budget 2018, cigarette industry experienced an upsurge of illegal brands in different forms: duty not paid & counterfeit cigarettes. This upsurge remains a clear threat for the legal industry sustainability and government revenue which has been duly highlighted to the government. In line with this, Government has conducted successful enforcements against illegal cigarettes during Q3-Q4 2018. To ensure industry sustainability, Government interventions in Factory Manufacturing Cigarette floor segment is required along with the successful continuation of initiatives against illegal cigarettes.

Segment wise volume contribution in the cigarette industry is shown below:

2017 (Jan to Dec) Volume Contribution

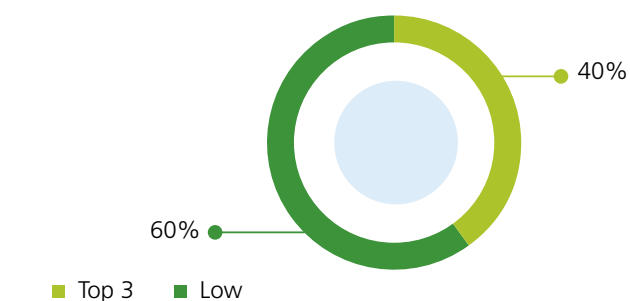


2018 (Jan to Dec) Volume Contribution

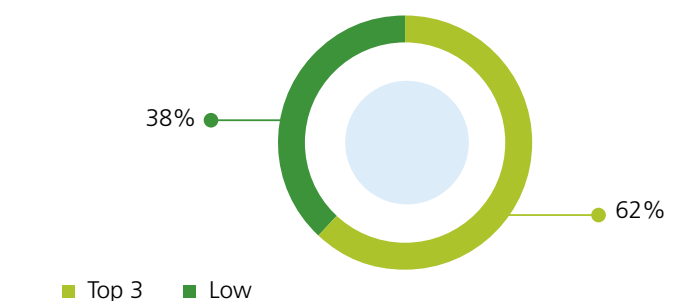


The following chart also shows cigarette industry segment wise volume contribution vis-à-vis its revenue contribution to government:

2018 (Jan to Dec) Volume Contribution



2018 (Jan to Dec) Gov. Revenue Contribution



Overall revenue growth has masked the revenue loss in Low segment where Government revenue from Low segment has declined by 30% in Jul-Dec 2018 period driven by 49% volume loss same period. Historically, Government revenue has been growing at ~17% per annum where Low segment has always been a large contributor. As we have observed 49% Low segment volume decline in Post Jun'18 price increase, we believe that to protect future industry sustainability and revenue growth from the industry, Government needs to intervene in Low segment price. If not taken care properly we foresee a decline in Government revenue in 2019/20 fiscal year. Industry Top 3 segments now generate 62% of government revenue which has increased by 41% in 2018 alone. This has helped the Government to secure +16% growth in overall revenue from cigarette industry.

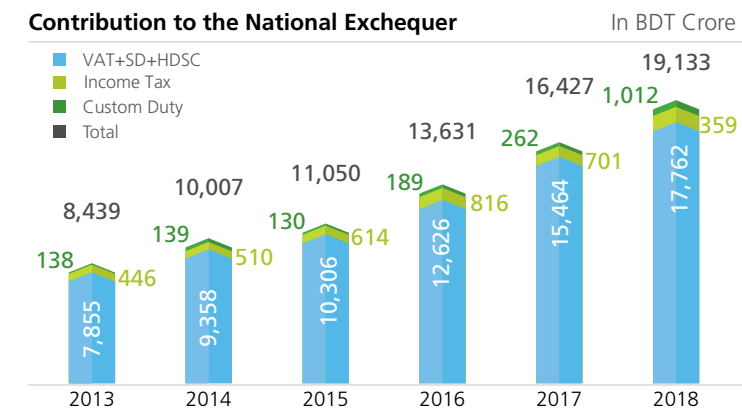
Company Performance

In 2018, our Top 3 segment brands have experienced growth over previous years through a focused business strategy that was supported by our people across all business functions. Our brand portfolio was strengthened through consumer relevant innovations and an outstanding range of consumers' preferred quality products. The focus throughout the year was to match consumer expectations with the right offers across all segments. A review on the performance of each of the cigarette segments is as follows:

- ▶ In 2018, Benson & Hedges expected volume growth vs 2017. This brand is available in the Duty free shop at around \$19.00 per carton and our local price is \$25.00 per carton. As such any future price is required to be done carefully to avoid influx of non duty paid cigarette in the country.
- ▶ John Player Gold Leaf registered +6% volume growth in 2018 vs last year riding on successful range activations. BATB is committed to continue investment behind marketing initiatives to sustain the growth.
- ▶ In June 2018, Government had taken +7% price increase in Medium segment and BATB complied with the price changes. However, as the competition Medium price to consumer remained at pre-price increase level and to protect our volume, BATB Medium prices matched competition Medium consumer price from October onwards. As a result, STAR experienced double-digit volume growth through improft value equation among relevant consumers and protected our segment share.
- ▶ In 2018, legal Low segment brands suffered significantly for illegal cigarettes. The company remains committed in maintaining the consumers' preferred quality of its low segment brands and meeting the needs of the consumers. BATB supports Government interventions and activations against illegal cigarettes with available market information and continuously highlighting the risk of potential revenue and profit loss for both Government and other legal industry operators.

BATB's Contribution to the National Exchequer

In 2018, the Company contributed BDT 19,133 crores to the Government exchequer as Value Added Tax (VAT), Supplementary Duty (SD), Health Development Surcharge (HDSC), Income Tax and Custom Duty. This represents an increase of BDT 2,971 crores over the last year. BATB alone contributed as much as 73% of the total VAT, SD and HDSC collected from the cigarette industry. Going forward, the Company aim to support the Government's proposals that enable the establishment of a sustainable level of tax contribution to the national exchequer, while ensuring sustainable growth for the industry and also promoting a level playing field among market players. Since this is a matured industry, it must not be stretched too far without considering the market dynamics and its ability to absorb price elasticity and avoid growth of illicit and smuggled cigarettes.



The Company recognises the Government's revenue growth targets, and the industry has been working with the National Board of Revenue (NBR) over the years to ensure sustainable revenue growth from the cigarette industry.

While listed companies in all other sectors enjoy a preferential corporate tax rate, the same privilege was withdrawn by the Government for listed cigarette companies. We strongly feel that by targeting the corporate tax structure of a listed manufacturer, it significantly impacts shareholder returns, while also taking away the incentive for others in the industry to be listed, thus representing a hindrance for further development of the capital markets. The Company believes that the Government will reinstate differential corporate tax rate structures in the upcoming National Budget. Cigarette is already highly taxed (in the form of Supplementary Duty and VAT), and there is no instance of discriminatory corporate tax rates anywhere in the world for listed tobacco companies. We continue to appeal to the regulators for a reversal of position in the next National Budget.

PRODUCTIVITY

Over the years, our Company's manufacturing capacity was scaled up and also modified to cater to different pack formats to meet the consumers demand and expectation. This required significant investments and meticulous planning for meeting the growing demands of a diverse market. In this context, a series of productivity initiatives were undertaken to improve machine efficiency over the last couple of years. A structured approach on machine maintenance resulted in world-class operational efficiency standards at our Company. 2018 also focussed on our leaf growing area which was revamped through various productivity initiatives to process incremental leaf volume, while ensuring the right quality and also limiting additional land requirements.

Cost of Goods Sold and Profit Margins

Overall volumes declined largely due to reduction in the low segment, which was partially offset by growth in the top-3 segment. Through product mix improvement, the Company was able to support growth in profitability. Cost of goods sold was flat due to lower volumes, better mix and productivity savings initiatives. This, paired with the product mix impact, enabled your Company's operating margin growth, which was 4% higher than in 2017.

SUSTAINABILITY

Preservation of the environment, together with our focus on embracing ecological initiatives that have a positive impact on climate change, have always been of critical importance for Bangladesh. This is accentuated, considering the fact that various naturalists' reports indicate that Bangladesh will remain a vulnerable country to the impact of climate change in the decades ahead. In this context, BATB believes that business has a key role to play in helping the society to achieve the necessary sustainable balance of economic growth, environmental protection and social progress in ways that build value for all stakeholders.

The Company is a pioneer in corporate social investments in Bangladesh and is continuing with its three flagship programs, viz. Bonayan, Probaho and Deepto, to create a lasting positive impact in the communities around which we operate and in the extended environment. Our afforestation program, 'Bonayan', took root in 1980 and, since then, the Company has distributed around 100 million saplings free of cost in and around our operational areas, including 4.2 million saplings in 2018. Today, BATB's afforestation platform is considered to be the largest private sector-driven afforestation program of the country. The Company is committed to continue with this program to support the Government's broader initiatives to combat the adverse effects of climate change. Over the years, the Company has received several national and international awards and accolades for its afforestation drive across the country.

Millions of people in Bangladesh face scarcity of safe drinking water due to arsenic contamination. Responding to this pressing need, BATB has taken up a project under 'Probaho' that supplies more than 400,000 litres of potable water that is free of arsenic and other contaminants, especially in arsenic-prone rural communities, every day. This program is aligned with the Government's aim to achieve the Sustainable Development Goal of securing sustainable access to safe drinking water. So far, 78 water filtration units have been installed using Government-approved water filtration technology in Jhenaidah, Chuadanga, Meherpur, Kushtia, Tangail, Manikganj, Satkhira, Gopalganj, Lalmonirhat, Kurigram, Jamalpur, Madaripur and Natore, ensuring access to pure drinking water for nearly 200,000 people every day.

To complement the Bangladeshi Government's efforts in the renewable energy sector, BATB has undertaken a project to install solar home systems under 'Deepto' in villages that are located in remote, off-grid areas of Chittagong Hill Tracts. Under Deepto, BATB has supplied as many as 2,330 units of solar home systems in remote villages to energise communities and empower people in Bandarban and Khagrachari districts, giving more than 13,000 rural people their first access to electricity at home.

BATB has an effective partnership with farmers in some part of the country through its various agricultural sustainability programs aligned with good agricultural practices (GAP) and standards. The Company's leaf function starts with the hard work of around 38,000 registered farmers within the rural communities. BATB's contract farming system has been established as a proven model and the Company proactively sets high standards in best agricultural practices. These initiatives include green manuring with Dhaincha (*Sesbania Aculeata*), which is an effective approach to enrich soil health and fertility. Dhaincha is also promoted as an alternate fuel in leaf growing areas. Every year, the Company distributes around 250 MT of Dhaincha seeds free of cost among the farming community.

In 2005, BATB established the country's first Integrated Pest Management (IPM) Club in collaboration with the Department of Agricultural Extension (DAE) of the Government of Bangladesh to support farmers in their quest for better crop management practices. For the past couple of years, BATB has established a number of IPM clubs across tobacco growing locations with the aim of driving farmers' education/awareness regarding non-chemical alternatives for pest management, and also the safe use of agrochemicals. The primary objective of IPM clubs is to reinforce Governmental initiatives to reduce the use of agrochemicals. As a result of these ongoing education programs, farmers have become more cautious and conscious about the use of chemical pesticides in farming and have adopted the use of sustainable alternatives. The Company has established 75 IPM clubs as a platform for sharing agricultural knowledge with the farm communities. The Company has been awarded with the Asia Responsible Entrepreneurship Award 2018 in the 'Social Empowerment' category by Enterprise Asia for its IPM Club initiative.

BATB, as a responsible corporate, embraced the opportunity to work for uplifting farmer livelihoods for fulfilling the agricultural sustainability agenda, in collaboration with the IFMC project of DAE. BATB availed existing facilities and support from DAE to train leaf managers on IFMC from 2016, and a total of 80 people have been trained in three batches on IFMC till 2018. Improving soil fertility and water conservation comprise integral elements of good agricultural practices. The Company provides the technical know-how to install compost pits in farmer homesteads. The Company supports sensible tobacco regulations that balances the interest of consumers with the interests of society and enables the business to continue to compete and prosper. The Company is conducting all its activities in line with the amended Smoking and Tobacco Products Usage (Control) Act, 2013. All the sales activities are governed in compliance with the Smoking and Tobacco Usage (Control) Act, 2005, and Amendment Act, 2013, and the subsequent Rules along with Company policies. These principles symbolise our commitment to market our products appropriately and only to adult users, in compliance with local laws and regulations. We have successfully complied with the local regulations regarding the Graphical Health Warning (GHW) on our cigarette packets. We believe that GHW must be implemented on all tobacco products to ensure a level playing field. However, we also believe that regulations pertaining to GHWs should not be disproportionate, otherwise it will not deliver the intended results and will significantly erode our Intellectual Property Rights.

The Company has an economic impact both in terms of revenue generation for the Government as well as employment generation, as it employs around 1,500 employees directly, while also supporting indirect employment for as many as 50,000, comprising farmers, distributors and suppliers, and over 13 lakh retailers. Hence, the Company seeks that the Government takes an inclusive and participative approach on tobacco regulations so that regulatory policies reflect the views of all relevant stakeholders and are practical and enforceable.

MANUFACTURING CAPACITY

IMPROVEMENT

The company from time to time had to go for capital investment to increase the manufacturing and warehouse capacity in the different locations of the country keeping in mind the quality expectation of consumer and customer. These initiatives had been found to be extremely useful relating to productivity improvements, efficiency and helped the company to export the finished products and to meet the local market demand.

Further this process is highly appreciated by the govt. to diversify the export basket and earn much needed foreign exchange for the country.

WINNING ORGANISATION

The outstanding performance of BAT Bangladesh in 2018 can be credited to our committed and talented people, and the efficiency of our teams. BATB's people resources are ever-committed in driving the business with passion to win in an ever-changing and challenging business environment. The rapid success and growth of the Company is powered through providing employees with an energising workplace environment and involving employees within the core business strategies. Our constant resilience to tackle challenges with the right spirit has transformed BATB into an organisation that is vibrant and dynamic.

BATB focuses on providing learning and growth opportunities to its people with the aim of developing leadership capabilities to assist them to realise their full potential. This is done by providing them with the right opportunities to learn from their leaders and through applying BAT's globally-recognised learning and development platforms. Today, the organisation continues to provide people with an environment that is open to their questions and is highly responsive to talent development. BATB focuses on building functional skills and also provides hands-on experience to groom individuals as leaders. With the aim of sustaining the present agenda for talent, 138 employees were hired, 110 employees were transferred to other roles and 110 were promoted. International assignments were given to 20 Bangladeshi managers, taking the total count of Bangladeshi managers posted internationally to 34 across countries like Australia, Hong Kong, Indonesia, Singapore and the UK. Additionally, 281 employees were provided with leadership and functional skills training. BATB's factory employees went to Poland, Singapore, Fiji to give hands on training to these employees.

The 15th edition of 'Battle of Minds' (BoM), the Company's flagship talent promotion program, was launched for universities all across Bangladesh. The program aims to augment and develop the capabilities of fresh graduates to a high degree of proficiency to prepare them as business professionals. Inspired by the success of Battle of Minds in Bangladesh, in 2018, the platform was adopted by BAT Group as its first global corporate talent platform and launched simultaneously across 40 markets. Aligned with the innovative challenges offered every year, this time the participants were given a glimpse of the social start-up infrastructure of the country and invited to propose fresh solutions for a socially sustainable business environment in Bangladesh, aligning with the fulfilment of Sustainable Development Goals (SDGs). The students were also given a unique opportunity to collaborate in a session with Access to Information (a2i), the premier innovation hub of the Government of Bangladesh, in an exciting workshop and sessions hosted in the Prime Minister's Office. Before that, BoM alumni, with several BATB employees, visited some of the top universities of the country with roadshows, taking the stage to enlighten students about the competition and its various rounds. With comprehensive online campaigns, BoM reached out to an audience

of 1.3 million via extensive social media outreach. Through this, the number of participants exceeded a record 3,300 students across 42 universities in 2018, with BATB determined to leave an imprint in nation-building with the help of its Battle of Minds, and the success stories of its employees. Furthermore, the champion team from Bangladesh consisting of three students from the Institute of Business Administration, University of Dhaka, triumphed over the Asia Pacific and Middle East regional championships, to win the Global Final hosted at the BAT headquarters in London, raising the Bangladesh flag with pride to become the first ever global champion of Battle of Minds.

BATB takes on multiple initiatives in order to create a workforce that is highly engaged and strives to bring people together in achieving unified organisational objectives. We work constantly in involving people to make sure that they are aligned with the mission and vision of the Company as well as their individual visions.

ENVIRONMENT, HEALTH AND SAFETY

BATB is fully committed to ensure safety and health of its people who come our premises, as well as minimise impact on the environment. To raise awareness among employees, the Company carried out various kinds of communication and awareness programs for managers, employees and contractors throughout the year. A week-long campaign titled 'EHS Awareness Week' was arranged focusing on safe work practices on the production floor, in warehouses and in offices.

THE BOARD OF DIRECTORS

The Board of Directors of BATB comprises a group of corporate specialists, highly qualified Senior Government officials and ex-Government officials. It is a combination of nine professionals of whom seven are Non-Executive Directors, including two Independent Directors and most of whom are Fellow Chartered Account with high public standings. Ex-Senior Government officials. The Board members are responsible for setting the direction in attaining the Company's business objectives, while also safeguarding the interests of shareholders and numerous other stakeholders. Mr. Md. Azizur Rahman FCS, Head of Public Affairs & Company Secretary, functions as the Secretary to the Board Committees. We believe that the Company Board includes core competencies considered relevant in the context of BATB. The Company has obliged all regulatory compliances necessary for membership in the Company Board. The composition of the BATB Board is as follows:

- ▶ **Mr. Golam Mainuddin**
Chairman, Board of Directors
- ▶ **Mr. Shehzad Munim**
Managing Director

- ▶ **Mr. Mohammad Moinuddin Abdullah**
Non-Executive Director
(w.e.f 11 March 2019)
- ▶ **Mr. A.K.M Aftab Ul Islam**
Independent Director
(Appointed w.e.f 11 March 2019)
- ▶ **Mr. Abdul Halim**
Non-Executive Director
(Appointed w.e.f 6 September 2018)
- ▶ **Mr. Mikail Shipar**
Independent Director
(Resigned w.e.f 11 March 2019)
- ▶ **Mr. Kazi Sanaul Hoq**
Non-Executive Director
- ▶ **Mr. K. H. Masud Siddiqui**
Independent Director
(w.e.f. 17 October 2018)
- ▶ **Ms. Tahmina Begum**
Non-Executive Director
- ▶ **Mr. William Pegel**
Finance Director

Mr. Jalal Ahmed and Mr. Muhammad Abdullah resigned from the Board with effect from 15th April 2018 & 6th September 2018 respectively. The Board of Directors would like to place on record the excellent contributions of Mr. Muhammad Abdullah and Mr. Jalal Ahmed towards improvement of the Company and in taking keen initiatives in different issues during their tenure as a Director of the Board.

DIRECTORS PROPOSED FOR RE-ELECTION

Out of the 9 (nine) directors in the Board, Mr. Masud Siddiqui and Mr. Aftab Ul Islam being appointed as Independent Directors, they will not retire by rotation. However, their appointment as independent director shall be confirmed at the ensuing Annual General Meeting as required by under the BSEC Code. Mr. Moinuddin Abdullah and Mr. Abdul Halim were appointed in the Board as non-executive directors after the last Annual General Meeting and, accordingly, they will retire in the ensuing AGM. Both Mr. Sanaul Hoq and Ms. Tahmina Begum were re-elected by rotation



at the last Annual General Meeting. Of them Mr. Sanaul Hoq being senior will retire by rotation at the ensuing AGM. All the retiring directors being eligible, they offer themselves for re-election at this meeting.

In accordance with Article 99A of the Articles of Association of the Company, Mr. Golam Mainuddin, having reached the age above 65 years, shall retire at the upcoming Annual General Meeting. However, being eligible, he is also proposed for re-election at the meeting for one year, i.e. until the conclusion of the 47th Annual General Meeting to be held in 2020.

BOARD COMMITTEES

There are currently three functional Committees of the Board, namely: Board Audit Committee, Board Nomination & Remuneration Committee and Board CSR Committee, the details of which are as follows:

Audit Committee

The Board has constituted an Audit Committee as per the Bangladesh Securities & Exchange Commission directives. As required, the Report of the Audit Committee is included in this Annual Report. In 2018, the Committee comprised of Mr. Mohammad Moinuddin Abdullah (Chairman of the Committee effective from 3rd January 2018), Mr. Golam Mainuddin, Mr. K. H. Masud Siddiqui and Mr. Kazi Sanaul Hoq. All the members of the Committee are Non-Executive Directors and the Chairman of Audit Committee is an Independent Director. The Audit Committee met four times during the year 2018. Mr. Md. Azizur Rahman, Company Secretary, served as the Secretary to the Audit Committee. Our Internal Audit & Compliance Manager, Mr. Md. Zahidul Islam, presented the audit findings to the Audit Committee in the meetings. The key performances of the Audit Committee during the year were as follows:

- ▶ Reviewed and discussed the audit findings and risk assessment.
- ▶ Recommend to the Board the quarterly and annual financial statements.
- ▶ Considered and recommended to the Board the appointment and remuneration of the statutory auditors of the Company.
- ▶ Reviewed and appraised the performance of the internal control system.
- ▶ Reviewed and recommended to the Board the Internal Audit Plan and monitored the progress about the same.
- ▶ Discussed the Internal and External Audit Report and findings therein with the auditors, members of the Management and monitored the status of implementation of the recommendations thereon.
- ▶ Reviewed and considered the report on matters as required under the BSEC Guidelines.
- ▶ Reviewed the loss and write-off report.
- ▶ Reviewed the laws of the country in relation to business operations.

Board Nomination & Remuneration Committee

The Board has constituted a Nomination & Remuneration Committee as per the Bangladesh Securities & Exchange Commission directives. As required, the Report of the Nomination & Remuneration Committee is included in this Annual Report. In 2018, Mr. K. H. Masud Siddiqui served as the Chairman of the Committee. Currently, the Committee comprises of Mr. K. H. Masud Siddiqui (Chairman of the Committee), Mr. Golam Mainuddin and Mr. Kazi Sanaul Hoq. All the members of the Committee are Non-Executive Directors, and the Chairman of the Nomination & Remuneration Committee is an Independent Director. The Nomination & Remuneration Committee met one times during the year 2018. Mr. Md. Azizur Rahman, Company Secretary, served as the Secretary to the Nomination & Remuneration Committee.

CSR Committee

The Board Corporate Social Responsibility (CSR) Committee comprises of five Directors, of which, an Independent Director is the Chairman. The constituents of the Committee are Mr. Mikail Shipar (Chairman of the CSR Committee effective from 3rd January 2018), Mr. Mohammad Moinuddin Abdullah, Mr. Md. Abdul Halim, Ms. Tahmina Begum and Mr. K.H. Masud Siddiqui and Mr. Shehzad Munim. The purpose of the Board CSR Committee is to ensure long-term sustainability of the Company's aspirations and the management of the Company's CSR initiatives. The initiatives are managed in a way that secures business stability and sustains the positive image and reputation of the Company, while also establishing the Company's commitment to the nation at large. The CSR Committee met two times in 2018. The initiatives are aligned with the SDGs, and we are contributing to fulfil the Government's commitment and for BATB's shareholders at large.

GOING CONCERN

The Directors are of the opinion that the Company is a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

THE SYSTEM OF INTERNAL CONTROL

As there is always a degree of uncertainty in our operations, the Board of Directors assures its shareholders that the Company has a competent risk management process to ensure that the system of internal control is sound in design and has been effectively implemented and monitored. Although it is possible that all risks to the business are not known at present, the Company takes reasonable steps to identify material risks that may hamper business results. The Company then systematically reviews these risks in light of the changing internal and external environment in order to assess that controls that are in place are adequate to address those risks. This report further encloses a detailed discussion on the internal control framework under the Statement of Internal Control.

DIRECTORS' DECLARATION ON THE FINANCIAL STATEMENTS

The Directors are responsible for the governance of the Company and, as part of preparation and presentation of the financial statements, the Directors confirm, to the best of their knowledge that:

- ▶ The financial statements, prepared by the Management of the Company which was scrutinised by the external auditors, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- ▶ Proper books of account of the Company have been maintained;
- ▶ Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- ▶ The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;
- ▶ The system of internal control is sound in design and has been effectively implemented and monitored; and
- ▶ There is no doubt whatsoever upon the Company's ability to continue as a going concern.

As required under the BSEC directives, the Directors further confirm that:

- ▶ 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.
- ▶ 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.
- ▶ 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.

RETROSPECTIVE TAX DEMAND BY LTU- NBR

BATB is the highest tax contributing company in Bangladesh and ensuring compliance with the law is its highest prerogative. Nevertheless, on 23rd November 2013, Large Tax Unit (LTU) of National Board of Revenue (NBR) served a retrospective VAT and SD demand for BDT 1,924 crore upon BATB for selling its products Bristol and Pilot in the low segment instead of medium segment. The claim was initiated based on a Competitor's complaint.

The company had closely monitored the case with utmost care with the per view of the law and you will be happy to know the Highest Court of Bangladesh has confirmed that allegations against BATB was unfounded.

OTHER REGULATORY DISCLOSURES:

- ▶ The Company is aware of its various risks and concerns of regulatory bodies. Financial risk management has been disclosed under note 36.B.i of the financial statements.
- ▶ All transactions with related parties have been made on a commercial

basis and the basis was the principle of "Arm's Length Transaction". Details of related party and transactions have been disclosed under note 40 of the financial statements.

- ▶ The Company's IPO was made during inception. No further issue of any instrument was made during the year.
- ▶ From inception, the financial results of the Company have continued to grow as reflected in the yearly financial statements of the Company.
- ▶ As per IAS 1 Presentation of Financial Statements, no items of income and expense are to be presented as 'extraordinary gain or losses' in the financial statements. Accordingly, no extraordinary gain or loss has been recognized in the financial statements.
- ▶ No significant variations have occurred between quarterly and final financial results of the Company during 2018.
- ▶ During the year, the Company paid a total amount of BDT 77,000 as Board meeting attendance fees. The remuneration of Directors has been mentioned in Note 40 of the Financial Statements.
- ▶ All significant deviations from the previous year in the operating results of the Company have been highlighted and reasons thereof have been explained.
- ▶ The key operating and financial data for the last five years have been disclosed in the Directors' Report.
- ▶ The Company has proposed cash and stock dividend for the year 2018.
- ▶ During 2018, a total of 9 (nine) Board meetings were held, which met the regulatory requirements in this respect. The attendance records of the Directors are shown in Annexure-1 to this report.
- ▶ Shareholding pattern of the Company as on 31 December 2018 are shown in Annexure-1 to this report.
- ▶ Directors' profiles have been included in the Annual Report as per BSEC Guidelines.
- ▶ Rights and interests of the minority shareholders have been duly protected by means of transparent operation and disclosure of material information of the company.
- ▶ No bonus of stock dividend has been declared as interim dividend during the year.

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

BATB believes that a nurtured governance regime is essential to success and sustainability. Accordingly, the Board of Directors and Management are pledge-bound to continue the implementation of the highest standards of governance at the Company through a culture of accountability, transparency, ethical business conduct and well-understood policies and procedures. The Board of Directors of BATB has always played a pivotal role in meeting all stakeholders' interests and is committed to upholding the same in the future as well. It is the responsibility of the Company Secretary, being the highest governance official in the Company, to



ensure effective compliance of rules and regulations and proper timely disclosures in this respect.

The Company's Corporate Governance framework is directed towards achieving its business objectives in a manner that is responsible and in accordance with the high standards of honesty, reliability, transparency and accountability. As part of its governance pursuits, the Company emphasises on stronger diligence to business, all operations being apparent and invites larger involvement of the stakeholders. The essential elements that define effective corporate governance at the Company are outlined in the Corporate Governance Statement which is appended in this Annual Report. The contents in the statement further expand on the broad practices at BATB. All employees are expected to live up to these principles and guidelines which are communicated regularly throughout the Company in the form of various training and awareness programmes.

In this respect, we have the pleasure to confirm that the Company has complied with all the necessary guidelines under BSEC CG Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2018. Further, a Certificate of Compliance required under the said CG codes, as provided by M/s. Al-Muqtadir Associates, Chartered Secretaries, is also annexed to this report.

AUDITORS

As per requirements of law, the current statutory auditors A. Qasem & Co., Chartered Accountants, will retire at the 46th Annual General Meeting. They have expressed their willingness to be re-appointed for the year 2019. Based on suggestions of the Audit Committee, the Board recommends the re-appointment of A. Qasem & Co., Chartered Accountants as the statutory auditors of the Company for the year 2019 and continuation upto the next AGM at a fee of Tk. 950,000 (Taka Nine lacs fifty thousand) only and requests shareholders to approve the appointment. The shareholders are also requested to approve Al Muqtadir & Associates as Compliance Auditor.

BUSINESS COMMITMENTS

BATB values and continuously updates its corporate strategies and commitments. It was more than 108 years ago, when the Company established itself on this land of opportunities and possibilities - Bangladesh. Since independence of Bangladesh, BATB has demonstrated an unwavering dedication to the country and its people and this commitment is what sets BATB apart from any other business entity. This uniqueness is reflected through the passion and dedication of its employees and business partners that has taken BATB to great heights. BATB in Bangladesh is listed on both Dhaka and Chittagong stock exchanges and is currently the highest taxpayer. In this year alone, we have contributed Taka 19,133 crore to the Government exchequer in the form of Supplementary Duty, Value Added Tax, Income Tax, Custom Duty and other levies. BATB has always cherished and shall continue to value its treasured relationship with the Government of Bangladesh, esteemed

shareholders and other stakeholders of the Company.

AWARDS & ACHIEVEMENTS

Our stupendous performance and management in the year 2018 has led us to achieve some prestigious awards from different credible organisations locally and internationally. In 2018, the Company was awarded with the following recognitions:

1. Highest Tax Payer Recognition by National Board of Revenue (NBR)
2. 18th ICAB National award for best presented Annual Report
3. Life Time Achievement Award by Asia's Best Leadership Awards to Mr. Golam Mainuddin
4. ICMA Best Corporate Award 2017
5. ICSB National Award for Corporate Governance Excellence
6. SAFA Awards 2017 for Corporate Governance
7. Asia Responsible Entrepreneurship Awards for Green Leadership – Deepto
8. Bangladesh Supply Chain Excellence Award 2018 in 'Excellence in Supply Chain Talent Development'
9. CMO Asia Award in 'Community Development' Category – Deepto
10. CMO Asia Award for Best CSR Practices'
11. Top Employer Award from Top Employers Institute
12. Innovation Award for SDG Inclusion by BBF and Mastercard – Probaho
13. Dream Employer to work for 2018
14. Best HR event of the Year 2018
15. Mubina Asaf, Head of Legal and External Affairs - Corporate Excellence Award for her Leadership by CMO Asia
16. Diversity Impact Award 2018
17. 23 Local Government awards for Afforestation in different districts

(Details of these awards are mentioned in the achievements section of this Annual Report)

MANAGEMENT DISCLAIMER FOR IT SECURITY

BAT Bangladesh has been using some applications software packages for its day to day activities. To the best of knowledages these software packages are fully immune and tested against any external hacking. The Cyber Security platform is being periodically checked by inhouse Information & Technology Specialist Team.

ACKNOWLEDGEMENTS

The performance of BATB in 2018, even with many challenges confronted, demonstrates the determination of the Board, Management and the people in the Company. The outstanding achievement of the year is more than a tribute to the countless brand users of the Company

and its numerous stakeholders. And it is with this conviction that the Board of Directors firmly believes that BATB has the necessary strengths, resources and commitments to further propel the Company to newer heights. The members of the Board would like to place on record their high appreciation to the valued shareholders and all other stakeholders of the Company for their persistent support and guidance. The Board would also like to thank each and every customer for their continued support and for making the Company's brands their preferred choices. The Board also recognises that its journey and accomplishments during the year was possible because of the cooperation, positive support and guidance that it received from the Government of Bangladesh, particularly the Ministry of Finance, Ministry of Commerce, Ministry of Agriculture, Ministry of Labour and Employment, Ministry of Forest & Environment and Ministry of Housing & Public Works, National Board of Revenue, Board of Investment, Bangladesh Investment Development Authority, Bangladesh Securities and Exchange Commission, Stock Exchanges and other numerous stakeholders. The Board would also like to appreciate

Sd/-
Golam Mainuddin
CHAIRMAN

the support from BATB's bankers, Bangladesh Bank insurers and financial institutions, vendors, the press and media, business partners and all our employees. The Board offers its utmost gratitude to them.

We also extend our warmest thanks to the management and employees for being an essential part of BATB during the year. It was their unrelenting commitment, dedication and diligence throughout the year that led the Company to achieving results, awards and accolades in 2018.

We are proud of you all and look forward to your continued support as we march ahead to take BATB forward as a leading player in Bangladesh's business community.

On behalf of the Board of Directors,

11th March 2019

Sd/-
Shehzad Munim
MANAGING DIRECTOR

MANAGEMENT DISCUSSION & ANALYSIS

(a) Accounting policies and estimation for preparation of financial statements;

The financial statements have been prepared in accordance with the (International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987, and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules, 1987.

The financial statements have been prepared on a historical cost basis, except for debt and equity financial assets and contingent consideration that have been measured at fair value. The financial statements provide comparative information in respect of the previous period.

In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. However, the Company has not early applied the following new standards in preparing these financial statements.

The detail of the significant accounting policies are available in note 6 of the financial statement.

(b) Changes in accounting policies and estimation

The Company applied IFRS 15 and IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

The financial effect of adopting IFRS 15 and IFRS 9 as at 1 January 2018 is depicted in Note 6T(i) & 6 T (ii) of the financial statement respectively.

(c) Comparative analysis of financial performance and operational performance

Financial Results (in cr.)	2018	2017	2016	2015	2014
Gross Turnover	23,312	20,414	16,563	14,371	12,673
Supplementary duty, VAT, HDSC	(17,848)	(15,218)	(12,188)	(10,382)	(9,116)
Net Turnover	5,464	5,196	4,375	3,990	3,556
Cost of Goods Sold	(2,710)	(2,718)	(2,389)	(2,121)	(1,979)
Gross Profit	2,754	2,478	1,986	1,868	1,577
Financial Cost and Other Exp	(672)	(698)	(594)	(548)	(423)
Operating Profit	2,082	1,780	1,393	1,320	1,153
Profit before Tax	1,931	1,676	1,317	1,246	1,087
Tax	(930)	(893)	(559)	(659)	(458)
Profit after Tax	1,001	783	758	587	628
EPS in BDT	166.87	130.50	126.37	97.90	104.70

Operational results	2018	2017	2016	2015	2014
Share Capital (BDT cr.)	60	60	60	60	60
No. of Employees	1,453	1,459	1,476	1,400	1,353
Total Contribution to the National Exchequer (BDT cr.)	19,133	16,427	13,631	11,051	10,007

The Company's gross turnover for the year 2018 increased by 14.2% to BDT 23,312 crore. This growth was principally driven by product mix improvement and price increase in the low-segment. The profit before tax, which increased by 15.2% to BDT 1,931 crore, reflects the impact of product mix improvement and price increases, coupled with cost savings initiatives such as productivity improvement, machine utilization and operational loss reduction. Despite the higher tax expenditure, your Company was able to deliver a 27.9% growth in profit after tax to BDT 1,001 crore during the year.

Though volumes dropped in the low segments principally on account of the Government price hike and with the growth in the top-3 segments, BATB was able to retain profit growth. Both operating and gross margins have improved, driven by better mix, productivity gains and effective cost control. Consistent growth in revenue and effectively translation of growth into profit have delivered good results over the years.

Cash flow Movement (BDT crore)

Cashflow Movement	2018	2017	2016	2015	2014
Cash generated from operating activities	1,789	1,518	1,089	1,409	879
Income tax paid	(843)	(526)	(662)	(486)	(387)

Cashflow Movement	2018	2017	2016	2015	2014
Interest paid	(45)	(19)	(3)	(13)	(16)
Net cash flows from operating activities	901	973	424	910	476
Net cash flows used in investing activities	(688)	(799)	(352)	(264)	(437)
Net cash flows used in financing activities	78	(510)	(180)	(549)	(92)
Net Increase in cash and cash equivalents	291	(335)	(108)	96	(53)
Cash and cash equivalents at 01 January	(208)	128	236	139	192
Cash and cash equivalents at 31 December	83	(208)	128	236	139

BATB has been generating cashflow from its operating activities translating the profit growth in the last 5 years. However, to support the growth momentum, and meet the consumer expectation, BATB has been investing in capital expenditure over the years.

Dividend

In view of the performance of the Company and considering the current liquidity position, the Board of Directors has recommended a cash dividend BDT 50 per share and a 1:2 bonus share as Stock Dividend amounting to BDT 3000 million for the year ended 31 December 2018, to be approved at the ensuing 46th Annual General Meeting. With this recommendation of proposed cash and stock dividend, the summary of the total dividend in 2018 is represented below:

Operational results	2018	2017	2016	2015	2014
Profit After Tax (BDT Cr)	1,001	783	758	587	628
Earnings Per Share	166.87	130.50	126.37	97.90	104.70
Final Cash Dividend (BDT Cr.)	300	360	360	330	270
Stock Dividend Ratio	1:2	-	-	-	-
Number of Shares	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000
Cash Dividend per Share	50	60	60	55	55
P/E Ratio (as of 04 April 2019)	27.4				
Dividend Yield (as of 04 April 2019)	1.1%				

(d) Comparison of financial performance with the peer industry scenario

BATB is the only listed tobacco company in Bangladesh. Also, the nature of the tobacco business is different from the other industries and hence it is not possible to compare the financial position and cash flow with peer companies.

(e) Financial and economic scenario of the country and the globe

Global Economy

Global economic growth is expected to ease in 2019, from 3.8% in 2018. Some of the macro-trends impacting global growth include the protracted trade dispute between the US and China, uncertainty over the exit of the United Kingdom from the EU grouping, recalibration of economic growth in China and continued volatility in oil prices. US, the world's biggest economy is expected to have a moderate growth. However, consumer spending is expected to continue to remain robust. Expected downside risks from a more pronounced global growth slowdown than currently forecast, and associated declines in commodity prices would negatively affect US producers. US-China tensions are the foremost foreign policy concern. Europe will likely to have a slower growth than 2018. It is expected that the economy will start showing signs of stabilization supported by robust consumer spending and improving business investment.

Bangladesh Economy

Bangladesh's GDP growth for financial Year 2019 is line with the Government projection, driven by strong domestic demand – particularly private consumption – and a recovery in exports, albeit mild. GDP growth in Financial Year 2018 was 7.8%. A strong turnaround in remittances after a two-year decline should support private consumption. Agricultural output is recovering after weather-related disruptions in Financial Year 2018, which should also boost consumption; industry and services remain strong.

Import growth is likely to be moderate in Financial Year 2019, after having surged to 25.2% in Financial Year 2018 on higher demand for capital goods, export-related intermediate goods and food grains. While capital-goods imports are likely to remain high, it is expected imports of intermediate goods to moderate after substantial inventory build-up last year. Export growth picked up to in H1- Financial Year 2019 driven by higher garment exports.

Remittance growth is likely to remain strong in FY19, driven by rising crude oil prices and Bangladeshi taka (BDT) depreciation and effective action against illegal money transfers.

(f) Risks and concerns issues related to the financial statements

The Company has a series of policies, practices and controls in place in relation to the financial reporting and consolidation process, which are

designed to address key financial reporting risks, including risks arising from changes in the business or accounting standards. The Finance Director is required to confirm annually that all information relevant to the Company audit has been provided to the Board of Directors through the Audit Committee and that reasonable steps have been taken to ensure full disclosure in response to requests for information from the external auditor.

In addition, it is standard practice for the Finance Director to fully review account reconciliations on a bi-annual basis. The effectiveness of the Company's financial reporting controls is assessed through self-certification as part of the Control Navigator exercise described earlier. The integrity of the Company's public financial reporting is further supported by a number of processes and steps to provide assurance over the completeness and accuracy of the content including review and recommendation by the

Audit Committee and review and approval by the Board.

(g) Future plan or projection or forecast

BATB has an ambition to provide consumers' preferred quality products to its numerous customers/brand users. Looking ahead in 2019 and beyond, BATB wishes to continue with the same zeal that it had started 108 years ago, to be the number one locally listed Company in turnover, in partnering with the national exchequer and to operate as a socially-responsible Company. Moreover, the Company's social responsibility initiatives in 2019 will bring about a positive change across the nation with various initiatives directed towards poverty alleviation, gender equality, human development and well-being, partnership in green cultivation practices, prevention of arsenic contamination, forest green cover preservation and extending sustainable modern energy in off-grid areas.

Sd/-
Golam Mainuddin
CHAIRMAN

Sd/-
Shehzad Munim
MANAGING DIRECTOR

CORPORATE GOVERNANCE STATEMENT 2018

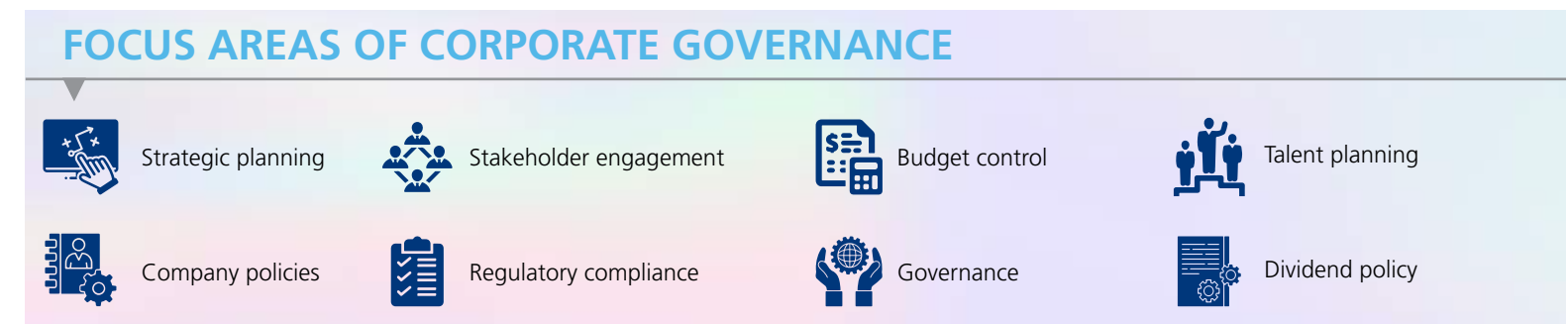
Introduction

The BAT Bangladesh Board is collectively responsible to shareholders of the Company for its performance and for the organisation's governance framework, its value system and its strategies. The Board, comprising of luminaries from diverse areas, provides the leadership necessary for the Company to meet its performance objectives within a robust framework of internal processes and controls.

Operating in a highly regulated industry, we consider it a bigger responsibility to ensure compliance with the highest standards of governance. As a leading consumer goods Company, we emphasise on integrity, transparency and accountability, which represent the key facets of corporate governance that enable sustainable growth and stakeholder value creation. The Company has always endeavoured to

maintain the highest standards of governance and business conduct to be able to ensure sustainable shareholder value, while also safeguarding stakeholders' interest and maintaining investors' trust and confidence.

At BAT Bangladesh, we strongly believe that sustainable value creation is underpinned by robust corporate governance regime that enable us to facilitate and nurture strong relationships between the Board, shareholders, employees and other stakeholders. Our governance philosophy is our enabler to mutually-beneficial business relationships, business integrity and transparency and long-term value creation. The governance framework at our Company extends beyond legal requirements to embrace voluntary codes and international best practices. Importantly, our corporate governance framework has been developed broadly in line with the BAT Group's policies, principles and standards.



The Board aims to ensure the integrity and commitment of its employees, supported by a comprehensive framework of policies, guidelines and internal controls. In this Statement of Corporate Governance, we wish to provide insights to shareholders, investors and other stakeholders on the corporate governance initiatives at the Company.

The Governing Board and Structure

British American Tobacco Bangladesh's Board of Directors represent the apex authority of the Company, providing the necessary leadership to enable achievement of business objectives, while remaining within the framework of internal controls, and also satisfying the expectations of the Company's shareholders.

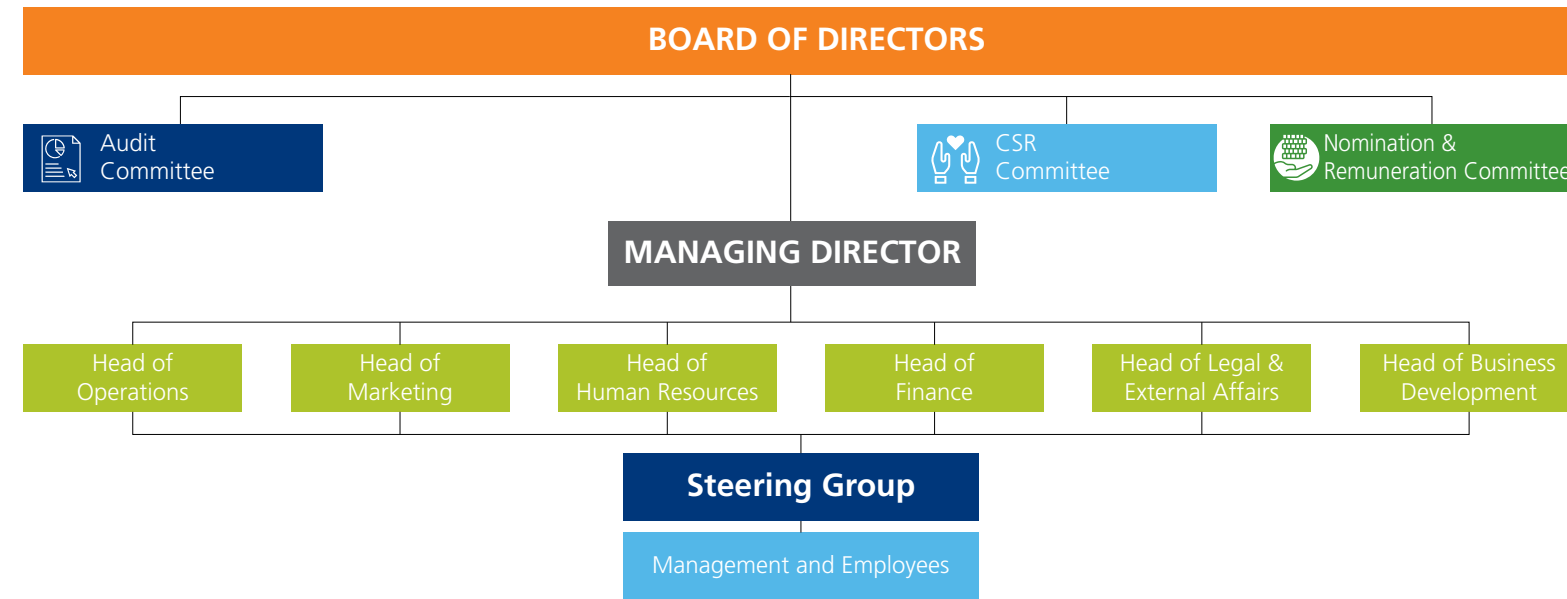
Our Board's principal focus area is to ensure that the Company's sustainability manifesto, organisational effectiveness and high-performance culture represent a bulwark in enabling the organisation to meet its goals. The Company's Board comprises of nine (9) resourceful

individuals with core competencies considered relevant in the context of the Company. Towards ensuring a more balanced representation, the Board includes Independent Directors, who bring forth rich multi-sectoral expertise to the Board and whose values are aligned with that of the organisation. The Board of Directors of the Company, in fostering a responsible culture, ensures that it adopts practices and policies that are in accordance with the principles and recommendations of the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC), and the Company's own governing principles.

In order to achieve the goal of good governance, the BATB Board is committed to:

- ▶ Disclosure of the principles and practices of corporate governance
- ▶ Continuously improving regulatory alignment, taking note of international developments and meeting investor expectations

Governance through leadership



Corporate Governance Framework

BAT Bangladesh's corporate governance framework has been developed and enhanced based on the basic principles and best practices outlined in the following:

- ▶ Bangladesh Securities & Exchange Commission (BSEC) Notification on Corporate Governance;
- ▶ The Companies Act 1994 and other applicable corporate regulations of Bangladesh;
- ▶ Dhaka Stock Exchange and Chittagong Stock Exchange Listing Regulations;
- ▶ Laws of the Land;
- ▶ Standard of Business Conduct, Policies and Guidelines of the Company;
- ▶ Statement of Risk Management Internal Control of the Company;
- ▶ Statement of Delegated Authorities of the Company; and
- ▶ Local and Global Best practices

The Board also continuously reviews the corporate governance framework to ensure its relevance, effectiveness and sustainability in addressing business challenges in an evolving environment.

All employees of the Company, including the Board of Directors, must remain in compliance with the Company's policies, guidelines and standards of business conduct. Since it is expected that all employees shall live up to the standards of business conduct, they are hence required

to confirm their commitment and compliance by executing a declaration of compliance annually.

The Board reviews the standards of business conduct from time to time for applying the highest standards of governance, embracing best global practices. The standards of business conduct was last updated and revised by the Board in November 2014. The Company, apart from abiding by the business conduct, also follows the Company's statement of business principles which cover key matters that underpin corporate responsibility for a multinational business and, more particularly, the unique characteristics of a tobacco business. Mutual benefit, responsible product stewardship and good corporate conduct represent the three business principles that support the fundamental principles of business behaviour. Apart from the Company's standards of business conduct and business principles, the Company also has in place the statement of delegated authorities which outlines the respective roles and authorities of the management. This helps governance and control of investment management. In the Company's statement of delegated authorities, the Board has specifically reserved matters such as establishment of new businesses or factories, annual strategic plan, approval of major capital expenditure, acquisition and disposal of businesses or equity, borrowings and any corporate restructuring, for its own decisions. Additionally, the Company also has in place the required internal policies, guidelines and codes to ensure good governance and control.

The Company has always been comprehensively embracing the above-mentioned corporate governance principles and best practices along with statement on risk management and internal controls, articulating the manner in which the governance principles and best practices are applied.

To achieve the Company's business objectives, the corporate governance framework of BAT Bangladesh ensures sustainable business growth, achieved in a responsible manner. To comply with the laws, rules, regulations, corporate governance codes, articles of association, policies and procedures, the Company continually exercises effective control processes, transparent disclosures, well-defined shareholders' rights and Board commitments. The manners of adherence to these principles and practices are outlined as follows:

Corporate Compliance

Corporate compliance to various laws, rules and regulations is one of the core fundamentals for good governance. Compliance helps build trust among the Board members, shareholders, customers and other stakeholders, including regulators.

A culture of authenticity and full and thorough adherence to integrity is practiced by the Board, which represents one of the most crucial strengths of the Company. In every Annual General Meeting (AGM), shareholders continuously validate their support towards our Board's leadership. BATB provides accurate and periodic reporting of issues/events and certifications, wherever necessary. Furthermore, BAT's management team always embraces the highest levels of compliance with all the related legal and regulatory issues, which helps to ensure the practice of high levels of governance throughout the Company.

As a close monitoring process of the regulatory bodies, the organization provides a complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), stock exchanges, National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC) and all other relevant bodies and authorities. Moreover, the Company takes on many tasks for ensuring awareness sessions on existing and proposed laws for enforcing compliance throughout the organisation. Overall, BATB strives to remain a fully compliant organisation, both in letter and in spirit.

Board Practices

The Board is responsible to the shareholders. The necessary guidance for meeting business objectives within the framework of its internal controls is provided by the Board, which helps meet the broader shareholder objectives.

Board composition complies with the BSEC Code on Corporate Governance, Listing Regulations and Codes of best practices.

Policy on Appointment of Directors

The Company fully complies with the regulations issued by the authorities regarding the appointment of Directors. BSEC notifications and the Companies Act are strictly followed in this regard. As per the Companies Act, 1994, Directors are subject to retirement. At least one-third of the Directors shall retire by rotation in every AGM. Following the Companies Act, 1994, an appointed Director may have a tenure for three years and may prolong this duration for another three years. The Independent

Director too may have a consecutive two tenures of three years each. In regard to nomination removal and casual vacancy of the Directors, the Company follows all relevant rules and regulations of the respective regulatory bodies.

It must be noted that BAT Bangladesh does not have its own separate policy on appointment of Directors, except for the very first Board.

Chairman of the Board

The Board of Directors elects the Chairman of the Company whom the Board considers to be Independent.

Roles and Responsibilities of the Chairman

- ▶ Defined by the Board as per BSEC's notifications on Corporate Governance Guidelines.
- ▶ As Chairman of the Board of Directors (or Chairman of any Committee formed by the Board) one does not personally possess the jurisdiction to apply policy-making or executive authority, he does not participate in or interfere with the administration or operational and routine affairs of the Company
- ▶ The Board must function as per the Memorandum & Articles of Association along with other applicable laws which must be ensured by the Chairman
- ▶ The Chairman presides over meetings of the Board and Company (AGM) and ensures good Corporate Governance in the conducts of the Board and Company
- ▶ Representing the Company (whilst in consultation with Board and Managing Director), the Chairman maintains liaison with relevant stakeholders representing the Company as a responsible corporate citizen
- ▶ The Chairman may assume any responsibility if the Board assigns within the purview of the relevant Rules, Regulations, Acts and Articles

Primary Roles and Responsibilities of the Managing Director

- ▶ The Managing Director is responsible for driving business operations, leading the development and execution of the Company's long-term strategies with a view to creating shareholder value
- ▶ The MD's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long and short-term plans
- ▶ The Managing Director acts as a direct liaison between the Board and the Management of the Company, and communicates to the Board on behalf of the Management
- ▶ The MD also communicates on behalf of the Company to shareholders, employees, Government authorities, other stakeholders and the public

Management through People

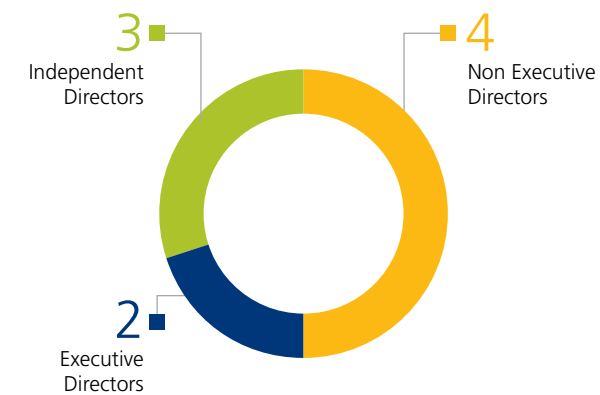
The BATB Board focuses on setting the organisational direction and, in this regard, considers empowerment as the biggest driver of change. It is in this spirit that the Board delegates operational and financial authority to the Managing Director, empowering him to set up the organisational structure, recruit appropriate talent, manage the Strategic Business Units and functional areas and provide the teams guidance towards achieving the desired results.

Being the apex authority of the corporation, the Board remains abreast of the targets and initiatives of the Business Units and is also apprised of the financial performance on a regular basis. The Managing Director is in-charge of the operations of the Company and manages the affairs through close consultation with relevant people from within the Company and/or, if necessary, outside experts.

Empowering Employees

To ensure that there is proper delegation of authority and clear statement of accountability of the management staff all the way to the supervisory level, the Board has provided clear guidelines to the Managing Director. Individual performance is judged based on clearly set measurable goals and through objective assessment of their achievements.

Composition of Board of Directors in 2018



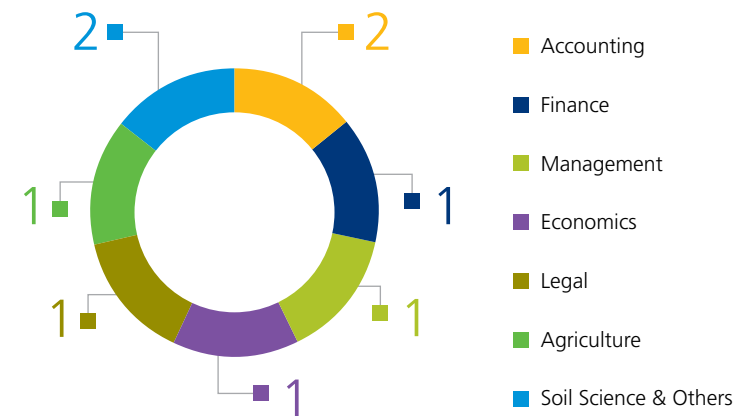
At BATB, the overall effectiveness of the Board is enhanced by the diversity and sheer breadth of perspectives of its members, who combine professional and academic skills and rich experience, both locally and internationally. Collectively, the Board also has sufficient financial acumen and knowledge. The Board is collectively responsible to the shareholders of the Company for its long-term success and the Company's strategic direction, values and governance.

Amongst the nine directors of the BAT Board, seven are non-executive Directors who are also senior officials or ex-officials of the Bangladesh

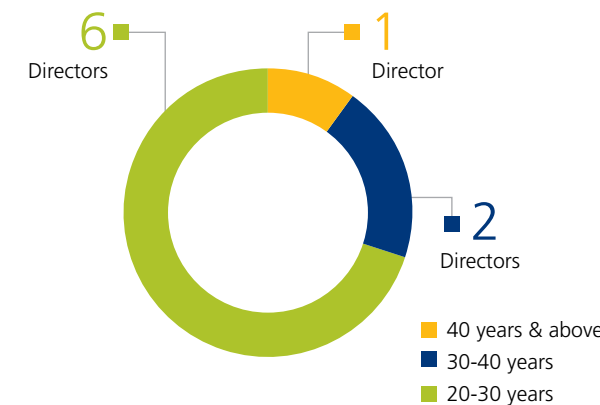
Government. The role of Company Secretary is entrusted to a competent Fellow Chartered Secretary.

Refer to pages 42 for a detailed profile on our Directors.

Educational Background of the Board Members



Professional Experience of the Board Members



Principal Responsibilities of the Board

- ▶ **Strategies:** Review long-term strategies and, accordingly, set goals and direction for the Company.
- ▶ **Risk Assessment:** Review the Company's risk response mechanisms and confirm implementation of the necessary systems to manage these risks.
- ▶ **Leadership:** Provide the leadership necessary to ensure that the business objectives are within the boundaries of internal controls, as described in the code statement.

Key Responsibilities



Board's Decision-Making Responsibilities

- ▶ Acquisition, disposal or closure of business
- ▶ New business establishment
- ▶ Capital Investment and disposal of tangible assets
- ▶ Purchase and sale of trade mark
- ▶ Proposal for borrowings or the grant of extended credit facilities
- ▶ Any corporate restructuring not covered by any of the above
- ▶ Appointment of top management and expatriate officials

Dissemination of duties is followed by regulations contained in the following: -

- ▶ Memorandum and Articles of Association of the Company
- ▶ Companies Act 1994
- ▶ BSEC Codes of Corporate Governance
- ▶ Listing Regulations
- ▶ Company's Standards of Business Conduct
- ▶ Business Principles
- ▶ Statement of Delegated Authorities
- ▶ Other General Corporate Best Practices

Non-Executive Director's Independence

With the exception of the Managing Director and Finance Director, all other Directors are non-executive Directors on the Board. The Board attends Board and Committee meetings, discussing in detail the agenda reserved for the meetings.

Board Members and their attendance in Meetings

The composition of the Board Committees as of 31 December 2018 and the attendance of Directors at the Board and Board Committee meetings held in 2018 are as follows:

Board Members	Board	Audit Committee	NRC	CSR Committee	AGM
Mr. Golam Mainuddin Chairman of Board Non-executive Director	9/9	4/4	1/1	1/2	1/1
Mr. Shehzad Munim Managing Director	9/9	4/4	1/1	2/2	1/1
Mr. Mohammad Moinuddin Abdullah (Chairman, Audit Committee) Independent Director	9/9	4/4	-	2/2	1/1
Mr. K.H. Masud Siddiqui (Chairman, NRC Committee) Independent Director (w.e.f 17 October 2017)	9/9	4/4	1/1	2/2	1/1
Mr. Mikail Shipar (Chairman, CSR Committee) Independent Director	9/9	-	-	2/2	1/1
Mr. Md. Abdul Halim Non-Executive Director (Joined on 6 Sep 2018)	2/9	-	-	1/2	-
Ms. Tahmina Begum Non-Executive Director (Joined on 15 Mar 2018)	6/9	-	-	1/2	1/1
Mr. Kazi Sanaul Hoq Non-Executive Director	8/9	4/4	1/1	-	1/1
Mr. Muhammad Abdullah Non-Executive Director (Resigned on 6 Sep 2018)	7/9	-	-	1/2	1/1
Mr. Jalal Ahmed Non-Executive Director (Resigned on 15 Mar 2018)	2/9	-	-	2/2	-
Mr. William Pegel Finance Director	8/9	3/4	1/1	-	1/1
Mr. Azizur Rahman Head of Public Affairs & Company Secretary	9/9	4/4	1/1	2/2	1/1

BOARD COMMITTEES

It is to ensure swift and efficient flow of information, i.e. showcasing strong governance, with which the Board has established three sub-committees which are:

- ▶ Audit Committee
- ▶ Nomination and Remuneration Committee
- ▶ CSR Committee

These committees are responsible for assisting the Board in some of the Board's responsibilities. The Committee firmly follows the Board approved Terms of Reference (ToR). The ToR elaborates the roles, operating procedures and authorities which are reviewed frequently by the Board.

Audit Committee

As per the conditions of the BSEC Guidelines, the Board has constituted an Audit Committee for the Company. In 2018 the Committee comprised of 1 Independent Director and 3 Non-Executive Directors. The Board has appointed an Independent Director as Chairman of the Committee under the referred guidelines

Audit Committee Composition



Committee members and their attendance in meeting

Members of Audit Committee	Number of Meeting Held	Attended	Attendance %
Mr. Mohammad Moinuddin Abdullah Chairman, Audit Committee, (Independent Director)	4	4	100%
Mr. K. H. Masud Siddiqui Member, Audit Committee, (Non-Executive Director)	4	4	100%
Mr. Kazi Sanaul Hoq Member, Audit Committee (Non-Executive Director)	4	4	100%

Mr. Golam Mainuddin Member, Audit Committee (Non-Executive Director)	4	4	100%
Mr. Md. Azizur Rahman FCS Secretary, Audit Committee	4	4	100%

As per regulatory requirements, members of the Audit Committee are well-versed in finance and financial matters, i.e., they are able to analyse and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. As per the invitation of the Audit Committee, the Managing Director, Finance Director, Internal Auditor and representatives of External Auditors attend the meetings of the Audit Committee as invitees.

Other senior members are also invited to the Audit Committee meetings. The Audit Committee meets with the external auditors as per needs basis and separately with internal auditors annually without the presence of any Executive Director. The Committee met 4 times during the year 2018.

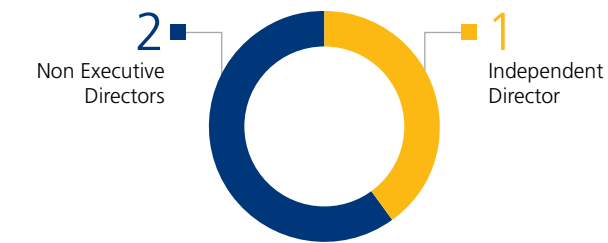
Responsibilities of the Audit Committee include the following:

- ▶ To ensure compliance with accounting policies, standards and principles and monitoring the integrity of the financial reporting process
- ▶ To mitigate risks and monitor the internal controls and business risk management process
- ▶ To oversee the selection and performance of external auditors, which ensures that the statutory auditors are not engaged in any involvement in the Company which are restricted under regulatory guidelines
- ▶ To monitor and review the effectiveness of the internal audit function
- ▶ To engage in other matters as per the terms of reference of the Audit Committee

Nomination and Remuneration Committee (NRC)

The Board Nomination and Remuneration Committee (NRC), headed by an Independent Director, makes recommendations to the Board in terms of employment of the members of the Executive Committee, managers and employees and decides their specific remuneration. This Committee met once in 2018. The Managing Director, Finance Director and Head of Human Resources attended the meeting of the NRC as invitees and the Company Secretary performed the functions of the Secretary of the Committee. The remuneration policy is designed to ensure that the reward and remuneration package is competitive so that high-quality human resources with proven track record and experience are recruited, motivated and retained.

NRC Composition:



Committee members and their attendance in meeting:

Members of NRC	Number of Meeting Held	Attended	Attendance %
Mr. K. H. Masud Siddiqui Chairman, Nomination and Remuneration Committee (Independent Director) (w.e.f 17 October 2018)	1	1	100%
Mr. Golam Mainuddin Member, NRC (Non-Executive Director)	1	1	100%
Mr. Kazi Sanaul Hoq Member, NRC, (Non-Executive Director)	1	1	100%

Corporate Social Responsibility Committee

As a Company that is deeply aware of the divergence between the needs of the society and the impact required, we focus on activities that deliver the maximum welfare to the largest number of people in the quickest possible time. In order to achieve the necessary sustainable balance between economic growth, environmental protection and social progress, the Company ensures that its impact is appropriately targeted and long-lasting.

On 11th April 2012, the Board of Directors established a CSR Committee as a sub-Committee of the Board. Five (5) Directors are nominated to the Board CSR Committee, among whom an Independent Director is the Chairman. For ensuring business sustainability and creating a positive impact on image and reputation of the Company amongst stakeholders and the larger society, the Board CSR Committee takes up the necessary tasks.

CSR Committee Composition:



Committee members and their attendance in meetings:

Members of CSR Committee	Number of Meeting Held	Attended	Attendance %
Mr. Mikail Shipar Chairman, CSR Committee (Independent Director)	2	2	100%
Mr. Mohammad Moinuddin Abdullah Member, CSR Committee (Non-Executive Director, w. e. f 11th March 2019)	2	2	100%
Mr. K. H. Masud Siddiqui Member, CSR Committee (Non-Executive Director)	2	2	100%
Mr. Md. Abdul Halim Member, CSR Committee (Non-Executive Director)	2	1	50%
Ms. Tahmina Begum Member, CSR Committee (Non-Executive Director)	2	1	50%
Mr. Shehzad Munim Member, CSR Committee (Managing Director)	2	2	100%
Mr. Md. Azizur Rahman FCS Secretary to the Committee, Company Secretary	2	2	100%

The Head of Legal & External affairs and Coporate Affairs Manager also attended in the meetings as invitee.

Beside of them other relevant Directors, Consultant, Managers and Stakeholders also attended the meetings by invitation.

As per regulatory requirement, the Head of Internal Audit & Compliance attended the meetings of the Board.

DIRECTORS’ TIME AND DIRECTORSHIP COMMITMENTS

Directors provide disclosures about their other commitments so that they are able to spend adequate time in the Company’s affairs.

- ▶ Other Directorships: As at 31 December 2018, none of our Directors, individually, held directorships in more than five public companies including BAT Bangladesh.
- ▶ Executive Directors: Our Executive Directors do not hold directorship in other public companies; however, they are encouraged to participate in professional, public and community organisations.
- ▶ Sufficient Time and Attention: Adequate and relevant time commitments has been made by the Directors over the years in matters and affairs of the Company.
- ▶ Other Offices: Disclosure of Directors’ other commitments held within the country or overseas, including the number, identity and nature of the office is made, indicating time involvement.

In the election held at the Annual General Meeting (AGM) in 2018, respective candidates’ directorships held in listed public companies in the past three years were set out in the Annual Report of the year concerned. Elaboration on the Directors’ biography can be found under the ‘Board

of Directors’ on page 42 of this Annual Report and on BATB’s website.

Appraisal of the Board’s performance

The Appraisal of the Board’s performance is done as per regulatory requirements. The outcome of the Board’s decisions has always had a positive impact on the Company, reflecting that the Board has performed their duties accordingly.

TRAINING AND DEVELOPMENT OF BOARD

A workshop on key business issues, along with the initiatives regarding corporate social responsibility, was organised for the Board of Directors, apart from individual induction orientation.

On September 2018, the Board received an overview regarding Business Sustainability and a corresponding update on CSR activities.

Effective Control Processes

The Board disseminates responsibilities for ensuring effective control processes in the organisation through the Board committees and also, an Executive Committee at the top management level, plays a significant role in managing the business as per the norms of corporate governance, while also ensuring that adequate internal controls are in place and supported through a robust risk management and MIS process.

- ▶ Maintaining the crucial link and liaison between the Board, management, shareholders and other stakeholders on matters of corporate interests in a transparent way
- ▶ Driving policy compliance awareness among Company employees
- ▶ Performing the duties as per the power of attorney and Board-level stakeholders’ management, facilitating the legal and external affairs (LEX) function, especially for company secretarial matters
- ▶ Compliance with the acts, rules, regulations, notifications, guidelines, orders/directives, etc., as issued by the BSEC or stock exchange(s) applicable to the conduct of business activities of the Company so as to protect the interests of investors and other stakeholders
- ▶ Disclosure of the Company’s price sensitive information (PSI) and other capital market related issues
- ▶ Ensuring that appropriate Board procedures are followed as per Bangladesh Secretarial Standards (BSS) as adopted by ICSB and other guidelines and best practices and advise to the Board on such matters.

Financial Reporting Process

The pillar of a successful information structure for an organisation is its financial reporting system. The Company has a robust financial reporting procedure, with all financial statements made in accordance with International/Bangladesh Financial Reporting Standards (IFRS/BFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987, and other applicable financial legislations. It is from the financial reports of enterprise resource planning system that the financial data is captured. The financial statements are reviewed by the CFO, CEO and Audit Committee on a regular basis. Upon submission to the Group in the form of management accounts, these financial statements are then viewed by the Group Accounting and Group Finance. External Auditors examine the financial reports in accordance with local financial reporting policies and Company procedures. Upon completion of internal scrutiny, financial reports are placed before the Board for final review and approval.

Internal Control Process

It is at the Board and Management levels that the Company’s internal control system gets designed for providing reasonable assurance regarding the achievement of the Company’s objectives in respect of effectiveness and efficiency of operations, reliability (completeness and timeliness) of financial reporting and management information and compliance with the applicable laws, regulations and Company policies. The Statement of Internal Control further elaborates the internal control processes. Some of the key policies and guidelines that govern the internal control process of the Company include:

Guidelines and some key policies

- ▶ Standards of Business Conduct
- ▶ Procurement Policy and Guidelines
- ▶ IT Security Policy
- ▶ Finance Policy and Guideline
- ▶ International Marketing Standards
- ▶ Records Management Policy
- ▶ Agreement Policy
- ▶ Employment Policy & Principles

Risk Management Committee (RMC)

The Finance Director heads the Risk Management Committee, consisting of select cross-functional managers, including the internal auditor, who drive an effective risk management framework in the Company. The RMC reviews the business twice a year, and ensures plans and actions are implemented to mitigate risks. Risk controllers periodically review the departmental risks and reports to the RMC. The Executive Committee endorses the key risks of the Company, which are further ratified by the Audit Committee. In order to ensure effective risk management within the Company, the RMC is responsible for reviewing risks and ensuring effectiveness of the risk management process. The Company maintains a risk register where all the associated risks as well as action plans are recorded.

Standards of Business Conduct

The Company emphasises high standards of business integrity through its Standards of Business Conduct (SoBC) which must be followed by all employees and Directors of the Company. The scope of SoBC includes policies regarding the whistle-blowing process, declaration of conflicts of interest, bribery and corruption in the workplace, human rights and our operations. The scope also mentions guidelines for entertainment and gifts, charitable contributions, accurate record-keeping, protection of corporate assets, confidentiality and information security, insider dealing and market abuse, competition and anti-trust laws, money laundering and anti-terrorism, illicit trade and trade in the Company’s products and sanctions.

The conduct of all employees, including Directors and all other employees, must be in accordance with the SoBC. Apart from adhering to the tenets articulated in the SoBC, all employees are required to confirm their commitment and compliance by executing a declaration of compliance annually.

HUMAN CAPITAL

The core strength of the Company represents its people. Thus, a group of motivated talented employees are the principal asset of the Company.

Leadership Team (Executive Committee)



Board is duly assisted by the respective functional heads of the Company, i.e. the Executive Committee (ExCo.) The Managing Director leads the ExCo.

The ExCo drives the responsibility of policies and decision implementation of the Board, along with the overview of the operations and development, coordination and execution of corporate business strategies. ExCo engages in a monthly meeting regarding the execution of the Company’s strategy and ensures daily operational alignment with Company plans. The respective ExCo gets invitation to the Board meetings based on the relevant information or update required by the Board. For details of each ExCo member, please refer to pages 49 to 51 of this Annual Report.

Company Secretary

A Company Secretary has been appointed by the Board for maintaining the essential connection and link with both internal and external

agencies and, at the same time, ensure active collection, compilation and timely flow of information to and from the Board. The BSEC issued Corporate Governance Guidelines, which requires a Company Secretary to be appointed. The Company Secretary, being a governance official, drives the corporate compliance agenda, while also providing support to the Chairman and other members of the Board for ensuring its effective functioning. Every Board and Committee meeting (Audit and CSR Committee) is organised and attended by the Company Secretary, confirming that deliberations on all issues are properly noted in the minutes, decisions are recorded and communicated duly with the respective authorities for necessary information/action. The responsibility of the Company Secretary also includes agreement signing, formulation of policies, protection of the Company’s land resources, records management, driving standards of business conduct, administration of seven trust funds and portfolio investment management. The brief roles and responsibilities of the Company Secretary include, inter alia:

The Company works extensively to provide a unique, diversified culture which includes performance-based rewards, respect and a growing scope of opportunities for showcasing their talent. Hence, the Company is recognised as an employer of choice in the country. The “Top Employers” award is a reflection of this.

For ensuring long-term sustainability, the organisation stresses on skill and merit-based recruitment and selection process with highly competitive remuneration package, sufficient training and development programs, career growth with succession planning, high-performance culture and satisfying workplace environment where employees are able to escalate their grievances and also receive counselling.

Recruitment and Selection

The ‘Top Employers’ award is an honour that has been bestowed upon the Company for its best practices in human resources. The quality of the talent and talent development are top priorities of the Company.

Recruitment and selection is an integral part of such best practices. Battle of Minds (BoM), an esteemed competition organised and hosted by BAT Bangladesh every year is a highly anticipated business recruitment platform. Over the last 15 years, BoM has been the flagship employer branding initiative to attract graduates. In 2018, the bar was set even higher as BoM was accepted and launched on a completely new scale globally.

Apart from Battle of Minds, the Company also offers a wide array of interactive and engaging assessments, assisting the Company to identify and select the most talented applicants through a rigorous multi-layered recruitment processes. Global graduates program is aimed to recruit outstanding fresh graduates and develop them as the future leaders of the country.

Learning & Development

The Company focuses on providing extensive training to its employees and also offers several opportunities for talent development. The need for work-life balance is well-recognised by the Company. Hence, various trainings are provided, including programs targeting appropriate employees on regular intervals. The organisation also has a well-equipped technical training center for conducting technical trainings.

Compensation & Benefits

The recruitment strategy of the Company is based on attracting and retaining the most suitable people at all levels of the business. The Company's remuneration policies are competitive and, as such, created incorporating individual qualifications, skills, performance, contribution and responsibility, thereby ensuring a robust differentiation among other companies.

Comprehensive performance management program

BAT Bangladesh has a well-structured policy for evaluating performance. The comprehensive performance appraisal system allows the management

to measure performance against business targets at the end of the year. The appraisal system is considered to be crucial to reward performance according to our rigorous criteria, while also providing other employees to further build their capabilities to ensure that they actively contribute to meet the Company's goals and objectives.

