

# ANNUAL REPORT 2019

(July 2018 - June 2019)



since 19



SOCIAL MARKETING COMPANY

## SMC Vision



SMC's vision is to be a world-class social enterprise recognized for its contribution to the advancement of social marketing thoughts, principles and practices that aim to better the health and wellbeing of women, children, families and the society.

## SMC Mission



In partnership with the government, development partners and the private sector, SMC's overall mission is to improve the health and wellbeing of women, children and families through social marketing of products and services in family planning, maternal and child health, nutrition and other socially beneficial areas.

## SMC Enterprise Mission



The mission of SMC Enterprise Ltd is to support SMC to grow as a successful social enterprise by making surplus funds from profitable operations available for investment in program operations designed to enhance social good.

## Philosophy



Profit must primarily contribute to social betterment.

## Core Values



- Our organizational interest is at the foremost
- We never compromise on quality and satisfying our customers' needs
- We challenge ourselves everyday to do better and achieve more
- We hold dearly our values of integrity, respect and fairness for all

# Company Information

	<b>SOCIAL MARKETING COMPANY</b>	<b>SMC ENTERPRISE LIMITED</b> (A fully owned subsidiary of SMC)
<b>1 Registered Address</b>	<b>SOCIAL MARKETING COMPANY</b> Registered Office: SMC Tower, Road -17, 33 Banani Commercial Area, Dhaka-1213, Bangladesh.	<b>SMC ENTERPRISE LIMITED</b> Registered Office: SMC Tower, Road -17, 33 Banani Commercial Area, Dhaka-1213, Bangladesh.
<b>2 Factory Address</b>		<b>HYGIENE PRODUCTS FACTORY</b> Dhaka Chattogram Old Trunk Road 85/2, Baubond Sadar Dakshin, Cumilla-3500.
		<b>ORS FACTORY</b> Holding No. 5/82, Zamirdia, Hobir Bari, P.O.: Seed Store Bazar, P.S: Bhaluka, Mymensingh.
<b>3 Statutory Auditors</b>	<b>MABS &amp; J PARTNERS</b> Chartered Accountants SMC Tower (7th floor), Road -17, 33 Banani Commercial Area, Dhaka-1213, Bangladesh.	<b>ACNABIN</b> Chartered Accountants BDBL Bhaban (Level-13 & 14) 12 Kawran Bazar Commercial Area Dhaka-1215, Bangladesh.
<b>4 Main Bankers</b>	Pubali Bank Limited Banani Branch	Pubali Bank Limited Banani Branch
	Dutch-Bangla Bank Limited Banani Branch	The City Bank Limited Gulshan Branch
	Standard Chartered Bank Gulshan Branch	Standard Chartered Bank Gulshan Branch
	First Security Islami Bank Limited. Banani Branch	First Security Islami Bank Limited Banani Branch
	Uttara Bank Limited Gulshan Branch	Uttara Bank Limited Gulshan Branch
		Eastern Bank Limited Gulshan Branch

SOCIAL MARKETING COMPANY

SMC ENTERPRISE LIMITED

(A fully owned subsidiary of SMC)

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**TAX  
Consultants**

K.M. Hasan & Co.  
87, New Eskaton Road, Dhaka-1000

6

**Legal Advisor**

H & H Company  
56-57, Motijheel Commercial Area  
Shareef Mansion (2nd Floor)  
Dhaka-1000. Bangladesh.

H & H Company  
56-57, Motijheel Commercial Area  
Shareef Mansion (2nd Floor)  
Dhaka-1000. Bangladesh.

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**Company  
Website**

[www.smc-bd.org](http://www.smc-bd.org)



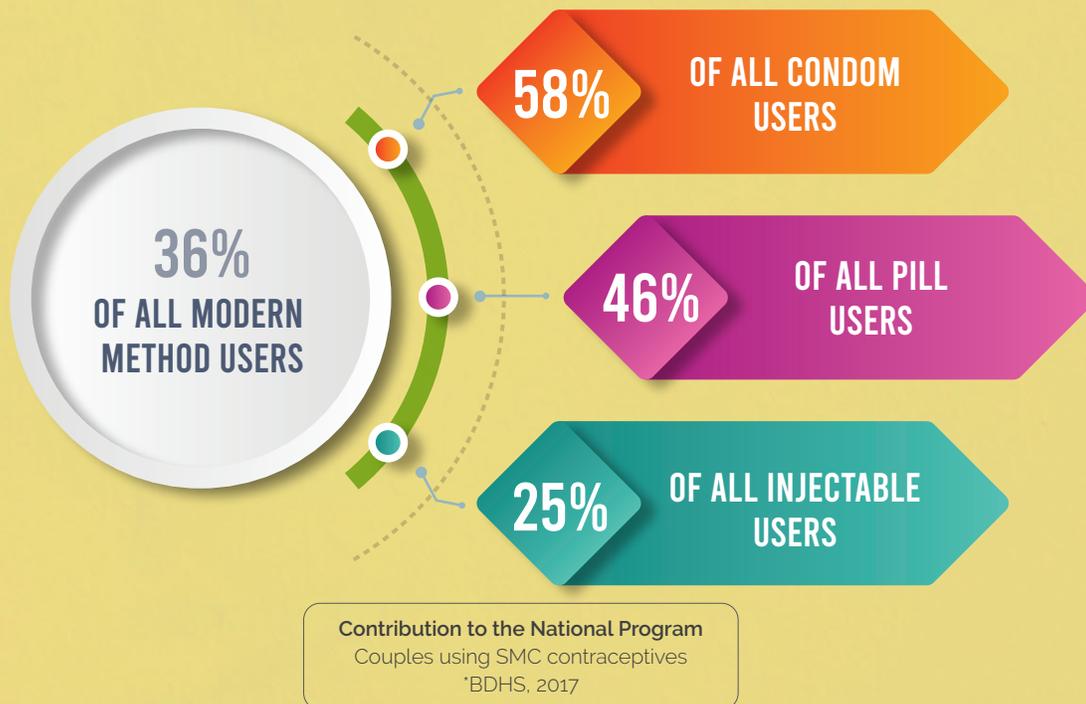
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## SMC and SMC EL- An outline

Formed in 1974, Social Marketing Company (SMC) started its journey as the Family Planning Social Marketing Project (FPSMP) funded by USAID with a view to address the rapid population growth in Bangladesh by engaging the private sector health service providers. In 1990, after achieving significant success, the project was converted into a not-for-profit company limited by guarantee which is run by a voluntary Board of Directors.

SMC has successfully applied social marketing principles and practices in providing health and social services. It has now become the largest and most successful social enterprise and a major contributor to the Bangladesh national family planning program. SMC and its subsidiary organization SMC Enterprise Ltd (SMC EL) market a full range of family planning products, Oral Rehydration Salt (ORS) and other consumer goods. SMC EL operates the biggest ORS manufacturing facility in the country having a market share of around 60%.



SMC has notably contributed to increase Contraceptive Prevalence Rate (CPR) at the national level sharing 46% pills, 58% condoms and 25% injectables. According to the preliminary report of Bangladesh Demographic and Health Survey (BDHS) 2017, SMC contributed 36% of the modern contraceptive method use nationally.

As per 2018 Contraceptive Social Marketing Statistics released by DKT International, USA, SMC was ranked as the second largest contraceptive social marketing program globally in terms of CYP (Couple Years of Protection) achievement. Since its inception, SMC operations have averted 20 million unintended pregnancies, 2 million deaths of children under-5 and 186 million Disability Adjusted Life Years (DALYs) till June 2019.

SMC supports the Blue Star Program - a network of 7,500 private sector non-graduate providers, Green Star Program – a network of more than 4,500 drug sellers and the Pink Star Program – a network of 650 graduate providers mostly Obstetricians and Gynaecologists. SMC improves the skills of these providers through basic and periodic refresher trainings. These networks are branded by SMC as the quality private sector outlets to promote public health products and services. Till now, SMC has trained more than 250,000 providers on family planning, maternal and child health, nutrition, diarrheal disease management, TB and HIV/AIDS prevention. SMC's community mobilization activities in low performing districts have been recognized nationwide for successfully promoting products encouraging behavior change by involving 2,200 community level rural women entrepreneurs (known as Gold Star Members). The entrepreneurs create demand and sell SMC products in the community.

In 2014, SMC formed SMC EL, a private company limited by shares and a wholly owned for-profit subsidiary to separate profitable activities from nonprofit to effectively manage a growing and complex operation. It follows a 360 degree marketing and branding approach so that the brand communications reach out to a diversified group of audiences. The Pharmaceutical Division of SMC EL started its journey in August 2017 with the key objective of “No one should suffer, especially the less-privileged due to lack of affordable quality medicine”. This division currently promotes 32 products in the market.

In line with its vision and mission, SMC has made an enormous contribution in addressing the country's goals and thereby protecting the lives of numerous women and children through public health products and services over many years. In its long journey from a project to a thriving social business enterprise, SMC has now been considered as the largest and most successful partner of the Government of Bangladesh (GOB) in the field of health and family planning.

## Company Milestones

### 1974

Family Planning Social Marketing Project (FPSMP) established under a tripartite agreement among Population Services International (PSI), GOB and USAID

### 1975

USAID-donated Raja condom and Maya contraceptive pill started distribution through private sector outlets

### 1985

FPSMP launched Oral Rehydration Salt (ORS) to address high diarrheal deaths due to dehydration

### 1990

FPSMP became Social Marketing Company (SMC), a private not-for-profit company under the Companies Act of 1913 with a voluntary Board

### 1997

SMC became a direct recipient of USAID funds with the departure of PSI

### 2000

Inaugurated Company's own headquarter building 'SMC Tower' in Banani, Dhaka

### 2004

ORS manufacturing facility started operation in Bhaluka, Mymensingh

### 2008

Central Warehouse inaugurated in Bhaluka, Mymensingh

### 2012

Became fully sustainable recovering more than 100% of non-program related costs

### 2012

Awarded USAID-funded MIH Project through a competitive bidding

## 2014

Formed SMC Enterprise Ltd, a fully-owned for-profit subsidiary company

## 2015

Inaugurated Bogura Regional Office and Warehouse

## 2016

Started construction of hygiene manufacturing plant in Cumilla

## 2016

Awarded the Marketing Innovation for Sustainable Health Development (MISHD) project by USAID

## 2017

Manufacturing of hygiene products at the Cumilla plant begins

## 2017

Started construction of 'SMC Tower - 2' in Mirpur, Dhaka

## 2017

Launched prescription pharmaceutical products in its own brand name

## 2018

Inaugurated SMC Niltara Clinic and Model Pharmacy in Dhaka



# Our Partners

We gratefully acknowledge the contribution of the development and strategic partners for supporting our work for the betterment of the society. We are highly grateful to the Ministry of Health & Family Welfare (MOHFW) and USAID for their continuous support to SMC from the onset of our existence.

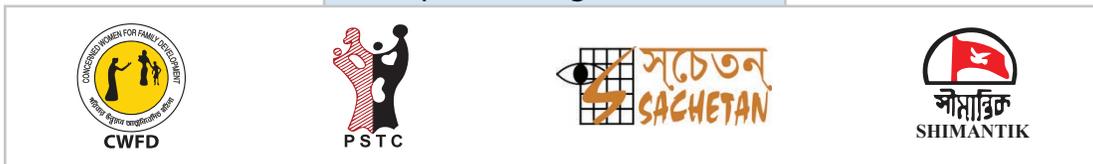
## Government Partners



## Development Partners



## Implementing Partners



## Knowledge and Training Partners



## Outsourcing Partners



## Collaborative Partners





# Company Members & Board of Directors

**SOCIAL MARKETING COMPANY &  
SMC ENTERPRISE LTD**

# Company Members



**Mr. Siddiqur Rahman Choudhury**

Former Finance Secretary, Government of Bangladesh.

Former Chairman of Agrani Bank, Sonali Bank (UK) Ltd. and Shadharan Bima Corporation.

Now working as a freelance consultant and in the last five years was involved in ten consultancy assignments in the field of Public Financial Management, Aid Effectiveness and review of Health Sector Development Program.

**Mr. Muhammed Ali**

Former Secretary, Ministry of Health and Family Welfare; Ministry of Land; Ministry of Power, Energy and Mineral Resources; Ministry of Communication (Jamuna Bridge Division); Ministry of Civil Aviation & Tourism.

Former Chief Advisor and Head of Management Change Unit (MCU), Ministry of Health & Family Welfare.

Former Chairman, Sonali Bank Ltd and Janata Bank Ltd.

Former Chairman, Board of Directors of SMC & SMC EL.



**Ms. Rokeya Quader**

Chairperson, Desh Group of Companies.

Former Vice President of Women's Entrepreneurs Association and Bangladesh Employer's Federation.

**Ms. S. R. Ghuznavi**

Executive Chairman, Aranya Crafts Limited.

Founder-Member of the National Crafts Council of Bangladesh.



**Ms. Niloufer Manzur**

Founder & Principal, Sunbeams School.



**Mr. Md. Siddique Ullah**

Engineering Advisor, Bangladesh Medical Studies and Research Institute (BMSRI).  
Former Chief Engineer, Public Works Department (PWD), Government of Bangladesh.



**Mr. A K M Shamsuddin**

Chairman and CEO of E-zone Ltd. (a management consulting group).  
Founding Chairman and current Director of CDBL; Founding Managing Director of SMC.  
Former Managing Director of Aventis Pharma and Former President of FICCI.



**Ms. Rupali Haque Chowdhury**

Managing Director, Berger Paints Bangladesh Ltd.  
Managing Director, Jenson & Nicholson (Bangladesh) Ltd.  
President, Foreign Investors' Chamber of Commerce & Industry.



**Mr. Waliul Islam**

Former Secretary to the Ministry of Planning (Statistics Division).  
Former Director General of the Bangladesh Bureau of Statistics.



**Dr. Yasmin H. Ahmed**

Former Vice President and Senior Regional Director of Marie Stopes International, UK.  
Former Country Director of Marie Stopes Clinic Society.  
Currently a freelance consultant.



**Dr. Jahir Uddin Ahmed**

Former Director General, Family Planning Association of Bangladesh (IPPF).  
Director, Directorate General of Family Planning (MOH&FW).  
Former Chairman, Midwifery & Nursing (DMN) Department, BRAC University.  
Adjunct Faculty of MPH course of AIUB.



**Mr. Aftab ul Islam FCA**

Former President of Dhaka Chamber of Commerce and Industry (DCCI) and American Chamber of Commerce in Bangladesh (AmCham).

Former Director, FBCCI (Federation of Bangladesh Chambers of Commerce and Industry).

Chairman, IOE (Bangladesh) Limited.

**Dr. Masud Ekramullah Khan**

An International Corporate attorney, M & A Lawyer at the Legal Circle.

Director, Amadeyr Cloud Limited.

Vice-President and member, Green Movement Foundation (nonprofit organization).

Pro bono counsel for JAAGO Foundation.



**Mr. Faruque Ahmed**

Former Executive Director, Brac International.

Former Director, Health Programme, BRAC.

**Mr. Muhammad A. (Rume) Ali**

Former Deputy Governor, Bangladesh Bank.

Former Chairman, bKash Limited.

Chief Executive Officer, Bangladesh International Arbitration Centre (BIAC).



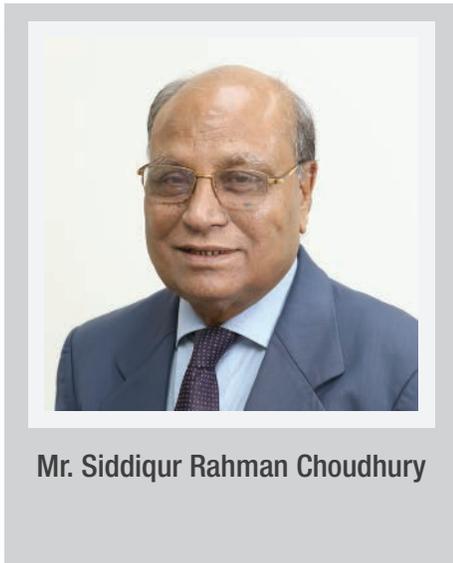
**Mr. Muhammed Farhad Hussain FCA**

Former President of The Institute of Chartered Accountants of Bangladesh (2007).

Managing Partner, Hussain Farhad & Co., Chartered Accountants.



## Board of Directors and Company Members



### Member & Chairman of the Board of Directors of SMC & SMC EL

Mr. Siddiqur Rahman Choudhury is a former civil servant who retired in 2007 after serving the Government of Bangladesh for more than 30 years. As a career civil servant, Mr. Choudhury held many senior positions in the Ministry of Finance and the Bangladesh Audit Department. He also held the position of Secretary, Ministry of Commerce, Food & Disaster Management and immediately before retirement, he was Finance Secretary, Government of Bangladesh. During his tenure in the government and also after retirement, Mr. Choudhury was in the Board of a number of government owned corporations, companies and financial institutions. He was Chairman of Agrani Bank, Sonali Bank (UK) Ltd. and Shadharan Bima Corporation. He was a member of the Board of Bangladesh Bank, Sonali Bank, House Building Finance Corporation, IDCOL, Biman Bangladesh Airlines, SABINCO, Jamuna Oil Company and Eastern Refinery Limited.

Mr. Choudhury represented Bangladesh in many international conferences and seminars including annual meetings of the Board of Governors of the World Bank and IMF, Commonwealth and SAARC Finance Ministers' Conferences.

After retirement, he has been working as a freelance consultant and was involved in a number of consultancy assignments in the field of Public Financial Management, Aid Effectiveness and review of Health Sector Development Program.

### Member & Director of SMC & SMC EL Board

Mr. Muhammed Ali joined the erstwhile Civil Service of Pakistan (CSP) in 1964 and served in various important positions in the then East Pakistan and in Bangladesh over a span of 34 years from 1964 to 1998. He served in the position of Secretary to the Ministry of Civil Aviation and Tourism; Ministry of Land; Ministry of Power, Energy and Mineral Resources; Ministry of Communication (Jamuna Bridge Division) and Ministry of Health and Family Welfare of the Government of Bangladesh. He was also the Chief Advisor and Head, Management Change Unit (MCU), Ministry of Health and Family Welfare, Government of Bangladesh.

Mr. Muhammed Ali is also the former Chairman of Sonali Bank Ltd. and Janata Bank Ltd. He also served as a member of the Board of Directors of icddr'b and as a member of Dhaka University Syndicate. He has almost 50 long years of experience in various sectors of public service like administration, management, health, environment, education and social welfare. He visited 36 countries across the globe and participated in a number of seminars, workshops and negotiations at the World bank, ADB, IDB, UNFPA and other international organizations. Mr. Ali also acted as a senior consultant in projects primarily in the health & population sector funded by the World bank, ADB and JICA.



Mr. Ali has been associated with SMC as a member of the Board of Directors since his retirement from government service and acted as its chairman during 2013 to 2017. He is also currently acting as chairman of Surjer Hashi Network, a company operating 361 health and family planning clinics across the country funded by USAID and as a Member of Social Development Foundation (SDF) an organization promoting rural development, women's empowerment and employment etc. funded by the World Bank and Government of Bangladesh.



**Mr. Waliul Islam**

### **Member & Director of SMC EL Board**

Mr. Waliul Islam is a retired civil servant of The People’s Republic of Bangladesh, and over the span of 32 years since 1967, had served in various capacities in different Ministries and Departments of the Govt. He served in the position of Secretary to the Ministry of Planning (Statistics Division), Ministry of Communication and Ministry of Shipping of the Government of Bangladesh. He also served as a Director General of the Bangladesh Bureau of Statistics. He was a Deputy Secretary in the General Administration Division of The First Govt of The People’s Republic of Bangladesh at Mujibnagar during 1971.

Upon his retirement in 1999, he worked for different government and international agencies as a freelance consultant. Amongst others, he served as Statistical Advisor, Post Primary Education Census 1999 under Ministry of Education; UNICEF Bangladesh as a Team Leader, Program Coordination cell, Health & Population Sector Program, Ministry of Health & Family

Welfare; Senior Policy Adviser, NGO Service Delivery Program under Research Triangle Institute International, USA; Asian Development Bank as Staff Consultant, Urban Health; and Lead Consultant for the preparation of Health Care Financing Strategy for Bangladesh under Abt Associates Inc., USA.

He is the Chairperson of the Regulatory Affairs Committee of Dhaka Stock Exchange.

### **Member & Director of SMC Board**

Ms. Rokeya Quader is the Chairperson of Desh Group of Companies, a large conglomerate of six different companies which was established by her late husband Mr. Noorul Quader, a visionary by profession, civil servant and freedom fighter, who is also considered as the pioneer and father of the garment sector of Bangladesh.

Ms. Quader is an active and well respected member of the business community in Bangladesh. She has held the positions of Vice President of Women’s Entrepreneurs Association and Bangladesh Employer’s Federation. She is a Member of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Bar Council, Bangladesh Law Association and Bangladesh Human Rights Commission. She is also an Executive Committee Member of Gulshan Club Limited, Special member of Dhaka Club, Kurmitola Golf Club, Gulshan Society and Zonta Club, International.



**Ms. Rokeya Quader**



**Dr. Yasmin H. Ahmed**

### **Member & Director of SMC Board**

Dr. Yasmin H. Ahmed is a former Vice President and Senior Regional Director of Marie Stopes International UK and also a former Country Director of Marie Stopes Clinic Society. Currently, she is a freelance consultant. In her role as the Senior Regional Director, she has overseen and facilitated exponential growth in some of the country programs in her region including Pakistan, Yemen, Vietnam and Bangladesh. An accomplished communicator and effective facilitator, she has a deep understanding of reproductive health issues in the region, especially making high quality services accessible to the poor. Dr. Yasmin gave up full time employment in August 2012 and since then, has been engaged in freelance consulting in the area of health/health management. Her consultancy engagements have included strategic planning, evaluations, project development and facilitation of policy dialogues, both nationally and internationally.

### **Member & Director of SMC EL Board**

Dr. Jahir Uddin Ahmed, MBBS, M.Sc. in CHDC, LSH&TM, London University, London has joined in the Government service; starting as District Technical Officer/ Principal, FWVTI, Cumilla from 2nd April 1977 and retiring as Director Planning and Director Logistics and Supply of the Directorate General of Family Planning, MoH&FW.

He was the ADG (3 years) and DG (2 years) of FPAB (IPPF) from September 2005 to September 2010. He also worked as consultant in several national and international organizations like WHO, Engender Health, GHI, USAID, Abt. Associates Incorporate, SHOPS, NIPORT, UNFPA, PSSMRTD, icddr,b, READ, Ecorys Europa (ASIE/2005017-585-EC), GHI-Bridge 3 USAID, MaMoni (SCF) Final Evaluation USAID etc. He was the Adjunct professor of MPRHGD course of East West Universities from 2009 to 2013.

He joined Department of Midwifery and Nursing (DMN), BRAC University as the Chairman of the Department on 15 January 2015 and completed his contract service on 14th January 2017 as the Head of the Midwifery Education Program, BRAC University. Currently he is the Director of SMC EL and Member of the Social Marketing Company.

As the Adjunct Faculty of MPH course at American International University - Bangladesh (AIUB) since 2010, he has been teaching Epidemiology of Infectious Diseases, Adolescent Reproductive Health, Reproductive Health and Health Care Project Planning and Financing.

Dr. Ahmed was involved with SMC in the different program development since his joining in Dhaka from Cumilla in 1981.



**Dr. Jahir Uddin Ahmed**



**Mr. Md. Siddique Ullah**

### **Member & Director of SMC & SMC EL Board**

Mr. Md. Siddique Ullah is currently the Engineering Advisor of Bangladesh Medical Studies and Research Institute (BMSRI) and also the Co-Chairman, EC, BMSRI. After completing his graduation in Civil Engineering, he joined the Communication and Building (C & B) Department in 1962 and served in different capacities in the said Department and retired as Chief Engineer, Public Works Department (PWD), Government of Bangladesh in 1998. He is a life member of Bangladesh Cancer Society, Pallima Sangshad Khilgaon, Bangladesh Government Employees' Welfare Association and Lakshmipur Zila Samity.