Rewards and Recognition Program

The Company's rewards and recognition program takes cognisance of employee performance, action, behaviour and consistency of efforts. It is based on these criteria that BAT Bangladesh has a competent rewards and recognition program. Short-term business results generating value for the business are rewarded through annual incentive schemes. A reward is presented for the collective achievement of defined corporate results, to which the individual has made contributions. BATB employs a range of non-cash as well as monetary forms of reward through its various recognition and incentive schemes.

Grievances and Counselling

Work discipline may get affected by employee's behavior or sometimes an employee may be aggrieved about his personal employment position. Hence, the Company encourages employees to speak out under the grievance procedure. Time to time human resources function also counsel employees.

Ensuring a sound workplace

Our people have always been the core strength of the Company. The Company invests time and resources to ensure a friendly and suitable work environment. All employees (both office and factory) must respect the environment. A zero-tolerance policy is maintained across the Company against any sort of discrimination. Furthermore, all employees, irrespective of their gender, are presented with equal opportunities and not subjected to any deprivation of work opportunities. In recognition of these efforts, the Company was yet again bestowed with the prestigious award under ‘The Most Female Friendly Organization’ in 2018.

Other Internal Policies and Guidelines

The Company's corporate governance framework is supported by further policies, guidelines, procedures and codes. Mentioned below are some of these guidelines.

- ▶ Procurement Policy and Guidelines outline the processes for obtaining the best overall value and quality for amount spent and to ensure timely delivery of goods and services to meet the Company's business requirements
- ▶ Marketing Policies and Guidelines which include distributors policy, credit policy, trade policy, marketing communication guidelines and international marketing principles – a framework to govern all aspects of responsible tobacco marketing

- ▶ Company financial policies - which include the policies and guidelines on treasury management, dividend, vehicle disposal, dealing mandate, fixed assets capital, depreciation, insurance, inventory, stock valuation, delegation of authority, domestic leaf costing, budgeting, bill payment, foreign currency, write-off process, etc
- ▶ Policy on environment, health, safety and security
- ▶ Information technology policies
- ▶ Guidelines on business information
- ▶ Security, risk management and business continuity processes
- ▶ Competition compliance guidelines – outlines the general principles and standards of behaviour in relation to competition laws that employees are required to follow and comply as good business practice
- ▶ Business security policies
- ▶ Guidelines on dawn raid – sets out the procedures to be adhered to when there is a raid by relevant authorities so that the necessary cooperation can be provided
- ▶ HR related policies – which includes standards of employment principles, working hours policy, remuneration policies, travel policies, sexual harassment policy, employment policy, disciplinary procedure, employee relations policy, equal opportunity and diversity policy, grievance management policy, industrial relations policy, education assistance policy, medical expenses re-imburement policy, employees benefit policies, retirement benefit policies, early separation scheme
- ▶ Sexual harassment policy – to ensure that all employees are treated with respect and dignity regardless of gender and to outline that any form of sexual harassment, which disrupts or interferes with the work performance and dignity of another will not be tolerated
- ▶ Guidelines on managing cases involving employees and law enforcement authorities
- ▶ Employment principles
- ▶ Procedures on credit for trade debtors and inter-company balances.
- ▶ Tobacco leaf related policies - Policy on social responsibility in tobacco production, export pricing policy, farmers registration & advance crop input policy
- ▶ Climate change policy to perform the Company activities for tobacco growing and green leaf threshing, considering climate change and its subsequent impacts and guidelines for tobacco seed production, including field experiment
- ▶ Company activities for tobacco growing and green leaf threshing, considering climate change and its subsequent impacts and guidelines for tobacco seed production including field experiment.

- ▶ Records management policy and central depository system
- ▶ Agreement policy and guidance
- ▶ Data protection policy
- ▶ Billing guidelines
- ▶ Codes of Audit Committee, Nomination and Remuneration Committee and CSR Committee

The above-mentioned policies, guidelines, procedures and codes are made available to all our employees and Directors in the Company management staff manual.

Assets & Records Management

The Board of Directors of BAT Bangladesh acknowledges its function as trustee of shareholders' funds. Hence, since commencement, the Board has been investing in cutting-edge operational efficiency. From the acquisition to the disposal of assets, transparency and accountability is ensured keeping in mind shareholders' interest. The implementation of safety measures and periodic physical verification is taken on a test basis for safeguard of assets and to ensure accurateness and genuineness of the numbers reported. Against industrial risks, the relevant assets are insured with insurance companies. Records of the Company are kept safely in case of need arising to be used as a reference. The Company Secretary has undertaken the responsibility of record management.

Statutory Audit

On the basis of the Audit Committee's suggestion, the Board endorses the appointment of an Auditor upon shareholders' approval at the Annual General Meeting. Appointment of the Statutory Auditor is regulated by the Companies Act, 1994, and by the Securities & Exchange Rules, 1987. Shareholders not only approve the appointment of the Statutory Auditor but rather also fixes the remuneration of the Auditor. As per BSEC order, a Statutory Auditor cannot remain in office for more than three consecutive years. BAT Bangladesh maintains thorough independence of the Statutory Auditor. Prior to submission of the financial statements to the Board for approval, the Audit Committee meets with the Statutory Auditor to ensure the independence of the Statutory Auditor.

Further, to ensure adequate regulatory discharge, a Compliance Certificate is obtained from licensed practicing professional who certify on the basis of his audit that the Company has duly complied with all the regulatory requirements as stipulated in the CG code of Bangladesh Securities and Exchange Commission (BSEC). Such report is presented to the Shareholders and forms part of the Annual Report of the Company.

Transparent Disclosure

Financial Statements are prepared in accordance with the various applicable laws and regulations, some which include:

- ▶ Bangladesh Accounting Standards (BAS)

- ▶ International/Bangladesh Financial Reporting Standards (IBFRS)
- ▶ Companies Act, 1994
- ▶ Securities and Exchange Rules, 1987

The management is responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error. Accounting estimates are made which are rational as per circumstances with use of correct accounting policies and interpretations. The reports are then reviewed accordingly by respective authorities on a regular basis.



The external auditor attends the Audit Committee meetings to review the quarterly financial statements, as prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Company policies. The Board reviews the financial statements of the Company at the end of every quarter. The quarterly financial statements, along with the notes, are published in the two leading daily newspapers, as well as on the Company's website. Furthermore, half yearly and annual financial statements are also sent to all shareholders in a timely manner.

Directors prepare the Directors' Report, which is an essential part of the Annual Report as it discloses the financial performance as well as non-financial information regarding Company growth, productivity, responsibilities and other information, in compliance with BSEC notification. The Company also abides by the applicable regulations in respect to price sensitive information (PSI).

Communication to Shareholders and Stakeholders

Prior to the AGM, respective shareholders are given 2-weeks' notice so that full attendance from the shareholders can be made. Quarterly and half yearly accounts information are also published on the website and duly notified to all stakeholders on a timely basis. The Company tries to maintain liaison with shareholders as much as possible and ensures that all stakeholders are informed about the Company's activities on a routine basis. In order to ensure information dissemination among all shareholders and stakeholders, BAT Bangladesh also engages with stakeholders and shareholders as much as possible.

Importance of general shareholders of the Company is well acknowledged by the Directors and the AGM provides the platform for the Directors to communicate with them. The Annual Report is

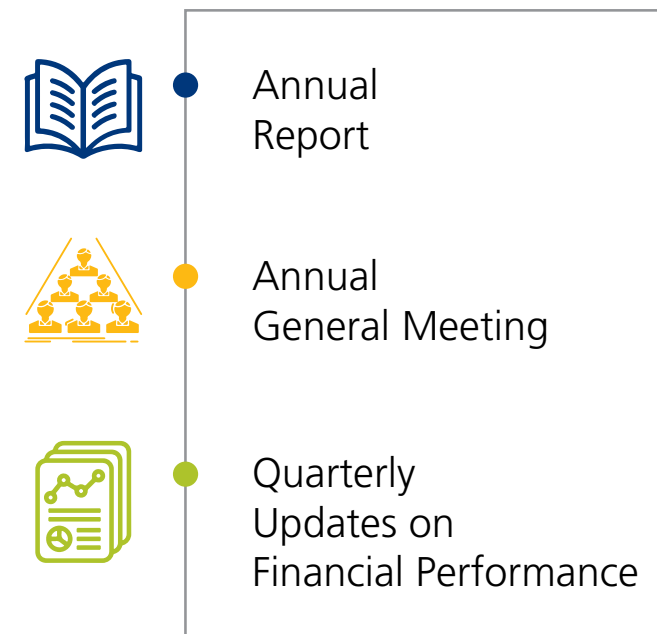
made available to shareholders in advance for ensuring detailed and constructive discussions. The Company's policy ensures that shareholders ask questions about its activities and prospects at the AGM. The Board also structures these meetings so that shareholders can vote separately on each matter, by proposing separate resolutions for each item to be considered.

Ensuring Participation of Shareholders at the AGM

Ensuring full participation of shareholders in the AGM is one of the main objectives of BAT Bangladesh and, towards this extent, it delivers the Annual Report at least 2-weeks prior to the AGM date. Regarding the AGM date, time and venue, this information is communicated well in advance to shareholders. Print and digital media are channels through which notices to shareholders are published. Compliance with regulatory bodies being compulsory, BAT Bangladesh affirms publishing of AGM notice in two widely circulated newspapers, with copies also sent to the stock exchanges and BSEC.

Communication with shareholders

Regular communication with shareholders is made through:



The communication is made by the Company to meet the best interests of the shareholders. Exhibition of best practices is further made by providing comprehensive information on the Company's website, assuring investor trust and confidence in the Company. The Company's website act as the right channel in case of retrieval of any publication. At the AGM, shareholders are offered the chance to ask the Board regarding the operations and prospects of the Company.

Well-defined Shareholders' Rights

For managing successful and productive relationships with shareholders, it is imperative to reinforce the importance of maintaining transparency and accountability. Through the Company Secretary, the Board ensures that the shareholders of the Company are treated justly and the rights of the shareholders are firmly protected.

The Company Secretary becomes the bridge of communication between the shareholders and the Board of Directors of the Company, delivering standard services to its valued shareholders, confirming as per applicable laws and the Articles of Association of the Company the well-defined rights of the shareholders. The shareholders are informed on all material communication in a routine manner on all major developments and changes in business, catering the continuous requirement of disclosures so that shareholders can make informed decisions.

Board Commitments

British American Tobacco Bangladesh has been the highest tax payer in the private sector and is also enlisted on both the Dhaka and Chittagong stock exchanges. In 2018 alone, the Company disbursed the sum of

BDT 19,133 crore as tax to the national exchequer. BAT Bangladesh has always cherished and shall continue to value its treasured relationship with the Government of Bangladesh, esteemed shareholders and other stakeholders of the Company by practicing the highest standards of ethics and corporate governance.

Summary

As per the Company's view, effective governance is a continuous process that must constantly be run through across all functions and employees to attain corporate goals. Being in compliance, the Company upholds the spirit of transparency and accountability to the society as a whole through the establishment of an effective governance regime. Hence, the Company drives good governance procedures across all functions as it is a key ingredient in managing the business professionally, effectively and responsibly, which makes it transparent, ethical law abiding and ensures accountability. Sufficient overall surveillance puts checks and balances to a good governance journey.

Overall, at BAT Bangladesh, we uphold our commitment to good corporate governance and pledge to continue to work in meeting the best interests of our shareholders and all other stakeholder groups.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Awareness

Board of Directors declares its awareness and responsibility on the importance of safeguarding shareholders' investment and the Company's assets recognizing the importance of risk management and internal controls which also includes the establishment of an appropriate control environment and framework, as well as reviewing its adequacy, integrity and competence.

The Board regulates the nature and extent of the strategic risks which the Company may take to attain its objectives while parallelly maintaining sound risk management and systems of internal control. The Board is aware of the combating nature of the industry under which the Company operates however, the Board still does not consider it feasible to enhance the scope of the risk too high rather seeks to minimize the risk at an optimum level.

The Board disperses duties to the management to identify the risks faced by the Company and thus formulates out designs, implementation, monitoring of internal appropriate control drives to mitigate and control those risks. It must be noted that all control measures and internal practices works to reduce the impact of the risks rather than

completely eliminating the risks completely which acts as a hindrance for the Company's business objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. The system of internal control covers financial, operational and compliance controls and risk management procedures.

The Company has in place an ongoing process (outlined below) for identifying, evaluating, monitoring and managing significant risks faced by the Company. This process includes reviewing and updating the system of internal controls considering the changes in the regulatory, business and external environment. This process is reviewed by the Board through the Audit Committee. The Audit Committee's responsibilities and duties are stated in the Audit Committee Report section of this Annual Report. The Company's Standards of Business Conduct underpin our commitment to good corporate behaviour and is an integral part of the Company's system of corporate governance. The Standards of Business Conduct require all employees to act with the highest standards of business integrity, comply with all applicable laws and regulations, and ensure that business standards are not compromised for the sake of results. Our Standards of Business Conduct is made available to our stakeholders and employees on our corporate website at www.batbangladesh.com

Risk Management Framework: Three Lines of Defense



Enterprise Risk Management Framework

Risk Management is critical for the sustainability of the Company and enhancement of shareholders value. Hence it is strongly enforced and incorporated in the Company's management system.

The Risk Management Framework is aligned with BATB's operating model and is a combined approach upon the three lines of defence. The structure encourages the communication and escalation of risk and control related matters across the Company.

BATB Board is responsible for strategy of the Company and thus also related for the risk appetite. The Risk Management Committee is accountable for operational directions of the business, taking responsibility of the risks and related internal control interventions. Core risk areas are as follows: -

- ▶ Financial Risk
- ▶ Regulatory Risk
- ▶ Transformation Risk
- ▶ Operational Risk
- ▶ Policy Change Risk

These are the core risks areas for the business. The IT function ensures successful and effective alignment of functional business plans as per company's strategy, with respective business unit and functional management being responsible for the delivery of operational performance and the management of the inherent risks. It is these management teams who are responsible for the achievement of Company's strategic objectives within the scope of Company's policies and standards and that we conduct business in compliance with our Codes of Conduct. The functional and divisional management structures is led by our Management Committee enabling a continuous process of identification, evaluation, management and mitigation of significant risks in those areas to the achievement of Company's business objectives. This enables effective and timely identification of actual and emerging risks and responses to mitigate impacts or realize opportunities.

Risk Management Process

Company's Enterprise Risk Management Objectives

- ▶ Preserve the safety, security and health of its employees.
- ▶ Ensure the continuity of its supply of products to consumers and customers.
- ▶ Protect its assets, investments and reputation.
- ▶ Ensure that the Company's operations do not impact negatively on the community in which it operates and the environment.
- ▶ Protect the interests of all other stakeholders.

- ▶ Promote an effective risk awareness culture where risk management is an integral aspect of the Company's management systems.
- ▶ Ensure compliance with BSEC Codes of Corporate Governance and all applicable laws.

Risk Management Team and Responsibilities

Management operates a Risk Management Team comprised of senior managers from all functions of the Company and led by the Finance Director. It meets formally at least twice a year to:

- ▶ Review and update the risk register; and
- ▶ Assess status of risk mitigation action plans.

The Audit Committee is briefed by annually by the Enterprise Risk Manager on the Company's Risk Management Programme and its activities in the Audit Committee meeting.

The following are some of the responsibilities of the Risk Management Team:

- ▶ Steer the Company's enterprise risk management programme.
- ▶ Promote a proactive risk awareness culture in the Company.
- ▶ Conduct bi-annual review of the business risks.
- ▶ Coordinate the development and implementation of risk mitigation action plans.
- ▶ Develop and update business continuity plans (BCPs) for key business risks.
- ▶ Plan and coordinate the testing of BCPs.

Organise training and education for employees on risk management

Four Phase Risk Management Process

Identify	Functional registers are maintained by RMC members
Assess & Evaluate	Periodic review of Functional Risk registers by function
Manage	Risks with ratings over 3 are included in Corporate Risk Register
Monitor	Review in Risk Management Committee settings

(1) Risk Identification

All probable events that could adversely impact the achievement of business objectives, including failure to capitalise on opportunities are identified.

(2) Assess and Evaluate

Business risks are identified in terms of the impact the risks may have on business strategies, objectives and its probability of occurring.

- ▶ LIKELIHOOD of the risks materializing
- ▶ IMPACT of the consequence, considering the degree of internal control and risk management measures in place.

Regarding both the Likelihood and Impact, an assessment is done against pre-set criteria on a scale of one to three, this combination provides a total risk rating on a scale of one to nine. Further, risks are then categorised on the Risk Heat Map which measures the significance of the risks to the organizations and then assists in making a relative prioritisation and focus for mitigation of the risk. The outcome of the risk identification and evaluation process is both a Risk Heat Map and a comprehensive Risk Register which documents all identified business risks.



Business Continuity and Crisis Management

Business continuity is the creation of a strategy through the recognition of threats and risks facing a company, with an eye to ensure that personnel and assets are protected and able to function in the event of a disaster. Business continuity planning (BCP) involves defining potential risks, determining how those risks will affect operations, implementing safeguards and procedures designed to mitigate those risks, testing those procedures to ensure that they work, and periodically reviewing the process to make sure that it is up to date.

(3) Manage

While Completing the Risk Register, the Risk Owners are identified who are currently responsible for finding action plans in order to manage and alleviate the risks with a timeline for completion of action. It is typically seen that senior managers and part of the functional leadership team are the Risk Owners.

(4) Monitor

The Risk Management Team conducts an ongoing risk monitoring to assess if any conditions associated with risk has changed and to further ensure that action and risk mitigation plans have been implemented. Status of action/mitigation plans are communicated to the Audit Committee bi-annually.

Risk Heat Map

		Likelihood		
		Low	Medium	High
I M P A C T	High	3	6	9
	Medium	2	4	6
	Low	1	2	3

■ Key Focus Area

In order to respond to various potential disruptions which could impact the Company, such as Manufacturing Contingency Sourcing Plan and Information Technology Disaster Recovery/ Service Continuity Plan, the Company has 19 BCPs. In addition, a desktop review/simulation/live activation is conducted by the plan owners with the participation of plan specific response team members and support of BCM facilitators periodically based on the cyclical testing schedule.

In addition, the Company has a structured approach to Crisis Management to ensure leadership and timely decision in the event of a crisis and to manage the situation effectively within minimal time.

Our approach involves immediate formation of a Crisis Management Team (CMT), assisted by an Incident Response Team (IRT). The roles & responsibilities of these teams are outlined below.

CMT

CMT identifies and deals with potential risks to employees and business operations when crisis occurs. CMT takes into account all available information and thus makes informed strategic decisions with purpose of curbing any long-term detrimental effects to the operations, finance, employees and reputation of the Organisation.

IRT

The senior manager at the site of the incident collects available pertinent information and advises the CMT Coordinator. This manager assisted by appropriate local employees will assume local control and deal with the incident directly until further directed by the CMT.

Risk Profile

Outcome of risk assessment during business planning process have not had much changes relative to previous year. Risks and their relative possibility of occurring and impact remains consistent.

The Company views the key risk as that of beings in the tobacco sector and having the ability to significantly impact the Company's results. In addition to the above, the Company is subject to the ever-present risk of competitor actions. Steps to anticipate, mitigate and neutralize such risks are core to our business.

Risk Management Activities in 2018

Review of the Company's Risks

For the purpose of assessments of the Company's risks while monitoring its progress of key activities, the Risk Management Team meets twice annually and along with senior managers they update the risk register and mitigation action plans. The conclusion of the meeting involves the identification, evaluation, and a mitigation plan for the new risks. Test of the status of the Business Continuity plans along with updates on identification, evaluation, and a mitigation plan for the new risks are considered in the meeting.

Promotion of Risk Awareness

Communication regarding risk is an integral part of the risk management activity. Dissemination of risk information to relevant levels of employees and stakeholders is imperative for mitigation of risk. Suitable channels are available for employees to provide feedback on risk management issues and provide suggestions for improvement. The Risk Management Team is responsible for the risk awareness induction programme for new recruits. The induction programme is aimed at educating management staff on the Company's approach

to risk management and internal controls and provides a forum to enhance the participant knowledge on controls and exercising that knowledge on managing the Company's risk.

Crisis Management Activation

The Company activated crisis management team to manage the situation thus enabling the business to continue operation. As a result, business is saved, and financial impacts were negligible. The most challenging aspect of the situation was recovery, once the crisis was resolved. This was successfully completed in a carefully sequenced and choreographed manner, thereby minimizing disruption.

Business Continuity Plan Simulation and Testing

During the year, a desktop/ simulation/ operational activation was conducted by the Business Continuity Plan (BCP) owners, with the support of Incident Response Team members, across 19 BCPs. The review and testing indicated that the existing plans were still relevant to the current business environment.

System of Internal Control

Self-Assessment of Controls (SAC) Process is one of the core processes of the Company's system of internal control. The vital control checklist of this SAC process is its Control Navigator. The Control Navigator sets out various key controls and process requirements across all functions in the Company. In order to measure the effectiveness of the process, the responsible managers assess the controls and process on an annual basis. Corrective actions and timelines are identified and agreed upon regarding the identified control gaps/weakness. SAC findings and its trend analysis is reported to the Audit Committee annually. A new SAP enabled tool was deployed, which provided a standardized central solution that automates and monitors key risks and controls at the business level. The new tool allows the business to use a combination of automated work flows, certification, manual controls and interactive reports to monitor and control compliance activities across the Company. This has resulted in an improved visibility of assessment throughout the business, improved transparency of issues management and remediation, together with streamlining of reporting

Financial Reporting Controls

The Company has a series of policies, practices and controls in place in relation to the financial reporting and consolidation process, which are designed to address key financial reporting risks, including risks arising from changes in the business or accounting standards. The Finance Director is required to confirm annually that all information relevant to the Company audit has been provided to the Board of Directors through the Audit Committee and that reasonable steps have been taken to ensure full disclosure in response to requests for information from the external auditor.

In addition, it is standard practice for the Finance Director to fully review account reconciliations on a bi annual basis. The effectiveness of the Company's financial reporting controls is assessed through self-certification as part of the Control Navigator exercise described earlier. The integrity of the Company's public financial reporting is further supported by a number of processes and steps to provide assurance over the completeness and accuracy of the content including review and recommendation by the Audit Committee and review and approval by the Board.

Internal Audit

Internal Audit for the Company is made compatible with local laws as well as the Global Audit functions of British American Tobacco plc. A high level of independence and admittance of more skilled and specialized resources especially Information Technology (IT) that would otherwise be available within the Company. The annual audit planning cycle takes direct input from both the risk register described above and the Audit Committee. In turn, the Audit Committee formally approves the scope of work for the year. Furthermore, with approval of the Audit Committee, the Head of Internal Audit & Compliance can request assistance from Global Audit if required for any matter it considers appropriate. Internal Audit and compliance function undertakes the risk-based audit reviews towards the planning and conduct of audits which is consistent with the Group's established framework in designing, implementing and monitoring of its control systems. As such, the nature of audit performed are mainly focused on Commercial processes, Factory and Supply Chain process, IT processes and of any Project and Program which are focused on significant business change initiatives. Other Audits are those reviews that arise from a direct request, either from Management or the Audit Committee. More details on the audit activities conducted during the year can be found in the Audit Committee Report in this Annual Report.

External Audit

In the course of conducting the annual statutory audit of the Company's financial statements, the external auditors review and where applicable based on judgement, highlight to the Board and Audit Committee any significant audit, accounting and internal control matters which require attention. A report on the above is given to the Audit Committee and to the management once a year after substantial completion of the year-end audit. Additionally, the external auditors attend the quarterly Audit Committee meetings, and where applicable provide views on any related matters for the attention of the Audit Committee. At least once a year, the Audit Committee shall meet the external auditors without the Executive Directors and management being present. This year, the Audit Committee has met twice with the external auditors without the Executive Directors and management

being present. During the year, as part of the annual statutory audit, the external auditors were involved in performing certain reviews over the controls and processes affecting financial reporting. There is no significant matter with material financial impact arising from the review of these related controls and processes, although certain improvement recommendations were highlighted to the Board and Audit Committee.

Other Key Elements of the System of Internal Control

Apart from the above, the other key elements of the Company's internal control and risk management system which have been reviewed and approved by the Board are described below:

Policies, Procedures and Limits of Authority

- ▶ Clearly defined delegation of responsibilities to committees of the Board and to Management, including organization structures and appropriate authority levels.
- ▶ Clearly documented internal policies, standards and procedures are in place and regularly updated to reflect changing risks or resolve operational deficiencies. All policies are approved by the Board and cases of noncompliance to policies and procedures which are in place are reported to the Board and Audit Committee by exception.

Immediately Reportable Incidents

- ▶ The Company adheres to a control procedure termed 'Immediately Reportable Incidents' to capture breakdowns in basic controls and expedite the reporting and immediate action thereof. The main objective to provide transparency over the control environment and to provide early visibility of issues to the relevant management. Early awareness and visibility enables the right discussions to happen at the right time and support a control-conscious culture within the Company.

Types of incidents / events that would trigger raising an 'Immediately Reportable Incidence' include:

- ▶ Control issue in internal controls over financial reporting
- ▶ Control issue around IT General controls over significant systems
- ▶ Basic Financial or IT control not operating and Noncompliance with IT policies
- ▶ Significant control issue in other business processes that are not directly related to financial reporting but exposes BAT to significant risk
- ▶ Suspected or actual fraud incidents

Strategic Business Plan, Budget and Performance Review

- ▶ Regular and comprehensive information provided by Management for monitoring of performance against the strategic plan, covering all key financial and operational indicators. On a quarterly basis, the Finance Director reviews with the Board all key performance metrics and highlights any issues;
- ▶ Annually, a detailed budgeting process is completed for the year monthly review of actual versus budget is performed and reviewed by the management
- ▶ Adequate insurance and physical security of major assets are in place to ensure that the assets of the Company are sufficiently covered against any mishap that will result in material losses to the Company.

Written Declarations

- ▶ Written declaration from all management personnel confirming their compliance with the Company's Standards of Business Conduct and where applicable conflicts of interest situations are disclosed.
- ▶ Written declarations from the Finance Director and Managing Director are obtained confirming their compliance with the Company's Standards of Internal Control.

Written confirmation of due diligence by the CEO and CFO as required under the BSEC guidelines

Board Assessment

After all said, it may further be added at end that political instability and violence including social unrest, terrorist attacks etc. may also prevent the company from operating its business smoothly and effectively. However, the Board is of the view that the Company's overall risk management and internal control system is operating adequately and effectively and have received the same assurance from both the Managing Director and Finance Director of the Company. The Board confirms that the risk management process in identifying, evaluating and managing significant risks faced by the Company has been in place throughout 2018 and up to the date of approval of this statement. The Board is also of the view that the Company's system of internal control is sufficient and is able to detect any material losses, contingencies or uncertainties that would require disclosure in the Company's Annual Report.

This Statement is made in accordance with the resolution of the Board of Directors on 11 March 2019.

AUDIT COMMITTEE



From Standing Left:

Mr. Md. Azizur Rahman FCS
(Head of Public Affairs & Company Secretary)

Mr. Kazi Sanaul Hoq
Member
(Non-Executive Director)

Mr. A. K. M. Aftab Ul Islam
Member
(Independent Director)

Mr. Md Zahidul Islam
Invitee
(Head of Internal Audit & Compliance)

From Sitting Left:

Mr. Md. Abdul Halim
Member
(Non-Executive Director)

Mr. Mohammad Moinuddin Abdullah
Chairman
(Independent Director)

Ms. Tahmina Begum
Member
(Non-Executive Director)

REPORT OF THE AUDIT COMMITTEE - 2018

The Audit Committee Report presented under condition 5 of the Bangladesh Securities & Exchange Commission (BSEC) Corporate Governance Code 2018 provides an insight on the functions of the Audit Committee during 2018.

The Audit Committee of BATB, a prime Board sub-committee, assists the Board in discharging its governance responsibilities. The Board has formed the Audit Committee, required under codes of Corporate Governance of BSEC with some specific assignments under its Terms of Reference. In 2018, the Committee was comprised of Mr. Mohammad Moinuddin Abdullah (Independent Director & Chairman of Audit Committee), Mr. K. H. Masud Siddiqui, Mr. Golam Mainuddin and Mr. Kazi Sanaul Hoq. Mr. Md. Azizur Rahman, Company Secretary, acts as the Secretary to the Audit Committee. All members of the Committee are non-Executive Directors and the Chairman of the Audit Committee is an Independent Director. As required, all members of the Audit Committee are 'financially literate' and are able to analyse and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee.

Purpose of the Audit Committee

The Audit Committee performs in coherence and consistency and ensures compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review and, when appropriate, make recommendations to the Board on business risks, internal controls, compliance and audit. The Committee satisfies itself by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the Company's business is conducted in a proper and financially sound manner. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the Company and ensures a sound monitoring system within the business. The Audit Committee is accountable to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

Responsibilities and Duties

The responsibilities and duties of the Audit Committee are:

Financial Reporting

- ▶ To review the quarterly and annual financial statements of the Company, focusing particularly on:
 - ▶ Any significant changes to accounting policies and practices;
 - ▶ Significant adjustments arising from the audits;

- ▶ Compliance with applicable financial reporting standards and other legal and regulatory requirements; and
- ▶ The going concern assumption.

Related Party Transactions

- ▶ To review any related party transactions and conflict of interest situations that may arise within the Company, including any transaction, procedure or course of conduct that may raise questions of management integrity.

Audit Committee Reports

- ▶ To prepare the annual Audit Committee Report and submit it to the Board which includes: the composition of the Audit Committee, its terms of reference, number of meetings held and attendance thereat, a summary of its activities and the performance of internal audit services and summary of its activities for inclusion in the Annual Report, and to review the Board's statements on compliance with the BSEC Codes of Corporate Governance for inclusion in the Annual Report.

Internal Control

- ▶ To consider annually the risk management framework adopted within the Company and to be satisfied that the methodology deployed allows the identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Company to minimize losses and maximize opportunities;
- ▶ To ensure that the system of internal control is thoroughly conceived and in place, effectively administered and regularly monitored;
- ▶ To review the extent of compliance with established internal policies, standards, plans and procedures, including, for example, the Company's Standards of Business Conduct;
- ▶ To obtain assurance that proper plans for control have been developed prior to the commencement of major areas of change within the Company; and
- ▶ To recommend to the Board about steps needed to improve the system of internal control derived from the findings of the internal and external auditors, and from the consultations of the Audit Committee itself.

Internal Audit

- ▶ To be satisfied that the plan, methodology and resource for internal auditing are communicated down through the Company. Specifically:



- ▶ To review the internal audit plans and to be satisfied as to their consistency with the risk management framework used and adequacy of coverage;
- ▶ To be satisfied that Internal Audit has the competency and qualifications to complete its mandates and approved audit plans.
- ▶ To review status reports from internal audit and ensure that appropriate actions have been taken to implement the audit recommendations;
- ▶ To recommend any broader reviews deemed necessary as a consequence of the issues or concerns identified;
- ▶ To ensure that internal audit has full, free and unrestricted access to all activities, records, property and personnel necessary to perform its activities; and
- ▶ To request and review any special audit which it deems necessary.

External Audit

- ▶ To review the external auditor's audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and coordination of the external auditor. The Audit Committee will consider a consolidated opinion on the quality of external auditing at one of its meetings;
- ▶ To review with the external auditor, the Statement on Risk Management and Internal Control of the Company for inclusion in the Annual Report;
- ▶ To review any matters concerning the appointment and re-appointment, audit fee and resignation or dismissal of the external auditor;
- ▶ To review and evaluate factors related to the independence of the external auditor and assist them in preserving their independence;
- ▶ To be advised of and decide to or not to make significant use of the external auditor in performing non-audit services within the Company, considering both the types of services rendered and the fees, so that its position as auditor is not deemed to be compromised; and
- ▶ To review the external auditor's findings arising from audits, particularly any comments and responses in management letters, as well as the assistance given by the employees of the Company in order to be satisfied that appropriate action is being taken.

Other Matters

- ▶ To act on any other matters as may be directed by the Board.

Reporting of the Audit Committee

Reporting to the Board of Directors

The Audit Committee reports on its activities to the Board of Directors.

The Audit Committee immediately reports to the Board of Directors on the following findings, if any:

- ▶ Report on conflicts of interests;
- ▶ Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;
- ▶ Suspected infringement of laws, including securities-related laws, rules and regulations;
- ▶ Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.

The Audit Committee further ensures that, in compliance with condition no. 5 of the Corporate Governance Code of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company have certified before the Board that they have thoroughly reviewed the Financial Statements of the Company for the year ended 31 December 2018, and they state that:

- They have reviewed the financial statements for the year ended on 31 December 2018 and that to the best of their knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements collectively present a 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 their 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 of the Company's Board of Directors or its members.

Such joint certificate of the CEO and CFO is thoroughly reviewed by the Audit Committee before submission to the Board.

Reporting to the Authorities

The Audit Committee reports to the Board of Directors about anything which has a material impact on the financial condition and results of operation. The Committee also discusses with the Board of Directors and the management if any rectification is necessary. If the Audit Committee finds that such rectification has been unreasonably ignored, the Committee reports such findings to the Bangladesh Securities & Exchange Commission upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.

TERMS OF REFERENCE CALENDAR 2018

The abridged version of the terms of reference of the Audit Committee for 2018 calendar is as follows:

TERMS OF REFERENCE CALENDAR 2018					
		February	April	July	Oct
1	Financial Statements				
	- Monitor the integrity of the financial statements of the Company	√			
	- Review un-audited quarterly accounts		√	√	√
	- Review the external auditors' representation letter	√			
	- Review the draft statement on internal control that is included in the Company's Annual Report and Accounts	√			
	- Review the consistency of accounting policies on a year to year basis	√			
2	Internal Controls and Business Risks				
	- Review risk management framework		√		√
	- Review compliance with policies and processes	√	√	√	√
	- Monitor compliance with Standards of Business Conduct (SoBC)	√			
	- Review control navigator to ensure due process is available for monitoring effectiveness and efficiency of internal controls	√	√	√	√
	- Monitor procedure for safeguarding assets and ensuring the Company has adequate policies for prevention and detection of fraud. This is done through loss reporting and whistle-blower reports	√	√	√	√
	- Monitor and discuss with external auditors on the adequacy of accounting and internal reports	√	√	√	√
	- Review the Environment, Health & Safety Report		√		√
3	Internal Audit				
	- Monitor and review the effectiveness of the Company's internal audit function	√	√	√	√
	- Review reports received from the Head of Audit	√	√	√	√
	- Review and approve the internal audit plan				√
4	External Audit				
	- Annually evaluate the performance of the auditors and recommend their reappointment or change	√			
	- Approve terms of engagement and level of fees payable		√		
	- Review fees charged by external audit	√			
	- Review scope of audit and results (year end/ interim)	√			√
	- Review the external auditor's management letter (year end/ interim)	√			√
	- Review the external auditors planning memorandum				√
5	Reporting to the Securities and Exchange Commission				
	Review Compliance with the BSEC Code	√	√	√	√
6	General				
	Review Terms of Reference of Audit Committee			√	
	Private audience with external auditors	√		√	
	Private audience with internal auditors		√		√

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 No. 5(6)(a)(i) of the

BSEC Corporate Governance Code above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

Authority

The Audit Committee is authorised by the Board to review any activity within the business as per its terms of reference. It is authorised to seek any information or attendance it requires from any Director or member of management at any of its meetings. All employees are expected to cooperate with any request made by the Committee. The Committee is also authorised to have information and advice from the Company's legal advisor, tax consultant and statutory auditor, if required. The terms of reference of the Audit Committee may be amended from time to time as required for the business, in line with BSEC notifications, subject to approval by the Board.

Meeting Attendance

The Audit Committee met four times during the year 2018. All the

Number of Audit Committee Meetings			Attendance %
Composition of Audit Committee	Held	Attended	
Mr. Mohammad Moinuddin Abdullah Chairman, Audit Committee, (Independent Director)	4	4	100%
Mr. K. H. Masud Siddiqui Member, Audit Committee, (Non-Executive Director)	4	4	100%
Mr. Kazi Sanaul Hoq Member, Audit Committee (Non-Executive Director)	4	4	100%
Mr. Golam Mainuddin Member, Audit Committee (Non-Executive Director)	4	4	100%
Mr. Md. Azizur Rahman FCS Secretary, Audit Committee	4	4	100%

Summary of Activities during the Year

In 2018, the Audit Committee reviewed its terms of reference, in line with the requirements of BSEC Corporate Governance Code. The Committee performed its duties in accordance with the Terms of Reference of the Audit Committee and carried out the following activities in 2018:

Financial Reporting

- ▶ Reviewed the quarterly and annual financial statements of the Company with the Finance Director and Managing Director, focusing particularly on significant changes to accounting policies and practices, adjustments arising from the audit compliance with accounting standards and other legal requirements before recommending them to the Board of Directors for approval, and concluded that the financial statements presented a true and fair view of the Company's financial performance.

Internal Control

- ▶ Reviewed the Company's Risk Management Process Outcome, including deep-dive into the key functional risks for the Company

members were present in all meetings of the Committee. The details of attendance of each member at the Audit Committee meetings during 2018 are as follows:

The Managing Director, Finance Director, Head of Internal Audit & Compliance of British American Tobacco Bangladesh Company Limited, and representatives of the External Auditor, had attended the meetings upon invitation by the Audit Committee. From time to time, relevant stakeholders and other senior members of the management have also been invited by the Audit Committee to attend Audit Committee meetings. The Audit Committee met with the External Auditors separately, and with the Internal Auditors, on an annual basis without any Executive Director being present. The Company Secretary, being the Secretary of the Audit Committee, facilitates the Chairman and other members for effective functioning of the Committee, as per its terms of reference as well as corporate governance code of BSEC.

and Risk Management mitigation plans.

- ▶ Reviewed and recommended to the Board steps to improve the Company's changes to accounting policies and practices, adjustments arising from the audits.
- ▶ Received updates on breaches of the Standards of Business Conduct and whistle-blowing incidents.

Internal Audit

- ▶ Reviewed internal audit plans as to their consistency with the risk management framework used and adequacy of coverage.
- ▶ Reviewed status reports from internal audit to ensure that appropriate actions had been taken to implement the audit recommendations.
- ▶ Reviewed and enhanced the internal control processes. Where appropriate, the Audit Committee instructed to rectify and improve the internal control processes based on the internal audit.
- ▶ The committee reviewed and approved the Audit Plan, 2018. The Committee also noted for completing the action items in time by the management, as per internal audit observations.

External Audit

- ▶ Reviewed with the external auditor the Company's quarterly and annual financial statements along with the Finance Director and Managing Director, focusing on findings arising from audits, particularly comments and responses in the management letter, as well as assistance given by the employees of the Company before recommending them to the Board of Directors for approval.
- ▶ Reviewed the external auditor's audit plan, including its nature and scope, audit report, evaluation of internal controls and coordination between the internal and external auditors.
- ▶ Reviewed the external auditor's findings arising from audits, particularly comments and responses in management letters, as well as the assistance given by employees of the Group in order to be satisfied that appropriate action is being taken.
- ▶ Exercised its right to hold meetings with the external auditor (private audience with the statutory auditor), without the presence of the Executive Directors or the management. These private sessions help to reinforce the independence of the external auditor. Reviewed the overall performance of the external auditor for the year 2018.

Related Party Transactions

- ▶ Reviewed reports of related party transactions and possible conflicts of interest transactions ensure that all related party transactions are undertaken on an arm's length basis and on normal commercial terms, consistent with the Company's usual business practices and policies, which are generally not more favourable than those generally available to the public and other suppliers and are not detrimental to the minority shareholders.
- ▶ Periodically reviewed recurrent related party transactions to ensure that they are undertaken on an arm's length basis and on normal commercial terms.
- ▶ Reviewed the estimated recurrent related party transactions mandate for the ensuing year, and recommended to the Board to seek shareholders' mandated at the upcoming Annual General Meeting of the Company.

Ethical and Integrity Areas

- ▶ Deliberated reports on whistle-blowing and SoBC breach incidents.
- ▶ Deliberated on the security and safety matters and loss reports.
- ▶ Deliberated on the environmental, health and safety review reports.

Annual Reporting

Reviewed disclosures required by the statement on corporate governance, audit committee report, standards of business conduct, statement on risk management and internal control for the financial year ended

Sd/-
Md. Azizur Rahman FCS
Secretary, Audit Committee

31 December 2018 for inclusion in the Annual Report, 2018, and recommended their adoption to the Board.

Internal Audit

The role of Internal Audit at the Company is designed in line with local legal and regulatory requirements, as well as the Global Audit function of British American Tobacco plc. (British American Tobacco plc. Group Internal Audit). The British American Tobacco Global Audit team comprises of pool of experienced Auditors from different parts of the world. This approach ensures a high level of independence and gives access to more skilled and specialised resources than would otherwise be available within the Company. Furthermore, in line with the Corporate Governance Code, a compliance review mechanism of cross-functional processes is also established in the organisation. The Head of Internal Audit & Compliance is a finance professional with Bachelors and Masters of Business Administration degree, along with eight years of cross-functional work experience in BAT Bangladesh, within the Company's Internal Audit and other functional roles.

The strides of Internal Audit undertakes risk-based audit reviews towards the planning and conduct of audits which is consistent with the Group's established framework in designing, implementing and monitoring of its control systems. As such, the nature of audit performed is mainly focused on commercial processes, factory and supply chain process, IT processes and any project or program which are focused on significant business change initiatives. Other audits are those reviews that arise from a direct request, either from the Management or the Audit Committee. If required, British American Tobacco plc. assists the Audit Committee in reviewing the effectiveness of the Company's committee in control systems, whilst ensuring that there is an appropriate balance of controls and risks throughout the Company in achieving its business objectives. Any inappropriate restrictions on audit scope are to be reported to the Audit Committee. Internal Audit provides an independent assessment on the effectiveness and efficiency of internal controls utilising a robust audit methodology and tool to support the Company and the effectiveness and efficiency of inter-efficient and effective risk management framework to provide assurance over the Company's strategy delivery and change management initiatives. The annual audit planning cycle takes direct input from both the risk register and the Audit Committee. In turn, the Audit Committee formally approves the Internal Audit & Compliance plan every year and reviews the plan on a quarterly basis. Any subsequent changes to the plan are approved by the Audit Committee. The scope of Internal Audit & Compliance covers reviews of all units and operations.

Report Authorisation

This Audit Committee Report is made in accordance with the resolution of the Board of Directors on 11th March 2019.

Sd/-
Mr. Mohammad Moinuddin Abdullah
Chairman, Audit Committee

CSR COMMITTEE



From Standing Left:

Mr. Md. Azizur Rahman FCS
(Head of Public Affairs & Company Secretary)

Ms. Mubina Asaf
Invitee
(Head of Legal & External Affairs)

Mr. Md. Abdul Halim
Member
(Non-Executive Director)

Mr. Mikail Shipar
Chairman
(Independent Director)
(resigned w. e. f 11th March 2019)

From Sitting Left:

Mr. K. H. Masud Siddiqui
Member
(Non-Executive Director)

Mr. Mohammad Moinuddin Abdullah
Member
(Non-Executive Director)
(w. e. f 11th March 2019)

Ms. Tahmina Begum
Member
(Non-Executive Director)

Mr. Shehzad Munim
Member
(Managing Director)

REPORT OF THE CSR COMMITTEE- 2018

Corporate social responsibility (CSR) is central to the responsibility policy of British American Tobacco Bangladesh. The Company's CSR emphasis is embedded into the culture of the Company, not only enabling the enhancement of business sustainability, but also ensuring commitment to long-term stakeholder value creation. BAT Bangladesh's CSR initiatives comprise activities that are of high-impact, while fulfilling the fundamental needs of the society at large.

Purpose of CSR Committee

The purpose of the Board CSR Committee is to ensure better management of the Company's CSR initiatives in a way that secures business sustainability, as well as creates and sustains a positive impact on the reputation of the Company.

Authority

The CSR Committee is authorised by the Board of Directors to evaluate activities within the business with respect to CSR. The terms of reference of the Committee is subjected to amendment from time to time, as per requirements, subject to prior approval by the Company's Board of Directors.

Committee and its Meetings

The Committee usually meets three times in a year, ensuring the presence of all members in the meeting. Mr. Mikail Shipar, as Chairman of the Board CSR Committee, guided the Company in its CSR initiatives, ensuring standards and compliance, while adding value to the CSR endeavours of BAT Bangladesh. The Committee is currently comprised of the following members:

CSR Committee Composition

Name of the Member	Position
Mr. Mikail Shipar Independent Director (resigned w. e. f 11th March 2019)	Chairman
Mr. Mohammad Moinuddin Abdullah Non-Executive Director (w. e. f 11th March 2019)	Member
Mr. K. H. Masud Siddiqui Non-Executive Director	Member
Mr. Md. Abdul Halim Non-Executive Director	Member
Ms. Tahmina Begum Non-Executive Director	Member
Mr. Shehzad Munim Managing Director	Member
Mr. Md. Azizur Rahman FCS Company Secretary	Secretary to the Committee

The Head of Legal and External Affairs and the Corporate Affairs Manager are permanent invitees to the CSR Committee meetings by means of their position. Mr. Jalal Ahmed, former Director of the Board, also served as consultant to the CSR Committee. Other relevant managers and stakeholders also attended the meeting by invitation.

Activities Summary

The Company's CSR activities are aligned with the Government's initiatives and focuses on contributing to the Government's agenda on Sustainable Development Goals (SDGs).

In 2018, the CSR Committee highlighted the following matters:

BAT Bangladesh CSR portfolio includes three flagship CSR programmes of the Company. These comprise afforestation, safe drinking water project and solar home systems, which create positive impact on the society.

Afforestation Programme

British American Tobacco Bangladesh initiated an afforestation programme in 1980 when the forest department of the Government of Bangladesh called on the private sector to support its endeavour to conserve forests. Every year, BATB distributes 4 million free saplings and so far, the organisation has distributed 99.7 million free saplings across the country, including 200k saplings for the largest Rohingya camp based in Cox's Bazar. This relentless effort makes the programme the largest private sector-driven afforestation drive in the country. Going forward, BATB is committed to continue its engagement with this programme, in line with the global and national drive to combat the adverse effects of climate change, as well as to adhere to the Bangladesh Government's aspiration to achieve the Sustainable Development Goals (SDGs) set by the United Nations.

Water Filtration Project

Recognising the necessity of water and sanitation, specifically in the context of the SDGs, BAT Bangladesh has stepped forward with a safe drinking water project for vast swathes of communities. So far, BAT Bangladesh has established 78 water filtration plants in arsenic-prone locations, including 5 plants in 2018. These plants provide more than 400,000 litres of safe drinking water that is free from arsenic and other impurities to ensure pure potable drinking water for more than 200,000 people every day. As a result of extensive engagement in this CSR programme, in 2018, BAT Bangladesh was awarded the eminent 'Bangladesh Innovation Award', organised by Brand Forum in the SDG inclusion category.

Solar Home System Project

The solar home system project was initiated in 2011 by BAT Bangladesh with an aim to bring electricity to the lives of people living in the off-grid areas of Bandarban, Khagrachari and Rangamati districts. Today, almost



13,000 people are getting electricity for the first time due to 2,330 units of solar home systems installed by BAT Bangladesh. As many as 200 units of solar home systems were installed in 2018. This initiative complements the Government's efforts in the renewable energy sector in achieving the United Nation's SDGs. BAT Bangladesh won the 'Asia Responsible Entrepreneurship Award' in Green Leadership category in 2018. CMO Asia and World CSR Day also awarded the Company's solar home system initiative of the Company in the 'Community Development' category.

In order to expand the scope of CSR, the Company started a process to establish a CSR foundation in 2018. This foundation works to explore the following opportunities in order to enable further expansion of CSR activities of the Company to facilitate building a better Bangladesh:

- ▶ Skill development initiative for youth, including specialisation in digital platforms
- ▶ Support towards women capacity-building and empowerment
- ▶ Assistance and rehabilitation support for underprivileged Autism-affected people

Sd/-

Md. Azizur Rahman FCS
Secretary, CSR Committee

- ▶ Opportunities under income generation for the underprivileged and physically-challenged
- ▶ Engaging with local and national level stakeholders, highlighting the fact that BAT Bangladesh supports many other national and local agendas like agricultural advancement, people development and economic infrastructure progress, which positively impacts nation-building

As a responsible business organisation, British American Tobacco Bangladesh believes that businesses have a key role to play in helping the society to achieve the necessary sustainable balance of economic growth, environmental protection and social progress. In this context, the Company's CSR activities are designed to contribute to the economic, social and environmental sustainability of the communities in which we operate. To ensure further contribution to SDGs, the Company is looking beyond its current CSR initiatives to further contribute to the society, and is also exploring opportunities under youth skill development, women empowerment and assistance and rehabilitation support to Autism-affected people, in alignment with the policy of the Government and considering the requirements and aspirations of the relevant stakeholders.

Sd/-

Mikail Shipar
Chairman, CSR Committee

10 YEARS of making waves

PROBAHO

"Access to safe, affordable and reliable drinking water and sanitation services are basic human rights"
- 2019 UN World Water Development Report.

Yet clean drinking water remains one of the biggest global challenges in the 21st century.

Probaho, a self-sustaining water filtration project initiated by British American Tobacco Bangladesh in 2009, aims to support the government agenda through the provision of clean water. This initiative directly complements the United Nation's **Sustainable Development Goal No. 6 – Clean Water and Sanitation.**

Till date, **78 Probaho plants** have been established throughout the country benefiting more than **200,000 beneficiaries** with **400,000 litres** of arsenic free water every day.

The support, trust, and belief the beneficiaries put in Probaho increases its scope and ensures that its positive impact continuously grows. Probaho has been making waves in the lives of the rural people for **10 years** and will continue to do so...

“আমাদের জীবনের উজ্জ্বলের প্রবাহে আছে আপনাদেরই”

NOMINATION & REMUNERATION COMMITTEE



Mr. Saad Jashim Invitee (Head of Human Resources)	Mr. Kazi Sanaul Hoq Member (Non-Executive Director)	Mr. Golam Mainuddin Member (Chairman, BATB)	Mr. K.H. Masud Siddiqui Chairman (Independent Director)	Mr. Md. Azizur Rahman FCS Secretary (Head of Public Affairs & Company Secretary)	Mr. Raiyan Ahmed Invitee (Compensation & Benefits Manager)
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REPORT OF THE NOMINATION & REMUNERATION COMMITTEE -2018

British American Tobacco Bangladesh Company Limited

The Board of Directors of BAT Bangladesh has duly constituted a Nomination and Remuneration Committee (NRC), as per the requirements of the BSEC Code of Corporate Governance. The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives. The NRC has a guiding role to the management to identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.

The Report of Nomination and Remuneration Committee is prepared according to the requirements of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). This Report covers nomination and remuneration policies, evaluation criteria and activities of NRC.

1. Overview of the Nomination and Remuneration Policies:

The Company follows nomination and remuneration policies, the benchmark of which relies on standards and recognisable in the market context and sufficient to meet the current and future needs of the Company. The broad criteria in that respect for Directors and top-level executives and all other employees of the Company are as follows:

a) Nomination Criteria

- i. Following the Company policies as well as guidelines and applicable country regulations
- ii. Following a selection process that is transparent in all respects
- iii. Following a process which is compatible to international standards and local best practices
- iv. Recognise core competencies of the respective personnel for the different level of management and employees of the Company
- v. Follow diversity in age, maturity, qualification, expertise and gender disciplines

b) Recruitment and Selection Guidelines

The NRC draws a broad outline of the Company needs for employees at different levels, as ascertained by the management. The recruitment and selection of Directors, top-level executives and other employees of the Company are made according to the following guidelines:

- ▶ Executive Director: The NRC recommends the candidate(s) for

Executive Director(s), based on nomination by the majority shareholders. The Board of Directors appoint the Executive Director/s upon nomination and recommendation of the NRC.

- ▶ Non-Executive Director: The NRC recommends candidate(s) for Non-Executive Director(s), based on nomination by the majority shareholders, the Government shareholders and other general shareholders. The Board of Directors appoints the Non-Executive Directors upon nomination and recommendation of the NRC.
- ▶ Independent Director: The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the business. The Independent Director should have competence relevant to the sector in which the Company operates, and necessarily should have the qualifications as required by the regulations of BSEC. The Board of Directors appoint Independent Directors upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.
- ▶ Top-level executives: The NRC identifies and recommends candidate(s) for top-level executives upon thorough scrutiny by the Managing Director, Executive Committee and Human Resources Department (HRD), considering relevant qualifications, experience, skills and leadership, as required for the respective positions based on the Company's internal selection process.

Explanation: 'Top-level executives' of the Company include the Managing Director, the Finance Director, the Head of Human Resources, the Head of Legal & External Affairs, all the Executive Committee Members (head of functions), the Company Secretary, the Head of Internal Audit & Compliance, and same level/ ranked/ salaried officials of the Company.

▶ Other Employees:

The NRC sets a guideline to identify the Company's need for employees at different levels, and empowers the relevant management of the Company's HRD for selection, transfer, replacement and promotion of respective employees based on the Company's internal processes.

c) Remuneration Criteria

- i. The structure, scale and composition of remuneration/honorarium is reasonable and sufficient to attract, retain and motivate suitable Directors, top-level executives and other employees to run the Company efficiently and successfully;

The context of packages, including remuneration/ benefits monthly, yearly and in the long run for all the employees are categorically laid down and meets the appropriate performance benchmarks;

- ii. There is a clear balance in benefits between fixed and incentive pay of Executive Directors and senior management, reflecting short and long-term performance goals and objectives of the Company;
- iii. The remuneration, including bonuses, compensation, benefits (or in whatever form) payable to the Executive Directors, top-level executives and other employees are determined by the NRC based on the respective Company policies and guidelines, which shall be ratified by the Board as and when required;
- iv. The remuneration to be paid to the Executive Directors is in accordance with the Company's policies and guidelines;
- a. Increments (if any) to the existing structure of remuneration are determined by the NRC based on the Company's policies and guidelines, which are ratified by the Board as and when required;
- v. The NRC will recommend the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- vi. No member of the NRC receives, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.

2. Evaluation Criteria

a) Executive Directors

The respective line authority of the Executive Director(s) sets the performance measurement criteria based on the respective role profile and responsibilities through a Company appraisal process at the beginning of each calendar year. The Executive Director(s) prepare the performance document (half-year and year end). The respective line authority then evaluates the performance of the Executive Director(s) according to the measurement criteria.

b) Independent Director & Non-Executive Director

The evaluation of performance of the Independent Directors (IDs) and Non-Executive Directors are carried out at least once a year by the Board of Directors, according to the following criteria:

- a) Attendance at the Board meetings and committee meetings
- b) Participation in the Board meetings and committee meetings
- c) Contribution to improving the corporate governance practices of the Company

c) Top-level Executives & other Employees

The respective line authority of top-level executives and other employees sets the performance measurement criteria based on the respective roles and responsibilities to achieve people and business objectives through Company appraisal processes at the beginning of each calendar year. The employees concerned prepare the performance document (half-year and year end). The respective line authority then evaluates the performance of the employee(s) according to the measurement criteria.

3. Activity Summary of Nomination and Remuneration Committee during the year

a) Formation of NRC Committee and its Meetings

The Board formed the Nomination and Remuneration Committee (NRC) on 17th October 2018, as per the requirements of BSEC Corporate Governance Code with the following composition:

- ▶ **Mr. K.H. Masud Siddiqui**
Chairman
Independent Director
- ▶ **Mr. Golam Mainuddin**
Member
Non-Executive Director
- ▶ **Mr. Kazi Sanaul Hoq**
Member
Non-Executive Director

In 2018, the Committee met once. The Managing Director, Finance Director and Head of HR attended the meeting by invitation of the Committee. Mr. K.H. Masud Siddiqui, guided the newly formed Committee in its nomination and remuneration initiatives, ensuring standards and compliance.

The activities of the NRC during the year were as follows:

- i. Considered the terms of reference of NRC, as approved by the Board
- ii. Formulated a policy relating to the remuneration of the Directors, top-level executives and all employees of the Company
- iii. Formulated the criteria for determining qualifications, positive attributes and independence of a Director
- iv. Formulated the criteria for evaluation of performance of Independent Directors and the Board Members
- v. Identified criteria for selection, transfer or replacement and promotion at different levels of the Company
- vi. Adopted a code of conduct for the Chairman, Directors and Top-level executives of the Company.

STANDARDS OF BUSINESS CONDUCT

At BAT Bangladesh, our Standards of Business Conduct (SoBC) comprises an assimilation of global and local policies that express high standards of conduct. We comply with the SoBC to maintain the integrity of our operations, while expressing our fundamental purpose of existence. All members in the Company, i.e. from the Board of Directors to all other employees, must abide by the policy, complying with all applicable laws and regulations that govern our business operations. Responsibility and trust comprise the two core elements that define our conduct and have been articulated in detail in our SoBC. Essentially, SoBC is an integral part of our Corporate Governance.

Our SoBC comprises the following broad tenets that we must embrace and abide by:

- ▶ Ensure that decisions and judgements made by employees are lawful and comply with high ethical standards
- ▶ Help employees who are faced with making difficult judgements at work
- ▶ Set a tone and culture for the organisation, which will enable it to be regarded as a good corporate citizen
- ▶ Give assurance to the Company's stakeholders

The broad areas covered by the standards include the following:

- ▶ Whistle-blowing with respect of bringing to light any malpractice or wrongdoing
- ▶ Conflicts of interest
- ▶ Bribery and corruption
- ▶ Entertainment and gifts
- ▶ Respect in the workplace
- ▶ Human rights and our operations
- ▶ Charitable contributions
- ▶ Accurate accounting and record-keeping
- ▶ Protection of corporate assets
- ▶ Confidentiality and information security

- ▶ Insider dealing and market abuse
- ▶ Competition and anti-trust
- ▶ Money laundering
- ▶ Illicit trade
- ▶ Sanctions

Ethics and Compliance

All management employees, along with the Board of Directors, must declare their allegiance with the SoBC for assuring compliance and, as such, must reveal any conflicts of interest on an annual basis. It is in the spirit of compliance that revelation of conflicts of interest must be made. Conflict of interest may arise when an employee and/or immediate family may have an interest in or association with the operations of the Company/business. The immediate family members constitutes parents, spouse, children, brothers and sisters as well as step and adoptive relations.

Compliance with the SoBC is monitored regularly by the Board of Directors and the Audit Committee of the Company. On an annual basis, the Board of Directors must get reports from the Legal & External Affairs Department/ Company Secretary regarding the compliance of these Standards by BAT Bangladesh and its employees. Employees must proactively report any wrongdoing at work or incidences of non-compliance, as it is a part of their duty as well.

The Company is committed in providing a safe and secure working environment for its employees. Bullying of any sort is strictly prohibited, as highlighted in the 'Human Rights and Operations' segment. Furthermore, we affirm that we do not engage in the employment of child labour. The Head of Legal and External Affairs, as well as the Company Secretary, conduct training sessions in different regions and in the Head Office to ensure that employees have an accurate understanding of the Company's principles and standards covering all the sections of the SoBC. The standards are made available on the Company's web portal for all employees and Board members. The Company's website's URL is: www.batbangladesh.com

Sd/-
Md. Azizur Rahman FCS
Secretary

Sd/-
K.H. Masud Siddiqui
Chairman

PATTERN OF SHAREHOLDING

ANNEXURE-01

Names of the shareholders along with their position of the shares are listed below:

NAME OF SHAREHOLDER	SHARES HELD	% OF HOLDING
i) Parent/ subsidiary/ associate/ related parties:		
Raleigh Investment Co. Ltd.	43,745,358	72.91%
ii) Directors/ CEO/ CS/ CFO/ Audit Head and their spouses and minor children	nil	nil
iii) Executives (HoD)	nil	nil
iv) Shareholders, who hold 10% or more:	nil	nil
v) Other Shareholders, who hold less than 10%		
Investment Corporation of Bangladesh	3,416,912	5.70%
Sadharan Bima Corporation	1,694,047	2.82%
Bangladesh Development Bank Limited	197,376	0.33%
President People's Republic of Bangladesh	386,824	0.64%
Pictet Lux A/C Kffcf	5,994,330	9.99%
Others	4,145,747	7.61%

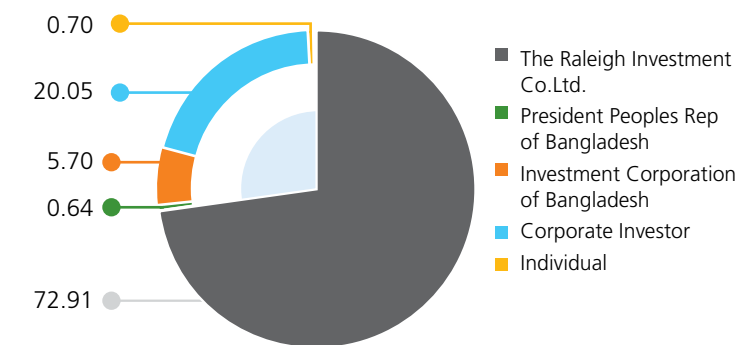
BOARD MEETINGS

The Board of Directors met nine times during the year 2018. The Company Secretary and Chief Financial Officer (Finance Director) were present in the Board meetings. The attendance by each Director is mentioned below:

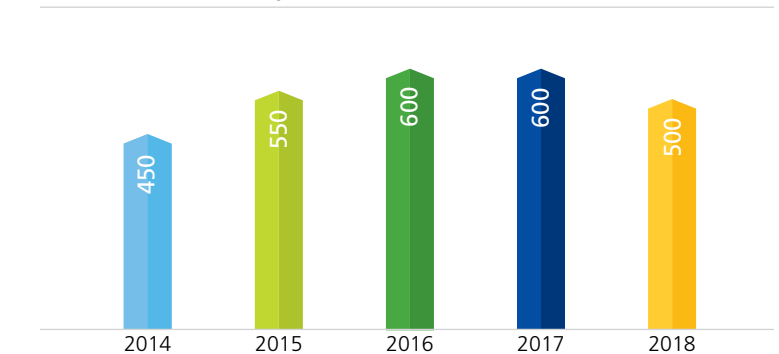
Present Directors' Name	No. of Attendance	
Mr. Golam Mainuddin	9	
Mr. Shehzad Munim	9	
Mr. Mohammad Moinuddin Abdullah	9	
Mr. K.H. Masud Siddiqui	9	
Mr. Mikail Shipar	9	
Mr. Md. Abdul Halim	2	(Appointed on 6 September 2018)
Ms. Tahmina Begum	6	(Appointed on 15 March 2018)
Mr. Kazi Sanaul Hoq	8	
Mr. Jalal Ahmed	2	(Resigned on 15 March 2018)
Mr. Muhammad Abdullah	7	(Resigned on 6 September 2018)
Mr. William Pegel	8	

SHAREHOLDERS' INFORMATION

Shareholding Position 31 Dec 2018 %



Cash Dividend History %



Share Performance:

Month	Dhaka Stock Exchange			Chittagong Stock Exchange		
	High (BDT)	Low (BDT)	Close (BDT)	High (BDT)	Low (BDT)	Close (BDT)
January	3,785	3,380	3,778	3,336	3,403	3,353
February	3,780	3,588	3,608	3,710	3,650	3,650
March	3,622	3,389	3,435	3,680	3,420	3,420
April	3,500	3,313	3,410	3,400	3,400	3,400
May	3,495	3,371	3,395	3,695	3,530	3,695
June	3,399	3,383	3,457	3,450	3,450	3,450
July	3,438	3,196	3,277	3,300	3,250	3,250
August	3,322	3,231	3,322	3,260	3,250	3,260
September	3,452	3,290	3,372	3,300	3,250	3,250
October	3,370	3,311	3,328	3,088	3,088	3,088
November	3,376	3,291	3,317	-	-	3,088
December	3,542	3,291	3,542	3,718	3,240	3,500

Financial Calendar 2018

Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
		FY 2017; Record Date	AGM; Q1 2018	Dividend Dispatch		H1 2018			Q3 2018		

Company Website

Anyone can get information regarding the Board of Directors, Top Management, key financial information of the Company including price sensitive disclosure. The website also has information about sustainable agricultural initiatives of the Company and Career opportunities for potential applicants.

Investor Relations

Local and international investors, financial analysts and other members of the professional financial community requiring additional financial

information can visit the Investor Relations section of the Company website: www.batbangladesh.com

Shareholder Services

If you have any queries relating to your shareholding, please contact at +8801713038440 or mail to share office of BAT Bangladesh at shareoffice@bat.com

BSEC CORPORATE GOVERNANCE COMPLIANCE CHECK LIST

ANNEXURE-02

Status of compliance with the conditions set out by the BSEC Notification on Corporate Governance

(Report under Condition No. 9.3)

Condition No	Title	Status	Remarks
1.1	Board Size: The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty)	Complied	The BATB Board is comprised of 9 Directors.
1.2 (a)	Independent Directors: At least one fifth (1/5) of the total number of Directors in the Company's Board shall be Independent Directors	Complied	There are two Independent Directors in the BATB Board, namely: Mr. K.H. Masud Siddiqui and Mr. A. K. M Aftab Ul Islam
1.2 (b) (i)	Independent Director does not hold any share or holds less than 1% shares of the total paid-up capital	Complied	The Independent Directors have declared their compliances.
1.2 (b) (ii)	Independent Director or his family members are not connected with the Company's any sponsor or Director or nominated Director or Shareholder of the company or any of its associates, sister concerns, subsidiary and parents or holding entities who holds 1% or more shares	Complied	DO
1.2 (b) (iii)	Independent Director who has not been an executive of the company in immediately preceding 2 (two) financial years	Complied	DO
1.2 (b) (iv)	Independent Director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	Complied	DO
1.2 (b) (v)	Independent Director is not a member or TREC (Trading Right Entitlement Certificate) holder, Director or officer of any Stock Exchange	Complied	DO
1.2 (b) (vi)	Independent Director is not a shareholder, Director excepting independent director or officer of any member or RREC holder of Stock Exchange or an intermediary of the capital market	Complied	DO
1.2 (b)(vii)	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 service or audit firm conducting special audit or professional certifying compliance of Corporate Governance Code	Complied	DO
1.2 (b) (viii)	Independent Director shall not be an Independent Director in more than 5 (five) listed companies	Complied	DO
1.2 (b)(ix)	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)	Complied	DO
1.2 (b)(x)	Independent Director has not been convicted for a criminal offence involving moral turpitude	Complied	DO
1.2 (c)	The Independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the AGM	Complied	The appointments are duly approved at AGM
1.2 (d)	The Post of Independent Director(s) can not remain vacant for more than 90 (ninety) days	Complied	No vacancy occurred

Condition No	Title	Status	Remarks
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	Complied	The Independent Directors (IDs) Mr. Mikail Shipar and Mr. K.H. Masud Siddiqui are in their first term of office. Mr. Mohammad Moinuddin Abdullah elected Independent Director for the second term.
1.3 (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business	Complied	The qualification and background of IDs justify their abilities as such.
1.3 (b) (i)	Independent Director should be a Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	Not Applicable	
1.3 (b) (ii)	Independent Director should be a Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company	Not Applicable	
1.3 (b) (iii)	Independent Director should be a Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	Complied	Existing Independent Directors are bureaucrats with more than 12 years of experience.
1.3 (b) (iv)	Independent Director should be a University Teacher who has educational background in Economics or Commerce or Business Studies or Law	Not Applicable	
1.3 (b) (v)	Independent Director should be a Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	Not Applicable	
1.3 (C)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in 1.3 (b)	Complied	Existing Independent Directors are bureaucrats with more than 12 years of experience.
1.3 (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	Not Applicable	
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	Complied	Chairman of the Board and Managing Director are different individuals
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	Complied	The Managing Director not hold the same position in any other listed company
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	Complied	The chairperson is elected from among the non-executive directors
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	Complied	The roles and responsibilities of the chairperson and managing director are clearly defined

Condition No	Title	Status	Remarks
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non- executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	N/A	No such case as yet
1.5	The Directors' Report to Shareholders on:		
1.5 (i)	Industry outlook and possible future developments in the industry	Complied	The Directors' report complies with the guideline.
1.5 (ii)	Segment-wise or product-wise performance	Complied	The Directors' report complies with the guideline
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	Complied	Discussed at 'System of Internal Control' and 'Other Regulatory Disclosures'.
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable	Complied	The Directors' report complies with the guideline
1.5 (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss)	Complied	Discussed at 'Financial Performance' and 'Other Regulatory Disclosures'.
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	Complied	Mentioned at 'Other Regulatory Disclosures'. A statement of all related party transactions are disclosed under Notes to the Financial Statements no. 32
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	Complied	Mentioned at 'Other Regulatory Disclosures'.
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc	Complied	Mentioned at 'Other Regulatory Disclosures'.
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	Complied	Discussed at 'Financial Performance' and 'Other Regulatory Disclosures'.
1.5 (x)	A statement of remuneration paid to the directors including independent directors	Complied	Mentioned at 'Other Regulatory Disclosures'.
1.5 (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	Complied	Stated under section "Directors' Declaration as to the Financial Statements" in the Directors Report.
1.5 (xii)	A statement that proper books of account of the issuer company have been maintained	Complied	- DO -
1.5 (xiii)	A statement that 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	Complied	- DO -
1.5 (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	Complied	- DO -
1.5 (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	Complied	Stated under section 'The System of Internal Control ' in the Directors Report.
1.5 (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	Complied	Stated under section 'Going Concern' in the Directors Report.

Condition No	Title	Status	Remarks
1.5 (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	Complied	Discussed in the Directors Report under section "Growth Pillar".
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	Complied	The Directors' Report complies with the guideline.
1.5 (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	Complied	Stated in Annexure - 1 of the Directors' Report which complies with the guideline.
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	Complied	Final dividend declared. The Directors' Report complies with the guidelines.
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	Complied	Stated in the Directors' Report
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director	Complied	DO
1.5 (xxiii)	Pattern of shareholdings		
1.5 (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	Not Applicable	
	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	Complied	The Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children do not hold any shares of the Company
	Executives	Complied	The Executives of the Company do not hold any shares
	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	Complied	Stated in Annexure -1 of the Directors' report which comply with the guideline .
1.5 (xxiv) (a)	Brief resume of directors	Complied	Stated in the profile of Directors in the Annual Report
	nature of his or her expertise in specific functional areas	Complied	Stated in the profile of Directors in the Annual Report
	names of companies in which the person also holds the directorship and the membership of committees of the Board	Complied	Stated in the profile of Directors in the Annual Report
1.5 (xxv) (a)	(a) accounting policies and estimation for preparation of financial statements	Complied	the Directors Report complies with the guideline
	(b) changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	Complied	the Directors Report complies with the guideline
	(c) comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	Complied	the Directors Report complies with the guideline
	(d) compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	Complied	the Directors Report complies with the guideline
	(e) briefly explain the financial and economic scenario of the country and the globe	Complied	the Directors Report complies with the guideline

Condition No	Title	Status	Remarks
	(f) risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	Complied	the Directors Report complies with the guideline
	(g) future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	Complied	the Directors Report complies with the guideline
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	Complied	Stated in Annexure -1 of the Directors' report which comply with the guideline .
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	Complied	the certificate regarding compliance of the conditions is disclosed at page no 140 of the annual report
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 the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	Complied	Company Maintains a 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 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee for the Chairperson of the Board, other board members and Chief Executive Officer of the company	Complied	A code of conduct set for Chairman of the Board, other members of the Board and Chief Executive Officer of the company based on the recommendation of the Nomination and Remuneration Committee (NRC).
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	Complied	The code of conduct as determined by the NRC is posted on the website
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	Not Applicable	There is no subsidiary company of BATB.
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	Not Applicable	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	Not Applicable	
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;	Not Applicable	
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not Applicable	
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)	Complied	The Company has duly appointed the MD, CFO, CS and Head of Internal Audit.
3. 1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	Complied	The MD, CFO, CS and Head of Internal Audit are Different Individuals.

Condition No	Title	Status	Remarks
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	Complied	In Practice
3. 1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	Complied	The roles, responsibilities and duties of MD, CFO, CS and HIAC are clearly defined which have been approved by Board as per BSEC notification.
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).	Complied	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.	Complied	In Practice
3.3 (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	Complied	In Practice
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	Complied	In Practice
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	Complied	Disclosed in the Annual Report.
4 (i)	There shall be an Audit Committee (AC) as a sub-committee of the Board	Complied	Already in place. The TOR of AC is available.
4 (ii)	There shall be a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	Complied	Already in place. The TOR of NRC is available.
5.1 (a)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors	Complied	Already in place. The TOR is available.
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	Complied	The AC duly discharged its responsibilities.
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	Complied	In practice. The duties are clearly written in the TOR of Audit Committee
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members	Complied	The Audit Committee is comprised of 4 (four) members.
5.2 (b)	The Board of Directors shall appoint members of the Audit Committee who shall be Directors of the Company and shall include at least 1 (one) Independent Director	Complied	The members of the Audit Committee are appointed by the Board who are Directors and which includes one Independent Director.
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	Complied	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 BSEC notification. The AC members have also given their declarations.

Condition No	Title	Status	Remarks
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	Complied	In Practice
5.2 (e)	The company secretary shall act as the secretary of the Committee	Complied	In Practice
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director	Complied	In practice.
5.3 (a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director	Complied	The Chairman of AC is selected by the Board who is an ID.
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	Complied	In practice.
5.3 (c)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)	Complied	In practice.
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year	Complied	In practice.
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	Complied	In practice.
5.5 (a)	Oversee the financial reporting process	Complied	In practice.
5.5 (b)	Monitor choice of accounting policies and principles	Complied	In practice.
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	Complied	In practice.
5.5 (d)	Oversee hiring and performance of external auditors	Complied	In practice.
5.5 (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	Complied	In practice.
5.5 (f)	review along with the management, the annual financial statements before submission to the Board for approval	Complied	In practice.
5.5 (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	Complied	In practice.
5.5 (h)	review the adequacy of internal audit function	Complied	In practice.
5.5 (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report	Complied	In practice.

Condition No	Title	Status	Remarks
5.5 (j)	review statement of all related party transactions submitted by the management	Complied	In practice.
5.5 (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors	Complied	In practice.
5.5 (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	Complied	In practice.
5.5 (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	Complied	There was no IPO/RPO/Rights Issue in 2018 or in recent past. Stated in the Directors' Report under the section 'Other Regulatory Disclosure'.
5.6 (a) (i)	The Audit Committee shall report on its activities to the Board	Complied	In practice.
5.6 (a) (ii) (a)	report on conflicts of interests	Complied	In practice.
5.6 (a) (ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements	Complied	In practice.
5.6 (a) (ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	None	
5.6 (a) (ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	None	
5.6 (b)	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	None	
5.7	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	None	
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	Complied	Already in place. The TOR is available.
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive	Complied	The NRC duly discharged its responsibilities.
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b)	Complied	Already in place. The TOR is available.
6.2 (a)	The Committee shall comprise of at least three members including an independent director	Complied	In practice.
6.2 (b)	All members of the Committee shall be non-executive directors	Complied	In practice.
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board	Complied	The NRC members are appointed by the Board.

Condition No	Title	Status	Remarks
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee	Complied	In practice.
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee	Complied	In practice.
6.2 (f)	(f) The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee	None	No such occurrence during the year.
6.2 (g)	The company secretary shall act as the secretary of the Committee	Complied	In practice.
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	Complied	In practice.
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	Complied	In practice.
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	Complied	The Chairman of NRC is selected by the Board who is an ID.
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	Complied	In practice.
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	To be complied	To attend the forthcoming AGM.
6.4 (a)	The NRC shall conduct at least one meeting in a financial year	Complied	In practice.
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	None	To be complied if necessary.
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 as required under condition No. 6(2)(h)	Complied	In practice.
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	Complied	In practice.
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	Complied	In practice.
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	Complied	In practice.

Condition No	Title	Status	Remarks
6.5 (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks	Complied	In practice.
6.5 (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	Complied	In practice.
6.5 (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	Complied	In practice.
6.5 (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	To be complied	No such list as yet.
6.5 (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board	Complied	In practice.
6.5 (b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	Complied	In practice.
6.5 (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies	Complied	In practice.
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.	Complied	The criteria, policy and activities of NRC are disclosed in the Annual Report.
7.1	Statutory auditors not to be engaged in the following services :	Complied	As declared by the auditor.
7.1 (i)	appraisal or valuation services or fairness opinions	Complied	In practice.
7.1 (ii)	financial information systems design and implementation	Complied	In practice.
7.1 (iii)	book-keeping or other services related to the accounting records or financial statements	Complied	In practice.
7.1 (iv)	broker-dealer services	Complied	In practice.
7.1 (v)	actuarial services	Complied	In practice.
7.1 (vi)	internal audit services or special audit services	Complied	In practice.
7.1 (vii)	any service that the Audit Committee determines	Complied	In practice.
7.1 (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1)	Complied	In practice.
7.1 (ix)	any other service that creates conflict of interest	Complied	In practice.
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	Complied	In practice.
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	Complied	In practice.

Condition No	Title	Status	Remarks
8.1	The company shall have an official website linked with the website of the stock exchange	Complied	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	Complied	In practice.
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	Complied	In practice.
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	Complied	The company obtained the certificate from M/s. Al-Muqtadir Associates regarding compliance of 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 this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	To be complied	Al-Muqtadir Associates to be appointed by the shareholders at the forthcoming AGM.
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not	Complied	Detailed status given at Annexure - C and published in the Report.

CERTIFICATE OF DUE DILIGENCE BY CEO & CFO (AS REQUIRED UNDER THE BSEC GUIDELINES)

To the Board of Directors of

British American Tobacco Bangladesh Company Limited

Pursuant to the condition no. 1 (5)(xxvi) imposed vide the Commission's Notification No BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance 1969, we do hereby declare that:

- The Financial Statements of British American Tobacco Bangladesh Company Limited for the year ended on 31 December 2018 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;
- 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;
- The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- We have reviewed the financial statements for the year ended on 31 December 2018 and that to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.

S. Munim

Shehzad Munim
Chief Executive Officer

William Pegel

William Pegel
Chief Financial Officer

Dhaka
11 March 2019



Report to the Shareholders of British American Tobacco Bangladesh Company Limited on compliance with the Corporate Governance Code

(As required under the BSEC Codes of Corporate Governance)

We have examined the compliance status to the Corporate Governance Code by **British American Tobacco Bangladesh Company Limited** for the year ended on 31st December 2018. This code relates to the gazette notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

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

We state that we have obtained all the information and explanations or representations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion and subject to the remarks and observations as reported in the connected Compliance Statement :

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

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2018.

Al-Muqtadir Associates
 Chartered Secretaries & Consultants



A.K.A. Muqtadir FCS
 CEO & Chief Consultant

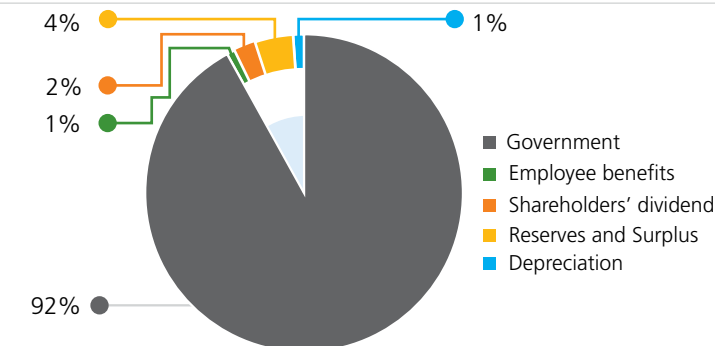
Dhaka, March 11, 2019

VALUE ADDED STATEMENT

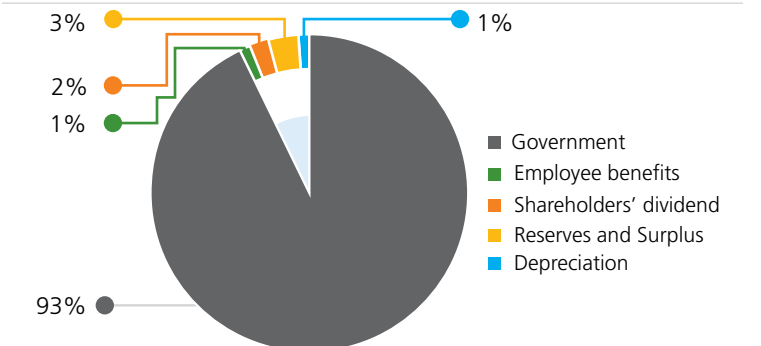
In BDT crore

Particulars	2018		2017	
	Amount	%	Amount	%
Gross Turnover	23,311,818		20,413,971	
Less Purchase of materials & service	2,619,041		2,705,675	
Value added	20,692,777	100%	17,708,295	100%
Applications				
Government	19,133,240	92.46%	16,426,593	92.76%
Employee benefits	237,296	1.15%	251,045	1.42%
Shareholders' dividend	360,000	1.74%	360,000	2.03%
Depreciation	169,333	0.82%	149,550	0.84%
Reserves and Surplus	792,907	3.83%	521,106	2.94%
Total	20,692,777	100%	17,708,295	100%

VALUE ADDED STATEMENT 2018



VALUE ADDED STATEMENT 2017



Above percentage represents the value addition of the Company

Deepto – First access to electricity in off-grid areas Balance for a *brighter* Bangladesh

At BAT Bangladesh, our Deepto project is an interesting case of ensuring electricity access to communities living in energy-starved regions of the country. Through solar home system installations, Deepto reaches a clean and pure source of power that has contributed to empowering lives.



Under Deepto, BAT Bangladesh has been engaged in providing 2,330 solar home systems in 25 far-flung off-grid areas, reaching electricity to 13,000 people!



- Increasing economic benefits
- Enhancing security because of lighted areas
- Empowering women as they take part in income generating activities
- Bringing positive impacts on education
- Improving livelihoods



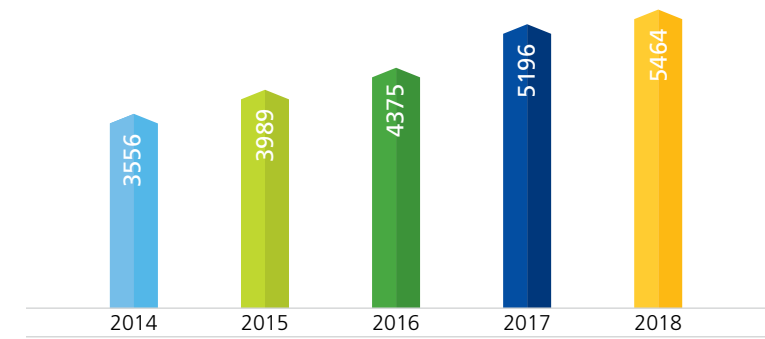
2,330

Solar Home System Installed

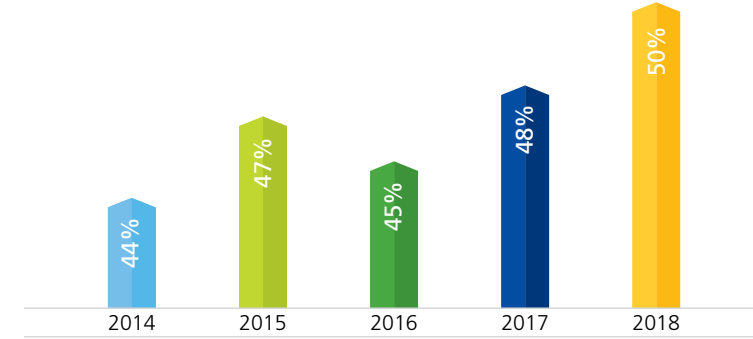
PERFORMANCE

KEY PERFORMANCE INDICATORS

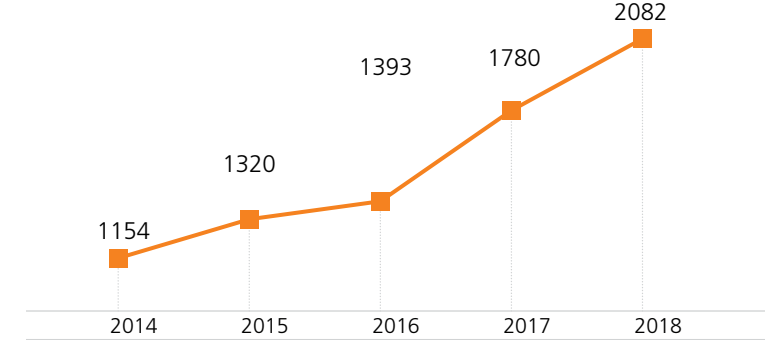
Net Revenue In BDT Crore



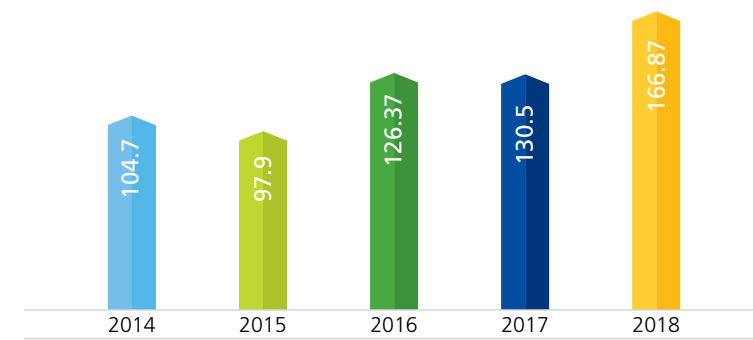
Gross Profit Ratio %



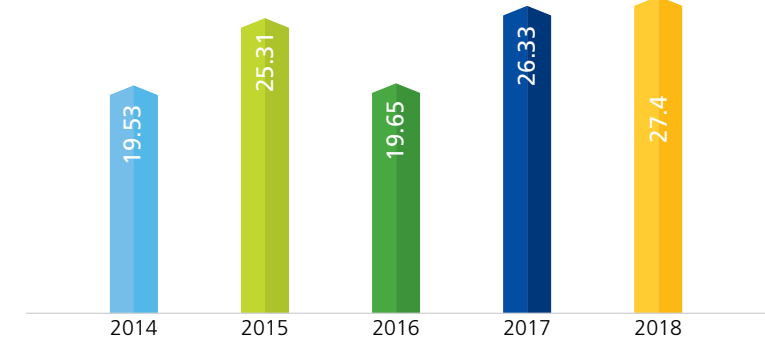
Operating Profit In BDT Crore



Earning Per Share In BDT

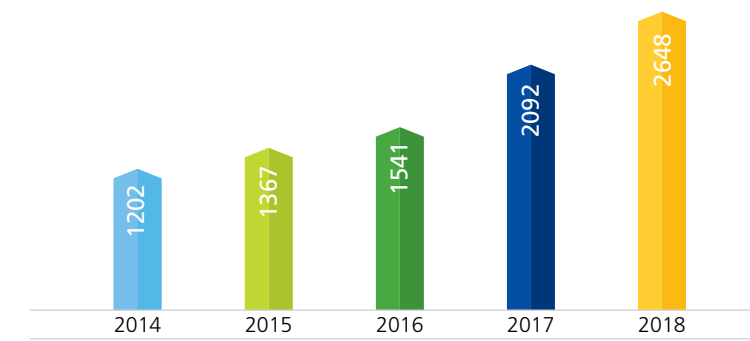


Price Earning Ratio

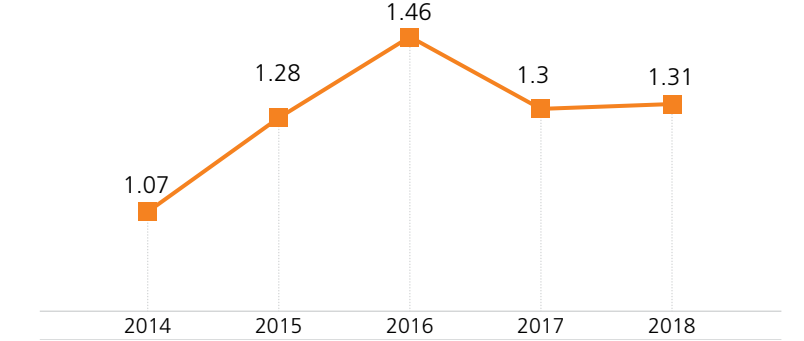


FINANCIAL PERFORMANCE

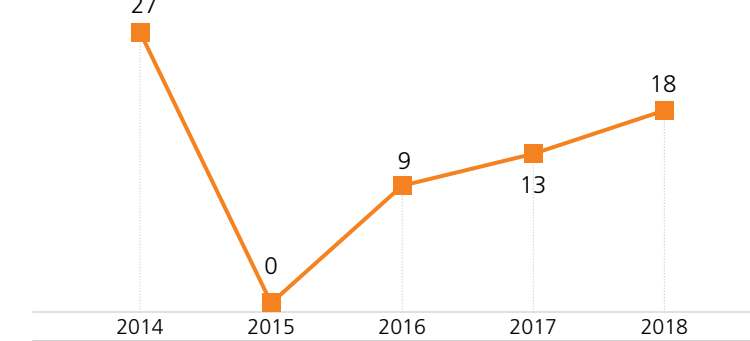
Property, Plant and Equipment In BDT Crore



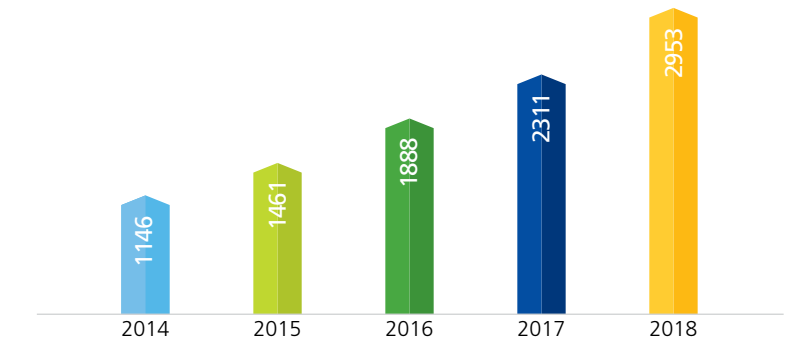
Current Ratio



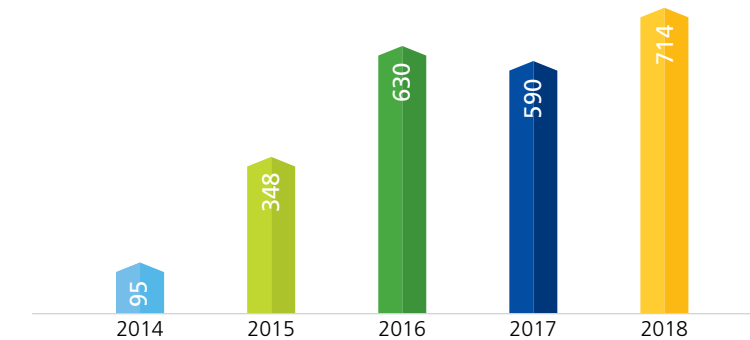
Debt Equity Ratio



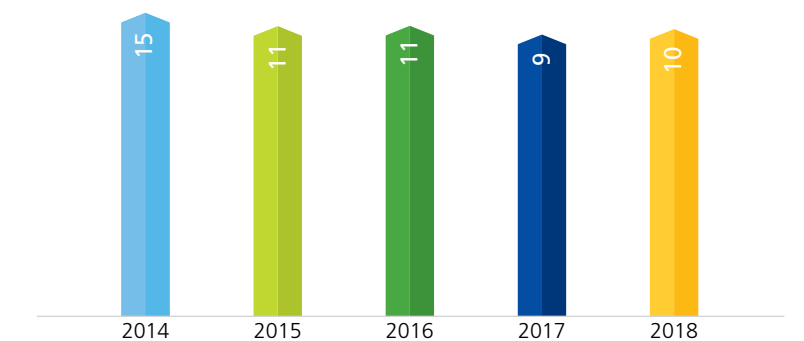
Sahareholders' Fund In BDT Crore



Net Current Assets In BDT Crore



Return on Equity %



MARKETING AND BRANDS

At BAT Bangladesh, our portfolio of brands, supported by our decisive Trade Marketing and Development (TM&D) strategies, enable us to cater to a wide range of consumer preferences.

 <p>BRANDS</p> <ul style="list-style-type: none"> Benson & Hedges, John Player Gold Leaf, Capstan, Star, Starlight, Derby, Pilot, Hollywood 	 <p>MATERIAL ASSOCIATION WITH</p> <ul style="list-style-type: none"> Intellectual capital, Human capital 	 <p>OPPORTUNITY</p> <ul style="list-style-type: none"> Market international-quality products to an disorganised market environment 	 <p>HIGHLIGHTS OF 2018</p> <ul style="list-style-type: none"> Launch of B&H Platinum Launch of John Player HD Packaging change for Star
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Overview

Considering the scale of operations and the size of the market, BAT Bangladesh has the largest TM&D operations globally. Considering the business landscape, the Bangladesh TM&D team embarked on a transformational journey to enhance its core competencies that supported the organisation in delivering on its objectives in a complex retail environment.

As one of the key components of the journey, the TM&D team reshaped the route-to-market strategy to roll out a forward-looking, future-fit and cost-effective model. This was done through active participation of all key stakeholders, including distributors, and also through cross-industry collaborations. This practice has also ensured job opportunity to 15,000+ people nationally.

2018 approach

The year 2018 represented a seminal one for the TM&D division as it embarked on digitalisation with a view to remain current with the external environment. Complementing the Government's far-sighted vision of a digital Bangladesh, a series of initiatives were undertaken to

digitise the core of the TM&D with respect to achieving automation of sales and distribution processes, enhancing performance monitoring and improving controls and the governance framework. These industry-leading practices have not only helped to augment capabilities, but also accelerated execution and sustain trade relationships, while also establishing foundational initiatives for capitalising on new possibilities in the years to come.



Digitised sales service of the Company.

With people at the heart of the business, BAT Bangladesh strives to nurture a culture of diversity and inclusiveness. Towards this extent, the TM&D team has been working relentlessly to set industry-leading examples of gender-inclusive and women-friendly policies in the corporate sector of Bangladesh. Holistic women empowerment practices, accelerated talent management programs and capacity-building from day one play a key role in grooming future business leaders for the nation.

Results

The culmination of TM&D's purposeful focus on transformation, digitalisation and inclusiveness has elevated the team as a global benchmark, which is reflected in the team being bestowed with the prestigious 'Global TM&D X Factor' award. Bangladesh's TM&D has also won the prominent 'STELLAR' award for exceptional contribution to the business by embedding future-fit strategies, strengthening core competencies, engaging in exemplary engagement initiatives, achieving world-class digitisation and ensuring agility in execution.



Stellar Award 2018 for the best performers.

HUMAN RESOURCE VALUE CREATION

WINNING ORGANIZATION

‘We enable growth by nurturing a winning organization: by investing in our people; by attracting the best; and by enhancing the high performing leaders who inspire diverse teams of committed and engaged people in a fulfilling, rewarding and responsible working culture and environment.’

At British American Tobacco Bangladesh (BATB), our people are our strength. We create value for our employees whether they are a part of management or a non-management by investing in them and ensuring that there is growth for them at BATB employee in terms of remuneration, learning and promotions. We acknowledge the contribution of every employee in the outstanding performance of our Company over time. We make sure that our employees are provided with a work life balance

so that they can create value for the Company. By investing in our people, we have been able to keep our market lead in the tobacco industry in Bangladesh, ensuring high quality products manufactured in a safe setting and unique branding and marketing of the products and innovation in sales to confirm a continued sales growth. As the organisation grows in size, we ensure that value creation remains the same across all levels of the company in all regions of the country.



Our People are Our Strength

At British American Tobacco Bangladesh (BATB), our people are our strength. We create value for our employees by investing in them and ensure that there is growth for them at BATB in terms of skill development and leadership. Respect in the workplace and gender equality are the core principles of the Company. We acknowledge the contribution of every employee for his or her outstanding performance in the Company over time. We ensure value for our employees who are provided with a work life balance and a safe working environment to ensure that they create value for the Company.

Growth through Diversity

Diversity matters to the Company and we are a diverse employer. We have female executives in different levels of our management. We are focused on initiatives throughout our organization to drive ownership and accountability, build diverse talent pools and create enablers, supported by an inclusive culture. Our ‘Women in Leadership’ program helps support and accelerate career progression of female talent within the Company. Since 2013, the program has reached a good number of female managers representing all functions and major locations across

the Company. We have also developed new ‘unconscious bias’ training, which is being rolled out to all management employees.

Human Resources Accounting

BATB is keen to measure the collective investment in human resources and consider its Rate of Return towards the organisational goals. In doing so, BATB has started to consider Human Resources Accounting (HRA), which is the process of identifying and reporting expenditures related to the human resources of an organisation that are presently unaccounted for in the conventional accounting practices. In addition to external financial reporting, HRA may be useful as a managerial tool to aid in making managerial decisions that will benefit the long-run strategic goals

and profitability of the organisation. In the HRA approach, expenditures related to human resources are reported as assets on the balance sheet as opposed to the traditional accounting approach which treats costs related to the Company’s human resources as expenses on the income statement that reduce profit.

BATB is following conventional accounting practices as directed by the standards of regulatory bodies. As there are no specific accounting standards regarding HRA, valuing the human resources and measuring the direct impact of the cost of spending for employees is difficult. However, BATB is using the concepts of HRA in making important management decisions that will benefit the long-term strategic goals and objectives of the company.

Value Created by our employees

	Unit	2018	2017	2016	2015	2014
Full Time Employees	No.	1453	1459	1747	1400	1353
Gross Turnover	BDT in Million per Employee	160.43	139.92	112.22	102.65	93.66
Operating Cost		4.63	4.8	4.02	3.92	3.13
Training Cost		0.19	0.17	0.11	0.17	0.16
Operating Profit		14.33	12.20	9.43	9.43	8.53
Profit Before Tax		13.30	11.49	8.92	8.9	8.03
Profit After Tax		6.89	5.37	5.14	4.2	4.64

GOING GLOBAL

BATTLE OF MINDS, 2018: COUNTRY'S PREMIER TALENT PLATFORM LAUNCHED GLOBALLY IN ITS 15TH GRAND ANNIVERSARY

15 years ago, Battle of Minds (BoM) was inceptioned as the country's first corporate youth talent platform at a time when there was a dearth of opportunities for prospective graduates to prepare for the corporate world. Over the last decade and a half, BoM has not only transformed into a widely renowned platform for thousands of talented minds across the country but has also enabled entire generations of youth to receive a first-hand exposure of the corporate world while enabling them to showcase their skills in innovation and strategy to solve complex real-world problems. As such, the tagline of the competition, "What are you made of?" extends this challenge to the youth of the future, inviting students from all over the country to prove themselves to be a part of the legacy of leaders.

Following BAT Bangladesh's phenomenal success with Battle of Minds over the past decade and a half, this time BAT Group adopted Battle of Minds as its first universal talent platform to be launched simultaneously across all three regions, engaging thousands of students worldwide. This meant that following the completion of every national chapter, each national champion would then proceed to face each other in a regional round whereby three regional champions would be announced. Consequently, the regional champions would fly to London to take part in the global final at BAT HQ. The stakes were higher than ever before and the competition, an all-encompassing global face off featuring the best of the best.

As the 15th Grand Anniversary of BoM kicked off with campus roadshows, records were made at the very onset of the launch. The online rounds received a whopping 3300+ registrations from 42 universities across the country, a scale of participation unimaginable even a few years ago. The submissions reflected the instructions of the first brief, a business pitch for a scalable, socially impactful



Team Bangladesh – IBA, University of Dhaka receiving the prize for the Global Championship of Battle of Minds from Giovanni Giordano, Group Head of HR, BAT.

entrepreneurial venture and included video rundowns of research analyses and business models of teams of three.

After a meticulous assessment of the submissions, the top 150 candidates were invited to BAT Bangladesh HQ for Boot Camp, a series of daylong intensive exercises

to select the semifinalists. The venue was themed in patriotic colors and ambiance celebrating a built-from-scratch Bangladeshi talent brand initiative reaching all corners of the globe. In extension of this very theme, the event started with a surprise rendition of Cryptic Fate's "Cholo Bangladesh" by the legends themselves, as hundreds grooved to the track that would shape the ambitions of Bangladesh in the first global chapter of Battle of Minds. The day proceeded with mentorship sessions from senior managers across various functions in BATB and hosted three back to back rounds of challenges that tested the candidates' cognitive and interpersonal skills.

Next week, the semifinalists featuring the top 12 teams were invited to a breakfast at the cozy backdrop of Bistro E for an unveiling of the final case and a tete-a-tete with Rumana Rahman, our esteemed Head of HR herself, one of the pioneers in the rebranding and augmentation of BoM in Bangladesh. The final case required the participants to propose a pilot of their social business idea from the first round, tuning their execution to meet the needs of a local Bangladeshi target audience in context of the Sustainable Development Goals of the United Nations. Each of the teams were assigned senior managers from BATB as mentors, who would provide them with critical one-on-one advice using their market expertise and guide the participants in bringing their ideas to life.

To give the semifinalists a thorough understanding of the social entrepreneurship and innovation context in Bangladesh, they

were given a unique opportunity to attend a session at the Prime Minister's Office with representatives of Access To Information (A2i), the premier innovation wing of the Bangladesh Government. Through interactive presentations involving numerous higher ups from the government, a2i shared their expertise in working with the SDG Tracker, a program designed to track and catalyze the completion of SDG targets in Bangladesh. The participants asked questions and received advice from the industry experts, preparing for their own presentations that were to follow.

A few days later, the semifinalists returned to BATB HQ for a day of intense presentations, followed by Q&As by a panel of judges featuring members of the Senior Leadership Team of BAT Bangladesh. After a nail-biting draw, the finalists were announced, and the stage was set to find the team that would go on to represent Bangladesh in the regional final of the first global edition of BoM. The final challenge involved the teams to pilot their projects in real life, connecting their digital innovations to targeted groups of their real customers and hence, demonstrate its impact to the society at large. Following weeks of

intense research, and teams having traveled far and wide to complete comprehensive feasibility checks of their proposed startups, finally the stage was set in the ballroom of Radisson, to discover the champion of this year's Battle of Minds.

In a final graced by Barrister Nihad Kabir, President of the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), as the chief guest among a star studded ensemble of invitees across the professional and academic spheres, triumphing out of the 6 finalist teams, and 1500+ teams that came before in various stages, was the team "Je Ne Sais Quoi" from the Institute of Business Administration, University of Dhaka, with their idea of modernizing the transport infrastructure of Bangladesh with algorithmically tuned CNG hiking apps, enabling digital negotiations and vast demographic access for the first time in the country. Runner up was the team from Bangladesh University of Professionals (BUP) with their idea of eco-friendly footwear using recyclable plastic to empower local industry in Bangladesh.

But the story of the teams did not stop there. Both teams eventually went to represent

Bangladesh in the Asia Pacific and Middle East (APME) round, where they impressed the judges with their innovative take on social business and ultimately IBA triumphed as regional champions, with BUP finishing as a close second. But the cherry on top was when Team Bangladesh eventually represented APME in the global final against star performers, Russia and South Africa, and won the hearts of the experts at the biggest platform of all, becoming the champion of the first ever global Battle of Minds.

Thus, Bangladesh stamped its mark in the pages of history with its remarkable journey of success. Not only did we lay the platform adopted later by BAT group as a stage for the entire world, but Team Bangladesh wooed the globe with its astounding pitch, once again proving the much-deserved acclaim that the talent of BAT Bangladesh has gone on to receive all over the world. On the other hand, the legacy of leaders established by a group of pioneers 15 years ago marches on and proudly continues to shape the history of youth in Bangladesh.



Battle of Minds 2018 semifinalists attending a knowledge sharing session on Sustainable Development Goals with Access To Information (a2i), in the presence of key government officials at the Prime Minister's Office

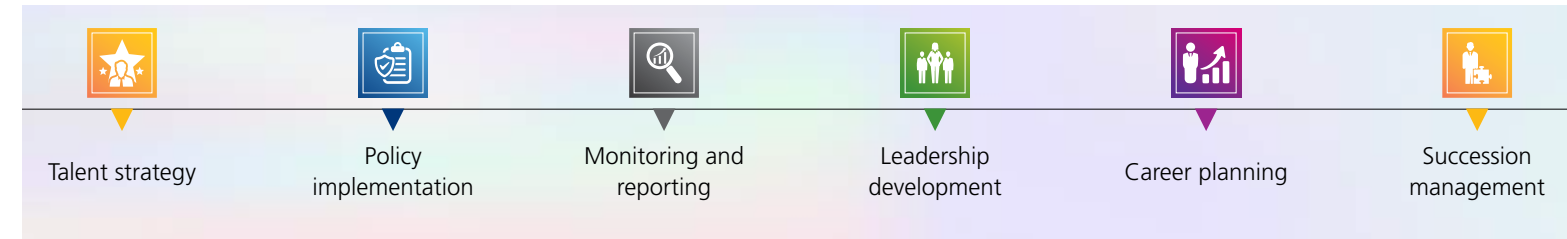


IBA, University of Dhaka receiving the award for winning the national championship in Battle of Minds 2018 in presence of Chief Guest, Barrister Nihad Kabir, President, MCCI and Shehzad Munim, Managing Director, BAT Bangladesh

BAT BANGLADESH EMERGES AS A TOP EMPLOYER!



Continuing its legacy of delivering excellence across all domains, in 2018, BAT Bangladesh was certified as a 'Top Employer'. This eminent recognition was awarded by the Top Employers Institute, which identifies and globally-certifies employers for delivering excellence in employee conditions, based on an HR best practices survey that covers numerous aspects, including:



BAT Bangladesh became the first-ever organisation in Bangladesh to receive this prestigious certification, which acts as a global recognition for all our best practices, policies and our continued efforts in pushing the envelope across all spheres.



Ms. Rumana Rahman, Regional Head of Asia Pacific and Middle East (APME) of BAT along with Mr. Saad Jashim, Head of Human Resources of BAT Bangladesh receiving the Top Employer Award

MANUFACTURING REVIEW



MATERIAL ASSOCIATION WITH
Manufacturing capital,
Intellectual Capital



OPPORTUNITY
Promoting culture of leadership,
employee ownership and learn-
do-techniques



IWS: BEST MANUFACTURING PRACTICES OF BAT BANGLADESH

Over the past few years, the manufacturing performance of BAT Bangladesh has been stellar, supporting the growth journey of the Company.

The key enabler of our journey in manufacturing excellence has been a holistic approach reconciling all our key performance indicators (KPIs) and aggregated under IWS (or Integrated Work System), which is a world-class new lean manufacturing practice that has been adopted by the Company. IWS represents a complete work platform that enables the build-up of capabilities organisation-wide to help achieve superior results on a consistent basis.

IWS is wired to two fundamental principles:



Zero loss mindset



100% employee involvement

IWS focuses on loss elimination through establishing standard work processes and applications, while emphasising on minimising rework. Furthermore, it promotes the culture of servant leadership, employee ownership and learn-do-teach techniques where all employees work together on loss identification, task prioritisation and loss elimination through effective decision-making and ownership.

IWS was first launched in our Dhaka factory back in 2015 in a pilot production line and, by the end of 2016, the facility demonstrated exemplary performance by ensuring accelerated IWS roll out across all production lines. Since the launch, overall equipment efficiency has improved with the outcome that the output has significantly increased from within the same number of production lines. Overall, IWS has enabled the upskilling of capabilities among the shopfloor employees which, in turn, has contributed to lowering machine stoppages and breakdowns, improved uptime, runnability and MTBF (mean time between failure), reduced wastages and, most importantly, improved product quality.

EHS – Balance for Enviroment, Health & Safety

At BAT Bangladesh, we are committed to nurturing a culture that accords the highest priority to EHS and OHS. Towards this extent, we launched several innovative initiatives around these, including a Virtual Reality-based game, EHS Go, that raises awareness through an engaging and immersive medium.

Under EHS, BAT Bangladesh organised a number of initiatives that promoted safe, healthy and environmentally-sustainable practices throughout the organisation. One such initiative was quick risk prediction (QRP) that provided training to as many as 900 employees!

- Water recycle process reduced consumption of 65,000,000 litres of water
- Solar Panel System saved 77,834 Kw/Hr of electricity
- Zero accidents in 2018
- Waste recycling efficiency of 97.82%

9000

People trained in QRP



WOMEN EMPOWERMENT INITIATIVES

GENDER EQUALITY AND DIVERSITY



Mubina Asaf
Head of Legal and External Affairs

“Believe in the power of self” – Life is all about creating yourself and making a difference. At BAT Bangladesh, our Symmetry program is all about achieving organizational balance with respect to fostering a culture that is brimming with ideas and insights and buzzing with energy and verve. Today, at our Company, Symmetry has emerged as a manifesto of women empowerment-led change.

At BAT Bangladesh, the principal reason we believe gender equality is beneficial to the society as a whole is the economic gains that can be made as a result of the empowerment of women. In developing countries, a family's standards of living could dramatically change as hence if women joined the workforce, and they have started contributing to the income pool.

Specifically, at BAT Bangladesh, we believe that the diversity of our workforce is essential as Bangladesh is a young and youthful nation. With this belief, we have developed a number of initiatives and platforms that contribute to inclusivity and women empowerment. I feel that one of the best traits of the Company is that it provides its women members with a number of exciting and diverse workplace opportunities, which exposes them to a challenging environment. Once they are able to see through this, the Company considers to have achieved its objective of preparing them for the next level. This is the essence of the continuous cycle of growth and progression at the Company.

At BAT Bangladesh, a platform christened 'GenW' commenced its journey back in 2009 to recruit women talent on a large-scale.



With Asia's Responsible Entrepreneurship Award for Green Leadership

The platform was immensely successful, enabling the development of a supportive and empathetic environment that catered to the needs of women employees. Under GenW, we were able to successfully achieve the objective of greater women recruitment

and participation, even at the higher levels of the organisation. This platform significantly improved BAT Bangladesh's position as an employer of choice among women.

Over the years, as the GenW platform matured, our strategy was required to evolve with a view to recruit new-gen female employees and leaders who joined the organisation. This was achieved by relooking at diversity through a different lens, while taking women empowerment of the Company to the next level.

So in the beginning of 2015, a new platform, 'Symmetry', was launched with the underlying philosophy of 'Inclusive co-existence' to drive the right representation of women talent across all leadership roles. For the first time, men were enlisted as an integral part of the journey and a male SG member was appointed to chair the new diversity platform.

Over time, several dialogues were conducted involving cross-functional male and female employees, including Senior Leadership Team (SLT) and Steering Group (SG) members. We

gathered some vital learnings out of these conversations. The forum discourse was frank and honest and veered around their unspoken pressure factors, function-specific challenges, discomfort in team dynamics, need for leadership orientation at different leadership levels, etc. The forum agreed on the need for integrating the agenda into the BAU process.

In line with the findings from the dialogues, six focus areas were identified, including:

- ▶ Recruitment
- ▶ Setting up the right stage in TM&D (Trade Marketing & Distribution) and the shop-floor (mitigating function-specific challenges)
- ▶ Leadership orientation to ensure awareness
- ▶ Appreciation
- ▶ Ownership among managers at different leadership levels
- ▶ Leverage of the Symmetry platform to drive and celebrate the culture of co-existence

In the realm of these, enhanced role-fit assessments were also carried out. To ensure awareness, appreciation and ownership of leaders in driving the agenda forward, several diversity leadership orientation sessions were carried out. All policies were reviewed to drive a diversity-friendly culture to encourage a conducive environment. Symmetry sessions were also crafted to drive greater sensitisation, as well as to create a platform that gave a voice to our women employees. Furthermore, many Symmetry sessions were also conducted to instill confidence and comfort among our women employees, contributing to their employment. Also, one-to-many sessions with the TM&D women team and sessions on nutrition and health awareness were also carried out to promote overall well-being.

All these resulted in improved representation of women across all job grades, promoting transitioning co-existence as part of the culture. As a result, BAT Bangladesh was awarded as the most 'Female-friendly organisation' in the country, with the total headcount of women in our organisation increasing to 83, which comprises almost 14% of the total workforce strength.

From a national perspective, we believe that women empowerment is not just essential – it is in fact the need of the hour. Out of the total population of Bangladesh of about 165-million,

as much as 50%, or about 83 million, comprise women. So imagine the immense possibilities if the 'other half' of our country were included in productive economic activities, the kind of growth our nation could achieve.

In considering this perspective, at BAT Bangladesh, we find it very difficult to ignore the 'voice' of this extremely valuable resource who contribute to our growth and success each and every day. The women of BAT Bangladesh have been at the forefront of performance, bringing their abundant talent to solve pressing challenges, bringing their sense of empathy to lead their teams from the front and bringing their innovative insights to creatively address problems. It is to this compelling combination that we, as a Company, bring a supportive, reassuring and encouraging framework that propels performance to even greater heights. This enables them to build resilience, have courage to face any adversity. The attitude we want to instill is that:

It's not whether you get knocked down, it is whether you get up

-Emma Watson

In fact, the underlying narrative of our Annual Report 2018 is a coherent articulation of BAT Bangladesh's women who are scaling great heights at the Company. One of our biggest women-centric success stories was how Ms. Rumana Rahman, our former Head of HR, was entrusted with much larger responsibilities within the Group, being put in-charge of HR of a cluster of group markets operating out of Hong Kong. She has not only made us proud, but has also showcased the fact that Bangladeshi talent can be the best anywhere in the world.

In the following pages of this report, you can also read about Farah Zabeen, Project Manager, Operations who has been given the full responsibility of our multi-crore new greenfield unit, as she leads a large group of diverse stakeholders. *This is the true spirit of women empowerment at BAT Bangladesh.*

Or consider the case of Nashva Bint Hamid who has been delegated the full responsibility of procurement, as she has risen the ranks in the Company and is today the first woman to be assigned this substantial role that is at the heart of the organisation. *This is the true spirit of women empowerment at BAT Bangladesh.*

Or consider the case of Tasnia Afrin who is leading the brand Derby, among the largest consumer brands in the country, as she navigates through a challenging, yet opportunity-filled space in growing brand relevance and significance. *This is the true spirit of women empowerment at BAT Bangladesh.*

There are many other such stories of our women who have chosen to walk the path less trodden and that has made all the difference to them and to our Company. Their efforts and achievements, documented in the pages of this annual report, have been recognised on a global scale as many of our women have walked on several prestigious platforms worldwide to be honored with esteemed awards and certifications.

Of course, these success stories would not have been a reality without the active and enduring support of the senior management and all colleagues who thrive in an environment where the achievements of the other creates a wonderful reason to celebrate. I extend our special gratitude to Mr. Sayed Mahub Ali, Head of Trade who took full ownership of Symmetry and played a pivotal role in anchoring the platform as a manifesto of women empowerment-led change at BAT Bangladesh.

In sharing these delightful initiatives, the platform of co-working and co-existence that we have created can emerge as a model of inspiration and can help public and private sector companies unleash this hidden power that can be transformative for their businesses and their organisation. Women empowerment-led change can be a game-changer for our country.

I would like to assure our shareholders and stakeholders that we will continue to unlock the potential of the immensely powerful tools of diversity and gender inclusion to ensure that we serve the interests of the country, and the Company in the days and years to come.

I would like to and by saying to all the women out their that do not be afraid to overcome adversity set backs and bumps will come to build resilience and keep moving forward.

Thank you for your whole-hearted support.

Best wishes,

Mubina Asaf

HEAD OF LEGAL AND EXTERNAL AFFAIRS



Rumana Rahman
Regional Head of HR, Asia Pacific and Middle East

“If you have a dream worth fighting for, give everything you’ve got to transform it into a reality and don’t let anyone tell you otherwise!”

As the Regional Head of HR - Asia Pacific and Middle East, Rumana Rahman is responsible for the HR operations of 26 end markets across the BAT group and holds a position in the Group HR Leadership team of BAT group. In her previous role as Head of HR in BAT Bangladesh, her astute leadership paved the path for BAT to become the best employer brand in the country, winning a series of accolades locally and internationally, including the “Most Female Friendly Organization”, “Dream Company to Work For” and more recently, the first Bangladeshi company to be certified by the “Top Employer” institute. Rumana’s exceptional prowess on the people leadership front through strategic business partnering and change management enabled the organization to achieve critical commercial success in a period of record growth in value and market share. Her contributions not only resulted in creating benchmark practices, but also led to a plethora of personal recognitions in the category of Inspiring Female Leader by organizations such as the Junior

Chamber International (JCI) and Bangladesh Brand Forum among many others. Rumana first joined BAT Bangladesh as



With Asia's Responsible Entrepreneurship Award for Green Leadership

a Management Trainee in Corporate and Regulatory Affairs (CORA) immediately after her graduation from the Institute of Business Administration (IBA), University of Dhaka, the country's premier business school. She joined the organization at a time when there were only a handful of female employees, and so had to build her credibility from scratch in a primarily male dominated environment, even more so after her eventual transition to HR, building rapport and leading teams with significantly older and more experienced male colleagues across the corporate spheres all the way to the factory and beyond. With her remarkable technical expertise, Rumana was trusted with roles in both generalist and specialist HR affairs, navigating through challenging business ambiguities. Her success in every aspect of HR soon paved her entry to the Executive Committee of BAT Bangladesh only at the age of 32 as the first female in more than 100 years of history.

Rumana was one of the forerunners of the diversity agenda in BAT Bangladesh, driving recruitment of

the first batches of female employees in the frontlines of commercial functions previously dominated solely by male counterparts. Through constructive interventions in talent development, often through extensive hours spent in personal mentoring and counseling, Rumana enabled the female talent to take up the mantle of leadership. Through active collaboration with senior leadership teams and policy drivers, she also ensured that the benefits of working mothers were enshrined in BAT Bangladesh HR policy including interventions well above the standard requirements of labor law. She pioneered the concept of Angels' Nest, which remains today as BAT Bangladesh's state of the art children's day care facility accessible by all parents within the organization.

Rumana revolutionized the talent acquisition model of BAT Bangladesh, taking Battle of Minds, the company's home-grown corporate

talent platform, from its humble beginnings to an initiative to groom young graduates from universities across the entire nation, one that would eventually inspire BAT group to adopt the program universally across all regions of operation entailing 40 countries globally. Beyond all of this, Rumana's leadership also delivered the first unilateral Long-Term Agreement with the collective bargaining authority of unionized employees in company history, ushering in a new era of stability in the industrial relations landscape. Her strategic interventions in change management were integral in ensuring that the business received cross functional collaboration to achieve newer heights of success every passing year.

Throughout this entire journey, Rumana also juggled the responsibility of having to give time to her two beautiful daughters and her family, even when it included having to manage a toddler through incredibly hectic international

assignments away from the expansive support systems back home. However, despite her globally mobile career, Rumana's commitment to her family remained steadfast, making sure that her family was always proximate to her warmth as a mother, wife and daughter, no matter where she was in the world.

For her trailblazing success and the countless she inspired in her wake, Rumana is an inspiration for every budding professional, regardless of gender and background. But for all the personal achievements that adorn her walls, Rumana still fondly proclaims that the most important takeaway in all of this is a collection of absolute strangers who transformed from colleagues to family and all the memories she left behind with them. It is no wonder then that today, that family remains eternally grateful for the love and compassion she has shared and is determined to continue her legacy in the years to come.

critical departments of manufacturing as PMD Manager, Quality Services Manager, Secondary Manufacturing Department (SMD) Manager and Head of Engineering and, along with her team, have ushered significant transformation in these departments.

As the first woman on the manufacturing floor, she had to establish herself among her peers as well as the management through having the right attitude, flexibility and determination. At the very beginning of her career, she had to lead teams with very experienced male colleagues who were not used to having women in the group.

In several roles, she lead various massive-change management projects. As Head of Primary Manufacturing Department, she had to marshal her team to transform the day-to-day running of the department and also optimise resources to improve the overall efficiency of the department. As head of SMD, she also lead the planning and implementation of a global project under 'Integrated Work System', which aimed at improving productivity by minimising

losses with 100% people ownership. Towards this extent, she is thankful for the support extended to her by her Company's management in reforming and restructuring through people development, introducing newer way of working and improving process efficiency that helped her organisation to achieve the overall goals. Being a part of a global network, employees also had to focus on meeting global standards and requirements which is a positive for meeting the compliance objectives of the organisation.

She has always believed that BAT Bangladesh has recognised her capabilities to perform challenging roles and also given her multiple opportunities to prove that. In her current role, she is leading a substantial greenfield project in developing a new facility for the Company, ensuring supply chain readiness and HR deployment planning. In this project, employees here have to manage large contractors and a number of external stakeholders, as well as high profile internal BAT stakeholders.

As someone who is a firm believer of women empowerment, she feel fortunate to be a part of a Company that respects women and drives the women empowerment objective from the front. She was also happy to be engaged in the overall design and facility of the daycare center to make it more friendly and welcoming. She acknowledge with gratitude BAT Bangladesh's efforts in setting exemplary policies and practices to drive sustainable gender diversity within the organisation and in leading the way for the others.

For her contribution as a leader in the organisation and in recognition of the courage to face challenges, Bangladesh Brand forum has recognised her in the 'Progressive Women Leader' category in 2015, and in the 'Inspiring Women Leader' category in 2019. This is an award that she have accepted on behalf of all the women who have the courage, passion and drive to meet their goals, despite all the hurdles along the way.



Farah Zabeen
Project Manager, Operations

“Developing the right capabilities with a flexible attitude, I had to create an environment where my leadership was accepted for team deliveries to be ensured. I owe much of my success to BAT Bangladesh for believing in me and creating the right supportive environment to flourish and prosper.”

Farah Zabeen strongly believes that to excel in career and in life, it is important to recognise one's inner strength and passion and have a positive attitude. With this reflection, she has always taken every challenge as an opportunity and achieved breakthrough, while encouraging

her colleagues to embrace challenges because it makes people grow stronger for their next move.

After completing her graduation in Mechanical Engineering from BUET, she joined BAT Bangladesh as Team Leader in Primary Manufacturing Department (PMD) in

2005. From starting out as the first woman team leader in BAT Bangladesh's history, to becoming the first-ever female member of Bangladesh Operations Leadership Team, it has been quite a journey for her. With a career spanning several years, she led all the



Adrita Datta
Senior HR Business Partner – Operations

“I often tell my team members, especially women, to never say no to a challenge - because you never know what heights it can propel you to reach.”

Adrita Datta, Senior HR Business Partner - Operations, strongly believes that challenges are an integral opportunity to transform oneself. In a fast-paced world

where change is the only constant, Adrita considers it a responsibility to rise above the status quo and embrace transformation with open arms.

After starting her career as Business-in-Charge of a startup, Adrita joined British American Tobacco Bangladesh in 2010 and successfully served in a wide range of commercially-critical

roles across HR functions in Bangladesh, Japan and Sri Lanka. For her illustrious career spanning contributions in work and beyond, she was recognized as a 'Progressive Woman Leader' by Bangladesh Brand Forum in 2017. Former computer science major-turned-MBA graduate from India's prestigious business school, Symbiosis, Adrita left behind an eventful academic career marked by a number of accolades and recognitions as a writer and a trained classical dancer to complete her tertiary education in India with a prestigious Indian government scholarship.

Adrita pushed boundaries from the very start of her professional life, becoming a business partner in key commercial functions by breaking into male-dominated leadership teams, shaping the space of Talent and Organizational Effectiveness, as well as managing diverse teams cutting across age, gender and professional backgrounds. In one of the major milestones of her career, she led BAT Bangladesh's flagship talent platform, Battle of Minds, and with her team, drove it to newer heights of glory with a record number of participants nationally, when it was eventually adopted by the BAT Group as a universal talent platform spanning across all 3 regions of operations globally. Furthermore,

under her forward-looking leadership, her team introduced many innovative talent management solutions that led to the enhancement of functional leadership training curricula and the complete revamp of new joiners' onboarding experience, while simultaneously sharpening the talent acquisition stream to ensure a continuous pipeline of future leaders. Adrita's frontline presence in a wide stream of strategic HR roles addressing a wide variety of stakeholders contributed in shaping people agenda in the organization.

Today, Adrita is a frontrunner in driving the diversity agenda of BAT Bangladesh. She takes keen interest in coaching, grooming and inspiring young women working in the organisation. She also led the implementation of BAT Bangladesh's progressive practices and policies to facilitate a conducive environment for women in the workplace. Angel's Nest, BATB's state of the art children's day care center, is also an initiative fostered by her to facilitate women in business. Much of this effort was inspired by her own journey as a working mother since an early stage of her life, where Adrita went beyond typical social norms and strived to succeed with her self-confidence, resilience, determination and support from her

family as well as the organisation. She stood out by confidently taking up assignments in different countries abroad and also in different social milieus.

Considering her deep faith in the abilities of her female peers, Adrita strongly feels women need to take up more challenging roles and grab more opportunities, which will eventually earn them respect and credibility. According to her, women can make a visible difference in the society as they are blessed with the unique talent of juggling multiple priorities. She feels that all they need is a little support, encouragement and, most importantly, confidence in themselves to move forward and make their mark.

Adrita sincerely thanks BAT Bangladesh for never letting her gender identity come in the way of evaluating her as an individual capable of taking up the mantle of leadership, but rather supporting her to unleash her potential.

A firm believer in dreaming big, Adrita feels that the biggest confidence to succeed comes from within. She aspires to contribute to a future where organizations embrace diversity not as a challenge but a key strength in unlocking human potential to drive impactful leadership for the future.

Nashva Bint Hamid currently leading the Procurement unit of BAT Bangladesh. Her journey with the Company began more than 12 years ago when she was appointed as an Executive in Finance. As luck would have it, after receiving the appointment letter, she was informed that her joining date would have to be deferred by a few months as the Finance function was undergoing a restructuring. Eventually, she joined the company in 2007, not in Corporate Finance, but in Operations Finance as a business partner. she was told that the role had been newly created and that she would be required to define the job responsibilities and the span of control.

Ready to try her hand at new things, she took up the challenge and set about understanding and mapping the expectations and requirements, defining the core job responsibilities and delivering on them. The efforts and results were highly appreciated, and she subsequently

moved into Planning & Reporting, which is the heart of the Finance function. Here again, the Company revamped the entire reporting process and planning models before being assigned to Project TaO, BAT Group's largest investment and the longest running project globally till date.

She considered it as a fortune to be assigned as the Finance Lead for Bangladesh during the readiness and deployment of a new ERP system and processes in Project TaO. This was one of toughest challenges of her career. The task at hand was to balance the project's delivery and success and in the care of her infant son, she was happy that the project's successful delivery sealed her position in core Finance, since she was designated as the Corporate Finance Manager. Her family played a very supportive role in the care of her son.

After she went on her maternity leave for a

second time, she came back with a promotion as Finance Business Partner on Project Auctus. As the project neared completion, she was offered the prominent role of Head of Procurement. This meant moving away from Finance and into a completely new function, which is the hallmark of BAT Bangladesh to expose its people to cross-functional expertise.

As the first female Head of Procurement in the Company and one of the few senior female managers at that level, she has been actively involved in driving the people development agenda in Finance and, towards this extent, played a key role to support Project Symmetry.

Today, she is thankful of working at BAT Bangladesh, which is truly a progressive enterprise that does not treat women empowerment and inclusivity as an isolated part of its business, but rather as an essential part of its DNA.



Nashva Bint Hamid
Procurement Business Manager

"I can attribute my achievements to my thirst for learning, which propelled my commercial understanding, knowledge of various processes and systems and the need to build lasting relationships. This quest was underpinned by a motivating and nurturing work environment fostered at BAT Bangladesh."



Tasnia Afrin
Brand Manager, Derby

"Which other company gives its employees the unbelievable experience to work in the global headquarters, London in this case, early in their careers? BAT Bangladesh, my Company, does!"

As a fresh graduate, joining as a management trainee in the Marketing function of a prestigious organisation like BAT Bangladesh, the last four years have been a wonderful and life-changing experience for Tasnia Afrin.

Starting from managing a big team and distribution business in trade as a Territory Officer, to supporting the JPGL brand team at the HO, and finally moving to London on an international assignment with the Kent

International Brand Group, the experience gathered during her first two years of management are unparalleled.

What these initial two years taught her is

that working in BATB is pretty amazing. The culture is truly one of collaboration, growth and constant learning. Each day brings a new challenge and the need to perform well under pressure. However, through hard work, persistence and a relentless focus on execution, she can say with much certainty that one learns a lot every day.

Personally, the bigger challenge for her was moving from London to Bogura as an Area Manager where she was responsible for a five-member team, handling two distribution houses. As radical as the shift was, looking back now, it was one of the best stints she had with respect to the cross-functional opportunity

and one that not only helped her work on her business acumen, but also enabled her to have a more holistic perspective on leadership.

Finally, in yet another sweeping change, she moved from trade to become the Brand Manager of Derby, one of the largest brands in Bangladesh. She believes this represents the perfect amplification of how BAT Bangladesh develops its people. To her, BATB entrusted an employee with mere three-years of experience with such a big responsibility.

A few months into the job, she led the pack change of this very large brand that has a national footprint, and this empowerment is something that she thrives on, yet longing for

more challenges and the opportunity to play a part in even bigger challenges. The fantastic support that she received from her fellow colleagues is what kept her going, even as she thought, 'Is this for real?'

In summary, her story is one of deep transformation. How BATB transformed a fresh graduate into a professional by throwing challenges at her and supporting, encouraging and empowering her throughout the process. This is what helped her obtain the Women Leadership Award 2019 by Bangladesh Brand Forum. And while she received this award, she believes it is on behalf of all the power-women working at BATB!

a woman so much so that most of them were not even ready for a conversation with her. On the other hand, there were people who acknowledged and respected a female engineer and a BATB manager. It was an interesting mix of opinions and ideas for a fresh graduate like her who brought her deep passion to learn, innovate and move forward, which was slowly being recognised by those around her.

Narjis spent countless hours on the factory floor, getting into the depths of the processes and the machinery. Her role demanded her to be vocal with the shopfloor employees on a regular basis. She devoted her time and energy to win the trust of both her peers and shopfloor employees. Throughout the process of providing training on IWS to the shopfloor members and ensuring proper implementation and adherence to IWS, Narjis earned respect and acceptance from the team.

Her curiosity about IWS made her go through

all available resources to guarantee the most ideal enrollment of IWS in GLTP. Under the guideline and support of the Leaf Processing Manager of GLTP, she played a vital role in scoring the highest-ever IWS health check score of GLT in the Group till date, conducted by GLOC and was awarded by a YES Tier-1 as a token of recognition.

As she keeps learning about GLT machinery, process, maintenance modalities and people, Narjis has ensured quality execution of installation and commissioning of a new boiler, compressor and WTP, as a part of Project Skyline III.

In a factory environment comprising higher male managers, it was important for her to be accepted as just another co-worker among them. The Plant Manager of GLTP and the Leaf HRBP extended their support to ensure a discrimination-free and balanced work environment where everyone got their fair share of opportunity regardless of age and

gender. Thus, as she keeps learning new things from her peers every day, an environment of mutual knowledge sharing has developed over time.

Her learnings from all the training interventions helped her to contribute in achieving the highest-ever GLTP OEE among the BAT Group. Her team was honored with the Stellar award for being a part of the journey of 'Quantum Leap'. As a recognition of her hard work and dedication, she was bestowed with the prestigious Hall of Fame award for being the "Executive of the Year-GLT, 2018".

On the journey of her first year of being a corporate executive, she saw herself being shaped as a professional and grew to be a more responsible, strong and independent woman. She aspires to keep delivering better and hold onto her grit, perseverance and passion in the days to come.



Narjis Mostofa
IWS Process Lead-GLTP

"BAT Bangladesh truly believes in women empowerment. I started off as a raw graduate and am now leading a full-fledged team of people."

Back in 2017, as a final year student of BRAC University, Narjis stumbled upon a Facebook post for the BAT Xcelerate Internship program. She enrolled and successfully went through the assessment and was appointed in Secondary Manufacturing Department (SMD), as an intern. Her enthusiasm in industrial machinery brought her closer to the factory floor at the Dhaka factory and that is where she discovered her passion about a completely new chapter of Integrated Work System (IWS).

Working under a Process Lead intrigued her to learn about IWS and the process of cigarette manufacturing. This experience guided her in choosing a career path and inspired her to apply for the role of an IWS Process Lead when she finished her engineering school. Her keen interest in exploring new avenues motivated her to begin her professional life outstation. Accordingly, she moved to Kushtia in early 2018 and started a new life with a new job, a new home and new people around her. Even

though it was intimidating at first, she started her days at the GLTP (green leaf threshing plant) with much enthusiasm.

In a male-centric society, being a woman is difficult. Being a female manager in an outstation-based factory, where shopfloor employees are mostly conservative, is more difficult. This is what she needed to persuade during her days at the GLTP. People were reluctant to work under the leadership of



Sadia Zahin
Production Manager, Primary Manufacturing Department (PMD)

"For women with ambition, sky is the limit at BAT. I'm truly grateful to BAT Bangladesh for giving me the wings to reach out to the sky and beyond."

Sadia Zahin is leading the benchmark Primary Manufacturing Department (PMD), among the 48 factories of the BAT group, which is also the only primary establishment in the Asia

Pacific and Middle East regions, operating on a 24x7 basis.

In 2018, Sadia's passion towards sustainable improvement enabled the team to achieve

production efficiency of over 80% throughout the year, which is first of its kind in BAT's history. Her initiatives to improve factory wastage led to cost savings worth 450 thousand GBP last year.

Sadia leads a diversified team of 72 unionized employees and 6 managers. Under her direct coaching and visionary leadership, her people are excelling in their respective work areas every day. PMD has now built a culture of continual improvement where records are created and broken at frequent intervals. Also, many practices initiated by her team are now being adopted by other BAT factories.

Sadia joined BAT Bangladesh in 2012 as the first female Team Leader in Secondary Manufacturing. After her successful stint as Team Leader, Spares Engineer and Process Engineer and with one of the fastest career growths in BAT Bangladesh, she took over the role of the Primary Unit Head in 2018. In her over six year's career, she has also led many critical projects, like ERP upgradation in the spares department and product parameter rationalisation where Bangladesh has ensured the fastest implementation of project goals among 18 Asia Pacific factories.

Beyond her job description, Sadia is the Regional Process Expert in plant maintenance for the Asia Pacific and Middle East regions. Because of her expertise in ERP processes and Integrated Work Systems in manufacturing, she has facilitated multiple workshops and knowledge-sharing sessions for factories in Brazil, Mexico, Poland, sub-Saharan Africa and the Asia Pacific.

Sadia's journey of breaking the 'men-centric social norms' started with her admission to an engineering college. Coming from a middle-class family of Narayanganj, she was ambitious to choose to be an engineer, which was against the usual family wish of her being a doctor. With outstanding academic outcomes, when she completed her graduation, she chose to opt for a professional career rather pursuing a Ph.D. Convincing the interview boards of her capabilities wasn't an easy task. But early signs of her high potential convinced Nestle first and then BAT, and she joined BAT in a team of 16 male team members, she being the first and only female member.

One of the biggest challenges for Sadia has been to achieve the acceptance of unionised shopfloor members, amidst a male-dominated culture. Sadia, through her passion, determination and open-minded approach, soon gained respect from her workforce. While she used to walk on the floor in the night shift, people started coming to her asking for her guidance. As the Unit Head of the Primary, her visionary leadership and sterling levels of commitment towards people development made her "the boss" from "apa" within a few days.

Along with her business deliveries, Sadia has also displayed exemplary leadership through coaching young female professionals in the organisation. She has also led initiatives to increase and retain female employees in the shopfloor through active participation in recruitment drives, and also in job re-designing during their pregnancy period. Leading by example, Sadia has become a role model for female professionals within and beyond the country.

growth in sales volumes and in profitability. Overseeing a high-impact location, her team's consolidated efforts translated into multi-year growth in the Dhaka region's performance in 2015-16. From here onwards, she was promoted to a leadership role as Area Manager in Narshingdi. Leading a young team, she had the opportunity to learn and demonstrate excellence in execution through establishing the standards of governance in the marketplace in a faster and more effective manner. She also led the team to undergo a complex RTM review, that too in a uniquely challenging market like Bhairab. While leading

her team in delivering mega projects, her team also ensured business growth in all product segments to further reinforce BATB's strength in the marketplace.

From Narshingdi, she subsequently moved to the Business Development team as Brand Activation Manager. Here, she led the organisation's marketing campaign execution in 2018 to effectively transform the Company's strategy into market reality. Her team's efforts and resilience were key to maintaining a steady performance of A&TMD in a uniquely challenging year. With a benchmark performance, She was recently promoted to

the role of Area Manager – Chittagong North. Here, her task is to lead the business in one of the most challenging markets of the country, representing an even bigger scope. But this is what BAT Bangladesh is all about. It exposes you to challenges, provides the right support framework to overcome these and then gives you exposure to even bigger challenges. This is how the Company builds you up. And yes, as far as work allocation is concerned or the exposure to the scale of the challenge, the Company never differentiates between gender. All it cares about is the will and the willingness to perform.



Farhana Chowdhury
Area Manager, Chittagong North

“For BAT Bangladesh, what matters the most is your will to perform. If you showcase this will, the Company will go all out to support you. Then, it ceases to matter if you are a man or a woman.”

Farhana Chowdhury joined BAT Bangladesh in July 2013 as a Territory Officer in Bayezid. From the beginning, she had the opportunity to work in the core area of the business. Her team

and she played a key role in one of the biggest distributor's changeover in the Chittagong region. Her team's contributions revamped the correspondent markets' business operations,

which worked as a foundation of winning in the Company's most competitive region.

In her second role as Territory Officer in Motijheel, she's proud to have contributed to



Rumana Sharmin
Junior Team Leader-GLT

“I've always believed in relishing challenges, and the support from BATB has been phenomenal in enabling women like me to achieve their professional ambitions.”

After completing her graduation from RUET as a Mechanical Engineer, Rumana joined in a challenging role as a Junior Team Leader in BAT Bangladesh's green leaf threshing plant (GLTP), Kushtia.

Rumana, energetic, ambitious and with a strong 'can-do' attitude and ability to work in a challenging shopfloor environment, focuses on the task at hand, ensuring the optimum utilisation of the available resources, while achieving all the business targets with the highest productivity standards. Her ability to bring forth fundamental changes with a strong

understanding of EH&S implications and regulations on process and work standards, she has made major contributions in improving the overall working environment at the GLTP, and has also established herself as a well-respected leader with a strong approach to inclusivity. She works together with a diverse team, comprising unionised, seasonal as well as contractual employees.

With her strong analytical abilities, Rumana played a vital and successful role on the credential's collation for SOx audit complaint, and was awarded as SOx Champion. With a

zero-loss mindset, she upholds collaborative relationships with cross-functional teams to bring forth positive changes. She actively helps for injecting newer ideas of IWS among the shopfloor teams with the aim of developing a high-performance culture through identifying and executing employees' trainings. She was entitled with Yes Tier 2 along with the team for her exemplary performance in contributing additional volumes processed at the GLTP, representing a clear stretch target, showing extreme drive for results and collaboratively engaging the CBA and relevant third-party

stakeholders to lead them to achieve the highest-ever OEE in the BAT Group.

After taking the opportunity of working in an outstation role in a remote location of Kushtia, Rumana displayed deep levels of dedication, even willing to sacrifice her personal choices, especially when she had to run night shifts that were entrusted with high productivity targets. Continual guidance from her Line Manager and her open-minded approach to work and

passion, dedication and agility helped her to tackle every challenge in factory operations and decision-making.

Rumana, with her strategic vision, undertook three major improvement initiatives during the maintenance of Line-1, based on the learnings of the 2018 processing season. She is taking ownership to accomplish maximum utilisation of available resources and on time completion of SKYLINE-III feeding and conditioning line

installation, while ensuring proper governance and compliance.

With the firm belief of 'never being satisfied with what you already know', Rumana admires the challenging environment and acknowledges that it represents an excellent opportunity for her to flourish in a high-performing and women-friendly organisation like BATB.

MATERNITY AND ADOPTION BENEFITS

BAT Bangladesh has been at the forefront of progressive initiatives to ensure inclusivity and prosperity for all its employees. As an extension of its initiatives, BAT Bangladesh recently announced an upgraded suite of progressive maternity benefits for new parents in the organization.

For an organization which identifies talent as its competitive advantage, BAT Bangladesh has always placed employee welfare and development at the core of its human resource strategy. Ever since its inception, BAT Bangladesh has been at the forefront of progressive initiatives to ensure inclusivity and prosperity for all its employees. As an extension of its initiatives, BAT Bangladesh recently announced an upgraded suite of progressive maternity benefits for new parents in the organization, also extending full support to adoptive parents, under the banner of "Parents@BAT".

The new policy enables working mothers to access 6 months of fully paid maternity leave with a return to work guarantee and flexible work opportunity in the form of fortnightly day off. Additionally, mothers in geographically dispersed roles and continuous shift operations can access 3 additional months of unpaid & optional

leave, a pioneering move in the Bangladesh corporate landscape. These policies go above and beyond the Bangladesh labor law mandate. These benefits also extend to adoptive parents (primary caregiver only) – another landmark initiative denoting the progressive vision of the company, in enabling all new mothers to chase their ambitions of performing in commercially critical roles in business while ensuring adequate support for their families back home.

Mr. Shehzad Munim, Managing Director of BAT Bangladesh, made the announcement stating our vision of revolutionizing people practices across all industries in the country with this landmark initiative, along with the introduction of online parental coaching and counseling support for both parent and line manager which is accessible for all its employees. Ms. Rumana Rahman, former Head of HR of BAT Bangladesh, and current Regional Head of HR – Asia Pacific and Middle

East, proudly noted that this would usher in a new era of embracing diversity by inspiring other organizations to follow suit with progressive policies and enabling more and more women to take up important positions of leadership in the years to come.

New Maternity Benefits Summary:

- 6 months of fully paid leave with return to work guarantee
- Additional 3 months of unpaid leave opportunity for mothers in geographically dispersed roles and continuous shift operations
- Flexible work opportunity in the form of fortnightly day off
- Parental coaching support
- Extension of all policies for adoptive parents (primary caregiver only)



Shukla Chakma
Assistant Leaf Officer

“In my neighbourhood, people are still in disbelief that a girl from their community can work in an MNC. This to me is true empowerment, and I’m grateful to BAT Bangladesh for it.”

Shukla Chakma belong to an ethnic minority group of Bangladesh. As is the case for most people in her community, employees here are predestined to a life where the men are either marginal workers and the women are almost always restricted to domesticity. However, she wanted to break this convention. She wanted to rise above this feudal setup. She wanted to go beyond to explore her potential and contribute her worth to the society. Powering the wind beneath her sails was a company that she has truly come to respect. Because this

is the company that has earned her respect in her neighbourhood for which she will be forever thankful.

So after joining BAT Bangladesh as an Assistant Leaf Officer in Khagrachori in the Chittagong Hill Tracts area, she became a part of a unique and diverse team that is not only inclined to learning new things, but also values the potential that can be harnessed from this rich diversity. As per work profile, employees here tackle challenges head-on and

gain valuable experience while doing so. BAT’s philosophy creates the environment that gives the employees the courage to overcome these challenges.

Today, she has gained valuable insights working at BAT Bangladesh and often share her experiences with her fellow community members. BAT Bangladesh has given her the wings to soar and she intend to do the same in her neighbourhood. This is her humble contribution to catalyse change in her society.



Shehzad Munim, Managing Director, BAT Bangladesh speaking to working parents in the campaign launch of Parents@BAT



Inauguration of Angels' Nest, BAT Bangladesh's Day Care Facility, in the presence of Chief Guest, Ms Shwapna Bhowmick, Country Manager, Marks and Spencer along with BATB Executive Committee and Senior Leadership Members



CORPORATE SOCIAL RESPONSIBILITY

At BAT Bangladesh, we are at the forefront of being a socially-responsible and law-abiding organisation and, in this context, have introduced and implemented a number of industry-leading initiatives and practices.

Overview

At BAT Bangladesh, our approach to corporate social responsibility is directed by the BAT Group's corporate social responsibility framework, which articulates how companies are expected to develop, deliver and monitor community investment programmes.

As an organisation with an extensive rural reach and community outreach, we have

fostered enduring relationships in the communities in which we operate, focusing on creating a meaningful and sustainable socio-economic impact. Towards this extent, all our CSR activities are managed at a local level to effectively cater to community-specific challenges and drive needs-based development.

Being a responsible business, BAT Bangladesh creates sustainable impact through its three

major CSR initiatives – Bonayan, Probaho and Deepto, that holistically contribute to the economic, social and environmental stability in the communities in which we operate. BAT Bangladesh is committed to partner Bangladesh by complementing the Bangladesh Government's efforts of aligning with the United Nation's Sustainable Development Goals (SDGs).

OUR THREE MAJOR CSR INTERVENTIONS

BONAYAN
Sustainable agriculture and environment

Focuses on the socio-economic and environmental sustainability of agriculture and also other environmental issues

PROBAHO
Sustainable access to clean drinking water

Focuses on the impact of health and hygiene through making provisions for potable water in risk-prone zones

DEEPTO
Sustainable energy solutions

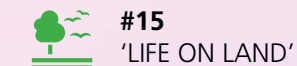
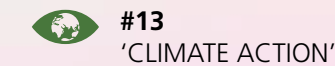
Focuses on the impact of renewable energy in far-flung and off-grid locations across Bangladesh

1. BONAYAN – ASSURANCE FOR A GREENER TOMORROW

Material association with:
Bangladeshi Government's 2021 national goals:



UN SDGs:



Green covered areas in different place of the country through Bonayan Project.

Bonayan is a comprehensive afforestation program seeded by BAT Bangladesh in 1980, in collaboration with the Forest Department, Ministry of Forest and Environment, Government of Bangladesh, to conserve forests and to combat the adverse impacts of climate change. Since then, the Company has distributed approximately 100 million saplings free of cost in 16 locations throughout Bangladesh, distributing around 4.25 million saplings every year. This initiative is perhaps the largest private sector-driven afforestation program in the country.

Today, Bonayan has greatly assisted

beneficiaries in sustainable income generation, with more than 80% beneficiaries earning their livelihood through engagement in commercial tree plantation activities and, 35% among these, deploying the funds generated out of this activity into other businesses, thereby strengthening self-sufficiency.

Importantly, Bonayan, as a substantive afforestation platform, not only helps to attain environmental sustainability and contribute to the welfare of those who require self-reliance in livelihood generation, but also supports the Government's aim of achieving its national goals that envisages a 'Hunger and Poverty

Free Bangladesh' by 2021.

BAT Bangladesh has received much acclaim for this innovative initiative, winning five national awards from the Government and also an international award from Asia Responsible Enterprise Award (in 2014). Today, some of the iconic landmarks of Bangladesh, including Shah Amanat International Airport, Lalon Shah Bridge, Jamuna Multi-Purpose Bridge, Lama-Alikadam highway, Polashbari highway, Kushtia G-K canal side plantation, etc., represent a lush green cover that has been aided and supported by our Bonayan program.

2. PROBAHO – PROVIDING ACCESS TO SAFE DRINKING WATER

Material association with:

Bangladeshi Government's 2021 national goals:



'SOCIAL SECURITY PROGRAMME'

UN SDGs:



#3 'GOOD HEALTH AND WELL-BEING'



#6 'CLEAN WATER AND SANITATION'



Water filtration plant at Manikgonj



Water filtration plant at Kushtia

Probaho represents a water filtration project that was initiated by BAT Bangladesh in 2009. The primary aim of Probaho is to provide clean and safe drinking water to arsenic-prone rural communities in greater Kushtia, Rangpur and Manikganj areas. Importantly, Probaho is aligned with the Government's aim to achieve the Sustainable Development Goals (SDGs) of ensuring Clean Water and Sanitation.

Statistics indicate that more than 55% people in rural communities suffered from water-borne diseases before the Probaho program was launched. Today, as many as 70% of the communities believe that water-borne diseases have declined after the launch of Probaho.

Under this project, 78 water filtration plants have been installed till date, enabling the purification of more than 400,000 litres of

drinking water every day, bringing clean, safe and potable water to as many as 200,000 people every day.

The impact of this project has been enormous and our efforts under this were recognised through the bestowal of the prestigious 'Asia Responsible Entrepreneurship Award (AREA)' in 2015 and Bangladesh Innovation Award by Bangladesh Brand Forum and Mastercard under the 'SDG Inclusion' Category.

3. DEEPTO – BRINGING SOLAR POWER TO ENERGY-DEFICIENT AREAS

Material association with:

Bangladeshi Government's 2021 national goals:



'ELECTRICITY FOR ALL'

UN SDGs:



#7 'AFFORDABLE AND CLEAN ENERGY' AND



#13 CLIMATE ACTION



#1 NO POVERTY



#4 QUALITY EDUCATION



#8 DECENT WORK & ECONOMIC GROWTH



Tribal women is seen engaged in income generating activity at night



A remote village house lit with electricity through DEEPTO project

In 2011, BAT Bangladesh initiated Deepto, a solar home system project that provides free electricity to off-grid areas of the Chittagong Hill Tracts. This location, though with its pristine landscape, suffers because of under-development.

Before Deepto was introduced, sundown for the people of this region would herald stoppage of activities because of the darkness.

However, through this project, BAT Bangladesh has installed as many as 2,330 solar home systems in 25 remote villages of Bandarban and Khagrachari. With the onset of electricity, almost 99% of the beneficiaries have now started engaging in income-generating activities with the project also contributing to improving the livelihoods of more than 15,000 people living in the vicinity. Moreover, Deepto

also contributes to the Government's agenda in the clean renewable energy sector.

Deepto has earned immense recognition for BAT Bangladesh by winning the eminent 'Centenary Award 2014' from the Metropolitan Chambers of Commerce and Industries, and also the 'Asia Responsible Entrepreneurship Award' in 2018.

EMPLOYEE-CENTRIC INITIATIVES

Overview

At BAT Bangladesh, we are relentlessly working to ensure employee safety as well as contentment through various innovative employee-centric welfare programs.

Providing direct employment to around 1,500 people and indirect livelihood generation opportunity to around 50,000 people, including farmers, distributors and local suppliers, BAT Bangladesh has been consistently recognised as one of the most preferred employers in the country. The organisation has dedicated itself to ensure best practices for employee welfare, which has resulted in a culture where every employee passionately contributes to the betterment of the company and the country. Some of our major employee-centric social initiatives include:



FOOD AND HEALTH SERVICES

BAT Bangladesh caters to the proper nourishment requirements of its people by offering food that is wholesome, healthy and nutritious. Furthermore, the Company also organises campaigns on hygiene that encourage employees to embrace healthy habits.