### **Member & Director of SMC Board**

Dr. Masud Ekramullah Khan is an international corporate attorney, with a Juris Doctor cum laude from Marquette University Law School. He was previously a partner in a top tier Wisconsin, US law firm, and is currently a partner at The Legal Circle, a dynamic set of Chambers in Bangladesh focused on corporate law and company matters. Mr. Khan is an active member of the RMG ACTION Working Group which has prepared a 10 Point RMG Sector Reform Plan and is working towards implementing key elements of such plan.

He also participates in various public interest projects in Bangladesh and is an editor of both the Legal Circle Law Reports and Think Legal website. He is a vice-president and member of the non-profit organization Green Movement Foundation and pro bono counsel for JAAGO Foundation, One Degree Initiative, Streetwise Foundation, Bangladesh on Seven Summits and Share2Care Trust. Mr. Khan is an aspiring fiction writer and is a member of the Writer's Block. Furthermore, he writes policy columns for the daily New Age, bdnews24.com and the Dhaka Tribune. He is also a director of Amadeyr Cloud Ltd.



**Dr. Masud Ekramullah Khan**



**Mr. Aftab ul Islam**

### **Member & Director of SMC & SMC EL Board**

Mr. Aftab ul Islam is the Chairman of IOE (Bangladesh) Limited. Having 36 years of experience, he began his career with U.S.A. based multinational IT Company NCR Corporation and headed this organization for a number of years. He was elected President of the Bangladesh Computer Samity (BCS). He was instrumental and played a key role in setting up BCS Computer City at IDB Bhaban. Mr. Islam is a former President of Dhaka Chamber of Commerce and Industry (DCCI) and American Chamber of Commerce in Bangladesh (AmCham). He was also elected as Director, FBCCI (Federation of Bangladesh Chambers of Commerce and Industry) for the periods 2005-10 and 2017-2019.

Honorable Prime Minister nominated Mr. Islam as the Chairman of the SME Foundation (Small and Medium Enterprise) in 2009 to 2011. Mr Islam is a Member of the Board of Governors of the Institute of Business Administration (IBA), University of Dhaka. He is the chairman of Asia Pacific General Insurance Company Ltd. and also the founder Chairman of BD Venture Ltd., the first Venture Capital Company of Bangladesh. Mr. Aftab ul Islam is currently a Director of the Board Bangladesh Bank and British American Tobacco Bangladesh (BAT)

### **Member & Director of SMC EL Board**

Mr. Muhammed Farhad Hussain is the Managing Partner of Hussain Farhad & Co., Chartered Accountants. Mr. Hussain is also serving as the Chairman of Bay Asset Management Ltd., Chairman, Prime Bank Investment Limited (PBIL), a subsidiary of Prime Bank Ltd., Independent Director of Prime Bank Ltd., Independent Director of Matin Spinning Mills Ltd. and Independent Director of Al-Haj Textile Mills Ltd.

He is a former President of The Institute of Chartered Accountants of Bangladesh, a former Director of Agrani Bank Ltd., Shadharan Bima Corporation, Dhaka Stock Exchange (DSE) and Dhaka WASA. Mr. Hussain is also a former Board member of South Asian Federation of Accountants (SAFA) and Confederation of Asia Pacific Accountants (CAPA). He also served as Advisor of Bangladesh Securities and Exchange Commission and as Financial Consultant of Oriental Bank Ltd. He has 40 years of experience in the field of accounting, auditing and business advisory services along with six years experience in Birmingham, U.K., covering the areas of Accountancy, Auditing, Taxation and Investigation.



**Mr. Muhammed Farhad Hussain FCA**



**Mr. Faruque Ahmed**

### **Member & Director of SMC Board**

Mr. Faruque Ahmed was the Executive Director of BRAC International for seven years. Under his leadership BRAC International developed its Africa strategy and established regional office in Nairobi and expanded country program in three additional countries totaling BRAC’s presence in eleven countries outside Bangladesh. He also played a critical role as a member of the steering committee that guided the development of BRAC’s global strategy in early 2019.

Previously, Mr. Ahmed was the Director of BRAC’s health programme for 10 years, playing a critical role in shaping the organisation’s health strategy and scaling several community-based health and nutrition interventions. Before joining BRAC, Mr. Ahmed worked as senior operations officer in the health, nutrition and population team at the World Bank, Bangladesh. Mr. Ahmed started his career as a Research and Planning Officer in 1976 and then worked in the Ministry of Health and Family Welfare. Formerly, he represented civil society on the GAVI Alliance, Board. Mr. Ahmed completed his Masters in Health Sciences from Johns Hopkins University, USA and Masters in Economics from the University of Dhaka.

### **Director of SMC EL Board**

Mr. Md. Ali Reza Khan is the Managing Director & CEO of Social Marketing Company (SMC) since August 1, 2017. Previously, he was the Managing Director of SMC Enterprise Limited, a post which he held from December 2014 to July 2017. Mr. Khan plays a vital role in the overall management of the organization and in formulating policies and decision-making towards meeting the objectives of both SMC and SMC EL for increasing contribution to the national health goals through significant expansion of products and services.

Having a strong corporate management background, experienced in good governance and strategic planning, he started his career in Squibb (BD) Ltd. in August 1981, after completing his Masters in Pharmacy from the University of Dhaka. He was employed under the Ministry of Health in the Kingdom of Saudi Arabia from 1986 to 1990. Returning to Bangladesh, Mr. Khan held different senior positions in Essential Drugs Company Limited (EDCL) under the Ministry of Health and Family Welfare. He joined SMC in May 2001 and served efficiently at various senior management levels including the position of Secretary to the Board and Deputy Managing Director from June 2009 to November 2014.



**Mr. Md. Ali Reza Khan**



# Management Team - SMC & SMC EL



**Mr. Md. Ali Reza Khan**  
Managing Director & CEO  
Social Marketing Company



**Mr. Abdul Haque**  
Managing Director  
SMC Enterprise Ltd



**Mr. Shafi Uddin Ahmed FCA**  
Chief of Finance & Accounts  
Social Marketing Company



**Mr. Md. Feroze-Ul Alam**  
Chief, Factory Management  
SMC Enterprise Ltd



**Mr. Toslim Uddin Khan**  
Chief of Program Operations  
Social Marketing Company



**Mr. Abul Bashir Khan FCMA**  
Chief Financial Officer  
SMC Enterprise Ltd



**Mr. Sekander Hayat Khan**  
General Manager, Operations  
SMC Enterprise Ltd



**Mr. Md. Mujibul Haque Khan**  
General Manager, Bhaluka Factory  
SMC Enterprise Ltd



**Mr. Masum Ahmed Jaigirdar**  
General Manager, Engineering  
Social Marketing Company



**Mr. Sayedur Rahman**  
General Manager, Sales & Field  
Promotion  
SMC Enterprise Ltd



**Mr. Ahmed Fazle Rabbi**  
Project Director, SMC Pharma  
Manufacturing  
SMC Enterprise Ltd



**Mr. Syed Mohammad Zubeyr Ali FCMA**  
Company Secretary  
Social Marketing Company &  
SMC Enterprise Ltd



**Mr. Pranab Majumder**  
Additional General Manager,  
Quality Assurance  
SMC Enterprise Ltd



**Mr. Rana Kaiser Ahmed**  
Additional General Manager, HR  
SMC Enterprise Ltd



**Mr. Khandaker Shamim Rahman**  
Additional General Manager, Marketing  
SMC Enterprise Ltd



**Mr. Mohammad Abdur Rouf**  
Additional General Manager,  
Supply Chain Management  
SMC Enterprise Ltd



**Mr. Md. Nazir Aziz Chowdhury**  
Additional General Manager, HR & Admin  
Social Marketing Company



**Mr. Sheikh Zahidur Rahman**  
Head of Sales & Marketing, Pharma  
SMC Enterprise Ltd



**Mr. Tapan Bala FCA, FCMA**  
Head of Internal Audit  
Social Marketing Company &  
SMC Enterprise Ltd

# Notice of the 31st Annual General Meeting of Social Marketing Company

Notice is hereby given that the 31st Annual General Meeting of Social Marketing Company will be held on Monday, June 15, 2020 at 11:00 am in SMC Head Office, SMC Tower (13th Floor), 33 Banani C/A, Dhaka- 1213, to transact the following business :

## AGENDA

- To receive, consider, adopt and ratify the Directors' Report for the year ended 30th June 2019
- To receive, consider, adopt and ratify the Audited accounts of the Company and the Auditors' Report thereon for the year ended 30th June 2019
- To appoint Auditors for the Financial Year 2019-20 and to fix their remuneration
- To elect Directors of the Board in place of retiring Directors
- To induct new Company Members in SMC
- To transact any other business of the company with the permission of the Chair

All the honourable members of the company are requested to make it convenient to attend the meeting on time.

By Order of the Board,



**Syed Mohammad Zubeyr Ali, FCMA**

Company Secretary

March 12, 2020 Dhaka

# Message from the Chairman

Dear Company Members,

It is my privilege to welcome you all in 31st Annual General Meeting of the company. At the outset, I am pleased to convey that SMC continues its role as a major contributor to the National Health and Family Planning Program of the Government of Bangladesh (GOB).

Like previous years, the year 2018-19 has been a very successful one for both Social Marketing Company (SMC) and its wholly owned subsidiary SMC Enterprise Limited (SMC EL). During the reporting period, SMC holding and its subsidiary had distributed 48.3 million cycles of oral contraceptive pills, 142 million pieces of condoms and 2.63 million vials of Injectables, 6,365 pieces of IUD and 3,186 pieces of implant and provided over 5.08 million Couple Years of Protections across the country. With its extensive use in diarrhea and dehydration management over the last three decades ORSaline-N has witnessed a steady growth of 21% by distributing 971 million sachets. Under health and hygiene category; 10 million packs of Joya sanitary napkin was distributed with a commendable growth of 45%. In the field of child nutrition, MoniMix micronutrient powder has gained a significant momentum with a distribution of 23 million sachets having a growth of 29% compared to last year.

You can find the detailed program activities of SMC and business activities of SMC EL in the Directors' Report of both the companies and other section of the Annual Report which I hope will enable you to review the performance of both the companies more objectively.

The achievements in the reporting year was made possible due to SMC's focus on upholding its core values and prime objectives, strategic leadership & management skill and continuous investment in infrastructure and product diversification. With a strong market presence, SMC has now become a brand name with full of trust and confidence, playing significant role with a consistent contribution in family planning, maternal and child health, nutrition and other socially beneficial areas. The cumulative sales revenue achieved by both the companies during the reporting year amounted to Tk. 6,620 million, attaining 23% growth.

In this connection, I am happy to note that Pharma division during the period under review has launched an additional 17 products with a combined product portfolio of 32 products under OTC and therapeutic category. Pharma has gained noteworthy brand presence in the market within a very short period of time earning revenue of Tk. 253 million. This has given us a strong impetus for setting up our own pharmaceutical plant soon.

The Program division has put strong emphasis to expand the countrywide health service networks through Blue Star, Pink Star and the Gold Star model which has played an instrumental role for the growth and development of the Program activities. In this regard, I fully acknowledge the support of 7,256 Blue Star, 4,500 Green Star, 650 Pink Star and 2,200 Gold Star providers in the private sector who are immensely contributing to improve the public health status of the country.

To ensure the growth momentum, continuous investment in infrastructural development, capacity building, product diversification, brand building along with quality assurance is necessary. Keeping this in mind, SMC and SMC EL has invested Tk. 15 crore & Tk. 31 crore respectively in infrastructure development, capacity expansion, procurement of plant and machinery and so on.



As a part of our strategic move we are going to launch paper soap and pregnancy test device at an affordable price; primarily targeting the rural segment of population.

SMC is planning to launch de-worming tablet which will have significant impact to improve nutritional status of the country. SMC EL, on the other hand will also increase its product basket by launching purified drinking water, consumable products, OTC drugs and a number of antibiotics.

At the end, I would like to express my sincere thanks to the Company members and the Board for their support guidance and strategic directives. My special thanks and appreciation to the management and every members of the SMC family for working together and upholding the core values of SMC along with commitment, both individually and through teamwork which has helped SMC to achieving the success. I would also express my appreciation and gratitude to USAID for their unflinching support to SMC since its inception.

We hope the year 2019-20 would be the year of further growth and success with the wholehearted support of the stakeholders, board and the management. Our core values have shaped, defined and contained our organizational behavior for more than four decades giving us strong impetus in our journey to move forward.



**Siddiqur Rahman Choudhury**  
Chairman  
Social Marketing Company

# Statement of Managing Director & CEO, SMC

In its long journey to address the social cause, SMC's activities now-a-days have included but not only limited to family planning program rather, it also encompasses issues of national importance like public health and hygiene, nutrition, maternal and adolescent health across the country.

In this context, let me take the opportunity to present some significant aspects of programmatic activities as the detailed program operation has been exhibited in the Directors' Report.

Evidence based study and statistical data have shown a proven track record of SMC achieving numerous successes since its inception in the year 1974. The company has provided 102 million Couple Years of Protection (CYP)<sup>i</sup> acclaiming as the second largest contraceptive social marketing organization globally in terms of number of CYP delivered. With a method mix focusing more on clinical contraceptives, SMC has played a commendable role contributing to 36% of the modern contraceptives used in the country. SMC's contribution, as such has led to a multiple effect in our national health and family planning program.

SMC has been working relentlessly and proved to be as one of the valuable partners of Bangladesh Government and is continuously assisting and supporting to help attain the national goal. During the reporting period, we have successfully reached to 1.13 million people with our health and hygiene messages where special emphasis was given to Child Nutrition and Female Hygiene.

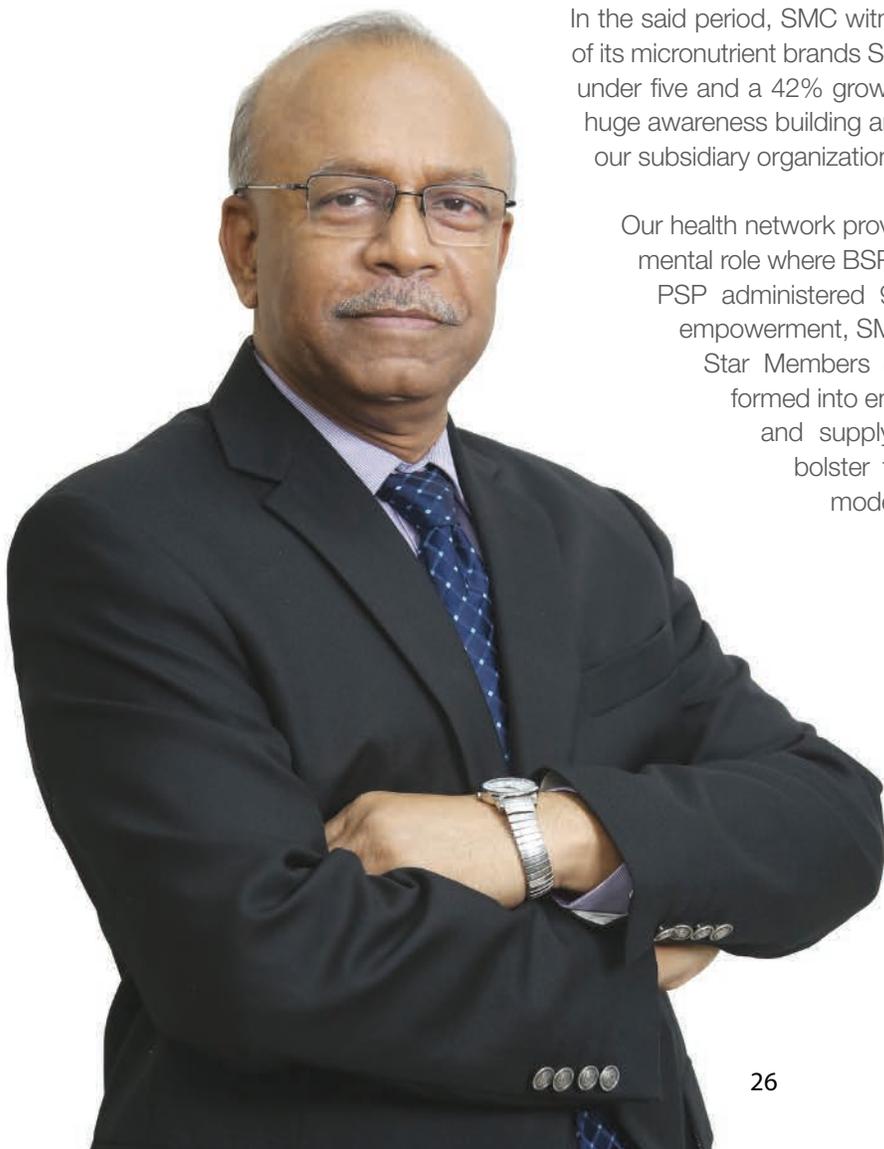


In the said period, SMC witnessed a commendable growth of 60% and 29% of its micronutrient brands SMC Zinc and MoniMix respectively for the children under five and a 42% growth in sales of Joya Sanitary napkin resulted from huge awareness building and activation campaign across the country run by our subsidiary organization.

Our health network providers (BSP, PSP, GSP)<sup>ii</sup> have been playing instrumental role where BSP referred 113,014 eligible couples for LAPM<sup>iii</sup> and PSP administered 9,545 LARC methods.<sup>iv</sup> Prioritizing the women empowerment, SMC has established an innovative platform of Gold Star Members (GSM) where potential rural women are transformed into entrepreneurs disseminating public health message and supplying products of public health importance. To bolster the program activities, the contribution of GSM model is of great importance.

In line with its Vision and Mission, SMC Gold Star health network is working with different local and international NGOs to create community level volunteer platforms. It is our pride that a few international NGOs have already accepted our concept to transform their health workers to SMC GSM members to make them financially sustainable in future.

Apart from the big project like MISHD funded by USAID, in October 2018 the program operation unit launched



a component of USAID's strengthening MSNP (Multi Sectoral Nutrition Programming) project, funded by USAID. On the other hand MIYCN (Maternal, Infant and young child Nutrition) funded by CIFF (Children Investment Fund Foundation) and the two-years CHAP (Clean Household Air Pollution) project funded by UN Foundation ended successfully in December 2018 and February 2019 respectively.

Considering the modern trend of social networks, we have introduced facebook pages for our health networks. This has been initiated with an objective to engage our target groups more closely with our communication activities and getting true feedback which will eventually help monitoring the management of service quality and getting customer insight for research activities as well.

Our efforts towards innovation and new technology are always intended to obtain higher productivity and problem solving efficiency. Keeping this in mind, we have introduced, e-sales, e-FORT, mobile application technology based monitoring system through which SMC is now getting real-time activity report from field level program operations.

In accordance with the mandate to provide optimum level of benefit to its employees, SMC has offered medical health check-up service to all its permanent employees (graded and non-graded staff of SMC and its subsidiary, SMC Enterprise Ltd) at our own SMC Clinic free of cost. During the reporting period, 87 employees of SMC and 124 employees of SMC EL availed the health checkup facility.

In the backdrop of cost savings initiative, I must appreciate my fellow colleagues who actively supported me in aligning the company's cost saving objective into our overall strategy and thereby making a significant cost saving during this year. They have looked across the whole organization and differentiated the strategically critical 'good cost' from the non-essential 'bad cost'. Nevertheless, we have embedded a culture of ownership and continuous improvement with a commitment of maintaining high standards and delivering the best to the communities.

To conclude, I would like to extend my appreciation and thanks to the Board of Directors and Company Members for their continuous support, guidance and active engagement. Also I would like to express my sincere thanks to our management team and employees for their hard work and commitment which I look forward to excel further.



**Md. Ali Reza Khan**  
Managing Director & CEO

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<sup>i</sup> Couple Years of Protection (CYP): One CYP is calculated as 15 cycles of OCP or 120 pieces of condoms or 4 vials of injectable or 20 doses of ECP. For IUD, one insertion is calculated as 4.6 CYPs and for Implant, one insertion is calculated as 3.8 CYPs.

<sup>ii</sup> BSP: Blue Star Providers, PSP : Pink Star Providers, GSP: Green Star Providers

<sup>iii</sup> LAPM: Long Acting Permanent Method

<sup>iv</sup> LARC: Long Acting Reversible Contraceptives





# Directors' Report - SMC



Dear Company Members

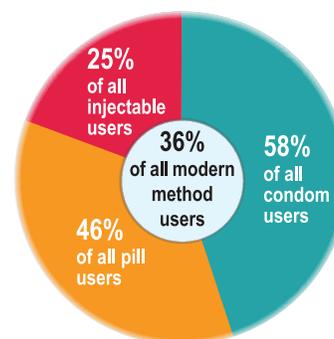
On behalf of the Board of Directors of the company it is my privilege to present the Directors' Report, Auditors' Report and the Audited financial statements of the company for the financial year 2018-19, which corresponds to the period commencing from July 01, 2018 to June 30, 2019. The Directors' report of the company is prepared in compliance with section 184 (1) of the Companies Act 1994.

At the outset, I am pleased to convey that like previous years, SMC continues its onward successful journey, maintaining its role as a major contributor to the Bangladesh national health and family planning program and a significant contributor to the reproductive and child health services in Bangladesh. The ongoing social marketing program of SMC includes family planning, child health & nutrition, adolescent health, maternal health and hygiene. SMC has provided 5.08 million CYPs during the reporting period which is 12% more than the last year.

## Overall Program Activities

### Contribution of SMC to the National Program

SMC is an integral part of the national program in achieving the goals of health and population programs in Bangladesh. Between 1975 and 2017, the total fertility rate of the country dropped from 6.3 to 2.3, and the overall contraceptive prevalence rate (CPR) among currently married women rose from 8% to 62%, with the use of modern contraceptives of 52% (BDHS, 2017). SMC is significantly contributing to modern method use to achieve the national CPR sharing 46% pills, 58% condoms and 25% injectables at the national level. SMC in totality has contributed 36% of the modern contraceptive method use of the country (BDHS 2017). As per 2018 Contraceptive Social Marketing Statistics released by DKT International, USA, SMC was ranked as the second largest contraceptive social marketing organizations globally in terms of numbers of CYPs delivered.



**Contribution to the National Program**  
Couples using SMC contraceptives  
\*BDHS, 2017 (Preliminary Report)

As per PSI Impact calculator, till June 30, 2019 from its inception in 1974, SMC provided 102 million Couple Years of Protection (CYPs) and has averted 20 million unintended pregnancies, 2 million deaths of children and 186 million DALYs (years lost due to ill-health, disability or early death). Besides, SMC also made significant contribution to the field of diarrhea, child nutrition, adolescent health, health and hygiene and so on.

SMC's ORSaline-N has proven itself as a major contributor in the reduction of child mortality in Bangladesh. The company introduced ORSaline-N in late 1985 to address diarrheal disease of the children under 5 years of the country. With a consistent growth, SMC sold 971 million sachets of ORS in 2019 and having a market share of around 60%. The usage of packaged ORS in diarrheal cases among the under five year children has increased from 61% in 2000 to 83% in 2017 (BDHS, 2017).

SMC is leading the effort to increase the use of micronutrient powder (MNP) among children under five years. SMC experiences a three-fold increase in sales of MNP in the last seven years resulting from extensive efforts to cater demand and the need of a large number of potential MNP users.

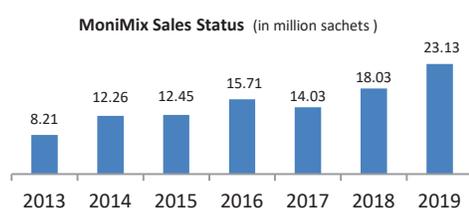
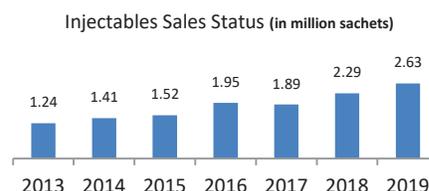
In the female hygiene market, SMC's JOYA sanitary napkin has quickly become the second most selling brand (Nielsen study) in the country (enjoying 22% market share) with a wide appeal of acceptance among the low-income women and adolescents due to its quality and affordable price.

## Overview of the Program Division

SMC is continuously working to improve the health condition of children, women and families of Bangladesh. The modality of program implementation of SMC includes demand creation and distribution of public health products, behavior change communication for increased adoption of healthy behavior and practices and building capacity of private sector health providers.

## Program Performances

SMC's Program operation markets eight public health products. Four (SOMA-JECT, Sayana PRESS, Relax and i-plant) of these are donated by USAID and others (MoniMix, Zinc, Safe Delivery Kit and Pregnancy Test Kit) are procured using own fund. During the period, all program products achieved significant growth as compared to that of the last year. SMC's program activities have been maintaining its growth streak consistently for all products.



SMC distributed 23.13 million sachets of MoniMix with a 29% growth to reduce Iron deficiency anemia among under five children of the country. Blue Star network of SMC is also conducting growth monitoring to address underweight and stunting of under five years children in order to improve their nutritional status. SMC has also distributed 2.63 million vials of contraceptive Injectable with 14% growth over the last year. The growth of Relax was 11%, i-plant 17% and micronutrient Zinc was 60% as compared to that of the last year.

The following table shows sales achievement of program products during this period:

Brands	Method/ Product	Target (Jul '18 - Jun '19)	Achievement (Jul '18 - Jun '19)	% of Target Achieved	Product Source
<b>SOMA-JECT (vials)</b>	Injectable	2,400,000	2,531,221	105%	USAID donation
<b>Sayana PRESS (vials)</b>	Injectable	110,000	92,010	84%	USAID donation
<b>Relax (pieces)</b>	CuT-IUD	6,330	6,365	101%	USAID donation
<b>i-plant (pieces)</b>	Implant	3,200	3,180	99%	USAID donation
<b>MoniMix (sachets)</b>	Micronutrient powder	22,000,000	23,125,767	105%	Own resource
<b>Zinc (blisters)</b>	Micronutrient	420,000	462,100	110%	Own resource
<b>Safety Kit (pieces)</b>	Safe delivery kit	58,000	57,520	99%	Own resource
<b>Pregnancy Test Device (Not branded yet)</b>	Pregnancy test device	50,000	50,408	101%	Own resource
<b>Total CYP</b>		668,778	697,171	104%	
<b>Program Income (Tk.)</b>		143,452,313	149,208,556	104%	

SMC ensures very high level of quality standard in every aspect of supply chain management starting from product procuring, packaging, warehousing and up to distribution. SMC focuses on three main distribution channels to increase the reach of its products and services such as: commercial distribution to dealer, wholesale and retail outlets; local NGOs and community-based distribution points and private health facilities and health provider networks. Efforts are also made to increase the use of products through community mobilization and mass media communication.

## Community Mobilization Activities

Community mobilization activities target individuals, family and the society to adopt and practice healthy behaviors. SMC is implementing the USAID funded Marketing Innovations for Sustainable Health Development (MISHD) program since October 2016. MISHD program is aiming to increase access to products and services on family planning including long acting methods, child health and nutrition, maternal health, adolescent health and bring positive behavior change through BCC activities as well as improve quality of services through the private sector. Community mobilization activities under MISHD are being implemented in 65 Upazilas of 16 low performing districts by three implementing partners. MISHD priority areas featured low contraceptive prevalence and relatively high infant mortality rates.



SMC is also implementing similar type of initiatives in four Upazilas of Natore district utilizing its own fund from June 2017. SMC is planning to expand this initiative at eight Upazilas of Bogura, Sirajganj and Cox's Bazar districts.

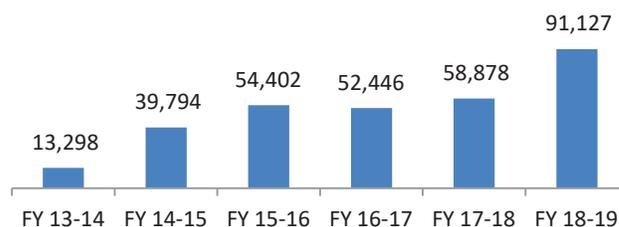
These activities are branded as Notun Din (New Day) where altogether SMC reached 1,135,014 individuals delivering different important public health priority messages through Interpersonal Communication (IPC) - and different program approaches as stated here under:

Target Groups	Mode of communication	Message disseminated	Number contacted
MWRAs (Married women of reproductive ages) and caregivers of under 5 years children	Group session/IPC	Focusing on Healthy Timing and Spacing of Pregnancy (HTSP), the first 1,000 days care which includes pregnancy care, safe delivery, child birth, post natal care, exclusive breastfeeding, micronutrient powder, use of ORS and Zinc to treat child diarrhea	487,184
Adolescents of School/College/Madrassa (girls and boys)	School health session	Consequences of early marriage and early pregnancy, puberty, menstrual management, personal hygiene, nutrition, health hazards associated with smoking, narcotics, and tuberculosis	86,202
Community advocates (Government elected representatives, social leaders, teachers, health and family planning workers, religious leaders, youth leaders and others)	Meeting	Brief description about Notun Din program objectives and activities as well as role of community advocates for program implementation in the community	9,956
Community people	Mass gathering through mobile film program (audio-visual aids)	Focusing on HTSP, the first 1,000 days care which includes pregnancy care, safe delivery, child birth, post natal care, exclusive breastfeeding, micronutrient powder, use of ORS and Zinc to treat child diarrhea, adolescent health related messages and tuberculosis	525,850
Newlyweds	IPC	Focusing on HTSP, pregnancy care, safe delivery, the first 1,000 days care, exclusive breastfeeding and child nutrition	4,365
Community people of reverine areas	Audio-visual shows in the motor launch/boat	HTSP, the first 1,000 days care, tuberculosis, adolescent health	21,457
<b>Total BCC Contacts</b>			<b>1,135,014</b>

## Gold Star Network

As a part of community mobilization efforts, SMC has created a remarkable platform, the Gold Star Network where potential rural women are transformed into entrepreneurs in communities. This effort is significantly increasing women empowerment in the rural communities. These Gold Star members (GSMs) are disseminating health messages for creating awareness, behavioral change, refer potential clients for Long Acting and Reversible Contraceptives (LARC) and suspected TB patients to the nearest service delivery facilities and sell SMC public health products at the household level. SMC's 2,200 GSMs during the period has sold products worth Tk. 91 million comprising of ORSa-line-N, micronutrient powder (MNP), condom, oral contraceptive pill (OCP), emergency contraceptive pill (ECP), zinc, sanitary napkin, safe delivery kit, food and beverage, baby diaper and pregnancy test kit which was 55% higher than that of the last year.

Yearly Sales Revenue Generated by GSM (Tk. in '000)



## Blue Star Network

SMC's Blue Star is a branded network of community-level non-graduate health service providers. The providers receive special training on different health issues<sup>1</sup>. SMC's field representatives regularly visit them to supply products and provide updated information. In the reporting year, 767 new providers were trained and included in the Blue Star network, expanding the number of network providers to 7,256 nationally. Besides, 2,129 BSPs received refresher training in this reporting period.



Referred 139,713 suspected TB cases  
 Referred 113,014 eligible couple for LAPM  
 Offered GMP services to 20,062 under 5

In addition to administering contraceptive injectables and offering MoniMix, these BSPs are also involved in Growth Monitoring and Promotion (GMP) services for children under five years. The providers refer suspected tuberculosis cases and potential clients of long acting and permanent methods (LAPM) to the nearest service delivery centre.

## Pink Star Network

Engaging private sector providers for offering LARC services is a critical program intervention. With the support from USAID, SMC is offering LARC services across the country through graduate doctors who are branded as Pink Star. Currently, 650 Pink Star providers (PSP, a network of doctors, mostly Obstetricians and Gynecologists) are engaged to offer IUD, Implant and Injectable and to promote the LARC service outlets, helping clients to identify outlet location. Around 230 PSPs have received basic and refresher training during the reporting period. SMC continues its initiative for generating demand at community level on LARC services through IPC at household level by the Community Counselors. They also counsel the expecting mothers about post partum contraception. During the period, PSPs have administered 9,545 LARC methods (IUD - 6,365, and 3,180 implants) out of which 2,357 methods (IUD - 1018, and 1,339 implants) were administered with the help of 27 Community Counselors working in 21 districts.

650 PSPs offering LARC and injectable services  
 9,545 individuals adopted LARC methods

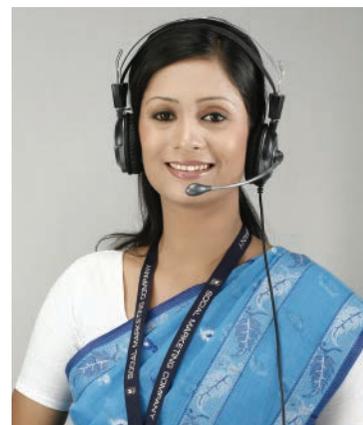
<sup>1</sup>The training topics include administration of injectables, other temporary contraceptive methods, counseling skills, healthy timing and spacing of pregnancy, maternal health (antenatal care and safe delivery), postnatal care, essential newborn care, integrated management of childhood illness on acute respiratory infection (ARI)/pneumonia, diarrhea, tuberculosis, child nutrition, growth monitoring promotion (GMPs) and referral for TB as well as long acting and permanent method (LAPM).

## Green Star Network

SMC also provided basic training to 407 pharmacy salesmen or drug sellers to bring them under the umbrella of Green Star Network (a network of more than 4,500 drug sellers or Pharmacy salesmen) and refresher training to 2,548 Green Star Providers (GSPs) across the country<sup>2</sup>. These providers play a vital role in the primary health care service delivery in Bangladesh. Rural communities primarily contact the GSPs to receive over the counter health and family planning information and services. Unfortunately, many of these types of providers lack proper knowledge and skills in their regular practice on service delivery care. Therefore, improvement of their knowledge is very important to promote proper counseling and advice by them.

## Telephone Counseling Service ‘Tele-Jiggasha’

Tele-Jiggasha, a telephone counseling service provided by SMC is open to all from 09:00 am to 05:00 pm during weekdays (Sunday to Thursday). Female and male counselors respond to questions on several sensitive topics<sup>3</sup>. More than 9,900 phone calls were received during the reporting period where 34% of the callers were female. The program also sends text messages containing different health related information and technical updates for the providers. This unit is also engaged in monitoring different activities and conducting quick surveys. In the reporting year, SMC conducted 8 (eight) quick surveys to collect provider’s opinion, programmatic insight, network performance, providers profile correction, stock status at provider level, monitoring status of different program activities, etc. over telephone.



## Other Projects

### BCC campaign on LAPM services among MWRA in Korail and Sattola Slum

After successful completion of BCC related pilot program in 2016 using own resources at Korail Slum, SMC further expanded the initiative in untapped area of Korail and Sattola slum in January 2018 to increase knowledge and utilization of LAPM. BCC activities were conducted through interpersonal communication and group sessions with potential LAPM users. The outcome of the initiative was quite satisfactory where 25% potential clients accepted LARC and 5% clients accepted permanent method.

### SMC Niltara Clinic

SMC has started to develop a sustainable model of clinic in order to provide quality health care and diagnostic services at affordable price to all segment of population in Bangladesh. The key features are:

- Essential quality health services for the target population at an affordable price by general physicians,
- Provision for different specialized services by engaging different consultant doctors,
- Quality diagnostic lab facilities and services at a competitive price, and a model pharmacy operation to ensure availability of quality medicine at affordable price.



<sup>2</sup> Training topics include: administer follow-up doses of contraceptive injectables, counsel on MNP and rational use of drugs and refer clients to the appropriate health facility etc.

<sup>3</sup> Family planning methods, its side-effects, sexually transmitted diseases, HIV/AIDS, unwanted pregnancies, adolescent health problems, infectious diseases such as TB etc.

In its first year of operation, the clinic has recovered 45% operating expenditure. To roll out this model further, it is expected to start SMC clinic – 2 operations by June 2020 in SMC's own building at SMC Tower -2, Mirpur Dhaka. SMC is actively considering to provide maternity health care at affordable price by establishing maternity clinic at the same location subject to successful operation of SMC Clinic- 2.



## Multisectoral Nutrition Programming (MSNP)

SMC has launched a component of USAID's Strengthening Multisectoral Nutrition Programming (MSNP) project through Implementation Science Activity on October 24, 2018. The project is funded by USAID, led by FHI 360 partnering with Care Bangladesh, AIRN, PHD, SMC and LifeChord. The project is following a mixed methods research approach to assess the effect of different nutritional interventions by the Government of Bangladesh, NGOs, and the private sector to enhance nutritional status of children under two years in Bangladesh. SMC started working in three project operational districts covering 30 unions of nine Upazilas to deliver services that support project interventions and outcomes.



## Maternal, Infant and Young Child Nutrition (MIYCN) Home Fortification Program

SMC implemented its second phase of the Maternal, Infant and Young Child Nutrition (MIYCN) Home Fortification Program funded by the Children Investment Fund Foundation (CIFF) from July 2017. Under this phase, SMC implemented a "Pilot Testing of Sustainable Demand Creation and Utilization of MNP through Community Mobilization". The overall objective of the pilot testing was to increase utilization of MNP among children between 6-59 months to reduce iron deficiency anemia through delivery of a comprehensive MIYCN program at community level in three Upazilas. The project period ended on December 31, 2018.

The project staff and the rural women entrepreneurs (GSM) worked together to create sustainable demand of MNP (Moni-Mix) among the mothers and caregivers of under 5 children. GSMs sold many folds of MoniMix in these intervention areas than other non-intervention areas. Pilot interventions show that if the awareness level on MNP can be increased significantly and the product is positioned appropriately with relevant messages to the right audiences, the demand for MNP rises sharply.



## Clean Household Air Pollution (CHAP)

There are more than 30 million households in Bangladesh and over 90% depend on biomass fuels for cooking. When used in traditional cookstoves and open fires, biomass fuels emit harmful smoke that contributes to heightened levels of indoor air pollution associated with a range of illnesses and health conditions. Clean Household Air Pollution (CHAP) project aimed to increase adoption (purchase, correct and consistent use) of cleaner and more efficient cookstoves and fuels through IPC and outdoor activities. This two-year project started in July 2016. SMC implemented household level activities to increase awareness about the benefits, options and supply channels of improved cookstoves and fuel (ICS&F). The project was implemented in 16 sub-districts of Dhaka and Barisal Divisions to create an enabling environment and support the target audience to shift from traditional cookstoves to ICS. The project ended on 28th February, 2019.



## Monitoring and Evaluation (M&E)

SMC has a very strong Monitoring and Evaluation (M&E) team both at head office and field office level. Team members are responsible for monitoring regular activities to initiate corrective measures if needed. M&E team is also responsible for the development and execution of the Project Performance Monitoring Plan. This ensures compliance with policies and guidelines, maintenance of quality, improved validity, and accuracy of reporting, etc.

## Field-based Monitoring Activities

The project is leveraging the existing infrastructure of SMC area offices to improve monitoring activities in the following ways:

- Deputy Field Program Managers (DFPMs) are responsible for strengthening and effective monitoring and supervision to oversee day to day program implementation. They provide feedback to the respective field staff to improve the program performances.
- Program Officers-Training and Service Delivery (POs-TSD) visited SMC's network outlets routinely to strengthen the capacity of the providers through coaching and mentoring. They use a checklist to monitor the overall quality and compliance of services as well as physical environment of outlets.
- Field Coordinators LARC (FCs-LARC) located at regional offices, visit Pink Star outlets with a quality audit checklist. One of their responsibilities is to find out provider specific barriers and provide meaningful solution to improve the confidence level and make the providers active. Technical Officers of EngenderHealth also visited individual doctors and institutions for quality assurance.
- Green Star team members visit Green Star outlets routinely to strengthen the capacity of providers through on-site mentoring and follow-up technical assistance. They monitored the availability of injectables and MNP, record keeping, assessing quality of services and monthly performance report as well as overall compliance level of providers and outlets.
- Program Officers-Community Mobilization, work with community mobilization partners to implement the program activities smoothly. They monitor the program implementation activities and validated performance output reports of the partners.

- The M&E unit is monitoring SMC's program activities at regular interval using different checklists. The unit is providing feedbacks to the relevant departments for future corrections and improvements. They are observing technical competency of providers, client screening process, counseling skills of providers and necessary reporting system.
- SMC has established a mobile based technology e-FORT (electronic field operation reporting tools) to monitor field activities of project staff as well as to assess the compliance, quality and performance of providers.

## Data quality assessment (DQA)

SMC ensured routine data quality audit and compliance in accordance with the US government policies on family planning and other services. SMC officials from head office and field office visited MISHD Upazilas to conduct 194DQAs of community mobilization activities during the period. The team visited villages and households in order to ensure the consistency, reliability and validity of the data collected from the upazila offices. The relevant staff utilized DQA findings to take appropriate measures for improving the performance and quality of data.



A team of USAID and SMC jointly conducted DQAs during this year. USAID team members visited SMC head office and a Blue Star provider at Mirpur to understand the data entering process, validity and reliability of data, security of data and availability of logistics including training guideline, TIAHRT poster, availability of sharp box, etc. This DQA also focused to assess the reliability and validity of information, data security option, availability of data input guideline and electronic reporting system.

## Financial Result

The financial statement below corresponds to the 12-month period from July 1, 2018, to June 30, 2019.

### A. Income and Expenditure Account (SMC Corporate)

Particulars	2018-19	2017-18
Income (Rent, interest, dividend, management fees, common service charge, etc.)	299,062,625	206,962,849
Operating Expenses	(340,312,642)	(258,144,477)
Net surplus/(deficit)	(41,250,017)	(51,181,628)

### B. Income and Expenditure Account (SMC Program Division)

Particulars	2018-19	2017-18
Revenue	149,966,965	140,680,596
Cost of Goods Sold	(55,735,311)	(58,259,017)
Surplus of Revenue	94,231,653	82,421,579
Donation received	317,426,076	357,165,745
Other Income	86,654	759,862
Total surplus for the year	411,744,383	440,347,186
Operating Expenses	(379,929,818)	(409,838,723)
Net surplus/(deficit)	31,814,565	30,508,463

### C. Summarized Balance Sheet as on 30.06.2019

Particulars	2018-19	2017-18
Capital Fund	2,988,574,111	2,956,759,546
Retained Earnings	360,128,610	397,056,038
Current liabilities	457,016,318	443,557,791
Total Liabilities	3,805,719,039	3,797,373,375
Non-current assets	952,137,035	863,292,768
Current assets	2,853,582,004	2,934,080,607
Total Assets	3,805,719,039	3,797,373,375

- The statement of financial position represents assets and liabilities of SMC Holding and SMC Program.
- Non-Current assets include written down value of fixed assets of Tk. 952,137,035 for SMC Holding and Program.
- Non-Current assets include investment in subsidiary (SMC Enterprise) of Tk. 100,000,000.
- Current assets include Tk. 1,659,567,030 (Tk. 6,070,407 for SMC Staff Welfare Benefit Scheme) as investment in FDR of SMC Holding.

## Board meeting and attendance

Mr. Siddiqur Rahman Choudhury has been re-elected as the Chairman of the Board of Directors of SMC for two years with effect from September 7, 2019 at 186th Board Meeting of SMC held on August 29, 2019. According to the Memorandum and the Articles of Association of SMC Enterprise Limited (SMC EL), clause 90, he will also act as the Chairman of the Board of SMC EL.

The Board of Directors holds meeting on a regular basis, during the reporting period the board of directors held 7 (seven) meetings of SMC and 11 (eleven) meetings of SMC EL which met the regulatory requirement as per Companies Act 1994 under section 96. Management provides information, reference and detailed working papers for each item of agenda to all the Directors well ahead of time fixed for the Board meeting for consideration. In the meeting, the Chairman of the Board allocates sufficient time for the Directors to consider each item of the agenda and allow them to discuss, inquire, and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities. The Board attendance records are as follows:

Sl.	Name of Directors	Designation	Board Meetings attended (SMC)
1.	Mr. Siddiqur Rahman Choudhury	Chairman	7
2.	Mr. Muhammed Ali	Director	7
3.	Ms. Rokeya Quader	Director	6
4.	Mr. Md. Siddique Ullah	Director	2
5.	Dr. Yasmin Hemayet Ahmed	Director	4
6.	Mr. Aftab ul Islam FCA	Director	1
7.	Dr. Masud Ekramullah Khan	Director	4
8.	Mr. Faruque Ahmed	Director	4
9.	Mr. Waliul Islam	Director	5
10.	Dr. Jahir Uddin Ahmed	Director	5
11.	Mr. Md. Ali Reza Khan	Ex-officio Director	7
12.	Mr. Abdul Haque	Ex-officio Director	6

The Directors, who could not attend the meetings, were granted leave of absence. Mr. Siddique Ullah and Mr. Aftab Ul Islam FCA has joined the Board of SMC in its 30th AGM dated March 30, 2019 on account of retirement of Mr. Waliul Islam and Dr. Jahir Uddin Ahmed after serving for two consecutive terms and Dr. Masud Ekramullah Khan has been re-elected for another term.

Mr. Waliul Islam was appointed as a nominated Director from SMC in the Board of SMC EL on January 28, 2019 at the 36th Board meeting of SMC EL.

## **Retirement and Election of Directors**

As per clause 45 of the Articles of Association of the Company, one-third of the Directors shall retire from office. The directors to retire every year shall be those who have been the longest in office since their last election. A retiring Director shall be eligible for re-election. No person shall, however, be eligible for an election as a Director for more than two consecutive terms.

In accordance with the above clause, Dr. Yasmin H. Ahmed, Director SMC Board will retire after serving for two consecutive terms as Director in the upcoming AGM.

Further, Mr. Muhammed Ali, Ms. Rokeya Quader and Mr. Faruque Ahmed, Director, SMC Board will retire in this AGM and will be eligible for re-election as Director for another term.

## **Annual General Meeting**

The Company held its last (30th) Annual General Meeting (AGM) on March 30, 2019 at the Company Head Office in Dhaka. The AGM received, adopted and ratified the Directors' Report and the Auditor's Report for the Financial Year 2017-2018 and appointed auditors for the Financial Year 2018-2019. Mr. Siddiquir Rahman Choudhury, Chairman of the Board of Directors of SMC, presided over the meeting. Board Directors, MD & CEO of SMC along with senior officials of the Company were present in the meeting. The 30th AGM of the company was held in compliance with the Companies' Act, 1994.

## **Appointment of Statutory Auditors**

In line with the Articles of Association, clause 49 and the provisions of section 210-213 of the Companies Act 1994, the statutory auditor of the company, MABS & J Partners, Chartered Accountants, shall retire in 31st AGM. The firm, being eligible, has expressed their willingness to be re-appointed (EOI attached) for 2019-20 and to consider a reasonable enhancement of the existing fee. The existing audit fee is Tk. 275,000 inclusive of VAT and out of pocket expenses. The board recommends their reappointment for the period 2019-20 and to continue till the next AGM. The resolution to reappoint MABS & J Partners, Chartered Accountants as auditors will be placed at the forthcoming annual general meeting of the company.

## **Human Capital**

The company has always been very passionate about human resource management and takes responsibility for developing employee potentials and leveraging employee skills in the organization. It has a sound human resource policies and practices that are aimed to ensure congenial working environment and better career path. To ensure good working environment and enhancement of knowledge of the employees, yearly performance appraisal is carried out to reward and encourage diligent employees and assess their training requirements.

It also endeavors enhancing the capacity building of employees by offering regular training and workshops to update the knowledge in their respective functional areas and thereby ensuring active contribution of the employees towards the achievement of corporate goals.

In case of internal training, the company has prepared its own customized course contents and hired specialist for those programs. As a part of skill development and capacity building a number of training programs and workshops held jointly by SMC and SMC EL. The company has an enriched Employment Policy/Employee Hand Book with proper job descriptions and responsibilities.

Various trainings and workshops are now being conducted at SMC's own premises at Level-18 of SMC Tower which was inaugurated on December 5, 2018. The Training Room including a cafeteria consists of a total floor area of 3,000 sq ft. It can accommodate 36 persons at a time and is equipped with modern facilities including sound system and multimedia. There are seating arrangements for 64 people in the cafeteria.