Furthermore, the Company extends top priority to any common or emergency medical issue that may arise, and employs the services of a full-time doctor at its premises, including a pharmacist. Also, a well-equipped ambulance is kept on standby for providing emergency support. Importantly, full payment of hospital tests and admission costs are borne by the Company, along with providing employees with regular blood pressure test services and medicines within the organisation premises.

RECREATIONAL OPPORTUNITIES

BAT Bangladesh arranges a day-long event under Family Day, comprising a fun-filled and environment-friendly event for employees and their families. The venue is chosen such that it offers something for everyone. For instance, for the children, fun rides are offered, such as merry-go-round and mini train rides. Also, musical shows, snacks corner, games corners and mehendi corners are provided that enable greater bonding among our employees and their families. Besides, arrangements are also made for family portraits. As a novel inclusion on the 2018 Family Day, BAT Bangladesh recognised the importance of employees who have contributed 25-years of service, including those who retired from the organisation.



Employees during an internal event.



Children enjoying a ride at Kids' Carnival

BAT Bangladesh also organises an annual picnic (Employee Line of Sight), held at Rangamati Resort, where employees can have a day-off and take part in myriad outdoor and indoor sporting activities. A business session is also organised for employees to familiarise themselves with the future plans and activities of the business.

A kid's carnival, comprising a half-day event, is also held where an amusement park (Shahbagh Shishu Park) is booked exclusively for the children of our employees. The children not only enjoy the rides, but also participate in other interesting and educational activities, such as value-based painting contest, math race, biscuit race, etc. Also, Eid e-Milad-un Nabi and annual iftar programs during the month of Ramadan are some of the other important celebrations observed by the organisation.



SUPPORTING EDUCATION

BAT Bangladesh provides scholarships for the meritorious children of employees when they achieve exemplary results in S.S.C/O Levels and H.S.C/A Levels exams. A total of 118 children were awarded with scholarships based on their results. This scholarship continues till their graduation to encourage students to continue with their education. In 2018, in addition to the educational scholarship, we also started the initiative of giving an award on good extra-curricular activities, under 'Shomriddhi'. Four individual Shomriddhi awards were bestowed in 2018, thereby encouraging children to embrace extra-curricular activities as a part of their lifestyle.



Daughter of an employee of the company is being awarded with scholarship for her outstanding result from the Managing Director of BAT Bangladesh



SAFETY PROCEDURE

EHS (Environment, Health and Safety) represent essential components that promote social and environmental well-being, by educating employees on the basic benefits of maintaining good health, a proper diet and practicing workplace safety. Along with a well-equipped dispensary, we also provide round-the-clock medical services with the provision of an ambulance and pharmacists (working in shifts). There are also options for employees to carry out audiometry, spirometry, vision, hepatitis, vaccination and other tests. Furthermore, as a robust procedural safety awareness practice, warning signs and slogans regarding occupational safety are also prominently displayed on suitable spots.

In 2018, to ensure employee awareness on safety, the Company conducted various awareness programs for managers, employees and contractors throughout the year. Also, a week-long campaign titled 'EHS Awareness Week' was arranged that focused on safe work practices on the production floor, warehouses and offices. The year's theme was 'Live safe- because you matter', which focused on promoting a proactive safety culture through personal commitments. Several interactive training sessions were organised to enhance knowledge on EHS. Also, to ensure hassle-free reporting and initiate our paperless documentation journey, 'Harmony+' was introduced as an app-based EHS tool. Harmony+ enables our people to engage in EHS reporting online from anywhere through a smart device. Using this tool, they can also watch EHS training material online for facilitating self-learning.



Ensuring Safety Measurements for all in the factory

In an important EHS initiative undertaken during the year under report, BAT Bangladesh embarked on quick risk prediction (QRP), which was rolled out in our Dhaka factory in the third quarter of 2018. QRP comprises a tool through which an operator can engage in near-accurate risk assessment for any unplanned activity within the shortest possible time and take preventive cautionary measures accordingly. We believe this process will help us in achieving our objective of safe work attitude in the long run. Almost 900 people were trained over the last few months in QRP, ensuring high operational readiness in the face of any unforeseen events.

Furthermore, during 2018, a Virtual Reality (VR)-based game, christened 'EHS GO' was launched to actively engage people and also conduct EHS knowledge health checks. A total of 735 people took part in the activities.

As a standard part of our safety culture, skit competition was also arranged on predefined issues to raise awareness. Employees participated with enthusiasm and demonstrated innovative ways of conveying messages to promote the culture of safety.

At BAT Bangladesh, we truly believe in our philosophy enshrined under: 'Our People, Our Strength' and organise initiatives and activities that take this cause ahead.

RESPONSIBLE ENVIRONMENTAL IMPACT

At BAT Bangladesh, in generating value across our processes, we focus on creating a positive ecological impact that aligns with our broader environmental responsibility agenda.

GREEN LOGISTICS

Overview

At BAT Bangladesh, the Company's green logistics initiatives undertaken at its supply network operations have ensured environmental sustainability

Over the past decade, with a surge in volume growth, logistics requirement grew

commensurately as well. While increasing the logistics capacity, BATB emphasises on driving green logistics as well as replacing traditional systems with more environment-friendly process and practices.

The shift in the overall approach to build logistical capabilities not only assuaged capacity concerns, but also enabled the Company

to meet its EH&S, security and engineering standards, which are today comparable to global benchmarks. In doing so, the Company also leveraged the concept of green logistics and introduced rainwater harvesting, bio-pest management through neem plantation, 360 degree glass installation for maximum utilisation of daylight to reduce energy usage and thus reduce carbon emissions.



Prismatic skylight in the factory to reduce electricity consumption



Utilization of space inside the cargo to reduce the number of trips



Trucks waiting at the loading bay by following standard guideline

Initiatives and outcomes

Under our green logistics initiatives, a pilot project of capacity enhancement to global standards is our Shayestaganj FG warehouse. At this premise, a 9,000kW solar panel installation supplies electricity to the national grid; also, the incorporation of prismatic skylight in the warehouse ensures energy savings. Other green initiatives include rainwater harvesting of 500-gallon capacity and neem plantation for bio-pest management. The success of the initiatives here have given us the encouragement to take these to our other warehouse locations too. Already, skylights have been installed in six Prized Leaf warehouses in Kushtia, even as we have prioritised the installation of these in any new upcoming facility in the Prized Leaf network.

Driven by the growth in business, our transportation operations was growing exponentially too, both in terms of vehicular trips and costs. Through consistent trials, a new approach of stacking was introduced that increased truck space capacity utilisation, which optimised one-month equivalent of trip numbers, which is equivalent to over 150 MT of carbon reduction annually.

Enthusied by the transportation efficiency and

accompanying trip minimisation, our logistics team also brought forth two more initiatives comprising:

- Direct transportation of prized leaf from Kushtia to our Dhaka factory
- Redesigning the stacking of leaf bale, which resulted in a 12.5% utilization increase in truck capacity

The Overall transport efficiency drive in the prized leaf logistics department resulted in as many as 1,510 trip reductions, equivalent to 170 MT of reduction in our carbon footprint.

Alignment with SDGs

The BATB supply network plans are in line with the United Nation’s Sustainable Development Goals (SDGs):

- Green logistics initiatives in warehouses for affordable and clean energy (Goal #7)
- EHS standards of global benchmark for responsible consumption and production (Goal #12)
- Decent Work and Economic Growth (Goal #8)

In addition to meeting these goals, the supply chain team is also driving new capacity and

capability enhancement programs. This was in response to the external environment: According to DCCI Workshop sponsored by the World Bank Group, Bangladesh is in a state of saturation in terms of warehousing space. Hence, to maintain the economic growth momentum, immediate and creative solutions are required to ensure uninterrupted business. In this regard, an innovative solution to leaf warehouse utilisation comprised the simultaneous use of both green leaf and processed leaf within the same warehouse, which helped BATB’s supply chain increase utilisation by over 25%, while also simultaneously achieving reduced capacity requirement by 450k sft. With shared capacity between prized leaf and green leaf through progressive usage, BATB’s supply chain is also driving the ‘Decent Work and Economic Growth’ (Goal #8) in warehousing industry as one of the goals of SDGs.

Alongside focusing on optimizing warehousing and transportation networks, BATB’s supply network operations has also taken up initiatives to optimise equipment and processes to reduce the Company’s overall carbon footprint. Currently, from a fleet of 62 forklifts, almost 52% are battery-driven, while the rest are being gradually phased-out.

GO GREEN INITIATIVES

Overview

At BAT Bangladesh, we are dedicated to meeting consumer needs in an environmentally-responsible and sustainable way, both in operations directly managed by us, as well as in the wider supply chain that we influence. We strongly embed our ‘Go Green’ agenda, acknowledging that adopting eco-friendly practices increases the bottomline, ensures customer satisfaction and protects the future of our planet.

On the environmental front, in 2018, several initiatives were undertaken across our operations to reduce energy, water and waste consumption as part of our three-year plan.

On the energy front, our goal is to achieve higher production using lesser energy. To achieve this, we are:

- Using 155kW of in-house-generated solar power, which represents around 30% of the total lighting load of the factory
- Maximising daylight use through the installation of prismatic skylights; together with the use of LED lighting, this ensures maximum energy efficiency from our lighting system
- Replacing 62 conventional motors with energy-efficient motors that are 15% more efficient
- All meeting rooms & canteen are equipped with occupancy sensor to reduce lights &

AC electricity consumption, which saves up to 60,000 Kwh/year by turning off lights & AC during unutilized hours

- To emphasize “Go green” policy all CFL/ Incandescent lights of Dhaka factory is replaced by LED lights & all AC’s are inverter driven, which saves nearly 70% of the electricity. To further strengthen this policy, our purchasing guideline has embedded energy saving to be considered one of the major standards’ while purchasing any electrical equipment
- Achieving optimisation of in-house diesel generator run-hour to maximize efficiency and reduce diesel consumption
- Driving improved efficiencies at our boiler

unit through the installation of oxygen trim analyser

All these initiatives have reduced energy usage by as much as 3% in 2018, while keeping our production levels steady, representing a substantial achievement in our energy-efficiency drive.

As part of the Go Green agenda, we are also embracing several improvement initiatives on the water consumption and waste recycling fronts.

- We engaged in recycling waste filter tow, which is being used as a replacement of conventional cotton or foam in the pillow-making process; this initiative helped us move a step forward in our ‘Zero waste to landfill’ agenda

- Installed Automatic water faucet in all washrooms of office area & canteen, which enable us to save 100,000 litre of water each month

- On-going constriction of a state of the Sewage Treatment Plant (STP) with a capacity of recycling 60,000 litre/day, which will enhance our waste water recycling & re-using capability as well as is considered a milestone towards DOE’s (Department of Environment) “Zero Discharge Policy”

- In our water conservation drive, recycling of ETP (effluent treatment plant) discharged water has been increased from 60% to 70% for gardening and other activities and will be further increased to 90% by 2020

- As part of our water conservation plan, initiatives were taken to maximise the flowback of boiler-generated steam condensate back to the boiler in both our Dhaka factory and GLTP, which enabled water as well as energy savings

- The initiative of automated glue pot cleaning by using water spray jet was also introduced, which reduced as much as 35% water consumption in that operation

Together, all these initiatives have contributed in reducing energy consumption, carbon emissions and water consumption, while increasing the waste recycling. Going forward, we will continue to take rapid strides in bringing forth a materially positive impact on the ecology and on the environment at large.



Aerial greener view of Sayestaganj warehouse



Solar plant installed to reduce electricity consumption.



ETP inside the factory.

SUSTAINABLE AGRICULTURE INITIATIVE

At BAT Bangladesh, we have a proud legacy of partnering with our tobacco leaf suppliers, and we contribute to their socio-economic progress by offering sustainable agricultural solutions.

Overview

At BAT Bangladesh, our holistic value proposition to farmers has helped us to develop a secure supply chain, while also ensuring the quality and integrity of raw materials, which enable us to provide consumer-preferred products to the markets.

BONDHUSHEBA: WEB-BASED SUPPORT TO THE FARMING COMMUNITY

Bondhusheba is a web-based messaging platform conceived and developed by BAT Bangladesh. This platform enables us to reach out to our registered farmers on time to provide vital information on weather, good agricultural practices (GAP), farm sustainability initiatives, crop planning etc., through SMS.

Bondhusheba was developed with the belief that information, supplied on a timely basis to farmers, is vital for enhancing their farm economics. Hence, Bondhusheba bridges

an important gap, enabling farmers residing in rural areas to access updated information related to crop growing efficiency, sustainable agriculture and new techniques and technologies, among others, that can make a difference in their farm productivity and ensure crop security against natural hazards.

Earlier, it was extremely difficult to transmit critical information among the farming community through our field technicians, who would have to go from door to door. However,

with the launch of Bondhusheba, a web-based tool, information can easily be disseminated to a large mass people located across a vast area, instantaneously. Thus, farmers can save their farm output from natural damages and also protect themselves from financial loss.

Recognising the need for a sustainable approach to agriculture, Bondhusheba has created a positive impact on sustainable agriculture and also on livelihoods among our leaf growing communities.



BONDHUSHEBA- Field Officers showing different updates on agricultural practices and weather forecast.

FARMERS SUSTAINABILITY MANAGEMENT (FSM); THE START OF A GLOBAL INITIATIVE

FSM is now live at BAT Bangladesh's leaf-growing operations

Under our farm sustainability initiatives, BAT Bangladesh has embraced Farmers Sustainability Management and, in doing so, has become a part of the BAT global ecosystem to formalise and institutionalise best practices in tobacco cultivation.

Sustainable Tobacco Program (STP) is a global mandate for all the tobacco manufacturing companies across the world to come under a formal structure for embracing excellence in tobacco cultivation. AB Sustain, a leading organisation working closely with agriculture globally, worked with tobacco manufacturers worldwide to introduce STP

back in 2015. BAT Bangladesh adopted the STP guidelines in 2016 and on-boarded all the concerned groups, including the Leaf Management team, farmers and other internal stakeholders.

To ensure compliance with the STP guidelines, BAT Bangladesh's leaf growing team had to monitor 100% of its registered farmer group and mandated to collect data on 114 criteria stated under 'crop', 'environment' and 'people' pillars of the guidelines. In 2016, an 'STP register' was introduced to collect the farm monitoring data for the full crop season. In 2017, the Company set the benchmark score in the Asia Pacific region, which has since been renamed as Asia Pacific and Middle East (APME) region.

In 2017, the Global Sustainability team developed a tool to record the farm monitoring data, which was termed as FSMC, or Farmers Sustainability Monitoring Checklist, by incorporating the inputs of leaf growing operations across the globe.

In 2018, a global FSM (Farmers Sustainability Management) Project team was formed, which come up with mobile-based solutions for farm monitoring. After a series of meetings with BAT Bangladesh's Sustainability team, a web-based application (Farmers Sustainability Management Application) for the field technicians and a portal (Farmers Sustainability Management Portal) for leaf management was developed. The key objectives of the FSM app and portal comprised:

- Global mobile solutions in an accurate, timely and consistent manner
- Timely production of regulatory information and the availability of detailed analytical data
- Efficient approach to engage in farmer monitoring, and supporting a more productive extension service
- Provision of a stronger audit trail to support the overall sustainability agenda

Since this implementation, the Company follows the FSMC tool and provides it to field technicians to record the farm monitoring

data, as per the tobacco cultivation phase, that is post contract, seed bed and soil preparation, crop development, harvest and

post-harvest operations, fuel and afforestation and farm labour practices, by adopting mobile IT devices.



Glimpses of FSM app inauguration session by our valued stakeholders

The FSM app is the first web-based application in the agricultural sector of Bangladesh for farm monitoring and capturing real-time data. To on-board the Company's Leaf Operations

Management team, 'APME Regional Training on FSM App Deployment' and 'Master Trainer's Training on FSM App Deployment' were organised at Green Leaf Threshing Plant

(GLTP), Kushtia. For augmenting the technical capabilities of field technicians, nine training sessions were conducted across all the leaf growing locations.

The FSM app, a comprehensive digital solution that replaces manual data collection processes for farm monitoring, while also effecting digitalisation of our leaf operations, has turned live!



Training session of management and field technicians

At present, as many as 231 field technicians are using a tab and fingerprint-capturing device to operate the FSM app, and 144 Leaf Management team members are using the

FSM portal to monitor farmers' sustainability initiatives and outcomes. The implementation of modern technological resources in farm monitoring and data collection processes

have significantly enhanced the efficiency of field technicians and also effected saving of valuable time.



Management and field technicians use the FSM system for farm monitoring

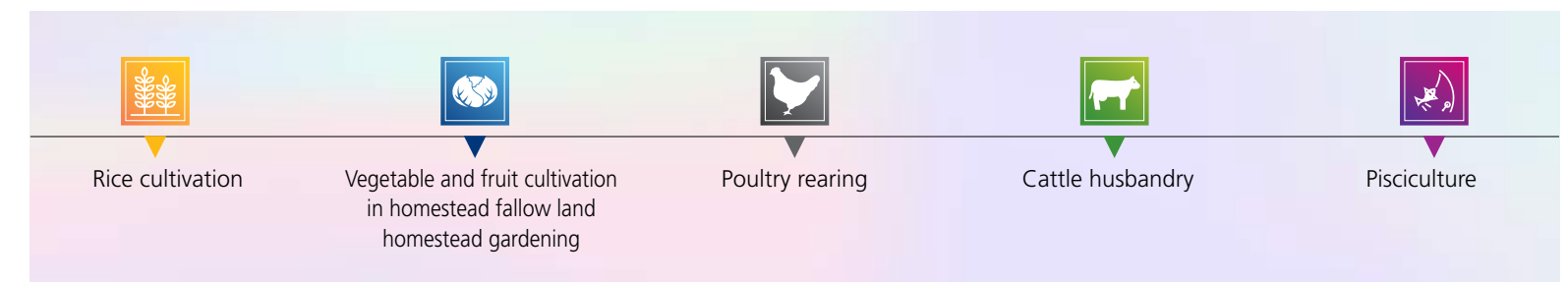
INTEGRATED FARM MANAGEMENT COMPONENT (IFMC)

At BAT Bangladesh, we have well-structured programs that ensure the long-term sustainability of our tobacco leaf supply chain, while also enhancing farmer livelihoods in the communities in which we operate.

 <p>MATERIAL ASSOCIATION WITH</p> <ul style="list-style-type: none"> Manufactured capital, Social and relationship capital, Natural capital, Human capital 	 <p>OPPORTUNITY</p> <ul style="list-style-type: none"> Offer world-class agronomy support that has a positive impact on farm economics 	 <p>HIGHLIGHTS OF 2018</p> <ul style="list-style-type: none"> Introduced poly-tube irrigation for water conservation Increased organic fertilizer uses
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Overview

At BAT Bangladesh, the primary objective of our leaf operations and farm sustainability initiatives comprises uplifting farmers' livelihood by implementing integrated farm management component (IFMC). Notably, IFMC is a project lead by the Department of Agriculture Extension (DAE), Bangladesh, which aims to uplift farmer livelihood, minimise the cost of agricultural production, maximise the utilization of limited resources and enhance the socio-economic status of farmers. IFMC encompasses six major components of agriculture, comprising:



The incorporation of multiple components in the agricultural system and through fostering a holistic approach to farm support, a farmer can improve his annual farm income and meet the nutrition demands of his family.

As is articulated in our initiatives below, it is now a well-recognised fact that by adopting the IFMC concept, farmers can efficiently manage their limited resources to increase their farming activities and enhance their livelihood. This indeed represents a major step forward in ensuring farmer self-sufficiency, while enabling the country's agricultural sector to make improvements on a continuous basis.

2018 approach

IFMC training

BAT Bangladesh, as a responsible enterprise, undertook the opportunity to work for uplifting farmers' livelihood for fulfilling the agriculture sustainability agenda, in collaboration with the IFMC project of the DAE. The Company availed of the existing resources in terms of facilities and support from the DAE to train employees on best practices in leaf management, as per the principles of IFMC. From 2016 when this initiative was commenced, a total of 80 people have been trained in leaf management in three batches.



Glimpses of different participants of BATB management at the IFMC training program



Training provided to farmers on IFMC

Currently, the IFMC-trained resources of our Leaf Management division are providing training among farmers and women living in the farming community to improve their overall annual family income, and also extend support to the women empowerment agenda.



Vegetable cultivation in the homestead abandoned tobacco seedbed.

Generally, within a farmer's premises, some spaces remain unutilised and fallow. Today, this scenario has changed with farmers now cultivating vegetables, fruit, etc., on this land, thereby opening up a good income generation opportunity. Registered farmers of our Company have taken the IFMC concept to newer heights, cultivating various types of vegetables on the abandoned tobacco seed bed after transplanting tobacco seedling in the main field. This initiative has not only helped farmers to meet the nutrition demands of their family, but enabled an increase in the family income pool as well.

Meeting the protein demand is a key challenge for most of the marginal farmers. Household rearing of the native poultry breed can easily help to meet this key requirement and enable enhancement of farm income as well through the implementation of some simple scientific methods. One such method is Hazol.

Hazol is a user-friendly scientific resource that represents the ideal solution for maximising native poultry production. By using Hazol, farmers can ensure maximum production from the native poultry breed. Hazol is extremely cost-effective as it is produced by mixing easily available resources, including mud, cow dung and cut paddy straw.



Hazol preparation for incubation of the native poultry breed



Preparation of UMS at farmers' household

Urea Mosaless Straw (UMS)-improve feed for livestock

Though many of our farmers have household livestock, providing healthy feed is a key challenge for them because of high costs. In this context, by utilising the knowledge of IFMC, our farmers are preparing low-cost urea molasses straw (UMS) in their households. UMS is an improved livestock feed, enabling cattle fattening without the need for injecting harmful chemicals. This also helps farmers maximise their profit.

Vermicompost-household approach to manage soil fertility

In Bangladesh, soil fertility is declining due to imbalance and excessive use of chemical fertilisers, intensive cropping patterns and lack of initiatives in soil health management. Hence, with a view to reduce the excessive and imbalanced use of chemical fertilisers in crop cultivation, farmers are being trained under the IFMC concept of preparing vermicompost. Vermicompost is an organic fertiliser produced from a special species of Nematodes which enhances the microbial activities of microorganism in the soil and increases its fertility. Vermicompost is an environment-friendly approach and farmers can produce this compost at a very low-cost in their households.



Vermicompost preparation in the farm

FARMERS' COMMUNITY CLUB (FCC)

A community approach towards an improved livelihood

More than 80% of the population of Bangladesh live in rural areas. As such, the agricultural sector represents the principal source of livelihood for these households, and adopting environment-friendly farming practices by these communities is what catalyses economic and social development.

Farmers' Community Club (FCC) is one such platform that has been designed to meet the requirements of the local communities. The program is designed to uplift social standards of the rural communities that are principally dependent on agriculture.

The FCC platform will be leveraged to impart training to farmers on various categories and will work towards building a 'community-centric approach'. Farmers will receive advanced training and technical know-how on sustainable agriculture. Beyond this, awareness will also be raised of existing social and environmental issues and the ways to address these. Furthermore, training modules are being designed by subject matter experts to ensure greater functionality and practicality.

The FCC program was articulated by aggregating primary information through the 'bottom-up' approach, enabling greater farmer involvement right from its initiation. This not only safeguards the interest of the farmers, but also ensures the sustainability of the program.



Design of a Farmers Community Club (FCC)

STORY OF A SUCCESSFUL WOMAN



Ms. Madina Khatun

Ms. Madina Khatun, after the death of her husband, came forward to carry on his legacy and soon established herself as a leading woman in agri farming in the locality.

Even four decades ago, before the commencement of tobacco cultivation, Songrampur was backward with widescale poverty and people living in extreme hardship. Moreover, the village was in a low-lying area and, as such, most of the land, including the cultivable land, was left submerged under water during the monsoons. Vast swathes of lands would be left unused and rendered almost uncultivable, even after the water had receded. Moreover, farming was only marginal in the village.

With the advent of tobacco cultivation, primarily led by Mr. Riaz Uddin, the tide for the village changed. As a registered farmer of BAT Bangladesh, he started cultivating tobacco in three bighas of land out of his total ownership of four bighas.

Today, the family of Ms. Khatun is a case in agri-led lifestyle transformation, as she now owns

17 bighas of land! In addition, she also owns a large orchard, cultivating fruit, wood and medicinal trees. Going beyond just tobacco, she also cultivates vegetables, rice, maize, mustard seed, etc. Her small hut has turned into a well-furnished pucca building. Her children are highly educated. One of her daughters completed her L.L.B (Honors) and L.L.M from the Rajshahi University, securing first division with second position in merit. Later, she appeared for her judicial service exams and successfully qualified. Thereafter, she entered Government service as an Assistant Judge. Today, she is Joint District and Session Judge of Bogura. Another daughter also graduated and is doing well in the teaching profession. Both the daughters are married in well-off families.

Ms. Khatun's only son, Mehedi Hasan Rabbi, also completed his graduation and post-graduation from a reputed private university. He is now leading the family business and is also engaged

in a number of social upliftment activities, ensuring the well-being of his fellow villagers.

After the death of her husband, Ms. Khatun never lost hope. She continued to dream of moving forward with courage, energy and enterprise. Deeply engaging herself in the core cultivation business, she mobilised funds to invest in afforestation and gardening and used the profits from these for her children's education and marriage. She taught herself to be patient and tenacious to overcome all the difficulties with courage and optimism.

Her richly inspiring success story has significantly influenced many other people of Songrampur village. Today, she likes to spend her time in the supervision of daily activities, working in her homestead garden and in religious pursuits.

Ms. Madina Khatun's life can be a shining example to the thousands of women of our country!

The content of this case study has been prepared as part of our commitment to report instances of farm success.

SKILL DEVELOPMENT INITIATIVE

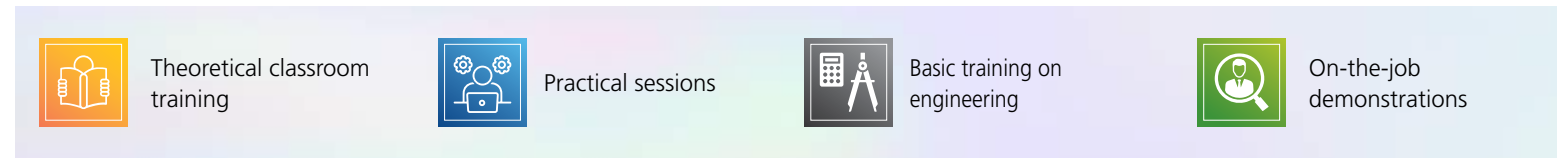
BAT Bangladesh's Apprentice Program for Technical College Students

BAT Bangladesh has been one of the pioneers in starting an apprenticeship program way back in 1978, in collaboration with Bangladesh Government's Bureau of Manpower, Employment and Training, as part of its corporate social responsibility initiatives.

The aim was to provide fresh technical college students with an unparalleled opportunity to experience hands-on technical training and enhance their skills, capabilities, productivity and performance in an industrial environment. Since then, BAT Bangladesh has been driving this apprenticeship program for more than 40 years with a view to train and develop a young group of technical and vocational students through a structured and supervised program,

and then support them in getting employment in various industries at home and abroad as skilled workforce.

Currently, 83 trainees from Technical College, polytechnic institutes and vocational trade courses, etc., are continuing with their 3-year apprenticeship program with BAT Bangladesh. The program comprises various types of learning engagements, such as:



In addition to the technical exposure, trainees are also provided with an understanding of manufacturing best practices, EHS (environment, health and safety) and quality management-related aspects. Furthermore, regular evaluation processes are also conducted to assess their skills and capability

levels. After the successful completion of the program, trainees are certified by the Bureau of Manpower, Employment and Training, Government of Bangladesh.

This program also complements BAT Bangladesh's commitment to partner with the

Government to encourage initiatives in meeting the objectives articulated under the Sustainable Development Goals (SDGs), that is developing a skilled workforce who are provided with a strong platform for upskilling for productive employment and who ultimately contribute to the economic growth of the nation.



Hands on training is being provided

GLOBAL TOBACCO & NICOTINE FORUM (GTNF) REPRESENTATION



sustainability and economic development.

Held on September 12th & 13th 2018 at the Rosewood London Hotel, the coveted event featured representatives from the government, public health, finance, tobacco industry, partner institutions and media personnel. Speaking at the occasion, Ms Asaf highlighted the trajectory of Bangladesh's success in graduating from LDC status and BAT Bangladesh's contributions in that aspect. BAT Bangladesh believes in playing a substantial role in fulfilling the nation's socio-economic potential. Ms. Asaf also highlighted how BAT Bangladesh is making an economic, environmental and societal difference.

While maintaining the sustained partnership as the largest private taxpayer, BAT Bangladesh is also one of the pioneers of CSR in the country. Apart from its flagship afforestation project Bonayan, the Company also has a water filtration initiative, Probaho for arsenic prone areas and solar home system, Deepto in the off-grid areas. BAT Bangladesh has also initiated afforestation efforts to support government initiatives for rehabilitation of the

Rohingya refugees. Not only through CSR, BAT Bangladesh drives sustainable agricultural practices in its farming communities. The Company has and continues to adopt various platforms such as Integrated Pest Management Clubs and Farmers Community Clubs that uplifts the knowledge base of the farmers, helping them increase the commercial value of their produce for all agricultural crops. They are also enriched with skills which increases their entire crop basket productivity following biofriendly practices. As Bangladesh embarks on its new journey towards becoming a Middle-Income country, BAT Bangladesh is committed to remain as the most preferred development partner of the country for now and the future.

BAT Bangladesh's good practices were immensely appreciated by all the panelists and forum members, as well as the highly knowledgeable audience present at the occasion. We at BAT Bangladesh hope to continue making our presence felt across such renowned forums in future and make BAT Bangladesh proud at the global stage.



Ms. Mubina Asaf, Head of Legal & External Affairs (LEX) in her panel discussion at Rosewood London Hotel

AWARDS & ACHIEVEMENTS

During the year 2018, BAT Bangladesh won a number of key external awards, thereby underpinning our emphasis on bolstering stakeholder trust. While showcasing our continual focus on becoming a more valuable partner of the society, these awards and achievements are also an outcome of our pursuit of building a better Bangladesh. We dedicate these awards to the untiring efforts of our people and the unstinting support of our management.



Top Employer Award' certified by the Top Employer Institute. Ms. Rumana Rahman, currently Regional Head of Human Resources, Asia Pacific & Middle East along with Mr. Saad Jashim, Head of Human Resources is seen here receiving the award on behalf of the Company.



National Board of Revenue (NBR) awarded BAT Bangladesh with 'Tax Card Award-2018' as the 1st Highest Taxpayer in 'others' category in 2018-19 financial year. Mr. Abul Maal Abdul Muhit, Minister, Ministry of Finance of then with Mr. Mosarraf Hossain Bhuyian, Chairman, NBR handing over the award to Mr. K. H. Masud Siddique, Independent Director of the Company, Ms. Tahmina Begum, Non-Executive Director, Ms. Mubina Asaf, Head of Legal & External Affairs (LEX) and Mr. Azizur Rahman, Head of Public Affairs & Company Secretary.



Asia's Responsible Entrepreneurship Award in 'Green Leadership Category' for the Company's CSR afforestation project 'DEPTOO'. Ms. Mubina Asaf, Head of Legal & External Affairs (LEX) received the Award.



1st Runner Up in Manufacturing Sector for Best Presented Annual Report Award and SAARC Anniversary Award for Corporate Governance Disclosures 2017 from South Asian Federation of Accountants (SAFA) –(an Apex Body of SAARC). Mr. Azizur Rahman FCS, Head of Public Affairs & Company Secretary received the Award on behalf of the Company.



Gold Award' of ICSB National Award for Corporate Governance in Manufacturing Companies Category from the Institute of Chartered Secretaries of Bangladesh (ICSB)



Bangladesh Supply Chain Excellence Award 2018 in 'Excellence in Supply Chain Development'



First Position Award in MNC Manufacturing Industry Category from the Institute of Cost and Management Accountants of Bangladesh (ICMAB).



Best Innovation-SDG Inclusion Award by Bangladesh Brand Forum and Mastercard for Probaho project.



Community Development Award to BAT Bangladesh for Deepto Initiative, Women at Work Leadership Award to Mubina Asaf, Head of Legal & External Affairs and Best Corporate Social Responsibility Practices to BAT Bangladesh from the CMO Asia.



ICAB Best Presented Annual Report 2017 First Prize in Manufacturing Sector by the Institute of Cost Accountant Bangladesh (ICAB).



Global CSR Excellence & Leadership Award



Asia's Best Employer Brand Award for **HR Event of the Year 2018**, Asia's Best Employer Brand Award for **Dream Employer of the Year** and Asia's Best Employer Brand Award for **Diversity Impact Award**

AFFORESTATION AWARDS RECEIVED NATIONWIDE



BATB IN MEDIA

আমাদের সময় ৬ ফেব্রুয়ারি ২০১৯ ১১

PASSION AND PERSEVERANCE IN ACTION
Interviewing Annu Dalgikh, Regional Head of HR, Asia Pacific and Middle East, British American Tobacco
Annu Dalgikh, Regional Head of HR, Asia Pacific and Middle East, British American Tobacco, is interviewed by the author. She discusses her career path, her role at BATB, and her views on diversity and inclusion in the workplace.

daily sun 12 February 2019 B3
BAT Bangladesh announces nine months maternity leave
British American Tobacco (BAT) Bangladesh announced that it will offer nine months of paid maternity leave to its employees, a significant step towards gender equality in the workplace.

The Independent 13 June 2018 11
BAT Bangladesh gets AREA award 2018
British American Tobacco (BAT) Bangladesh has been awarded the AREA (Asia Regional Excellence Award) for 2018, recognizing its outstanding performance in the region.

The Financial Express 7 February 2019 9
Rumana BAT's Regional Head of HR for Asia Pacific, ME
Rumana, Regional Head of HR for Asia Pacific, Middle East, and Africa, is interviewed about her role and the challenges of managing a diverse workforce across multiple regions.

The Daily Star 30 September 2018
BAT Bangladesh announces extension of maternity leave to nine months
British American Tobacco (BAT) Bangladesh has announced that it will extend its maternity leave policy to nine months, a move that is highly praised for its commitment to employee welfare.

The Observer 22 May 2018 17
BATB hands over cheque to Workers' Welfare Fund
British American Tobacco Bangladesh (BATB) has handed over a cheque to the Workers' Welfare Fund, demonstrating its commitment to social responsibility and employee support.

The Independent 30 September 2018
BANGLADESH WOMEN LEADERSHIP AWARDS 2018
Golam Mostafiz, chairman, and KH Masud Siddiqui, director, of the Bangladesh Women's Leadership Awards are interviewed about the significance of the awards and the role of women in leadership.

The Daily Star 21 October 2018
Inspiring women honoured
Nineteen best innovations win awards. The Bangladesh Women's Leadership Awards 2018 honored 19 women for their exceptional contributions in various fields.

Samar Kalam ৩০ সেপ্টেম্বর ২০১৮
AWARDS 2018
A group of women are honored at the Bangladesh Women's Leadership Awards 2018 ceremony, celebrating their achievements and inspiring others.

কর্মপরিবেশ ও করপোরেট সুশাসন
বিএটি বাংলাদেশের শক্তিশালী দিক
An article discussing the strengths of BAT Bangladesh, particularly in terms of its work environment and corporate governance.

BAT Bangladesh recognised as most female-friendly organisation
An article highlighting BAT Bangladesh's recognition as the most female-friendly organization in its industry, based on its policies and practices.

IBA wins Battle of Minds
The Institute of Bankers in Bangladesh (IBA) has won the 'Battle of Minds' award, recognizing its excellence in the banking sector.

21st Anniversary of ICAEW
SAFA Best Practice Award 2018. The Institute of Chartered Accountants in England and Wales (ICAEW) celebrates its 21st anniversary and awards the SAFA Best Practice Award to BAT Bangladesh.

শ্রমিক কল্যাণ অধিবেশন বিএটির চেক হস্তান্তর
An article reporting on the handover of a check to the Workers' Welfare Fund by BAT Bangladesh, aimed at improving the welfare of its employees.

The Independent 13 June 2018 11
BAT Bangladesh gets AREA award 2018
British American Tobacco (BAT) Bangladesh has been awarded the AREA (Asia Regional Excellence Award) for 2018, recognizing its outstanding performance in the region.

The Financial Express 7 February 2019 9
Rumana BAT's Regional Head of HR for Asia Pacific, ME
Rumana, Regional Head of HR for Asia Pacific, Middle East, and Africa, is interviewed about her role and the challenges of managing a diverse workforce across multiple regions.

The Daily Star 30 September 2018
BAT Bangladesh announces extension of maternity leave to nine months
British American Tobacco (BAT) Bangladesh has announced that it will extend its maternity leave policy to nine months, a move that is highly praised for its commitment to employee welfare.

The Observer 22 May 2018 17
BATB hands over cheque to Workers' Welfare Fund
British American Tobacco Bangladesh (BATB) has handed over a cheque to the Workers' Welfare Fund, demonstrating its commitment to social responsibility and employee support.

The Independent 30 September 2018
BANGLADESH WOMEN LEADERSHIP AWARDS 2018
Golam Mostafiz, chairman, and KH Masud Siddiqui, director, of the Bangladesh Women's Leadership Awards are interviewed about the significance of the awards and the role of women in leadership.

The Daily Star 21 October 2018
Inspiring women honoured
Nineteen best innovations win awards. The Bangladesh Women's Leadership Awards 2018 honored 19 women for their exceptional contributions in various fields.

Samar Kalam ৬ মার্চ ২০১৯ ১২
সাদ জসিম
বিএটির মানবসম্পদ বিভাগের প্রধান
An interview with Sadek Jassim, Head of HR at BAT Bangladesh, discussing the challenges and strategies of managing human resources in a global organization.

আর্সেনিকমুক্ত নিরাপদ পানি
পাচ্ছে ২ লাখ মানুষ
An article reporting on the distribution of arsenic-free safe drinking water to 2 million people, a significant achievement in public health.

Shareholders
An article discussing the interests and concerns of shareholders, particularly in the context of corporate governance and financial performance.

PEOPLE BRINGING THE DIFFERENCE



Marketing Team
(Head Office)



General & Business
Development Team



Finance Team
(Head Office)



Human Resource Team



Information
Technology Team



Legal & External
Affairs Team



Operations Team



Trade Union
Representative

PICTORIAL SNAPSHOT



45th AGM in Hotel Sonargagon



Battle of Minds 2018



Achievement Celebration



Training Session



Achievement Celebration



Operations Team in an Internal Event



Internal Event Launch



Family Day 2018



Marketing Team in an Internal Event



Corporate team in an internal event



Achievers acknowledged at the event of 'Inspiring Women Award'



Celebration of the 15th Grand Anniversary launch of Battle of Minds



2019 Apme Lex Workshop in Kuala Lumpur



A moment of BATB's internal cricket tournament



Achievers acknowledged at the event of 'Inspiring Women Award'.



Demonstration of Bonayan project in an internal event



Rangamati Waterfront Resort, Gazipur
BATB Employee LOS 2018



Probaho – Balance for Safe drinking water initiative in arsenic affected areas

At BAT Bangladesh, our Probaho project is as timely as it is relevant, diligently serving the needs of communities with pure potable drinking water. This initiative has ensured a healthy and contamination-free environment, especially in arsenic-prone areas.



Under Probaho, BAT Bangladesh supplies 400,000 litres of drinking water through 78 water filtration installations, touching the lives of 200,000 people every day!

- Decreasing water borne diseases
- Increasing economic benefits due to reduced medical costs
- Strengthening community participation to maintain the plants
- Improving livelihoods

400,000

Litres of Water Supplied Every Day

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of British American Tobacco Bangladesh Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of British American Tobacco Bangladesh Company Limited (the Company), which comprise the statement of financial position as at 31 December 2018, 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, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 42.1 to the financial statements where an update from the current year is outlined from last year's management assessment on a BDT 17,806 million retrospective demand by the National Board of Revenue for Value Added Tax and Supplementary Duty on the Company's Pilot and Bristol brands.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for 2018. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's 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 provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Appropriateness of revenue recognition and disclosures on the impact of the initial application of IFRS 15

Revenue of BDT 54.6 billion is recognized in the income statement of the Company. This material item is subject to considerable inherent risk due to the impact of changing list prices and related indirect taxes, along with identifying, recording and properly accounting for variable consideration elements in the contracts with customers. Against this background, the proper application of the accounting standards is considered to be complex and to a certain extent based on estimates and assumptions made by management.

The application of the new standard on revenue recognition, "International Financial Reporting Standard 15 - Revenue from Contracts with Customers" (IFRS 15), will have a significant impact from the financial year 2018 onward, which has been presented in the Note 6 (K) to the financial statements for the financial year 2018. The Company's policy for initial application of IFRS 15 is on a full retrospective basis for domestic sale, to ensure comparability of the income statement in all periods, which requires the restatement of prior periods as presented in the Note 6 (T), in addition the Company has used practical expedients for initial application and have not restated the comparative financial statements since the contracts begin and end within the same annual reporting period.

How our audit addressed the key audit matter:

- We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers;
- performed walkthroughs to understand the adequacy and the design of the revenue cycle;
- tested the internal controls over financial reporting, we also assessed the existence and accuracy of the sales recorded, based among other things on inspection of sales contracts, final acceptances, and the allocation of variable consideration to the various elements in the contracts;
- in addition we performed substantive analytical to understand how the revenue has trended over the year among other parameters, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions.

First year audit

The financial statements for the financial year ended 31 December 2018 were the first being subject to our audit.

Bearing in mind the size and scope of operations of the Company, the key was to understand the complexity of the Company's organizational structure and its impact on the processes within the Company.

During the audit, we performed a number of additional procedures necessary to understand and gain knowledge about: (i) the Company's business profile and its accompanying processes (ii) specific risks related to the business (iii) control mechanisms implemented by the Company and adopted policies affecting financial reporting.

These procedures allowed us to assess the risk of the audit, identify the risk of material misstatement, including inherent audit risks and control risks, and determine materiality levels and the scope of audit procedures.

In addition, as part of the first-year audit, the purpose of our additional procedures was to determine whether opening balances contain distortions that materially affect the financial statements for the current period and whether the accounting policies applied to the opening balance were applied continuously in the preparation of financial statements for the current period, or whether the changes made therein were correctly accounted for and properly presented in accordance with the applicable financial reporting assumptions.

How our audit addressed the key audit matter:

- conducting the kick off meeting with key personnel responsible for financial reporting of the Company;
- gaining an understanding of the control environment in the Company and testing of selected controls in relation to individual processes;
- understanding of the Company's accounting policy and significant values included in financial statements based on professional judgment and estimates;
- assessment of the adequacy of disclosures, in accordance with the International Accounting Standard 8 Accounting Policies, Changes in Accounting Estimates and Errors, in the financial statements.

The results of our procedures as well as the revised audit strategy based on them have been communicated to the Management Board of the Company and to the Audit Committee.

Tax positions

The Company is subject to periodic review by local tax authorities on a range of tax matters during the normal course of business including indirect taxes and transaction related tax matters that could eventually require payments of taxes and possible additional charges. The assessment of uncertainty and risk of one or more unfavorable outcomes involve judgement from management.

This was a key audit matter because of the amounts involved and because of the estimation of the likely impact and the final outcome of these matters.

The Company records provisions for uncertain liabilities, including tax contingencies, when it is more likely than not that a liability has been incurred, and the amount can be reliably estimated.

How our audit addressed the key audit matter:

We have taken into consideration the complexity of accounting and tax issues, internal control; and gained an understanding over the entity's accounting for taxes and management's process for assessing the effectiveness of internal control over the significant income tax accounts and the related financial statement disclosures.

Our procedures also included among others:

- Discussing with the management regarding tax matters, tax jurisdictions and tax communications;
- Identifying and testing relevant controls over tax accounts and financial statement disclosures;
- Analysis of responses in letters independently obtained from the tax consultant and external counsels of the Company on various matters;
- Substantive procedures performed including vouching account reconciliations and tracing amounts to the appropriate underlying support and trial balances.
- Analysis of the accounting of the pre-tax effects of transactions and the tax technical application to specific transactions.

Other matters

The financial statements of British American Tobacco Bangladesh Company Limited for the year ended 31 December 2017, were audited by another auditor who expressed an unmodified opinion on those statements on 05 March 2018.

Other information included in the Company's 2018 Annual Report

Other information consists of the information included in The Company's 2018 Annual Report other than the financial statements and our auditor's report thereon. We obtained Director's Report and Corporate Governance report prior to the date of our auditor's report, and we expect to obtain the remaining reports of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not and will 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. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

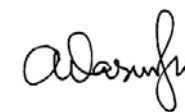
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

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

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books;
- iii) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- iv) The expenditure incurred was for the purposes of the company's business.



A. Qasem & Co.
Chartered Accountants
Dhaka, 11 March 2019

BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED

Statement of Financial Position

As at 31 December 2018

	Notes	2018 BDT (000)	2017 BDT (000)
Assets			
Non-current assets			
Property, plant and equipment	8	26,483,587	20,915,160
Total non-current assets		26,483,587	20,915,160
Current assets			
Inventories	9	19,429,201	17,469,089
Trade and other receivables	10	4,174,125	2,315,457
Advances, deposits and prepayments	11	4,822,711	4,736,633
Cash and cash equivalents	12	1,633,605	978,169
Current assets		30,059,642	25,499,348
Total assets		56,543,229	46,414,508
Equity and liabilities			
Equity			
Share capital	13	600,000	600,000
Capital reserve	14	64,896	64,896
Retained earnings	15	28,863,958	22,447,542
Total equity attributable to owners of the Company		29,528,854	23,112,438
Non-current liabilities			
Net defined benefit plans	16	978,538	869,114
Deferred tax	17	3,112,979	2,835,570
Total non-current liabilities		4,091,517	3,704,684

	Notes	2018 BDT (000)	2017 BDT (000)
Current liabilities			
Bank overdrafts	18	799,880	3,057,910
Short term bank loans	19	4,380,000	-
Trade and other payables	20	10,518,444	10,101,621
Current tax liabilities	21	5,918,997	5,364,697
Provisions	22	1,305,537	1,073,158
Current liabilities		22,922,858	19,597,386
Total liabilities		27,014,375	23,302,070
Total equity and liabilities		56,543,229	46,414,508

The notes on pages 217 to 259 are an integral part of these financial statements


BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED
Statement of profit or loss and other comprehensive income

For the year ended 31 December 2018

	Notes	2018 BDT (000)	2017 BDT (000)
Gross revenue		233,118,187	204,139,715
Supplementary duty and VAT		(178,478,420)	(152,175,972)
Net revenue from contracts with customers	23	54,639,767	51,963,743
Cost of sales	24	(27,096,297)	(27,180,742)
Gross profit		27,543,470	24,783,001
Operating expenses	25	(6,723,690)	(6,980,580)
Operating profit		20,819,780	17,802,421
Net finance income/(expenses)	26	(473,916)	(185,291)
Non-operating income/(expenses)	27	(14,996)	24,469
Profit before contribution to WPPF		20,330,867	17,641,599
Contribution to WPPF		(1,016,543)	(882,080)
Profit before tax		19,314,324	16,759,519
Income tax expense			
Current tax	28	(8,985,069)	(8,121,466)
Deferred tax	29	(317,221)	(808,197)
		(9,302,290)	(8,929,663)
Profit for the year		10,012,034	7,829,856
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Remeasurement loss on defined benefit plans	30	4,382	-
Other comprehensive loss for the year, net of tax		4,382	-
Total comprehensive income for the year, net of tax		10,016,416	7,829,856
		BDT	BDT
Earnings per share	31	166.87	130.50

The notes on pages 217 to 259 are an integral part of these financial statements.


Golam Mainuddin
 Chairman


Shehzad Munim
 Managing Director


Mohammad Moinuddin Abdullah
 Director


William Pegel
 Finance Director


Md. Azizur Rahman
 Company Secretary


A. Qasem & Co.
 Chartered Accountants

 Dated, Dhaka
 11 March 2019


BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED
Statement of changes in equity

For the year ended 31 December 2018

	Share capital BDT (000)	Capital reserve BDT (000)	Retained earnings BDT (000)	Total equity BDT (000)
Balance at 01 January 2018	600,000	64,896	22,447,542	23,112,438
Profit for the year	-	-	10,012,034	10,012,034
Other comprehensive income for the year	-	-	4,382	4,382
Total comprehensive income for the year	-	-	10,016,416	10,016,416
Dividends for the year 2017	-	-	(3,600,000)	(3,600,000)
Balance at 31 December 2018	600,000	64,896	28,863,958	29,528,854
Balance at 01 January 2017	600,000	64,896	18,217,686	18,882,582
Profit for the year	-	-	7,829,856	7,829,856
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	7,829,856	7,829,856
Dividends for the year 2016	-	-	(3,600,000)	(3,600,000)
Total transactions with owners of the Company	-	-	(3,600,000)	(3,600,000)
Balance at 31 December 2017	600,000	64,896	22,447,542	23,112,438

The notes on pages 217 to 259 are an integral part of these financial statements.


Golam Mainuddin
 Chairman


Shehzad Munim
 Managing Director


Mohammad Moinuddin Abdullah
 Director


William Pegel
 Finance Director


Md. Azizur Rahman
 Company Secretary


A. Qasem & Co.
 Chartered Accountants

 Dated, Dhaka
 11 March 2019

BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED

Statement of cash flows


For the year ended 31 December 2018

	2018 BDT (000)	2017 BDT (000)
Operating activities		
Collection from distributors, leaf export and others	231,284,886	202,936,614
Payment for costs and expenses	(36,613,162)	(33,797,266)
Supplementary duty and VAT paid	(176,779,610)	(153,963,812)
Cash generated from operating activities	17,892,113	15,175,536
Income tax paid	(8,430,769)	(5,256,038)
Interest paid	(453,734)	(186,124)
Net cash flows from operating activities	9,007,610	9,733,374
Investing activities		
Purchase of property, plant and equipment	(6,978,665)	(8,030,294)
Proceeds from sale of property, plant and equipment	100,836	39,470
Net cash flows used in investing activities	(6,877,829)	(7,990,824)
Financing activities		
Proceeds from short term loan	9,800,000	8,800,000
Repayment of short term loan	(5,420,000)	(10,300,000)
Dividend paid	(3,596,316)	(3,597,319)
Net cash flows used in financing activities	783,684	(5,097,319)
Net Increase/(decrease) in cash and cash equivalents	2,913,465	(3,354,769)
Cash and cash equivalents at 01 January*	(2,079,741)	1,275,028
Cash and cash equivalents at 31 December*	833,724	(2,079,741)

*Cash and cash equivalents include bank overdrafts that are payable on demand and form an integral part of the Company's cash management.

The notes on pages 217 to 259 are an integral part of these financial statements.


Golam Mainuddin
 Chairman


Shehzad Munim
 Managing Director


Mohammad Moinuddin Abdullah
 Director


William Pegel
 Finance Director


Md. Azizur Rahman
 Company Secretary


A. Qasem & Co.
 Chartered Accountants

Dated, Dhaka
 11 March 2019

Index to the notes of the financial statements

	Page
Note 1: Reporting entity	218
Note 2: Basis of preparation.....	218
Note 3: Functional and presentation currency.....	218
Note 4: Use of estimates and judgements.....	219
Note 5: Basis of measurement.....	219
Note 6: Significant accounting policies.....	219
Note 7: Standards issued but not yet effective.....	231
Note 8: Property, plant and equipment.....	233
Note 9: Inventories.....	234
Note 10: Trade and other receivables.....	235
Note 11: Advances, deposits and prepayments.....	235
Note 12: Cash and cash equivalents.....	235
Note 13: Share capital.....	236
Note 14: Capital reserve.....	237
Note 15: Retained earnings.....	238
Note 16: Net defined benefit plans.....	238
Note 17: Deferred tax asset.....	240
Note 18: Bank overdrafts.....	242
Note 19: Short term bank loans.....	242
Note 20: Trade and other payables.....	242
Note 21: Current tax liabilities.....	243
Note 22: Provisions.....	243
Note 23: Revenue from contracts with customers.....	243
Note 24: Cost of sales.....	244
Note 25: Operating expenses.....	245
Note 26: Net finance income/(expenses).....	245
Note 27: Non-operating income/(expenses).....	245
Note 28: Income tax expenses	246
Note 29: Deferred tax (expense)/income.....	247
Note 30: Other comprehensive income.....	247
Note 31: Earnings per share.....	247
Note 32: Dividend paid.....	248
Note 33: Remittances of foreign currency.....	248
Note 34: Value of imports on Cost, Insurance and Freight (CIF) basis.....	249
Note 35: Value of leaf export earnings received.....	249
Note 36: Capacity.....	249
Note 37: Segment Reporting.....	249
Note 38: Consumption of imported and local raw materials.....	250
Note 39: Financial instruments - Fair values and risk management.....	250
Note 40: Related party disclosures.....	256
Note 41: Commitments.....	258
Note 42: Contingencies.....	258
Note 43: Other disclosures.....	259
Note 44: Events after the reporting period.....	259

BRITISH AMERICAN TOBACCO BANGLADESH COMPANY LIMITED

Notes to the financial statements

1 Reporting entity

1.1 Company profile

British American Tobacco Bangladesh Company Limited (the “Company”) is a public limited company incorporated in Bangladesh and its shares are quoted in Dhaka and Chittagong Stock Exchanges. The address of the Company’s registered office is New D.O.H.S. Road, Mohakhali, Dhaka-1206, Bangladesh.

1.2 Nature of business

The Company manufactures and markets brands including Benson & Hedges, John Player Gold Leaf, Capstan, Star, Derby, Pilot and Hollywood. The Company has its head office and the cigarette factory in Dhaka, a green leaf threshing plant in Kushtia, a green leaf redrying plant in Manikganj and a number of leaf and sales offices throughout the country.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the (International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 1987.

The financial statements have been prepared on a historical cost basis, except for financial assets and contingent consideration that have been measured at fair value where applicable. The financial statements provide comparative information in respect of the previous period.

On 14 December 2017, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

A number of new standards and amendments to standards are effective for annual periods beginning on or after 01 January 2018 and earlier application is permitted.

2.2 Date of authorisation

The financial statements were authorised for issue by the Board of Directors on 11 March 2019 for publication.

2.3 Reporting period

The financial period of the Company covers one year from 1 January to 31 December and is followed consistently.

3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is both functional and presentational currency of the Company. The amounts in these financial statements have been rounded off to the nearest thousand unless otherwise indicated. Because of these rounding off, in some instance the total may not match the sum of individual balance.

4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimates and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in these financial statements are stated in the following notes:

Note 8	Property, plant and equipment
Note 9	Inventories
Note 16	Net defined benefit plans
Note 17	Deferred tax
Note 21	Current tax liabilities
Note 22	Provisions
Note 41	Commitments
Note 42	Contingencies

5 Basis of measurement

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis, except for inventory, trade receivables and contingent consideration that have been measured at fair value. The financial statements provide comparative information in respect of the previous period.

6 Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements. Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

A.	Current versus non-current classification
B.	Property, plant and equipment
C.	Financial instruments
D.	Share capital
E.	Impairment
F.	Lease
G.	Inventories
H.	Employee benefits
I.	Provisions
J.	Contingencies
K.	Revenue from contracts with customers
L.	Income tax expense
M.	Foreign currency transactions
N.	Finance income and expenses
O.	Earnings per share (EPS)
P.	Statement of cash flows
Q.	Dividends
R.	Materiality and aggregation
S.	Events after the reporting period
T.	Changes in accounting policies and disclosures

A. Current versus non-current classification

The company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period;
- All other liabilities as non-current;
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

B. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

Buildings constructed by the Company on leasehold land are capitalised and included under the category of leasehold property.

(ii) Subsequent costs

Subsequent to initial recognition, cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other repair and maintenance expenses are charged in the statement of profit or loss and other comprehensive income as they are incurred.

(iii) Depreciation

All items of property, plant and equipment have been depreciated on straight line basis. Depreciation on additions are charged from the month of acquisition. On disposal of an asset, depreciation is charged up to the month prior to the disposal. No depreciation is charged for land and assets under construction. The Company is following this policy consistently from past years.

The estimated useful lives and the rates of residual value of property, plant and equipment for the current and comparative years are as follows:

Categories	Useful life in years		Residual value	
	2018	2017	2018	2017
Freehold building	40	40	1%	1%
Leasehold building	Maximum 40 years, depreciation rates based on a case by case basis	Maximum 40 years, depreciation rates based on a case by case basis	0%	0%
Plant and machinery	5 / 10 / 20*	5 / 10 / 14.3	0% / 1%	0% / 1%
Laboratory equipment	10	10	0%	0%
Office equipment	5 / 10	5 / 10	0%	0%
Furniture and fixtures	3 / 5 / 10	3 / 5 / 10	0%	0%
Vehicles	4 / 5	4 / 5	1%	1%
IT equipment	3 / 5	3 / 5	0%	0%

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate. No significant adjustment in respect of items of property, plant and equipment was done in the twelve-month period ended 31 December 2018.

*Factory equipment's useful life was reviewed and was determined to be 20 years instead of 14 years. The Company was prospectively accounted for the change in accounting estimate.

(iv) Assets under construction

Assets under construction represent the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use at reporting date and these are stated at cost, net of accumulated impairment losses, if any.

(v) Impairment

The carrying amount of the entity's non-financial assets, other than inventories and deferred tax assets (considered as disclosed separately under respective accounting standards), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

An impairment loss is recognized through the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is calculated as the present value of estimated future cash flows, that will be generated by the use of that asset, discounted at an appropriate rate.

Impairment indicators comprise:

- reduced earnings compared to expected future outcome;
- material negative development trends in the sector or the economy in which the Company operates;
- damage to the asset or changed use of asset;

(vi) Retirement and disposals

An asset is derecognised on disposal or when no further economic benefits are expected from its use. Gain or loss on disposal of an asset is determined as the difference of net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset under other income/expense in the statement of profit or loss and other comprehensive income.

C. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments comprise deposits, trade and other receivables, cash and cash equivalents, trade and other payables, intercompany payables, share capital and interest-bearing borrowings.

(i) Financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The Company's financial assets comprise trade and other receivables, deposits and cash and cash equivalents.

a) Trade and other receivables

Trade and other receivables consist of unpaid bills receivable from customers and other parties. Trade and other receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less expected credit loss at the year end, which is made at the discretion of the management.

b) Deposits

Deposits are measured at payment value which are expected to be recovered after completion a certain period or purpose.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks and fixed deposits receipt which are held and available for use by the Company without any restriction, except for the dividend account. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

d) Advances and prepayments

After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment or inventory etc.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges for the period.

(ii) Financial liabilities

The Company initially recognises financial liabilities in its statement of financial position when the Company becomes a party to the contractual provisions of the liability. The Company recognises such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company's financial liabilities comprise trade and other payables.

a) Trade and other payables

Trade and other payables are recognised when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. Trade and other payables are recognised initially at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost using the effective interest method.

(iii) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

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

E. Impairment

i) Recognition

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

The carrying value of the non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

ii) Calculation of recoverable amount

The recoverable amount of asset is the greater of its net selling price or its value in use. The latter is determined by discounting the estimated future cash flows to a present value using a discount rate which reflects the current market assessment of the time value of money and risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

iii) Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

F. Lease

Operating Lease

All leases other than those which meet the definition of finance lease are treated as operating lease and are recognised in the statement of profit and loss. Payments made under operating leases are recognised in profit or loss. For non-cancellable operating leases payments are recognised on a straight line basis over the term of the lease.

G. Inventories

Raw materials and finished goods inventories are measured at the lower of cost and net realisable value. Spare parts are valued at cost.

The cost of inventories, except goods in transit, is measured based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Material in transit represents the cost incurred up to the date of the statement of financial position for the items that were not received till to the date of reporting. Inventory losses and abnormal losses are recognised as expenses.

H. Employee benefits

(i) Short-term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Defined benefits plans

a) Management Gratuity Scheme

The Company operates an unfunded gratuity scheme for the management employees who joined the Company up to February 2013. Members of this scheme become eligible to receive gratuity on completion of 5 years of continuous services with the Company.

b) Management Pension Fund

The Company operates a funded pension scheme for the management employees who joined the company from 1 January 1987 to 31 August 2007. Members of this fund become eligible to receive pension on completion of 5 years of continuous service with the Company. The fund is managed by a Board of Trustees.

Present value of defined benefit obligation and the fair value of the plan assets were determined by professional actuary for both the funds. Projected Unit Credit method is used to measure the present value of defined benefit obligations and related current and past service cost and mutually compatible actuarial assumptions about demographic and financial variables were used. The difference between fair value of the plan assets and present value of obligation is recognised as a liability or an asset in the statement of financial position. In respect of any actuarial gains or losses arising from actuarial valuation, it is fully recognised in the other comprehensive income.

(iii) Defined contributions plan

a) Management Gratuity Scheme

The Company operates a funded gratuity scheme for the management employees who joined the Company from 1 March 2013 and onwards. The Company contributes 15% of basic salary as contribution to the fund for the management employees from the date of joining. The fund is managed by a Board of Trustees. Members of this fund become eligible to receive gratuity on completion of 5 years of continuous services with the Company.

b) Employee Gratuity Scheme

The Company operates funded gratuity scheme for the non-management employees whereby the Company contributes 15% of basic salary as contribution to the fund for the non management employees from the date of joining. The Fund is managed by a Board of Trustees. Members of this fund become eligible to receive gratuity on completion of 5 years of continuous services with the Company.

c) Provident Fund

The Company operates a provident fund for all the employees irrespective of date of joining the Company. Members, on confirmation, in regular employment of the Company, are required by the Company to join the provident fund to which members contribute 10% of their basic salaries and the Company makes a matching contribution. The Fund is managed by a Board of Trustees. Members become eligible to receive the Company's contribution on completion of 5 years of continuous services with the Company.

The Company recognizes the contribution to the defined contribution plan as an expense when an employee has rendered services in exchange for those contributions. The legal and constructive obligation is limited to this amount and it agrees to the fund contribution.

d) Worker's Profit Participation Fund

The Company operates fund for workers as "Workers' Profit Participation Fund" and 5% of the profit before charging such expense has been transferred to this fund as per section 234 of Bangladesh Labour Act 2006 (amended in 2013).

The Company recognises a contribution to the defined contribution plan as an expense when an employee has rendered services in exchange for the contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

I. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

J. Contingencies

Contingent liability

Contingent liability is a possible obligation that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Company discloses contingent liability in the financial statements. A provision is recognised in the period in which the recognition criteria of provision is met.

Contingent asset

Contingent asset is a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

K. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of Value Added Tax (VAT), Supplementary Duty (SD), Export Duty and Health Surcharge. Gross turnover comprises domestic sales of cigarettes, export of leaf and includes SD, VAT, Export Duty and Health Surcharge paid to the Government of Bangladesh.

The company's typical performance obligations include the following:

Performance obligation	When performance obligation is typically satisfied	When payment is typically due	How stand alone selling price is typically estimated
Domestic sales:			
Distributor	Point in time at factory/ warehouse gate	At the beginning of the contract	As per regulator approved prices
Duty free	Point in time at factory gate	Within 30 days of delivery	As per regulator approved prices
Export sales:			
Related parties and external parties	Point in time; Free on board as issued by ICC**	a) At the beginning of the contract and;	As per agreed price
		b) for certain transactions at the date of bill of lading	As per agreed price

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of domestic sales to distributors, the Company considers the effects of variable consideration payable to the customer.

The Company has variable considerations included in the contracts with customers which are netted off against the revenue to determine the transaction price. The variable considerations are pre-determined. The effect of variable considerations on revenue is only from contracts with domestic customers.

The Company estimates variable consideration using either the 'expected value' method or the 'most likely amount' method, based on whichever better predicts the amount of consideration to which the entity is entitled. The entity applies the selected method consistently throughout the contract and for similar types of contracts.

L. Income tax expense

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets/liabilities are offset if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for the Company is currently 45% corporate tax and 2.5% surcharge on income.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that they will;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improve.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

M. Foreign currency transactions

Transactions in foreign currencies are translated to Bangladesh Taka at the exchange rate prevailing on the date of transactions. All monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the date of statement of financial position. Foreign currency differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of profit or loss and other comprehensive income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transactions.

N. Finance income and expenses

Finance income comprises interest on financial deposits with banks. Finance income is recognised on an accrual basis and shown under statement of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft and borrowings from bank.

O. Earnings per share (EPS)

The Company presents its basic earnings per share (EPS) 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 EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, if any. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares at the reporting date.

P. Statement of cash flows

Cash flows from operating activities have been presented under direct method as per IAS 7: Statement of Cash Flows.

Q. Dividends

Final dividend distribution to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognised in the period in which the dividends are declared and paid.

R. Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

S. Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

The Company has adequate resources to continue in operation for the foreseeable future. For this reason management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient funds and attributable credit facilities to meet the present requirements of its existing business.

T. Changes in accounting policies and disclosures
New and amended standards and interpretations

The Company applied IFRS 15 and IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

(i) IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted IFRS 15 using the full retrospective basis of adoption with the date of initial application of 01 January 2018, to ensure comparability of the income statement in all periods, which requires the restatement of prior periods as presented below. In addition the Company has used practical expedients for initial application and have not restated the comparative financial statements since the contracts begin and end within the same annual reporting period. Therefore, the comparative information was not restated and continues to be reported under IAS 11, IAS 18 and related Interpretations. The Company elected to apply the standard to all contracts as at 01 January 2018.

The effect of adopting IFRS 15 as at 01 January 2018 was, as follows:

	As per IFRS 15	As per IFRS 15	As per IFRS 18
	2018	2017	2017
	BDT (000)	BDT (000)	BDT (000)
Domestic Sales:			
Gross turnover	231,512,424	201,917,560	201,917,560
Supplementary duty and VAT	(178,217,895)	(151,972,929)	(151,972,929)
Variable consideration expenses (VCE)	(838,411)	(209,516)	-
Net revenue from contracts with customers	52,456,117	49,735,115	49,944,631
Leaf export sales:			
External and related party sales	2,183,650	2,019,112	2,019,112
Cost of sales	(27,096,297)	(27,180,742)	(27,180,742)
Gross profit	27,543,470	24,573,485	24,783,001
Variable consideration expenses	-	-	(209,516)
Other operating expenses (Net VCE)	(6,723,690)	(6,771,064)	(6,771,064)
Operating profit	20,819,780	17,802,421	17,802,421

(ii) IFRS 9: Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 01 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

	Adjustments	01 January 2018
		BDT (000)
Assets		
Trade receivables	(a)	2,225,482
		2,225,482
Total adjustment on equity:		
Retained earnings	(a)	11,183
		11,183

The nature of these adjustments are described below:

(a) Classification and measurement

Under IFRS 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Company's business model was made as of the date of initial application, 01 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of IFRS 9 did not have a significant impact to the Company. The Company continued measuring at fair value all financial assets previously held at fair value under IAS 39. The following are the changes in the classification of the Group's financial assets:

- Trade receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Debt instruments at amortised cost beginning 01 January 2018.

The Company has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Company's financial liabilities.

In summary, upon the adoption of IFRS 9, the Company had the following required or elected reclassifications as at 01 January 2018.

Categories	IFRS 9 measurement category			
		Fair value through profit or loss	Amortised cost	Fair value through OCI
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
IAS 39 measurement category				
Trade receivables	2,225,482	11,183	-	-
		11,183	-	-

(b) Impairment

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

Set out below is the reconciliation of the ending impairment allowances in accordance with IAS 39 to the opening loss allowances determined in accordance with IFRS 9:

	Allowance for impairment under IAS 39 as at 31 December 2017	Remeasurement	ECL under IFRS 9 as at 01 January 2018
	BDT (000)	BDT (000)	BDT (000)
Receivables under IAS 39/Financial assets at amortised cost under IFRS 9 and contract assets	-	11,183	11,183
	-	11,183	11,183

7 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. However, this is not an exhaustive list of all the standards issued, the following are the standards which according to the assessment of the Company is most likely to be applicable.

A. IFRS 16 Leases:

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

IFRS 16, which is effective for annual periods beginning on or after 01 January 2019, requires lessees and lessors to make more extensive disclosures than under IAS 17.

Transition to IFRS 16

The Company has completed an assessment of the potential impact on its financial statements. The actual impact of applying IFRS 16 on the financial statements in the period of initial application will depend on future economic conditions, including the Company's borrowing rate at 01 January 2019, the composition of the Company's lease portfolio at that date, the Company's latest assessment of whether it will exercise any lease renewal options and the extent to which the Company chooses to use practical expedients and recognition exemptions.

The Company plans to adopt IFRS 16 modified retrospective approach, with the cumulative effect recognised at the date of initial application, and without the restatement of prior periods.

In summary the impact of IFRS 16 adoption is expected to be, as follows:

Impact on the statement of financial position as at 31 December 2018:*

	BDT (000)
Assets	
Property, plant and equipment (right-of-use assets)	1,035,275
Liabilities	
Lease liabilities	1,018,530

Impact on the statement of profit or loss for 2018:*

	BDT (000)
Depreciation expense	376,311
Operating lease expense	412,966
Finance cost	78,815

* Effect of prepayments, income tax expense and deferred tax has not been considered above, the Company is in the process of finalising the effect of the above said.

B. IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 01 January 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date.

C. Amendments to IAS 19: Plan Amendment, Curtailment or Settlement

The amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognized in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 01 January 2019, with early application permitted. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

8 Property, plant and equipment

See accounting policy in Notes 6A and 6B

	Freehold building	Freehold land	Furniture and fixtures	IT equipment	Laboratory equipment	Leasehold building	Office equipment	Plant and machinery	Vehicles	Assets under construction (AUC)	Total
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Cost											
Balance at 01 January 2017	905,360	375,781	328,150	317,348	224,543	684,314	559,620	15,916,850	904,928	2,465,090	22,681,984
Additions	25,220	-	25,270	77,277	35,571	19,899	172,104	2,319,314	203,997	6,363,168	9,241,820
Disposals/transfers	-	-	(98)	(36,984)	-	-	(2,580)	(120,335)	(96,794)	(2,178,123)	(2,434,914)
Balance at 31 December 2017	930,580	375,781	353,322	357,641	260,114	704,213	729,144	18,115,829	1,012,131	6,650,135	29,488,890
Balance at 01 January 2018	930,580	375,781	353,322	357,641	260,114	704,213	729,144	18,115,829	1,012,131	6,650,135	29,488,890
Additions	338,693	52,981	1,451	72,712	53,795	58,989	79,977	2,304,432	447,193	6,295,206	9,705,429
Disposals/transfers	-	-	(1,365)	(21,897)	-	(7,124)	(40,015)	(382,227)	(246,736)	(2,302,627)	(3,001,991)
Balance at 31 December 2018	1,269,273	428,762	353,408	408,456	313,909	756,078	769,106	20,038,034	1,212,588	10,642,714	36,192,328
Depreciation and impairment											
Balance at 01 January 2017	156,603	-	201,232	244,086	121,209	134,732	181,382	5,710,951	519,916	-	7,270,111
Depreciation for the year	22,419	-	36,746	48,725	17,788	21,056	101,229	1,068,483	179,057	-	1,495,503
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals/transfers	-	-	(97)	(36,862)	-	-	(2,549)	(56,508)	(95,868)	-	(191,884)
Balance at 31 December 2017	179,022	-	237,881	255,949	138,997	155,788	280,062	6,722,926	603,105	-	8,573,730
Balance at 01 January 2018	179,022	-	237,881	255,949	138,997	155,788	280,062	6,722,926	603,105	-	8,573,730
Depreciation for the year	26,619	-	31,713	59,422	23,275	21,952	130,763	806,051	195,884	-	1,295,679
Impairment	-	-	-	-	-	-	-	397,655	-	-	397,655
Disposals/transfers	-	-	(1,273)	(21,897)	-	(2,415)	(39,937)	(250,111)	(242,690)	-	(558,323)
Balance at 31 December 2018	205,641	-	268,321	293,474	162,272	175,325	370,888	7,676,521	556,299	-	9,708,741
Net book value											
At 31 December 2017	751,558	375,781	115,441	101,692	121,117	548,425	449,082	11,392,903	409,026	6,650,135	20,915,160
At 31 December 2018	1,063,632	428,762	85,087	114,982	151,637	580,753	398,218	12,361,513	656,289	10,642,714	26,483,587

8.1 Allocation of depreciation & impairment

	Notes	2018 BDT (000)	2017 BDT (000)
Manufacturing overhead	24.1	1,204,026	1,084,022
Operating expenses	25	207,542	181,093
Charge to leaf		281,766	230,388
		1,693,334	1,495,503

8.2 Assets under construction

Included in property, plant and equipment as at 31 December 2018 was relating to expenditure for Plant and Machinery, Office equipment, Freehold building and Leasehold Building in the course of construction.

8.3 Disposals of property, plant and equipment

See note no. 27.1 for details

9 Inventories

See accounting policy in Note 6G

	2018 BDT (000)	2017 BDT (000)
Inventories in hand	19,291,846	17,079,612
Inventories in transit	137,355	389,477
	19,429,201	17,469,089
Inventories in hand		
Leaf	10,853,048	7,078,690
Wrapping materials	2,475,352	816,559
Work in process	33,444	54,411
Finished goods		
Cost of finished goods	1,058,982	1,874,650
VAT, Supplementary Duty and *HDS on finished goods	4,351,631	6,714,709
Consumable stores	519,389	540,593
Work in process	19,291,846	17,079,612
*Health Development Surcharge		
Inventories in transit		
Leaf	4,658	31,250
Wrapping materials	19,191	322,084
Consumable stores	113,506	36,143
	137,355	389,477

10 Trade and other receivables

See accounting policy in Note 6(C) (i) (a)

	2018 BDT (000)	2017 BDT (000)
Trade receivables	3,673,780	2,236,665
Expected credit loss	(2,172)	-
Net Trade receivables	3,671,608	2,236,665
Intercompany receivables	120,750	55,218
Sundry receivables	381,767	23,574
	4,174,125	2,315,457

Trade receivables are non-interest bearing.

11 Advances, deposits and prepayments

See accounting policy in Note 6(C) (i) (d)

	2018 BDT (000)	2017 BDT (000)
Advances		
Advance to suppliers	3,028,818	3,601,669
Supplementary duty and VAT	1,752,480	1,088,211
Advance to employees	28,225	31,600
	4,809,523	4,721,480
Deposits		
Security deposit	12,636	14,636
	12,636	14,636
Prepayments		
Insurance	552	517
	552	517
	4,822,711	4,736,633

12 Cash and cash equivalents

See accounting policy in Note 6(C) (i) (c)

	2018 BDT (000)	2017 BDT (000)
Cash in hand	810	825
Cash at bank		
Dividend account	46,389	42,705
Foreign currency accounts	1,167,192	896,269
Current accounts	419,214	38,370
	1,632,795	977,344
Cash and cash equivalents at statement of financial position	1,633,605	978,169

All the above balances are held with scheduled and nationalised banks. Cash at banks earns interest at floating rates based on daily bank deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2018 BDT (000)	2017 BDT (000)
Cash at bank and in hand	1,633,605	978,169
Bank overdrafts used for cash management purpose	(799,880)	(3,057,910)
Cash and cash equivalents in the statement of cash flows	833,725	(2,079,741)

12.1 Restricted cash balance

Dividend account is used only to pay dividends to the shareholders. The balance of this account moves with dividend transactions only.