## Corporate Social Responsibilities (CSR)

The Board of Directors is also aware of the Corporate Social Responsibilities (CSR) especially in the areas of gender equality, race-religion-regional equality, non-employment of child labor, human rights, environmental pollution, social-marketing, social activities, health care, plantation program, etc.

## Compliances

SMC has established procedures to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are assigned to ensure proper compliance with applicable laws and regulations.

## Corporate Socialization

In order to play a role as a model to comply with Good Governance characteristics in the corporate sector, the company has become member of the country's leading chambers like Metropolitan Chamber of Commerce & Industries (MCCI), Bangladesh Employers Federation, Dhaka Chamber of Commerce and Industry (DCCI), etc. Besides, SMC has been maintaining effective communication and building excellent relationship with various Government regulatory bodies such as NBR, Ministry of Commerce, RJSC, Directorate General of Drug Administration, BSTI and so on. These memberships have provided scope to the company for improvement of Corporate Governance Practices for the benefit of the stakeholders.

## Subsidiary Operation: SMC Enterprise Limited

SMC holds 999,998 shares of Tk.100 each out of total issued 1,000,000 shares of SMC Enterprise Limited (SMC EL). SMC has also deposited Tk. 290,000,000 as share money deposit in favor of SMC EL. The Directors' Report, for the year ended June 30, 2019 of the Company together with Audited Accounts containing of Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows and Auditors Report thereon are included herein. The Business operation of SMC EL has been given in the relevant chapter of the 'Subsidiary company operational activities.'

## Common Services

For bringing efficiency and cost optimization, SMC housed a number of common services division/department such as Construction & Engineering, MIS & IT, Research & Monitoring and Corporate Affairs. They are rendering services to SMC and for its subsidiary SMC EL in the field of infrastructural development, business process automation through information technology, conducting research study for getting customer insights, bridging between the company and its stakeholders with a view to strengthening corporate brand image. The major highlights are given below where the details are narrated in the inner side of the report.

During the reporting period, **Engineering Department** has provided technical support and solution for matters related to civil construction to both SMC and its subsidiary SMC EL as stated hereunder:

- Completion of foundation, three level basements and roof casting from the ground floor to the 14th floor of SMC Tower-2 at Mirpur, Dhaka; completion of training room including the interior decoration work and refurbishment of office.
- Construction of a 3-storied building for expansion of canteen, change room, toilet and other facilities at Bhaluka; Extension of 8th to 12th lines to increase ORS production capacity at Bhaluka, Construction of Production Area for MoniMix powder at Bhaluka and Construction of prefabricated steel mezzanine floor for Raw Material warehouse at Cumilla.

**MIS & IT department** has played an extensive role both for SMC and SMC EL to reduce the cost significantly and enhancing the operational efficiency, thus having a substantial impact on profitability and growth of both the organizations. As a part of business automation process, the overall field operations of SMC and its for-profit subsidiary, SMC Enterprise Limited have been made paperless recently using the latest mobile and web-based software applications. These automations enabled the field forces (Consumer, Pharmaceutical and Program operations) to generate electronic sales invoices using smart phones and managing optimum levels of product inventory. As a result, SMC management is now able to obtain real time analysis of business information utilizing the Geographical Information Systems (GIS) and Global Positioning System (GPS).

Besides, it has successfully developed and implemented a number of tasks. Among others, the major activities are: new web-based software system for Supply Chain Management System operation for SMC & SMC EL through integrating with the existing Inventory Management Software of Central Warehouse, Bhaluka Factory, Cumilla-H & H Factory and Area Sales offices. Implemented software on Human Resources Management operation enhanced the security of IT operations through re-installing the Anti-Virus server in the Head Office, implemented data disaster recovery procedure and data backup plan which would ensure to protect the company’s valuable assets.

These initiatives will also certainly enhance the company’s growth and efficiency and our endeavors will continue to introduce updated technology and systems always to maximize our business with the pace of global trend.

During FY 2018-19, SMC’s **Research & Monitoring department** has undertaken research projects for SMC and its subsidiary SMC-EL to understand the effects of its program activities, sales and marketing initiatives, consumer-based studies, conduct product feasibility and generate consumer insights. It utilizes primary research data to help regulate current market and design future marketing plan tailored to market realities, other external factors and internal capabilities.

These findings are very important in attuning current interventions as well as plan for future interventions designed to adopt market realities and other external factors. The major research projects of SMC & SMC EL have been summarized in the following table:

### Research Insights - SMC:

Study title	Objectives of the study
<b>Availability Study of SMC and Its Competitor Products</b>	The prime objective of the study was to assess the product availability status of SMC as well as competitors' products in pharma outlets.
<b>Perception and Practice Study of Long Acting Reversible Contraceptive (LARC) users and providers regarding LARC services and its BCC materials</b>	The overall objective of the study was to assess the perception on LARC users and providers regarding LARC services and BCC materials, which are being provided by SMC. The study also explored the strength and weakness of the program and scope for future improvement and expansion.
<b>Brand Equity Study on Raja, Maya and SMC</b>	The main objective of the study was to assess customers' associations, perceptions and feelings toward SMC, Raja condom & Maya OCP.

Study title	Objectives of the study
<b>Household Level Tracking Survey on Critical Program Indicators</b>	The main purpose of the survey was to monitor and evaluate progress in changing knowledge, attitude and behaviors of married women of reproductive age and caregivers of <5 five years children on critical program indicators as well as to measure the exposure of target audiences on community mobilization activities.
<b>Conducting baseline study to Assessing knowledge Attitude and practices on health among the target audience of Community Sales Agent (CSA) Model areas at Natore District</b>	The prime objective of the study was to measure the current knowledge, attitude and practices of Married Women of Reproductive Age (MWRA), and caregivers of <5 five years children on critical program indicators.
<b>Post evaluation of TVC on Pink Star</b>	The main objective of the study was to measure the acceptability and effectiveness of the TVC on SOMA-JECT among the Married Women of Reproductive Age (MWRA), who has at least one living child and their husbands.
<b>Impact study on Adolescent Program activities</b>	The overall objective of the study was to assess the knowledge and behavior of adolescents on different health issues.
<b>Assess effectiveness of Floating IEC program</b>	The prime objective of this study was to assess the effectiveness of Floating IEC program activities and observe whether the program is being conducted as per guidelines.
<b>Zinc press advertisement design pre-test</b>	The prime objective of this study was to find out the acceptability of the ad layout and also to gather suggestions from the target audience for improving in the design.

SMC's **Corporate Affairs department** is playing a vital role in internal and external communication bridging of the company and its stakeholders by disseminating various social messages in a coherent and credible way. This department is responsible to manage internal and external flow of information, publications, annual complimentary items, and promoting corporate advertisements upholding the company values and its brand voices.

During the reporting period it has introduced digital communication by way of launching Facebook Pages for different program health networks like, MoniMix, SMC Blue Star and SMC Pink Star. This platform is providing interactive communication with the audience and already proved its effectiveness by gaining popularity in the community. In this way, the Corporate Affairs department not only enlightened SMC to keep pace with the modern market practice but also gained a cost effective mass communication approach for the company. Moreover, revamping the corporate website making it more dynamic, up to date, interactive and resourceful was another timely driven accomplishment of the said department.

## Way forward..... FY 2019-20

To expand the program activities in line with its vision and mission, SMC is always focusing on adding value and thereby increasing its product portfolio. Several new initiatives are in the pipeline which we hope to include in our program activities from the next fiscal year. These are:

- SMC is going to promote its own de-worming brand (Vermicid) soon to target all population since de-worming among the population is considerably lower.
- Strengthen promotional activities of paper soap “Easy Clean” to increase hand washing practice for better health and hygiene among the adolescents and rural community.
- Urban slums are underserved areas for public health program and SMC will focus to recruit more Blue Star Providers adjacent to urban slums, garment industries and to the low income urban neighborhood to increase public health coverage among them.
- The adolescent program will be intensified further to improve health and hygiene status among them.
- SMC will explore the possibility of recruiting graduate medical providers in the Blue Star network to expand the package of service.
- SMC will gradually enhance the nutrition product and information coverage of different segment of population including adolescent, pregnant women and ageing population.
- Strengthen campaign against early marriage and early pregnancy through community level group meeting and school education program.
- Planning to introduce maternal micronutrient supplements (MMS) for pregnant women with a view to ensure highly impactful solution for reducing Low birth weight (LBW).

## Acknowledgement

The Directors have taken this opportunity to express their sincere thanks to our company members, management staff, partners, customers, bankers, suppliers, government agencies, regulatory bodies and everyone with whom the company interacted in conducting its Program activities. We are grateful to you, for extending at all times, your valuable support and cooperation.

On behalf of the Board of Directors



**Siddiqur Rahman Choudhury**  
Chairman  
Social Marketing Company



প্রিয় কোম্পানীর সদস্যবৃন্দ,

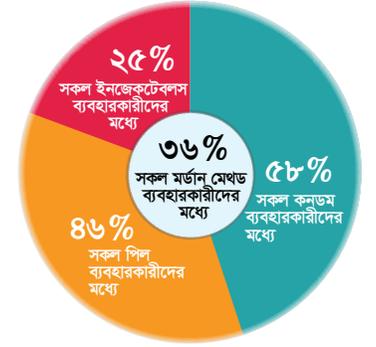
কোম্পানীর পরিচালনা পর্ষদের পক্ষ থেকে সোশ্যাল মার্কেটিং কোম্পানী-এর ২০১৮-১৯ অর্থবছরের পরিচালকের প্রতিবেদন, নিরীক্ষা প্রতিবেদন এবং কোম্পানীর নিরীক্ষিত আর্থিক বিবরণী উপস্থাপন করতে পেরে আমি আনন্দিত। কোম্পানীর পরিচালকের প্রতিবেদনটি ১৯৯৪ সালের কোম্পানী আইন এর ১৮৪ (১) ধারা অনুযায়ী সম্পাদিত হয়েছে।

আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, এসএমসি তার সফলতার ধারা অব্যাহত রেখে জাতীয় স্বাস্থ্য ও পরিবার পরিকল্পনা কর্মসূচীতে প্রধান অবদানকারীর ভূমিকা বজায় রাখার পাশাপাশি বাংলাদেশের প্রজনন ও শিশু স্বাস্থ্যসেবাতে উল্লেখযোগ্য ভূমিকা রেখে চলেছে। এসএমসি'র চলমান সামাজিক বিপণন কর্মসূচীর মধ্যে রয়েছে পরিবার পরিকল্পনা, শিশুস্বাস্থ্য ও পুষ্টি, কিশোর-কিশোরীদের স্বাস্থ্য, মাতৃস্বাস্থ্য ও স্বাস্থ্যবিধি। এসএমসি ২০১৮-১৯ অর্থবছরে ৫.০৮ মিলিয়ন সিওয়াইপি<sup>১</sup> সরবরাহ করেছে যা গত অর্থবছরের তুলনায় ১২% বেশী।

## সামগ্রিক প্রোগ্রামের অগ্রগতি

### জাতীয় কার্যক্রমে এসএমসি'র অবদান

এসএমসি জাতীয় কার্যক্রমের একটি অবিচ্ছেদ্য অংশ হিসেবে বাংলাদেশের স্বাস্থ্য ও জনসংখ্যা কর্মসূচীতে গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে। ১৯৭৫ থেকে ২০১৭ সাল পর্যন্ত, দেশের মোট গর্ভধারণের হার ৬.৩% থেকে ২.৩% এ নেমে এসেছে এবং বর্তমানে বিবাহিত মহিলাদের মধ্যে গর্ভনিরোধক ব্যবহারের হার ৮% থেকে বৃদ্ধি পেয়ে ৬২% হয়েছে যার মধ্যে আধুনিক গর্ভনিরোধক ব্যবহারের হার ৫২% (বিডিএইচএস, ২০১৭)। জাতীয় পর্যায়ে ৪৬% পিল, ৫৮% কনডম এবং ২৫% ইনজেক্টেবলস সরবরাহের মাধ্যমে গর্ভনিরোধক ব্যবহারের হার (সিপিআর) বৃদ্ধিতে এসএমসি উল্লেখযোগ্য ভূমিকা রেখে চলেছে। সামগ্রিকভাবে দেশের আধুনিক গর্ভনিরোধক ব্যবহারের ক্ষেত্রে এসএমসি এককভাবে ৩৬% অবদান রেখেছে (বিডিএইচএস, ২০১৭)। যুক্তরাষ্ট্রের ডিকেটি (DKT) ইন্টারন্যাশনাল কর্তৃক প্রকাশিত কন্ট্রাসেপ্টিভ সোশ্যাল মার্কেটিং স্ট্যাটিস্টিকস ২০১৮ অনুসারে, সিওয়াইপি'র (কাপল ইয়ারস অব প্রোটেকশন) ভিত্তিতে এসএমসি বিশ্বব্যাপী দ্বিতীয় বৃহত্তম গর্ভনিরোধক সামাজিক বিপণন সংস্থা হিসেবে অধিষ্ঠিত হয়েছে।



জাতীয় কার্যক্রমে অবদান

এসএমসি কর্তৃক বাজারজাতকৃত গর্ভনিরোধক ব্যবহারকারী সম্পত্তি  
\*বিডিএইচএস, ২০১৭ (প্রিভিউরি রিপোর্ট)

পিএসআই ইমপ্যাক্ট ক্যালকুলেটর অনুসারে, ১৯৭৪ সাল থেকে অগ্রযাত্রা শুরু করে ৩০ জুন, ২০১৯ পর্যন্ত এসএমসি এই সুদীর্ঘ পথ পরিক্রমায় ১০২ মিলিয়ন কাপল ইয়ারস অব প্রোটেকশন (সিওয়াইপি) এবং ২০ মিলিয়ন অনিচ্ছাকৃত গর্ভধারণ, ২ মিলিয়ন শিশুমৃত্যু এবং ১৮৬ মিলিয়ন ডিজেবিলিটি-এডজাস্টেড লাইফ ইয়ারস (DALYs) প্রতিহত করতে সক্ষম হয়েছে। এছাড়াও এসএমসি ডায়রিয়া, শিশুস্বাস্থ্য, কিশোর-কিশোরীদের স্বাস্থ্য ও স্বাস্থ্যবিধি এবং অন্যান্য ক্ষেত্রেও গুরুত্বপূর্ণ অবদান রেখে চলেছে।

এসএমসি'র ওরস্যালাইন-এন বাংলাদেশে শিশুমৃত্যুর হার হ্রাসকল্পে প্রধান অবদানকারী হিসেবে নিজেকে প্রতিষ্ঠিত করেছে। ১৯৮৫ সালের শেষের দিকে দেশের পাঁচ বছরের কম বয়সী শিশুদের ডায়রিয়া রোগের প্রতিকারের জন্য ওরস্যালাইন-এন উৎপাদন শুরু করে। ধারাবাহিক প্রবৃদ্ধি বজায় রেখে, এসএমসি ২০১৯ সালে ৯৭১ মিলিয়ন ওরস্যালাইন-এন স্যাশে বিক্রি করেছে এবং ৬০% মার্কেট শেয়ার অর্জনে সক্ষম হয়েছে। বাংলাদেশ ডেমোগ্রাফিক অ্যান্ড হেলথ সার্ভে (বিডিএইচএস) ২০১৭ অনুসারে, পাঁচ বছরের কম বয়সী শিশুদের ডায়রিয়ার ক্ষেত্রে ওআরএস-এর ব্যবহার ২০০০ সালে ৬১% থেকে বেড়ে ২০১৭ সালে ৮৩% হয়েছে।

এসএমসি পাঁচ বছরের কম বয়সী শিশুদের মধ্যে মাইক্রোনিউট্রিয়েন্ট পাউডার (এমএনপি)-এর ব্যবহার বাড়তে চেষ্টা চালিয়ে যাচ্ছে। বিপুল সংখ্যক এমএনপি ব্যবহারকারীদের চাহিদা এবং প্রয়োজনের প্রেক্ষিতে এসএমসি'র অব্যাহত প্রচেষ্টার ফলে গত সাতবছরে এমএনপি-এর বিক্রয় তিনগুণ বৃদ্ধি পেয়েছে।

নারী স্বাস্থ্যবিধির ক্ষেত্রে এসএমসি'র জয়া স্যানিটারি ন্যাপকিন, গুণগতমান এবং সাশ্রয়ী মূল্যের কারণে স্বল্প আয়ের নারী এবং কিশোরীদের মধ্যে গ্রহণযোগ্যতা অর্জন করে দ্রুত দেশের দ্বিতীয় সর্বাধিক বিক্রিত ব্র্যান্ড (নেলসন স্টাডি) হিসেবে প্রতিষ্ঠিত হয়েছে। বর্তমানে জয়া'র মার্কেট শেয়ার ২২%।

<sup>১</sup> কাপল ইয়ারস অব প্রোটেকশন (সিওয়াইপি)ঃ একটি সিওয়াইপি ওসিপি'র ১৫টি সাইকেল বা ১২০ পিস কনডম বা ৪টি ইনজেকশন ভায়াল বা ২০ ডোজ ইসিপি হিসেবে গণনা করা হয়। আইইউডি-এর জন্য একটি প্রয়োগকে ৪.৬ সিওয়াইপি হিসেবে গণনা করা হয় এবং ইমপ্যাক্ট-এর জন্য একটি প্রয়োগকে ৩.৮ সিওয়াইপি হিসেবে গণনা করা হয়।

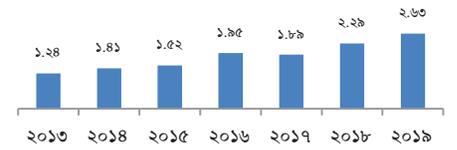
## প্রোগ্রাম বিভাগের কার্যক্রম পর্যালোচনা

এসএমসি বাংলাদেশের শিশু, মহিলা ও পরিবারিক স্বাস্থ্য ও সার্বিক উন্নতির লক্ষ্যে ধারাবাহিকভাবে কার্যক্রম চালিয়ে যাচ্ছে। এসএমসি'র প্রোগ্রাম কর্মকান্ড বাস্তবায়নের মূল লক্ষ্য হলো জনস্বাস্থ্য পণ্যের চাহিদা বৃদ্ধি ও সরবরাহ নিশ্চিত করা, বিহেভিয়ার চেইঞ্জ কমিউনিকেশন (বিসিসি) কার্যক্রমের মাধ্যমে স্বাস্থ্য সম্পর্কিত আচরণে ইতিবাচক পরিবর্তন আনা এবং বেসরকারী স্বাস্থ্যসেবা প্রদানকারীদের সক্ষমতা বৃদ্ধি করা।

### প্রোগ্রাম পারফরমেন্স

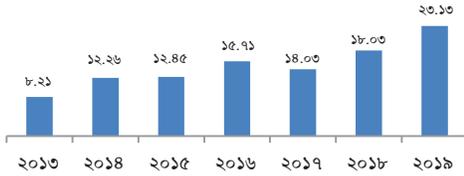
এসএমসি'র প্রোগ্রাম ডিভিশন আটটি জনস্বাস্থ্য পণ্য বাজারজাত করে থাকে। এর মধ্যে চারটি (সোমা-জেক্ট, সায়ানা প্রেস, রিল্যাক্স এবং আই-প্ল্যান্ট) ইউএসএআইডি-এর অনুদানপ্রাপ্ত এবং বাকি পণ্যসমূহ (মনিমিক্স, জিংক, সেফ ডেলিভারি কিট এবং প্রোগনেন্সি টেস্ট কিট) নিজস্ব অর্থায়নে স্থানীয়ভাবে ক্রয়কৃত। গত অর্থবছরের তুলনায় এসএমসি'র প্রোগ্রাম পণ্যসমূহ ২০১৮-১৯ অর্থবছরে তাৎপর্যপূর্ণ প্রবৃদ্ধি অর্জন করেছে।

ইনজেক্টেবলস বিক্রয় তথ্য (মিলিয়ন স্যাশে অনুযায়ী)



এসএমসি'র প্রোগ্রাম কর্মকান্ডসমূহ সকল পণ্যের ধারাবাহিক প্রবৃদ্ধি বজায় রেখে চলেছে। এসএমসি দেশের পাঁচ বছরের কম বয়সী শিশুদের আয়রনের ঘাটতিজনিত রক্তস্বল্পতা হ্রাস করতে ২৯% প্রবৃদ্ধির সাথে ২৩.১৩ মিলিয়ন (স্যাশে) মনিমিক্স বিতরণ করেছে। এসএমসি'র ব্লু-স্টার নেটওয়ার্ক পাঁচ বছরের কম বয়সী শিশুদের শারীরিক বৃদ্ধি পর্যবেক্ষণের মাধ্যমে শিশুর ওজনহ্রাস এবং খর্বাকৃতি প্রতিহত করার ক্ষেত্রে বিশেষ নজরদারি চালাচ্ছে। এছাড়াও এসএমসি গত অর্থবছরের তুলনায় ১৪% প্রবৃদ্ধির সাথে ২.৬৩ মিলিয়ন (ভায়াল) ইনজেক্টেবলস বিতরণ করেছে। গত অর্থবছরের তুলনায় এই বছরে রিল্যাক্স এবং আই-প্ল্যান্ট-এর প্রবৃদ্ধি ছিল যথাক্রমে ১১% ও ১৭% এবং মাইক্রোনিউট্রিয়েন্ট জিংক-এর প্রবৃদ্ধি ছিল ৬০%।

মনিমিক্স বিক্রয় তথ্য (মিলিয়ন স্যাশে অনুযায়ী)



নীচের টেবিলে ২০১৮-১৯ অর্থবছরের প্রোগ্রাম পণ্যসমূহের বিক্রয় লক্ষ্যমাত্রা এবং অর্জন দেখানো হলো:

ব্র্যান্ড	পদ্ধতি/পণ্য	লক্ষ্যমাত্রা (জুলাই'১৮ - জুন'১৯)	অর্জন (জুলাই'১৮ - জুন'১৯)	% লক্ষ্যমাত্রা অর্জন	পণ্যের উৎস
সোমা-জেক্ট (ভায়াল)	ইনজেক্টেবলস	২,৪০০,০০০	২,৫৩১,২২১	১০৫%	ইউএসএআইডি অনুদান
সায়ানা প্রেস(ভায়াল)	ইনজেক্টেবলস	১১০,০০০	৯২,০১০	৮৪%	ইউএসএআইডি অনুদান
রিল্যাক্স (পিস)	সিইউটি-আইইউডি	৬,৩৩০	৬,৩৬৫	১০১%	ইউএসএআইডি অনুদান
আই-প্ল্যান্ট (পিস)	ইমপ্ল্যান্ট	৩,২০০	৩,১৮০	৯৯%	ইউএসএআইডি অনুদান
মনিমিক্স (স্যাশে)	মাইক্রোনিউট্রিয়েন্ট পাউডার	২২,০০০,০০০	২৩,১২৫,৭৬৭	১০৫%	নিজস্ব অর্থায়ন
জিংক (ব্লিস্টার)	মাইক্রোনিউট্রিয়েন্ট	৪২০,০০০	৪৬২,১০০	১১০%	নিজস্ব অর্থায়ন
সেফটি কিট(পিস)	সেফ ডেলিভারি কিট	৫৮,০০০	৫৭,৫২০	৯৯%	নিজস্ব অর্থায়ন
প্রোগনেন্সি টেস্ট ডিভাইস (এখনও ব্র্যান্ডেড হয়নি)	প্রোগনেন্সি টেস্ট ডিভাইস	৫০,০০০	৫০,৪০৮	১০১%	নিজস্ব অর্থায়ন
মোট সিওয়াইপি		৬৬৮,৭৭৮	৬৯৭,১৭১	১০৪%	
প্রোগ্রাম আয় (টাকা)		১৪৩,৪৫২,৩১৩	১৪৯,২০৮,৫৫৬	১০৪%	