12.2 Banking facility arrangement

Short term running funded facilities available with the banks amount to BDT 15,596 million (2017: BDT 11,761 million). Facilities of BDT 5,180 million (2018: bank overdraft of BDT 800 million and short term loan 4,380 million were availed) was availed as at 31 December 2018 (2017: bank overdraft of BDT 3,058 million was availed). Facilities are renewable on annual basis.

13 Share capital

See accounting policy in Note 6D.

	2018	2017
Authorised:		
60,000,000 ordinary shares of BDT 10 each	600,000,000	600,000,000
	600,000,000	600,000,000
Issued, subscribed and fully paid up:		
Issued for cash:		
3 ordinary shares of BDT 10 each	30	30
Issued for consideration other than cash:		
59,999,997 ordinary shares of BDT 10 each	599,999,970	599,999,970
Work in process	600,000,000	600,000,000

13.1 Shareholding position

See accounting policy in Note 6D.

Name of shareholder	2018			2017		
	No. of shares	Value (BDT)	Percentage	No. of shares	Value (BDT)	Percentage
Raleigh Investment Co. Ltd., UK	43,745,358	437,453,580	72.91%	43,745,358	437,453,580	72.91%
Investment Corporation of Bangladesh	3,416,912	34,169,120	5.69%	3,836,218	38,362,180	6.39%
Sadharan Bima Corporation	1,694,047	16,940,470	2.82%	1,694,047	16,940,470	2.82%
Bangladesh Development Bank Limited	197,376	1,973,760	0.33%	197,376	1,973,760	0.33%
Government of Bangladesh	386,824	3,868,240	0.64%	386,824	3,868,240	0.64%
Others	10,559,483	105,594,830	17.60%	10,140,177	101,401,770	16.90%
	60,000,000	600,000,000	100%	60,000,000	600,000,000	100%

13.2 Share distribution schedule

A distribution schedule of the shares at the reporting date is given below following the requirement of listing regulations:

Shareholder's range	2018			2017		
	Number of shareholders	Total number of shares	Percentage of holding	Number of shareholders	Total number of shares	Percentage of holding
Less than 501 shares	2,179	147,989	0.25%	2,048	146,893	0.24%
501 to 5,000 shares	171	233,809	0.39%	164	222,830	0.37%
5,001 to 10,000 shares	17	129,434	0.22%	17	126,110	0.21%
10,001 to 20,000 shares	13	183,108	0.31%	14	181,435	0.30%
20,001 to 30,000 shares	5	119,149	0.20%	8	205,539	0.34%
30,001 to 40,000 shares	5	173,681	0.29%	5	178,974	0.30%
40,001 to 50,000 shares	6	267,021	0.45%	4	169,348	0.28%
50,001 to 100,000 shares	3	244,083	0.41%	8	612,896	1.02%
100,001 to 1,000,000 shares	15	4,290,046	7.15%	15	5,006,219	8.34%
Over 1,000,000 shares	5	54,211,680	90.35%	5	53,149,756	88.58%
	2,419	60,000,000	100%	2,288	60,000,000	100%

14 Capital reserve

Capital reserve represents non-remittable reserve of BDT 64.9 million which is 90% of the cumulative post tax profit on disposal of property, plant and equipment as historically defined and directed by Bangladesh Bank. The requirement to create such special reserve on profit from sale of property, plant and equipment has been withdrawn since 1993.

15 Retained earnings

	2018 BDT (000)	2017 BDT (000)
Balance as at 01 January	22,447,542	18,217,686
Total comprehensive income for the year:		
Profit for the year	10,012,034	7,829,856
Other comprehensive income	4,382	-
	32,463,958	26,047,542
Dividends during the year:		
Final dividend for previous year	(3,600,000)	(3,600,000)
Balance at 31 December	28,863,958	22,447,542

16 Net defined benefit plans

See accounting policy in Note 6H.

2018	Notes	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Defined benefit obligation	16.1	(1,038,057)	(214,536)	(1,252,593)
Fair value of plan assets	16.2	-	274,055	274,055
Net surplus/(deficit)		(1,038,057)	59,519	(978,538)

2017	Notes	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Defined benefit obligation	16.1	(869,114)	(263,797)	(1,132,911)
Fair value of plan assets	16.2	-	263,797	263,797
Net surplus/(deficit)		(869,114)	-	(869,114)

16.1 Movement in defined benefit obligation

	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Defined benefit obligation at 01 January 2017	800,663	250,472	1,051,135
Current service cost	65,416	32,171	97,587
Interest cost	65,824	-	65,824
Past Service Cost - Plan amendments	-	-	-
Benefit paid by the fund	-	(18,846)	(18,846)
Benefit paid directly by the Company	(62,789)	-	(62,789)
Actuarial (gain)/loss	-	-	-
Defined benefit obligation at 31 December 2017	869,114	263,797	1,132,911

	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Defined benefit obligation at 01 January 2018	869,114	263,797	1,132,911
Current service cost	71,212	10,571	81,783
Interest cost	73,874	21,032	94,906
Past Service Cost - Plan amendments	-	-	-
Benefit paid by the fund	-	(32,479)	(32,479)
Benefit paid directly by the Company	(59,957)	-	(59,957)
Actuarial (gain)/loss	83,814	(48,384)	35,430
Defined benefit obligation at 31 December 2018	1,038,057	214,536	1,252,593

16.2 Movement in the fair value of plan assets

	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Fair value of plan assets at 01 January 2017	-	250,472	250,472
Employer's contribution	-	11,520	11,520
Expected return on plan assets	-	20,651	20,651
Benefits paid by the plan	-	(18,846)	(18,846)
Actuarial gain/(loss)	-	-	-
Fair value of plan assets at 31 December 2017	-	263,797	263,797
Fair value of plan assets at 01 January 2018	-	263,797	263,797
Employer's contribution	-	20,820	20,820
Expected return on plan assets	-	21,917	21,917
Benefits paid by the plan	-	(32,479)	(32,479)
Actuarial gain/(loss)	-	-	-
Fair value of plan assets at 31 December 2018	-	274,055	274,055

16.3 Defined benefit plan charge to profit or loss and other comprehensive income

2018	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Profit or loss			
Current service costs	71,212	10,571	81,783
Interest accrued on benefit obligation	73,874	21,032	94,906
Expected return on plan assets	-	(21,917)	(21,917)
Net benefit expense/(income)	73,874	(886)	72,988
	145,086	9,685	154,771

2017	Gratuity fund BDT (000)	Pension fund BDT (000)	Total BDT (000)
Profit or loss			
Current service costs	65,416	32,171	97,587
Interest accrued on benefit obligation	65,824	-	65,824
Expected return on plan assets	-	(20,651)	(20,651)
Net benefit expense/(income)	65,824	(20,651)	45,173
	131,240	11,520	142,760

16.4 Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	31-Dec-2018	
	Gratuity fund	Pension fund
Discount rate	8.5%	8.5%
Salary escalation rate (Basic pay)	11%	11%
Mortality rate (In service)*		
Ages 20-35	15%	15%
Ages 36-45	10%	10%
Ages 46-58	5%	5%

*As there are no published mortality tables in Bangladesh and hence the actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table on the mortality experience of assured lives in India, which the actuary believes to give a reasonable approximation

17 Deferred tax asset

See accounting policy in Note 6L(ii).

2018	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
	BDT (000)	BDT (000)	BDT (000)
Provision for inventories	(276,479)	-	(276,479)
Provision for gratuity	(1,038,057)	-	(1,038,057)
Net temporary difference	(1,314,536)	-	(1,314,536)
Applicable tax rate			47.5%
Deferred tax asset			(624,405)

2017	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
	BDT (000)	BDT (000)	BDT (000)
Provision for inventories	(207,143)	-	(207,143)
Provision for gratuity	(869,114)	-	(869,114)
Net temporary difference	(1,076,257)	-	(1,076,257)
Applicable tax rate			47.5%
Deferred tax Asset			(511,222)

17.1 Deferred tax liabilities

See accounting policy in Note 6L(ii).

2018	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
	BDT (000)	BDT (000)	BDT (000)
Property, plant and equipment excluding land.	15,160,801	7,292,624	7,868,177
Net temporary difference	15,160,801	7,292,624	7,868,177
Applicable tax rate			47.5%
Deferred tax liabilities			3,737,384

2018	Carrying amount at reporting date	Tax base	Taxable/ (deductible) temporary difference
	BDT (000)	BDT (000)	BDT (000)
Property, plant and equipment excluding land.	13,740,299	6,694,421	7,045,878
Net temporary difference	13,740,299	6,694,421	7,045,878
Applicable tax rate			47.5%
Deferred tax liabilities			3,346,792

	2018 BDT (000)	2017 BDT (000)
Deferred tax asset	(624,405)	(511,222)
Deferred tax liabilities	3,737,384	3,346,792
Net deferred tax liabilities	3,112,979	2,835,570

18 Bank overdrafts

	2018 BDT (000)	2017 BDT (000)
Standard Chartered Bank	763,281	1,589,324
Citibank, N.A.	-	324,012
HSBC	13,250	766,385
Commercial Bank of Ceylon PLC	23,349	367,191
Pubali Bank Limited	-	4,877
Sonali Bank Limited	-	6,121
	799,880	3,057,910

The Company has overdraft facilities from the above mentioned banks for the purpose of meeting working capital requirements, such overdrafts are repayable on demand.

19 Short term bank loans

	Note	2018 BDT (000)	2017 BDT (000)
Standard Chartered Bank	19.1	4,380,000	-
		4,380,000	-

19.1 Terms and repayment schedule

	2018		2017	
	Loan limit	Loan outstanding	Loan limit	Loan outstanding
Standard Chartered Bank	5,500,000	4,380,000	4,000,000	-
Commercial Bank of Ceylon PLC	-	-	800,000	-
	5,500,000	4,380,000	4,800,000	-

The Company has short term loan facilities from Standard Chartered Bank, Commercial Bank of Ceylon PLC, Citibank N.A., HSBC and Pubali Bank for the purpose of meeting working capital requirements, Such short term loans are repayable on maturity.

20 Trade and other payables

See accounting policy in Note 6C (ii) (a)

	Note	2018 BDT (000)	2017 BDT (000)
Trade payables		3,200,709	1,956,760
Intercompany payables		4,730,835	4,457,647
Workers' Profit Participation Fund (WPPF)		361,543	47,080
Wages and other benefits		507,976	546,500
Unclaimed dividend	32	46,389	42,705
Accrued expenses		1,151,323	2,701,521
Sundry payables		519,669	349,408
		10,518,444	10,101,621

21 Current tax liabilities

See accounting policy in Note 6L(i).

	2018 BDT (000)	2017 BDT (000)
Balance at 01 January	5,364,697	2,499,269
Provision made during the year	8,985,069	8,121,466
	14,349,766	10,620,735
Advance payment of corporate tax	(8,430,769)	(5,256,038)
Balance at 31 December	5,918,997	5,364,697

22 Provisions

See accounting policy in Note 6I.

	2018 BDT (000)	2017 BDT (000)
Provision for expenses	1,305,536	1,073,158
	1,305,536	1,073,158

23 Revenue from contracts with customers

See accounting policy in Note 6K.

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Unit	2018 (Million)	2017 (Million)	2018 BDT (000)	2017 BDT (000)
Gross revenue from domestic sale	Sticks	51,425	53,204	230,674,012	201,917,560
Supplementary duty and VAT				(178,217,895)	(151,972,929)
Revenue from domestic sale, net				52,456,117	49,944,631
Gross revenue from tobacco leaf export	KG	9.18	8.86	2,444,175	2,222,155
Export duty				(260,525)	(203,043)
Revenue from leaf export, net				2,183,650	2,019,112
Total revenue from contracts with customers, net				54,639,767	51,963,743
Net revenue from domestic sale					
External customer				52,456,117	49,944,631
Related party sale				-	-
				52,456,117	49,944,631
Net revenue from leaf export					
External customer				1,004,256	983,259
Related party sale				1,179,393	1,035,853
				2,183,650	2,019,112
Total revenue from contracts with customers, net				54,639,767	51,963,743

24 Cost of sales

	Note	2018 BDT (000)	2017 BDT (000)
Opening stock of raw materials		8,248,582	6,288,884
Purchase of raw materials		25,651,021	23,452,152
Raw materials available		33,899,603	29,741,036
Closing stock of raw materials		(13,352,328)	(8,248,582)
Raw materials consumption		20,547,275	21,492,454
Opening work in process		54,411	21,201
Closing work in process		(33,444)	(54,411)
		20,568,242	21,459,244
Manufacturing overhead	24.1	5,049,882	5,454,362
Total cost of goods manufactured		25,618,124	26,913,606
Opening stock of finished goods		1,874,650	1,606,869
Closing stock of finished goods		(1,058,982)	(1,874,650)
Total cost of goods sold excluding royalty		26,433,792	26,645,825
Royalty		662,505	534,917
Total cost of sales		27,096,297	27,180,742

24.1 Manufacturing overhead

	Note	2018 BDT (000)	2017 BDT (000)
Salaries and wages		1,327,696	1,503,306
Depreciation & Impairment	8	1,204,026	1,084,022
Printing and stationary		20,076	25,291
Utilities		392,035	374,178
Repairs and maintenance		431,711	999,089
Security and safety		139,846	161,931
Rent, services and transportation		1,206,499	1,002,371
Insurance		94,150	76,582
Research and development		1,987	4,961
Travelling and training		122,227	99,732
Spares Consumption		88,001	52,657
Other expenses		21,628	70,242
		5,049,882	5,454,362

25 Operating expenses

	2018 BDT (000)	2017 BDT (000)
Salaries and wages	1,045,268	1,007,151
Utilities	41,006	35,440
Rent, services and transportation	598,622	610,052
Repairs and maintenance	181,718	246,334
Depreciation	207,542	181,093
Travelling and training	283,697	254,147
Trade support expenditure	939,550	1,203,608
Printing and stationery	52,051	43,526
Security and safety	82,074	53,345
Social responsibility	100,589	57,974
Legal, secretarial and professional fee	220,055	70,315
Insurance	4,383	11,842
Audit fee	900	900
Information technology	227,149	374,442
Technical and advisory fee	918,754	1,065,213
Market research & operational expenditure	1,435,308	1,390,388
Other expenses	385,023	374,810
	6,723,690	6,980,580

26 Net finance income/(expenses)

See accounting policy in Note 6N.

	2018 BDT (000)	2017 BDT (000)
Interest income	11,841	6,535
Interest expense	(485,758)	(191,826)
	(473,916)	(185,291)

27 Non-operating income/(expenses)

	2018 BDT (000)	2017 BDT (000)
Profit/(loss) on disposal of property, plant and equipment	(40,203)	(25,437)
Other income	25,207	49,906
	(14,996)	24,469

27.1 Non-current assets disposed off during the year

Shareholder's range	Cost	Accumulat- ed depreci- ation	Written down value	Sale proceeds	Profit/ (loss)	Purchaser/ written off
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Furniture and fixtures	(1,365)	1,273	(92)	-	(91)	Written off
IT equipment	(21,897)	21,897	-	674	674	Third party
Leasehold building	(7,124)	2,415	(4,709)	-	(4,709)	Written off
Office equipment	(40,015)	39,937	(78)	44	(34)	Third party
Plant and machinery	(382,227)	250,111	(132,116)	-	(132,116)	Written off
Vehicles	(246,736)	242,690	(4,046)	100,119	96,073	Employees of the Company
2018	(699,363)	558,323	(141,040)	100,836	(40,203)	
2017	(256,791)	191,884	(64,907)	39,470	(25,437)	

All asset disposals were as per Company policy.

28 Income tax expenses

	Notes	2018	2017
		BDT (000)	BDT (000)
Current income tax:			
Current income tax charge	21	8,985,069	8,121,466
Deferred tax:			
Relating to origination and reversal of temporary differences	29	317,221	808,197
Income tax expense reported in the statement of profit or loss		9,302,290	8,929,663

28.1 Reconciliation of effective tax rate

	2018		2017	
	%	BDT (000)	%	BDT (000)
Profit before tax		19,314,324		16,759,519
Current tax expense	46.52%	8,985,069	48.46%	8,121,466
Deferred tax expense	1.64%	317,221	4.82%	808,197
Total tax expense	48.16%	9,302,290	53.28%	8,929,663
Expected income tax using applicable tax rate	47.50%	9,174,304	47.50%	7,960,772
Prior year adjustment	-0.31%	(60,576)	1.90%	319,111
Tax on non deductible expenses	-0.67%	(128,659)	-0.95%	(158,417)
Effective current tax	46.52%	8,985,069	48.46%	8,121,466
Effective deferred tax	1.64%	317,221	4.82%	808,197
	48.16%	9,302,290	53.28%	8,929,663

29 Deferred tax (expense)/income

	Notes	2018	2017
		BDT (000)	BDT (000)
Deferred tax liabilities at the beginning of the year	17	2,835,570	2,027,373
Deferred tax liabilities at the end of the year	17	3,112,979	2,835,570
		(277,409)	(808,197)
Deferred tax attributable to actuarial loss recognised directly in equity		(39,811)	-
Deferred tax (expense)/income recognised directly in profit		(317,221)	(808,197)

30 Other comprehensive income

	2018	2017
	BDT (000)	BDT (000)
Actuarial gain/(loss) on defined benefit plans - Gratuity fund	(83,814)	-
Less: Deferred tax on Actuarial gain/(loss) on defined benefit plans-Gratuity @ 47.5%	(39,811)	-
Net actuarial gain/(loss) on defined benefit plans-Gratuity charged to OCI	(44,002)	-
Actuarial gain/(loss) on defined benefit plans - Pension fund	48,384	-
Net actuarial gain/(loss) on defined benefit plans charged to OCI	4,382	-

31 Earnings per share
31.1 Basic earnings per share

Earnings Per Share (EPS) is calculated in accordance with the International Accounting Standard (IAS) 33: Earnings Per Share. The composition of EPS is given below:

	2018	2017
	BDT (000)	BDT (000)
Total profit attributable to shareholders	10,012,034	7,829,856
Weighted average number of shares outstanding	60,000	60,000
Earning per share	BDT 166.87	BDT 130.50

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. During the year ended 31 December 2018, no ordinary shares were issued or bought back. Therefore, the weighted average number of shares outstanding at 31 December 2018 is the same as at the start of the year i.e. 01 January 2018.

31.2 Diluted earnings per share

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

32 Dividend paid

	Note	2018 BDT (000)	2017 BDT (000)
Opening unclaimed dividend		42,705	40,024
Dividend declared:			
Final dividend for 2017/2016		3,600,000	3,600,000
		3,642,705	3,640,024
Closing unclaimed dividend	32.1	46,389	42,705
Dividend paid		3,596,316	3,597,319

32.1 Ageing analysis of unclaimed dividend

Shareholder's range	Prior to 2016 BDT (000)	2016 BDT (000)	2017 BDT (000)	2018 BDT (000)	Total BDT (000)
Unclaimed dividend at 01 January 2018	36,096	2,898	3,711	-	42,705
Unclaimed dividend at 31 December 2018	36,036	2,628	3,599	4,126	46,389

33 Remittances of foreign currency

	2018 USD (000)	2017 USD (000)
Royalty	4,853	-
Technical and advisory fee	-	9,969
Dividend	27,532	28,896
	32,385	38,865

	2018 GBP (000)	2017 GBP (000)
Technical and advisory fee	6,961	-
	6,961	-

Royalty comprises amounts incurred for Benson & Hedges and Pall Mall for the year 2015.

Technical and advisory fee comprises amounts incurred for the year 2016. All these fees are remitted after obtaining approval from Bangladesh Investment Development Authority (BIDA). All of the above remittances are made after deduction of withholding tax as per law.

34 Value of imports on Cost, Insurance and Freight (CIF) basis

	2018 BDT (000)	2017 BDT (000)
Raw and packing materials	1,889,898	2,497,628
Spares and others	964,373	1,265,049
Capital goods	2,512,401	1,901,734
	5,366,672	5,664,411

35 Value of leaf export earnings received in USD '000

	2018	2017
Value of leaf export earnings received in USD '000	29,166	26,580

36 Capacity

The Company works on continuous operation basis and given the current installed machine configurations and planned expansions, there is sufficient capacity to meet forecast future demand in a variety of specification (e.g. Filter) and packaging (e.g. Hinge Lid, Shell and Slide) configurations. The Directors regularly review the production capability of the Company and are satisfied that the current and future capacities are adequate. Plans are in place to meet any anticipated future demand.

	2018	2017
Actual production of cigarettes (in million sticks)	49,326	53,734

37 Segment Reporting

The Company is domiciled in Bangladesh. The gross revenue from cigarettes is BDT 230,674 million (2017: BDT 201,916 million). The Company does not have any non current assets that are located outside Bangladesh.

Gross cigarette revenue arising from transactions with a single external customer represented BDT 41,385 million (2017: BDT 32,053 million) of the Company's total revenue.

The Company is a single product business primarily engaged in the manufacturing and sale of cigarettes in Bangladesh and this forms the focus of the Company's internal reporting system. While the Company has clearly differentiated brands, segmentation within a wide portfolio of brands is not part of the regular internally reported financial information to the chief operating decision maker. Therefore, it is not possible to segment the Company's results by brand without a high degree of estimation.

Apart from cigarette manufacturing, the Company exports leaf outside Bangladesh, which contributes less than 10% of gross and net turnover. The break up of cigarette and export sales have been provided in **Note 23**.

38 Consumption of imported and local raw materials

	2018		2017	
	Wrapping material BDT (000)	Leaf BDT (000)	Wrapping material BDT (000)	Leaf BDT (000)
Imported:				
Opening	1,092,117	269,040	941,320	266,168
Purchases	5,871,309	1,863,060	5,126,700	1,244,231
Consumption	(4,559,464)	(1,407,688)	(4,975,903)	(1,241,359)
Closing (a)	2,403,961	724,412	1,092,117	269,040
Domestic:				
Opening	46,526	6,840,899	54,819	5,026,577
Purchases	5,062,099	12,854,553	5,110,281	11,970,942
Consumption	(5,018,043)	(7,816,253)	(5,118,573)	(8,456,753)
Export	-	(1,745,827)	-	(1,699,866)
Closing (b)	90,582	10,133,373	46,526	6,840,899
Closing stock (a+b)	2,494,543	10,857,785	1,138,643	7,109,940

39 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

31 December 2018	Notes	Carrying amount								Fair value			
		Held-for-trading	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and Receivables	Available for sale	Other financial liabilities	Total amount	Level 1	Level 2	Level 3	Total
		BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Financial assets measured at fair value													
Trade and other receivables	10	-	-	355,265	-	3,818,859.90	-	-	4,174,125	-	-	-	4,174,124.65
Deposits	11	-	-	-	-	-	-	-	-	-	-	-	-
Cash at bank	12	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	355,265	-	3,818,859.90	-	-	4,174,125	-	-	-	4,174,124.65
Financial assets not measured at fair value													
Deposits	11	-	-	-	-	12,636	-	-	12,636	-	-	-	12,636
Cash at bank	12	-	-	-	-	1,632,795	-	-	1,632,795	-	-	-	1,632,795
		-	-	-	-	1,645,430	-	-	1,645,430	-	-	-	1,645,430
Financial liabilities not measured at fair value													
Bank overdrafts	18	-	-	-	-	-	-	799,880	799,880	-	-	-	799,880
Short term bank loans	19	-	-	-	-	-	-	4,380,000	4,380,000	-	-	-	4,380,000
Trade and other payables	20	-	-	-	-	-	-	10,518,444	10,518,444	-	-	-	10,518,444
		-	-	-	-	-	-	15,698,324	15,698,324	-	-	-	15,698,324

31 December 2017	Notes	Carrying amount								Fair value			
		Held-for-trading	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and Receivables	Available for sale	Other financial liabilities	Total amount	Level 1	Level 2	Level 3	Total
		BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Financial assets not measured at fair value													
Trade and other receivables	10	-	-	-	-	2,315,457	-	-	2,315,457	-	-	-	-
Deposits	11	-	-	-	-	14,636	-	-	14,636	-	-	-	-
Cash at bank	12	-	-	-	-	977,344	-	-	977,344	-	-	-	-
		-	-	-	-	3,307,437	-	-	3,307,437	-	-	-	-
Financial liabilities not measured at fair value													
Bank overdrafts	18	-	-	-	-	-	-	3,057,910	3,057,910	-	-	-	-
Short term bank loans	19	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	20	-	-	-	-	-	-	10,101,621	10,101,621	-	-	-	-
		-	-	-	-	-	-	13,159,531	13,159,531	-	-	-	-

B. Financial risk management

The Company has exposures to the following risks from its use of financial instruments:

- I) Credit risk
- II) Liquidity risk
- III) Market risk

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

i) Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and other parties.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. The Company's exposure to credit risk on receivables is mainly influenced by customers.

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

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The letters of credit are considered as integral part of trade receivables and considered in the calculation of impairment.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

31 December 2018	Trade receivables					
	Days past due					
	Current	<30 days	30-90 days	90- 180 days	181 days to 365 days	>365 days
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Expected credit loss rate	0.05%	0.06%	0.07%	0.08%	0.09%	10%
Estimated total gross carrying amount at default	229,707	3,428,649	-	-	-	-
Expected credit loss	115	2,057	-	-	-	-

31 December 2017	Trade receivables					
	Days past due					
	Current	<30 days	30-90 days	90- 180 days	181 days to 365 days	>365 days
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Expected credit loss rate	0.05%	0.06%	0.07%	0.08%	0.09%	10%
Estimated total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

a) Exposure to credit risk

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

	Notes	2018	2017
		BDT (000)	BDT (000)
Advances, deposits and prepayments	11	12,636	14,636
Cash at bank	12	1,632,795	977,344
		1,645,430	991,980

b) Ageing of trade and other receivables

At 31 December, the ageing of trade and other receivables that were not impaired were as follows:

	2018	2017
	BDT (000)	BDT (000)
Past due 30 days	3,812,410	2,303,940
Past due 31-90 days	355,111	752
Past due 91-180 days	-	-
Past due over 180 days	8,775	10,765
	4,176,297	2,315,457

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Company has short term credit facilities with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

The following are the contractual maturities of financial liabilities:

31 December 2018	Note	Contractual cash flows						
		Carrying amount	Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
		BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Trade and other payables	20	10,518,444	10,520,617	7,942,115	917,621	1,644,121	16,760	-
		10,518,444	10,520,617	7,942,115	917,621	1,644,121	16,760	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

31 December 2017	Note	Contractual cash flows						
		Carrying amount	Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
		BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Trade and other payables	20	10,101,621	10,101,621	6,072,502	2,090,418	1,938,041	660	-
		10,101,621	10,101,621	6,072,502	2,090,418	1,938,041	660	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

III) Market risk

Market risk is the risk that any changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

a) Currency risk/foreign exchange rate risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United State Dollar (USD), Euro (EUR) and British Pound (GBP). Foreign exchange risk arises from future commercial transactions of recognized assets and liabilities. Management complies with the treasury policy to manage foreign exchange risk against their functional currency.

i) Exposure to currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

31 December 2018	USD 000	GBP 000	EUR 000
Foreign currency denominated assets			
Cash at bank	13,611	-	-
Trade receivables	-	-	-
Intercompany receivables	-	-	-
	13,611	-	-
Foreign currency denominated liabilities			
Trade payables	12,632	1,137	25
Intercompany payables	8,839	21,644	156
	21,471	22,781	181
Net exposure	(7,860)	(22,781)	(181)

31 December 2017	USD 000	GBP 000	EUR 000
Foreign currency denominated assets			
Cash at bank	10,776	-	-
Trade receivables	-	-	-
Intercompany receivable	-	-	-
	10,776	-	-
Foreign currency denominated liabilities			
Trade payables	28	14	24
Intercompany payables	8,683	22,945	15
	8,711	22,959	39
Net exposure	2,065	(22,959)	(39)

The following significant exchange rates have been applied against BDT:

	Average rate		Year-end spot rate	
	2018	2017	2018	2017
USD 1	83.70	81.29	83.95	83.18
GBP 1	113.75	104.80	108.05	112.51
EUR 1	101.23	91.88	97.92	99.88

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Taka, as indicated below, against the USD, EUR and GBP at reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecasted sales and purchases.

2018	Strengthening profit or (loss)	Weakening profit or (loss)
USD (5 percent movement)	32,993	(32,993)
GBP (5 percent movement)	123,074	(123,074)
EUR (5 percent movement)	885	(885)
	156,952	(156,952)
2017	Strengthening profit or (loss)	Weakening profit or (loss)
USD (5 percent movement)	(8,588)	8,588
GBP (5 percent movement)	129,162	(129,162)
EUR (5 percent movement)	195	(195)
	120,769	(120,769)

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. At present the Company has no borrowings which is subject to interest rate risk.

40 Related party disclosures
i) Transactions with key management personnel

Key management personnel compensation comprised the following:

	2018	2017
	BDT (000)	BDT (000)
Meeting attendance fee	77	79
Meeting expense	4,514	4,516
Remuneration	98,834	67,749
Retirement benefit scheme	9,159	7,929
Medical and welfare	171	241
Housing	16,550	15,300
	129,304	95,814

ii) Other related party transactions

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: Related party disclosures.

Income	Relationship	Transaction values for the year ended 31 December		Transaction values for the year ended 31 December	
		2018	2017	2018	2017
		BDT (000)	BDT (000)	BDT (000)	BDT (000)
a. Leaf export					
BAT (GLP) Limited	BAT Group company	785,364	900,230	849	-
PTCL	BAT Group company	525,339	482,639	25,555	55,218
		1,310,703	1,382,869	26,405	55,218
b. Other fee					
Other fee received/to be received from:					
BAT Holdings Limited	Holding company	1,105	2,365	1,105	-
BAT AsPac Service Centre Sdn Bhd	BAT Group company	-	3,708	-	-
BASS GSD limited	BAT Group company	4,557	-	4,557	-
BAT INVESTMENTS LTD	Holding company	60,514	-	60,514	-
British American Tobacco Asia-	BAT Group company	14,458	-	4,839	-
		80,634	6,073	71,014	-
Total related party income and balance receivables		1,391,337	1,388,942	97,419	55,218

Expenses	Relationship	Transaction values for the year ended 31 December		Transaction values for the year ended 31 December	
		2018	2017	2018	2017
		BDT (000)	BDT (000)	BDT (000)	BDT (000)
c. Procurement of services					
Procurement of information technology, product and other services:					
BASS GSD limited	BAT Group company	202,865	458,306	(549,872)	(510,877)
BAT Holdings Limited	Holding company	-	-	(4,105)	(4,058)
BAT Asia-Pacific Region Limited	BAT Group company	32,562	18,075	(79,542)	(46,980)
BAT AsPac Service Centre Sdn Bhd	BAT Group company	42,653	151,333	(588,362)	(545,709)
BAT PT Export Leaf Indonesia, Malang	BAT Group company	10,671	1,620	(11,775)	(1,104)
BAT GSD (KL) Sdn Bhd	BAT Group company	-	1,704	(1,704)	(1,704)
		288,751	631,038	(1,235,361)	(1,110,432)
d. Purchase of leaf & goods					
Purchase of leaf and wrapping materials from:					
BAT Singapore (Private) limited	BAT Group company	138,009	873,351	(6,081)	(8,821)
BAT (GLP) Limited*	BAT Group company	698,301	483,223	(16,542)	100,672
PTCL	BAT Group company	228	-	2,847	-
Souza Cruz Ltda.	BAT Group company	36,522	-	-	-
British American Tobacco Western Europe	BAT Group company	31,749	-	(10,496)	-
BAT KOREA MANUFACTURING LTD	BAT Group company	21,472	-	758	-
		926,281	1,356,574	(29,515)	91,851
e. Royalty					
Royalty paid/payable to:					
BAT Holdings Limited**	Holding company	662,505	534,917	(1,641,880)	(1,436,783)
		662,505	534,917	(1,641,880)	(1,436,783)
f. Technical and advisory fee					
Payment of fees for technical and advisory support services to:					
BAT Investments Ltd**	BAT Group company	918,754	1,063,891	(1,815,761)	(1,900,165)
		918,754	1,063,891	(1,815,761)	(1,900,165)

Expenses	Relationship	Transaction values for the year ended 31 December		Transaction values for the year ended 31 December	
		2018	2017	2018	2017
		BDT (000)	BDT (000)	BDT (000)	BDT (000)
g. Purchase of equipment					
Purchase of equipment from:					
PTCL	BAT Group company	-	309,560	-	-
Tobacco Importers & Manufacturers Sdn. Bhd, Malaysia	BAT Group company	7,314	92,105	5,928	21,453
BAT Germany GMBH	BAT Group company	1,007	1,006	(2,013)	(1,006)
British-American Tobacco Polska S.A	BAT Group company	-	440	(440)	(440)
British American Tobacco ME DMCC	BAT Group company	96,560	-	-	-
BRITISH AMERICAN TOBACCO CHILE	BAT Group company	69	-	(69)	-
PT Bentoel Internasional Investama,	BAT Group company	341,547	-	13,798	-
British American Tobacco Kenya Ltd	BAT Group company	902	-	-	-
BAT Nigeria Ltd	BAT Group company	113	-	(113)	-
BAT Romania Investment	BAT Group company	1,093	-	(1,093)	-
JSC BAT-Spb	BAT Group company	128,162	-	-	-
British American Tobacco Tutun	BAT Group company	2,368	-	(986)	-
		579,136	403,111	15,012	20,007
Total related party expenses and outstanding balances		3,375,426	3,989,531	(4,707,504)	(4,335,522)

*Advance paid

**Closing balance consists of royalty of 2016, 2017 and 2018 and technical & advisory fee of 2017 and 2018.

41 Commitments

41.1 Capital expenditure

	2018	2017
	BDT (000)	BDT (000)
Authorised but not provided for	3,487,574	5,038,983

42 Contingencies

Contingent liabilities of the Company that relate to issue of letter of credit and bank guarantee to third parties as listed below:

Letter of credit	2018	2017
	BDT (000)	BDT (000)
Citibank, N.A.	453,263	396,141
Commercial Bank of Ceylon PLC	173,618	158,811
The Hong Kong and Shanghai Banking Corporation Limited	4,536	402,875
Standard Chartered Bank	1,564,767	694,106
	2,196,184	1,651,933

Bank Guarantee	2018	2017
	BDT (000)	BDT (000)
Standard Chartered Bank	41,045	41,045
Commercial Bank of Ceylon PLC	21,061	-
	62,106	41,045

42.1 Litigation

The Company has various claims and legal actions arising in the ordinary course of business. In particular, in November 2013, the Company received a retrospective notice of imposition and realisation of VAT and Supplementary Duty on low price category brands (Pilot & Bristol) from the National Board of Revenue (NBR) alleging to have evaded tax by selling in the low price segments rather than the mid-tier segments. The claim was for approximately BDT 17,806 million against which the Company appealed and subsequently the Appellate Division of the Supreme Court has accepted the Company's appeals by judgement and order dated 25 July 2018. The Company is awaiting the certified copy of the judgement.

43 Other disclosures

43.1 Number of employees

The number of regular permanent employees receiving remuneration of Tk. 36,000 or above per annum at reporting date was as follows:

	31 December 2018	31 December 2017
Number of employees	1,453	1,459

In addition, there was a varying number of seasonal and temporary workers working throughout the year, as required.

43.2 Comparatives and rearrangement

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

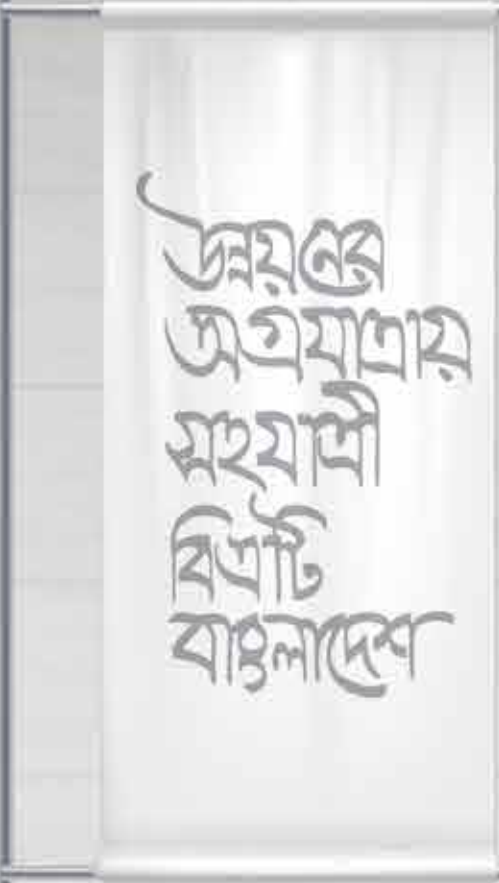
To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged and reclassified whenever considered necessary to conform to current year's presentation.

44 Events after the reporting period

The Board of Directors of the Company recommended 200% stock dividend and 500% (BDT 50 per share) cash dividend amounting to BDT 3000 million for 2018 at the board meeting held on 11 March 2019. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company. The financial statements for the year ended 31 December 2018 do not include the effect of the cash dividend which will be accounted for in the period when shareholders' right to receive payment is established.

There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

বার্ষিক প্রতিবেদন ২০১৮



স্বাধীন নিরীক্ষকের প্রতিবেদন

ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেডের শেয়ারহোল্ডারদের জন্য

আর্থিক বিবরণীসমূহের নিরীক্ষার উপর প্রতিবেদন

মতামত

আমরা ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ (কোম্পানি) লিমিটেডের কোম্পানি ২০১৮ সালের ৩১ ডিসেম্বর তারিখে সমাণ্ড বছরের আর্থিক অবস্থার বিবরণী নিরীক্ষা করেছি, যাতে রয়েছে আর্থিক অবস্থার বিবরণী, লাভ অথবা ক্ষতি এবং অন্যান্য সমন্বিত আয়, মালিকানার পরিবর্তন বিবরণী, নগদ প্রবাহ বিবরণী, আর্থিক বিবরণীর টাকা এবং গুরুত্বপূর্ণ হিসাবরক্ষণ নীতিমালা এবং অন্যান্য ব্যাখ্যানির্ভর তথ্যাবলীর সারাংশ ।

আমাদের মতে, ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডসের (আইএফআরএস) সঙ্গে সাযুজ্য রেখে ২০১৮ সালের ৩১ ডিসেম্বর তারিখে সমাণ্ড বছরের কোম্পানির আর্থিক অবস্থা, সমাণ্ড বছরে এর আর্থিক কার্যক্রম এবং নগদ প্রবাহের একটি সঠিক ও সুস্পষ্ট চিত্র তুলে ধরা হয়েছে এ আর্থিক বিবরণীতে ।

মতামতের ভিত্তি

আমরা ইন্টারন্যাশনাল স্ট্যান্ডার্ড ফর অডিটিং (আইএএস) অনুসারে এ নিরীক্ষা কার্যক্রম পরিচালনা করেছি । এসব মানদন্ডের অধীনে আমাদের দায়িত্বসমূহ আমাদের প্রতিবেদনের আর্থিক বিবরণী অধ্যায়ে নিরীক্ষায় নিরীক্ষকের দায়িত্বসমূহতে তুলে ধরা হয়েছে । ইন্টারন্যাশনাল এথিকস স্ট্যান্ডার্ডস বোর্ড ফর অ্যাকাউন্ট্যান্টস কোড অব এথিকস ফর প্রফেশনাল অ্যাকাউন্ট্যান্টস (আইইএসবিএ কোড) এবং বাংলাদেশে আর্থিক পরীক্ষণের ক্ষেত্রে আমাদের নীতিগত দায়বদ্ধতা অনুসারে কোম্পানি খেঁচে স্বতন্ত্র, এবং আইইএসবিএ কোড ও এসব প্রয়োজনীয়তার সঙ্গে সাযুজ্য রেখে আমরা আমাদের দায়িত্ব সমাধা করেছি । আমরা বিশ্বাস করি, নিরীক্ষায় যেসব প্রমাণাদি আমরা পেয়েছি তা আমাদের এ অভিমতের ভিত্তি গঠনের জন্য যথেষ্ট ও যথার্থ ।

দৃষ্টি আকর্ষণ

আমরা আর্থিক বিবরণীর টাকা ৪২.১ এর প্রতি দৃষ্টি আকর্ষণ করছি যেখানে কোম্পানির পাইলট ও ট্রিস্টল ব্র্যান্ডের ওপর জাতীয় রাজস্ব বোর্ডের ১৭,৮০৬ মিলিয়ন টাকার ড্যাট ও সম্পূরক শুন্ধের বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের ব্যাখ্যা তুলে ধরা হয়েছে ।

মুখ্য নিরীক্ষাকৃত বিষয়াবলী

প্রধান নিরীক্ষাকৃত বিষয়াবলী হচ্ছে সেগুলি, আমাদের বিবেচনায় যেগুলি ছিল ২০১৮ সালের আর্থিক বিবরণীর নিরীক্ষা কার্যক্রমে সর্বাধিক গুরুত্বপূর্ণ । এগুলি আর্থিক বিবরণী নিরীক্ষার সামগ্রিক শ্রেক্ষাপটে ব্যাখ্যা করা হয়েছে, এর ভিত্তিতে তৈরি হয়েছে নিরীক্ষকের সামগ্রিক অভিমত তবে এসব কোন বিষয়ে বিষয় ভিত্তিক পৃথক অভিমত প্রদান করা হয়নি । নিচের প্রতিটি বিষয়ের ক্ষেত্রে আমাদের নিরীক্ষায় কীভাবে বিষয়টি বিশ্লেষণ করা হচ্ছে সেটি ওই শ্রেক্ষাপটেই ব্যাখ্যা করা হয়েছে ।

আমরা আমাদের প্রতিবেদনের আর্থিক বিবরণী নিরীক্ষা অধ্যয়ের বর্ণিত নিরক্ষকের দায়িত্ব সমূহ প্রতিপালণ করেছি, যাতে সংশ্লিষ্ট বিষয় সমূহ অন্তভুক্ত ছিল । আমরা আমাদের নিরীক্ষা কার্যপ্রণালী এমভাবে পরিকল্পনা ও সম্পাদন করেছি যাতে আর্থিক বিবরণী সমূহে বহুগত ভুল তথ্য প্রদানের প্রশ্লেে আমাদের বুদ্ধি যথাযথভাবে মূল্যায়ন করতে পারি । নিম্নোক্ত বিষয়বলি সংশ্লিষ্ট নিরীক্ষা কার্যবিধি ও তার ফলাফল আর্থিক বিবরণীর বিষয়ে আমাদের অভিমত তৈরি ভিত্তি প্রদান করে ।

আয়ের স্বীকৃতি ও প্রকাশের উপর আইএফআরএস ১৫-এর প্রারম্ভিক প্রয়োগের প্রভাব

কোম্পানির আর্থিক বিবরণীতে ৫৪.৬ বিলিয়ন টাকা আয় প্রকাশিত হয়েছে । আয়ের স্বীকৃতি একটি মুখ্য নিরীক্ষিত বিষয়, কারণ এটির সঙ্গে বিভিন্ন অন্তর্নিহীত বুদ্ধি সম্পর্কিত, যেমন গ্রাহকের সঙ্গে চুক্তিতে পরিবর্তনশীল শর্তাবলী চিহ্নিতকরণ, নথিভুক্তকরণ এবং যথাযথ হিসাবরক্ষণসহ পরিবর্তনশীল তালিকা মূল্য এবং এ কারণে সংশ্লিষ্ট পরোক্ষ করেের প্রভাব । এ শ্রেক্ষাপটে, হিসাবরক্ষণ মানদন্ডের যথাযথ প্রয়োগ জটিল প্রকৃতির এবং একটি নির্দিষ্ট মাত্রা পর্যন্ত ব্যবস্থাপনা কর্তৃপক্ষের অনুমান ও মূল্যায়নের ওপর নির্ভরশীল ।

আয়ের স্বীকৃতিতে নতুন মানদন্ড হিসেবে ‘ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ড ১৫- রোভিনিউ ফ্রম কন্ট্র্যাক্টস উইথ কাস্টমারস’ (আইএফআরএস ১৫) প্রয়োগ ২০১৮ আর্থিক বছরের ওপর গুরুত্বপূর্ণ প্রভাব রাখবে, যা ২০১৮ সালের আর্থিক বিবরণীর টাকা ৬ (এ৪) তে তুলে ধরা হয়েছে । সকল সময়ের আয়ের বিবরণীর সঙ্গে সঙ্গতি বিধানের লক্ষ্যে আইএফআরএস ১৫-এর প্রারম্ভিক প্রয়োগে কোম্পানির নীতি অনুযায়ী দেশের মধ্যে বিক্রির ক্ষেত্রে সম্পূর্ণ রেট্রোসপেক্টিভ ভিত্তিতে করা হয়েছে, যেখানে পূর্ববর্তী বছরের পুনর্বিন্যাস প্রয়োজন হয় যা টাকা ৬ (৬) তে বলা আছে । উপরন্তু প্রারম্ভিক প্রয়োগের জন্য বাস্তব সম্মত প্রক্রিয়া ব্যবহার করেছে কোম্পানি এবং চুক্তিসমূহ অভিন্ন বার্ষিক প্রতিবেদন মেয়াদের মধ্যে শুরু এবং শেষ হওয়ায় তুলনামূলক আর্থিক বিবরণী পুনর্বিন্যাস করেনি ।

মুখ্য নিরীক্ষা বিষয়াবলী উপস্থাপিত হয়েছে যেভাবে

- আমরা বিক্রয়লব্ধ আয়ের ক্ষেত্রে আইএফআরএস ১৫ অনুসারে আয়ের স্বীকৃতিতে হিসাবরক্ষণ নীতির উপযোগিতা মূল্যায়ন করেছি ।

- আয়চক্রের পর্যাণ্ডতা এবং কাঠামো পর্যালোচনা করেছি এবং এর পর্যায়ক্রমে বিশ্লেষণ করেছি ।

- আর্থিক প্রতিবেদনের সঙ্গে সংশ্লিষ্ট অভ্যন্তরীণ নিয়ন্ত্রণ পরীক্ষা করেছি এবং বিক্রয়চক্রির শর্তাবলীর যথাযথ সম্পাদন সাপেক্ষে নথিভুক্ত নথিভুক্ত বিক্রয়ের অস্তিত্ব এবং যথার্থতা মূল্যায়ন করেছি ।

- এছাড়াও, অন্যান্য সুক্ষ্ম পর্যালোচনা করে সারা বছরের আয়ের কাঠামোর ধারাবাহিকতা বোঝার জন্য বস্তু নিষ্ঠ বিশ্লেষণ করেছি, যথাযথ হিসাবরক্ষণ নীতি অনুসারে আয়ের স্বীকৃতি নিশ্চিত করতে বছরশেষে লেনদেনের ওপর একটি বিস্তারিত পরীক্ষা চালিয়েছি । অস্বাভাবিক এবং অনিয়মিত লেনদেনের অনুসন্ধান করতে জার্নাল এনট্রিগুলো পরীক্ষা করেছি ।

প্রথম বর্ষ নিরীক্ষা

- ২০১৮ সালের ৩১ ডিসেম্বর তারিখে সমাণ্ড অর্থবছর আমাদের নীরিক্ষাধীন প্রথম বছর ।

- কোম্পানির কার্যক্রমের আকার ও আওতা বিবেচনা রেখে, এক্ষেত্রে গুরুত্বপূর্ণ ছিল কোম্পানির সাংগঠিক কাঠামোর জটিলতা এবং কোম্পানির অভ্যন্তরীণ প্রক্রিয়াগুলোর ওপর এর প্রভাবের বিষয়টি উপলব্ধি করা ।

- নিরীক্ষা চলাকালীন আমরা অতিরিক্ত কয়েকটি কার্যক্রম পরিচালনা করেছি যে বিষয়গুলো সম্পর্কে জ্ঞান ও ধারণা অর্জনের জন্য, তা হচ্ছে: ১. কোম্পানির ব্যবসায়িক পরিচিতি ও সংশ্লিষ্ট প্রক্রিয়াবলী ২. ব্যবসাসংশ্লিষ্ট সুনির্দিষ্ট বুদ্ধি ৩. কোম্পানির প্রয়োগকৃত নিয়ন্ত্রণ পদ্ধতিসমূহ এবং আর্থিক বিবরণীতে প্রভাব বিস্তারকারী আত্মীকৃত নীতিমালা ।

- এসব প্রক্রিয়া আমাদের অন্তর্নিহিত নিরীক্ষা বুদ্ধি ও নিয়ন্ত্রণ বুদ্ধিসহ নিরীক্ষার বুদ্ধি মূল্যায়ন, বস্তুগত অপব্যাখ্যার বুদ্ধি চিহ্নিতকরণের বিষয়গুলো অনুধাবন এবং গুরুত্বের মাত্রা ও নিরীক্ষা প্রক্রিয়ার ক্ষেত্রসমূহ নির্ধারণের ক্ষেত্রে সাহায্য করেছে ।

- এছাড়া, আমাদের প্রথম বর্ষ নিরীক্ষার অংশ হিসেবে, আমাদের বাড়তি প্রক্রিয়াসমূহের উদ্দেশ্য ছিল এটা নিশ্চিত করা যে, ওপেনিং ব্যালেন্সে কোনো বিকৃতি নেই যা চলতি মেয়াদের আর্থিক বিবরণীতে কার্যকর প্রভাব ফেলবে এবং ওপেনিং ব্যালেন্সে প্রয়োগকৃত হিসাবরক্ষণনীতি চলতি মেয়াদের আর্থিক বিবরণী প্রস্তুতের ক্ষেত্রে অব্যাহত প্রয়োগ হয়েছে, এবং সূচিত পরিবর্তনসমূহ যথাযথ হিসাবভুক্ত হয়েছে এবং প্রযোজ্য আর্থিক প্রতিবেদন উপস্থাপিত হয়েছে ।

যেভাবে মুখ্য নিরীক্ষা বিষয় উপস্থাপিত হয়েছে

- কোম্পানির আর্থিক প্রতিবেদন সংশ্লিষ্ট দায়িত্বপ্রাপ্ত ব্যক্তিবর্গের সঙ্গে আলোচনা;

- কোম্পানির নিয়ন্ত্রণ পরিবেশ সম্পর্কে ধারণা অর্জন এবং পৃথক প্রক্রিয়ার আওতায় নির্বাচিত নিয়ন্ত্রণের পরীক্ষা;

- কোম্পানির হিসাবরক্ষণ নীতি এবং পেশাদারী বিবেচনা ও অনুমানের ওপর ভিত্তি করে আর্থিক বিবরণীতে অন্তর্ভুক্ত গুরুত্বপূর্ণ মূল্যায়ন বিষয়ে ধারণা অর্জন;

- ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ড অ্যান্ড অ্যাকাউন্টিং পলিসি অনুসারে আর্থিক বিবরণীতে তথ্য প্রকাশের পর্যাণ্ডতা মূল্যায়ন ।

আমাদের কর্মকান্ডের ফলাফল এবং এর ওপর ভিত্তি করে পুনর্বিবেচিত নিরীক্ষা কৌশল কোম্পানির ব্যবস্থাপনা পর্ষদ এবং নিরীক্ষা কমিটির সামনে তুলে ধরা হয়েছে ।

কর সংশ্লিষ্ট পরিস্থিতি

স্বাভাবিক কার্যবিধির আওতায় পরোক্ষ কর এবং লেনদেন সংক্রান্ত কর বিষয়াবলী যার দরুণ সম্ভাব্য অতিরিক্ত চার্জের পাশাপাশি কোম্পানির কর পরিশোধের প্রয়োজন হতে পারে, এমন বেশ কয়েকটি বিষয় স্থানীয় কর কর্তৃপক্ষের নির্দিষ্ট মেয়াদে পর্যালোচনার আওতাধীন । এক বা একাধিক প্রতিকূল ফলাফলের অনিশ্চয়তা ও বুদ্ধি মূল্যায়ন ব্যবস্থাপনা কর্তৃপক্ষের বিবেচনার সঙ্গে সংশ্লিষ্ট ।

আর্থিক পরিমাণের কারণে এবং সম্ভাব্য প্রতিক্রিয়ার অনুমান ও এসব বিষয়ের চূড়ান্ত ফলাফলের কারণে এটি একটি মুখ্য নিরীক্ষা বিষয় ।

কোম্পানি সম্ভাব্য কর দায়সহ অনিশ্চিত দায়সমূহ নথিভুক্ত করে, যখন একটি সম্ভাব্য দায়ের পরিমাণ নির্ভরযোগ্যভাবে অনুমিত হয় ।

মুখ্য নিরীক্ষা বিষয় উপস্থাপিত হয়েছে যেভাবে

আমরা হিসাবরক্ষণ এবং কর ইস্যুর জটিলতা, অভ্যন্তরীণ নিয়ন্ত্রণ বিবেচনায় নিয়েছি এবং কর বিষয়ে কোম্পানির হিসাবরক্ষণ বিষয়ে এবং গুরুত্বপূর্ণ আয় কর হিসাবরক্ষণে এবং সংশ্লিষ্ট আর্থিক প্রতিবেদন প্রকাশের ক্ষেত্রে কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণের কার্যকারিতা মূল্যায়নে কোম্পানির অনুসৃত প্রক্রিয়া বিষয়ে ধারণা অর্জন করেছি ।

আমাদের প্রণালীতে অন্তর্ভুক্ত বিষয়ের মধ্যে রয়েছে

- কর সংক্রান্ত বিষয়, করের আওতা এবং কর যোগাযোগ বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের সঙ্গে আলোচনা;

- কর হিসাব এবং আর্থিক প্রতিবেদন প্রকাশের ওপর সংশ্লিষ্ট নিয়ন্ত্রণসমূহের চিহ্নিতকরণ ও পরীক্ষণ;

- কোম্পানির বিভিন্ন বিষয়ের ওপর কর পরামর্শক ও বাইরের উপদেষ্টার কাছ থেকে সরাসরি প্রাণ্ড লিখিত পত্রের বিশ্লেষণ;

- ভাউচিং, সমন্বয় এবং লেনদেনের যথাযথ প্রমাণাদি সাপেক্ষে বস্তুনিষ্ঠ হিসাব প্রক্রিয়া অনুসরণ ।

- লেনদেনের কর-পূর্ব ফলাফল হিসাবের বিশ্লেষণ এবং সুনির্দিষ্ট লেনদেনে কর নির্ধারণ বিধিমালা প্রয়োগ ।

অন্যান্য বিষয়াবলী

২০১৭ সালের ৩১ ডিসেম্বর শেষ হওয়া বছরে ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেডের আর্থিক বিবরণী অন্য এক নিরীক্ষক নিরীক্ষা করেছেন যিনি ২০১৮ সালের ৫ মার্চ এ প্রতিবেদনের উপর আপত্তিবিহীন অভিমত প্রদান করেছেন ।

কোম্পানির ২০১৮ বার্ষিক প্রতিবেদনে অন্তর্ভুক্ত অন্যান্য তথ্যাবলী

অন্যান্য তথ্যাবলী বলতে বোঝায়, কোম্পানির ২০১৮ সালের আর্থিক প্রতিবেদনে আর্থিক বিবরণী এবং আমাদের নিরীক্ষকের প্রতিবেদনের পাশাপাশি প্রদত্ত অন্যান্য তথ্যসমূহ । আমাদের নিরীক্ষা প্রতিবেদনের তারিখের পূর্বেই আমরা হাতে পেয়েছি পরিচালকের প্রতিবেদন এবং কর্পোরেট গভর্নেন্স রিপোর্ট; এবং নিরীক্ষা প্রতিবেদনের পর বার্ষিক প্রতিবেদনের অবশিষ্ট প্রতিবেদনসমূহ পাওয়ার আশা করছি । অন্যান্য তথ্যাবলী প্রদান করার দায়িত্ব ব্যবস্থাপনা কর্তৃপক্ষের ।

আর্থিক বিবরণী বিষয়ে আমাদের অভিমত অন্যান্য তথ্যাবলীকে অন্তর্ভুক্ত করে না এবং সেক্ষেত্রে এসব বিষয়ে আমরা কোনো প্রকার উপসংহারমূলক বিবৃতি প্রকাশ করব না ।

আর্থিক বিবরণী বিষয়ে আমাদের নিরীক্ষা অনুযায়ী, আমাদের দায়িত্ব অন্যান্য তথ্যাবলী পাঠ করা এবং এক্ষেত্রে বিবেচনা করা যে অন্যান্য তথ্যাবলী বাস্তবিকই আর্থিক বিবরণীর সঙ্গে, কিংবা এর কাঠামো আমাদের অর্জিত ধারণার সঙ্গে সাযুজ্যপূর্ণ কিনা কিংবা বাস্তবিকই ভুলভাবে উপস্থাপিত কিনা । যদি নিরীক্ষা প্রতিবেদনের পূর্বে পাওয়া অন্যান্য তথ্যাবলী বিষয়ে আমাদের কার্যক্রমের ভিত্তিতে আমাদের প্রতীয়মান হয় যে, বাস্তবিকই এসব তথ্যের ভুল উপস্থাপনা রয়েছে, আমাদের দায়িত্ব বিষয়টি অবহিত করা । তবে এক্ষেত্রে অবহিত করার মতো কোনো বিষয় নেই আমাদের ।

আর্থিক বিবরণীসমূহের জন্য ব্যবস্থাপনা কর্তৃপক্ষ ও পরিচালনার ভারপ্রাণ্ডদের দায়িত্বসমূহ

ব্যবস্থাপনা কর্তৃপক্ষের দায়িত্ব হচ্ছে আইএফআরএস সমূহ, কোম্পানি আইন ১৯৯৪, সিকিউরিটিজ অ্যান্ড এক্সচঞ্জ রুলস ১৯৮৭ এবং অন্যান্য প্রযোজ্য আইন ও বিধিমালা অনুসারে এবং প্রবন্ধনা কিংবা ভুলবশত বাস্তবিক ভুল উপস্থাপনামুক্ত আর্থিক বিবরণী প্রস্তুতিতে কোম্পানির নির্দিষ্ট অভ্যন্তরীণ নিয়ন্ত্রণ অনুসারে নির্ভুল ও যথাযথ আর্থিক বিবরণী প্রস্তুত ও তার সূষ্ঠ উপস্থাপন করা ।

আর্থিক বিবরণী প্রস্তুতকালে ব্যবস্থাপনার দায়িত্ব চলমান ব্যবসা প্রতিষ্ঠান হিসাবে অব্যাহত থাকার ক্ষেত্রে কোম্পানির সামর্থ্যের মূল্যায়ন, চলমান ব্যবসার সংশ্লিষ্ট বিষয়াবলী এবং হিসাবরক্ষণে চলমান ব্যবসার ভিত্তি প্রয়োগ, যতক্ষণ পর্যন্ত না ব্যবস্থাপনা কর্তৃপক্ষ কোম্পানিকে অবশায়ন করতে চায়, অথবা কার্যক্রম বন্ধ করতে চায়, কিংবা তা করা ব্যতীত তার ভিন্ন কিছু করার উপায় থাকে না ।

পরিচালনা কার্যক্রমের জন্য ভারপ্রাণ্ডদের দায়িত্ব কোম্পানির আর্থিক প্রতিবেদন প্রক্রিয়ার দেখাশোনা করা ।

আর্থিক বিবরণীসমূহের নিরীক্ষার জন্য নিরীক্ষকের দায়িত্বসমূহ

- আমাদের উদ্দেশ্যসমূহের মধ্যে রয়েছে আর্থিক বিবরণী যে সামগ্রিকভাবে প্রবঞ্চনা কিংবা ভুলবশত বাস্তবিক ভুল উপস্থাপনামুক্ত তার কার্যকর নিশ্চয়তা অর্জন এবং একটি নিরীক্ষা প্রতিবেদন প্রণয়ন যাতে আমাদের অভিমত অন্তর্ভুক্ত। যুক্তিসঙ্গত নিশ্চয়তা একটি উচ্চমাত্রার নিশ্চয়তা, কিন্তু এটি কোনো চূড়ান্ত নিশ্চয়তা নয় যে আইএসএ অনুসারে নিরীক্ষিত একটি প্রতিবেদন সর্বদাই বস্তগত ভুল উপস্থাপনাকে চিহ্নিত করে থাকে। ভুল উপস্থাপনা হতে পারে প্রবঞ্চনা কিংবা ভুলবশত; এবং তা বস্তগত বিবেচিত হয় যদি, পৃথক কিংবা সম্মিলিতভাবে, সেগুলো পর্যালোচনা সাপেক্ষে ব্যবহারকারীর আর্থিক সিদ্ধান্ত প্রভাবিত হয়।
- আইএসএ অনুসারে পরিচালিত নিরীক্ষার অংশ হিসেবে, আমরা পেশাদারী বিবেচনাবোধ অনুশীলন করি এবং সমগ্র নিরীক্ষাপর্বে পেশাদারী সংশয়বাদ বজায় রাখি। এছাড়াও,
- প্রবঞ্চনা কিংবা ভুলবশত আর্থিক বিবরণীর বস্তগত অপব্যখ্যার ঝুঁকি চিহ্নিতকরণ ও মূল্যায়ন করি, এসব ঝুঁকির প্রতি সংবেদনশীল নিরীক্ষা পদ্ধতিসমূহের কাঠামো প্রণয়ন ও কার্যকর করি, এবং আমাদের অভিমত তৈরির ভিত্তি প্রদানে সক্ষম পর্যাণ্ড ও যথাযথ নিরীক্ষা প্রমাণাদি সংগ্রহ করি। ভুলবশত উৎসারিত অপব্যখ্যার চাইতে প্রবঞ্চনাবশত উৎসারিত অপব্যখ্যা চিহ্নিত না করার ঝুঁকি অধিকতর যেহেতু প্রবঞ্চনার সঙ্গে ষড়যন্ত্র, জালিয়াতি, এঁচ্ছিক রেয়াত, ভুল উপস্থাপন কিংবা অভ্যন্তরীণ নিয়ন্ত্রণ উপেক্ষার বিষয়গুলি জড়িত থাকে।
- পরিবেশের সঙ্গে সামঞ্জস্যপূর্ণ নিরীক্ষা প্রক্রিয়া প্রণয়নের লক্ষ্যে নিরীক্ষার সঙ্গে সংশ্লিষ্ট অভ্যন্তরীণ নিয়ন্ত্রণ সম্পর্কে ধারণা অর্জন করি তবে তা কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণের কার্যকারিতা বিষয়ক মতামত প্রকাশের উদ্দেশ্যে নয়।
- প্রয়োগকৃত হিসাবরক্ষণ নীতির উপযোগিতা মূল্যায়ন, ব্যবস্থাপনা কর্তৃপক্ষের হিসাবরক্ষণ অনুমানের যথার্থতা এবং সংশ্লিষ্ট প্রকাশনার উপযোগিতা মূল্যায়ন করি।
- হিসাবরক্ষণে চলমান প্রকল্প ভিত্তিতে ব্যবস্থাপনা কর্তৃপক্ষের উপযোগিতার মূল্যায়ন, এবং অর্জিত নিরীক্ষা প্রমাণাদির ভিত্তিতে কোনো ঘটনা কিংবা পরিস্থিতিসংশ্লিষ্ট বস্তগত অনিশ্চয়তা বিরাজ করছে কিনা যা চলমান প্রকল্প হিসেবে অব্যাহত থাকার ক্ষেত্রে বড় ধরনের সংশয় তৈরি করে কিনা তার মূল্যায়ন করি। আমরা যদি মনে করি, বাস্তবিক কোনো অনিশ্চয়তা বিরাজ করছে সেক্ষেত্রে আমাদের দায়িত্ব, আমাদের অভিমত সংশোধনের ক্ষেত্রে এ ধরনের প্রকাশনা অপরিহার্য হলে, আর্থিক বিবরণীতে আমাদের নিরীক্ষা প্রতিবেদনের সংশ্লিষ্ট প্রকাশনার প্রতি দৃষ্টি আকর্ষণ করা। আমাদের নিরীক্ষা প্রতিবেদনের তারিখ পর্যন্ত পাওয়া নিরীক্ষা প্রমাণাদির ভিত্তিতে প্রণীত আমাদের উপসংহার। যা হোক, ভবিষ্যত কোনো ঘটনা কিংবা পরিস্থিতি চলমান প্রকল্প হিসেবে কোম্পানির অব্যাহত থাকার ক্ষেত্রে বাধার কারণ হয়ে দাঁড়াতে পারে।
- আর্থিক বিবরণীর প্রকাশনাসহ অন্তর্ভুক্ত বিষয়াদি ও কাঠামো, তার সামগ্রিক উপস্থাপনার মূল্যায়ন এবং অন্তর্নিহিত লেনদেন ও ঘটনাবলী আর্থিক বিবরণীতে সৃষ্টভাবে উপস্থাপিত হয়েছে কিনা তা মূল্যায়ন করি।

অন্যান্য বিষয়ের পাশাপাশি আমরা গুরুত্বপূর্ণ নিরীক্ষা পর্যবেক্ষণ এবং অভ্যন্তরীণ নিয়ন্ত্রণে গুরুত্বপূর্ণ দুর্বলতাসমূহ পরিচালনা কার্যক্রমের ভারপ্রাপ্ত ব্যক্তিবর্গকে অবহিত করি।

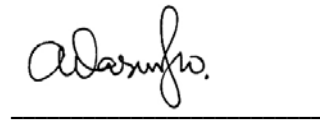
আমরা প্রয়োজনীয় নৈতিকতা ও নিরপেক্ষতা বজায় রেখেছি এবং যেখানে প্রয়োজ্য, আমাদের স্বাধীনতা সুরক্ষার স্বার্থে সম্ভাব্য প্রয়োজনীয় হতে পারে এমন সব বিষয় প্রতিপালন করেছি এই মর্মে একটি বিবরণী পরিচালনা কার্যক্রমের ভারপ্রাপ্ত ব্যক্তিবর্গকে প্রদান করি।

পরিচালনার সঙ্গে সংশ্লিষ্ট ব্যক্তিবর্গের সঙ্গে যোগাযোগকৃত বিষয়াবলীর সাপেক্ষে আমরা নির্ধারণ করি সেসব বিষয়, যা চলতি মেয়াদে আর্থিক বিবরণী প্রণয়ণে সর্বাধিক গুরুত্বপূর্ণ ছিল এবং সেহেতু এসব মূখ্য নিরীক্ষা বিষয়াবলী। আইন কিংবা বিধিতে এগুলো জনসমক্ষে প্রকাশের কোনো বাধা না থাকলে আমরা আমাদের নিরীক্ষা প্রতিবেদনে তা প্রকাশ করি, অথবা যখন, বিরল ক্ষেত্রে, একটি বিষয় আমাদের প্রতিবেদনে অন্তর্ভুক্ত না করার সিদ্ধান্ত গ্রহণ করি, যদি এ বিষয়ে প্রকাশিত হলে তার বিরূপ প্রতিক্রিয়ায় যুক্তিসঙ্গতভাবে জনস্বার্থ ক্ষুণ্ণ হতে পারে।

অন্যান্য আইনি ও নিয়ন্ত্রণমূলক আবশ্যিকতার প্রতিবেদন

কোম্পানি অধ্যাদেশ ১৯৯৪ এবং সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ রুলস ১৯৮৭ অনুসারে নিচের বিষয়গুলিও আমরা নিশ্চিত করি:

- আমাদের নিরীক্ষার জন্য প্রয়োজনীয় সব ধরনের তথ্য ও ব্যাখ্যাবলী সংগ্রহ করেছি এবং সে অনুসারে প্রয়োজনীয় যাচাই করেছি;
- সংশ্লিষ্ট নথিপত্র পরীক্ষণ সাপেক্ষে আমাদের অভিমত কোম্পানি বিধি মোতাবেক যথাযথ হিসাব বহি বজায় রেখেছে;
- হিসাব বহির সঙ্গে আর্থিক অবস্থার বিবরণী এবং লাভ ও ক্ষতি এবং অন্যান্য সম্মিলিত আয় বিষয়ক বিবরণী সঙ্গতি রক্ষা করছে; এবং
- ব্যয়সমূহ কোম্পানির কার্যক্রম পরিচালনার স্বার্থেই ঘটেছে।



এ. কাসেম অ্যান্ড কো.
চার্টার্ড অ্যাকাউন্টেন্টস

ঢাকা, মার্চ ১১, ২০১৯

বিশেষ দ্রষ্টব্য: স্বাধীন নিরীক্ষকের প্রতিবেদনের বাংলা ও ইংরেজী পাঠের ক্ষেত্রে কোন ধরনের অসামঞ্জস্য পরিলক্ষিত হলে “ইংরেজী পাঠ” প্রাধান্য পাবে।

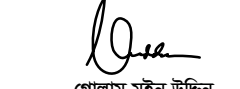
ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

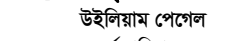
আর্থিক অবস্থার বিবরণী

ডিসেম্বর ৩১, ২০১৮ তারিখ পর্যন্ত


	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
সম্পদ			
স্থায়ী সম্পদ			
সম্পত্তি, কারখানা এবং যন্ত্রপাতি	৮	২৬,৪৮৩,৫৮৭	২০,৯১৫,১৬০
মোট স্থায়ী সম্পদ		২৬,৪৮৩,৫৮৭	২০,৯১৫,১৬০
চলতি সম্পদ			
মজুত পণ্য	৯	১৯,৪২৯,২০১	১৭,৪৬৯,০৮৯
বাণিজ্য ও অন্যান্য প্রাপ্য	১০	৪,১৭৪,১২৫	২,৩১৫,৪৫৭
অগ্রিম, জমা ও অগ্রিম পরিশোধ	১১	৪,৮২২,৭১১	৪,৭৩৬,৬৩৩
নগদ অর্থ ও নগদ সমতুল্য	১২	১,৬৩৩,৬০৫	৯৭৮,১৬৯
চলতি সম্পদ		৩০,০৫৯,৬৪২	২৫,৪৯৯,৩৪৮
মোট সম্পদ		৫৬,৫৪৩,২২৯	৪৬,৪১৪,৫০৮
মালিকানাশত্ব এবং দায়			
মালিকানাশত্ব			
শেয়ার মূলধন	১৩	৬০০,০০০	৬০০,০০০
সংরক্ষিত মূলধন তহবিল	১৪	৬৪,৮৯৬	৬৪,৮৯৬
সংরক্ষিত মুনাফা তহবিল	১৫	২৮,৮৬৩,৯৫৮	২২,৪৪৭,৫৪২
কোম্পানির স্বত্বাধিকারীর ওপর আরোপিত মালিকানা শত্ব		২৯,৫২৮,৮৫৪	২৩,১১২,৪৩৮
স্থায়ী দায়			
নেট নির্ধারিত বেনিফিট পরিকল্পনা	১৬	৯৭৮,৫৩৮	৮৬৯,১১৪
বিলম্বিত কর দায়	১৭	৩,১১২,৯৭৯	২,৮৩৫,৫৭০
মোট স্থায়ী দায়		৪,০৯১,৫১৭	৩,৭০৪,৬৮৪
চলতি দায়			
ব্যাংক জমাতিরিক্ত	১৮	৭৯৯,৮৮০	৩,০৫৭,৯১০
স্বল্পমেয়াদী ব্যাংক ঋণ	১৯	৪,৩৮০,০০০	
ব্যবসা ও অন্যান্য প্রদেয়	২০	১০,৫১৮,৪৪৪	১০,১০১,৬২১
চলতি আয়কর দায়	২১	৫,৯১৮,৯৯৭	৫,৩৬৪,৬৯৭
সঞ্চিতি ও প্রদেয়	২২	১,৩০৫,৫৩৭	১,০৭৩,১৫৮
চলতি দায়		২২,৯২২,৮৫৮	১৯,৫৯৭,৩৮৬
মোট দায়		২৭,০১৪,৩৭৫	২৩,৩০২,০৭০
মোট মালিকানাশত্ব এবং দায়		৫৬,৫৪৩,২২৯	৪৬,৪১৪,৫০৮


২৬৯ হতে ২৯৯ পৃষ্ঠায় সংযোজিত টীকাসমূহ এ আর্থিক বিবরণীর অবিচ্ছেদ্য অংশ।


গোলাম মইন উদ্দিন
চেয়ারম্যান



উইলিয়াম পেশেল
অর্থ পরিচালক

তারিখ, ঢাকা মার্চ ১১, ২০১৯


শেহজাদ মুনিম
ব্যবস্থাপনা পরিচালক


মো. আজিজুর রহমান
কোম্পানি সচিব


মোহাম্মদ মইনুদ্দিন আবদুল্লাহ
পরিচালক


এ. কাসেম অ্যান্ড কো.
চার্টার্ড অ্যাকাউন্টেন্টস



ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

লাভ ও ক্ষতি ও অন্যান্য সম্মিলিত আয়ের বিবরণী
ডিসেম্বর ৩১, ২০১৮ তারিখে সমাপ্ত বছরের জন্য

সম্পদ	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
মোট বিক্রয়		২৩৩,১১৮,১৮৭	২০৪,১৩৯,৭১৫
সম্পূরক শুদ্ধ ও মূল্য সংযোজন কর		(১৭৮,৪৭৮,৪২০)	(১৫২,১৭৫,৯৭২)
নিট বিক্রয়লব্ধ অর্থ	২৩	৫৪,৬৩৯,৭৬৭	৫১,৯৬৩,৭৪৩
বিক্রয়কৃত পণ্যের ব্যয়	২৪	(২৭,০৯৬,২৯৭)	(২৭,১৮০,৭৪২)
মোট মুনাফা		২৭,৫৪৩,৪৭০	২৪,৭৮৩,০০১
পরিচালন ব্যয়	২৫	(৬,৭২৩,৬৯০)	(৬,৯৮০,৫৮০)
পরিচালন মুনাফা		২০,৮১৯,৭৮০	১৭,৮০২,৪২১
নিট আর্থিক আয় / (ব্যয়)	২৬	(৪৭৩,৯১৬)	(১৮৫,২১৯)
অ-পরিচালন আয় / (ব্যয়)	২৭	(১৪,৯৯৬)	২৪,৪৬৯
শ্রমিক কণ্যাণ তহবিল পূর্ব মুনাফা		২০,৩৩০,৮৬৮	১৭,৬৪১,৫৯৯
শ্রমিকের অংশগ্রহণ তহবিল		(১,০১৬,৫৪৩)	(৮৮২,০৮০)
আয়কর পূর্ব মুনাফা		১৯,৩১৪,৩২৫	১৬,৭৫৯,৫১৯
আয়কর সংক্রান্ত ব্যয়			
চলতি আয়কর	২৮	(৮,৯৮৫,০৬৯)	(৮,১২১,৪৬৬)
বিলম্বিত আয়কর	২৯	(৩১৭,২২১)	(৮০৮,১৯৭)
		(৯,৩০২,২৯০)	(৮,৯২৯,৬৬৩)
বাৎসরিক মুনাফা		১০,০১২,০৩৫	৭,৮২৯,৮৫৬
অন্যান্য সম্মিলিত আয়			
অন্যান্য সম্মিলিত আয় যা পরবর্তী সময়ের মুনাফা কিংবা ক্ষতির হিসাবে অন্তর্ভুক্ত হবে না (নিট)			
নির্ধারিত বেনিফিট পরিকল্পনার ওপর পুনর্মূল্যায়নের ক্ষতি	৩০	৪,৩৮২	-
বাৎসরিক অন্যান্য সম্মিলিত ক্ষতি, করের নেট		৪,৩৮২	-
মোট বাৎসরিক সম্মিলিত আয়, করের নেট		১০,০১৬,৪১৭	৭,৮২৯,৮৫৬
		টাকা	টাকা
শেয়ার প্রতি আয়	৩১	১৬৬.৮৭	১৩০.৫