এসএমসি, পণ্য সরবরাহ থেকে শুরু করে প্যাকেজিং, গুদামজাত ও বিতরণ অবধি সাপ্লাই চেইন ম্যানেজমেন্ট-এর প্রতিটি ক্ষেত্রে অত্যন্ত উচ্চমানের মানদণ্ড নিশ্চিত করে। এসএমসি তার পণ্যসমূহ ও পরিষেবাদের প্রসার বৃদ্ধিতে তিনটি প্রধান বিতরণ প্রক্রিয়ার উপর গুরুত্বারোপ করে থাকে, যেমনঃ বাণিজ্যিক বিতরণ, পাইকারি ও খুচরা বিক্রয় কেন্দ্রসমূহ; স্থানীয় এনজিও ও কমিউনিটি ভিত্তিক বিতরণ কেন্দ্রসমূহ এবং বেসরকারী স্বাস্থ্য সুবিধা ও স্বাস্থ্য সেবাপ্রদানকারীদের নেটওয়ার্ক। এছাড়াও কমিউনিটি মোবাইলাইজেশন এবং গণমাধ্যমে যোগাযোগ কার্যক্রম পরিচালনার মাধ্যমে পণ্যসমূহের ব্যবহার বৃদ্ধির প্রচেষ্টা করা হয়।

## কমিউনিটি মোবাইলইজেশন কার্যক্রম

কমিউনিটি মোবাইলইজেশন কার্যক্রমের উদ্দেশ্য হলো নিজের, পরিবারের তথা সমাজের সবাইকে স্বাস্থ্যকর অভ্যাস গ্রহণ এবং অনুশীলন করতে উৎসাহিত করা। এসএমসি ২০১৬ সালের অক্টোবর মাস থেকে ইউএসএআইডি-এর অর্থায়নে মার্কেটিং ইনোভেশনস ফর সাসটেইনেবল হেলথ ডেভেলপমেন্ট প্রোগ্রাম (এমআইএসএইচডি) বাস্তবায়িত করছে। এই প্রোগ্রামের উদ্দেশ্য হলো দীর্ঘমেয়াদী জন্মনিয়ন্ত্রণ পদ্ধতি, শিশুস্বাস্থ্য ও পুষ্টি, প্রসূতিস্বাস্থ্য, কিশোর-কিশোরীদের স্বাস্থ্যসহ পরিবার পরিকল্পনার পণ্য ও সেবাসমূহের সহজলভ্যতা বৃদ্ধি করা এবং বিসিসি কার্যক্রমের মাধ্যমে আচরণে ইতিবাচক পরিবর্তন আনার পাশাপাশি প্রাইভেট সেক্টরের মাধ্যমে সেবার মান বাড়ানো। এমআইএসএইচডি-এর আওতায় কমিউনিটি মোবাইলইজেশন কার্যক্রম তিনটি বাস্তবায়নকারী অংশীদারদের দ্বারা দেশের ১৬টি লো-পারফর্মিং জেলার ৬৫টি উপজেলায় বাস্তবায়িত হয়ে থাকে। অগ্রাধিকারপ্রাপ্ত এলাকাগুলো হলো যেখানে কম জন্মবিরতিকরণ সামগ্রীর ব্যবহার এবং উচ্চ শিশুমৃত্যুর হার পরিলক্ষিত হয়।



এসএমসি জুন, ২০১৭ থেকে নাটোর জেলার ৪টি উপজেলায় নিজস্ব অর্থায়নে একই কর্মসূচী বাস্তবায়ন করছে। এসএমসি এই উদ্যোগটি বগুড়া, সিরাজগঞ্জ এবং কক্সবাজার জেলার আটটি উপজেলায় সম্প্রসারণের পরিকল্পনা করছে।

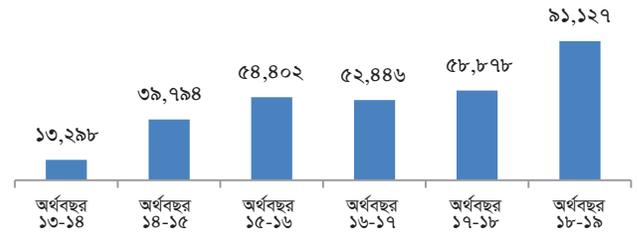
এই কার্যক্রমগুলো “নতুন দিন” নামে পরিচিত যেখানে এসএমসি পারস্পরিক যোগাযোগ এবং বিভিন্ন কার্যক্রমের মাধ্যমে ১,১৩৫,০১৪ জনের কাছে জনস্বাস্থ্যমূলক জরুরী বার্তাসমূহ পৌঁছে দিচ্ছে যা নিম্নলিখিত টেবিলে বর্ণিত করা হলো:

লক্ষিত জনগোষ্ঠী	যোগাযোগের মাধ্যম	প্রচারিত স্বাস্থ্য বার্তাসমূহ	যোগাযোগের সংখ্যা
এমডব্লিউআরএ (প্রজননক্ষম বিবাহিত মহিলা)/পাঁচবছরের কম বয়সী শিশুদের লালন-পালনকারী	দলীয় আলোচনা/পারস্পরিক যোগাযোগ	গর্ভধারণের সঠিক সময় ও বিরতি, শিশুজন্মের প্রথম ১,০০০ দিনের যত্ন যথা গর্ভকালীন যত্ন, নিরাপদ প্রসব, সন্তানের জন্ম, জন্মপরবর্তী যত্ন, শিশুকে বুকের দুধ পান করানো, মাইক্রোনিউট্রিয়েন্ট পাউডার, ওরস্যালাইন এবং শিশুর ডায়রিয়ায় জিংক-এর ব্যবহার, ইত্যাদি বিষয়ে গুরুত্ব দেয়া	৪৮৭,১৮৪
স্কুল/কলেজ/মাদ্রাসার কিশোর-কিশোরী (ছেলে ও মেয়ে)	স্কুল-ভিত্তিক স্বাস্থ্য বিষয়ক অধিবেশন	বাল্যবিবাহ এবং অল্পবয়সে গর্ভধারণ, বয়ঃসন্ধি, মাসিক পরিচালনা, ব্যক্তিগত স্বাস্থ্যবিধি, পুষ্টি এবং ধূমপান, মাদক ও যক্ষ্মার সাথে সম্পৃক্ত স্বাস্থ্য ঝুঁকি, ইত্যাদি বিষয়ে তথ্য প্রদান	৮৬,২০২
কমিউনিটি এডভোকেসি (সরকার নির্বাচিত জনপ্রতিনিধি, সমাজের নেতৃবৃন্দ, শিক্ষকবৃন্দ, স্বাস্থ্য ও পরিবার পরিকল্পনা কর্মী, ধর্মীয় নেতা, যুবনেতা ও সমাজের গণ্যমান্য ব্যক্তিবর্গ)	সভা	নতুন দিন প্রোগ্রামের উদ্দেশ্য ও কার্যক্রমসমূহের সংক্ষিপ্ত বিবরণ এবং কর্মসূচী বাস্তবায়নে সমাজের গণ্যমান্য ব্যক্তিবর্গের ভূমিকা সম্পর্কে অবহিত করা	৯,৯৫৬
সাধারণ জনসমাজ	মোবাইল ফিল্ম প্রোগ্রামের মাধ্যমে (অডিও-ভিডিও উপকরণসমূহ) সমাজের মানুষদের একত্রিত করা	গর্ভধারণের সঠিক সময় ও বিরতি, শিশুজন্মের প্রথম ১,০০০ দিনের যত্ন যথা গর্ভকালীন যত্ন, নিরাপদ প্রসব, সন্তানের জন্ম, জন্মপরবর্তী যত্ন, শিশুকে বুকের দুধ পান করানো, মাইক্রোনিউট্রিয়েন্ট পাউডার, ওরস্যালাইন এবং শিশুর ডায়রিয়ায় জিংক-এর ব্যবহার, বয়ঃসন্ধিকালীন স্বাস্থ্য এবং যক্ষ্মা বিষয়ক গুরুত্বপূর্ণ তথ্য প্রচার করা	৫২৫,৮৫০
নবদম্পতি	পারস্পরিক যোগাযোগ	গর্ভধারণের সঠিক সময় ও বিরতি, শিশু জন্মের প্রথম ১,০০০ দিনের যত্ন যথা গর্ভকালীন যত্ন, নিরাপদ প্রসব, সন্তানের জন্ম, জন্মপরবর্তী যত্ন, শিশুকে বুকের দুধ পান করানো এবং শিশুপুষ্টি	৪,৩৬৫
নদী অঞ্চলের লোকজন	লঞ্চ/নৌকায় অডিও-ভিজুয়াল উপকরণের মাধ্যমে স্বাস্থ্যসম্পর্কিত নাটক/ফিল্ম প্রদর্শন করা	গর্ভধারণের সঠিক সময় ও বিরতি, শিশু জন্মের প্রথম ১,০০০ দিনের যত্ন যথা গর্ভকালীন যত্ন, নিরাপদ প্রসব, সন্তানের জন্ম, জন্মপরবর্তী যত্ন, শিশুকে বুকের দুধ পান করানো, মাইক্রোনিউট্রিয়েন্ট পাউডার, ওরস্যালাইন এবং শিশুর ডায়রিয়ায় জিংক-এর ব্যবহার, বয়ঃসন্ধিকালীন স্বাস্থ্য এবং যক্ষ্মা বিষয়ক গুরুত্বপূর্ণ তথ্য প্রচার করা	২১,৪৫৭
মোট বিসিসি যোগাযোগ			১,১৩৫,০১৪

## গোল্ড স্টার নেটওয়ার্ক

গোল্ড স্টার নেটওয়ার্ক এসএমসি'র একটি অসাধারণ প্ল্যাটফর্ম যেখানে কমিউনিটি মোবাইলাইজেশন কার্যক্রম দ্বারা সম্ভাবনাময় গ্রামীণ মহিলাদের উদ্যোক্তায় রূপান্তরিত করে চলেছে। এই প্রচেষ্টা গ্রামীণ জনগোষ্ঠীতে নারীর ক্ষমতায়নকে উল্লেখযোগ্যভাবে বৃদ্ধি করেছে। এই গোল্ড স্টার সদস্যরা দীর্ঘমেয়াদী এবং স্থায়ী জন্মবিরতিকরণ পদ্ধতি গ্রহণ এবং সন্দেহজনক যক্ষ্মারোগীকে নিকটস্থ সার্ভিস ডেলিভারি কেন্দ্রে রেফার করে। এছাড়াও সামাজিক সচেতনতা ও আচরণে ইতিবাচক পরিবর্তন আনার বিষয়ে তথ্য প্রচার করার পাশাপাশি পারিবারিক পর্যায়ে এসএমসি'র জনস্বাস্থ্য পণ্যসমূহ বিক্রি করছে। ২০১৮-১৯ অর্থবছরে এসএমসি'র ২,২০০ জন গোল্ড স্টার সদস্যরা সর্বমোট ৯১ মিলিয়ন ওরস্যালাইন-এন, মাইক্রোনিউট্রিয়েন্ট পাউডার (এমএনপি), কনডম, ওরাল কন্ট্রাসেপটিভ পিল (ওসিপি), ইমার্জেন্সি কন্ট্রাসেপটিভ পিল (ইসিপি), জিংক, স্যানিটারি ন্যাপকিন, সেফ ডেলিভারি কিট, খাবার ও পানীয়, বেবি ডায়াপার এবং প্রেগনেন্সি টেস্ট কিট বিক্রি করেছে যা গত বছরের তুলনায় ৫৫% বেশী।

জিএসএম কর্তৃক বাৎসরিক বিক্রয় রাজস্ব (টাকায় '০০০)



## ব্লু-স্টার নেটওয়ার্ক

এসএমসি ব্লু-স্টার, কমিউনিটি পর্যায়ের নন-গ্র্যাজুয়েট স্বাস্থ্য সেবা প্রদানকারীদের একটি ব্র্যান্ডেড নেটওয়ার্ক। এই নেটওয়ার্কের অন্তর্ভুক্ত স্বাস্থ্য সেবাপ্রদানকারীরা স্বাস্থ্যবিষয়ক বিভিন্ন বিষয়ে বিশেষ প্রশিক্ষণ পেয়ে থাকেন। এসএমসি'র মাঠ পর্যায়ের প্রতিনিধিগণ পণ্য সরবরাহ এবং সাম্প্রতিক তথ্য প্রদানের জন্য নিয়মিতভাবে তাদের পরিদর্শন করেন। ২০১৮-১৯ অর্থবছরে ৭৬৭ জন নতুন সেবাপ্রদানকারী প্রশিক্ষণ গ্রহণ করে ব্লু-স্টার নেটওয়ার্কে অন্তর্ভুক্ত হয়েছে যা জাতীয়ভাবে সেবাপ্রদানকারীর সংখ্যা বৃদ্ধি পেয়ে মোট ৭২৫৬ জনে দাঁড়িয়েছে।



১৩৯,৭১৩ সন্দেহজনক যক্ষ্মারোগীদের রেফার
১১৩,০১৪ সক্ষম দম্পতিকে এলএপিএম গ্রহণের জন্য রেফার
২০,০৬২ পাঁচ বছরের কম বয়সী শিশুদের জিএমপি সেবা প্রদান

এছাড়াও উল্লেখিত বছরে ২,১২৯ জন ব্লু-স্টার সেবা প্রদানকারীদের রিফ্রেশার্স ট্রেনিং প্রদান করা হয়। ব্লু-স্টার সেবাপ্রদানকারীরা গর্ভনিরোধক ইনজেক্টেবলস প্রদান এবং মনিমিট্র সরবরাহ করার পাশাপাশি পাঁচ বছরের কম বয়সী শিশুদের শারীরিক বৃদ্ধি পর্যবেক্ষণ এবং প্রচার কর্মসূচীতে নিয়োজিত থাকেন। সেবাপ্রদানকারীরা সক্ষম দম্পতিকে দীর্ঘমেয়াদী এবং স্থায়ী জন্মবিরতিকরণ পদ্ধতি গ্রহণের জন্য এবং সন্দেহজনক যক্ষ্মা রোগীদের নিকটস্থ সার্ভিস ডেলিভারি সেন্টারে রেফার করে থাকে।

## পিংক স্টার নেটওয়ার্ক

লং অ্যাকটিং রিভার্সিবল কন্ট্রাসেপটিভ (এলএআরসি) পরিষেবা প্রাইভেট সেক্টরের সেবা প্রদানকারীদের সম্পৃক্তকরণ এসএমসি'র প্রোগ্রামের একটি গুরুত্বপূর্ণ পদক্ষেপ। ইউএসএআইডি'র সহায়তায় এসএমসি গ্র্যাজুয়েট ডাক্তারদের মাধ্যমে সারাদেশে এলএআরসি সেবা দিয়ে যাচ্ছে যা পিংক স্টার নামে পরিচিত। বর্তমানে ৬৫০ জন পিংক স্টার প্রোভাইডারগণ (পিএসপি, গ্র্যাজুয়েট ডাক্তারদের একটি নেটওয়ার্ক, যেখানে বেশির ভাগই ধাত্রীবিদ্যা ও স্ত্রীরোগ বিশেষজ্ঞ) আইইউডি, ইমপ্ল্যান্ট এবং ইনজেক্টেবলস সেবা প্রদান করার পাশাপাশি পিংক স্টার আউটলেটগুলোকে আরো উন্নত ও সেবাগ্রহীতাদেরকে আউটলেটের অবস্থান সম্পর্কে অবহিত করতে সহযোগিতা করে থাকেন।

৬৫০ জন পিংক স্টার প্রোভাইডারগণ (পিএসপি) এলএআরসি এবং ইনজেক্টেবলস প্রদান করেছেন
৯,৫৪৫ জন এলএআরসি সেবা গ্রহণ করেছেন

২০১৮-১৯ অর্থবছরে প্রায় ২৩০ জন পিংক স্টার প্রোভাইডারগণ (পিএসপি) বেসিক এবং রিফ্রেশার্স প্রশিক্ষণ পেয়েছেন। এসএমসি কমিউনিটি কাউন্সিলরদের দ্বারা পারস্পরিক যোগাযোগের মাধ্যমে কমিউনিটিতে পারিবারিক পর্যায়েও এলএআরসি পরিষেবাদের চাহিদা বাড়ানোর উদ্যোগ অব্যাহত রেখেছে। তারা গর্ভবতী মায়েদের প্রসবোত্তর গর্ভনিরোধক সম্পর্কেও পরামর্শ দিয়ে থাকেন। ২০১৮-১৯ অর্থবছরে, পিংক স্টার সেবাদানকারীগণ মোট ৯,৫৪৫টি এলএআরসি পদ্ধতি (আইইউডি-৬,৩৬৫ এবং ইমপ্ল্যান্ট-৩,১৮০), যার মধ্যে ২৭ জন কমিউনিটি কাউন্সিলরদের সহায়তায় ২,৩৫৭টি পদ্ধতি (আইইউডি-১,০১৮ এবং ইমপ্ল্যান্ট-১,৩৩৯), ২১টি জেলায় প্রয়োগ করা হয়েছে।

২ প্রশিক্ষণের বিষয়গুলির মধ্যে রয়েছে ইনজেক্টেবলস প্রয়োগ, অন্যান্য অস্থায়ী গর্ভনিরোধক পদ্ধতিসমূহ, পরামর্শ প্রদানে দক্ষতা, গর্ভধারণের সঠিক সময় ও বিরতি, মাতৃস্বাস্থ্য (প্রসবকালীন যত্ন এবং নিরাপদ প্রসব), প্রসবোত্তর যত্ন, নবজাতকের যত্ন, তীব্র শ্বাসতন্ত্রের সংক্রমণ (এআরআই)/নিউমোনিয়া, ডায়রিয়া, যক্ষ্মা, শিশুপুষ্টি, শারীরিক বৃদ্ধি পর্যবেক্ষণ এবং প্রচার, দীর্ঘমেয়াদী এবং স্থায়ী জন্মবিরতিকরণ পদ্ধতি গ্রহণের জন্য এবং সন্দেহজনক যক্ষ্মা রোগীদের রেফার করা

## গ্রীন স্টার নেটওয়ার্ক

এসএমসি, সমগ্র দেশব্যাপী ৪০৭ জন ফার্মেসী বিক্রেতা এবং সাধারণ ঔষধ বিক্রেতাদের গ্রীন স্টার নেটওয়ার্কের (৪,৫০০ জনের বেশী ফার্মেসী সেলসম্যান এবং সাধারণ ঔষধ বিক্রেতাদের সমন্বয়ে গঠিত একটি নেটওয়ার্ক) আওতায় আনতে বেসিক ট্রেনিং এবং ২,৫৪৮ জন গ্রীন স্টার সেবা প্রদানকারীদের রিফ্রেশার্স ট্রেনিং প্রদান করেছে<sup>৭</sup>। এই শ্রেণীর সেবা প্রদানকারীরা বাংলাদেশে প্রাথমিক স্বাস্থ্যসেবা প্রদানে গুরুত্বপূর্ণ ভূমিকা পালন করে থাকে। গ্রামীণ জনগোষ্ঠী স্বাস্থ্য ও পরিবার পরিকল্পনা সম্পর্কিত তথ্যের জন্য প্রাথমিকভাবে গ্রীন স্টার সেবা প্রদানকারীদের সাথে যোগাযোগ করে থাকে। তবে দুঃখজনক হলেও সত্য যে, এসকল সেবা প্রদানকারীদের স্বাস্থ্য সম্পর্কিত সেবা প্রদানের বিষয়ে যথাযথ জ্ঞান এবং প্রশিক্ষণের অভাব রয়েছে। সেজন্য সঠিক পরামর্শ এবং উপদেশ প্রদানে তাদের জ্ঞান এবং প্রশিক্ষণের উন্নয়ন অত্যন্ত জরুরী।

## টেলিফোন কাউন্সেলিং সার্ভিস “টেলি-জিজ্ঞাসা”

টেলি-জিজ্ঞাসা এসএমসি’র প্রোগ্রাম ডিভিশনের তত্ত্বাবধানে পরিচালিত টেলিফোন-ভিত্তিক কাউন্সেলিং সেবা প্রদানের একটি কার্যক্রম। এই সেবাটি রবিবার থেকে বৃহস্পতিবার সকাল ৯টা থেকে বিকাল ৫টা পর্যন্ত সকলের জন্য উন্মুক্ত থাকে। মহিলা ও পুরুষ পরামর্শদাতাগণ বিভিন্ন সংবেদনশীল বিষয়ে প্রশ্নের উত্তর দিয়ে থাকেন<sup>৮</sup>। এই সেন্টারটি ২০১৮-১৯ অর্থবছরে ৯,০০০ এর অধিক কল গ্রহণ করেছে যার মধ্যে শতকরা ৩৪ ভাগই নারী। প্রোগ্রামটি সেবাদানকারীদেরকে বিভিন্ন স্বাস্থ্য সম্পর্কিত এবং জন্মনিয়ন্ত্রণের আধুনিক পদ্ধতি সম্পর্কিত বার্তা প্রেরণ করে থাকে। এই ইউনিটটি বিভিন্ন প্রকার পর্যবেক্ষণ কার্যক্রম এবং দ্রুত সমীক্ষার কাজও পরিচালনা করে থাকে। প্রতিবেদনের বছরে, এসএমসি টেলি-জিজ্ঞাসার মাধ্যমে সেবাদানকারীর মতামত, কর্মসূচী বিষয়ক সূক্ষ্মদৃষ্টি, নেটওয়ার্ক পারফরমেন্স, সরবরাহকারী পর্যায়ে মজুদের অবস্থা, বিভিন্ন প্রোগ্রাম কার্যক্রমগুলোর পর্যবেক্ষণ, ইত্যাদি বিষয়ে আর্টটি দ্রুত জরিপ সম্পন্ন করে।



## অন্যান্য প্রকল্পসমূহ

### কড়াইল ও সাততলা বস্তিতে এমডব্লিউআরএ-দের মধ্যে এলএপিএম সার্ভিস সংক্রান্ত বিহেভিয়ার চেইঞ্জ কমিউনিকেশন (বিসিসি) ক্যাম্পেইন

২০১৬ সালে কড়াইল বস্তিতে নিজস্ব অর্থায়নে বিহেভিয়ার চেইঞ্জ কমিউনিকেশন (বিসিসি) সংক্রান্ত পাইলট কর্মসূচীর সফল বাস্তবায়নের পরে, এসএমসি জানুয়ারী, ২০১৮ থেকে কড়াইল ও সাততলা বস্তির অপরিবর্তিত এলাকাগুলোতে এলএপিএম সম্পর্কিত জ্ঞান এবং ব্যবহার বাড়ানোর উদ্যোগকে আরও বিস্তৃত করেছে। সম্ভাব্য এলএপিএম সেবাগ্রহীতাদের সাথে পারস্পরিক যোগাযোগ এবং দলীয় আলোচনার মাধ্যমে বিসিসি কার্যক্রমগুলো পরিচালিত হয়ে থাকে। এই উদ্যোগের ফলাফল যথেষ্ট সন্তোষজনক, যেখানে ২৫% সম্ভাব্য সেবাগ্রহীতা এলএআরসি গ্রহণ করেছে এবং ৫% স্থায়ী পদ্ধতি গ্রহণ করেছে।

## এসএমসি ক্লিনিক

দেশের সকল আয়ের জনগণকে সাশ্রয়ী মূল্যে মানসম্পন্ন স্বাস্থ্যসেবা এবং ডায়াগনস্টিক পরিষেবা প্রদানের জন্য এসএমসি একটি টেকসই ক্লিনিক মডেল চালু করেছে। এই ক্লিনিকের মূল বৈশিষ্ট্যসমূহ হল:

- সাধারণ চিকিৎসক দ্বারা সাশ্রয়ী মূল্যে নির্ধারিত জনগোষ্ঠীর জন্য উপযুক্ত মানের স্বাস্থ্যসেবা প্রদান।
- বিশেষজ্ঞ ডাক্তারদের সাহায্যে সেবা প্রদানের সুযোগ।
- সুলভ মূল্যে উন্নতমানের ডায়াগনস্টিক ল্যাব সুবিধা প্রদান এবং মডেল ফার্মেসী পরিচালনার মাধ্যমে সাশ্রয়ী মূল্যে মানসম্মত ঔষধ নিশ্চিত করা।



<sup>৭</sup> প্রশিক্ষণের বিষয়গুলোর মধ্যে রয়েছে সঠিক মাত্রায় ইনজেক্টেবলস-এর প্রয়োগ, এমএনপি এবং ঔষধের যথাযথ ব্যবহার সম্পর্কিত পরামর্শ এবং সেবা গ্রহীতাদের উপযুক্ত স্বাস্থ্য সেবাকেন্দ্রে রেফার করা।

<sup>৮</sup> পরিবার পরিকল্পনা পদ্ধতি, এর পার্শ্বপ্রতিক্রিয়া, যৌনরোগ, এইচআইভি/এইডস, অপরিবর্তিত গর্ভধারণ, কিশোর-কিশোরীদের স্বাস্থ্য বিষয়ক সমস্যা, সংক্রামক রোগ যেমন যক্ষ্মা, ইত্যাদি।

পরিচালনার প্রথম বছরেই ক্লিনিকটি ৪৫% পরিচালনা ব্যয় কাটিয়ে উঠেছে। এই মডেলটি আরও বিস্তৃত করার উদ্দেশ্যে জুন, ২০২০ সালের মধ্যে ঢাকার মিরপুরে এসএমসি'র নিজস্ব ভবনে এসএমসি ক্লিনিক-২ প্রতিষ্ঠা কার্যক্রম শুরু হবে বলে আশা করা যাচ্ছে। এসএমসি ক্লিনিক-২ এর সফলতার উপর নির্ভর করে একই স্থানে মাতৃসদন স্থাপনের মাধ্যমে সাশ্রয়ী মূল্যে প্রসূতি স্বাস্থ্যসেবা প্রদানের পরিকল্পনাও গুরুত্ব সহকারে বিবেচনা করা হচ্ছে।



### মাল্টিসেক্টরাল নিউট্রিশন প্রোগ্রামিং (এমএসএনপি)

এসএমসি অক্টোবর ২৪, ২০১৮ সালে একটি বৈজ্ঞানিক কর্মসূচী বাস্তবায়নের মাধ্যমে ইএসএআইডি-এর সহায়তায় মাল্টিসেক্টরাল নিউট্রিশন প্রোগ্রামিং (এমএসএনপি) প্রকল্প শুরু করেছে। এই প্রকল্পটি ইএসএআইডি-এর অর্থায়নে এফএইচআই ৩৬০ (FHI 360) এর নেতৃত্বে কেয়ার বাংলাদেশ, এআইআরএন (AIRN), পিএইচডি (PHD), এসএমসি এবং লাইফকর্ড (LifeChord) এর সমন্বয়ে পরিচালিত। প্রকল্পটি বাংলাদেশে দুই বছরের কম বয়সী শিশুদের পুষ্টিমান বাড়ানোর জন্য সরকার, এনজিও এবং বেসরকারী সংস্থাগুলোর পুষ্টিসংক্রান্ত কার্যক্রমগুলোর প্রভাব নির্ধারণের জন্য একটি মিশ্র গবেষণা পদ্ধতি অনুসরণ করেছে। কর্মসূচীর সফল বাস্তবায়নের লক্ষ্যে এসএমসি ৩টি প্রকল্প পরিচালিত জেলার আওতাধীন ৯টি উপজেলার ৩০টি ইউনিয়নে সেবা প্রদান অব্যাহত রেখেছে।



### মেটারনাল, ইনফ্যান্ট এবং ইয়াং চাইল্ড নিউট্রিশন (এমআইওয়াইসিএন) হোম ফোর্টিফিকেশন প্রোগ্রাম

এসএমসি, চিল্ড্রেন'স ইনভেস্টমেন্ট ফান্ড ফাউন্ডেশন (সিআইএফএফ)-এর অর্থায়নে, মেটারনাল, ইনফ্যান্ট এবং ইয়াং চাইল্ড নিউট্রিশন (এমআইওয়াইসিএন) হোম ফোর্টিফিকেশন প্রোগ্রামের দ্বিতীয় ধাপ বাস্তবায়ন করেছে। এই পর্যায়ে এসএমসি কমিউনিটি মোবাইলাইজেশনের মাধ্যমে এমএনপি (মাইক্রোনিউট্রিয়েন্ট পাউডার)-এর ব্যবহার ও স্থায়ী চাহিদা তৈরীর জন্য পাইলট কার্যক্রম সম্পন্ন করেছে। পাইলট কর্মসূচীর সামগ্রিক উদ্দেশ্য ছিলো এমআইওয়াইসিএন প্রোগ্রামের মাধ্যমে কমিউনিটি পর্যায়ের তিনটি উপজেলায় ৬ থেকে ৫৯ মাস বয়সী শিশুদের মধ্যে ব্যাপকভাবে এমএনপি-এর ব্যবহার বৃদ্ধি করে রক্তশূণ্যতা (এনিমিয়া) হ্রাস করা। প্রকল্পটি ডিসেম্বর ৩১, ২০১৮ সালে শেষ হয়েছে।

প্রকল্পের কর্মীরা ও গ্রামীণ মহিলা উদ্যোক্তারা (জিএসএম) পাঁচবছরের কম বয়সী শিশুদের মা এবং লালন-পালনকারীদের মাঝে এমএনপি (মনিমিস্ক)-এর স্থায়ী চাহিদা বৃদ্ধিতে যৌথভাবে কাজ করেছে। গোল্ড স্টার মেম্বারগণ (জিএসএম) অপ্রতিবন্ধক অঞ্চলগুলোর চেয়ে প্রতিবন্ধক অঞ্চলগুলোতে সর্বাধিক মনিমিস্ক বিক্রয় করেছে। পাইলটিং-এর মাধ্যমে জানা যায় যে, যদি এমএনপি সম্পর্কে সচেতনতা বৃদ্ধি এবং সঠিক মানুষের কাছে সঠিক বার্তা সঠিকভাবে উপস্থাপন করা যায়, তাহলে এমএনপি-এর চাহিদা দ্রুত বৃদ্ধি পাবে।



## ক্লিন হাউজহোল্ড এয়ার পলিউশন প্রকল্প (সিএইচএপি)

বাংলাদেশে তিন কোটিরও বেশী গৃহস্থালির মধ্যে ৯০% এরও বেশী গৃহস্থালি রান্নার ক্ষেত্রে জৈব জ্বালানির উপর নির্ভরশীল। রান্নার ক্ষেত্রে ঐতিহ্যগত/গতানুগতিক চুলা এবং খোলা চুলা ব্যবহারের ফলে জৈব জ্বালানী হতে নির্গত ক্ষতিকারক ধোঁয়া গৃহে নানান ধরনের বায়ু দূষণজনিত অসুস্থতা ও স্বাস্থ্যহানি ঘটায়। ক্লিন হাউজহোল্ড এয়ার পলিউশন প্রকল্প (সিএইচএপি)-এর লক্ষ্য হলো পারস্পরিক যোগাযোগ এবং অন্যান্য কার্যক্রমের মাধ্যমে উন্নত চুলা এবং জ্বালানির সুষ্ঠু ব্যবহার (ক্রয়, ব্যবহারিক নিয়ম এবং সামঞ্জস্যপূর্ণ ব্যবহার) নিশ্চিত করা। দুই বছরের এই প্রকল্পটি জুলাই, ২০১৬ সালে শুরু হয়েছিল। এসএমসি, রান্নায় উন্নতমানের চুলার ব্যবহার এবং জ্বালানির সুবিধাসমূহের বিকল্প পদ্ধতিসমূহ এবং এর সরবরাহ সম্পর্কে সচেতনতা বৃদ্ধির জন্য পারিবারিক পর্যায়ে কার্যক্রম বাস্তবায়ন করেছে। একটি সুস্থ পরিবেশ তৈরীতে এবং রান্নায় গতানুগতিক চুলা থেকে উন্নতমানের চুলা এবং সাশ্রয়ী জ্বালানিতে স্থানান্তরিত করার লক্ষ্যে ঢাকা ও বরিশাল বিভাগের ১৬টি উপজেলায় লক্ষিত জনগোষ্ঠীকে সহায়তা করতে এই প্রকল্পটি বাস্তবায়িত হয়েছে। প্রকল্পটি ফেব্রুয়ারী ২৮, ২০১৯ এ শেষ হয়েছে।



## পর্যবেক্ষণ ও মূল্যায়ণ (এমএভই)

এসএমসি'র প্রধান কার্যালয় এবং ফিল্ড অফিস পর্যায়ে একটি শক্তিশালী পর্যবেক্ষণ ও মূল্যায়ণ (এমএভই) টিম রয়েছে। প্রয়োজনে সঠিক এবং কার্যকর পদক্ষেপ নিতে নিয়মিত কার্যক্রম পরিচালনা করার জন্য টিমের সদস্যরা দায়বদ্ধ। এমএভই টিমের সদস্যরা কর্মসূচীর কার্যক্রম পর্যবেক্ষণ, পরিকল্পনা ও উন্নয়নের কাজের সাথেও জড়িত। এই টিম-এর উদ্দেশ্য হলো নীতি ও নির্দেশিকার সাথে সংগতি রেখে গুণগত মান ও যথার্থতা বজায় রেখে নির্ভুল এবং সঠিক প্রতিবেদন নিশ্চিত করা।

## মাঠ-পর্যায়ের পর্যবেক্ষণ কার্যক্রম

প্রকল্পটি নিম্নলিখিত উপায়ে এসএমসি'র এরিয়া অফিসগুলোতে বিদ্যমান পর্যবেক্ষণ ও নিরীক্ষণ কার্যক্রমসমূহের উন্নয়ন ও বাস্তবায়ন করে:

- ডেপুটি ফিল্ড প্রোগ্রাম ম্যানেজারগণ (ডিএফপিএম) প্রোগ্রাম কার্যক্রমগুলোকে আরো শক্তিশালী ও সঠিক বাস্তবায়নের লক্ষ্যে প্রতিদিনের কর্মসূচী পরিদর্শন ও পর্যবেক্ষণ করেন। এছাড়াও তারা প্রোগ্রাম কার্যক্রমগুলোর উন্নয়নে সংশ্লিষ্ট মাঠপর্যায়ের কর্মীদের প্রয়োজনীয় পরামর্শ প্রদান করে থাকেন।
- প্রোগ্রাম অফিসার- ট্রেনিং এবং সার্ভিস ডেলিভারি (পিও-টিএসডি), প্রশিক্ষণ এবং পরামর্শের মাধ্যমে এসএমসি নেটওয়ার্ক-এর আওতাভুক্ত আউটলেটগুলোর দক্ষতা বৃদ্ধির জন্য নিয়মিতভাবে আউটলেটগুলো পরিদর্শন করেন। তারা একটি চেকলিস্টের মাধ্যমে সার্বিক মান এবং কমপ্লায়েন্স পর্যবেক্ষণ করার পাশাপাশি আউটলেটগুলোর বাহ্যিক পরিবেশও পর্যবেক্ষণ করে থাকেন।
- এরিয়া অফিসগুলোতে কর্মরত এলএআরসি'র ফিল্ড কোঅর্ডিনেটরগণ একটি মানসম্পন্ন নিরীক্ষণ তালিকা নিয়ে পিংক স্টার আউটলেটগুলো পরিদর্শন করে থাকেন। তাদের দায়িত্বসমূহের মধ্যে অন্যতম হলো একজন সেবাদানকারীর নির্দিষ্ট প্রতিবন্ধকতাসমূহ খুঁজে বের করে তার অর্থপূর্ণ সমাধান প্রদানের মাধ্যমে সেবাদানকারীদের আত্মবিশ্বাসী ও সক্রিয় করে তোলা। এনজেডআরহেলথ-এর টেকনিক্যাল অফিসারগণও গুণগতমান নিশ্চিত করার লক্ষ্যে প্রতিটি চিকিৎসক এবং চিকিৎসা সেবাকেন্দ্রগুলো পরিদর্শন করে থাকেন।
- গ্রীন স্টার টিমের সদস্যগণ প্রয়োজনীয় পরামর্শ এবং প্রযুক্তিগত সহায়তা প্রদানের মাধ্যমে সেবা প্রদানকারীদের দক্ষ করে তোলার জন্য নিয়মিত গ্রীন স্টার আউটলেটগুলো পরিদর্শন করেন। তারা ইনজেক্টেবলস ও এমএনপি-এর সহজলভ্যতা, তথ্য সংরক্ষণ, পরিষেবার গুণগতমানের মূল্যায়ণ এবং মাসিক পারফরমেন্স সংক্রান্ত প্রতিবেদনের পাশাপাশি সেবাপ্রদানকারী ও আউটলেটগুলোর সামগ্রিক কমপ্লায়েন্স পর্যালোচনা করে থাকে।
- কমিউনিটি মোবাইলাইজেশন কর্মসূচীর প্রোগ্রাম অফিসারগণ প্রোগ্রাম কার্যক্রমগুলোর সুষ্ঠু বাস্তবায়নের জন্য কমিউনিটি মোবাইলাইজেশন পার্টনারদের সাথে কাজ করে থাকেন। তারা প্রোগ্রাম কার্যক্রম বাস্তবায়ন এবং ইমপ্লিমেন্টিং পার্টনারদের পারফরমেন্স সংক্রান্ত প্রতিবেদনের যথার্থতা পর্যবেক্ষণ করেন।

- এমএন্ডই ইউনিট বিভিন্ন চেকলিস্ট ব্যবহার করে নিয়মিতভাবে এসএমসি'র প্রোগ্রাম কার্যক্রমগুলো পর্যবেক্ষণ করে থাকে। এই ইউনিটটি কর্মসূচীর সংশোধন ও উন্নয়নের জন্য সংশ্লিষ্ট বিভাগকে তাদের অভিমত প্রদান করে। তারা সেবাদানকারীদের প্রযুক্তিগত দক্ষতা, রোগী বাছাই প্রক্রিয়া, পরামর্শ প্রদানে দক্ষতা এবং প্রয়োজনীয় রিপোর্টিং সিস্টেম পর্যবেক্ষণ করে থাকে।
- এসএমসি, প্রকল্প কর্মীদের মাঠ পর্যায়ের কার্যক্রম পর্যবেক্ষণ করতে এবং সেবাদানকারীদের মতামত, গুণগত মান ও কার্যসম্পাদন মূল্যায়ন করতে ই-ফোর্ট (ইলেক্ট্রনিক ফিল্ড অপারেশনস রিপোর্টিং টুলস) নামক একটি মোবাইল-ভিত্তিক অ্যাপস চালু করেছে।

## ডেটা কোয়ালিটি অ্যাসেসমেন্ট (ডিকিউএ)

ইউএসএআইডি-এর পরামর্শক্রমে মার্কিন সরকারের নীতিমালা অনুযায়ী এসএমসি নিয়মিতভাবে পরিবার পরিকল্পনা এবং অন্যান্য পরিষেবাদের ডেটা কোয়ালিটি অডিট এবং কমপ্লায়েন্স নিশ্চিত করে থাকে। এসএমসি'র প্রধান কার্যালয় এবং এরিয়া অফিসের কর্মকর্তাগণ এই সময়ের মধ্যে এমআইএসএইচডি প্রকল্পের আওতাধীন উপজেলার কমিউনিটি মোবাইলইজেশন কার্যক্রম পরিদর্শনের মাধ্যমে মোট ১৯৪ টি ডিকিউএ পরিচালনা করেছেন। ডিকিউএ টিমটি উপজেলা অফিসগুলো থেকে সংগৃহীত তথ্যের ধারাবাহিকতা, নির্ভরযোগ্যতা ও বৈধতা নিশ্চিত করতে গ্রাম এবং পরিবারগুলো পরিদর্শন করেছে। সংশ্লিষ্ট কর্মীরা ডিকিউএ থেকে প্রাপ্ত অনুসন্ধানগুলোর মাধ্যমে তথ্যের কার্যকারিতা এবং গুণগতমান নিশ্চিত করতে যথাযথ পদক্ষেপ গ্রহণ করে থাকেন।



ইউএসএআইডি এবং এসএমসি'র একটি দল এই বছরে যৌথভাবে ডিকিউএ কার্যক্রম পরিচালনা করেছে। ইউএসএআইডি দলের সদস্যরা তথ্য সংগ্রহের প্রক্রিয়া, তথ্যের বৈধতা ও নির্ভরযোগ্যতা, ডেটা সুরক্ষা এবং প্রশিক্ষণ গাইডলাইন, টিআইএইচআরটি পোস্টার, শার্প বক্সের সহজলভ্যতাসহ বিভিন্ন লজিস্টিকের উপস্থিতি বোঝার জন্য এসএমসি'র প্রধান কার্যালয় এবং একটি ব্লু-স্টার সেবাদানকারীর আউটলেট পরিদর্শন করেছেন। এই ডিকিউএ কার্যক্রমটি তথ্যের যথাযথতা ও বিশ্বাসযোগ্যতা, তথ্য সুরক্ষায় বিকল্প পদ্ধতি, ডেটা ইনপুট গাইডলাইন এবং ইলেক্ট্রনিক রিপোর্টিং সিস্টেমের উপর অধিক গুরুত্ব দিয়ে থাকে।

## আর্থিক ফলাফল

নীচের আর্থিক বিবরণীটি জুলাই ১, ২০১৮ থেকে জুন ৩০, ২০১৯ সময়ের সাথে সম্পর্কিত।

### ১. আয় এবং ব্যয়ের হিসাব (এসএমসি কর্পোরেট)

বিবরণ	২০১৮-১৯	২০১৭-১৮
আয় (ভাড়া, সুদ, লভ্যাংশ, পরিচালন ফি, সাধারণ পরিষেবা, ইত্যাদি)	২৯৯,০৬২,৬২৫	২০৬,৯৬২,৮৪৯
পরিচালনা খরচ	(৩৪০,৩১২,৬৪২)	(২৫৮,১৪৪,৪৭৭)
নেট উদ্ধৃত/(ঘাটতি)	(৪১,২৫০,০১৭)	(৫১,১৮১,৬২৮)

### ২. আয় এবং ব্যয়ের হিসাব (এসএমসি প্রোগ্রাম ডিভিশন)

বিবরণ	২০১৮-১৯	২০১৭-১৮
রাজস্ব	১৪৯,৯৬৬,৯৬৫	১৪০,৬৮০,৫৯৬
বিক্রিত সামগ্রীর উৎপাদন খরচ	(৫৫,৭৩৫,৩১১)	(৫৮,২৫৯,০১৭)
রাজস্ব উদ্ধৃত	৯৪,২৩১,৬৫৩	৮২,৪২১,৫৭৯
অনুদান গ্রহণ	৩১৭,৪২৬,০৭৬	৩৫৭,১৬৫,৭৪৫
অন্যান্য আয়	৮৬,৬৫৪	৭৫৯,৮৬২
বছরের মোট উদ্ধৃত	৪১১,৭৪৪,৩৮৩	৪৪০,৩৪৭,১৮৬
পরিচালনা খরচ	(৩৭৯,৯২৯,৮১৮)	(৪০৯,৮৩৮,৭২৩)
নেট উদ্ধৃত/(ঘাটতি)	৩১,৮১৪,৫৬৫	৩০,৫০৮,৪৬৩

৩. সংক্ষিপ্ত হিসাবনিকাশপত্র (৩০ জুন, ২০১৯ পর্যন্ত)

বিবরণ	২০১৮-১৯	২০১৭-১৮
মূলধন তহবিল	২,৯৮৮,৫৭৪,১১১	২,৯৫৬,৭৫৯,৫৪৬
রিটেইন্ড আর্নিংস	৩৬০,১২৮,৬১০	৩৯৭,০৫৬,০৩৮
চলতি দায়	৪৫৭,০১৬,৩১৯	৪৪৩,৫৫৭,৭৯১
মোট দায়	৩,৮০৫,৭১৯,০৩৯	৩,৭৯৭,৩৭৩,৩৭৫
স্থায়ী সম্পদ	৯৫২,১৩৭,০৩৫	৮৬৩,২৯২,৭৬৮
চলতি সম্পদ	২,৮৫৩,৫৮২,০০৪	২,৯৩৪,০৮০,৬০৭
মোট সম্পদ	৩,৮০৫,৭১৯,০৩৯	৩,৭৯৭,৩৭৩,৩৭৫

- এসএমসি হোল্ডিং এবং এসএমসি প্রোগ্রাম ডিভিশনের সম্পদ এবং দায়ের আর্থিক বিবরণী
- এসএমসি হোল্ডিং এবং প্রোগ্রামের স্থায়ী সম্পদের নীট মূল্য ৯৫২,১৩৭,০৩৫ টাকা
- স্থায়ী সম্পদের মধ্যে ১০ কোটি টাকা সহযোগী কোম্পানী এসএমসি এন্টারপ্রাইজ লিমিটেড-এ শেয়ারে বিনিয়োগ
- চলতি সম্পদের মধ্যে ১,৬৫৯,৫৬৭,০৩০ টাকা (৬,০৭০,৪০৭ টাকা এসএমসি স্টাফ ওয়েলফেয়ার ফ্রিম-এর জন্য) এসএমসি হোল্ডিং কর্তৃক এফডিআর-এ বিনিয়োগ

বোর্ড সভা এবং উপস্থিতি

জনাব সিদ্দিকুর রহমান চৌধুরী ২৯ আগস্ট, ২০১৯ এ অনুষ্ঠিত এসএমসি'র ১৮৬ তম বোর্ড সভায় দুই বছরের জন্য পরিচালনা পর্ষদের চেয়ারম্যান হিসেবে ৭ সেপ্টেম্বর, ২০১৯ এ পুনর্নির্বাচিত হয়েছেন। এসএমসি এন্টারপ্রাইজ লিমিটেড (এসএমসি ইএল)-এর সংঘস্বাক্ষরকলিপি এবং এসোসিয়েশন নিবন্ধের অনুচ্ছেদ ৯০ অনুসারে তিনি এসএমসি ইল বোর্ডের চেয়ারম্যান হিসেবেও অধিষ্ঠিত থাকবেন।

প্রতিবেদনকালীন সময়ে নিয়মিতভাবে বোর্ড সভা অনুষ্ঠিত হয়েছে, যার মধ্যে এসএমসি-এর সাতটি (৭) এবং এসএমসি ইএল-এর এগারোটি (১১)। বোর্ড সভাসমূহ কোম্পানী আইন ১৯৯৪ এর ৯৬ ধারা অনুসারে অনুষ্ঠিত হয়েছে। ব্যবস্থাপনা কর্তৃপক্ষ বোর্ড সভার নির্ধারিত সময়ের আগেই সকল পরিচালকগণকে আলোচনার এজেন্ডা, রেফারেন্স এবং বিস্তারিত কার্যপত্র প্রদান করে থাকেন। বৈঠকে চেয়ারম্যান আলোচ্যসূচীর প্রতিটি বিষয় বিবেচনার জন্য পরিচালকদের যথাযথ সময় বরাদ্দ করেন এবং তাদের আলোচনা, জিজ্ঞাসাবাদ এবং মতামত প্রকাশের জন্য আহ্বান করেন যাতে তারা দক্ষতার সাথে তাদের দায়িত্ব পালন করতে পারেন। বোর্ড উপস্থিতির বিবরণী নিম্নরূপঃ

সংখ্যা	পরিচালকগণের নাম	পদবী	বোর্ড সভায় উপস্থিতি (এসএমসি)
১.	জনাব সিদ্দিকুর রহমান চৌধুরী	চেয়ারম্যান	৭
২.	জনাব মোহাম্মদ আলী	পরিচালক	৭
৩.	বেগম রোকেয়া কাদের	পরিচালক	৬
৪.	জনাব মোঃ সিদ্দিক উল্লাহ	পরিচালক	২
৫.	ডাঃ ইয়াসমিন এইচ আহমেদ	পরিচালক	৪
৬.	জনাব আফতাব উল ইসলাম এফসিএ	পরিচালক	১
৭.	ডঃ মাসুদ ইকরামুল্লাহ খান	পরিচালক	৪
৮.	জনাব ফারুক আহমেদ	পরিচালক	৪
৯.	জনাব ওয়ালিউল ইসলাম	পরিচালক	৫
১০.	ডাঃ জহির উদ্দিন আহমেদ	পরিচালক	৫
১১.	জনাব মোঃ আলী রেজা খান	পদাধিকারবলে পরিচালক	৭
১২.	জনাব আব্দুল হক	পদাধিকারবলে পরিচালক	৬