২৬৯ হতে ২৯৯ পৃষ্ঠায় সংযোজিত টাকাসমূহ এ আর্থিক বিবরণীর অবিচ্ছেদ্য অংশ।



গোলাম মইন উদ্দিন
চেয়ারম্যান

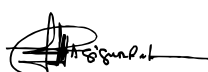


উইলিয়াম পেগেল
অর্থ পরিচালক

তারিখ, ঢাকা মার্চ ১১, ২০১৯



শেহজাদ মুনিম
ব্যবস্থাপনা পরিচালক



মো. আজিজুর রহমান
কোম্পানি সচিব



মোহাম্মদ মইনুদ্দিন আবদুল্লাহ
পরিচালক



এ. কাশেম অ্যাড কো.
চার্টার্ড অ্যাকাউন্টেন্টস

ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

মালিকানা স্বত্বের পরিবর্তন বিবরণী
ডিসেম্বর ৩১, ২০১৮ তারিখে সমাপ্ত বছরের জন্য

	শেয়ার মূলধন	সংরক্ষিত মূলধন তহবিল	সংরক্ষিত মুনাফা তহবিল	মোট মালিকানা
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
১ জানুয়ারি, ২০১৮ তারিখে ব্যালেন্স	৬০০,০০০	৬৪,৮৯৬	২২,৪৪৭,৫৪২	২৩,১১২,৪৩৮
বাৎসরিক মুনাফা	-	-	১০,০১২,০৩৪	১০,০১২,০৩৪
বাৎসরিক অন্যান্য সম্মিলিত আয়	-	-	৪,৩৮২	৪,৩৮২
সর্বমোট সম্মিলিত বাৎসরিক আয়	-	-	১০,০১৬,৪১৬	১০,০১৬,৪১৬
লভ্যাংশ ২০১৭	-	-	(৩,৬০০,০০০)	(৩,৬০০,০০০)
ডিসেম্বর ৩১, ২০১৮ তারিখে ব্যালেন্স	৬০০,০০০	৬৪,৮৯৬	২৮,৮৬৩,৯৫৮	২৯,৫২৮,৮৫৪
জানুয়ারি ১, ২০১৭ তারিখে ব্যালেন্স	৬০০,০০০	৬৪,৮৯৬	১৮,২১৭,৬৮৬	১৮,৮৮২,৫৮২
বাৎসরিক মুনাফা	-	-	৭,৮২৯,৮৫৬	৭,৮২৯,৮৫৬
বাৎসরিক অন্যান্য সম্মিলিত আয়	-	-	-	-
সর্বমোট সম্মিলিত বাৎসরিক আয়	-	-	৭,৮২৯,৮৫৬	৭,৮২৯,৮৫৬
লভ্যাংশ ২০১৬	-	-	(৩,৬০০,০০০)	(৩,৬০০,০০০)
কোম্পানির মালিকদের সঙ্গে মোট লেনদেন	-	-	(৩,৬০০,০০০)	(৩,৬০০,০০০)
ডিসেম্বর ৩১, ২০১৭ তারিখে ব্যালেন্স	৬০০,০০০	৬৪,৮৯৬	২২,৪৪৭,৫৪২	২৩,১১২,৪৩৮

২৬৯ হতে ২৯৯ পৃষ্ঠায় সংযোজিত টাকাসমূহ এ আর্থিক বিবরণীর অবিচ্ছেদ্য অংশ।



গোলাম মইন উদ্দিন
চেয়ারম্যান



উইলিয়াম পেগেল
অর্থ পরিচালক

তারিখ, ঢাকা মার্চ ১১, ২০১৯



শেহজাদ মুনিম
ব্যবস্থাপনা পরিচালক



মো. আজিজুর রহমান
কোম্পানি সচিব



মোহাম্মদ মইনুদ্দিন আবদুল্লাহ
পরিচালক



এ. কাশেম অ্যাড কো.
চার্টার্ড অ্যাকাউন্টেন্টস



ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

নগদ অর্থ প্রবাহের বিবরণী

ডিসেম্বর ৩১, ২০১৮ তারিখে সমাপ্ত বছরের জন্য

	২০১৮	২০১৭
	টাকা (০০০)	টাকা (০০০)
পরিচালনা কার্যক্রম থেকে নগদ অর্থ প্রবাহ		
পরিবেশক, তামাক রপ্তানি ও অন্যান্য আয় থেকে লব্ধ	২৩১,২৮৪,৮৮৬	২০২,৯৩৬,৬১৪
মূল্য এবং খরচাদি পরিশোধ	(৩৬,৬১৩,১৬২)	(৩৩,৭৯৭,২৬৬)
সম্পূরক গুরু এবং মূল্য সংযোজন কর প্রদান	(১৭৬,৭৭৯,৬১০)	(১৫৩,৯৬৩,৮১২)
পরিচালনা কার্যক্রম থেকে প্রাপ্ত নগদ অর্থ	১৭,৮৯২,১১৪	১৫,১৭৫,৫৩৬
পরিশোধকৃত আয়কর	(৮,৪৩০,৭৬৯)	(৫,২৫৬,০৩৮)
পরিশোধকৃত সুদ	(৪৫৩,৭৩৪)	(১৮৬,১২৪)
পরিচালনা কার্যক্রম থেকে নগদ অর্থ	৯,০০৭,৬১১	৯,৭৩৩,৩৭৪
বিনিয়োগ কার্যক্রম থেকে নগদ অর্থ প্রবাহ		
সম্পত্তি, কারখানা ও যন্ত্রপাতি ক্রয়	(৬,৯৭৮,৬৬৫)	(৮,০৩০,২৯৪)
সম্পত্তি, কারখানা ও যন্ত্রপাতি বিক্রয়লব্ধ আয়	১০০,৮৩৬	৩৯,৪৭০
বিনিয়োগ কার্যক্রমে নগদ অর্থ ব্যবহার	(৬,৮৭৭,৮২৯)	(৭,৯৯০,৮২৪)
আর্থিক কার্যক্রম থেকে নগদ অর্থ প্রবাহ		
স্বল্পমেয়াদী ঋণ হতে আয়	৯,৮০০,০০০	৮,৮০০,০০০
স্বল্পমেয়াদী ঋণ পরিশোধ	(৫,৪২০,০০০)	(১০,৩০০,০০০)
পরিশোধকৃত লভ্যাংশ	(৩,৫৯৬,৩১৬)	(৩,৫৯৭,৩১৯)
আর্থিক কার্যক্রমে নগদ অর্থের ব্যবহার	৭৮৩,৬৮৪	(৫,০৯৩,৬৩৯)
বছরের নিট নগদ অর্থ ও নগদ সমতুল্য সম্পদের বৃদ্ধি / (হ্রাস)	২,৯১৩,৪৬৫	(৩,৩৫৪,৭৬৯)
বছরের প্রারম্ভিক নগদ অর্থ ও নগদ সমতুল্য সম্পদ	(২,০৭৯,৭৪১)	১,২৭৫,০২৮
বছরের সমাপনী নগদ অর্থ ও অর্থসদৃশ সম্পদ	৮৩৩,৭২৪	(২,০৭৯,৭৪১)

* ব্যাংক ওভারড্রাফট নগদ এবং নগদ সমতুল্যের অন্তর্ভুক্ত যা দাবিসাপেক্ষে পরিশোধযোগ্য এবং ইহা কোম্পানির নগদ পরিচালনার একটি অবিচ্ছেদ্য অংশ।

২৬৯ হতে ২৯৯ পৃষ্ঠায় সংযোজিত টীকাসমূহ এ আর্থিক বিবরণীর অবিচ্ছেদ্য অংশ।

আর্থিক বিবরণীতে উল্লেখিত টীকাসমূহের সূচি	পৃষ্ঠা
টীকা ১:	প্রতিবেদন সত্ত্বা
টীকা ২:	প্রস্তুতকরণের ভিত্তি
টীকা ৩:	পরিচালন ও প্রদর্শিত মূল্যের একক
টীকা ৪:	অনুমান ও মূল্যায়নের প্রয়োগ
টীকা ৫:	পরিমাপের ভিত্তি
টীকা ৬:	গুরুত্বপূর্ণ হিসাবরক্ষণ নীতিমালা সমূহ
টীকা ৭:	ইস্যুকৃত মানদণ্ড যা এখনো কার্যকর হয়নি
টীকা ৮:	সম্পত্তি, কারখানা এবং যন্ত্রপাতি
টীকা ৯:	মঞ্জুর পণ্য
টীকা ১০:	বাণিজ্য ও অন্যান্য প্রাপ্য
টীকা ১১:	অগ্রিম, জমা ও অগ্রিম পরিশোধ
টীকা ১২:	নগদ অর্থ ও নগদ সমতুল্য
টীকা ১৩:	শেয়ার মূলধন
টীকা ১৪:	সংরক্ষিত মূলধন তহবিল
টীকা ১৫:	সংরক্ষিত মুনাফা তহবিল
টীকা ১৬:	নিট নির্ধারিত বেনিফিট পরিকল্পনা
টীকা ১৭:	বিলম্বিত কর সম্পদ
টীকা ১৮:	ব্যাংক জমাতিরিক্ত
টীকা ১৯:	স্বল্পমেয়াদী ব্যাংক ঋণ
টীকা ২০:	বাণিজ্য ও অন্যান্য প্রদেয়
টীকা ২১:	চলতি আয়কর দায়
টীকা ২২:	সঞ্চিতি ও প্রদেয়
টীকা ২৩:	নিট বিক্রয়লব্ধ অর্থ
টীকা ২৪:	বিক্রয়কৃত পণ্যের ব্যয়
টীকা ২৫:	পরিচালন ব্যয়
টীকা ২৬:	নিট আর্থিক আয় / (ব্যয়)
টীকা ২৭:	অ-পরিচালন আয় / (ব্যয়)
টীকা ২৮:	আয়কর সংক্রান্ত ব্যয়
টীকা ২৯:	বিলম্বিত আয়কর
টীকা ৩০:	অন্যান্য সম্মিলিত আয়
টীকা ৩১:	শেয়ার প্রতি আয়
টীকা ৩২:	পরিশোধকৃত লভ্যাংশ
টীকা ৩৩:	বৈদেশিক মুদ্রার রেমিট্যান্স
টীকা ৩৪:	আমদানিকৃত পণ্যের মূল্যের ব্যয়, বীমা এবং ফ্রেইট (সিআইএফ)
টীকা ৩৫:	তামাক রপ্তানি হতে উপার্জিত আয় ইউএস ডলার '০০০
টীকা ৩৬:	উৎপাদন ক্ষমতা
টীকা ৩৭:	অংশভিত্তিক প্রতিবেদন
টীকা ৩৮:	আমদানিকৃত এবং স্থানীয় কাঁচামালের ব্যবহার
টীকা ৩৯:	আর্থিক উপকরণ- ন্যায্য মূল্য ও ঝুঁকি ব্যবস্থাপনা
টীকা ৪০:	সংশ্লিষ্ট পক্ষের সাথে লেনদেন
টীকা ৪১:	অসীকার
টীকা ৪২:	সম্ভাব্য দায়
টীকা ৪৩:	অন্যান্য লেনদেন
টীকা ৪৪:	রিপোর্টিং সময়কালের লেনদেন পরবর্তী ঘটনাবলী

গোলাম মইন উদ্দিন
চেয়ারম্যান

উইলিয়াম পেগেল
অর্থ পরিচালক

তারিখ, ঢাকা মার্চ ১১, ২০১৯

শেহজাদ মুনিম
ব্যবস্থাপনা পরিচালক

মো. আজিজুর রহমান
কোম্পানি সচিব

মোহাম্মদ মইনুদ্দিন আবদুল্লাহ
পরিচালক

এ. কাশেম অ্যান্ড কো.
চার্টার্ড অ্যাকাউন্টেন্টস



ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

আর্থিক প্রতিবেদনের টীকা	
	টাকা ৪২: সম্ভাব্য দায়
৫	পরিমাপের ভিত্তি
	ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ডস বোর্ড (আইএএসবি) কর্তৃক ইস্যুকৃত ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস) এর সাথে সঙ্গতি রেখে কোম্পানির এ আর্থিক প্রতিবেদন প্রস্তুত করা হয়েছে।
	আর্থিক প্রতিবেদনটি ঐতিহাসিক ব্যয় ভিত্তিতে প্রস্তুত করা হয়েছে শুধু আর্থিক সম্পত্তি ও সম্ভাব্য দায় ব্যতিরেকে যা যেখানে প্রযোজ্য পরিমিত হয়েছে ন্যায় মূল্যের ভিত্তিতে। পূর্ববর্তী সময়কালের প্রেক্ষিতে তুলনামূলক তথ্য প্রদান করা হয়েছে এসব প্রতিবেদনে।
৬	গুরুত্বপূর্ণ হিসাবরক্ষণ নীতিমালাসমূহ
	এখানে উল্লিখিত হিসাবরক্ষণ নিয়মাবলী আর্থিক বিবরণীর সকল সময়কালের জন্য কোম্পানি ধারাবাহিকভাবে প্রয়োগ করেছে।
	নিচে উল্লেখযোগ্য হিসাবরক্ষণ নীতিমালা সূচি আকারে দেয়া হয়েছে যার বিস্তারিত পরবর্তী পৃষ্ঠাসমূহে পাওয়া যাবে।
ক	চলতি বনাম অ-চলতি বিভাজন
খ	সম্পত্তি, কারখানা ও যন্ত্রপাতি
গ	আর্থিক সরঞ্জাম
ঘ	শেয়ার মূলধন
ঙ	অবনতি
চ	ইজারা
ছ	মজুত পণ্য
জ	কর্মচারি সুবিধাসমূহ
ঝ	সঞ্চিতি ও প্রদেয়
ঞ	সম্ভাব্য দায়
ট	বিক্রয় থেকে অর্জিত আয়
ঠ	আয়কর ব্যয়
ড	বৈদেশিক মুদ্রা লেনদেন
ঢ	আর্থিক আয় ও ব্যয়
ণ	শেয়ার প্রতি আয় (ইপিএস)
ত	নগদ প্রবাহের প্রতিবেদন
থ	লভ্যাংশ
দ	ম্যাটেরিয়ালিটি অ্যান্ড অ্যাগ্রেশন
ধ	প্রতিবেদন প্রস্তুত পরবর্তী ঘটনাবলী
ন	হিসাবনীতিতে পরিবর্তন ও প্রকাশ
ক	চলতি বনাম অ-চলতি বিভাজন
	চলতি/অ-চলতি বিভাজনের ওপর ভিত্তি করে কোম্পানি এ আর্থিক অবস্থার বিবরণীতে সম্পত্তি ও দায়সমূহ তুলে ধরেছে। একটি সম্পত্তি তখনই চলতি বলে ধরা হয়, যখন তা: স্বাভাবিক পরিচালন চক্রের মধ্যেই যখন তা উপলব্ধ হবে বলে, কিংবা বিক্রি অথবা আত্মীকরণের জন্য প্রত্যাশিত মূলত ট্রেডিংয়ের জন্য অপেক্ষমান প্রতিবেদন সময়কালের পরবর্তী বারো মাসের মধ্যে এটি উপলব্ধি হওয়ার কথা; অথবা, নগদ কিংবা নগদ সমতুল্য যদি না তা বিনিময় অযোগ্য ঘোষিত কিংবা প্রতিবেদনের সময়কালের পর কমপক্ষে ১২ মাসের জন্য নিষ্পত্তির অপেক্ষাধীন থাকে
	অন্য সকল সম্পত্তি অ-চলতি হিসেবে পরিগণিত হবে। সকল দায় চলতি ধরা হবে যদি তা, স্বাভাবিক পরিচালন প্রক্রিয়ার মধ্যে নিষ্পত্তির অপেক্ষাধীন থাকে মূলত ট্রেডিংয়ের জন্য অপেক্ষমান প্রতিবেদন সময়কালের পরবর্তী বারো মাসের মধ্যে এটি উপলব্ধ হওয়ার কথা; অথবা, প্রতিবেদনের সময়কালের পর কমপক্ষে বারো মাসের জন্য দায়ের নিষ্পত্তি পিছিয়ে দেয়ার শর্তহীন কোনো অধিকার নেই অন্য সকল সম্পত্তি অ-চলতি হিসেবে পরিগণিত হবে বিলম্বিত কর সম্পত্তি ও দায় অ-চলতি সম্পত্তি ও দায় হিসেবে বিবেচিত হবে।
খ	সম্পদ, কারখানা ও যন্ত্রপাতি
১	স্বীকৃতি ও পরিমাপ
	সম্পদ, কারখানা ও যন্ত্রপাতির মূল্য নির্ধারণ করা হয় পুঞ্জীভূত অবচয় এবং পুঞ্জীভূত ইমপেয়ারমেন্ট লস, যদি থাকে, সেগুলো বাদ দেয়ার পর।
	মূল্যের মধ্যে কোনো সম্পদ অর্জন করতে এবং সেই সম্পদকে যে কাজের জন্য আনা হয়েছিল সেই কাজে উপযোগী করে তোলা, সেগুলো খুলে ফেলা ও অপসারণ করা এবং লোকেশনকে আবার

১ প্রতিবেদন স্মৃতি

১.১ কোম্পানি প্রোফাইল

ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড (“কোম্পানি”) একটি পাবলিক লিমিটেড কোম্পানি যা বাংলাদেশে নিবন্ধিত এবং এর শেয়ার ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জসমূহে তালিকাভুক্ত। কোম্পানির নিবন্ধিত কার্যালয় নিউ ডিওএইচএস রোড, মহাখালী, ঢাকা-১২০৬, বাংলাদেশ।

১.২ ব্যবসার ধরন

এই কোম্পানি বিভিন্ন সিগারেট ব্র্যান্ড, যেমন, বেনসন অ্যান্ড হেজেস, জন প্লুয়ার গোল্ড লিফ, ক্যাপস্টান, স্টার, ডার্বি, পাইলট এবং হলিউড সিগারেট উৎপাদন এবং বাজারজাত করে থাকে। ঢাকায় কোম্পানির প্রধান কার্যালয় এবং সিগারেট তৈরির কারখানা অবস্থিত। এছাড়া কুষ্টিয়াতে গ্রিনলিফ প্রেশিং প্র্যান্ট, মানিকগঞ্জে গ্রিনলিফ রিড্রাইং প্র্যান্ট এবং দেশজুড়ে বেশ কয়েকটি লিফ এবং সেলস অফিস রয়েছে।

২ প্রস্তুতকরণের ভিত্তি

২.১ হিসাবরক্ষণের সঙ্গতি

এই আর্থিক প্রতিবেদনটি ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস), কোম্পানি আইন ১৯৯৪, বাংলাদেশ সিকিউরিটিজ এবং এক্সচেঞ্জ নীতিমালা ১৯৮৭ এবং অন্যান্য প্রজোক্ত আইন ও বিধানের সঙ্গে সঙ্গতি বজায় রেখে প্রস্তুত করা হয়েছে। বাংলাদেশ সিকিউরিটিজ এবং এক্সচেঞ্জ নীতিমালা ১৯৮৭ তে নির্দেশিত বিধি অনুযায়ী পরিচালনা কর্মকাণ্ডের নগদ অর্থ প্রবাহের হিসাব ধরা হয়েছে।

আর্থিক প্রতিবেদনটি ঐতিহাসিক ব্যয় ভিত্তিতে প্রস্তুত করা হয়েছে শুধু আর্থিক সম্পত্তি ও সম্ভাব্য দায় ব্যতিরেকে যা যেখানে প্রযোজ্য পরিমিত হয়েছে ন্যায় মূল্যের ভিত্তিতে। পূর্ববর্তী সময়কালের প্রেক্ষিতে তুলনামূলক তথ্য প্রদান করা হয়েছে এসব প্রতিবেদনে।

ইনস্টিটিউট অব চার্টার্ড অ্যাকাউন্ট্যান্টস অব বাংলাদেশ (আইসিএবি) ২০১৭ সালের ১৪ ডিসেম্বর ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ডস বোর্ডের ইস্যুকৃত ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং মানদণ্ডসমূহ অধিভুক্ত করে। আইসিএবি যেহেতু ইতোপূর্বে কোনো পরিবর্তন ছাড়াই এসব মানদণ্ড বাংলাদেশ ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ড হিসেবে অধিভুক্ত করেছে, সাম্প্রতিক এ অধিভুক্তকরণ কোম্পানির প্রণীত আর্থিক প্রতিবেদনের ওপর কোনো প্রভাব রাখবে না।

বেশ কয়েকটি নতুন মানদণ্ড ও সংশোধনী ২০১৮ সালের ১ জানুয়ারি থেকে আর্থিক ভিত্তিতে কার্যকর হবে এবং পূর্ববর্তী প্রয়োগও অনুমোদিত ধরা হবে।

২.২ অনুমোদনের তারিখ

পরিচালনা পর্ষদের এ আর্থিক প্রতিবেদন ২০১৯ সালের ১১ মার্চ তারিখে অনুমোদিত হয়।

২.৩ প্রতিবেদনের সময়কাল

এই কোম্পানির আর্থিক হিসাবকাল ১ জানুয়ারি থেকে ৩১ ডিসেম্বর যা ধারাবাহিকভাবে অনুসরণ করা হচ্ছে।

৩ পরিচালন এবং প্রদর্শিত মূল্যের একক

এই আর্থিক বিবরণীটি বাংলাদেশি টাকার এককে প্রদর্শিত হয়েছে, যা কোম্পানির পরিচালন এবং প্রদর্শিত মূল্যের একক। আর্থিক বিবরণীতে প্রদর্শিত সকল অর্থমূল্য দশমিকযুক্ত সংখ্যার ক্ষেত্রে নিকটবর্তী পূর্ণসংখ্যা ব্যবহার করা হয়েছে। পূর্ণ সংখ্যা ব্যবহার করার কারণে কিছু কিছু ক্ষেত্রে প্রদর্শিত যোগফল পৃথকভাবে প্রতিটি সংখ্যার যোগফল থেকে ভিন্ন হতে পারে।

৪ অনুমান ও মূল্যায়নের প্রয়োগ

আইএফআরএস অনুসারে এ আর্থিক বিবরণী প্রস্তুতিতে হিসাবরক্ষণ নীতিতে দায়, আয় এবং ব্যয়ের ব্যবহারিক নীতিতে মূল্যায়ন, অনুমান এবং ধারণার প্রয়োগ করা হয়েছে। বাস্তবিক হিসাব এসব নিরীক্ষিত হিসাব থেকে ভিন্নতর হতে পারে।

এ সকল অনুমান ও ধারণাগুলো একটি চলমান প্রক্রিয়ায় পুনঃবীক্ষণ করা হয়। হিসাব অনুমিতিগুলো পুনর্মূল্যায়নের সময় চিহ্নিত করা হয়।

নির্দিষ্টভাবে হিসাবরক্ষণ নীতি প্রয়োগে হিসাব সম্পর্কিত স্বীকৃত পরিমাণের গুরুত্বপূর্ণ তথ্য এবং সিদ্ধান্তে সবচেয়ে উল্লেখযোগ্য প্রভাব এ আর্থিক বিবরণীর নিম্নলিখিত টীকাতে উল্লেখ রয়েছে:

টীকা ৮: সম্পত্তি, কারখানা ও যন্ত্রপাতি

টীকা ৯: মজুত পণ্য

টীকা ১৬: নেট নির্ধারিত বেনিফিট পরিকল্পনা

টীকা ১৭: বিলম্বিত কর

টীকা ২১: চলতি করের দায়

টীকা ২২: সঞ্চিতি ও প্রদেয়

টীকা ৪১: অঙ্গীকার

পূর্বের অবস্থায় নেয়ার জন্য প্রয়োজনীয় সকল খরচ অন্তর্ভুক্ত। নির্মাণাধীন সম্পদের ভেতর যে সম্পদ, কারখানা ও যন্ত্রপাতি এখনও ব্যবহার উপযোগী নয়, সেগুলো অর্জন অথবা নির্মাণের খরচ অন্তর্ভুক্ত যেগুলি মূল্যের ভেতরও অন্তর্ভুক্ত। লিজ করা জমির ওপর কোম্পানি নির্মিত ভবন মূলধন হিসেবে গণ্য করা হয় এবং লিজহোল্ড প্রপার্টি ক্যাটাগরিতে গণ্য করা হয়।

২ উত্তরকারী ব্যয়সমূহ

কোনো সম্পদ, কারখানা এবং যন্ত্রপাতির কোনো অংশ পরিবর্তনের খরচ সেগুলো পরিবহনের/চলমান খরচের ভেতর অন্তর্ভুক্ত থাকে যদি ওই পরিবর্তিত অংশের সম্ভাব্য ভবিষ্যৎ অর্থনৈতিক সুবিধাসমূহ কোম্পানির কাছে আসে এবং তার খরচ বিশ্বস্তভাবে পরিমাপ করা যায়। সম্পদ, কারখানা ও যন্ত্রপাতির প্রতিদিনের সার্ভিসিংয়ের খরচ এবং অন্যান্য আয় লাভ-ক্ষতি বিবরণীতে উল্লেখ করা হয়।

৩ অবচয়

অবচয় লাভ-ক্ষতি এবং অন্যান্য সম্মিলিত আয় বিবরণীতে স্ট্রেইট লাইন বেসিসে সম্পদ, কারখানা ও যন্ত্রপাতির প্রতিটি অংশের আনুমানিক ব্যবহারযোগ্য সময় ধরে স্বীকৃত হয়। নতুন যন্ত্রপাতির ওপর অবচয় ধার্য হয় তা যে মাস থেকে ব্যবহার শুরু করা হয়েছে তখন থেকে। কোনো সম্পদ ধ্বংস/বাতিল করা হলে সেক্ষেত্রে অবচয় ধার্য করা হয় যে মাসে তা ধ্বংস/বাতিল করা হয়েছে তার আগের মাস পর্যন্ত। ভূমি এবং নির্মাণীন সম্পদের অবচয় হয় না। গত পাঁচ বছর ধারাবাহিকভাবে এ নীতি অনুসরণ করে এসেছে কোম্পানি।

চলতি এবং তুলনামূলক বছরে সম্পদ, কারখানা ও যন্ত্রপাতির ব্যবহারিক জীবনকাল এবং অবশিষ্ট মাস নিচে তুলে ধরা হলো:

শ্রেণী	ব্যবহারযোগ্য জীবনকাল (বছরে)		অবশিষ্ট মাস/ রেসিডিউয়াল ভ্যালু	
	২০১৮	২০১৭	২০১৮	২০১৭
নিষ্কর ভবন	৪০	৪০	১%	১%
ইজারাদীন ভবন	সর্বোচ্চ ৪০ বছর, অবচয়ের হার কেস বাই কেস ভিত্তিতে নির্ধারিত	সর্বোচ্চ ৪০ বছর, অবচয়ের হার কেস বাই কেস ভিত্তিতে নির্ধারিত	০%	০%
কারখানা এবং যন্ত্রপাতি	৫/১০/২০*	৫/১০/১৪.৩	০%/১%	০%/১%
ল্যাবরেটরি সরঞ্জাম	১০	১০	০%	০%
অফিস উপকরণ	৫/১০*	৫/১০*	০%	০%
আসবাবপত্রাদি	৩/৫/১০*	৩/৫/১০*	০%	০%
যানবাহন	৫/১০*	৫/১০*	১%	১%
আইটি সরঞ্জাম	৫/১০*	৫/১০*	০%	০%

অবচয়ের পদ্ধতি, ব্যবহারযোগ্য জীবনকাল এবং রেসিডিউয়াল ভ্যালু/অবশিষ্ট মান প্রত্যেক রিপোর্টিং ডেটে রিভিউ এবং যথাযথ সমন্বয় করা হয়। গত ৩১ ডিসেম্বর ২০১৮ তারিখে শেষ হওয়া বছরের পূর্ববর্তী বারো মাসে সম্পদ, কারখানা ও যন্ত্রপাতিতে কোনো ধরনের গুরুত্বপূর্ণ সমন্বয় ঘটেনি।

* কারখানা যন্ত্রপাতির ব্যবহারিক জীবনকাল পর্যালোচনার পর তা ১৪ বছরের পরিবর্তে ২০ বছর নির্ধারিত হয়। হিসাবরক্ষণ অনুমানে এ পরিবর্তন তুলে ধরেছে কোম্পানি।

৪ নির্মাণাধীন সম্পদ

নির্মাণাধীন সম্পদের মধ্যে রয়েছে এজন্য আত্মীকৃত সম্পদ, কারখানা ও যন্ত্রপাতি যা রিপোর্টিং তারিখে ব্যবহার উপযোগী হয়নি এবং এগুলো ব্যয় এর অন্তর্ভুক্ত।

৫ অবনতি

উদ্ভাবনী ও ট্যাক্স বহির্ভূত সম্পদ (অ্যাকাউন্টিং মানদণ্ড অনুযায়ী আলাদাভাবে প্রকাশিত) ব্যতীত কোম্পানির নন-ফাইন্যান্সিয়াল সম্পদ রিপোর্টিং তারিখে যাচাই করা হয় যাতে কোনো ধরনের লোকসান থেকে থাকলে তা নির্ধারণ করা যায়। এ ধরনের কিছু পাওয়া গেলে তখন তার পুনর্লভ্যতা অনুমান করা হয়। যা হোক, রিপোর্টিং তারিখে এ ধরনের লোকসান ঝুঁকির কোনো নির্দেশক পাওয়া যায়নি।

সম্মিলিত আয়ের মধ্য দিয়ে একটি সম্পদের পুনর্লভ্যতার অঙ্ক নির্ধারণ করা হয়, যখন এর নির্ধারিত মূল্য পুনর্লভ্য মূল্যের চেয়ে বেশি হয়।

একটি সম্পদের পুনর্লভ্যতা হিসাব করা হয় ভবিষ্যৎ নগদপ্রবাহের বর্তমান মূল্যের নিরিখে, যা উৎপন্ন হবে, যথাযথ হারের ছাড় দিয়ে ওই সম্পদের ব্যবহার থেকে।

অবনতির নির্দেশকের মধ্যে রয়েছে:

প্রত্যাশিত ভবিষ্যৎ ফলাফলের তুলনায় কম আয়

যে খাত বা অর্থনীতিতে কোম্পানি কার্যক্রম পরিচালনা করে সেখানকার বাস্তব নেতিবাচক উন্নয়ন প্রবণতা

সম্পদের ক্ষতি কিংবা সম্পদের পরিবর্তিত ব্যবহার

৫ অবসর ও হস্তান্তর

কোনো সম্পদ, কারখানা ও যন্ত্রপাতি বাতিল/পিসপোজাল/ডিরিকগনাইজ ঘোষণা করা হয় যা থেকে ভবিষ্যৎ কোনো অর্থনৈতিক সুবিধা লাভের আশা আর থাকে না। বাতিলযোগ্য কোনো সম্পদ, কারখানা ও যন্ত্রপাতির ওপর লাভ বা ক্ষতি হিসাব করা হয় নেট ডিসপোজাল প্রসিডস এবং কোনো প্রপার্টি, কারখানা, যন্ত্রপাতির নির্ধারিত মূল্যের পার্থক্যের ওপর ভিত্তি করে এবং বাতিলকৃত সম্পত্তি থেকে লব্ধ অথবা ক্ষতি হিসাবে উল্লেখ করা হয় অন্যান্য আয়/ব্যয়ের ভিতর লাভ-ক্ষতি হিসাবে।

গ আর্থিক সরঞ্জাম

আর্থিক উপকরণসমূহ হচ্ছে যে কোনো চুক্তি যা একপক্ষের অর্থনৈতিক সম্পদ এবং অপর পক্ষের অর্থনৈতিক দায় অথবা ব্যক্তিগত মালিকানা তৈরি করে। নন-ডেরিভেটিভ আর্থিক উপকরণসমূহের মধ্যে রয়েছে সঞ্চিতি, বাণিজ্য এবং অন্যান্য প্রাপ্য, নগদ ও নগদ সমতুল্য, বাণিজ্য এবং অন্যান্য পরিশোধনীয়, শেয়ার মূলধন এবং সুদবাহী ঋণ।

১. আর্থিক সম্পদসমূহ

কোম্পানি প্রাথমিক প্রাপ্যসমূহ স্বীকার করে এবং সে অনুযায়ী ডিপোজিট করে সেই দিনে যেদিন এগুলো তৈরি হয়েছিল। অন্যান্য সকল আর্থিক সম্পদসমূহ প্রাথমিকভাবে সেইদিন স্বীকৃত হয় যেদিন কোম্পানি আদান প্রদানের কন্ট্রাকচুয়াল প্রভিনশ অনুসারে একটি পার্টি হিসেবে গণ্য হয়েছিল।

কোম্পানি কোনো আর্থিক সম্পদকে স্বীকার করতে অস্বীকৃতি জানায় যখন চুক্তিভিত্তিক অধিকার অথবা সেই সম্পদ থেকে নগদ প্রবাহ/ নগদ তারল্য প্রবাহের সম্ভাবনা শেষ হয়ে যায়, অথবা যদি চুক্তিভিত্তিক নগদ প্রবাহ/ নগদ তারল্য প্রবাহ পাওয়ার অধিকার হস্তান্তর করা হয় সেই লেনদেনের মাধ্যমে যেখানে যথেষ্ট পরিমাণে সম্পদের মালিকানা সম্পর্কিত ঝুঁকি ও পুরস্কার হস্তান্তর করা হয়।

আর্থিক সম্পদের ভেতর অন্তর্ভুক্ত অর্থ এবং অর্থ সমমূল্যের জিনিসপত্র, বাণিজ্য এবং অন্যান্য প্রাপ্য ও আমানতসমূহ।

অ. বাণিজ্য এবং অন্যান্য পাওনা

বাণিজ্য এবং অন্যান্য পাওনার ভেতর রয়েছে গ্রাহক এবং অন্যান্য পক্ষের কাছ থেকে পাওয়া অপরিশোধিত বিল। বাণিজ্য এবং অন্যান্য পাওনা সমূহ প্রাথমিকভাবে মূল চালানপত্রের পরিমাণের উপর এবং পরবর্তীকালে বছরশেষে ম্যানেজমেন্টের অনুমোদনক্রমে সংশয়যুক্ত পাওনাসমূহ বাদ দেয়ার পর অবশিষ্ট পরিমাণের ভিত্তিতে হিসাব করা হয়।

আ. আমানত

আমানত পেমেন্টের মান অনুসারে হিসাব করা হয় যা একটি নির্দিষ্ট কাল কিংবা উদ্দেশ্য শেষ হওয়ার পর পুনর্লভ্য হয়।

ই. নগদ অর্থ ও নগদ সমতুল্য

অর্থ এবং অর্থ সমমূল্যের জিনিসপত্রের মধ্যে রয়েছে হাতে থাকা নগদ অর্থ, ব্যাংকে থাকা অর্থ, ডিভিডেন্ড অ্যাকাউন্ট ছাড়াও অন্যান্য ফিক্সড ডিপোজিটের রশিদ যেগুলো কোনো সীমাবদ্ধতা ছাড়াই কোম্পানির ব্যবহারের জন্য থাকে। নগদ প্রবাহ প্রতিবেদনের জন্য অর্থ এবং অর্থ সম্পর্কিত বিষয়গুলোর মধ্যে আছে হাতে থাকা নগদ অর্থ, বিভিন্ন আর্থিক প্রতিষ্ঠানের থাকা ডিপোজিট/ জমানো টাকা, স্বল্প মেয়াদী নগদ বিনিয়োগ যেগুলোর ম্যাচুরিটির মেয়াদ ভোট অব অ্যাকুইজিশন থেকে তিন মাস অথবা কম। ব্যাংক ওভারড্রাফট যেগুলো দাবী অনুসারে গ্রহণযোগ্য এবং যেগুলো কোম্পানির অর্থ ব্যবস্থাপনার গুরুত্বপূর্ণ অংশ যেগুলো নগদ অর্থ এবং নগদ অর্থ সমমানের জিনিসপত্র হিসেবে যুক্ত হয় কোম্পানির নগদ প্রবাহ প্রতিবেদনের সাথে।

ঈ. অগ্রিম এবং আগাম পরিশোধ

প্রাথমিক সনাক্তির পর অগ্রিম ডিডাকশান, অ্যাডজাস্টমেন্ট কিংবা চার্জ বাদ দিয়ে খরচে হিসাব করা হয় এবং সম্পত্তি, কারখানা ও যন্ত্রপাতি কিংবা মজুত পণ্যের শিরোনামে উল্লিখিত হয়।

আগাম পরিশোধ প্রাথমিকভাবে খরচে নিরূপিত হয়। প্রাথমিক সনাক্তির পর ওই সময়ের জন্য চার্জ বাদে খরচে হিসাব করা হয়।

২. আর্থিক দায়সমূহ

কোম্পানি তার আর্থিক বিবরণীতে তখনই কোনো আর্থিক দায় স্বীকার করে যখন কোম্পানি সেই চুক্তিভিত্তিক আর্থিক দায়ের নানা বিধান অনুসারে একটি পক্ষ হিসেবে গণ্য হয়। কোম্পানি কোনো আর্থিক দায় স্বীকার করে যখন পূর্বে ঘটে যাওয়া ঘটনার চুক্তিভিত্তিক নানা বাধ্যবাধকতা নিশ্চিত হয় এবং তখনকার নিষ্পত্তি আর্থিকভাবে লাভবান একপক্ষের থেকে অর্থ বাইরের কারো কাছে প্রবাহিত হয়।

কোম্পানি তার আর্থিক দায় অস্বীকার করে যখন চুক্তিভিত্তিক বাধ্যবাধকতাগুলো বাতিল অথবা এর মেয়াদ শেষ হয়ে যায়। আর্থিক দায়ের ভিতর বাণিজ্য এবং অন্যান্য পরিশোধযোগ্যসমূহ অন্তর্ভুক্ত।

অ. বাণিজ্য এবং অন্যান্য পরিশোধযোগ্যসমূহ

বাণিজ্য এবং অন্যান্য পরিশোধযোগ্য স্বীকার্য হয় যখন পূর্বে ঘটে যাওয়া ঘটনার চুক্তিভিত্তিক বাধ্যবাধকতা নিশ্চিত হয় এবং এবং যার নিষ্পত্তির ফলাফল হিসেবে এটা আশা করা যায় যে সম্পদশা-লী কোম্পানি থেকে সম্পদ আউটফ্লো হবে। বাণিজ্য এবং অন্যান্য পরিশোধযোগ্যসমূহ প্রাথমিকভাবে ন্যায্য মূল্যে স্বীকার্য/হিসাব করা হয়। প্রাথমিকভাবে স্বীকার্য/হিসাব হওয়ার পর বাণিজ্য এবং অন্যান্য পরিশোধযোগ্যসমূহ ইফেক্টিভ ইন্টারেস্ট মেথড ব্যবহার করে অ্যামরটাইজড কস্ট হিসেবে দেখানো হয়।

৩. আর্থিক সম্পদ ও দায় অফসেট করা

আর্থিক সম্পদ ও দায় অফসেট করা হয় এবং আর্থিক অবস্থার বিবরণীতে নেট অ্যামাউন্ট উল্লেখ করা হয় তখনই এবং শুধুমাত্র তখনই যখন কোম্পানির আইনগত অধিকার আছে সেই পরিমাণ অর্থ অফসেট করার এবং তা নেট বেসিসে সমাধানে সম্মত হয় অথবা সম্পদ উপলব্ধ/নিরূপণ এবং একই সময়ে দায়ও নিষ্পত্তি করা হয়।

ঘ শেয়ার মূলধন

সাধারণ শেয়ারকে ইকুইটি হিসেবে ক্লাসিফাই/ শ্রেণীভুক্ত করা হয়। সাধারণ শেয়ারের ক্ষেত্রে ক্রমবর্ধমান খরচকে ইকুইটি থেকে বাদ দেয়া নেট অব ট্যাক্স ইফেক্ট হিসেবে দেখা হয়। পরিশোধিত মূলধন হচ্ছে কোম্পানির দ্বারা শেয়ারহোল্ডারদের জন্য ইস্যু করা সব শেয়ার (বোনাস শেয়ারসহ) বাবদ প্রদত্ত সমুদয় অর্থ। সাধারণ শেয়ারহোল্ডাররা মাঝে মাঝে ঘোষণা করা ডিভিডেন্ড পাওয়ার এবং শেয়ারহোল্ডারদের বৈঠকে ভোট দেয়ার অধিকার রাখেন। কোনো কোম্পানি ভাঙ্গার সময় সাধারণ শেয়ারহোল্ডারদের অবস্থান অন্য সব শেয়ারহোল্ডার ও পাওনাদারদের পরে হয় এবং তারা লিকুইডেশন পরবর্তী অবশিষ্ট আয় পাওয়ার অধিকার রাখেন।

ঙ অবনতি

১. স্বীকৃতি

কোনো সম্পদ ইমপেয়ারড কিনা তার বস্তুনিষ্ঠ প্রমাণ বের করার জন্য আর্থিক সম্পদসমূহ লাভ-ক্ষতি এবং পাওনাসমূহ প্রত্যেক রিপোর্টিং তারিখে মূল্যায়ন করা হয়। কোনো আর্থিক সম্পদকে

ইমপেয়ারড ধরা হয় যদি বস্তুনিষ্ঠ প্রমাণ থাকে যে আর্থিক সম্পদের প্রাথমিক স্বীকৃতির পর কোনো ক্ষতিকর ঘটনা ঘটেছে এবং এটি বিশ্বস্তভাবে অনুমান করা যায় যে সেই ক্ষতিকর ঘটনা ওই আর্থিক সম্পদের ভবিষ্যৎ নগদ প্রবাহে/ নগদ তরল প্রবাহে নেতিবাচক প্রভাব রেখেছে ।

মজুতকৃত পণ্য ব্যতীত অন্যান্য অনর্থনৈতিক সম্পদের নির্ধারিত মূল্য প্রত্যেক রিপোর্টিং তারিখে পুনর্মূল্যায়ন করা হয় এতে কোনো ধরনের ইমপেয়ারমেন্ট আছে কিনা তা বোঝার জন্য । তেমন কোনো লক্ষণ পাওয়া গেলে সম্পদের পুনর্লভ্য মূল্য অনুমান করা হয় । ইমপেয়ারমেন্ট লস হিসাব করা হয় যখন কোনো সম্পদের ক্যারিং অ্যামাউন্ট/চলমান পরিমাণ অথবা তার নগদ উৎপাদন ইউনিট তার পুনর্লভ্য মূল্যকে ছাড়িয়ে যায় । যদি কোনো ইমপেয়ারমেন্ট লস থেকে থাকে, তখন তা লাভ-ক্ষতি এবং অন্যান্য সম্মিলিত আয় বিবরণীতে হিসাব করা হয় ।

২. পুনর্লভ্য মূল্যের হিসাব

কোনো সম্পদের আদায়যোগ্য পরিমাণ তার নেট বিক্রয়মূল্য অথবা তার ব্যবহারমূল্যের তুলনায় বেশি । ব্যবহারমূল্য/ ভ্যালু ইন ইউজ কোনো নির্দিষ্ট সম্পদের অনুমিত ভবিষ্যৎ নগদ প্রবাহ ডিসকাউন্ট করে বর্তমান মূল্যে নিয়ে আসা একটি ডিসকাউন্ট রेट ব্যবহার করে যা ওই নির্দিষ্ট সম্পদের রিস্ক এবং টাইম ভ্যালু অব মনি যাচাই করে বর্তমান বাজার মূল্যায়ন করে । এমন কোনো সম্পদ যা স্বাধীনভাবে কোনো অর্থ ইনফ্লো/অস্তঃপ্রবাহ তৈরি করে না, ক্যাশ জেনারেটিং ইউনিটের জন্য আদায়যোগ্য মূল্য নির্ধারণ করা হয় সেই সম্পদ যা অধিকারভুক্ত ।

৩. রিভার্সাল অব ইমপেয়ারমেন্ট

ইমপেয়ারমেন্ট লস রিভার্স হয় যদি আদায়যোগ্য পরিমাণ নির্ধারণের জন্য ব্যবহৃত অনুমানসমূহের পরিবর্তন ঘটে । ইমপেয়ারমেন্ট লস শুধুমাত্র সেই পর্যন্ত বিপরীত হয় যখন সেই সম্পদের ক্যারিং অ্যামাউন্ট অবচয় অথবা ক্রমশোধের পরবর্তী নির্ধারিত ক্যারিং অ্যামাউন্টের চাইতে বেশি না হয়, যদি কোনো ইমপেয়ারমেন্ট লস স্বীকৃত না হয় ।

চ ইজারা

চলতি ইজারা

ফাইন্যান্সিয়াল লিজ/ইজারা ব্যতীত অন্য সব লিজ/ইজারা অপারেটিং লিজ/ইজারা হিসাবে গণ্য হয় এবং আর্থিক অবস্থার বিবরণীতে স্বীকৃত/গণ্য হয় না । অপারেটিং লিজের/ইজারার অধীনে সকল পরিশোধিত মূল্য লাভ-ক্ষতি ও অন্যান্য সম্মিলিত আয়ের বিবরণীতে উল্লেখ করা হয় ।

ছ মজুত পণ্য

কাঁচামাল এবং তৈরি পণ্যের মজুত খরচ স্বল্প এবং আদায়যোগ্য মূল্যের চেয়ে কম হিসাব করা হয় । খুচরা যন্ত্রাংশের মূল্য খরচের ওপর নির্ধারণ করা হয় । ট্রানজিটে থাকা পণ্য ব্যতীত অন্যান্য মজুতকৃত পণ্যের খরচ ওয়েটেড অ্যাভারেজ মেথডে নির্ধারণ করা হয় । এবং এর ভেতর পণ্যটি অর্জন, উৎপাদন অথবা পরিবর্তন এবং বর্তমান স্থান ও অবস্থায় পণ্যগুলো নিয়ে আসার সমস্ত খরচ অন্তর্ভুক্ত থাকে ।

নেট আদায়যোগ্য মূল্য নির্ধারণ করা হয় ব্যবসায়ের সাধারণ প্রক্রিয়ায় অনুমিত বিক্রয়মূল্য থেকে বিক্রয় প্রক্রিয়ায় গুরুত্বপূর্ণ এবং বিক্রয় শেষ করতে যতো খরচ হয়েছে তা বাদ দিয়ে ।

ট্রানজিটে থাকা সামগ্রী বলতে বোঝায় আর্থিক বিবরণী প্রস্তুতকালীন তারিখ পর্যন্ত খরচ যা প্রতিবেদন দাখিলের তারিখ পর্যন্ত হাতে এসে পৌঁছায়নি । ট্রানজিটে থাকা পণ্যসমূহের মূল্য সকল সংশ্লিষ্ট খরচসহ হিসাব করা হয় ।

জ কর্মচারি সুবিধাসমূহ

১. স্বল্পমেয়াদী সুবিধাবলী

স্বল্পমেয়াদী কর্মচারি সুবিধা প্রতিশ্রুতিসমূহ আনডিসকাউন্ট বেসিসে হিসাব করা হয় এবং খরচ করা হয় যখন এ জাতীয় কোনো সেবা প্রদান করা হয় । স্বল্পমেয়াদী ক্যাশ বোনাস এবং প্রফিট শেয়ারিং পরিকল্পনার অধীনে কোনো দায় স্বীকার করা হয় যদি কোম্পানির বর্তমান সময়ে কোনো আইনি অথবা গঠনমূলক বাধ্যবাধকতা থাকে এই অর্থ প্রদানের জন্য, যদি সেই কর্মচারি অতীতে সেবা প্রদান করে থাকে এবং সেই দায়িত্ব পালনের কথা বিশ্বস্তভাবে অনুমান করা যায় ।

২. নির্ধারিত সুবিধাবলীর পরিকল্পনা

অ. ম্যানেজমেন্ট গ্র্যাচুইটি স্কিম

কোম্পানি অনিহিত একটি গ্র্যাচুইটি স্কিম পরিচালনা করে ম্যানেজমেন্ট কর্মচারিদের জন্য যারা ফেব্রুয়ারি ২০১৩-এর ভিতর নিয়োগপ্রাপ্ত হয়েছে । এই গ্র্যাচুইটি স্কিমের সদস্যরা গ্র্যাচুইটি পাওয়ার জন্য উপযুক্ত হয় টানা ৫ বছর কোম্পানিকে সার্ভিস দেয়ার পর ।

আ. ম্যানেজমেন্ট পেনশন ফান্ড

কোম্পানি তার ম্যানেজমেন্ট কর্মচারিদের জন্য একটি ফান্ডেড পেনশন স্কিম পরিচালনা করে যারা ১ জানুয়ারি ১৯৮৭ থেকে ৩১ আগস্ট ২০০৭ এর ভিতর কোম্পানিতে যোগদান করেছে । এই ফান্ডের সদস্যরা ৫ বছর টানা কোম্পানিকে সার্ভিস দেয়ার পর এ ফান্ডের উপযুক্ত হয় । বোর্ড অব ট্রাস্টি দ্বারা এ ফান্ড পরিচালিত হয় ।

দুটি ফান্ডের ক্ষেত্রেই ডিফাউন্ড বেনিফিট অবলিগেশনের বর্তমান মূল্য এবং প্ল্যান অ্যাসেটের ফেয়ার ভ্যালু পেশাদারী বীমা পরতালকদের দ্বারা নির্ধারিত করা হয়েছে । প্রজেক্টেড ইউনিট ক্রেডিট মেথড ব্যবহার করা হয়েছে ডিফাইন্ড বেনিফিট অবলিগেশনের বর্তমান মূল্য নির্ধারণের জন্য এবং চলমান ও অতীত সেবার খরচ এবং পারস্পরিক সামঞ্জস্যপূর্ণ বীমার অনুমানের ক্ষেত্রে ডেমে-গ্রাফিক এবং আর্থিক বিভিন্ন চলক ব্যবহার করা হয়েছে । প্ল্যান অ্যাসেটের ফেয়ার ভ্যালু এবং অবলিগেশনের বর্তমান ভ্যালুর পার্থক্যকে দায় অথবা সম্পদ হিসেবে ফাইন্যান্সিয়াল পজিশনের স্টেটমেন্টে দেখানো হয় । বীমার মান নির্ণয়ে লাভ অথবা ক্ষতির হিসাবের ক্ষেত্রে অন্যান্য সম্মিলিত আয় হিসেবে পরিপূর্ণরূপে স্বীকার্য হয় ।

৩. সংজ্ঞায়িত অবদান পরিকল্পনা

অ. ম্যানেজমেন্ট গ্র্যাচুইটি স্কিম

কোম্পানি ম্যানেজমেন্ট কর্মচারিদের জন্য একটি ফান্ডেড গ্র্যাচুইটি স্কিম পরিচালনা করে যারা ১ মার্চ ২০১৩ এর পরবর্তীতে কোম্পানিতে যোগদান করেছে । কোম্পানি ম্যানেজমেন্ট কর্মচারিদের

বেসিক স্যালারির ১৫% এই ফান্ডে জমা রাখে তাদের কাজে যোগদানের দিন থেকে । বোর্ড অব ট্রাস্টির দ্বারা এ ফান্ড পরিচালিত হয় । এই ফান্ডের সদস্যরা টানা ৫ বছর কোম্পানিতে কাজ করার পর তা পাওয়ার উপযুক্ত হয় ।

আ. কর্মচারি গ্র্যাচুইটি স্কিম

নন-ম্যানেজমেন্ট কর্মচারিদের ক্ষেত্রে কোম্পানি এ ফান্ড পরিচালিত করে যেখানে কোম্পানি তাদের বেসিক স্যালারির ১৫% কর্মচারিদের কাজে যোগদানের দিন থেকে জমা রাখে । বোর্ড অব ট্রাস্টির দ্বারা এ ফান্ড পরিচালিত হয় । এ ফান্ডের সদস্যরা এ ফান্ডের টাকা টানা ৫ বছর কোম্পানিতে কাজ করার পর পাওয়ার উপযুক্ত হয় ।

ই. প্রভিডেন্ট ফান্ড

কোম্পানি তার কর্মচারিদের ক্ষেত্রে তাদের যোগদানের তারিখ হিসাব না করে প্রভিডেন্ট ফান্ড পরিচালনা করে । চাকুরি নিশ্চিত হওয়ার পর সকল কর্মচারিদেরই কোম্পানির নিয়ম অনুসারে এই ফান্ডে যোগদান করে তাদের বেসিক স্যালারির ১০% জমা রাখতে হয় এবং কোম্পানিও সে অনুযায়ী ফান্ডে অর্থ জমা রাখে । বোর্ড অব ট্রাস্টির দ্বারা এ ফান্ড পরিচালিত হয় । এ ফান্ডের সদস্যরা এ ফান্ডের টাকা টানা ৫ বছর কোম্পানিতে কাজ করার পর পাওয়ার উপযুক্ত হয় ।

কোম্পানি নির্ধারিত অবদান পরিকল্পনায় এসব অবদান খরচ হিসেবে চিহ্নিত করে যখন একজন কর্মচারি এসব অবদানের বিনিময়ে সার্ভিস প্রদান করেছে । আইনি এবং গঠনমূলক দায়বদ্ধতা যে পরিমাণে এই ফান্ডে জমা রাখতে ইচ্ছুক সেই পরিমাণ পর্যন্ত নির্দিষ্ট থাকে ।

ঈ. কর্মচারিদের মুন্যফার অংশগ্রহণে তহবিল

২০১৩ সালে সংশোধিত ‘বাল্বাদেশ লেবার অ্যাক্ট ২০০৬’ অনুসারে কোম্পানি তার প্রফিটের ৫% কর্মচারিদের প্রফিট পারটিসিপেশন ফান্ডে জমা রাখে তার কর্মচারিদের কাছ থেকে সেই খরচ দাবি করার আগে । কোম্পানি এ ফান্ডে জমাকে খরচ হিসেবে বিবেচনা করে যখন কোনো কর্মচারি এই জমার বিপরীতে তার প্রয়োজনীয় কাজ করে । আইনি এবং গঠনমূলক দায়বদ্ধতা যে পরিমাণে এ ফান্ডে জমা রাখতে ইচ্ছুক সেই পরিমাণ পর্যন্ত নির্দিষ্ট থাকে ।

ঝ সঞ্চিতি

রিপোর্টিং তারিখে কোনো বিধান স্বীকার করা হয় যদি কোনো পূর্ববর্তী ঘটনার কারণে কোম্পানির বর্তমান কোনো আইনি অথবা গঠনমূলক দায়বদ্ধতা, যা বিশ্বস্তভাবে অনুমান করা যায় এবং এটা সম্ভাব্য যে দায় নিস্পত্তির জন্য অর্থনৈতিক সুবিধামূহের বহির্গমন প্রয়োজনীয় হতে পারে । অর্থের সময়মূল্যের ফলাফল যদি বাস্তব হয় সেক্ষেত্রে নির্ধারিত দায়ের সাথে সঙ্গতিপূর্ণ চলতি কর-পূর্ব হারে সঞ্চিতি ডিসকাউন্ট করা হয় । ডিসকাউন্ট করার সময় সময়প্রবাহে সঞ্চিতির প্রবৃদ্ধিকে আর্থিক ব্যয় হিসেবে চিহ্নিত করা হয় । প্রত্যেক রিপোর্টিং পিরিয়ডের শেষে প্রতিশনস/বিধানসমূহ পর্যালোচনা করা হয় এবং বর্তমান অনুমানের সাথে অ্যাডজাস্ট করা হয় ।

ঞ সম্ভাব্য দায়

১. বিকল্প দায়

অতীতে ঘটা কোনো ঘটনার ওপর ভিত্তি করে সম্ভাব্য দায় নির্ধারিত হয় যার অন্তিত্ব নিশ্চিত করা সম্ভব শুধুমাত্র কোনো ভবিষ্যৎ ঘটনা ঘটা বা না ঘটায় ওপর যার নিয়ন্ত্রণ সব ক্ষেত্রে কোনো একটি নির্দিষ্ট পক্ষের হাতে থাকে না । সম্ভাব্য দায় আর্থিক বিবরণীতে উল্লেখ করা উচিত না হলেও তা প্রকাশ করা দরকার হতে পারে । কোনো বিধান/নীতিমালা সেই সময়ের ভিতরই স্বীকৃত হওয়া উচিত যেই সময়ের মাঝে বিধিমালা স্বীকৃত হওয়ায় মানদন্ড গৃহীত হয়েছে ।

২. বিকল্প সম্পদ

অতীতে ঘটা কোনো ঘটনার ওপর ভিত্তি করে সম্ভাব্য সম্পদ নির্ধারণ হয় যার অন্তিত্ব নিশ্চিত করা সম্ভব শুধুমাত্র ভবিষ্যৎ অনিশ্চিত কোনো ঘটনা ঘটা বা না ঘটায় ওপর যার নিয়ন্ত্রণ সবক্ষেত্রে কোনো নির্দিষ্ট একটি পক্ষের হাতে থাকে না ।

সম্ভাব্য সম্পদ স্বীকার্য হয় না । যখন কোনো আর্থিক সম্পদের আদায় সম্পূর্ণরূপে নিশ্চিত হয় তখনই শুধু এই সম্পদ স্বীকারের প্রশ্ন আসে যদি কিনা এটা নিশ্চিতভাবে পরিমাণ করা যায়, কেননা, তখন সেই সম্পদ আর সম্ভাব্য সম্পদ হিসেবে গণ্য হয় না ।

ট বিক্রয় আয়

বিক্রয় থেকে অর্জিত আয়ের স্বীকার্য হয় যখন পণ্য কিংবা সেবা কোম্পানির নির্ধারিত বিনিময়হারে ক্রেতার হাতে তুলে দেয়া হয় । কোম্পানি মনে করে আয় ব্যবস্থাপনায় এটি প্রধান যেহেতু এখানে গ্রাহকের হাতে তুলে দেয়ার আগে সেবা কিংবা পণ্যের ওপর নিয়ন্ত্রণ সুরক্ষিত থাকে ।

পণ্য বিক্রয় থেকে অর্জিত রাজস্ব বিবেচ্য লাভ বা প্রাপ্য হিসেবে ন্যায্য মূল্যে, নেট অব ভ্যাট, সম্পূরক শুল্ক, রঙানি শুল্ক এবং স্বাস্থ্য সারচার্জ যুক্ত করে হিসাব করা হয় । গ্রস টার্নওভারের ভেতর অন্তর্ভুক্ত অভ্যন্তরীণ বিক্রিত সিগারেট, পাতা রঙানি এবং সম্পূরক শুল্ক, রঙানি শুল্ক এবং স্বাস্থ্য সারচার্জ যা বাংলাদেশ সরকারকে প্রদান করা হয় ।

কোম্পানির দৈনন্দিন কার্যক্রম দায়বদ্ধতার মধ্যে রয়েছে

কার্যক্রম দায়বদ্ধতা	যখন কার্যক্রম দায়বদ্ধতা পূর্ণ হয়	যখন পাওনা বাকি থাকে	একক বিক্রির মূল্য যেভাবে নির্ধারিত হয়
দেশের মধ্যে বিক্রি			
পরিবেশক	কারখানা/গুদামের ফটকে নির্দিষ্ট সময়	চুক্তির শুরুতে	নিয়ন্ত্রক অনুমোদিত মূল্য অনুসারে
ডিউটি ফ্রি	কারখানা ফটকে নির্দিষ্ট সময়	ডেলিভারির ৩০ দিনের ভেতর	নিয়ন্ত্রক অনুমোদিত মূল্য অনুসারে
রঙানি বিক্রি			
সংশ্লিষ্ট পক্ষ এবং বাইরের পক্ষ	নির্দিষ্ট সময়; আইসিসি ইস্যুকৃত ফ্রি অন বোর্ড	ক. চুক্তির শুরুতে	সমতমূল্যে

	খ. কতিপয় লেনদেনের ক্ষেত্রে বিল অব লে-ডংয়ের তারিখে	সম্মতমূল্যে
৪	চুক্তিতে অন্য কোনো অঙ্গীকার রয়েছে কিনা যা পৃথক কার্যক্রমের দায় যেখানে লেনদেন মূল্যের একটি অংশ বরাদ্দ রাখতে হবে তা বিবেচনা করে থাকে কোম্পানি। দেশের ভিতর পরিবেশকদের কাছে বিক্রির ক্ষেত্রে মূল্য নির্ধারণের ক্ষেত্রে কোম্পানি গ্রাহকের কাছে পরিশোধযোগ্য চলকের ফলাফল হিসাবে অন্তর্ভুক্ত রাখা।	
	গ্রাহকের সাথে চুক্তির ক্ষেত্রে অন্তর্ভুক্ত বিভিন্ন ধরনের বিবেচনা থাকে কোম্পানির যেগুলো লেনদেনের মূল্য নির্ধারণের ক্ষেত্রে বাদ দেয়া হয়। চলকের বিবেচনা হয় পূর্বনির্ধারিত। রাজস্বের পর চলক বিবেচনার ফলাফল আসে শুধু দেশের মধ্যকার গ্রাহকের সাথে চুক্তির ক্ষেত্রে।	
	চলক বিবেচনা অনুমানের ক্ষেত্রে কোম্পানি ‘প্রত্যাশিত মূল্য’ পদ্ধতি কিংবা ‘সবচেয়ে সম্ভাব্য অঙ্ক’ পদ্ধতি, যেটি প্রযোজ্য হয়, প্রয়োগ করে থাকে। চুক্তির মেয়াদে কিংবা অনুরূপ চুক্তির ক্ষেত্রে কোম্পানি ধারাবাহিকভাবে প্রয়োগ করে থাকে।	

৪ **আয়কর খরচ**
আয়কর ব্যয়ের ভেতর বর্তমান এবং বিলম্বিত গুরু অন্তর্ভুক্ত। আয়কর খরচ লাভ-ক্ষতি এবং অন্যান্য সম্মিলিত আয়ের হিসাবে অন্তর্ভুক্ত থাকে।

- ১. বর্তমান গুরু**
বর্তমান গুরু হলো সেই বছরের জন্য প্রদেয় অথবা প্রাপ্য করযোগ্য আয় অথবা ক্ষতি, রিপোর্টিং তারিখে প্রতিপাদিত করের হার এবং বিগত বছরের সাপেক্ষে প্রদেয় করের সাথে কোনো অ্যাডজাস্টমেন্ট করার পরবর্তীতে থাকার অর্থ। বর্তমানে কোম্পানি ৪৫% হারে আয়কর এবং ২.৫% হারে সারচার্জ প্রদানে বাধ্য।
- ২. বিলম্বিত গুরু**
বিলম্বিত গুরু স্বীকার্য হয় আর্থিক প্রতিবেদনের জন্য সম্পদ এবং দায়ের ক্যারিং কস্টের/চলমান খরচের অস্থায়ী পার্থক্যের সাপেক্ষে। বিলম্বিত গুরু সেই কররেটে হিসাব করা হয় যেগুলো ব্যবহৃত হবে তখন যখন অস্থায়ী পার্থক্যগুলো রিভার্স হবে, যেগুলো রিপোর্টিং তারিখের ভেতর চালু হওয়া সেইসব আইনের ওপর নির্ভরশীল।
বিলম্বিত গুরু সম্পদ সেই পর্যন্ত স্বীকার্য হয় যখন এটা সম্ভাব্য হয় যে, ভবিষ্যৎ করযোগ্য মুনাফা সহজলভ্য হবে যার বিপরীতে অস্থায়ী পার্থক্যগুলো ব্যবহারযোগ্য হবে। বিলম্বিত গুরু সম্পদ প্রত্যেক রিপোর্টিং তারিখে রিভিউ করা হয় এবং সেই পর্যন্ত কমিয়ে ফেলা হয় যখন এটি কোনোভাবেই সম্ভাব্য হবে না যে গুরু সুবিধা স্বীকার্য হবে।
বিলম্বিত গুরু সম্পদ এবং দায় অফসেট করা হয় যদি আইনগত গ্রহণযোগ্য কোনো অধিকার থাকে বর্তমান কর দায় এবং সম্পদ অফসেট করার এবং সেগুলো সেই ট্যাক্স কর্তৃপক্ষের মাধ্যমে কর আরোপের সাথে জড়িত কিন্তু তারা নেট বেসিসে বর্তমান গুরু দায় এবং সম্পদ নিষ্পত্তি করে অথবা গুরু সম্পদ এবং দায় এক সাথে স্বীকার্য হয়।

ড বৈদেশিক মুদ্রার লেনদেনসমূহ
বৈদেশিক মুদ্রার বিনিময়সমূহ বাংলাদেশি টাকায় অনূদিত হয় সেই রেটে যা লেনদেনের তারিখে ক্লিং হয়েছে। সকল আর্থিক সম্পদ এবং দায় যেগুলো রিপোর্টিং তারিখে বৈদেশিক মুদ্রায় অনূদিত হয়েছে সেগুলি পুনরায় অনূদিত হয় কার্যকর মুদ্রায় ওইদিন বিদ্যমান বিনিময় মূল্যের ওপর ভিত্তি করে। রিপোর্টিং মেয়াদের শেষে আর্থিক পণ্য নিষ্পত্তি অথবা অনুবাদের ক্ষেত্রে যে পার্থক্য তৈরি হয় সেগুলো বিএস:২১ দ্য ইফেক্ট অব চেন্সেস ইন ফরেন এক্সচেঞ্জ রেট অনুসারে লাভ-ক্ষতি ও অন্যান্য বিস্তৃত আয় হিসেবে অন্তর্ভুক্ত হয়।

ঢ আর্থিক আয় ও ব্যয়
ব্যংকে সঞ্চিত আর্থিক আমানতের সুদ নিয়ে আর্থিক আয় গঠিত হয়। আর্থিক আয় অ্যাকচুয়ারি বেসিসে স্বীকৃত এবং লাভ-ক্ষতি ও অন্যান্য বিস্তৃত আয়ের হিসাবে দেখানো হয়। আর্থিক খরচের ভেতর ব্যংক চার্জ এবং ওভারড্রাফটের ওপর সুদের খরচ অন্তর্ভুক্ত।

ণ শেয়ার প্রতি আয় (ইপিএস)
কোম্পানি তার সাধারণ শেয়ারের ক্ষেত্রে শেয়ার প্রতি আয়কে প্রদর্শন করে। বেসিক শেয়ার প্রতি আয় হিসাব করা হয় সাধারণ শেয়ারহোল্ডারদের প্রতি আরোগ্য বা ক্ষতিকে সেই বিচরের অপরিশোধিত সাধারণ শেয়ারের ওয়েটেড অ্যাডরেজ সংখ্যা দিয়ে ভাগ করে।

তরলীকৃত নগদ অর্থ শেয়ার প্রতি আয় নির্ধারিত হয় সাধারণ শেয়ারহোল্ডারদের লাভ অথবা ক্ষতি এবং অপরিশোধিত শেয়ারের ওয়েটেড অ্যাডরেজের মধ্যে সমন্বয় করে, সকল তরলকৃত সাধারণ শেয়ারের প্রভাবের জন্য। যদিও শেয়ারপ্রতি আয় তরলীকরণ এই আর্থিক প্রতিবেদনের জন্য প্রযোজ্য হবে না, কারণ রিপোর্টিং তারিখে কোনো সম্ভাব্য তরলীকৃত সাধারণ শেয়ার ছিল না।

ত নগদ প্রবাহ বিবরণী
পরিচালনা কার্যক্রম থেকে নগদ প্রবাহ বিএএস ৭: স্টেটমেন্ট অব ক্যাশ ফ্লো অনুযায়ী প্রত্যক্ষ পদ্ধতির অধীনে দেখানো হয়েছে।

থ লভ্যাংশ
আর্থিক প্রতিবেদনে চূড়ান্ত লভ্যাংশ বিতরণ দায় হিসেবে দেখানো হয় সেই সময়কালের জন্য যখন বার্ষিক সাধারণ সভায় লভ্যাংশের অনুমোদন দেয়া হয়েছে, অপরদিকে অন্তবর্তী লভ্যাংশ স্বীকৃত হয় সেই সময়কালে যখন লভ্যাংশ ঘোষণা এবং প্রদান করা হয়।

দ ম্যাটেরিয়ালিটি এবং অ্যাপ্রোগেশন
সংখ্যাগত তথ্যের ক্ষেত্রে সকল তুলনামূলক তথ্য এ আর্থিক প্রতিবেদনে প্রকাশ করা হয়েছে এবং আখ্যানধর্মী ও বর্ণনামূলক তথ্যের ক্ষেত্রেও যেগুলো প্রাসঙ্গিক বর্তমান আর্থিক প্রতিবেদন বোঝার ক্ষেত্রে জরুরি, সেগুলিও প্রকাশ করা হয়েছে।

তুলনার স্বার্থে বিগত বছরের কিছু জরুরি প্রাসঙ্গিক ব্যালান্স পুনর্বিন্যস্ত ও পুনঃশ্রেণীবিভাজন করা হয়েছে যখনই এগুলো বর্তমান বছরের উপস্থাপনের ক্ষেত্রে জরুরি বলে বিবেচিত হয়েছে।

ধ প্রতিবেদন প্রস্তুত পরবর্তী ঘটনাবলী

রিপোর্টিং তারিখের পরবর্তী ঘটনাবলী যা রিপোর্টিং তারিখে কোম্পানির অবস্থা সম্পর্কে ধারণা প্রদান করে যা ইস্তিত করে যে বর্তমান পরিস্থিতি যথাযথ নয়, তাও আর্থিক বিবরণীতে তুলে ধরা হয়েছে। আর্থিক বিবরণীতে চিহ্নিত অ্যামাউন্ট রিপোর্টিং পিরিয়ডের শেষ সময়ের পরিস্থিতি যা তুলে ধরে তা অ্যাডজাস্ট করা হয়েছে। রিপোর্টিং পিরিয়ডের পরবর্তী ঘটনাবলী যা রিপোর্টিং পিরিয়ডের পরবর্তী পরি-স্থিতি সম্পর্কে ধারণা দেয় তার কোনো অ্যাডজাস্টমেন্ট করা হয়নি। আর্থিক বিবরণীতে ম্যাটেরিয়াল নন-অ্যাডজাস্টমেন্ট ঘটনাবলী তুলে ধরা হয়েছে।

আসন্ন ভবিষ্যতে কার্যক্রম চালিয়ে যাওয়ার মতো পর্যাণ্ড রিসোর্স রয়েছে কোম্পানির। এ কারণে চলমান প্রকল্প ভিত্তিতে আর্থিক বিবরণী প্রস্তুত করেছে কোম্পানি। চলমান বাণিজ্য এগিয়ে নেয়ার জন্য কোম্পানির বর্তমান রিসোর্সে পর্যাণ্ড তহবিল ও উল্লেখযোগ্য ক্রেডিট সুবিধা রয়েছে।

ন হিসাবরক্ষণ নীতি ও প্রকাশে পরিবর্তন
প্রথমবারের মতো আইএফআরএস ১৫ এবং আইএফআরএস ৯ প্রয়োগ করেছে কোম্পানি। এসব পরিবর্তনের প্রকৃত এবং ফলাফল এবং এদের সূচনার ফলে হিসাবরক্ষণ মানদণ্ডের ফলাফল নিচে বর্ণিত হলো।

২০১৮ সালে প্রথমবারের মতো প্রয়োগ হচ্ছে বেশ কয়েকটি সংশোধনী ও ব্যাখ্যা। তবে কোম্পানির আর্থিক বিবরণীর ওপর এর কোনো প্রভাব নেই। কোম্পানি কোনো মানদণ্ড, ব্যাখ্যা কিংবা সংশোধনী অ্যাডপ্ট করেনি যা ইস্যু হয়েছে ইতোমধ্যেই অথচ কার্যকর হয়নি এখনো।

১. আইএফআরএস ১৫ বিক্রয় থেকে আয়
আইএফআরএস ১৫ আইএএস ১১ নির্মাণচুক্তি, আইএএস ১৮ রাজস্ব এবং সংশ্লিষ্ট ব্যাখ্যাবলী রহিত করে এবং স্বল্প ব্যতিক্রম ছাড়া বিক্রয় থেকে আসা সকল রাজস্বের ক্ষেত্রে প্রয়োগ হয়। বিক্রয় থেকে অর্জিত আয়ের জন্য একটি পাঁচ ধাপ বিশিষ্ট মডেল হাজির করে আইএফআরএস ১৫।

আইএফআরএস ১৫ অনুসারে ক্রেতার সাথে চুক্তির ক্ষেত্রে মডেলের প্রতিটি ধাপ যাতে যথাযথ প্রয়োগ করা হচ্ছে তা নিশ্চিত করতে কোম্পানিকে সকল প্রাসঙ্গিক তথ্য বিবেচনার মধ্যে নিয়ে বিচারবোধ প্রয়োগ করতে হয়। এই মানদণ্ড চুক্তি অর্জনে সংশ্লিষ্ট ব্যয় এবং চুক্তি পরিপালনের জন্য প্রয়োজনীয় ব্যয়ের বিষয়টিও উল্লেখ করে।

কোম্পানি আইএফআরএস আত্মীকৃত করে আত্মীকরণের পূর্ণ রেকর্ডসপেক্টিভ ভিত্তিতে ২০১৮ সালের ১ জানুয়ারি তারিখে প্রাথমিক আবেদনসহ, সব মেয়াদের আয় বিবরণীর তুলনামূলক বাস্তবতা নিশ্চিত করার জন্য। যাতে বিগত সময়ের পুনর্বিবরণী প্রয়োজন হয়। পাশাপাশি, প্রাথমিক আবেদনের জন্য বাস্তব রেকর্ড ব্যবহার করেছে কোম্পানি এবং তুলনামূলক আর্থিক বিবরণী দাখিল করেনি যেহেতু চুক্তির শুরু এবং শেষ ঘটেছে অভিন্ন বার্ষিক রিপোর্টিং মেয়াদের মধ্যেই। একারণে তা আইএস ১১, আইএএস ১৮ এবং প্রাসঙ্গিক ব্যাখ্যাবলীতে তুলে ধরা হয়েছে। ২০১৮ সালের ১ জানুয়ারি থেকে সকল চুক্তিতে এটি প্রয়োগের সিদ্ধান্ত নেয়া হয়।

	আইএফআরএস ১৫ অনুসারে ২০১৮ টাকা (০০০)	আইএফআরএস ১৫ অনুসারে ২০১৭ টাকা (০০০)	আইএএস ১৮ অনুসারে ২০১৭ টাকা (০০০)
দেশের ভেতর বিক্রি:			
গ্রুপ টার্নওভার	২৩১,৫১২,৪২৪	২০১,৯১৭,৫৬০	২০১,৯১৭,৫৬০
সম্পূরক গুরু এবং ভ্যাট	-১৭৮,২১৭,৮৯৫	(১৫১, ৯৭২,৯২৯)	(১৫১, ৯৭২,৯২৯)
ভ্যারিয়েবল কনসিডারেশন এক্সপেন্সেস (ভিসিই)	-৮৩৮,৪১১	-২০৯,৫১৬	-
বিক্রয় থেকে অর্জিত নেট রাজস্ব	৫২,৪৫৬,১১৭	৪৯,৭৩৫,১১৫	৪৯,৯৪৪,৬৩১
তামাক রপ্তানি আয়:			
বাইরের এবং সংশ্লিষ্ট পক্ষের কাছে বিক্রি	২,১৮৩,৬৫০	২,০১৯,১১২	২,০১৯,১১২
বিক্রির ব্যয়	-২৭,০৯৬,২৯৭	-২৭,১৮০,৭৪২	-২৭,১৮০,৭৪২
নেট মুনাফা	২৭,৫৪৩,৪৭০	২৪,৫৭৩,৪৮৫	২৪,৭৮৩,০০১
ভ্যারিয়েবল কনসিডারেশন এক্সপেন্সেস (ভিসিই)	-	-	-২০৯,৫১৬
অন্যান্য পরিচালন ব্যয় (নেট ভিসিই)	-৬,৭২৩,৬৯০	-৬,৭৭১,০৬৪	-৬,৭৭১,০৬৪
পরিচালন মুনাফা	২০,৮১৯,৭৮০	১৭,৮০২,৪২১	১৭,৮০২,৪২১

২. আইএফআরএস ৯: আর্থিক উপকরণ
আইএফআরএস ৯ আর্থিক উপকরণ আইএএস ৩৯ আর্থিক উপকরণকে প্রতিস্থাপিত করে। ২০১৮ সালের ১ জানুয়ারি কিংবা তার পর শুরু হওয়া বার্ষিক প্রতিবেদনের স্বীকৃতি এবং পরিমাপ আর্থিক উপকরণের হিসাবের তিনটি ক্ষেত্রকেই একত্র করেছে: শ্রেণীকরণ ও পরিমাপ, লোকসান এবং হেজ অ্যাকাউন্টিং।

আইএফআরএস ৯ কোম্পানি প্রয়োগ করেছে ২০১৮ সালের ১ জানুয়ারি। তুলনামূলক তথ্য যা আইএএস ৩৯ এর আওতায় তুলে ধরা হচ্ছে তা পুনর্ব্যক্ত করেনি। আইএফআরএস ৯ প্রয়োগজি-নাত ব্যবধান সরাসরি রিটেইনড আর্শিৎ এবং অন্যান্য ইকুইটি উপকরণে চিহ্নিত করা হয়েছে।

	অ্যাডজাস্টমেন্ট	জানুয়ারি ১, ২০১৮ টাকা (০০০)
সম্পদ		
বাণিজ্য থেকে প্রাপ্যসমূহ	ক	২,২২৫.৪৮২

REPORTS AND FINANCIAL STATEMENTS

পরিশোধের দায় চিহ্নিত করবেন একজন ইজারাদার। ইজারা দায়ের সুদের ব্যয় পৃথকভাবে নির্ধারণ করবেন ইজারাদার।

বিশেষ ঘটনার প্রেক্ষিতে যেমন ইজারা মেয়াদের পরিবর্তন, ভবিষ্যত ইজারা হারের পরিবর্তন ইত্যাদি ক্ষেত্রেও ইজারা দায় পুনর্মূল্যায়ন করতে হবে।

আইএএস ১৭ এর অধীনে বর্তমান হিসাবরক্ষণ থেকে অপরিবর্তিত থাকবে আইএফআরএস এর হিসাবরক্ষণ। ইজারাদার আইএএস ১৭ এর অধীনে সব ইজারার শ্রেণীকরণ নীতি অব্যাহত রাখবে এবং দুই ধরনের ইজারার পার্থক্য নির্ধারণ করবে।

এই মানদণ্ড ২০১৯ সালের ১ জানুয়ারি বা এর পরে শুরু হওয়া বার্ষিক সময়কালের জন্য কার্যকর।

আইএফআরএস ১৬-এ উত্তরণ

আর্থিক প্রতিবেদনের ওপর সম্ভাব্য প্রভাবের মূল্যায়ন সম্পন্ন করেছে কোম্পানি। তবে এর প্রকৃত রূপ নির্ভর করবে ২০১৯ সালের ১ জানুয়ারি কোম্পানির ঋণের হার সহ ভবিষ্যৎ আর্থিক পরিস্থিতির ওপর।

কোম্পানি সংশোধিত রেট্রোসপেক্টিভ আকারে আইএফআরএস ১৬ প্রয়োগ করার পরিকল্পনা করছে প্রাথমিক প্রতিবেদনের তারিখে কিউমুলেটিভ ইফেক্টের সনাক্তিকরণসহ এবং পূর্ববর্তী সময়ের পুনরুল্লেখ ছাড়াই।

সংক্ষেপে আইএফআরএস ১৬ অন্তর্ভুক্তকরণের প্রত্যাশিত প্রভাব নিচে তুলে ধরা হলো:

ডিসেম্বর ৩১, ২০১৮ তারিখে আর্থিক পরিস্থিতি প্রতিবেদনের ওপর প্রভাব*

	টাকা (০০০)
সম্পদ	
সম্পদ, কারখানা ও যন্ত্রপাতি (রাইট-অব-ইউজ সম্পদ)	১,০৩৫,২৭৫
দায়সমূহ	
ইজারা দায়	১,০১৮,৫৩০

২০১৮ সালের লাভ কিংবা ক্ষতির প্রতিবেদনের ওপর প্রভাব*	
অবচ্যুতি ব্যয়	৩৭৬,৩১১
পরিচালন ইজারা ব্যয়	৪১২,৯৬৬
আর্থিক ব্যয়	৭৮,৮১৫

* ওপরে প্রিপেমেন্ট, আয়কর ব্যয় এবং বিলম্বিত করের প্রতিক্রিয়া বিবেচনা করা হয়নি, যা চূড়ান্তকরণ প্রক্রিয়ার মধ্যে রয়েছে কোম্পানি।

খ. আইএফআরআইসি ব্যাখ্যা ২৩ আয়কর ট্রিটমেন্টে অনিশ্চয়তা

আইএএস ১২ এর প্রয়োগ যা প্রভাবিত করে যে অনিশ্চয়তা যা জড়িয়ে রয়েছে কর ট্রিটমেন্টের সঙ্গে তা এ ব্যাখ্যায় তুলে ধরা হয়। আইএএস ১২ বহির্ভূত কর বা লেভির ক্ষেত্রে তা প্রয়োগ হয় না। কিংবা অনিশ্চিত কর ট্রিটমেন্টের সাথে সম্পৃক্ত সুদ কিংবা জরিমানার সাথে সর্গশ্রুষ্ট প্রয়োজনীয়তাকেও অন্তর্ভুক্ত করে না।

ব্যাখ্যা বিশেষভাবে তুলে ধরে নিচের বিষয়াবলী:

- পৃথকভাবে কর ট্রিটমেন্ট বিবেচনা করা হচ্ছে কিনা
- কর কর্তৃপক্ষের কর ট্রিটমেন্ট পরীক্ষার মূল্যায়ন
- কীভাবে নির্ধারিত হয় করযোগ্য আয় (কর ক্ষতি), কর ভিত্তি, অব্যবহৃত কর ক্ষতি
- ঘটনা এবং পরিস্থিতির মধ্যকার পরিবর্তনগুলো কীভাবে বিবেচনা করছে কোম্পানি

কোম্পানিকে নির্ধারণ করতে হয় পৃথকভাবে প্রতিটি অনিশ্চিত কর বিবেচনা করবে নাকি এক বা ততোধিক অনিশ্চিত কর একত্রে বিবেচনা করবে সে বিষয়টি। এর মধ্যে যেটি অধিকতর উত্তম নিশ্চয়তা দেবে, সেটিকেই অনুসরণ করতে হবে। ২০১৯ সালের ১ জানুয়ারি থেকে শুরু বার্ষিক প্রতিবেদনের মেয়াদকালে এ ব্যাখ্যা কার্যকর হবে, যদিও বেশ কয়েকটি উত্তরণ অবকাশ পাওয়া যাবে এতে। কার্যকর তারিখ থেকে ব্যাখ্যা কার্যকর করবে কোম্পানি।

গ. আইএএস ১৯ এ সংশোধনী: পরিকল্পনা সংশোধন, নিষ্পত্তি কিংবা ছাড়

আইএএস ১৯ এর সংশোধন প্রতিবেদন মেয়াদে ব্যক্ত করে যখন একটি পরিকল্পনা সংশোধন, নিষ্পত্তির ছাড় ঘটে। এ সংশোধন নিশ্চিত করে যখন একটি পরিকল্পনা সংশোধন কিংবা নিষ্পত্তি কিংবা ছাড়ের ঘটনা ঘটে তখন প্রয়োজন:

১. বর্তমান সার্ভিস ব্যয় নির্ধারণ করা মেয়াদির অবশিষ্ট সময়কালীন অ্যাকচুয়ারিয়াল মূল্যায়ন প্রয়োগের মাধ্যমে নেট নির্ধারিত বেনিফিট পুনর্মাণনের ক্ষেত্রে যাতে তুলে ধরা হয়েছে ঘটনাপরবর্তী পরিকল্পনা কিংবা পরিকল্পনা সম্পদের অধীনে প্রস্তাবিত বেনিফিট।

২. মেয়াদের অবশিষ্ট সময়ের জন্য নেট সুদ নির্ধারণ করা পরিকল্পনা সংশোধন, ছাড় কিংবা নিষ্পত্তির পর নেট নির্ধারিত বেনিফিট দায় ব্যবহারের মাধ্যমে ঘটনাপরবর্তী পরিকল্পনা ও পরিকল্পনা সম্পদের অধীনে প্রস্তাবিত বেনিফিট; এবং ডিসকাউন্ট রেট।

সংশোধনীর মাধ্যমে স্পষ্ট করা হয় যে, একটি কোম্পানি প্রথমত নির্ধারণ করে বিগত সার্ভিস কস্ট, কিংবা নিষ্পত্তিতে লাভ অথবা ক্ষতি সম্পদ সীমার প্রতিক্রিয়া বিবেচনা ছাড়াই। অ্যামাউন্ট স্বীকৃত হয় লাভ অথবা ক্ষতির হিসাবে। পরিকল্পনা সংশোধন, ছাড় কিংবা নিষ্পত্তির পর একটি কোম্পানি সম্পদ সীমার প্রতিক্রিয়া নির্ধারণ করে। এ ক্ষেত্রে যে কোনো পরিবর্তন নেট সুদে অন্তর্ভুক্ত অ্যামাউন্ট বাদে, অন্যান্য সম্মিলিত আয়ে স্বীকৃত হয়।

২০১৯ সালের ১ জানুয়ারি থেকে শুরু হওয়া প্রতিবেদন মেয়াদের পরিকল্পনা সংশোধন, ছাড় ও নিষ্পত্তির ক্ষেত্রে সংশোধনী প্রয়োগকৃত হবে। পূর্বের প্রয়োগ অনুমোদিত ধরা হবে। এসব সংশোধনী কোম্পানির শুধু ভবিষ্যৎ পরিকল্পনা সংশোধন, ছাড় কিংবা নিষ্পত্তির ক্ষেত্রে কার্যকর হবে।

		২,২২৫,৪৮২
ইকুইটিতে মোট অ্যাডজাস্টমেন্ট	ক	১১,১৮৩
রিটাইনড আর্নিং		১১,১৮৩

এসব অ্যাডজাস্টমেন্টের প্রকৃতি নিচে তুলে ধরা হলো:

ক. শ্রেণীকরণ এবং পরিমাপ

আইএফআরএস ৯ এর অধীনে ঋণ উপকরণ পর্যায়ক্রমে পরিমাপ করা হয় ন্যায্য মূল্যে ওসিআইয়ের মাধ্যমে লাভ কিংবা ক্ষতি, অ্যামরটাইজড কস্ট কিংবা ন্যায্য মূল্যের ভিত্তিতে নির্ধারণ করা হয়। দুটি বিবেচনার ওপর ভিত্তি করে হয় এ শ্রেণীকরণ। সম্পদ ব্যবস্থাপনার জন্য কোম্পানির বিজনেস মডেল এবং উপকরণের চুক্তিভিত্তিক নগদ প্রবাহ অনাদায়ী প্রিন্সিপাল অ্যামাউন্টের 'আসল এবং সুদের একমাত্র পেমেট' এর প্রতিনিধিত্ব করছে কিনা তার ওপর।

২০১৮ সালের ১ জানুয়ারি প্রাথমিক আবেদনের মাধ্যমে কোম্পানির বিজনেস মডেলের মূল্যায়ন করা হয়। ঋণ উপকরণের চুক্তিভিত্তিক নগদ প্রবাহ কেবল আসল এবং সুদের মাধ্যমে নির্ধারিত হয় সম্পদের প্রাথমিক সনাক্তির পর পরিস্থিতি এবং ঘটনার ভিত্তিতে।

আইএফআরএস ৯ এর শ্রেণীকরণ এবং পরিমাপের প্রয়োজনীয়তা কোম্পানির ওপর গুরুত্বপূর্ণ কোনো প্রভাব বিস্তার করেনি। অতীতে আইএএস ৩৯ এর অধীনে ন্যায্য মূল্যের ভিত্তিতে কৃত সকল আর্থিক সম্পদের মূল্যায়ন করেছে কোম্পানি। গ্রুপের আর্থিক সম্পদের শ্রেণীকরণে সূচিত পরিবর্তনগুলো নিচে তুলে ধার হলো:

* ২০১৭ সালের ৩১ ডিসেম্বর তারিখে বাণিজ্য থেকে প্রাপ্যসমূহ চুক্তিভিত্তিক নগদ প্রবাহ বৃদ্ধি করে। তাদের শ্রেণীকরণ করা হয় ঋণ উপকরণ হিসেবে। লাভ কিংবা ক্ষতির মাধ্যমে ন্যায্য মূল্যে কোনো আর্থিক দায় সনাক্ত করেনি কোম্পানি। কোম্পানির আর্থিক দায়ের শ্রেণীকরণ কিংবা পরিমাপনে কোনো পরিবর্তন হয়নি।

সংক্ষেপে আইএফআরএস ৯ আত্মীকরণের পর ২০১৮ সালের ১ জানুয়ারি তারিখে নিম্নলিখিত প্রয়োজনীয় কিংবা নির্বাচিত শ্রেণীকরণ ছিল কোম্পানির।

	টাকা (০০০)	আইএফআরএস পরিমাপন শ্রেণী		
		লাভ-ক্ষতির মাধ্যমে ন্যায্য মূল্য	অ্যামরটাইজড কস্ট	ওসিআইএর মাধ্যমে ন্যায্য মূল্য
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
আইএএস ৩৯ পরিমাপন শ্রেণী				
বাণিজ্য প্রাপ্যসমূহ	২,২২৫,৪৮২	১১,১৮৩	০	০
		১১,১৮৩	০	০

খ. লোকসান

আইএফআরএস ৯ এর আত্মীকরণের ফলে লোকসানজনিত ক্ষতির হিসাবরক্ষণ মৌলিকভাবে বদলে গেছে আইএএস ৩৯ প্রতিস্থাপনের মাধ্যমে। আইএফআরএস ৯ অনুসারে লাভ কিংবা ক্ষতির মাধ্যমে ন্যায্য মূল্যে সকল ঋণ উপকরণের ওপর ইসিএল এর ভাতার স্বীকৃতি দিতে হয়।

নিচে আইএএস ৩৯ এর সাথে সঙ্গতিপূর্ণ লোকসানজনিত ভাতার ক্ষতিপূরণ আইএফআরএস ৯ এর সাথে তুলনায় নির্ধারিত তুলে ধরা হলো:

	ইমপেয়ারমেন্ট ভাতা ২০১৭ সালের ৩১ ডিসেম্বর আইএএস ৩৯ এর অধীনে	পুনর্পরিমাপন	২০১৮ সালের ১ জানুয়ারি আইএফআরএস ৯ এর অধীনে ইসিএল
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
আইএফআরএস ৯ এর অধীনে অ্যামরটাইজড কস্টে আইএএস ৩৯/ আর্থিক সম্পদের অধীনে প্রাপ্যসমূহ	-		
	-	১১,১৮৩	১১,১৮৩
		১১,১৮৩	১১,১৮৩

৭ ইস্যুকৃত মানদণ্ড যা কার্যকর হয়নি এখনো

কোম্পানির আর্থিক প্রতিবেদন প্রকাশ করা পর্যন্ত যেসব মানদণ্ড বা ব্যাখ্যা ইস্যু করা হয়েছে কিন্তু কার্যকর হয়নি তা নিচে তুলে ধরা হলো। কোম্পানি, প্রয়োজ্যসাপেক্ষে, যখন কার্যকর হবে, এসব মানদণ্ড প্রয়োগ করতে আগ্রহী। যা হোক, পূর্ণাঙ্গ মানদণ্ডতালিকা এখানে থাকছে না, কেবল সেগুলোই তুলে ধরা হলো যেগুলো প্রয়োগের সম্ভাবনা সর্বাধিক বলে মনে করছে কোম্পানি।

ক. আইএফআরএস ১৬ ইজারা

আইএফআরএস ১৬ ২০১৬ সালের জানুয়ারি মাসে ইস্যু করা হয় আইএএস ১৭ প্রতিস্থাপিত করে। আইএফআরএস ৪, কোনো ব্যবস্থায় ইজারা আছে কিনা তা নির্ধারণ করা, এসআইসি ১৫, অপারেটিং (পরিচালনা) ইজারা, ইনসেনটিভস এবং এসআইসি ২৭, ইজারার আইনি গঠনের অন্তর্ভুক্ত লেনদেনের বস্তুনিষ্ঠতা মূল্যায়নসহ বিদ্যমান ইজারার নির্দেশিকা প্রতিস্থাপন করে। মানদণ্ডে ইজারার জন্য দুটি সনাক্তি ব্যতিক্রম অন্তর্ভুক্ত রয়েছে: লো-ভালু সম্পদের (যেমন, পারসোনাল কম্পিউটার) ইজারা এবং স্বল্পমেয়াদী ইজারা (যেমন, ১২ মাস কিংবা তারও কম সময়ের জন্য)। ইজারা শুরুর তারিখে ইজারা



৮ সম্পদ, কারখানা ও যন্ত্রপাতি

হিসাবরক্ষণ নীতির টাকা ৬ক এবং ৬খ দেখুন

	ফ্রিহোল্ড ভবন	ফ্রিহোল্ড জমি	আসবাবপত্র ও ফিক্চার	আইটি যন্ত্রপাতি	গবেষণা যন্ত্রপাতি	লিজহোল্ড ভবন	অফিস উপকরণ	কারখানা ও যন্ত্রপাতি	যানবাহন	নির্মাণাধীন সম্পদ (এইউসি)	সর্বমোট
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
ব্যয়											
জানুয়ারি ১, ২০১৭ তারিখে ব্যালেন্স	৯০৫,৩৬০	৩৭৫,৭৮১	৩২৮,১৫০	৩১৭,৩৪৮	২২৪,৫৪৩	৬৮৪,৩১৪	৫৫৯,৬২০	১৫,৯১৬,৮৫০	৯০৪,৯২৮	২,৪৬৫,০৯০	২২,৬৮১,৯৮৪
সংযোজন	২৫,২২০	-	২৫,২৭০	৭৭,২৭৭	৩৫,৫৭১	১৯,৮৯৯	১৭২,১০৪	২,৩১৯,৩১৪	২০৩,৯৯৭	৬,৩৬৩,১৬৮	৯,২৪১,৮২০
অবচ্যুতি/সমস্বয়	-	-	-৯৮	-৩৬,৯৮৪	-	-	(২,৫৮০)	(১২০,৩৩৫)	(৯৬,৭৯৪)	(২,১৭৮,১২৩)	(২,৪৩৪,৯১৪)
ডিসেম্বর ৩১, ২০১৭ তারিখে ব্যালেন্স	৯৩০,৫৮০	৩৭৫,৭৮১	৩৫৩,৩২২	৩৫৭,৬৪১	২৬০,১১৪	৭০৪,২১৩	৭২৯,১৪৪	১৮,১১৫,৮২৯	১,০১২,১৩১	৬,৬৫০,১৩৫	২৯,৪৮৮,৮৯০
জানুয়ারি ১, ২০১৮ তারিখে ব্যালেন্স	৯৩০,৫৮০	৩৭৫,৭৮১	৩৫৩,৩২২	৩৫৭,৬৪১	২৬০,১১৪	৭০৪,২১৩	৭২৯,১৪৪	১৮,১১৫,৮২৯	১,০১২,১৩১	৬,৬৫০,১৩৫	২৯,৪৮৮,৮৯০
সংযোজন	৩৩৮,৬৯৩	৫২,৯৮১	১,৪৫১	৭২,৭১২	৫৩,৭৯৫	৫৮,৯৮৯	৭৯,৯৭৭	২,৩০৪,৪৩২	৪৪৭,১৯৩	৬,২৯৫,২০৬	৯,৭০৫,৪২৯
অবচ্যুতি/সমস্বয়	-	-	(১,৩৬৫)	(২১,৮৯৭)	-	(৭,১২৪)	(৪০,০১৫)	(৩৮২,২২৭)	(২৪৬,৭৩৬)	(২,৩০২,৬২৭)	(৩,০০১,৯৯১)
ডিসেম্বর ৩১, ২০১৮ তারিখে ব্যালেন্স	১,২৬৯,২৭৩	৪২৮,৭৬২	৩৫৩,৪০৮	৪০৮,৪৫৬	৩১৩,৯২৩	৭৫৬,০৭৮	৭৬৯,১০৬	২০,০৩৮,০৩৪	১,২১২,৫৮৮	১০,৬৪২,৭১৪	৩৬,১৯২,৩২৮
অবচ্যুতি এবং লোকসান											
জানুয়ারি ১, ২০১৭ তারিখে ব্যালেন্স	১৫৬,৬০৩	-	২০১,২৩২	২৪৪,০৮৬	১২১,২০৯	১৩৪,৭৩২	১৮১,৩৮২	৫,৭১০,৯৫১	৫১৯,৯১৬	-	৭,২৭০,১১১
বছরের অবচ্যুতি	২২,৪১৯	-	৩৬,৭৪৬	৪৮,৭২৫	১৭,৭৮৮	২১,০৫৬	১০১,২২৯	১,০৬৮,৪৮৩	১৭৯,০৫৭	-	১,৪৯৫,৫০৩
লোকসান	-	-	-	-	-	-	-	-	-	-	-
অবচ্যুতি/সমস্বয়	-	-	(৯৭)	(৩৬,৮৬২)	-	-	(২,৫৪৯)	(৫৬,৫০৮)	(৯৫,৮৬৮)	-	(১৯১,৮৮৪)
ডিসেম্বর ৩১, ২০১৭ তারিখে ব্যালেন্স	১৭৯,০২২	-	২৩৭,৮৮১	২৫৫,৯৪৯	১৩৮,৯৯৭	১৫৫,৭৮৮	২৮০,০৬২	৬,৭২২,৯২৬	৬০৩,১০৫	-	৮,৫৭৩,৭৩০
জানুয়ারি ১, ২০১৮ তারিখে ব্যালেন্স	১৭৯,০২২	-	২৩৭,৮৮১	২৫৫,৯৪৯	১৩৮,৯৯৭	১৫৫,৭৮৮	২৮০,০৬২	৬,৭২২,৯২৬	৬০৩,১০৫	-	৮,৫৭৩,৭৩০
বছরের অবচ্যুতি	২৬,৬১৯	-	৩১,৭১৩	৫৯,৪২২	২৩,২৭৫	২১,৯৫২	১৩০,৭৬৩	৮০৬,০৫১	১৯৫,৮৮৪	-	১,২৯৫,৬৭৯
লোকসান	-	-	-	-	-	-	-	৩৯৭,৬৫৫	-	-	৩৯৭,৬৫৫
অবচ্যুতি/সমস্বয়	-	-	(১,২৭৩)	(২১,৮৯৭)	-	(২,৪১৫)	(৩৯,৯৩৭)	(২৫০,১১১)	(২৪২,৬৯০)	-	(৫৫৮,৩২৩)
ডিসেম্বর ৩১, ২০১৮ তারিখে ব্যালেন্স	২০৫,৬৪১	-	২৬৮,৩২১	২৯৩,৪৭৪	১৬২,২৭২	১৭৫,৩৭৩	৩৭০,৮৮৮	৭,৬৭৬,৫২১	৫৫৬,২৯৯	-	৯,৭০৮,৭৪১
চলমান পরিমাণ											
ডিসেম্বর ৩১, ২০১৭ তারিখে	৭৫১,৫৫৮	৩৭৫,৭৮১	১১৫,৪৪১	১০১,৬৯২	১২১,১১৭	৫৪৮,৪২৫	৪৪৯,০৮২	১১,৩৯২,৯০৩	৪০৯,০২৬	৬,৬৫০,১৩৫	২০,৯১৫,১৬০
ডিসেম্বর ৩১, ২০১৮ তারিখে	১,০৬৩,৬৩২	৪২৮,৭৬২	৮৫,০৮৭	১১৪,৯৮২	১৫১,৬৩৭	৫৮০,৭৫৩	৩৯৮,২১৮	১২,৩৬১,৫১৩	৬৫৬,২৮৯	১০,৬৪২,৭১৪	২৬,৪৮৩,৫৮৭

৮.১ অবচ্যুতি ও লোকসানে বরাদ্দ

	টাকা	২০১৮ টাকা (০০০)	২০১৭ টাকা (০০০)
উৎপাদনের উপরি ব্যয়	২৪.১	১,২০৪,০২৬	১,০৮৪,০২২
পরিচালন ব্যয়	২৫	২০৭,৫৪২	১৮১,০৯৩
তামাকের জন্য ব্যয়		২৮১,৭৬৬	২৩০,৩৮৮
		১,৬৯৩,৩৩৪	১,৪৯৫,৫০৩

	২০১৮ টাকা (০০০)	২০১৭ টাকা (০০০)
৮.২ নির্মাণাধীন সম্পদ		
২০১৮ সালের ৩১ ডিসেম্বর তারিখের সম্পদ, কারখানা ও যন্ত্রপাতির মধ্যে অন্তর্ভুক্ত রয়েছে নির্মাণ প্রক্রিয়াধীন কারখানা ও যন্ত্রপাতি, অফিস উপকরণ, ফ্রিহোল্ড ভবন এবং লিজহোল্ড ভবনের ব্যয়।		
৮.৩ সম্পদ, কারখানা ও যন্ত্রপাতি বাতিলকরণ		
বিস্তারিতের জন্য টাকা ২৭ দেখুন		
৯ মঞ্জুর পণ্য		
হিসাবরক্ষণ নীতিমালার টাকা ৬খ দেখুন		
হাতে থাকা মঞ্জুর পণ্য	১৯,২৯১,৮৪৬	১৭,০৭৯,৬১২
ট্রানজিটে মঞ্জুর পণ্য	১৩৭,৩৫৫	৩৮৯,৪৭৭
	১৯,৪২৯,২০১	১৭,৪৬৯,০৮৯
হাতে থাকা মঞ্জুর পণ্য		
তামাক পাতা	১০,৮৫৩,০৪৮	৭,০৭৮,৬৯০
মোড়ক সামগ্রী	২,৪৭৫,৩৫২	৮১৬,৫৫৯
প্রক্রিয়াধীন কাজ	৩৩,৪৪৪	৫৪,৪১১
প্রস্তুত পণ্য	-	-
প্রস্তুত পণ্যের খরচ	১,০৫৮,৯৮২	১,৮৭৪,৬৫০
প্রস্তুত পণ্যের মূল্য সংযোজন কর, সম্পূরক শুষ্ক এবং স্বাস্থ্য উন্নয়ন সারচার্জ	৪,৩৫১,৬৩১	৬,৭১৪,৭০৯
ভোগ্য মালামাল	৫১৯,৩৮৯	৫৪০,৫৯৩
	১৯,২৯১,৮৪৬	১৭,০৭৯,৬১২
ট্রানজিটে মঞ্জুর পণ্য		
তামাক পাতা	৪,৬৫৮	৩১,২৫০
মোড়ক সামগ্রী	১৯,১৯১	৩২২,০৮৪
ভোগ্য মালামাল	১১৩,৫০৬	৩৬,১৪৩
	১৩৭,৩৫৫	৩৮৯,৪৭৭
১০ বাণিজ্য এবং অন্যান্য প্রাপ্য		
হিসাবরক্ষণ নীতিমালার টাকা ৬ (গ) (১) (অ) দেখুন		
বাণিজ্য প্রাপ্যসমূহ	৩,৬৭৩,৭৮০	২,২৩৬,৬৬৫
প্রত্যাশিত ক্রেডিট লস	(২,১৭২)	-
নেট বাণিজ্যিক প্রাপ্যসমূহ	৩,৬৭১,৬০৮	২,২৩৬,৬৬৫
আন্তঃকোম্পানি প্রাপ্যসমূহ	১২০,৭৫০	৫৫,২১৮
সানড্রি প্রাপ্যসমূহ	৩৮১,৭৬৭	২৩,৫৭৪
	৪,১৭৪,১২৫	২,৩১৫,৪৫৭
১১ অগ্রিম, জমা ও অগ্রিম পরিশোধ		
হিসাবরক্ষণ নীতিমালার টাকা ৬ (গ) (১) (ঈ) দেখুন		
অগ্রিম		
সরবরাহকারীকে অগ্রিম প্রদান	৩,০২৮,৮১৮	৩,৬০১,৬৬৯
সম্পূরক শুষ্ক ও মূল্য সংযোজন কর	১,৭৫২,৪৮০	১,০৮৮,২১১
কর্মচারীদের অগ্রিম প্রদান	২৮,২২৫	৩১,৬০০
	৪,৮০৯,৫২৩	৪,৭১১,৪৮০



	২০১৮	২০১৭
	টাকা (০০০)	টাকা (০০০)
জমা		
নিরাপত্তা জমা	১২,৬৩৬	১৪,৬৩৬
	১২,৬৩৬	১৪,৬৩৬
পূর্বপরিশোধ		
বীমা	৫৫২	৫১৭
	৫৫২	৫১৭
	৪,৮২২,৭১১	৪,৭৩৬,৬৩৩
১২ নগদ অর্থ ও নগদ সমতুল্য		
হিসাবরক্ষণ নীতিমালার টীকা ৬ (গ) (১) (ই) দেখুন		
নগদ অর্থ	৮১০	৮২৫
ব্যাংকে জমা		
লভ্যাংশ হিসাব	৪৬,৩৮৯	৪২,৭০৫
বৈদেশিক মুদ্রা হিসাব	১,১৬৭,১৯২	৮৯৬,২৬৯
চলতি হিসাব	৪১৯,২১৪	৩৮,৩৭০
	১,৬৩২,৭৯৫	৯৭৭,৩৪৪
আর্থিক অবস্থার বিবরণীতে নগদ ও নগদ সমতুল্য	১,৬৩৩,৬০৫	৯৭৮,১৬৯
ওপরে উল্লিখিত সব ব্যালেন্স শিডিউলড এবং ন্যাশনালাইজড ব্যাংকে সংরক্ষিত। দৈনিক ব্যাংক জমা রেটে সংরক্ষিত নগদের সুদ আয় ঘটে।		
৩১ ডিসেম্বর তারিখে নগদ প্রবাহ, নগদ এবং নগদ সমতুল্যের বিবরণী		
ব্যাংকে এবং হাতে নগদ অর্থ	১,৬৩৩,৬০৫	৯৭৮,১৬৯
নগদ ব্যবস্থাপনার জন্য ব্যাংক ওভারড্রাফট	(৭৯৯,৮৮০)	(৩,০৫৭,৯১০)
নগদ প্রবাহ বিবরণীতে নগদ এবং নগদ সমতুল্য	৮৩৩,৭২৫	(২,০৭৯,৭৪১)
১২.ক সংরক্ষিত নগদ জমা		
লভ্যাংশ হিসাবের অর্থ শুধুমাত্র শেয়ার হোল্ডারদের লভ্যাংশ প্রদানের জন্য ব্যবহৃত হয়। লভ্যাংশ প্রদানের সময়ই এ হিসাবের অর্থ আদান-প্রদান হয়।		
১২.খ ব্যাংকিং সুবিধা ব্যবস্থা		
ব্যাংকের মাধ্যমে টাকা ১৫,৫৯৬ মিলিয়ন (২০১৭ : ১১,৭৬১ মিলিয়ন টাকা) স্বল্প মেয়াদি চলতি তহবিল সংগ্রহের ব্যবস্থা রয়েছে। ৩১ শে ডিসেম্বর ২০১৮ তারিখ পর্যন্ত মোট ৫,১৮০ মিলিয়ন টাকা (ব্যাংক থেকে অতিরিক্ত অর্থ ৮০০ মিলিয়ন টাকা) এবং স্বল্প মেয়াদি চলতি তহবিল ৪,৩৮০ মিলিয়ন টাকা সুবিধা গ্রহণ করা হয়। (২০১৭ : ব্যাংক থেকে অতিরিক্ত অর্থ ৩,০৫৮ মিলিয়ন টাকা)। স্বল্প মেয়াদি চলতি তহবিল সুবিধা প্রতি বছর নবায়ন করা হয়।		
১৩ শেয়ার মূলধন	২০১৮	২০১৭
হিসাবরক্ষণ নীতির টীকা ৬ ঘ দেখুন।		
অনুমোদিত:		
৬০,০০০,০০০ সাধারণ শেয়ার প্রতিটি ১০ টাকার	৬০০,০০০,০০০	৬০০,০০০,০০০
	৬০০,০০০,০০০	৬০০,০০০,০০০
ইস্যুকৃত, গৃহীত এবং পরিশোধিত:		
নগদের জন্য ইস্যুকৃত:		
৩টি সাধারণ শেয়ার প্রতিটি ১০ টাকার	৩০	৩০
নগদ ছাড়া অন্যান্য বিবেচনায় ইস্যুকৃত:		
৫৯,৯৯৯,৯৯৭ সাধারণ শেয়ার প্রতিটি ১০ টাকার	৫৯৯,৯৯৯,৯৭০	৫৯৯,৯৯৯,৯৭০
	৬০০,০০০,০০০	৬০০,০০০,০০০

১৩-ক

শেয়ারহোল্ডিং অবস্থা

হিসাবরক্ষণ নীতির টিকা ৬ ঘ দেখুন

শেয়ারহোল্ডারদের নাম	২০১৮			২০১৭		
	শেয়ারের সংখ্যা	মূল্য, টাকায়	শতাংশ	শেয়ারের সংখ্যা	মূল্য, টাকায়	শতাংশ
রেলি ইনভেস্টমেন্ট কো. লিমিটেড, ইউকে	৪৩,৭৪৫,৩৫৮	৪৩৭,৪৫৩,৫৮০	৭২.৯১%	৪৩,৭৪৫,৩৫৮	৪৩৭,৪৫৩,৫৮০	৭২.৯১%
ইনভেস্টমেন্ট কর্পোরেশন অব বাংলাদেশ	৩,৪১৬,৯১২	৩৪,১৬৯,১২০	৫.৬৯%	৩,৮৩৬,২১৮	৩৮,৩৬২,১৮০	৬.৩৯%
সাধারণ বীমা কর্পোরেশন	১,৬৯৪,০৪৭	১৬,৯৪০,৪৭০	২.৮২%	১,৬৯৪,০৪৭	১৬,৯৪০,৪৭০	২.৮২%
বাংলাদেশ ডেভেলপমেন্ট ব্যাংক লিমিটেড	১৯৭,৩৭৬	১,৯৭৩,৭৬০	০.৩৩%	১৯৭,৩৭৬	১,৯৭৩,৭৬০	০.৩৩%
বাংলাদেশ সরকার	৩৮৬,৮২৪	৩,৮৬৮,২৪০	০.৬৪%	৩৮৬,৮২৪	৩,৮৬৮,২৪০	০.৬৪%
অন্যান্য	১০,৫৫৯,৪৮৩	১০৫,৫৯৪,৮৩০	১৭.৬০%	১০,১৪০,১৭৭	১০১,৪০১,৭৭০	১৬.৯০%
	৬০,০০০,০০০	৬০০,০০০,০০০	১০০%	৬০,০০০,০০০	৬০০,০০০,০০০	১০০%

১৩.খ

শেয়ার বন্টন সূচি

রিপোর্টিং তারিখে শেয়ার বিতরণ শিডিউল নিচে দেয়া হলো:

শেয়ারহোল্ডারদের রেঞ্জ	২০১৮			২০১৭		
	শেয়ারহোল্ডার সংখ্যা	মোট শেয়ার সংখ্যা	হোল্ডিংয়ের শতাংশ	শেয়ারহোল্ডার সংখ্যা	মোট শেয়ার সংখ্যা	হোল্ডিংয়ের শতাংশ
৫০১ শেয়ারের কম	২,১৭৯	১৪৭,৯৮৯	০.২৫%	২,০৪৮	১৪৬,৮৯৩	০.২৪%
৫০১ থেকে ৫০০০ শেয়ার	১৭১	২৩৩,৮০৯	০.৩৯%	১৬৪	২২২,৮৩০	০.৩৭%
৫০০১ থেকে ১০,০০০ শেয়ার	১৭	১২৯,৪৩৪	০.২২%	১৭	১২৬,১১০	০.২১%
১০,০০১ থেকে ২০,০০০ শেয়ার	১৩	১৮৩,১০৮	০.৩১%	১৪	১৮১,৪৩৫	০.৩০%
২০,০০১ থেকে ৩০,০০০ শেয়ার	৫	১১৯,১৪৯	০.২০%	৮	২০৫,৫৩৯	০.৩৪%
৩০,০০১ থেকে ৪০,০০০ শেয়ার	৫	১৭৩,৬৮১	০.২৯%	৫	১৭৮,৯৭৪	০.৩০%
৪০,০০১ থেকে ৫০,০০০ শেয়ার	৬	২৬৭,০২১	০.৪৫%	৪	১৬৯,৩৪৮	০.২৮%
৫০,০০১ থেকে ১০০,০০০ শেয়ার	৩	২৪৪,০৮৩	০.৪১%	৮	৬১২,৮৯৬	১.০২%
১০০,০০১ থেকে ১,০০০,০০০ শেয়ার	১৫	৪,২৯০,০৪৬	৭.১৫%	১৫	৫,০০৬,২১৯	৮.৩৪%
১,০০০,০০০ শেয়ারের বেশি	৫	৫৪,২১১,৬৮০	৯০.৩৫%	৫	৫৩,১৪৯,৭৫৬	৮৮.৫৮%
	২,৪১৯	৬০,০০০,০০০	১০০%	২,২৮৮	৬০,০০০,০০০	১০০%

১৪

সংরক্ষিত মূলধন তহবিল

সংরক্ষিত মূলধন তহবিল বলতে বোঝায় বাংলাদেশ ব্যাংকের বিধি মোতাবেক ৬৪.৯ মিলিয়ন টাকার নন-রেমিটেবল রিজার্ভ যা সম্পদ, কারখানা ও যন্ত্রপাতির ডেসপোজালের ওপর কিউমুলেটিভ পোস্ট ট্যাক্স প্রফিটের ৯০ শতাংশ। তবে ১৯৯৩ সাল থেকে প্রত্যাহার করা হয়েছে এই বাধ্যবাধকতা।

১৫

সংরক্ষিত মুনাফা তহবিল

জানুয়ারি ১ তারিখে ব্যালেন্স

চলতি বছরের সম্মিলিত আয়:

চলতি বছরের মুনাফা

অন্যান্য সম্মিলিত আয়

চলতি বছরের ডিভিডেন্ড:

পূর্ববর্তী বছরের চূড়ান্ত ডিভিডেন্ড

ডিসেম্বর ৩১ তারিখে ব্যালেন্স



১৬

নেট নির্ধারিত বেনিফিট পরিকল্পনা				
হিসাবরক্ষণ নীতির টীকা ৬জ দেখুন				
২০১৮	টাকা	গ্রাচুইটি ফান্ড টাকা (০০০)	পেনসন ফান্ড টাকা (০০০)	মোট টাকা (০০০)
নির্ধারিত বেনিফিট দায়	১৬.১	(১,০৩৮,০৫৭)	(২১৪,৫৩৬)	(১,২৫২,৫৯৩)
প্র্যান অ্যাসেটের ন্যায্য মূল্য	১৬.২	-	২৭৪,০৫৫	২৭৪,০৫৫
নেট উদ্বৃত্ত/ (ঘাটতি)		(১,০৩৮,০৫৭)	৫৯,৫১৯	(৯৭৮,৫৩৮)
২০১৭				
নির্ধারিত বেনিফিট দায়	১৬.১	(৮৬৯,১১৪)	(২৬৩,৭৯৭)	(১,১৩২,৯১১)
প্র্যান অ্যাসেটের ন্যায্য মূল্য	১৬.২	-	২৬৩,৭৯৭	২৬৩,৭৯৭
নেট উদ্বৃত্ত/ (ঘাটতি)		(৮৬৯,১১৪)	-	(৮৬৯,১১৪)
১৬.১				
নির্ধারিত বেনিফিট দায়ে গতিবিধি				
২০১৭ সালের ১ জানুয়ারি নির্ধারিত বেনিফিট দায়		৮০০,৬৬৩	২৫০,৪৭২	১,০৫১,১৩৫
চলতি সেবা ব্যয়		৬৫,৪১৬	৩২,১৭১	৯৭,৫৮৭
সুদের ব্যয়		৬৫,৮২৪	-	৬৫,৮২৪
পূর্বের সেবা ব্যয় পরিকল্পনা সংশোধন		-	-	-
তহবিল হতে সুবিধা প্রদান		-	(১৮,৮৪৬)	(১৮,৮৪৬)
সরাসরি কোম্পানির পরিশোধকৃত সুবিধা		(৬২,৭৮৯)	-	(৬২,৭৮৯)
অ্যাকচুয়ারিয়াল (লাভ)/ক্ষতি		-	-	-
২০১৭ সালের ৩১ ডিসেম্বর নির্ধারিত বেনিফিট দায়		৮৬৯,১১৪	২৬৩,৭৯৭	১,১৩২,৯১১
২০১৮ সালের ১ জানুয়ারি নির্ধারিত বেনিফিট দায়		৮৬৯,১১৪	২৬৩,৭৯৭	১,১৩২,৯১১
চলতি সার্ভিস কস্ট		৭১,২১২	১০,৫৭১	৮১,৭৮৩
সুদের হার		৭৩,৮৭৪	২১,০৩২	৯৪,৯০৬
অতীত সার্ভিস কস্ট- পরিকল্পনা সংশোধন		-	-	-
ফান্ডের পরিশোধকৃত বেনিফিট		-	(৩২,৪৭৯)	(৩২,৪৭৯)
সরাসরি কোম্পানির পরিশোধকৃত বেনিফিট		(৫৯,৯৫৭)	-	(৫৯,৯৫৭)
অ্যাকচুয়ারিয়াল (লাভ)/ক্ষতি		৮৩,৮১৪	(৪৮,৩৮৪)	৩৫,৪৩০
২০১৮ সালের ৩১ ডিসেম্বর নির্ধারিত বেনিফিট দায়		১,০৩৮,০৫৭	২১৪,৫৩৬	১,২৫২,৫৯৩
১৬.২				
পরিকল্পিত সম্পত্তির ন্যায্য মূল্যের গতিবিধি				
পরিকল্পনা সম্পত্তি ন্যায্য মূল্য ১ জানুয়ারি ২০১৭		-	২৫০,৪৭২	২৫০,৪৭২
কর্মচারীদের চাঁদা		-	১১,৫২০	১১,৫২০
পরিকল্পনা সম্পত্তির প্রত্যাশিত রিটার্ন		-	২০,৬৫১	২০,৬৫১
পরিকল্পনা অনুযায়ী সুবিধা প্রদান		-	(১৮,৮৪৬)	(১৮,৮৪৬)
অ্যাকচুয়ারিয়াল (লাভ)/ক্ষতি		-	-	-
পরিকল্পনা সম্পত্তি ন্যায্যমূল্য ৩১ ডিসেম্বর ২০১৭		-	২৬৩,৭৯৭	২৬৩,৭৯৭

১৬.৩

২০১৮	গ্রাচুইটি ফান্ড টাকা (০০০)	পেনসন ফান্ড টাকা (০০০)	মোট টাকা (০০০)
পরিকল্পনা সম্পত্তি ন্যায্য মূল্য ১ জানুয়ারি ২০১৮	-	২৬৩,৭৯৭	২৬৩,৭৯৭
কর্মচারীদের চাঁদা	-	২০,৮২০	২০,৮২০
পরিকল্পনা সম্পত্তির প্রত্যাশিত রিটার্ন	-	২১,৯১৭	২১,৯১৭
পরিকল্পনা অনুযায়ী সুবিধা প্রদান	-	(৩২,৪৭৯)	(৩২,৪৭৯)
অ্যাকচুয়ারিয়াল (লাভ)/ক্ষতি	-	-	-
পরিকল্পনা সম্পত্তি ন্যায্যমূল্য ৩১ ডিসেম্বর ২০১৮	-	২৭৪,০৫৫	২৭৪,০৫৫
১৬.৩			
লাভ/ক্ষতি এবং অন্যান্য সম্মিলিত আয়ের হিসাবে পরিকল্পিত নির্ধারিত বেনিফিটের দায়			
২০১৮			
লাভ/ক্ষতি			
চলতি সেবা ব্যয়	৭১,২১২	১০,৫৭১	৮১,৭৮৩
বেনিফিট দায় থেকে আহরিত সুদ	৭৩,৮৭৪	২১,০৩২	৯৪,৯০৬
প্র্যান অ্যাসেটের প্রত্যাশিত রিটার্ন	-	(২১,৯১৭)	(২১,৯১৭)
নেট বেনিফিট ব্যয়/ (আয়)	৭৩,৮৭৪	(৮৮৬)	৭২,৯৮৮
	১৪৫,০৮৬	৯,৬৮৫	১৫৪,৭৭১
২০১৭			
লাভ অথবা ক্ষতি			
চলতি সার্ভিস কস্ট	৬৫,৪১৬	৩২,১৭১	৯৭,৫৮৭
বেনিফিট দায় থেকে আহরিত সুদ	৬৫,৮২৪	-	৬৫,৮২৪
প্র্যান অ্যাসেটের প্রত্যাশিত রিটার্ন	-	(২০,৬৫১)	(২০,৬৫১)
নেট বেনিফিট ব্যয়/ (আয়)	৬৫,৮২৪	(২০,৬৫১)	৪৫,১৭৩
	১৩১,২৪০	১১,৫২০	১৪২,৭৬০

১৬.৪

অ্যাকচুয়ারিয়াল অনুমান	৩১ ডিসেম্বর, ২০১৮	
	গ্রাচুইটি ফান্ড	পেনসন ফান্ড
রিপোর্টিং তারিখে অ্যাকচুয়ারিয়াল অনুমান নিচে তুলে ধরা হলো:		
ডিসকাউন্ট হার	৮.৫%	৮.৫%
বেতন বৃদ্ধি হার	১১%	১১%
মৃত্যুহার (ইন-সার্ভিস)		
বয়স ২০-৩৫	১৫%	১৫%
বয়স ৩৬-৪৫	১০%	১০%
বয়স ৪৬-৫৮	৫%	৫%

* যেহেতু বাংলাদেশে কোনো প্রকাশিত মৃত্যুহার নেই এবং এ কারণে অ্যাকচুয়ারিতে ব্যবহার করা হয়েছে ইন্ডিয়ান অ্যাশিউরড লাইভস মর্টালিটি (২০০৬-০৮), যা থেকে এ বিষয়ে কাছাকাছি ধারণা পাওয়া যাবে।

	২০১৮	২০১৭
২২		
সঞ্চিতি ও প্রদেয়		
হিসাবরক্ষণ নীতির টাকা ড়া দেখুন		
সংরক্ষিত ব্যয়	১,৩০৫,৫৩৬	১,০৭৩,১৫৮
	১,৩০৫,৫৩৬	১,০৭৩,১৫৮

	২০১৮	২০১৭
২৩		
নিট বিক্রয়লব্ধ অর্থ		
হিসাবরক্ষণ নীতির টাকা ড়ি দেখুন		
বিক্রয় থেকে কোম্পানি আয়ের ডিজঅ্যাগ্রেশন এখানে তুলে ধরা হলো:		

	একক	২০১৮ (মিলিয়ন)	২০১৭ (মিলিয়ন)	২০১৮ (মিলিয়ন)	২০১৭ (মিলিয়ন)
অভ্যন্তরীণ সেল থেকে গ্রস রেভিনিউ	স্টক	৫১,৪২৫	৫৩,২০৪	২৩০,৬৭৪,০১২	২০১,৯১৭,৫৬০
সম্পূরক শুদ্ধ এবং ড়াট				(১৭৮,২১৭,৮৯৫)	(১৫১,৯৭২,৯২৯)
অভ্যন্তরীণ সেল থেকে নেট রেভিনিউ				৫২,৪৫৬,১১৭	৪৯,৯৪৪,৬৩১
তামাক পাতা রপ্তানি থেকে গ্রস রেভিনিউ	কেজি	৯.১৮	৮.৮৬	২,৪৪৪,১৭৫	২,২২২,১৫৫
রপ্তানি শুদ্ধ				(২৬০,৫২৫)	(২০৩,০৪৩)
তামাক পাতা রপ্তানি থেকে নেট রেভিনিউ				২,১৮৩,৬৫০	২,০১৯,১১২
বিক্রয় থেকে মোট নেট রেভিনিউ				৫৪,৬৩৯,৭৬৭	৫১,৯৬৩,৭৪৩
অভ্যন্তরীণ সেল থেকে নেট রেভিনিউ					
বাইরের গ্রাহক				৫২,৪৫৬,১১৭	৪৯,৯৪৪,৬৩১
সংশ্লিষ্ট পক্ষ বিক্রি				-	-
তামাক পাতা রপ্তানি থেকে নেট রেভিনিউ					
বাইরের গ্রাহক				১,০০৪,২৫৬	৯৮৩,২৫৯
সংশ্লিষ্ট পক্ষ বিক্রি				১,১৭৯,৩৯৩	১,০৩৫,৮৫৩
				২,১৮৩,৬৫০	২,০১৯,১১২
বিক্রয় থেকে মোট নেট রেভিনিউ				৫৬,৮২৩,৪১৭	৫৩,৯৮২,৭৪৩

	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
২৪			
বিক্রয়কৃত পণ্যের ব্যয়			
প্রারম্ভিক কাঁচামালের মজুদ		৮,২৪৮,৫৮২	৬,২৮৮,৮৮৪
কাঁচামাল ক্রয়		২৫,৬৫২,০২১	২৩,৪৫২,১৫২
ব্যবহারযোগ্য কাঁচামাল		৩৩,৮৯৯,৬০৩	২৯,৭৪১,০৩৬
কাঁচামালের সমাপনী মজুদ		(১৩,৩৫২,৩২৮)	(৮,২৪৮,৫৮২)
ব্যবহৃত কাঁচামাল		২০,৫৪৭,২৭৫	২১,৪৯২,৪৫৪
প্রারম্ভিক চলমান কাজ		৫৪,৪১১	২১,২০১
সমাপনী চলমান কাজ		(৩৩,৪৪৪)	(৫৪,৪১১)
		২০,৫৬৮,২৪২	২১,৪৫৯,২৪৪
উৎপাদন উপরি ব্যয়	২৪.১	৫,০৪৯,৮৮২	৫,৪৫৪,৩৬২
পণ্য উৎপাদনে সর্বমোট খরচ		২৫,৬১৮,১২৪	২৬,৯১৩,৬০৬

	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
প্রারম্ভিক তৈরিকৃত পণ্যের মজুদ		১,৮৭৪,৬৫০	১,৬০৬,৮৬৯
সমাপনী তৈরিকৃত পণ্যের মজুদ		(১,০৫৮,৯৮২)	(১,৮৭৪,৬৫০)
রয়্যালটি বাদে বিক্রিত পণ্যের মোট খরচ		২৬,৪৩৩,৭৯২	২৬,৬৪৫,৮২৫
রয়্যালটি		৬৬২,৫০৫	৫৩৪,৯১৭
সর্বমোট বিক্রিত পণ্যের ব্যয়		২৭,০৯৬,২৯৭	২৭,১৮০,৭৪২
২৪.১			
উৎপাদন উপরি ব্যয়			
বেতন এবং মজুরি		১,৩২৭,৬৯৬	১,৫০৩,৩০৬
অবচয়	৮	১,২০৪,০২৬	১,০৮৪,০২২
মুদ্রণ ও মনোহারি		২০,০৭৬	২৫,২৯১
বিদ্যুৎ ও জ্বালানি		৩৯২,০০৫	৩৭৪,১৭৮
মেরামত ও রক্ষণাবেক্ষণ		৪৩১,৭১১	৯৯৯,০৮৯
নিরাপত্তা সেবা		১৩৯,৮৪৬	১৬১,৯৩১
ভাড়া, সেবা ও বিপণন খরচ		১,২০৬,৪৯৯	১,০০২,৩৭১
বীমা		৯৪,১৫০	৭৬,৫৮২
গবেষণা ও উন্নয়ন		১,৯৮৭	৪,৯৬১
ভ্রমণ ও প্রশিক্ষণ		১২২,২২৭	৯৯,৭৩২
স্পেসিয়াল কনজাম্পশন		৮৮,০০১	৫২,৬৫৭
অন্যান্য ব্যয়		২১,৬২৮	৭০,২৪২
		৫,০৪৯,৮৮২	৫,৪৫৪,৩৬২
২৫			
পরিচালন ব্যয়			
বেতন এবং মজুরি		১,০৪৫,২৬৮	১,০০৭,১৫১
বিদ্যুৎ ও জ্বালানি		৪১,০০৬	৩৫,৪৪০
ভাড়া, সেবা ও বিপণন খরচ		৫৯৮,৬২২	৬১০,০৫২
মেরামত ও রক্ষণাবেক্ষণ		১৮১,৭১৮	২৪৬,৩৩৪
অবচয়		২০৭,৫৪২	১৮১,০৯৩
ভ্রমণ ও প্রশিক্ষণ		২৮৩,৬৯৭	২৫৪,১৪৭
বাণিজ্য সহায়ক ব্যয়		৯৩৯,৫৫০	১,২০৩,৬০৮
মুদ্রণ ও মনোহারি		৫২,০৫১	৪৩,৫২৬
নিরাপত্তা সেবা		৮২,০৭৪	৫৩,৩৪৫
সামাজিক দায়বদ্ধতা		১০০,৫৮৯	৫৭,৯৭৪
আইন, সার্চিবিক ও পেশাগত ফি		২২০,০৫৫	৭০,৩১৫
বীমা		৪,৩৮৩	১১,৮৪২
নিরীক্ষা ফি		৯০০	৯০০
তথ্য প্রযুক্তি		২২৭,১৪৯	৩৭৪,৪৪২
কারিগরি ও পরামর্শ-সহায়তা ফি		৯১৮,৭৫৪	১,০৬৫,২১৩
বাজার গবেষণা ও পরিচালন ব্যয়		১,৪৩৫,৩০৮	১,৩৯০,৩৮৮
অন্যান্য ব্যয়		৩৮৫,০২৩	৩৭৪,৮১০
২৬			
নেট আর্থিক আয়/(ব্যয়)		৬,৭২৩,৬৯০	৬,৯৮০,৫৮০
হিসাবরক্ষণ নীতির টাকা ড়ি দেখুন			
সুদের আয়		১১,৮৪১	৬,৫৩৫
সুদের ব্যয়		(৪৮৫,৭৫৮)	(১৯১,৮২৬)
		(৪৭৩,৯১৬)	(১৮৫,২৯১)
২৭			
অ-পরিচালন আয়/(ব্যয়)			
সম্পদ কারখানা ও যন্ত্রপাতির ডিসপোজালের লাভ/(ক্ষতি)		(৪০,২০৩)	(২৫,৪৩৭)
অন্যান্য আয়		২৫,২০৭	৪৯,৯০৬
		(১৪,৯৯৬)	২৪,৪৬৯

২৭.১ বছরের অ-চলতি সম্পদ বাতিলকরণ

	খরচ	সংগৃহীত অবচ্যুতি	লিখিত মূল্য	বিক্রি আয়	লাভ/(ক্ষতি)	পারচেস/ রিটেন অফ
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
আসবাবপত্র ও ফিকচার	(১,৩৬৫)	১,২৭৩	(৯২)	-	(৯১)	রিটেন অফ
আইটি যন্ত্রপাতি	(২১,৮৯৭)	২১,৮৯৭	-	৬৭৪	৬৭৪	তৃতীয় পক্ষ
লিজহোল্ড ভবন	(৭,১২৪)	২,৪১৫	(৪,৭০৯)	-	(৪,৭০৯)	রিটেন অফ
অফিস উপকরণ	(৪০,০১৫)	৩৯,৯৩৭	(৭৮)	৪৪	(৩৪)	তৃতীয় পক্ষ
কারখানা ও যন্ত্রপাতি	(৩৮২,২২৭)	২৫০,১১১	(১৩২,১১৬)	-	(১৩২,১১৬)	রিটেন অফ
যানবাহন	(২৪৬,৭৩৬)	২৪২,৬৯০	(৪,০৪৬)	১০০,১১৯	৯৬,০৭৩	কোম্পানির কর্মচারি
২০১৮	(৬৯৯,৩৬৩)	৫৫৮,৩২৩	(১৪১,০৪০)	১০০,৮৩৬	(৪০,২০৩)	
২০১৭	(২৫৬,৭৯১)	১৯১,৮৮৪	(৬৪,৯০৭)	৩৯,৪৭০	(২৫,৪৩৭)	

সব সম্পদ বাতিল হয় কোম্পানি নীতির আলোকে।

	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
আয়কর সংক্রান্ত ব্যয়			
চলতি আয়কর			
চলতি আয়কর চার্জ	২১	৮,৯৮৫,০৬৯	৮,১২১,৪৬৬
বিলম্বিত কর			
অরিজিনেশনে সম্পূর্ণ এবং সাময়িক ব্যবধানের রিভার্সাল	২৯	৩১৭,২২১	৮০৮,১৯৭
লাভ কিংবা ক্ষতির বিবরণীতে আয়কর ব্যয়		৯,৩০২,২৯০	৮,৯২৯,৬৬৩

২৮.১ কার্যকর কর হারের সমন্বয়সাধন

	২০১৮		২০১৭	
	%	টাকা (০০০)	%	টাকা (০০০)
করপূর্ব লাভ		১৯,৩১৪,৩২৪		১৬,৭৫৯,৫১৯
চলতি কর ব্যয়	৪৬.৫২%	৮,৯৮৫,০৬৯	৪৮.৪৬%	৮,১২১,৪৬৬
বিলম্বিত কর ব্যয়	১.৬৪%	৩১৭,২২১	৪.৮২%	৮০৮,১৯৭
মোট কর ব্যয়	৪৮.১৬%	৯,৩০২,২৯০	৫৩.২৮%	৮,৯২৯,৬৬৩
প্রয়োজ্য করহারে প্রত্যাশিত আয়কর	৪৭.৫০%	৯,১৭৪,৩০৪	৪৭.৫০%	৭,৯৬০,৭৭২
পূর্ববর্তী বছরের অ্যাডজাস্টমেন্ট	-০.৩১%	(৬০,৫৭৬)	১.৯০%	৩১৯,১১১
নন-ডিডাক্টিবল ব্যয়ের ওপর কর	-০.৬৭%	(১২৮,৬৫৯)	-০.৯৫%	(১৫৮,৪১৭)
কার্যকর চলতি কর	৪৬.৫২%	৮,৯৮৫,০৬৯	৪৮.৪৬%	৮,১২১,৪৬৬
কার্যকর বিলম্বিত কর	১.৬৪%	৩১৭,২২১	৪.৮২%	৮০৮,১৯৭
	৪৮.১৬%	৯,৩০২,২৯০	৫৩.২৮%	৮,৯২৯,৬৬৩

	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
বিলম্বিত আয়কর			
বছরের শুরুতে বিলম্বিত কর দায়	১৭	২,৮৩৫,৫৭০	২,০২৭,৩৭৩
বছরের শেষে বিলম্বিত কর দায়	১৭	৩,১১২,৯৭৯	২,৮৩৫,৫৭০
		(২৭৭,৪০৯)	(৮০৮,১৯৭)
প্রত্যক্ষ ইকুইটিতে স্বীকৃত অ্যাকচুয়ারিয়াল ক্ষতির বিলম্বিত কর		(৩৯,৮১১)	-
মুনাফায় স্বীকৃত আয়ের বিলম্বিত কর (ব্যয়)		(৩১৭,২২১)	(৮০৮,১৯৭)

	টাকা	২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
৩০ অন্যান্য সম্মিলিত আয়			
নির্ধারিত বেনিফিট প্লানের ওপর অ্যাকচুয়ারিয়াল অর্জন/ (ক্ষতি)-গ্রাচুইটি ফান্ড		(৮৩,৮১৪)	-
লেস: বিলম্বিত কর, অ্যাকচুয়ারিয়াল অর্জন/ (ক্ষতি) নির্ধারিত বেনিফিট প্ল্যানস-গ্রাচুইটি ৪৫%		(৩৯,৮১১)	-
নির্ধারিত বেনিফিট প্লানের ওপর নেট অ্যাকচুয়ারিয়াল অর্জন/ (ক্ষতি)-ওসিআইয়ে চার্জড গ্রাচুইটি		(৪৪,০০২)	-
নির্ধারিত বেনিফিট প্লানের অ্যাকচুয়ারিয়াল অর্জন/ (ক্ষতি)- পেনসন ফান্ড		৪৮,৩৮৪	-
নির্ধারিত বেনিফিট প্লানের ওপর নেট অ্যাকচুয়ারিয়াল অর্জন/ (ক্ষতি)-ওসিআইয়ে চার্জড গ্রাচুইটি		৪,৩৮২	-

৩১ শেয়ার প্রত্যাশিত আয়

৩১.১ শেয়ারপ্রতি বেসিক আয়

ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ডস (আইএএস) ৩৩: আর্নিংস পার শেয়ার ভিত্তিতে শেয়ারপ্রতি আয় হিসাব করা হয়। ইপিএসের গঠন নিচে তুলে ধরা হলো:

শেয়ারহোল্ডারদের মোট মুনাফা	১০,০১২,০৩৪	৭,৮২৯,৮৫৬
বাকি থাকে ওয়েটেড শেয়ারের গড় সংখ্যা	৬০,০০০	৬০,০০০
শেয়ার প্রতি আয়	টাকা ১৬৬.৮৭	টাকা ১৩০.৫

মেম্বারদের মধ্যে সাধারণ শেয়ারের ওয়েটেড গড় সংখ্যা আউটস্ট্যান্ডিং হচ্ছে বছরের শুরুতে আউটস্ট্যান্ডিং সাধারণ শেয়ারের সংখ্যা যা অ্যাডজাস্ট হয়েছে সাধারণ শেয়ার সংখ্যা কিংবা টাইম-ওয়েইং ফ্যাক্টর এর গুণিতক হিসাবে। ২০১৮ সালের ৩১ ডিসেম্বর শেষ হওয়া বছরে কোনো সাধারণ শেয়ার ইস্যু করা বা ফেরত নেয়া হয়নি। এ কারণে ২০১৮ সালের ১ জানুয়ারি এবং ২০১৮ সালের ৩১ ডিসেম্বর আউটস্ট্যান্ডিং গড় শেয়ারের সংখ্যা অভিন্ন।

৩১.২ শেয়ারপ্রতি মিশ্র আয়

প্রয়োজ্য নয় বিধায় কোনো হিসাব হয়নি।

৩২ পরিশোধকৃত লভ্যাংশ

প্রারম্ভিক অদাবিকৃত লভ্যাংশ	৪২,৭০৫	৪০,০২৪	
ঘোষিত লভ্যাংশ			
চূড়ান্ত লভ্যাংশ ২০১৭/২০১৬	৩,৬০০,০০০	৩,৬০০,০০০	
	৩,৬৪২,৭০৫	৩,৬৪০,০২৪	
সমাপনী অদাবিকৃত লভ্যাংশ	৩২.১	৪৬,৩৮৯	৪২,৭০৫
পরিশোধকৃত লভ্যাংশ		৩,৫৯৬,৩১৬	৩,৫৯৭,৩১৯

৩২.১ অদাবিকৃত লভ্যাংশের সময় পর্যালোচনা

	পূর্ব ২০১৬ টাকা (০০০)	২০১৬ টাকা (০০০)	২০১৭ টাকা (০০০)	২০১৮ টাকা (০০০)	মোট টাকা (০০০)
১ জানুয়ারিতে অদাবিকৃত লভ্যাংশ	৩৬,০৯৬	২,৮৯৮	৩,৭১১	-	৪২,৭০৫
৩১ ডিসেম্বর ২০১৮ তারিখে অদাবিকৃত লভ্যাংশ	৩৬,০৩৬	২,৬২৮	৩,৫৯৯	৪,১২৬	৪৬,৩৮৯

	২০১৮	২০১৭
	ইউএস ডলার (০০০)	ইউএস ডলার (০০০)
৩৩ বৈদেশিক মুদ্রার রেমিট্যান্স		
রয়্যালটি	৪,৮৫৩	-
কারিগরি ও উপদেষ্টা ফি	-	৯,৯৬৯
লভ্যাংশ	২৭,৫৩২	২৮,৮৯৬
	৩২,৩৮৫	৩৮,৮৬৫

৩৯

আর্থিক উপকরণ – ন্যায্য মূল্য ও ঝুঁকি ব্যবস্থাপনা

ক. হিসাব শ্রেণীকরণ ও ন্যায্য মূল্য

নিচের টেবিলে আর্থিক সম্পদ এবং আর্থিক দায়ের ক্যারিং অ্যামাউন্ট এবং ন্যায্য মূল্য, যেখানে প্রযোজ্য, তুলে ধরা হয়েছে। এতে আর্থিক সম্পদ ও আর্থিক দায়ের ন্যায্য মূল্য তথ্য অন্তর্ভুক্ত হয়নি। ক্যারিং অ্যামাউন্ট ন্যায্য মূল্যের যুক্তিসঙ্গত কাছাকাছি ধারণা প্রদান করে।

একটি সম্পদ বা দায়ের ন্যায্য মূল্য নির্ধারণের ক্ষেত্রে কোম্পানি বাজার পর্যবেক্ষণযোগ্য উপাত্ত ব্যবহার করে, যতদূর সম্ভব। ন্যায্য মূল্য বিভিন্ন শ্রেণীতে বিভক্ত হয়ে থাকে এর মূল্যায়ন প্রক্রিয়ায় প্রদত্ত ইনপুটের ওপর ভিত্তি করে।

লেভেল এক: সক্রিয় বাজারে অভিন্ন সম্পদ কিংবা দায়ের জন্য কোটেড প্রাইস (আনঅ্যাডজাস্টেড)

লেভেল দুই: লেভেল একে অন্তর্ভুক্ত কোটেড প্রাইসের বাইরে ইনপুট যা প্রত্যক্ষ (যেমন, দাম), কিংবা পরোক্ষ (যেমন, দাম থেকে পাওয়া)

লেভেল তিন: সম্পদ কিংবা দায়ের জন্য ইনপুট যা পর্যবেক্ষণযোগ্য বাজার উপাত্তের ওপর ভিত্তি করে তৈরি হয়নি।

একটি সম্পদ কিংবা দায়ের ন্যায্য মূল্য নির্ধারণের জন্য ইনপুট যদি ন্যায্য মূল্য হায়ারার্কির বিভিন্ন মাত্রায় প্রয়োগ করা যায়, তখন ন্যায্য মূল্য নির্ধারণ এ শ্রেণীর সর্বনিম্ন মাত্রার ইনপুট যা গোটা মূল্যায়নের সাথে সম্পর্কিত তা প্রয়োগ করা হয়।

ডিসেম্বর ৩১, ২০১৮	টাকা	ক্যারিং অ্যামাউন্ট							ন্যায্য মূল্য				
		হেজ ফর ট্রেডিং	ন্যায্য মূল্যে চিহ্নিত	ন্যায্য মূল্যে হেজিং উপকরণ	হেজ টু ম্যাসুরিটি	ঋণ ও প্রাপ্যসমূহ	বিক্রির জন্য অ্যাডভেলবল	অন্যান্য আর্থিক দায়	মোট	লেভেল এক	লেভেল দুই	লেভেল তিন	মোট
		টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
ন্যায্য মূল্যে আর্থিক সম্পদের মূল্যায়ন													
বাণিজ্য এবং অন্যান্য প্রাপ্য	১০	-	-	৩৫৫,২৬৫	-	৩,৮১৮,৮৫৯.৯০	-	-	৪,১৭৪,১২৫	-	-	-	৪,১৭৪,১২৪.৬৫
ডিপোজিট	১১	-	-	-	-	-	-	-	-	-	-	-	-
ব্যাংকে নগদ	১২	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	৩৫৫,২৬৫	-	৩,৮১৮,৮৫৯.৯০	-	-	৪,১৭৪,১২৫	-	-	-	৪,১৭৪,১২৪.৬৫
ন্যায্য মূল্যে নির্ধারণ না হওয়া আর্থিক সম্পদ													
ডিপোজিট	১১	-	-	-	-	১২,৬৩৬	-	-	১২,৬৩৬	-	-	-	১২,৬৩৬
ব্যাংকে নগদ	১২	-	-	-	-	১,৬৩২,৭৯৫	-	-	১,৬৩২,৭৯৫	-	-	-	১,৬৩২,৭৯৫
		-	-	-	-	১,৬৪৫,৪৩০	-	-	১,৬৪৫,৪৩০	-	-	-	১,৬৪৫,৪৩০
আর্থিক দায় যা ন্যায্য মূল্যে পরিমিত হয়নি													
ব্যাংক ওভারড্রাফট	১৮	-	-	-	-	-	-	৭৯৯,৮৮০	৭৯৯,৮৮০	-	-	-	৭৯৯,৮৮০
স্বল্পমেয়াদী ব্যাংক ঋণ	১৯	-	-	-	-	-	-	৪,৩৮০,০০০	৪,৩৮০,০০০	-	-	-	৪,৩৮০,০০০
বাণিজ্য ও অন্যান্য প্রাপ্য	২০	-	-	-	-	-	-	১০,৫১৮,৪৪৪	১০,৫১৮,৪৪৪	-	-	-	১০,৫১৮,৪৪৪
		-	-	-	-	-	-	১৫,৬৯৮,৩২৪	১৫,৬৯৮,৩২৪	-	-	-	১৫,৬৯৮,৩২৪

ডিসেম্বর ৩১, ২০১৭	টাকা	ক্যারিং অ্যামাউন্ট							ন্যায্য মূল্য				
		হেজ ফর ট্রেডিং	ন্যায্য মূল্যে চিহ্নিত	ন্যায্য মূল্যে হেজিং উপকরণ	হেজ টু ম্যাসুরিটি	ঋণ ও প্রাপ্যসমূহ	বিক্রির জন্য অ্যাডভেলবল	অন্যান্য আর্থিক দায়	মোট	লেভেল এক	লেভেল দুই	লেভেল তিন	মোট
		টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
আর্থিক সম্পদ যা ন্যায্য মূল্যে পরিমিত হয়নি													
বাণিজ্য এবং অন্যান্য প্রাপ্য	১০	-	-	-	-	২,৩১৫,৪৫৭	-	-	২,৩১৫,৪৫৭	-	-	-	-
ডিপোজিট	১১	-	-	-	-	১৪,৬৩৬	-	-	১৪,৬৩৬	-	-	-	-
ব্যাংকে নগদ	১২	-	-	-	-	৯৭৭,৩৪৪	-	-	৯৭৭,৩৪৪	-	-	-	-
		-	-	-	-	৩,৩০৭,৪৩৭	-	-	৩,৩০৭,৪৩৭	-	-	-	-
আর্থিক দায় যা ন্যায্য মূল্যে পরিমিত হয়নি													
ব্যাংক জমাক্রিয়	১৮	-	-	-	-	-	-	৩,০৫৭,৯১০	৩,০৫৭,৯১০	-	-	-	-
স্বল্পমেয়াদী ব্যাংক ঋণ	১৯	-	-	-	-	-	-	-	-	-	-	-	-
বাণিজ্য ও অন্যান্য প্রাপ্য	২০	-	-	-	-	-	-	১০,১০১,৬২১	১০,১০১,৬২১	-	-	-	-
		-	-	-	-	-	-	১৩,১৫৯,৫৩১	১৩,১৫৯,৫৩১	-	-	-	-

খ.