পরিচালকগণ যারা সভায় অংশগ্রহণ করতে পারেননি তাদের অনুপস্থিতিজনিত ছুটি গ্রহণ করা হয়। জনাব মোঃ সিদ্দিক উল্লাহ এবং জনাব আফতাব উল ইসলাম এফসিএ বিগত মার্চ ৩০, ২০১৯ এ অনুষ্ঠিত ৩০তম বার্ষিক সাধারণ সভায় পরিচালক হিসেবে যোগদান করেন। অপরদিকে টানা দুইবার দায়িত্ব পালন করার পরে জনাব ওয়ালিউল ইসলাম এবং ডাঃ জহির উদ্দিন আহমেদ উক্ত সভায় অবসর গ্রহণ করেন এবং ডঃ মাসুদ ইকরামুল্লাহ খান দ্বিতীয় মেয়াদের জন্য পুনর্নির্বাচিত হন।

জনাব ওয়ালিউল ইসলাম জানুয়ারী ২৮, ২০১৯ এ অনুষ্ঠিত ৩৬তম বোর্ড সভায় এসএমসি ইএল বোর্ডে এসএমসি'র পক্ষে মনোনীত পরিচালক হিসেবে নিযুক্ত হন।

## অবসর ও পরিচালক নির্বাচন

কোম্পানীর আর্টিকেলস অব অ্যাসোসিয়েশনের ৪৫ নং অনুচ্ছেদ অনুযায়ী পরিচালকমন্ডলীর এক তৃতীয়াংশ অবসর নিবেন। পরিচালকমন্ডলীর মধ্যে তারাই অবসর নিবেন যারা তাদের বিগত নির্বাচনের পর থেকে দীর্ঘ সময় কর্মরত ছিলেন। একজন অবসরপ্রাপ্ত পরিচালক পুনর্নির্বাচনের জন্য যোগ্য হতে পারবেন। কোন ব্যক্তি পর পর দু'বারের অধিক মেয়াদে পরিচালক হিসেবে নির্বাচনের যোগ্য হতে পারবেন না।

উপরোক্ত ধারানুযায়ী এসএমসি বোর্ডের পরিচালক ডাঃ ইয়াসমিন এইচ আহমেদ আসন্ন বার্ষিক সাধারণ সভাতে পর পর দু'বার দায়িত্ব পালন শেষে অবসর নেবেন।

এছাড়াও জনাব মোহাম্মদ আলী, বেগম রোকেয়া কাদের এবং জনাব ফারুক আহমেদ আসন্ন বার্ষিক সাধারণ সভা থেকে অবসর নিবেন এবং দ্বিতীয় মেয়াদে পরিচালক পদে পুনর্নির্বাচনের জন্য যোগ্য হবেন।

## বার্ষিক সাধারণ সভা

বিগত ৩০ মার্চ, ২০১৯ তারিখে ঢাকায় সোশ্যাল মার্কেটিং কোম্পানী (এসএমসি)-এর প্রধান কার্যালয়ে কোম্পানীর ৩০তম বার্ষিক সাধারণ সভা অনুষ্ঠিত হয়। সভায় কোম্পানীর ২০১৭-২০১৮ অর্থবছরের পরিচালক মন্ডলীর প্রতিবেদন এবং নিরীক্ষা প্রতিবেদন গ্রহণ ও অনুমোদন করা হয় এবং ২০১৮-১৯ অর্থবছরের জন্য নিরীক্ষক নিয়োগ দেওয়া হয়। সভায় সভাপতিত্ব করেন এসএমসি-এর পরিচালনা পর্ষদের চেয়ারম্যান জনাব সিদ্দিকুর রহমান চৌধুরী। বোর্ডের পরিচালক মন্ডলী, কোম্পানীর সদস্যবৃন্দ, এসএমসি-এর ব্যবস্থাপনা পরিচালক এবং কোম্পানীর উর্ধতন কর্মকর্তাবৃন্দ সভায় উপস্থিত ছিলেন। কোম্পানীর ৩০তম বার্ষিক সাধারণ সভা কোম্পানী আইন ১৯৯৪ অনুসারে অনুষ্ঠিত হয়।

## সংবিধিবদ্ধ নিরীক্ষক নিয়োগ

আর্টিকেলস অব অ্যাসোসিয়েশনের ৪৯ ধারা এবং কোম্পানী আইন ১৯৯৪ এর ২১০-২১৩ ধারা অনুযায়ী কোম্পানীর সংবিধিবদ্ধ নিরীক্ষক মেসার্স ম্যাবস্ এন্ড জে পার্টনারস, চার্টার্ড অ্যাকাউন্টেন্টস, ৩১তম বার্ষিক সাধারণ সভায় অবসর নিবেন। নিরীক্ষক সংস্থাটি ২০১৯-২০ অর্থবছরের জন্য পুনর্নিয়োগের (ইওআই সংযুক্ত) আগ্রহ প্রকাশ করেছে এবং নিরীক্ষা ফি'র যৌক্তিক বৃদ্ধি বিবেচনার অনুরোধ করে। বর্তমানে মুসক এবং আনুসঙ্গিক খরচসহ নিরীক্ষা ফি ২৭৫,০০০ টাকা। কোম্পানীর বোর্ড ২০১৯-২০ সালে তাদের পুনর্নিয়োগের জন্য ৩ লক্ষ টাকা নিরীক্ষা ফি সুপারিশ করেছে। ম্যাবস্ এন্ড জে পার্টনারস, চার্টার্ড অ্যাকাউন্টেন্টসকে নিরীক্ষক হিসেবে পুনর্নিয়োগের প্রস্তাব কোম্পানীর আসন্ন বার্ষিক সাধারণ সভায় পেশ করা হবে।

## মানব সম্পদ

কোম্পানী সর্বদাই মানব সম্পদ ব্যবস্থাপনার ক্ষেত্রে সচেতন ও সর্বাধিক গুরুত্ব প্রদান করে আসছে। কর্মীদের সম্ভাব্য বিকাশ এবং দক্ষতা অর্জন তথা সুষ্ঠু কাজের পরিবেশ এবং পেশাগত উন্নয়ন নিশ্চিত করার ক্ষেত্রে কোম্পানীর একটি মানসম্মত মানব সম্পদ নীতিমালা বিদ্যমান রয়েছে। এছাড়াও কর্মীদের জ্ঞানের বৃদ্ধি, প্রশিক্ষণের প্রয়োজনীয়তা, উৎসাহ প্রদান, প্রনোদনা, পদোন্নতি, ইত্যাদি বিষয় নির্ধারণের জন্য বার্ষিক কর্ম-মূল্যায়ণ করা হয়।

মানব সম্পদ বিভাগ কাজের ক্ষেত্রে কর্মীদের নিয়মিত আপডেট রাখতে বিভিন্ন প্রশিক্ষণ এবং কর্মশালার আয়োজন করে তাদের সক্ষমতা বৃদ্ধি করার চেষ্টা করে এবং কোম্পানীর লক্ষ্য অর্জনে কর্মীদের সক্রিয় অবদান নিশ্চিত করে।

আভ্যন্তরীণ প্রশিক্ষণের ক্ষেত্রে কোম্পানী নিজস্ব কাস্টমাইজড কোর্স সামগ্রী তৈরী করেছে এবং সেই প্রোগ্রামগুলো পরিচালনার জন্য বিশেষজ্ঞ নিয়োগ করেছে। দক্ষতা বিকাশ এবং সক্ষমতা বৃদ্ধির অংশ হিসেবে এসএমসি এবং এসএমসি ইএল যৌথভাবে বেশ কয়েকটি প্রশিক্ষণ কর্মসূচী এবং কর্মশালা আয়োজন করেছে। কোম্পানীর যথাযথ কাজের বিবরণ এবং দায়িত্ব সম্বলিত একটি সমৃদ্ধ কর্মসংস্থান নীতি/এমপ্লয়ী হ্যান্ডবুক রয়েছে।

এসএমসি টাওয়ারের ১৮ তলায় আমাদের নিজস্ব প্রাঙ্গনে এখন বিভিন্ন প্রকার প্রশিক্ষণ এবং কর্মশালা পরিচালনা করা হচ্ছে যা ডিসেম্বর ৫, ২০১৮ তে উদ্বোধন করা হয়। একটি ক্যাফেটেরিয়াসহ প্রশিক্ষণ কক্ষটি ৩,০০০ বর্গফুট জায়গা নিয়ে অবস্থিত। প্রশিক্ষণ কক্ষটিতে একসাথে ৩৬ জনের বসার ব্যবস্থা রয়েছে এবং এটি সাউন্ড সিস্টেম ও মাল্টিমিডিয়া সহ অত্যাধুনিক প্রযুক্তি দ্বারা সুসজ্জিত। ক্যাফেটেরিয়াতে ৬৪ জনের বসার ব্যবস্থা রয়েছে।

### কর্পোরেট সোশ্যাল রেসপনসিবিলিটি (সিএসআর)

এসএমসি'র পরিচালনা পর্ষদ কর্পোরেট সোশ্যাল রেসপনসিবিলিটি (সিএসআর) সম্পর্কে, বিশেষ করে জেডার ইকুয়ালিটি, জাতি-ধর্ম-আঞ্চলিক সাম্যতা, শিশুশ্রম, মানবাধিকার, পরিবেশ দূষণ, সামাজিক বিপণন, সামাজিক কার্যক্রম, স্বাস্থ্যসেবা, বৃক্ষরোপণ কর্মসূচী, ইত্যাদির ক্ষেত্রে যথেষ্ট সচেতন এবং উদ্যোগী।

### কমপ্লায়েন্স

সকল প্রকার সংবিধিবদ্ধ এবং নিয়ন্ত্রকবিষয়ক রূপরেখা, নিয়মনীতি অনুসরণের জন্য কোম্পানীর নিজস্ব প্রক্রিয়া বিদ্যমান রয়েছে। প্রযোজ্য আইন ও বিধিবিধানের যথাযথ প্রয়োগ নিশ্চিত করার জন্য দক্ষ এবং অভিজ্ঞ কর্মীদের দায়িত্ব প্রদান করা হয়েছে।

### কর্পোরেট সোশ্যাল ইজেশন

এসএমসি, কর্পোরেট সেক্টরের সুশাসন মেনে চলা এবং মডেল হিসেবে ভূমিকা রাখতে দেশের শীর্ষস্থানীয় চেম্বার, যেমন মেট্রোপলিটন চেম্বার অব কমার্স এন্ড ইন্ডাস্ট্রিজ (এমসিসিআই), বাংলাদেশ এমপ্লয়র্স ফেডারেশন, ঢাকা চেম্বার অব কমার্স এন্ড ইন্ডাস্ট্রি (ডিসিসিআই)-এর সদস্য। এছাড়াও এসএমসি জাতীয় রাজস্ব বোর্ড, বাণিজ্য মন্ত্রণালয়, আরজেএসসি, ঔষুধ প্রশাসন অধিদপ্তর, বিএসটিআই, প্রভৃতি সরকারী নিয়ন্ত্রক সংস্থার সাথে যোগাযোগ রক্ষা ও সুসম্পর্ক বজায় রেখে চলেছে। এই সদস্যপদগুলো স্টেকহোল্ডারদের সুবিধার্থে কর্পোরেট গভর্নেন্স প্রতিপালনের ক্ষেত্রে কোম্পানীকে সহযোগীতা করে এসেছে।

### সহযোগী প্রতিষ্ঠানের কার্যক্রমঃ এসএমসি এন্টারপ্রাইজ লিমিটেড

এসএমসি এন্টারপ্রাইজ লিমিটেড (এসএমসি ইএল)-এর ইস্যুকৃত ১০০ টাকা অভিহিত মূল্যের ১০ লক্ষ শেয়ারের মধ্যে এসএমসি'র ৯৯৯,৯৯৮ টি শেয়ার রয়েছে। এসএমসি কর্তৃক ২৯ কোটি টাকা শেয়ার মানি ডিপোজিট হিসেবে এন্টারপ্রাইজের কাছে জমা রয়েছে। পরিচালকগণের প্রতিবেদনটি জুন ৩০, ২০১৯ এ সমাপ্ত বছরের উক্ত কোম্পানীর আর্থিক বিবরণী, লাভ-ক্ষতির বিবরণী, অন্যান্য আয়ের বিবরণ, নগদ প্রবাহের ইকুইটি পরিবর্তন এবং বিবৃতি সম্বলিত নিরীক্ষিত হিসাবগুলোর সাথে নিরীক্ষক প্রতিবেদনও এখানে অন্তর্ভুক্ত করেছে। এসএমসি ইএল-এর ব্যবসায়িক কার্যক্রম “সাবসিডিয়ারি কোম্পানী অপারেশনাল কার্যক্রম” সম্পর্কিত অধ্যায়ে বিশদ বিবরণ সন্নিবেশিত হয়েছে।

### সাধারণ পরিষেবা

দক্ষতা এবং কার্যকর ব্যয় আনয়নের লক্ষ্যে এসএমসি'র বেশ কয়েকটি সাধারণ পরিষেবামূলক বিভাগ/অনুবিভাগ রয়েছে যথা: নির্মাণ ও প্রকৌশল, এমআইএস এবং আইটি, গবেষণা ও পর্যবেক্ষণ এবং কর্পোরেট অ্যাফেয়ার্স। এই বিভাগ/অনুবিভাগ সমূহ এসএমসি এবং এর সহযোগী প্রতিষ্ঠান এসএমসি এন্টারপ্রাইজ লিমিটেড-এর অবকাঠামোগত বিকাশ, তথ্য প্রযুক্তির মাধ্যমে ব্যবসায়িক কার্যক্রমগুলোকে স্বয়ংক্রিয়করণ, ক্রেতাদের দৃষ্টিভঙ্গি ও মনোভাব জানতে গবেষণা কার্যক্রম পরিচালনা, কর্পোরেট ব্র্যান্ড ইমেজকে শক্তিশালী করার মাধ্যমে কোম্পানী এবং এর অংশীদারদের মধ্যে সেতুবন্ধন তৈরী করার লক্ষ্যে পরিষেবাসমূহ প্রদান করে থাকে। এইসব পরিষেবাসমূহের উল্লেখযোগ্য কার্যক্রমগুলো নীচে দেয়া হলো যেখানে প্রতিবেদনের আভ্যন্তরীণ অংশে বিশদ বিবরণ দেয়া হয়েছে।

প্রতিবেদনের সময়কালে নির্মাণ ও প্রকৌশল বিভাগ, এসএমসি এবং এর সহযোগী প্রতিষ্ঠান এসএমসি ইএল উভয়কে নির্মাণ ও অবকাঠামো সম্পর্কিত বিষয়গুলোর ক্ষেত্রে নিম্নলিখিত প্রযুক্তিগত সহায়তা প্রদান করেছেঃ

- ঢাকার মিরপুরে অবস্থিত এসএমসি টাওয়ার ২-এর নীচ তলা থেকে চৌদ্দ তলা পর্যন্ত ফাউন্ডেশন নির্মাণসহ তিন স্তরবিশিষ্ট বেইজমেন্ট এবং ছাদ ঢালাইয়ের কাজ সম্পন্ন হয়েছে। এছাড়াও আভ্যন্তরীণ সজ্জাকাজ ও অফিস সংস্কারসহ প্রশিক্ষণ কক্ষের কাজও সম্পন্ন হয়েছে।
- ক্যান্টিন, চেইঞ্জরুম, শৌচাগার এবং অন্যান্য সুবিধাদি সম্প্রসারণের জন্য ভালুকাতে একটি তিন তলা ভবন নির্মাণ; ভালুকাতে ওআরএস উৎপাদন ক্ষমতা বাড়াতে ৮ম থেকে ১২তম লাইন সম্প্রসারণ; মনিমিক্স পাউডার তৈরীর জন্য একটি নতুন উৎপাদন এলাকা নির্মাণ এবং কাঁচামাল গুদামজাত করার জন্য প্রিফেব্রিকেটেড ইস্পাত-এর তৈরী মেজেনিন মেবোর নির্মাণ কাজ সম্পন্ন করেছে।

এমআইএস এন্ড আইটি বিভাগ এসএমসি এবং এসএমসি ইএল উভয়ের ব্যবসায়িক কর্মকাণ্ডজনিত ব্যয় উল্লেখযোগ্যভাবে হ্রাস করতে এবং পরিচালনা কার্যক্রমসমূহের অধিকতর দক্ষতা বৃদ্ধির ক্ষেত্রে গুরুত্বপূর্ণ ভূমিকা পালন করে যাচ্ছে, যা উভয় প্রতিষ্ঠানের ব্যবসায়িক সফলতা এবং সামগ্রিক উন্নয়নে যথেষ্ট প্রভাব ফেলেছে। ব্যবসায়িক কার্যক্রম স্বয়ংক্রিয়করণ প্রক্রিয়ার অংশ হিসেবে এসএমসি এবং এর সহযোগী প্রতিষ্ঠান এসএমসি এন্টারপ্রাইজ লিমিটেড-এর মার্চ পর্যায়ের সামগ্রিক কার্যক্রমসমূহ সর্বাধুনিক মোবাইল-ভিত্তিক এবং ওয়েব-ভিত্তিক সফটওয়্যার অ্যাপ্লিকেশন ব্যবহার করে স্বয়ংক্রিয়করণ করা হয়েছে। এইসকল স্বয়ংক্রিয়করণ প্রক্রিয়া মার্চ পর্যায়ের (গ্রাহক, ফার্মাসিউটিক্যাল এবং প্রোগ্রাম কার্যক্রমসমূহ) কর্মীদের স্মার্ট ফোন ব্যবহার করে সর্বোত্তম পর্যায়ে ইলেক্ট্রনিক বিক্রয় চালান তৈরী এবং ইনভেন্টরি ম্যানেজমেন্ট-এ সহযোগীতা করেছে। যার ফলে এসএমসি'র নির্বাহী কর্মকর্তাগণ এখন জিওগ্রাফিক ইনফরমেশন সিস্টেম (জিআইএস) এবং গ্লোবাল পজিশনিং সিস্টেম (জিপিএস) ব্যবহার করে ব্যবসায়িক তথ্যের সঠিক চিত্র বিশ্লেষণ করতে সক্ষম।

এছাড়াও এই বিভাগটি বেশ কিছু আইটি বিষয়ক কার্যক্রমসমূহের উন্নয়ন ও বাস্তবায়ন করেছে। এর মধ্যে রয়েছে সাপ্লাই চেইন ম্যানেজমেন্ট-এর জন্য নতুন ওয়েব-ভিত্তিক পদ্ধতির প্রণয়ন করা যার মাধ্যমে সেন্ট্রাল ওয়ারহাউজ, ভালুকা ফ্যাক্টরী, কুমিল্লা হেলথ এন্ড হাইজিন ফ্যাক্টরী এবং বিক্রয় অফিসের বিদ্যমান ইনভেন্টরি ম্যানেজমেন্ট কার্যক্রমগুলোকে একীভূত করা যায়। মানব সম্পদ ব্যবস্থাপনা কার্যক্রম পরিচালনা করার জন্য সফটওয়্যার বাস্তবায়ন; প্রধান কার্যালয়ের এন্টি-ভাইরাস সার্ভারটি পুনরায় স্থাপন করার মাধ্যমে আইটি পরিচালনা কার্যক্রমগুলোর সুরক্ষা বৃদ্ধি; তথ্য বিপর্যয় পুনরুদ্ধার পদ্ধতি এবং তথ্য সংরক্ষণের পরিকল্পনা বাস্তবায়িত করেছে যা কোম্পানীর মূল্যবান সম্পদের সুরক্ষা নিশ্চিত করবে।

এই সকল উদ্যোগসমূহ নিঃসন্দেহে কোম্পানীর ক্রমবিকাশ এবং দক্ষতা বৃদ্ধি করতে সহায়তা করবে এবং বর্হিবিষয়ের সাথে সংগতি রেখে আমাদের ব্যবসায়িক কার্যক্রমকে প্রসারিত করতে আধুনিক প্রযুক্তি ও পদ্ধতির প্রবর্তনে আমাদের প্রয়াস অব্যাহত থাকবে।

২০১৮-১৯ অর্থবছরে এসএমসি'র গবেষণা ও পর্যবেক্ষণ অনুবিভাগ, এসএমসি এবং এর সহযোগী প্রতিষ্ঠান এসএমসি এন্টারপ্রাইজ লিমিটেড-এর জন্য গবেষণা কার্যক্রম পরিচালনা করেছে, যার উদ্দেশ্য ছিলো প্রোগ্রাম কার্যক্রমগুলোর প্রভাব নির্ধারণ, বিক্রয় ও বিপণন উদ্যোগ, ভোক্তা-ভিত্তিক গবেষণা, পণ্যের সম্ভাব্যতা যাচাই এবং গ্রাহকদের দৃষ্টিভঙ্গি সম্পর্কে জানা। উক্ত অনুবিভাগ প্রাথমিক গবেষণা তথ্য ব্যবহার করে বর্তমান বাজার নিয়ন্ত্রণে সহায়তা করে এবং বাজারের পরিস্থিতি, বিভিন্ন বাহ্যিক দিকসমূহ এবং আভ্যন্তরীণ সক্ষমতা মাথায় রেখে ভবিষ্যৎ বিপণন পরিকল্পনা তৈরী করে।

এই সকল তথ্যসমূহ বর্তমান কর্মসূচীর মধ্যে সমন্বয় সাধনের পাশাপাশি ভবিষ্যৎ পদক্ষেপসমূহের পরিকল্পনার জন্য বাজারের পরিস্থিতি এবং অন্যান্য বাহ্যিক অবস্থার সাথে তাল মিলিয়ে চলার কাজে গুরুত্বপূর্ণ ভূমিকা রাখে। নিম্নলিখিত ছকে এসএমসি'র মূখ্য গবেষণা প্রকল্পগুলোর সংক্ষিপ্ত বিবরণ উল্লেখ করা হলো:

### এসএমসি'র গবেষণামূলক কার্যক্রমসমূহঃ

গবেষণার শিরোনাম	গবেষণার উদ্দেশ্য
এসএমসি এবং এর প্রতিযোগী পণ্যগুলোর সহজলভ্যতা অনুসন্ধান করা	গবেষণার মূল উদ্দেশ্য ছিলো ফার্মা আউটলেটগুলোতে এসএমসি পণ্যের সহজলভ্যতা এবং অন্যান্য প্রতিযোগী পণ্যের মূল্যায়ন করা। গবেষণার সামগ্রিক উদ্দেশ্য ছিলো এসএমসি প্রদত্ত লং অ্যাকটিং এলএআরসি পরিষেবাদি ও বিসিসি উপকরণ রিভার্সিবল কনট্রাসেপটিভ (এলএআরসি) পরিষেবাদি ও সম্পর্কে লং অ্যাকটিং রিভার্সিবল বিহেভিয়ার চেইঞ্জ কমিউনিকেশন (বিসিসি) উপকরণসমূহের উপর কনট্রাসেপটিভ (এলএআরসি) ব্যবহারকারী এলএআরসি ব্যবহারকারী এবং সেবাপ্রদানকারীদের ধারণার এবং সেবাপ্রদানকারীদের উপলব্ধি, অভ্যাস মূল্যায়ন করা। সমীক্ষাটি প্রোগ্রামের সবল এবং দুর্বল দিকগুলোর ও মনোভাব সংক্রান্ত গবেষণা পরিচালনা। অনুসন্ধান করা ছাড়াও ভবিষ্যৎ উন্নয়ন এবং সম্প্রসারণের দিকগুলোও অনুসন্ধান করে।
রাজা, মায়া এবং এসএমসি'র সমদর্শিতা সম্পর্কিত গবেষণা পরিচালনা	গবেষণার মূল উদ্দেশ্য ছিলো এসএমসি, রাজা কনডম এবং মায়া বড়ির উপর ভোক্তাদের মনোভাব, উপলব্ধি এবং অনুভূতি পরিমাপ করা।