আর্থিক ঝুঁকি ব্যবস্থাপনা

আর্থিক উপকরণ ব্যবহারের ক্ষেত্রে কোনো কোম্পানি নিম্নলিখিত ঝুঁকির সম্মুখীন হতে পারে:

- আমানত ঝুঁকি

	২০১৮	২০১৭
	জিবিপি (০০০)	জিবিপি (০০০)
কারিগরি ও উপদেষ্টা ফি	৬,৯৬১	-
	৬,৯৬১	-

রয়্যালটি গঠিত হয়েছে ২০১৫ সালে বেনসন অ্যান্ড হেজেস এবং পল মল বিক্রিলক্ক আয়ের মাধ্যমে। কারিগরি ও উপদেষ্টা ফি ২০১৬ সালের। বাংলাদেশ ইনভেস্টমেন্ট অ্যান্ডভাইজরি বোর্ডের (বিভা) অনুমোদন পাওয়ার পর এসব ফি রেমিট করা হয়। বিধিমোতাবেক কর বাদ দেয়ার পর এসব রেমিট্যান্স হয়।

	২০১৮	২০১৭
	টাকা (০০০)	টাকা (০০০)
আমদানিকৃত পণ্যের মূল্যের ব্যয়, বীমা এবং ফ্রেইট (সিআইএফ)		
কাঁচামাল ও প্যাকিং সামগ্রী	১,৮৮৯,৮৯৮	২,৪৯৭,৬২৮
স্পোর ও অন্যান্য	৯৬৪,৩৭৩	১,২৬৫,০৪৯
ক্যাপিটাল গুডস	২,৫১২,৪০১	১,৯০১,৭৩৪
	৫,৩৬৬,৬৭২	৫,৬৬৪,৪১১

৩৫	তামাক হতে উপার্জিত আয়, ইউএস ডলার '০০০		
	তামাক হতে উপার্জিত আয়, ইউএস ডলার '০০০	২৯,১৬৬	২৬,৫৮০

৩৬ **উৎপাদন ক্ষমতা**

কোম্পানি কাজ করে বিরতিহীন পরিচালনার ভিত্তিতে এবং বিরাজমান মেশিন কনফিগারেশন এবং পরিকল্পিত সম্প্রসারণের ভিত্তিতে, বিভিন্ন মাত্রায় যেমন, ফিল্টার, এবং প্যাকেজিং, যেমন, হিঞ্জ লিড, শেল অ্যান্ড স্লাইড, আগামী চাহিদা পূরণের পর্যাপ্ত সামর্থ্য রয়েছে। পরিচালকরা নিয়মিত কোম্পানির উৎপাদন সামর্থ্য তদারকি করে থাকেন এবং তারা সঙ্কষ্ট বর্তমান এবং ভবিষ্যৎ সামর্থ্য বিষয়ে। আগামীর যে কোনো চাহিদা পূরণের পরিকল্পনা রয়েছে।

সিগারেটের প্রকৃত উৎপাদন (মিলিয়ন সিটক)	৪৯,৩২৬	৫৩,৭৩৪
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৩৭ **অংশভিত্তিক প্রতিবেদন**

কোম্পানি বাংলাদেশে ডোমিসাইলড। সিগারেট থেকে গ্রস রেভিনিউ ২৩০,৬৭৪ মিলিয়ন টাকা (২০১৭: ২০১,৯১৬ মিলিয়ন টাকা)। বাংলাদেশের বাইরে কোম্পানির কোনো অ-চলতি সম্পদ নেই।

বাইরের সিঙ্গল গ্রাহকের সাথে লেনদেনে সিগারেট থেকে পাওয়া গ্রস রেভিনিউ কোম্পানির মোট রেভিনিউর মধ্যে ৪১,৩৮৫ মিলিয়ন টাকা (২০১৭: ৩২,০৫৩ মিলিয়ন টাকা)।

কোম্পানি একটি সিঙ্গল প্রোডাক্ট বিজনেস যার মূল সম্পৃক্তি বাংলাদেশে সিগারেট উৎপাদন ও বিক্রি এবং এর মধ্য দিয়ে গড়ে ওঠে কোম্পানির অভ্যন্তরীণ রিপোর্টিং পদ্ধতি। কোম্পানি ব্র্যান্ড সুস্পষ্টভাবে চিহ্নিত করেছে, ব্র্যান্ডের বৃহৎ পোর্টফোলিওতে সেগমেন্ট হিসাবে উপস্থিত হয় না প্রধান পরিচালনা সিদ্ধান্ত গ্রহীতার কাছে। এ কারণে অতিমাত্রার অনুমান ছাড়া ব্র্যান্ড ভিত্তিতে কোম্পানির ফলাফল সেগমেন্ট করা সম্ভব নয়।

সিগারেট প্রস্তুত ছাড়া কোম্পানি তামাক পাতা বাংলাদেশের বাইরে রপ্তানি করে যা থেকে আয় গ্রস এবং নেট টার্নওভারের ১০ শতাংশের কম। সিগারেট বিক্রি এবং রপ্তানি আয়ের ব্রেকআপ নোট ২৩ এ তুলে ধরা হয়েছে।

৩৮ **আমদানিকৃত এবং স্থানীয় কাঁচামালের ব্যবহার**

	২০১৮		২০১৭	
	মোড়ক সামগ্রী	তামাক পাতা	মোড়ক সামগ্রী	তামাক পাতা
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
আমদানি:				
প্রারম্ভিক	১,০৯২,১১৭	২৬৯,০৪০	৯৪১,৩২০	২৬৬,১৬৮
ক্রয়	৫,৮৭১,৩০৯	১,৮৬৩,০৬০	৫,১২৬,৭০০	১,২৪৪,২৩১
ব্যবহার	(৪,৫৫৯,৪৬৪)	(১,৪০৭,৬৮৮)	(৪,৯৭৫,৯০৩)	(১,২৪১,৩৫৯)
সমাপনী (ক)	২,৪০৩,৯৬১	৭২৪,৪১২	১,০৯২,১১৭	২৬৯,০৪০
অভ্যন্তরীণ:				
প্রারম্ভিক	৪৬,৫২৬	৬,৮৪০,৮৯৯	৫৪,৮১৯	৫,০২৬,৫৭৭
ক্রয়	৫,০৬২,০৯৯	১২,৮৫৪,৫৫৩	৫,১১০,২৮১	১১,৯৭০,৯৪২
ব্যবহার	(৫,০১৮,০৪৩)	(৭,৮১৬,২৫৩)	(৫,১১৮,৫৭৩)	(৮,৪৫৬,৭৫৩)
রপ্তানি	-	(১,৭৪৫,৮২৭)	-	(১,৬৯৯,৮৬৬)
সমাপনী (খ)	৯০,৫৮২	১০,১৩৩,৩৭৩	৪৬,৫২৬	৬,৮৪০,৮৯৯
সমাপনী মজুদ (ক+খ)	২,৪৯৪,৫৪৩	১০,৮৫৭,৭৮৫	১,১৩৮,৬৪৩	৭,১০৯,৯৪০



২. তারল্য ঝুঁকি
৩. বাজার ঝুঁকি

কোম্পানির সার্বিক ঝুঁকি ব্যবস্থাপনা অবকাঠামো নির্মাণ এবং তদারকির দায়িত্ব পরিচালনা পর্ষদের হাতে থাকে। কোম্পানি ঝুঁকি ব্যবস্থাপনা নীতিমালা তৈরি করা হয় কোম্পানি যেসব ঝুঁকির মুখোমুখী হয় তা চিহ্নিত এবং বিয়োজন করা, যথাযথ ঝুঁকি বিশ্লেষণ করা, যথাযথ ঝুঁকির মাত্রা এবং নিয়ন্ত্রণ প্রতিষ্ঠা করা এবং পরিসীমা ঝুঁকি ও আনুগত্য নিরীক্ষণ করতে। ঝুঁকি ব্যবস্থাপনা নীতিমালা, প্রক্রিয়া এবং ব্যবস্থা নিয়ন্ত্রিত নিরীক্ষা করা হয় বাজার ব্যবস্থা এবং কোম্পানি কার্যক্রম যাচাই করার উদ্দেশ্যে। এই টাকা কোম্পানির নিম্নোক্ত ঝুঁকিগুলো, কোম্পানির উদ্দেশ্য, নীতিমালা এবং ঝুঁকি পরিাপ ও ব্যবস্থাপনা এবং কোম্পানির পুঁজি ব্যবস্থাপনা সম্পর্কে তথ্য প্রদান করে।

১. আমানত ঝুঁকি
আমানত ঝুঁকি হল কোম্পানির সেই জাতীয় আর্থিক ক্ষতির ঝুঁকি যদি কোনো গ্রাহক কিংবা আর্থিক উপকরণের বিপক্ষ কোনো পার্টি তাদের চুক্তির বাধ্যবাধকতাসমূহ পূরণ করতে ব্যর্থ হয় এবং মূলত তৈরি হয় গ্রাহক এবং অন্যান্য পার্টির কাছ থেকে প্রাপ্য সমূহ থেকে। ব্যবস্থাপনার কিছু আমানত নীতিমালা রয়েছে এবং আমানত ঝুঁকিতে পড়ার সম্ভাবনার বিষয়টি নিয়মিত পর্যবেক্ষণ করা হয়। আমানত ঝুঁকি পর্যবেক্ষণের ক্ষেত্রে প্রাপ্যসমূহ তাদের রিস্ক প্রোফাইল অনুসারে শ্রেণীভুক্ত করা হয়, তাদের আইনি অবস্থা, এজিং প্রোফাইল ইত্যাদি। কোম্পানির প্রাপ্যসমূহের ওপর আমানত ঝুঁকিতে পড়ার সম্ভাবনা অনে-কাংশে গ্রাহক দ্বারা প্রভাবিত। আমানত ঝুঁকিতে পড়ার সর্বোচ্চ আশঙ্কা তৈরি হয় প্রত্যেকটি আর্থিক সম্পদের চলতি পরিমাণসমূহ থেকে যা আর্থিক অবস্থার বিবরণীতে উল্লেখ করা হয়।

৩১ ডিসেম্বর, ২০১৮	বাণিজ্য প্রাপ্যসমূহ					
	মেয়াদোত্তীর্ণ দিনের সংখ্যা					
	বর্তমান	<৩০দিন	৩০-৯০ দিন	৯০-১৮০ দিন	১৮১-৩৬৫ দিন	>৩৬৫ দিন
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
প্রত্যাশিত ক্রেডিট লস রোট	০.০৫%	০.০৬%	০.০৭%	০.০৮%	০.০৯%	১০%
অনুমিত মোট গ্রস	২২৯,৭০৭	৩,৪২৮,৬৪৯	-	-	-	-
প্রত্যাশিত ক্রেডিট লস	১১৫	২,০৫৭	-	-	-	-

৩১ ডিসেম্বর, ২০১৭	বাণিজ্য প্রাপ্যসমূহ					
	মেয়াদোত্তীর্ণ দিনের সংখ্যা					
	বর্তমান	<৩০দিন	৩০-৯০ দিন	৯০-১৮০ দিন	১৮১-৩৬৫ দিন	>৩৬৫ দিন
	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
প্রত্যাশিত ক্রেডিট লস রোট	০.০৫%	০.০৬%	০.০৭%	০.০৮%	০.০৯%	১০%
অনুমিত মোট গ্রস	-	-	-	-	-	-
প্রত্যাশিত ক্রেডিট লস	-	-	-	-	-	-

	টাকা	২০১৮	২০১৭
		ইউএস ডলার (০০০)	ইউএস ডলার (০০০)
ক. আমানত ঝুঁকিতে পড়ার আশঙ্কা			

আর্থিক সম্পদের চলতি পরিমাণেই সর্বোচ্চ আমানত ঝুঁকির বিষয়টি প্রকাশ হয়। রিপোর্টিং তারিখে সর্বোচ্চ আমানত ঝুঁকি ছিল:

অগ্রিম, ডিপোজিট এবং পূর্বপরিশোধসমূহ	১১	১২,৬৩৬	১৪,৬৩৬
ব্যাংক নগদ অর্থ	১২	১,৬৩২,৭৯৫	৯৭৭,৩৪৪
		১,৬৪৫,৪৩০	৯৯১,৯৮০

খ. বাণিজ্য এবং অন্যান্য প্রাপ্যসমূহের এজিং

৩১ ডিসেম্বর তারিখে বাণিজ্য এবং অন্যান্য প্রাপ্যসমূহের এজিং, যা ইমপেয়ারড হয়নি, ছিল:

নির্ধারিত ৩০ দিনের উর্ধ্বে	৩,৮১২,৪১০	২,৩০৩,৯৪০
নির্ধারিত ৩১-৯০ দিনের উর্ধ্বে	৩৫৫,১১১	৭৫২
নির্ধারিত ৯১-১৮০ দিনের উর্ধ্বে	-	-
নির্ধারিত ১৮০ দিনের উর্ধ্বে	৮,৭৭৫	১০,৭৬৫
	৪,১৭৬,২৯৭	২,৩১৫,৪৫৭

২

তারল্য ঝুঁকি
তারল্য ঝুঁকি হচ্ছে সেই সমস্ত ঝুঁকি যখন কোম্পানি তার আর্থিক দায় পূরণ করতে অসুবিধার মুখে পড়ে যেগুলো পূরণ করা হয় অর্থ অথবা অন্যান্য আর্থিক সম্পদ প্রদানের মাধ্যমে। তারল্য ব্যবস্থাপনায় কোম্পানির অ্যাপ্রোচ এটা নিশ্চিত করা যে যতদূর সম্ভব তারই কাছে যথেষ্ট পরিমাণে তরল অর্থ থাকবে তার যখন দায় বাকি থাকবে তা পূরণ করার জন্য যে কোনো সাধারণ এবং বিপজ্জনক অবস্থায় কোনো ধরনের গ্রহণঅযোগ্য ক্ষতি তৈরি অথবা কোম্পানির সুনামের ক্ষেত্রে কোনো ধরনের প্রভাব না ফেলে। সাধারণভাবে কোম্পানি নিশ্চিত করে যে তাদের কাছে যথেষ্ট পরিমাণে অর্থ এবং অর্থ সমপরিমাণের সম্পদ রয়েছে পরিচালনা ব্যয় নির্বাহের জন্য আর্থিক বাধ্যবাধকতাসহ নগদ প্রবাহ পূর্বাভাস তৈরি করে টাইম লাইন অব পেমেন্টের ভিত্তিতে আর্থিক বাধ্যবাধকতা প্রদান এবং সে অনুসারে যথেষ্ট পরিমাণে তারল্য/ফান্ড জোগাড় করা হবে যাতে নির্ধারিত তারিখের ভেতর প্রত্যাশিত পেমেন্ট করা সম্ভব হয়। তার ওপর কোম্পানির বিভিন্ন বাণিজ্যিক ব্যাংকের সাথে স্বল্পকালীন ঋণ সুবিধা রয়েছে পেমেন্টে অব অবলিগেশন প্রদান করার জন্য, সেই সময়ে যখন কোম্পানির ঋণ অর্থ রয়েছে পেমেন্টের জন্য। তারল্য প্রবাহ অনুমানের মাধ্যমে আগেই প্রয়োজনসমূহ নির্ধারণ করা হয় এবং ব্যাংকের সাথে ক্রেডিট লাইন নিয়ে আলোচনা হয়। আর্থিক দায় চুক্তিভিত্তিক ম্যাক্রিটির পরবর্তী চিত্র:

ডিসেম্বর ৩১, ২০১৮	টাকা	চুক্তিভিত্তিক নগদ প্রবাহ						
		ক্যারিং অ্যামাউন্ট	মোট	৬ মাসের কম	৬-১২ মাস	১-২ বছর	২-৫ বছর	৫ বছরের বেশি
		টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
বাণিজ্য এবং অন্যান্য পরিশোধযোগ্য	২০	১০,৫১৮,৪৪৪	১০,৫২০,৬১৭	৭,৯৪২,১১৫	৯১৭,৬২১	১,৬৪৪,১২১	১৬,৭৬০	-
		১০,৫১৮,৪৪৪	১০,৫২০,৬১৭	৭,৯৪২,১১৫	৯১৭,৬২১	১,৬৪৪,১২১	১৬,৭৬০	-

এটা প্রত্যাশা করা হয় না যে ম্যাক্রিটি বিশ্লেষণে অন্তর্ভুক্ত নগদ প্রবাহ এর আগে কিংবা ভিন্ন কোনো অ্যামাউন্টে ঘটতে পারে।

ডিসেম্বর ৩১, ২০১৭	টাকা	চুক্তিভিত্তিক নগদ প্রবাহ						
		ক্যারিং অ্যামাউন্ট	মোট	৬ মাসের কম	৬-১২ মাস	১-২ বছর	২-৫ বছর	৫ বছরের বেশি
		টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
বাণিজ্য এবং অন্যান্য পরিশোধযোগ্য	২০	১০,১০১,৬২১	১০,১০১,৬২১	৬,০৭২,৫০২	২,০৯০,৪১৮	১,৯৩৮,০৪১	৬৬০	-
		১০,১০১,৬২১	১০,১০১,৬২১	৬,০৭২,৫০২	২,০৯০,৪১৮	১,৯৩৮,০৪১	৬৬০	-

এটা প্রত্যাশা করা হয় না যে ম্যাক্রিটি বিশ্লেষণে অন্তর্ভুক্ত নগদ প্রবাহ এর আগে কিংবা ভিন্ন কোনো অ্যামাউন্টে ঘটতে পারে।

৩

বাজার ঝুঁকি
বাজার ঝুঁকি হচ্ছে সেই ধরনের ঝুঁকি যা বাজার মূল্যের কোনো ধরনের পরিবর্তন যেমন বৈদেশিক মুদ্রার বিনিময় হার এবং সুদের হার কোম্পানির আয় অথবা তার আর্থিক উপকরণসমূহের হোল্ডিং মূল্যের ওপর প্রভাব ফেলবে। বাজার ঝুঁকি ব্যবস্থাপনার উদ্দেশ্য হলো মুনাফা বাড়ানোর পাশাপাশি বাজার ঝুঁকিতে পড়ার আশংকা কমিয়ে গ্রহণযোগ্য মাত্রায় রাখা।

ক. মুদ্রা ঝুঁকি/ বৈদেশিক মুদ্রা বিনিময় হার ঝুঁকি

কোম্পানি বিভিন্ন দেশের মুদ্রার প্রভাব বৈদেশিক মুদ্রা বিনিময় হার ঝুঁকির মুখোমুখি হতে পারে, প্রাথমিকভাবে ইউএস ডলার (ইউএসডি), ইউরো (ইইউআর) এবং ব্রিটিশ পাউন্ড (জিবিপি)। বৈদেশিক মুদ্রা বিনিময় হার ঝুঁকি সৃষ্টি হয় ভবিষ্যৎ স্বীকৃত সম্পদ এবং দায়ের বিনিময়ের মাধ্যমে। ব্যবস্থাপনা ট্রেজারি নীতিমালা মেনে চলে বৈদেশিক মুদ্রা বিনিময় ঝুঁকি তাদের কার্যকর মুদ্রার বিপরীতে ব্যবস্থাপনার উদ্দেশ্য।

অ. মুদ্রা ঝুঁকির মুখোমুখী			

কোম্পানির বৈদেশিক মুদ্রা ঝুঁকির মুখোমুখী হওয়ার বিষয়টি ছিল নিম্নরূপ:

ডিসেম্বর ৩১, ২০১৮	ইউএস ডলার (০০০)	জিবিপি (০০০)	ইউরো (০০০)
বৈদেশিক মুদ্রা আখ্যাত সম্পদ			
ব্যাংকে নগদ অর্থ	১৩,৬১১	-	-
বাণিজ্য প্রাপ্যসমূহ	-	-	-
আন্তঃকোম্পানি প্রাপ্যসমূহ	-	-	-
	১৩,৬১১	-	-
বৈদেশিক মুদ্রা আখ্যাত দায়			
বাণিজ্য পরিশোধযোগ্য	১২,৬৩২	১,১০৭	২৫
আন্তঃকোম্পানি পরিশোধযোগ্য	৮,৮৩৯	২১,৬৪৪	১৫৬
	২১,৪৭১	২২,৭৮১	১৮১
নেট এক্সপোজার	(৭,৮৬০)	(২২,৭৮১)	(১৮১)



ডিসেম্বর ৩১, ২০১৭	ইউএস ডলার (০০০)	জিবিপি (০০০)	ইউরো (০০০)
বৈদেশিক মুদ্রা আখ্যাত সম্পদ			
ব্যাংকে নগদ অর্থ	১০,৭৭৬	-	-
বাণিজ্য প্রাপ্যসমূহ	-	-	-
আন্তঃকোম্পানি প্রাপ্যসমূহ	-	-	-
	১০,৭৭৬	-	-
বৈদেশিক মুদ্রা আখ্যাত দায়			
বাণিজ্য পরিশোধযোগ্য	২৮	১৪	২৪
আন্তঃকোম্পানি পরিশোধযোগ্য	৮,৬৮৩	২২,৯৪৫	১৫
	৮,৭১১	২২,৯৫৯	৩৯
নেট এক্সপোজার	২,০৬৫	(২২,৯৫৯)	(৩৯)

বাংলাদেশি টাকার বিপরীতে নিচের গুরুত্বপূর্ণ বিনিময় হার প্রয়োগ হয়েছে:

	গড় রেট		বছরশেষে স্পট রেট	
	২০১৮	২০১৭	২০১৮	২০১৭
ইউএসডি ১	৮৩.৭০	৮১.২৯	৮৩.৯৫	৮৩.১৮
জিবিপি ১	১১৩.৭৫	১০৪.৮০	১০৮.০৫	১১২.৫১
ইইউআর ১	১০১.২৩	৯১.৮৮	৯৭.৯২	৯৯.৮৮

৩. বৈদেশিক মুদ্রা খরচের ক্ষেত্রে বিনিময় হার সংবেদনশীলতা বিশ্লেষণ

সংবেদনশীলতা বিশ্লেষণ

নিচে প্রদর্শিত পরিমাণ অনুযায়ী প্রতিবেদনের তারিখে ইউএসডি (ইউএস ডলার), জিবিপি (ব্রিটিশ পাউন্ড), ইইউআর (ইউরো) এর বিপরীতে টাকা শক্তিশালি অথবা দুর্বল করা ইকুইটি এবং লাভ অথবা ক্ষতি বাড়ায়/ কমায়। এ বিশ্লেষণ করা হয়েছে বৈদেশিক মুদ্রা বিনিময় হারের তারতম্যের ভিত্তিতে যা কোম্পানি তার রিপোর্টিং তারিখে মুক্তিসঙ্গতভাবে সম্ভব মনে করেছিল। এই বিশ্লেষণ অনুমান করে যে, অন্য সকল চলক, বিশেষত সুদের হার অপরিবর্তনীয় এবং অনুমিত ভবিষ্যতের ক্ষেত্রে বেচাকেনায় কোনো প্রভাব তৈরি করবে না।

২০১৮	জোরদারকরণ/ লাভ অথবা ক্ষতি	দুর্বলকরণ/ লাভ অথবা ক্ষতি
ইউএসডি (৫% মুভমেন্ট)	৩২,৯৯৩	(৩২,৯৯৩)
জিবিপি (৫% মুভমেন্ট)	১২৩,০৭৪	(১২৩,০৭৪)
ইইউআর (৫% মুভমেন্ট)	৮৮৫	(৮৮৫)
	১৫৬,৯৫২	(১৫৬,৯৫২)

২০১৭	জোরদারকরণ/ লাভ অথবা ক্ষতি	দুর্বলকরণ/ লাভ অথবা ক্ষতি
ইউএসডি (৫% মুভমেন্ট)	(৮,৫৮৮)	৮,৫৮৮
জিবিপি (৫% মুভমেন্ট)	১২৯,১৬২	(১২৯,১৬২)
ইইউআর (৫% মুভমেন্ট)	১৯৫	(১৯৫)
	১২০,৭৬৯	(১২০,৭৬৯)

খ. সুদের হার ঝুঁকি

সুদের হার ঝুঁকি সেই ধরনের ঝুঁকি যা তৈরি হয় ঋণের ওপর সুদের হারের পরিবর্তনের কারণে। বর্তমানে কোম্পানির কোনো ধরনের ঋণ নেই যার ফলে সুদের হারের ঝুঁকি তৈরি হবে।

৪০

	২০১৮	২০১৭
	ইউএস ডলার (০০০)	ইউএস ডলার (০০০)
সংশ্লিষ্ট পক্ষের সাথে লেনদেন		
১. ব্যবস্থাপনা কর্মকর্তাদের সাথে লেনদেন		
মিটিংয়ে হাজিরা ফি	৭৭	৭৯
মিটিং বাবদ ব্যয়	৪,৫১৪	৪,৫১৬
বেতন	৯৮,৮৩৪	৬৭,৭৪৯
অবসরকালীন ভাতা	৯,১৫৯	৭,৯২৯
চিকিৎসা ও কল্যাণমূলক ভাতা	১৭১	২৪১
গৃহ সংস্থান	১৬,৫৫০	১৫,৩০০
	১২৯,৩০৪	৯৫,৮১৪

২. সংশ্লিষ্ট অন্যান্য পক্ষের লেনদেন

কোম্পানি সংশ্লিষ্ট পক্ষসমূহের সাথে ব্যবসার প্রয়োজনে যথার্থ মূল্যে বিভিন্ন লেনদেন পরিচালনা করেছে। এ সমস্ত পক্ষের নাম, লেনদেনের প্রকৃতি এবং তাদের প্রকৃত মূল্য আইএএস ২৪: সংশ্লিষ্ট পক্ষ তথ্যাদি এর আওতায় দেখানো হয়েছে:

	সম্পর্ক	৩১ ডিসেম্বর শেষ বছরে লেনদেন মূল্য		৩১ ডিসেম্বর বাকি থাকা প্রাপ্যসমূহ/ পরিশোধযোগ্য	
		টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
আয়					
ক. তামাক পাতা রপ্তানি					
বিএটি (জিএলপি) লিমিটেড	বিএটি গ্রুপ কোম্পানি	৭৮৫,৩৬৪	৯০০,২৩০	৮৪৯	-
পিটিসিএল	বিএটি গ্রুপ কোম্পানি	৫২৫,৩৩৯	৪৮২,৬৩৯	২৫,৫৫৫	৫৫,২১৮
খ. অন্যান্য ফি					
প্রাপ্য/কিংবা প্রাপ্য হবে					
বিএটি হোল্ডিংস লিমিটেড	হোল্ডিং কোম্পানি	১,১০৫	২,৩৬৫	১,১০৫	-
বিএটি অ্যাজপ্যাক সার্ভিস সেন্টার এসডিএন বিএইচডি	বিএটি গ্রুপ কোম্পানি	-	৩,৭০৮	-	-
বিএএসএস জিএসডি লিমিটেড	বিএটি গ্রুপ কোম্পানি	৪,৫৫৭	-	৪,৫৫৭	-
বিএটি ইনভেস্টমেন্ট লিমিটেড	হোল্ডিং কোম্পানি	৬০,৫১৪	-	৬০,৫১৪	-
ব্রিটিশ আমেরিকান টোব্যাকো এশিয়া	বিএটি গ্রুপ কোম্পানি	১৪,৪৫৮	-	৪,৮৩৯	-
		৮০,৬৩৪	৬,০৭৩	৭১,০১৪	-
সংশ্লিষ্ট পক্ষ থেকে মোট আয়		১,৩৯১,৩৩৭	১,৩৮৮,৯৪২	৯৭,৪১৯	৫৫,২১৮
ব্যয়সমূহ					
গ. প্রোকিউরমেন্ট অব সার্ভিসেস					
তথ্য প্রযুক্তি, উৎপাদন এবং অন্যান্য প্রোকিউরমেন্ট					
বিএএসএস জিএসডি লিমিটেড	বিএটি গ্রুপ কোম্পানি	২০২,৮৬৫	৪৫৮,৩০৬	(৫৪৯,৮৭২)	(৫১০,৮৭৭)
বিএটি হোল্ডিংস লিমিটেড	হোল্ডিং কোম্পানি	-	-	(৪,১০৫)	(৪,০৫৮)
বিএটি এশিয়া-প্যাসিফিক রিজিয়ন লিমিটেড	বিএটি গ্রুপ কোম্পানি	৩২,৫৬২	১৮,০৭৫	(৭৯,৫৪২)	(৪৬,৯৮০)
বিএটি অ্যাজপ্যাক সার্ভিস সেন্টার এসডিএন বিএইচডি	বিএটি গ্রুপ কোম্পানি	৪২,৬৫৩	১৫১,৩৩৩	(৫৮৮,৩৬২)	(৫৪৫,৭০৯)
বিএটি পিটি এক্সপোর্ট লিফ ইন্দোনেশিয়া, মালাং	বিএটি গ্রুপ কোম্পানি	১০,৬৭১	১,৬২০	(১১,৭৭৫)	(১,১০৪)
বিএটি জিএসডি (কেএল) এসডিএন বিএইচডি	বিএটি গ্রুপ কোম্পানি	-	১,৭০৪	(১,৭০৪)	(১,৭০৪)
		২৮৮,৭৫১	৬৩১,০৩৮	(১,২৩৫,৩৬১)	(১,১১০,৪৩২)

	সম্পর্ক	৩১ ডিসেম্বর শেষ বছরে লেনদেন মূল্য		৩১ ডিসেম্বর বাকি থাকা প্রাপ্যসমূহ/ পরিশোধযোগ্য	
		টাকা (০০০)	টাকা (০০০)	টাকা (০০০)	টাকা (০০০)
ঘ. তামাক পাতা ও অন্যান্য পণ্য ক্রয়					
যাদের থেকে তামাক পাতা ও মোড়ক সামগ্রী ক্রয় করা হয়:					
বিএটি সিঙ্গাপুর (প্রাইভেট) লিমিটেড	বিএটি গ্রুপ কোম্পানি	১৩৮,০০৯	৮৭৩,৩৫১	(৬,০৮১)	(৮,৮২১)
বিএটি (জিএলপি) লিমিটেড	বিএটি গ্রুপ কোম্পানি	৬৯৮,৩০১	৪৮৩,২২৩	(১৬,৫৪২)	১০০,৬৭২
পিটিসিএল	বিএটি গ্রুপ কোম্পানি	২২৮	-	২,৮৪৭	-
সুজা ক্রুজ লিমিটেড	বিএটি গ্রুপ কোম্পানি	৩৬,৫২২	-	-	-
ব্রিটিশ আমেরিকান টোব্যাকো ওয়েস্টন ইউরোপ	বিএটি গ্রুপ কোম্পানি	৩১,৭৪৯	-	(১০,৪৯৬)	-
বিএটি কোরিয়া ম্যানুফ্যাকচারিং লিমিটেড	বিএটি গ্রুপ কোম্পানি	২১,৪৭২	-	৭৫৮	-
		৯২৬,২৮১	১,৩৫৬,৫৭৪	(২৯,৫১৫)	৯১,৮৫১
ঙ. রয়্যালটি					
রয়্যালটি পরিশোধিত/ পরিশোধযোগ্য					
বিএটি হোল্ডিংস লিমিটেড**	হোল্ডিং কোম্পানি	৬৬২,৫০৫	৫৩৪,৯১৭	(১,৬৪১,৮৮০)	(১,৪৩৬,৭৮৩)
		৬৬২,৫০৫	৫৩৪,৯১৭	(১,৬৪১,৮৮০)	(১,৪৩৬,৭৮৩)
চ. কারিগরি ও পরামর্শ ফি					
কারিগরি ও পরামর্শ ফি পরিশোধিত/ পরিশোধযোগ্য					
বিএটি ইনভেস্টমেন্টস লিমিটেড**	বিএটি গ্রুপ কোম্পানি	৯১৮,৭৫৪	১,০৬৩,৮৯১	(১,৮১৫,৭৬১)	(১,৯০০,১৬৫)
		৯১৮,৭৫৪	১,০৬৩,৮৯১	(১,৮১৫,৭৬১)	(১,৯০০,১৬৫)
ছ. যন্ত্রপাতি ক্রয়					
যাদের থেকে যন্ত্রপাতি ক্রয় করা হয়:					
পিটিসিএল	বিএটি গ্রুপ কোম্পানি	-	৩০৯,৫৬০	-	-
টোব্যাকো ইমপোর্টারস অ্যান্ড ম্যানুফ্যাকচারার্স এসডিএন বিএইচডি, মালয়েশিয়া	বিএটি গ্রুপ কোম্পানি	৭,৩১৪	৯২,১০৫	৫,৯২৮	২১,৪৫৩
বিএটি জার্মানি জিএমবিএইচ	বিএটি গ্রুপ কোম্পানি	১,০০৭	১,০০৬	(২,০১৩)	(১,০০৬)
ব্রিটিশ-আমেরিকান টোব্যাকো পোলস্কা এস.এ.	বিএটি গ্রুপ কোম্পানি	-	৪৪০	(৪৪০)	(৪৪০)
ব্রিটিশ-আমেরিকান টোব্যাকো এমই ডিএমসিসি	বিএটি গ্রুপ কোম্পানি	৯৬,৫৬০	-	-	-
ব্রিটিশ-আমেরিকান টোব্যাকো চিলি	বিএটি গ্রুপ কোম্পানি	৬৯	-	(৬৯)	-
পিটি বেনটোয়েল ইন্টারন্যাশনাল ইনভেস্টমেন্ট	বিএটি গ্রুপ কোম্পানি	৩৪১,৫৪৭	-	১৩,৭৯৮	-
ব্রিটিশ আমেরিকান টোব্যাকো কেনিয়া লিমিটেড	বিএটি গ্রুপ কোম্পানি	৯০২	-	-	-
বিএটি নাইজেরিয়া লিমিটেড	বিএটি গ্রুপ কোম্পানি	১১৩	-	(১১৩)	-
বিএটি রোমানিয়া ইনভেস্টমেন্ট	বিএটি গ্রুপ কোম্পানি	১,০৯৩	-	(১,০৯৩)	-
জেএসসি বিএটি এসপিবি	বিএটি গ্রুপ কোম্পানি	১২৮,১৬২	-	-	-
ব্রিটিশ আমেরিকান টোব্যাকো টুইন	বিএটি গ্রুপ কোম্পানি	২,৩৬৮	-	(৯৮৬)	-
		৫৭৯,১৩৬	৪০৩,১১১	১৫,০১২	২০,০০৭
মোট সংশ্লিষ্ট পক্ষ ব্যয় ও অনাদায়ী ব্যালেন্স		৩,৩৭৫,৪২৬	৩,৯৮৯,৫৩১	(৪,৭০৭,৫০৪)	(৪,৩৩৫,৫২২)
* অগ্রিম পরিশোধকৃত					
** ২০১৬, ২০১৭ এবং ২০১৮ সালের রয়্যালটি এবং ২০১৭ এবং ২০১৮ সালের কারিগরি ও পরামর্শ ফি নিয়ে গঠিত ক্রেডিং ব্যালেন্স।					

		২০১৮	২০১৭
		টাকা (০০০)	টাকা (০০০)
৪১	অস্বীকার		
৪১-১	মূলধনজাতীয় ব্যয়		
	অনুমোদিত কিন্তু কার্যকর নয়	৩,৪৮৭,৫৭৪	৫,০৩৮,৯৮৩
৪২	সম্ভাব্য দায়		
	লেটার অব ক্রেডিট ইস্যু এবং তৃতীয় পক্ষকে ব্যাংক গ্যারান্টি সংশ্লিষ্ট কোম্পানির সম্ভাব্য দায় নিচে তুলে ধরা হলো:		
	লেটার অব ক্রেডিট		
	সিটিব্যাংক এন.এ.	৪৫৩,২৬৩	৩৯৬,১৪১
	কমার্শিয়াল ব্যাংক অব সিলন পিএলসি	১৭৩,৬১৮	১৫৮,৮১১
	দ্য হংকং অ্যান্ড সাংহাই ব্যাংকিং কর্পোরেশন লিমিটেড	৪,৫৩৬	৪০২,৮৭৫
	স্ট্যান্ডার্ড চার্টার্ড ব্যাংক	১,৫৬৪,৭৬৭	৬৯৪,১০৬
		২,১৯৬,১৮৪	১,৬৫১,৯৩৩
	ব্যাংক গ্যারান্টি		
	স্ট্যান্ডার্ড চার্টার্ড ব্যাংক	৪১,০৪৫	৪১,০৪৫
	কমার্শিয়াল ব্যাংক অব সিলন পিএলসি	২১,০৬১	-
		৬২,১০৬	৪১,০৪৫
৪২-১	আইনি প্রক্রিয়া		
	কোম্পানি ব্যবসার সাধারণ প্রক্রিয়ার অংশ হিসেবে উদ্ভূত বিভিন্ন দাবিদাওয়া এবং আইনি বিষয়ের সাথে জড়িত। বিশেষত, নভেম্বর ২০১৩ সালে কোম্পানি জাতীয় রাজস্ব বোর্ড (এনবিআর) থেকে তাদের কমদামি শ্রেণীভুক্ত ব্র্যান্ডগুলোর ওপর (পাইলট ও ব্রিস্টল) মাঝারি মূল্যের সেগমেন্টের পরিবর্তে স্বল্প মূল্যের সেগমেন্ট বিক্রয় করে কর ফাঁকির অভিযোগে প্রায় ১৭,৮০৬ মিলিয়ন টাকার দাবি গ্রহণ করে, যার বিরুদ্ধে কোম্পানি আপিল করলে সুপ্রিম কোর্টের আপিল বিভাগ বিষয়টি ২০১৮ সালের ২৫ জুলাইয়ে রায় এবং আদেশের জন্য গ্রহণ করে। কোম্পানি বর্তমানে রায়ের অন্তিম সিদ্ধান্তের জন্য অপেক্ষায় রয়েছে।		
৪৩	অন্যান্য লেনদেন		
৪৩-১	কর্মচারি সংখ্যা		
	রিপোর্টিং তারিখে ৩৬,০০০ টাকা অথবা তদুর্ধ্ব বেতনভুক্ত কর্মচারির সংখ্যা নিচে দেয়া হলো:		
		ডিসেম্বর ৩১, ২০১৮	ডিসেম্বর ৩১, ২০১৭
		টাকা (০০০)	টাকা (০০০)
	কর্মচারি সংখ্যা	১,৪৫৩	১,৪৫৯
	এছাড়া প্রয়োজন অনুসারে বছরব্যাপী পরিবর্তনশীল অনির্দিষ্ট সংখ্যক মৌসুমি ও চুক্তিভিত্তিক ব্যক্তি কর্মে নিয়োজিত রয়েছে।		
৪৩-২	কমপ্যারোটিভ ও রিঅ্যারেঞ্জমেন্টস		
	সংখ্যাগত তথ্যের ক্ষেত্রে সকল তুলনামূলক তথ্য এ আর্থিক প্রতিবেদনে প্রকাশ করা হয়েছে এবং আখ্যানধর্মী এবং বর্ণনামূলক তথ্যের ক্ষেত্রেও যেগুলো প্রাসঙ্গিক বর্তমান আর্থিক প্রতিবেদন বোঝার ক্ষেত্রে জরুরি সেগুলিও প্রকাশ করা হয়েছে। তুলনার স্বার্থে বিগত বছরের কিছু জরুরি প্রাসঙ্গিক ব্যালেন্স পুনর্বিন্যস্ত ও পুনশ্রেণীবিভাজন করা হয়েছে যখনই এগুলি বর্তমান বছরের প্রেজেন্টেশনের ক্ষেত্রে জরুরি বলে মনে করা হয়েছে।		
৪৪	প্রতিবেদন সময়কালের পরবর্তী ঘটনাবলী		
	কোম্পানির পরিচালনা পর্ষদ ২০১৯ সালের ১১ মার্চ বোর্ড মিটিংয়ে ২০১৮ সালের জন্য ২০০% স্টক ডিভিডেন্ড এবং ৫০০% (প্রতি শেয়ার ৫০ টাকা) ক্যাশ ডিভিডেন্ড যার পরিমাণ হবে ৩,০০০ মিলিয়ন টাকা সুপারিশ করেছে। কোম্পানির আসন্ন বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের দ্বারা চূড়ান্ত অনুমোদনের পর এটি কার্যকর হবে। ২০১৮ সালের ৩১ ডিসেম্বর শেষ হওয়া আর্থিক প্রতিবেদনে ক্যাশ ডিভিডেন্ডের ফলাফল অন্তর্ভুক্ত হয়নি। এটি করা হবে তখন যখন পেমেন্ট পাওয়ার জন্য শেয়ারহোল্ডারদের অধিকার প্রতিষ্ঠিত হবে। আর্থিক প্রতিবেদনে আর্থিক অবস্থার প্রতিবেদনের তারিখের পর সংঘটিত অন্য আর কোনো ঘটনা চিহ্নিত করা হয়নি যার অ্যাডজাস্টমেন্ট বা ডিসক্লোজারের প্রয়োজন রয়েছে।		



CORPORATE GOVERNANCE CHECK LIST

SL. No.	Particulars	BAT Page Ref.
1	BOARD OF DIRECTORS, CHAIRMAN AND CEO	
1.1	Company's policy on appointment of directors disclosed	94
1.2	Adequate representation of non-executive directors i.e. one third of the board, subject to a minimum of two	95
1.3	At least one independent director on the board and disclosure/affirmation of the board on such director's independence	95
1.4	Chairman to be independent of CEO	94
1.5	Responsibilities of the Chairman of the board appropriately defined and disclosed. Disclosure of independence of Non-Executive Directors	98
1.6	Existence of a scheme for annual appraisal of the boards performance and disclosure of the same	98
1.7	Disclosure of policy on annual evaluation of the CEO by the Board	98
1.8	Disclosure of policy on training (including details of the counting training program) of directors and type and nature of training courses organized for directors during the year existence of a scheme for annual appraisal of the boards performance	98
1.9	At least one director having through knowledge and expertise finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting	142
1.10	Disclosure of number of meetings of the board and participation of each directors (at least 4 meetings are required to be held)	97
1.11	Directors issue a report on compliance with best practices on corporate governance that is reviewed by external auditors	142
2	VISION/MISSION AND STRATEGY	
2.1	Company's vision/mission statements are approved by the board and disclosed in the annual report	22
2.2	Identification of business objectives and areas of business focus disclosed	24
2.3	General description of strategies to achieve the company's business objectives	24
3	AUDIT COMMITTEES	
3.1	Appointment and Composition	111
3.1.1	Whether the audit committee chairman is an independent Non-executive Director and Professionally Qualified	117
3.1.2	Whither it has specific terms of reference and whether it is empowered to investigate/question employees and retain external counsel	96
3.1.3	More than two thirds of the members are to be Non-Executive Directors	111

SL. No.	Particulars	BAT Page Ref.
3.1.4	All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting	111
3.1.5	Head of internal audit to have direct access to audit committee	99
3.1.6	The committee to meet at least 4 times a year and the number of meetings and attendance by individuals members disclosed in the annual report	113
3.2	OBJECTIVE AND ACTIVITIES	
3.2.1	Statement of Audit Committees review to ensure that internal controls are well conceived properly administrative and satisfactorily monitored	111
3.2.2	Statement to indicate audit committees role in ensuring compliance with laws, regulations and timely settlements of statutory dues	111
3.3.3	Statement of Audit Committee involvement in the review of external audit function	
	- Ensure effective coordination of external audit function	112-112
	- Ensure independence of external auditors	111-112
	- To review the external auditors findings in order to be satisfied that appropriate action is being taken	111-112
	- Review and approve any non audit work assigned to the external auditor and ensure that such work does not compromise the independence of external auditors	111-112
	- Recommend external auditor for appointment/reappointment	111-112
3.2.4	Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review	99
3.2.5	Statement on Audit committee involvement in the review and recommend to the board of directors, annual and interim financial release	113
3.2.6	Reliability of the management information used for such computation	103
4	INTERNAL CONTROL & RISK MANAGEMENT	
4.1	Statement of director's responsibility to establish appropriate system of internal control	104
4.2	Narrative description of key features of the internal control system and the manner in which the system is monitored by the board, audit committee or senior management	105-106
4.3	Statement that the directors have reviewed the adequacy of the system of internal controls	114
4.4	Disclosure of the identification of risk the company is exposed to both internally and externally	107
4.5	Disclosure of the strategies adopted to manage and mitigate the risks	111

SL. No.	Particulars	BAT Page Ref.
5	ETHICS AND COMPLIANCE	
5.1	Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulation etc	125
5.2	Dissemination/communication of the statement of ethics & business practices to all directors and employees and their acknowledgement of the same	109,125
5.3	Board's statement on its commitment to establishing high level of ethics and compliance within the organization	95,125
5.4	Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a hot line reporting of irregularities etc	102,125
6	REMUNERATION COMMITTEE	
6.1	Disclosure of the charter (role and responsibilities) of the committee	96
6.2	Disclosure of the composition of the committee (majority of the committee should be nonexecutive directors, but should also include some executive directors)	96
6.3	Disclosure of key policies with regard to remuneration of directors, senior management and employees	102
6.4	Disclosure of number of meetings and work performed	99
6.5	Disclosure of remuneration of directors, chairman, chief executive and senior executives	95
7	HUMAN CAPITAL	
7.1	Disclosure of general description of the policies and practices codified and adopted by the company with respect Human Resource Development and Management, including succession planning, merit based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling	67-68,101-102
7.2	Organizational Chart	67
8	COMMUNICATION TO SHAREHOLDERS AND STAKEHOLDERS	
8.1	Disclosure of the company's policy/strategy to facilitate effective communication with shareholders and other stakeholders	104, 105
8.2	Disclosure of company's policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM	104
9	ENVIRONMENTAL AND SOCIAL OBLIGATIONS	
9.1	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	177-180,184-187
9.2	Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	177-180,184-187

ANNUAL REPORT 2018 CHECKLIST

Items	Page Reference
Corporate Objectives, Values & Structure	
Clarity and presentation:	
■ Vision and Mission	22
■ Overall strategic objectives	23
■ Core values and code of conduct/ethical principles	125
■ Profile of the Company	20
■ Director's profiles and their representation on Board of other companies & Organization Chart	42-47
Management Report/ Commentary and analysis including Director's Report / Chairman's Review/CEO's Review etc.	
■ A general review of the performance of the company	81-82
■ Description of the performance of the various activities / products / segments of the company and its group companies during the period under review. (Weightage to be given for pictorial / graphical / tabular presentations used for this purpose)	81-82
■ A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	106-108
■ A general review of the future prospects/outlook.	88
■ Information on how the company contributed to its responsibilities towards the staff (including health & safety)	"85, 175, 176"
■ Information on company's contribution to the national exchequer & to the economy	82
Sustainability Reporting	
■ Social Responsibility Initiatives (CSR)	170-173
■ Environment related Initiatives	170-173
■ Environmental & Social Obligations	170-173
■ Integrated Reporting	13
Appropriateness of Disclosure of Accounting policies and General Disclosure	
■ Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	90
■ Any Specific accounting policies	90
■ Changes in accounting policies/Changes in accounting estimates	90
Segment Information	
■ Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	81
■ Availability of information regarding different segments and units of the entity as well as non-segmental entities/units	81
■ Segment analysis of	
• Segment Revenue	
• Segment Results	
• Turnover	
• Operating profit	
• Carrying amount of Net Segment assets	

Items	Page Reference
Financial Statements (Including Formats)	
■ Disclosures of all contingencies and commitments	257
■ Comprehensive related party disclosures	254
■ Disclosures of Remuneration & Facilities provided to Directors & CEO	254
■ Statement of Financial Position / Balance Sheet and relevant schedules	212
■ Income Statement / Profit and Loss Account and relevant schedules	214
■ Statement of Changes in Equity / Reserves & Surplus Schedule	215
■ Disclosure of Types of Share Capital	236
■ Statement of Cash Flow	216
■ Consolidated Financial Statement (CFS)	212-216
■ Extent of compliance with the core IAS/IFRS or equivalent National Standards	218
■ Disclosures / Contents of Notes to Accounts	217
Information about Corporate Governance	
■ Board Of Directors, Chairman And CEO	84,85
■ Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management	113-114
■ Ethics And Compliance	125
■ Remuneration and other Committees of Board	123-124
■ Human Capital	67
■ Communication To Shareholders & Stakeholders	127
- Information available on website	
- Other information	
■ Management Review And Responsibility	95
Risk Management & Control Environment	
■ Description of the Risk Management Framework	106-109
■ Risk Mitigation Methodology	107-109
■ Disclosure of Risk Reporting	108
Stakeholders Information	
■ Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc)	126
■ Shares held by Directors/Executives and relatives of Directors/Executives	127
Graphical/ Pictorial Data:	
■ Earnings per Share	9
■ Stock Performance	127
Horizontal/Vertical Analysis including following.	
Operating Performance (Income Statement) (2.5 Marks)	
■ Total Revenue	214
■ Operating profit	214
■ Profit Before Tax	214
■ Profit after Tax	214
■ EPS	214
Statement of Financial Position (Balance Sheet) (2.5 Marks)	
■ Shareholders Fund	212
■ Property Plant & Equipment	212

Items	Page Reference
■ Net Current Assets	212
■ Long Term Liabilities/Current Liabilities	212
Profitability/Dividends/ Performance and Liquidity Ratios	
■ Gross Profit Ratio	144
■ Price earning ratio	144
■ Current Ratios	145
■ Debt Equity Ratio	145
Statement of Value Added and Its Distribution	
■ Government as Taxes	141
■ Shareholders as dividend	141
■ Employees as bonus/remuneration	141
■ Retained by the entity	141
■ Market share information of the Company's product/services	141
■ Economic value added	141
Additional Disclosures	
For Example	
■ Human Resource Accounting	149
■ Operating Environment Analysis	75-77
■ Value Creation Process	60
■ Business Model	24

INTEGRATED REPORTING CHECKLIST

Sl. No.	Particulars	Content Reference	Page No.
1	Elements of an Integrated Report		
1.1	Organizational overview and external environment		
	An integrated report should disclose the main activities of the organization and the environment of which it operates.	Overview Business Model	20,21
	An integrated report should identify the organization's mission and vision, and provides essential context by identifying matters such as:	Vision and Mission	20-21
	The organization's:		
	culture, ethics and values	Business Model	24-25
	ownership and operating structure including size of the organization, location of its operations)	Corporate Information, Annex 1	7,126
	principal activities and markets	Note-1	216
	competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, and the intensity of competitive rivalry)	Operating Environment Analysis, Directors Report	82,58,75-77
	position within the value chain	Business Model	24-25
	Key quantitative information:		
	e.g. The number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods	Who we are (Overview)	20
	Significant factors affecting the external environment and the organization's response:	Operating Env Analysis	79,80,81
	E.g.		
	The legitimate needs and interests of key stakeholders	Operating Environment Analysis,	79-81
	Macro and micro economic conditions, such as economic stability, globalization, and industry trends	Operating Environment Analysis	79-81
	Market forces, such as the relative strengths and weaknesses of competitors and customer demand	Operating Environment Analysis	79-81
	The speed and effect of technological change	Operating Environment Analysis - Technological	81
	Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems	Operating Environment Analysis - Social	80
	The legislative and regulatory environment in which the organization operates	Operating Environment Analysis - Legal	81
	The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy	Operating Environment Analysis - Political	79

Sl. No.	Particulars	Content Reference	Page No.
1.2	Governance		
	An integrated report should show how does the organization's governance structure support its ability to create value in the short, medium and long term.	Corporate Governance	94
	An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value:		
	The organization's leadership structure, including the skills and diversity (e.g. range of background, gender, competence and experience) of those charged with governance and whether regulatory requirement influence the design of the governance structure	Exco, Board	42-51,85
	Mandatory and voluntary code of corporate governance adopted by the company	Report of Nomination and Remuneration Committee	125
	Code of ethical conduct adopted by the Company in relation to ethical business	Standard of Business Conduct	125
	Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues	Business Model, Risk management and internal control	20, 108
	Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management	Risk Management	108-111
	How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders	Our Value Creation Process, Capitals	60-74
	Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies	Ethics and Compliance	125
	The responsibility those charged with governance take for promoting and enabling innovation	Operating Environment Analysis	75-76
	How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals.	HR Value Creation	148-149
1.3	Stakeholder Identification/ relationships		
	An integrated report should identify its key stakeholders and provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interest. Stakeholders are the groups or individuals that can reasonably be expected to be significantly affected by an organisation's business activities, outputs or outcomes or whose actions can reasonably be expected to significantly affect the ability of the organization to create value.	Social and Relationship Capital	72
	How the company has identified its stakeholders	Social and Relationship Capital	72

Sl. No.	Particulars	Content Reference	Page No.
	Stakeholder engagement methodology	Social and Relationship Capital	72
	Identification of material matters of stakeholders	Report Markers , Social and Relationship Capital	12, 72
	How the company has applied such matters	Social and Relationship Capital	72
	How the stakeholders are engaged in assessing impacts, implications and outlook unrespects of Company's business model	Social and Relationship Capital	72
	Capitals		
	An integrated report needs to provide insight about the resources and the relationships used and affected by the organization, which are referred to collectively as the capitals and how the organization interacts with the capitals to create value over the short, medium and long term	Integrated Reporting, Our Value Creation Process, Capitals	60-79,
	An integrated report need to identify the various forms of capitals which are essential for the success of its business operations.	Integrated Reporting, Value Creation Process	60,62
	E.g		
	Financial Capital - The pool of funds that is available to the organization for use in the production of goods and services	Financial Capital	61
	Manufacturing Capital - Manufactured physical objects that are available to the organization for use in the production of goods and provision of services	Manufacturing Capital	65
	Intellectual Capital - Organizational, Knowledge based intangibles	Intellectual Capital	70
	Human Capital - People's competencies, capabilities and experience, and their motivations innovate	Human Capital	67
	Social and Relationship Capital - The institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective wellbeing	Social and Relationship Capital	72
	Natural Capital - All renewable and non-renewable environment resources and processes that provide goods and services that support the past, current and future prosperity of the organization.	Natural Capital	72
	Note: However an entity can do its own classification of capials based on its business activities. An entity needs to ensure that it does not overlook a capital that is uses or affects.		
1.4	Business model		
	An integrated report should describe the organization's business model		24
	An integrated report need to describe the business model, including key:		
	Inputs	Our Value Creation Process	60
	Business activities	Overview Business Model	20-21,24-26
	Outputs	Business Model	20
	Outcomes	Our Value Creation Process	60

Sl. No.	Particulars	Content Reference	Page No.
	Feature that can enhance the effectiveness and readability of the description of the business model include:		
	Explicit identification of the key elements of the business model	Overview Business Model	20-21,24-26
	A simple diagram highlighting key element, supported by clear explanation of the relevance of those elements to the organization.	Our Value Creation Process	60
	Narrative flow that is logical given the particular circumstances of the organization.	Overview Business Model	20-21, 24-26
	Identification of critical stakeholder and other	Business Model	24-26
	Connection to information covered by other Content Elements, such as strategy, risks and opportunities, and performance (including KPIs and financial considerations, like cost containment and revenues).	Performance	33
	Inputs		
	An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the business model.	Value Creation Process	60
	An integrated report describes key business activities. This can include:		
	How the organization differentiates itself in the market place (e.g., through product differentiation, market segmentation, delivery channels and marketing)	Business Model	24-26
	The extent to which the business model relies on revenue generation after the initial point of sale (e.g., extended warranty arrangements or network usage charges)	Our Value Chain	26
	How the organization approaches the need to innovate	Business Model, Intellectual Capital	25,70
	How the business model has been designed to adapt to change	Business Model	24
	When material and integrated report discusses the contribution made to the organization's long term success by initiatives such as process improvement, employee training and relationships management.	Value Creation Process	60
	Outputs		
	An integrated report identifies an organization's key products and services. There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the business model disclosure depending on their materiality.	Overview	20
	Outcomes		
	An integrated report describes key outcomes, including:		
	Both internal outcomes (e.g. employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g., customer satisfaction, tax payments, brand loyalty, and social and environmental effects)	Value Creation Process	60
	Both positive outcomes, (i.e., those that result in a net increase in the capitals and thereby create value) and negative outcomes, (i.e., those that result in a net decrease in the capitals and thereby diminish value)	Value Creation Process	60

Sl. No.	Particulars	Content Reference	Page No.
1.5	Performance		
	An integrated report needs to explain the extent to which the organization has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals?	Chairmans Statement, MD's Overview, Marketing and Brands	28, 34, 146
	An integrated report should contain qualitative and quantitative information about performance that may include matters such as:		
	Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them	Financial Capital	61
	The organization's effects both positive and negative on the capitals, including material effects on capitals up and down the value chain	Value Creation Process, Manufacturing Capital, Marketing and Brands	60, 65, 146
	The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests	Social and relationship capital	72
	The linkages between past and current performance, and between current performance and the organization's outlook.	Financial Capital, Key Financial Metrics, Year Highlights	61, 8
	KPIs that combine financial measures with other components or narrative that explains the financial implications of significant effects on other capitals and other causal relationships may be used to demonstrate the connectivity of financial performance with performance regarding other capitals. In some cases, this may also include monetizing certain effects on the capitals.	Year Highlights, Manufacturing Performance Review, Marketing and Brands	8, 153, 148
	Include instances where regulations have a significant effect on performance (e.g., a constraint on revenues as a result of regulatory rate setting) or the organization's non-compliance with laws or regulations may significantly affect its operations.	Operating Environment Analysis	75-77
1.6	Risks and opportunities		
	An integrated report should explain what are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them? and effectiveness of internal controls	Statement on Risk Management & Internal Control	106
	This can include identifying:		
	The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two.	Enterprise Risk Management Framework	107
	The organization's assessment of the likelihood that the risk or opportunity will come to fruition and the magnitude of its effect if it does.	Business Continuity and Crisis Management	108-109
	The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs.	Risk Management Process, Four Phase Risk Management Process, Business Continuity and Crisis Management.	107,109,110
	Risk Management Report (which include details about risk, root cause, potential impact, response to risk, risk rating)	Statement on Risk Management & Internal Control	106-111
	Response on the effectiveness of the internal controls and the board's responsibility for the disclosure on internal controls to safeguard stakeholders interest.	Other Key Elements of the System of Internal Control	110,111

Sl. No.	Particulars	Content Reference	Page No.
1.7	Strategy and resource allocation		
	An integrated report should describe its strategic direction (Where does the organization want to go and how does it intend to get there)	Vision and Mission	18
	An integrated report need to identify:		
	How the entity has positioned in the wider market	Business Model	24
	How the long term strategies relate to current business model	Business Model	24
	The resource allocation plans it has to implement its strategy	MD's Overview	34
	This can include describing:		
	The linkage between the organization's strategy and resource allocation plans, and the information covered by other Content Elements, including how its strategy and resource allocation plans:	MD's Overview	34
	- relate to the organization's business model, and what changes to that business model might be necessary to implement chosen strategies to provide an understanding of the organization's ability to adapt to change '	Overview Business model, Business Continuity and Crisis Management	20, 110
	are influenced by/respond to the external environment and the identified risks and opportunities affect the capitals, and the risk management arrangements related to those capitals	Statement on Risk Management & Internal Control	108
	What differentiates the organization to give it competitive advantage and enable it to create value, such as:		
	the role of innovation	What makes us different	24-25
	how the organization develops and exploits intellectual capital	Intellectual Capital	70
	the extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage	CSR Initiatives, Social and Relationship Capital	172, 72
	Key features and findings of stakeholder engagement that were used in formulating its strate and resource allocation plans.	Social and relationship capital	72
1.8	Outlook		
	An integrated report should explain what challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance?	Chairman's statement, Operating Environment Analysis, Statement on Risk Management and Internal Control	28, 75, 104
	An integrated report should highlight anticipated changes over time and provides information on:		
	The organization's expectations about the external environment the organization is likely to face in the short, medium and long term	Operating Environment Analysis, Statement on Risk Management and Internal Control	75, 104
	How that will affect the organization	Operating Environment Analysis	75
	How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.	Statement on Risk Management and Internal Control	104-109

Sl. No.	Particulars	Content Reference	Page No.
	The discussion of the potential implications, including implications for future financial performance may include:		
	The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives	Operating Environment Analysis	75-79
	The availability, quality and afford-ability of capitals the organization uses or affects including how key relationships are managed and why they are important to the organization's ability to create value over time.	Our Value Creation Process, Human Resource Value Creation, Environmental Impact	60, 150, 177
	An integrated report may also provide lead indicators, KPIs or objectives, relevant information from recognized external sources, and sensitivity analyses. If forecasts or projections are included in reporting the organization's outlook, a summary of related assumptions is useful. Comparisons of actual performance to previously identified targets further enables evaluation of the current outlook.	Year Highlights	9
	Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject.	Integrated reporting	13
1.9	Basis of preparation and presentation		
	An integrated report should answer the question: How does the organization determine what matters to include in the integrated report and how are such matters quantified or evaluated?	Material Features	12
	An integrated report describes its basis of preparation and presentation, including:		
	A summary of the organization's materiality determination process	Material Features	12
	Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters	Material Features	12
	Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters.	Key Responsibilities	95
	A description of the reporting boundary and how it has been determined	Integrated Reporting	13
	Eg: Include process used for identifying the reporting boundary, geographic scope, the entities represented in the report and the nature of the information provided for each entity	Integrated Reporting	13
	A summary of the significant frameworks and methods used to quantify or evaluate material matters	Material Features	12
	(e.g., the applicable financial reporting standards used for compiling financial information, a company-defined formula for measuring customer satisfaction, or an industry based framework for evaluating risks).	Financial Reporting Process	101
2	Responsibility for an integrated report		
	An integrated report should include a statement from those charged with governance that includes:		
	An acknowledgement of their responsibility to ensure the integrity of the integrated report	Integrated Reporting	13
	An acknowledgement that they have applied their collective mind to the preparation and presentation of the integrated report	Integrated Reporting	13
	Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework	Integrated Reporting	13

Sl. No.	Particulars	Content Reference	Page No.
3	Other Qualitative Characteristics of an Integrated Report		
3.1	Conciseness		
	An integrated report should be concise.		
	An integrated report need to include sufficient context to understand the organization's strategy, governance, performance and prospects without being burdened with less relevant information.	Material Features	12
	Eg:		
	Follows logical structure and includes internal cross-reference as appropriate to limit repetition.	Material Features	12
	May link to more detailed information, information that does not change frequently or external sources.	Material Features	12
	Express concepts clearly and in as few words	Material Features	12
	Avoids highly generic disclosures		
3.2	Reliability and completeness		
	An integrated report should include all material matters, both positive and negative, in a balanced way and without material error	Capitals	61-74
	The organization achieves the reliability and completeness through		
	Eg;		
	Selection of presentation formats that are not likely to unduly or inappropriately influence assessments made on the basis of integrated report.	Material Features	12
	Giving equal consideration to both increases and decreases in the capitals, both strengths and weaknesses of the organization, both positive and negative performance etc.	Capitals	61-74
	When information includes estimates this, is clearly communicated and the nature of limitations of the estimation process are explained.	Operating Environment Analysis	75
3.3	Consistency and comparability		
	The information in an integrated report should be presented:		
	On a basis that is consistent over time	Basis of Preparation	216
	In a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time	Year Highlights, Performance, Corporate Social Responsibility, Key Financial Metrics	8,33,172,57
	Eg:		
	Using benchmark data, such as industry or regional benchmarks	Overview	20
	Presenting information in the form of ratios (e.g., research expenditure as a percentage of sales, carbon intensity measures such as emissions per unit of output)	Year Highlights	8
	Reporting policies are followed consistently from one period to other unless a change is needed to improve the quality of information reported.	Directors Declaration on the Financial Statement	86

Sl. No.	Particulars	Content Reference	Page No.
3.4	Connectivity of information		
	An integrated report should show a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time.	Our Value Creation Process	60
	Eg: Connectivity between		
	Capitals	Capitals	61
	Content elements	Material Features	12
	Past, Present and Future	Chairman's statement, Year Highlights, Performance, Key Financial Metrics	26, 8, 33, 57
	Finance and other information	Financial Capital	61
3.5	Materiality		
	An integrated report should disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term	Integrated Reporting	13
3.6	Assurance on the Report		
	The policy and practice relating to seeking assurance on the report,	Integrated Reporting	13
	The nature and scope of assurance provided for this particular report	Integrated Reporting	13

বিশেষ সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা জানানো যাচ্ছে যে, ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড-এর বিশেষ সাধারণ সভা নিম্নলিখিত আলোচ্যসূচি সম্পাদন এবং বিশেষ সিদ্ধান্ত অনুমোদনের জন্য আগামী ২৮শে এপ্রিল ২০১৯, রোজ রবিবার, সকাল ১০:০০ মিঃ-এ প্যান প্যাসিফিক সোনারগাঁও হোটেল, ১০৭ কাজী নজরুল ইসলাম অ্যাভিনিউ, কারওয়ান, ঢাকা-১২১৫-এর বলরুমে অনুষ্ঠিত হবে।

আলোচ্য সূচি-১

বিশেষ সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে মোমোরোভাম অব এসোসিয়েশন-এর ধারা ৫-এর সংশোধন-“মূলধন বৃদ্ধি এবং বিভিন্ন শ্রেণির মাঝে শেয়ার মূলধন ভাগ করার লক্ষ্যে এবং কোনো অগ্রাধিকারমূলক, বিলম্বিত, যোগ্য বা বিশেষ অধিকার, বিশেষায়িত বা শর্ত সংযুক্ত করার ক্ষমতা সাপেক্ষে কোম্পানির অনুমোদিত শেয়ার মূলধন ৬০,০০,০০,০০০ (ষাট কোটি) টাকা করা হলো, যা প্রতিটি ১০ টাকা করে ৬,০০,০০,০০০ (ছয় কোটি) টি সাধারণ শেয়ারে বিভক্ত করা।”

প্রস্তাবিত বিশেষ সিদ্ধান্ত-

কোম্পানির বিদ্যমান অনুমোদিত মূলধন ৬০,০০,০০,০০০ (ষাট কোটি) টাকা থেকে ৫৪০, ০০,০০,০০০ (পাঁচশত চল্লিশ কোটি) টাকায় বৃদ্ধিকরণ এবং সেই অনুযায়ী কোম্পানির মোমোরোভাম নিম্নরূপ সংশোধন-

ধারা ৫ : “মূলধন বৃদ্ধি এবং বিভিন্ন শ্রেণির মাঝে শেয়ার মূলধন ভাগ করার লক্ষ্যে এবং কোনো অগ্রাধিকারমূলক, বিলম্বিত, যোগ্য বা বিশেষ অধিকার, বিশেষায়িত বা শর্ত সংযুক্ত করার ক্ষমতা সাপেক্ষে কোম্পানির অনুমোদিত শেয়ার মূলধন ৫৪০,০০,০০,০০০ (পাঁচশত চল্লিশ কোটি) টাকা করা হলো, যা প্রতিটি ১০ টাকা করে ৫৪,০০,০০,০০০ (চুয়ান্ন কোটি) টি সাধারণ শেয়ারে বিভক্ত করা”

আলোচ্য সূচি-২

বিশেষ সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে আর্টিকেলস অব এসোসিয়েশন-এর অনুচ্ছেদ ৮০(ক)-এর সংশোধন“পরিচালকগণের প্রতি মিটিংয়ের অংশগ্রহণ ফি মিটিংয়ে উপস্থিতি সাপেক্ষে পরিচালনা পর্ষদ এবং পর্ষদ কমিটির মিটিংয়ের জন্য ৭৫০ টাকার অধিক হতে পারবে না।”

প্রস্তাবিত বিশেষ সিদ্ধান্ত-

কোম্পানির আর্টিকেলস অব এসোসিয়েশন-এর অনুচ্ছেদ ৮০(ক)-এর নিম্নরূপ সংশোধন-

“অনুচ্ছেদ ৮০(ক): পরিচালকগণের পরিচালনা পর্ষদ অথবা পর্ষদ কমিটির প্রতি মিটিংয়ে অংশগ্রহণ সাপেক্ষে মিটিং অংশগ্রহণ ফি অথবা পরিচালনা পর্ষদ এবং পর্ষদ কমিটির সহিত সম্পর্কিত সম্মানি, ভাতা, উপদেষ্টা ফি অথবা অন্যান্য ফি, নমিনেশন এবং রেমুনারেশন কমিটি অথবা সিকিউরিটি এক্সচেঞ্জ কমিশনের কর্পোরেট গভার্নেন্স কোডের নির্দেশনা অনুযায়ী গঠিত কমিটির সুপারিশক্রমে এবং পরিচালনা পর্ষদ-এর অনুমোদন সাপেক্ষে প্রয়োজন অনুযায়ী যে কোনো সময় পরিবর্তন, সংশোধন এবং বৃদ্ধি করা যাবে।

ঢাকা
৭ এপ্রিল, ২০১৯

বোর্ডের সিদ্ধান্তক্রমে
Sd/-
মো: আজিজুর রহমান এফসিএস
কোম্পানি সচিব

দ্রষ্টব্যঃ

- ▶ যে সকল শেয়ারহোল্ডারগণের নাম কোম্পানি সদস্য বহি এবং ডিপোজিটরি বহিতে রেকর্ড ডেটে (৪ঠা এপ্রিল ২০১৯) বৈধভাবে লিপিবদ্ধ থাকবে, উক্ত শেয়ারহোল্ডারগণ বিশেষ সাধারণ সভায় যোগদানের জন্য বিবেচিত হবে।
- ▶ যদি কোনো শেয়ারহোল্ডার প্রতিনিধি নিয়োগ করতে চান তবে উক্ত শেয়ারহোল্ডারকে অবশ্যই স্ট্যাম্পসহ (২০ টাকা) প্রতিনিধি পত্র কোম্পানির রেজিস্টার অফিসে ২৪শে এপ্রিল ২০১৯, সকাল ১০.০০ মিঃ তারিখের মধ্যে জমা দিতে হবে।



ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

নিউ ডি.ও.এইচ.এস রোড, মহাখালী, ঢাকা-১২০৬

৪৬তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা জানানো যাচ্ছে যে, ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড-এর ৪৬তম বার্ষিক সাধারণ সভা নিম্নলিখিত আলোচ্যসূচি সম্পাদনকল্পে আগামী ২৮শে এপ্রিল ২০১৯, রোজ রবিবার, সকাল ১০:৩০ মিঃ-এ প্যান প্যাসিফিক সোনারগাঁও হোটেল, ১০৭ কাজী নজরুল ইসলাম অ্যাভিনিউ, কারওয়ান বাজার, ঢাকা-১২১৫-এর বলরুমে অনুষ্ঠিত হবে।

- ৩১শে ডিসেম্বর ২০১৮ তারিখে সমাপ্ত বছরে আর্থিক বিবরণী, পরিচালক মন্ডলীর প্রতিবেদন এবং নিরীক্ষকবৃন্দের প্রতিবেদন গ্রহণ, বিবেচনা এবং অনুমোদন।
- ৩১শে ডিসেম্বর ২০১৮-এর সমাপ্ত বছরের বোনাস শেয়ার এবং নগদ লভ্যাংশ অনুমোদন।
- পরিচালক মন্ডলীর নির্বাচন।
- ২০১৯ সালের জন্য বিধিবদ্ধ নিরীক্ষক নিয়োগ এবং তাদের পারিশ্রমিক নির্ধারণ।
- ২০১৯ সালের জন্য কমপ্লায়েন্স নিরীক্ষক নিয়োগ।

বোর্ডের সিদ্ধান্তক্রমে

Sd/-

মো: আজিজুর রহমান এফসিএস
কোম্পানি সচিব

৭ এপ্রিল, ২০১৯

দৃষ্টব্যঃ

- যে সকল শেয়ারহোল্ডারগণের নাম কোম্পানি সদস্য বহি এবং ডিপোজিটরি বহিতে রেকর্ড তারিখে (৪ঠা এপ্রিল ২০১৯) বৈধভাবে লিপিবদ্ধ থাকবে, উক্ত শেয়ারহোল্ডারগণ বার্ষিক সাধারণ সভায় যোগদান এবং লভ্যাংশ প্রাপ্তির যোগ্য বলে বিবেচিত হবেন।
- যদি কোনো শেয়ারহোল্ডার প্রতিনিধি নিয়োগ করতে চান তবে উক্ত শেয়ারহোল্ডারকে অবশ্যই স্ট্যাম্পসহ (২০ টাকা) প্রতিনিধি পত্র কোম্পানির রেজিস্টার অফিসে ২৪শে এপ্রিল ২০১৯, সকাল ১০.৩০মিঃ তারিখের মধ্যে জমা দিতে হবে।
- শুধুমাত্র শেয়ারহোল্ডার বা তাদের বৈধভাবে নিযুক্ত প্রতিনিধিদের সভায় উপস্থিত হওয়ার জন্য রেজিস্ট্রেশন প্রক্রিয়াতে প্রবেশ করার অনুমতি দেয়া হবে।
- অডিটরিয়ামে প্রবেশাধিকার পর্যবেক্ষণ করা হবে, উপস্থিত সদস্যদের অথবা প্রতিনিধিদের স্বাক্ষরিত স্লিপ সঠিকভাবে দেখে যাচাই করা হবে।
- কোম্পানির ই-মেইলের মাধ্যমে পাঠানো বার্ষিক প্রতিবেদন ২০১৮ না পেয়ে থাকলে, সদস্যরা লিখিত আবেদন জমা দেয়ার মাধ্যমে ২৫শে এপ্রিল ২০১৯-এর মধ্যে কোম্পানির শেয়ার অফিস থেকে সংগ্রহ করতে পারবেন। বার্ষিক প্রতিবেদন কোম্পানির ওয়েবসাইটের বিনিয়োগকারী সম্পর্ক বিভাগেও পাওয়া যায়: www.batbangladesh.com
- সভায় শিশুদের প্রবেশ অধিকার নেই।

(বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী আসনডুব বিশেষ সাধারণ সভায় কোন প্রকার উপহার / খাবার / কুপন প্রদানের ব্যবস্থা থাকবে না)



British American Tobacco Bangladesh Company Limited

New DOHS. Road, Mohakhali, Dhaka-1206, PO Box 6069, Bangladesh

Proxy Form

I/We.....

of.....

being a Member of British American Tobacco Bangladesh Company Limited, do hereby appoint

a) Mr./Mrs.....

of.....

b) Mr./Mrs.....

of.....

either of them may, in writing, appoint anyone to act as my proxy at the 46th Annual General Meeting of the Company to be held on Sunday, 28 April 2019 and at any adjournment thereof

As witness my/our hand this day of 2019.

Revenue
Stamp
Tk. 20

.....
(Signature of Proxy)

.....
(Signature of Share Holder)

Folio / BO ID No. -

Notes:

No. of Shares held:

- A member entitled to attend and vote in the AGM may appoint a Proxy to attend and vote on his/her behalf.
- The Proxy Form, duly filed and stamped must be deposited at the Registered Office of the Company, by 10.30 a.m of 28 April 2019.
- Signature of the Member(s) must be in accordance with the Specimen Signature recorded with the Company.



British American Tobacco Bangladesh Company Limited

New DOHS. Road, Mohakhali, Dhaka-1206, PO Box 6069, Bangladesh

Attendance Slip

I/We do hereby record my/our attendance at the 46th Annual General Meeting (AGM) of the Company being held on Sunday, 28 April 2019 at 10.30 a.m at Pan Pacific Sonargaon, 107 Kazi Nazrul Islam Avenue, Dhaka 1215, Bangladesh

Name of the Shares Holder(s)/Proxy:.....

Folio / BO ID No. of Share Holder: -

No. of Shares held:

.....
Signature of Shares Holder(s)/Proxy

Note: Please present this attendance slip at the registration counter on or before 10:30 a.m on the AGM date.



ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

নিউ ডিওএইচএস রোড, মহাখালী, ঢাকা-১২০৯, পিও বক্স ৬০৬৯ বাংলাদেশ

প্রতিনিধিপত্র

আমি/আমরা

ঠিকানা

ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড-এর সদস্য হিসেবে

ক. জনাব/বেগম

ঠিকানা

খ. জনাব/বেগম

ঠিকানা

কে বা তাদের যেকোনো একজনকে আমার/আমাদের প্রতিনিধি হিসেবে আমার/আমাদের অনুপস্থিতিতে রবিবার, ২৮ এপ্রিল ২০১৯ তারিখে অনুষ্ঠিতব্য কোম্পানির ৪৬তম বার্ষিক সাধারণ সভায় এবং তার মূলতবি ঘোষিত সভায় উপস্থিত হওয়া ও ভোটদানের জন্য নিযুক্ত করলাম।

..... (প্রতিনিধির স্বাক্ষর)	<div data-bbox="810 737 974 890" style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> রেভিনিউ স্ট্যাম্প ২০/= </div> (শেয়ার হোল্ডারের স্বাক্ষর)
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ফোলিও / বিও নম্বর : -

দ্রষ্টব্য: শেয়ার সংখ্যা :

১. অনিবার্যকারণবশতঃ, কোনো সদস্য তার অনুপস্থিতিতে মনোনীত প্রতিনিধিকে তার পড়়া থেকে ভোট প্রদানের জন্য পাঠাতে পারবেন
২. প্রতিনিধিপত্র সঠিকভাবে পূরণ ও স্ট্যাম্প সংযুক্ত করে কোম্পানির নিবন্ধিত অফিসে ২৮ এপ্রিল ২০১৯ সকাল ১০:৩০ মিনিটের মধ্যে জমা দিতে হবে
৩. কোম্পানির নথিভুক্ত নমুনা স্বাড়়ার ও সদস্যের স্বাড়়ার একই হতে হবে।



ব্রিটিশ আমেরিকান টোব্যাকো বাংলাদেশ কোম্পানি লিমিটেড

নিউ ডিওএইচএস রোড, মহাখালী, ঢাকা-১২০৯, পিও বক্স ৬০৬৯ বাংলাদেশ

উপস্থিতিপত্র

আমি/আমরা আগামী ২৮ এপ্রিল ২০১৯ রোজ রবিবার সকাল ১০:৩০ মিনিটে সোনারগাঁও হোটেল, ১০৭ কাজী নজরমল ইসলাম এভিনিউ, ঢাকা-১২১৫ এর বলরুম অনুষ্ঠিতব্য কোম্পানির ৪৬তম বার্ষিক সাধারণ সভায় আমার/আমাদের উপস্থিতি লিপিবদ্ধ করছি।

শেয়ার হোল্ডার/প্রতিনিধির নাম:

বিও/ফোলিও আইডি নং: -

শেয়ারের সংখ্যা: (শেয়ার হোল্ডারের স্বাক্ষর)

দ্রষ্টব্য ১: অনুগ্রহপূর্বক, এজিএম-এর দিন সকাল ১০.৩০ মিনিটে বা তার আগে রেজিস্ট্রেশন কাউন্টারে এই উপস্থিতিপত্রটি দেখাবেন।



**BRITISH AMERICAN
TOBACCO**
BANGLADESH

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