গবেষণার শিরোনাম	গবেষণার উদ্দেশ্য
পারিবারিক পর্যায়ে গুরুত্বপূর্ণ এবং জটিল প্রোগ্রামের দিকগুলো অনুসরণ সম্পর্কিত জরিপ কাজ পরিচালনা	সমীক্ষার মূল উদ্দেশ্য ছিলো গুরুত্বপূর্ণ প্রোগ্রাম সূচকগুলোতে প্রজননক্ষম বিবাহিত নারী (এমডব্লিউআরএ) এবং পাঁচ বছরের নিচের বয়সী শিশুদের লালন-পালনকারীদের জ্ঞান, দৃষ্টিভঙ্গি এবং আচরণগত পরিবর্তনসমূহের পর্যবেক্ষণ এবং মূল্যায়ন করার পাশাপাশি কমিউনিটি মোবাইলাইজেশন কার্যক্রমের উপর লক্ষ্যিত জনগোষ্ঠীর মনোভাব পরিমাপ করা।
নাটোর জেলায় কমিউনিটি সেলস এজেন্ট (সিএসএ) মডেল অঞ্চলগুলোতে লক্ষ্যিত জনগোষ্ঠীদের মধ্যে স্বাস্থ্য সম্পর্কে জ্ঞান, মনোভাব, অভ্যাস এবং দৃষ্টিভঙ্গির মূল্যায়ন করার জন্য বেইজলাইন স্টাডি পরিচালনা করা	গবেষণার মূল উদ্দেশ্য ছিলো প্রজননক্ষম বিবাহিত নারী (এমডব্লিউআরএ) এবং পাঁচ বছরের কম বয়সী শিশুদের লালনপালনকারীদের গুরুত্বপূর্ণ প্রোগ্রাম সূচকগুলোর উপর তাদের বর্তমান জ্ঞান, মনোভাব, অভ্যাস এবং দৃষ্টিভঙ্গির মূল্যায়ন করা।
পিংক স্টার টিভিসি'র পরবর্তী মূল্যায়ন পরিচালনা।	গবেষণার মূল উদ্দেশ্য ছিলো প্রজননক্ষম বিবাহিত নারীদের (এমডব্লিউআরএ) মধ্যে (যাদের অজ্ঞতঃ পক্ষে একটি জীবিত সন্তান আছে এবং যাদের স্বামী বিদ্যমান) সোমা-জেট টিভিসি'র গ্রহণযোগ্যতা এবং প্রভাব পরিমাপ করা।
কিশোর-কিশোরীদের প্রোগ্রাম কর্মসূচীর প্রভাব সম্পর্কিত গবেষণা পরিচালনা	গবেষণার সামগ্রিক উদ্দেশ্য ছিলো বিভিন্ন স্বাস্থ্য সংক্রান্ত সমস্যা নিয়ে কিশোর-কিশোরীদের জ্ঞান ও আচরণ মূল্যায়ন করা।
ভাসমান আইইসি কর্মসূচীর কার্যকারিতা মূল্যায়ন করা	গবেষণার মূল উদ্দেশ্য ছিলো ভাসমান আইইসি কর্মসূচীর মূল্যায়ন করা এবং নির্দেশনা অনুযায়ী কর্মসূচীটি পরিচালিত হচ্ছে কিনা তা পর্যবেক্ষণ করা।
জিংক-এর প্রেস বিজ্ঞাপনের নকশার প্রাক-পরীক্ষা পরিচালনা	গবেষণার মূল উদ্দেশ্য ছিলো বিজ্ঞাপন নকশার গ্রহণযোগ্যতা অনুসন্ধান করা এবং নকশার উন্নতির জন্য লক্ষ্যিত জনগোষ্ঠীর কাছ থেকে পরামর্শ সংগ্রহ করা।

এসএমসি'র কর্পোরেট অ্যাফেয়ার্স অনুবিভাগ, আভ্যন্তরীণ এবং বাহ্যিক যোগাযোগ রক্ষায় কোম্পানী এবং তার অংশীদারদের মধ্যে সেতুবন্ধন তৈরী করার লক্ষ্যে বিভিন্ন সুসংহত ও বিশ্বাসযোগ্য সামাজিক বার্তা প্রচারে গুরুত্বপূর্ণ ভূমিকা পালন করে। এই অনুবিভাগটি আভ্যন্তরীণ এবং বাহ্যিক তথ্যসমূহের সঠিক পরিচালনা, প্রকাশনা, বার্ষিক কমপ্লিমেন্টারি আইটেম তৈরী এবং কর্পোরেট বিজ্ঞাপন প্রচার কাজ সম্পাদন করে যা কোম্পানীর মূল্যবোধ এবং ব্র্যান্ড বার্তাকে সমন্বিত করে।

প্রতিবেদনের সময়কালে এই অনুবিভাগটি বিভিন্ন প্রোগ্রাম স্বাস্থ্য নেটওয়ার্কসমূহ যেমনঃ মনিমিক্স, এসএমসি ব্লু-স্টার এবং পিংক স্টারের জন্য ফেইসবুক পেইজ চালু করার মাধ্যমে ডিজিটাল যোগাযোগ ব্যবস্থার প্রবর্তন করেছে। এই সোশ্যাল প্ল্যাটফর্মটি আমাদের লক্ষ্যিত জনগোষ্ঠীর সাথে পারস্পরিক যোগাযোগের মাধ্যম হিসেবে কাজ করেছে এবং ইতোমধ্যে সামাজিক পর্যায়ে জনপ্রিয়তা অর্জন করে এর সার্থকতা প্রমাণ করেছে। এর মাধ্যমে আধুনিক ব্যবসায়িক রীতির সাথে এসএমসি'র সার্বিক সমন্বয় জোরদার করার পাশাপাশি কোম্পানী একটি শাস্রয়ী গনযোগাযোগ মাধ্যম প্রবর্তনে সক্ষম হয়েছে। তদুপরি উক্ত অনুবিভাগের আরো একটি সময়োচিত পদক্ষেপ ছিলো এসএমসি'র কর্পোরেট ওয়েবসাইটকে টেলে সাজিয়ে আরও গতিশীল, আধুনিক, ইন্টারেক্টিভ এবং সমৃদ্ধশালী করে তোলা।

## এগিয়ে চলা .....২০১৯-২০২০

কোম্পানীর মিশন এবং ভিশনের সাথে সঙ্গতি রেখে প্রোগ্রাম কার্যক্রমগুলোকে প্রসারিত করার ক্ষেত্রে এসএমসি সর্বদাই গুরুত্বারোপ করে এসেছে, যার ফলশ্রুতিতে পোর্টফোলিও বৃদ্ধি পেয়েছে। কোম্পানীর আগামীতে বেশ কয়েকটি নতুন উদ্যোগ ও পরিকল্পনা রয়েছে যা ২০১৯-২০২০ অর্থবছর থেকে আমাদের প্রোগ্রাম কার্যক্রমের সাথে অন্তর্ভুক্ত করা হবে। এর মধ্যে রয়েছেঃ

- জনগণের মধ্যে ডি-ওয়ার্মিং যথেষ্ট কম হওয়ায় এসএমসি শীঘ্রই তার নিজস্ব ডি-ওয়ার্মিং ব্র্যান্ড (ভার্মিসিড) সকল স্তরের জনসাধারণের মাঝে প্রচার ও প্রসারের উদ্যোগ নিয়েছে।
- কিশোর-কিশোরী এবং গ্রামীণ জনগোষ্ঠীর মধ্যে স্বাস্থ্যবিধির অংশ হিসেবে হাত ধোয়ার অভ্যাস বৃদ্ধি করার লক্ষ্যে কাগজের সাবান “ইজি ক্লিন”-এর প্রচারমূলক কার্যক্রমকে জোরদার করা।
- নগরের বস্তিগুলো অধিকাংশ ক্ষেত্রেই জনস্বাস্থ্য কার্যক্রমের সেবা হতে বঞ্চিত। একারণে জনস্বাস্থ্য সেবার পরিধি বৃদ্ধির লক্ষ্যে নগরবস্তি, পোশাক শিল্প কারখানা এবং শহরের স্বল্পআয়ের এলাকাগুলোতে আরো ব্লু-স্টার সেবা প্রদানকারী নিয়োগের দিকে এসএমসি মনোনিবেশ করবে।
- কিশোর-কিশোরীদের স্বাস্থ্য ও স্বাস্থ্যবিধি সংক্রান্ত অবস্থার উন্নয়নের লক্ষ্যে বয়ঃসন্ধিকালীন কর্মসূচীগুলোকে আরও জোরদার করা।
- এসএমসি, পরিষেবাদির সম্প্রসারণের লক্ষ্যে ব্লু-স্টার নেটওয়ার্কে গ্রাজুয়েট মেডিকেল সেবা প্রদানকারীদের নিয়োগের বিষয়টি খতিয়ে দেখবে।
- এসএমসি ক্রমান্বয়ে জনগোষ্ঠীর বিভিন্ন স্তরে যেমনঃ কিশোর-কিশোরী, গর্ভবতী মহিলা এবং বয়স্কদের মধ্যে পুষ্টি পণ্যের সরবরাহ এবং তথ্যের পরিধি বৃদ্ধি করবে।
- কমিউনিটি পর্যায়ে দলীয় আলোচনা ও স্কুল শিক্ষা কার্যক্রমের মাধ্যমে বাল্যবিবাহ এবং অল্প বয়সে গর্ভধারণের বিরুদ্ধে অভিযান জোরদার করা।
- এসএমসি, লো বার্থ ওয়েট (এলবিডব্লিউ) হ্রাস করার উদ্দেশ্যে অত্যন্ত কার্যকর সমাধান নিশ্চিত করতে গর্ভবতী মহিলাদের জন্য ম্যাটারনাল মাইক্রোনিউট্রিয়েন্ট সাপ্লিমেন্ট (এমএমএস) প্রবর্তনের পরিকল্পনা করছে।

## কৃতজ্ঞতা স্বীকারঃ

কোম্পানীর সকল সদস্যবৃন্দ, অংশীদারবৃন্দ, গ্রাহক, ব্যাংক, সরবরাহকারী, সরকারী সংস্থা, নিয়ন্ত্রক সংস্থাসমূহ যারা কোম্পানীর প্রোগ্রাম কার্যক্রম পরিচালনার সাথে সম্পৃক্ত ছিলেন, তাদের প্রতি কোম্পানীর পরিচালকগণ আন্তরিক ধন্যবাদ জ্ঞাপন করছে। আপনাদের সার্বক্ষণিক সমর্থন এবং মূল্যবান সহযোগিতার জন্য আপনাদের প্রতি আমরা কৃতজ্ঞ।

পরিচালক মন্ডলীর পক্ষ থেকে



সিদ্দিকুর রহমান চৌধুরী  
চেয়ারম্যান  
সোশ্যাল মার্কেটিং কোম্পানী

# পরিচালক মন্ডলীর প্রতিবেদন

# Audit Committee Report

The Board of Directors of Social Marketing Company (SMC) has constituted an Audit Committee to support the Board in fulfilling its oversight responsibilities.

## The Audit committee of SMC comprises following Board members:

1. Mr. Siddiqur Rahman Choudhury	Chairman
2. Mr. Muhammed Ali	Member
3. Mr. Waliul Islam	Member
4. Mr. Aftab ul Islam FCA	Member
5. Mr. Muhammed Farhad Hussain FCA	Member

The Audit Committee held two meetings during the period 2018-19. The Managing Director & Chief Executive Officer (CEO), SMC, Managing Director, SMC EL, Chief of Finance and Accounts, SMC, Chief Financial Officer (CFO), SMC EL, Company Secretary, SMC and the Head of Internal Audit, SMC were the invitees to the Audit Committee meetings.

## Role of the Audit Committee

The role of Audit Committee is to monitor the integrity of the financial statements of the company and review and, when appropriate, make recommendations to the main board on business risks, internal controls and compliance. The Committee satisfies itself by means of suitable steps and appropriate information, that proper and satisfactory internal control system are in place to identify and contain business risks and the company's business is conducted in a proper and financially appropriate manner.

## Major Responsibilities of the Audit Committee

In 2018-19, the Audit Committee reviewed its terms of reference in line with requirements of Bangladesh Securities and Exchange Commission's (BSEC) notification on corporate governance. The Committee carried out its duties in accordance with the terms of reference of the Audit Committee. Some of the major responsibilities of the Audit Committee are as follows:

- Review the annual, half-yearly and quarterly financial statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board.
- Review the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the company's processes for monitoring compliance with laws and regulations and the Codes of Conduct.
- Recommend appointment, termination and determination of audit fees for statutory auditors. Consider the scope of work, and oversee and evaluate the work performed by statutory auditors. Review permitted non-audit services performed by statutory auditors.
- Exercise its oversight of the work of Internal Audit department of the company. Review the effectiveness of Internal Audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of audit action plans.

## Major Activities of the Audit Committee

- Reviewed and recommended to the Board the quarterly and annual financial statements for the year ended 30 June, 2019.
- Considered and made recommendation to the Board on the appointment and remuneration of statutory auditors.
- Reviewed the management letter from external auditors for the year 2018-19 together with management's responses to the findings.
- Approved the Internal Audit Plan for 2019-20, monitored progress and effected revisions when necessary.
- Discussed Internal Audit reports and findings in detail with auditors and members of management and monitored the status of implementation of audit action plans and provided guidance to ensure timely completion of action plans.
- Reviewed the activities of the compliance function, incidence reporting and actions, and the status of enforcement of the company's Code of Conduct.
- Reviewed the Internal Audit Charter.



**Siddiqur Rahman Choudhury**

Chairman, Audit Committee

15th January, 2020



Program  
Activities



### SMC Blue Star Regional Meeting at Cox's Bazaar

With an objective to share best practices with each other, recognize good providers and find out ways forward to improve performance; SMC organized Blue Star Regional Meetings at Cox's Bazaar on September 15, 2018.



### LARC program at Mymensingh

SMC is implementing Pink Star Program to offer IUD and implant services through private sector doctors under USAID-Marketing Innovations for Sustainable Health Development Program. An experience sharing and performance review meeting with doctors of Pink Star Program of Mymensingh region was held on July 9, 2018.

### Chairman visits GSM Meetings

Mr. Siddiqur Rahman Choudhury, Honorable Chairman, Board of Directors, SMC and SMC Enterprise Limited attended a GSM meeting at Baraigram in Natore district on October 19 and at Kamalganj in Moulvibazar district on October 24, 2018.



## SMC joins USAID's MSNP journey

SMC organized a day-long orientation program with the MSNP project staff to share activities of SMC along with MSNP program activities. Core program staff of SMC also attended the session.



## SMC Gold Star Program into new horizons

SMC signed an MoU with Plan International Bangladesh recently as part of its collaboration with leading NGOs and INGOs having community-level women volunteers in order to transform them into entrepreneurs. Under this MoU, the initiative known as the Gold Star Providers Program (GSP) will be implemented by both SMC and Plan initially in six upazilas under Rangpur district.



## Barishal Division BSPs honored for their outstanding performance

A daylong Regional Meeting of Blue Star Providers was held in Barishal on February 13, 2019. Mr. Siddiquir Rahman Choudhury, Honorable Chairman of the Board of Directors of Social Marketing Company, attended the program as the Chief Guest. A total of 352 providers from Barishal, Bhola, Barguna and Patuakhali districts attended the meeting.



## SMC participated in international conference



SMC actively participated in the 27th International Scientific Conference of OGSB held during February 1 – 2, 2019 at the Bangabandhu International Convention Centre, Dhaka. More than 1,000 OBGYN including international participants from different countries participated in the conference.

## Refresher Training

SMC provides refresher training to BSPs' to increase their knowledge base, skill and build capacity of BSPs and ensure quality health services on a regular basis. According to the USAID-MISHD work plan of FY 2019, refresher training for 2,000 Blue Star providers was conducted in different batches during March - June, 2019. A training agency named "The Obstetrical and Gynaecological Society of Bangladesh (OGSB)" facilitated the training sessions.



## SMC meets Notun Din partners

SMC organized a day long Common Understanding Meeting in three batches during May 21 - 23, 2019. A total of 112 participants from SMC's five community mobilization partners (Shimantik, CWFD, PSTC, Shachetan and Plan International) took part in the meeting.



## Basic training provided to Green Star providers



Green Star basic training held in Dhaka on 17 April 2019 to bring for the newly joined GSPs (Green Star Providers) under the network. Objective of the training was to educate the pharmacists, drug sellers, and non-graduate health care providers on a number of health care services such as family planning counseling including injectable contraceptives administration, child nutrition and role of MNP in reduction of anemia, role of Zinc tablet as adjunct therapy in diarrheal management, irrational use of Drugs, TB(Tuberculosis) counseling and referral etc. The session also emphasized on USAID FP and environmental compliance.

# Corporate Governance

SMC acknowledges that good governance helps ensuring sustainable growth of an organisation by way of maintaining an equitable balance while meeting varied range of expectations from diverse stakeholders. The company has always strived to remain vigilant on good governance practices and fully compliance with the laws, rules and regulations, standard practices, policy guidelines that govern its operational activities from time to time.

## a. The Board and its composition

SMC Board is purely voluntary and consists of distinguished members of the civil society. Their vast experience in different sectors has positively contributed and helping the company to meet and face future challenges. The Board members are conscious of their own responsibilities in supervision and direction of affairs of the company in conformity with the practices of sound corporate governance. The Board ensures the integrity and firm attention of its employees, supported by a comprehensive framework of policies, guidelines and internal control. According to clause 30 (i) of the Articles of Association of SMC, the Board currently comprises 11 Directors including the Chairman and two are Ex-officio Directors such as MD & CEO of SMC and MD of SMC EL.

## b. Board Sub-committee

The Board is assisted in its oversight role by strong independent Board Sub Committees' who are jointly and or individually serving both the companies. All together there are 7 Board Sub-committees. These are:

- **Board Sub-committee on Procurement of SMC**
- **Board Sub-committee on Personnel Policy and Administrative Matters (Joint Committee)**
- **Board Sub-committee on Construction and Engineering Works (Joint Committee)**
- **Board Sub-committee on Program Development of SMC**
- **Board Sub-committee on Procurement of SMC EL**
- **Board Sub-committee for setting up the SMC EL Pharma Factory**

The Board Sub Committee meetings are held on regular basis as and when required on need basis. During the reporting period Board Sub Committees of SMC held 10 (Ten) meetings in connection with Procurement, Personnel, Construction and Engineering works, Program Development, Audit and other operational matters.

### • **Board Audit Committee (Joint Committee)**

The Audit committee comprises of five members of the Board headed by Chairman of SMC and its subsidiary SMC EL with a defined terms of reference (TOR). The members of the present audit committee are:

- **Mr. Siddiqur Rahman Choudhury, Chairman**
- **Mr. Muhammad Ali, Member**
- **Mr. Waliul Islam, Member**
- **Mr. Aftabul Islam, Member**
- **Mr. Muhammad Farhad Hussain, Member**

The committee relies on the expertise and knowledge of management, the internal auditors and the independent auditors in carrying out its oversight roles and responsibilities and accountable to the Board for carrying out the responsibilities associated with risks and controls, internal audit, financial statement, budgeting and compliances and submits its report to the Board of Directors from time to time.

### **c. Advisory Committee**

The five members Advisory Committee is led by the MD & CEO of the company who is assisted by top senior executives in the hierarchy of management. The well educated, professional and experienced members are rendering advisory support to the MD & CEO of the company as and when required by him. Currently the Advisory Committee comprises MD & CEO, Chief Finance & Accounts, Chief of Program Operations, GM Engineering & Construction, Addl. GM HR & Administration.

### **d. Operational committee**

At operational level, in order to monitor and follow up the administrative matters, the company has procurement committee comprising of head of the departments, headed by Chief of finance and accounts. Besides, there is an Investment committee headed by MD & CEO of SMC and a Committee which looks after the Employees Welfare and Children's education fund for both SMC & SMC EL.

### **e. Monitoring Grants and its Compliance**

Grants and Compliance department is supervising and monitoring the finance related activities of program department funded by donors and SMC. Regular independent audit being carried out with strict compliance in line with the guidelines for recipient contracted audits as required by USAID and other donors.

### **f. Internal Control**

The company has an extensive system of internal controls; ensure optimal utilisation and protection of resources and for the prevention and detection of irregularities and fraud. However, it is an ongoing process to modify and improving the internal controls and of monitoring compliance with financial and administrative practices and procedures as laid down in applicable laws, policies, rules & regulations. The Board has approved an organogram ensuring clear lines of delegation of authority and reporting for accountability of the management and non-management staff down the line. This has led to ensure effective decision making, evaluation of performance on the basis of clearly set measurable goals and through objective assessment of their achievements.

Both the companies have defined authorization and payment matrix where the financial authority limit is clearly spelt out for the Board Sub-committee, Managing Director(s) and Senior management hierarchy.

#### **• Internal Audit**

The company's 10 members Internal audit department headed by Head of Internal Audit is conducting audit covering all areas of operation with a view to ensure effective internal control within the organization in line with the policy guidelines of the company from time to time. It checks for compliance with policies and procedures and the effectiveness of the internal control systems and highlights significant findings in respect of any non-compliance. Audits are carried out in head office, factories, regional offices, area offices, central ware house of the companies. The frequency of which is determined by the level of risk assessed by the audit department in order to provide an independent and objective report on operational and management activities. The annual audit plan is reviewed and approved by the 'Audit Committee' for both SMC & SMC EL and the findings of the audits are submitted to the committee for review at their periodic meetings.

- **Financial Reporting framework and MIS**

The company adopted the Bangladesh Accounting Standards comprising of Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS) in line with International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS). Since adoption of such BAS and BFRS, progressive improvements on processes to comply with new requirements and proper disclosures are being made. Both the companies are already introduced an automated financial reporting system to more effectively comply with the requirements of recognition, measurement, classification and disclosures of financial instruments. The recommendations made by the external auditors in connection with the internal control system in previous years were reviewed during the year and appropriate steps have been taken to implement those.

In order to ensure data integrity and reliability the companies follow robust MIS with a focus of establishing technology driven process coupled with high level of data security with view to ensure data accuracy and reliability.

# Operational Results

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Program Income	149,966,965	140,680,596	109,177,204
Program Operating Expenses	435,665,130	468,097,740	392,711,562
Donation Received	317,512,730	357,925,607	284,900,225
<b>Surplus/(Deficit) - Program</b>	<b>31,814,565</b>	<b>30,508,463</b>	<b>1,365,867</b>
<b>Revenue Income (Corporate):</b>	<b>299,062,625</b>	<b>206,962,849</b>	<b>196,601,999</b>
Dividend Income	29,999,940	24,999,950	9,999,960
Interest Income	158,320,774	77,150,423	113,756,950
Rental Income	96,546,019	81,434,266	64,969,592
Income from Services (Niltara)	12,356,221	548,646	
Management Fees	1,251,179	4,544,976	7,205,079
Miscellaneous *	588,492	18,284,588	670,418
Operating Expenses (Corporate)	340,312,642	258,144,477	249,958,819
<b>Surplus/(Deficit) -Corporate</b>	<b>(41,250,017)</b>	<b>(51,181,628)</b>	<b>(53,356,820)</b>
<b>Surplus/(Deficit) - SMC Holding</b>	<b>(9,435,452)</b>	<b>(20,673,165)</b>	<b>(51,990,953)</b>
Non-Current Assets	952,137,035	863,292,768	824,950,680
Current Assets	2,853,582,004	2,934,080,607	3,031,444,493
Equity :	3,348,702,720	3,353,815,584	3,358,121,863
Capital Fund	2,988,574,111	2,956,759,546	2,916,429,830
Retained Earnings	360,128,609	397,056,038	441,692,033
Current Liabilities	457,016,319	443,557,791	498,273,310

\* FY 17-18, Misc. income includes sale of land at ORS Factory.



# Auditors Report- SMC

**Independent Auditors' Report and Audited Consolidated  
Financial Statements  
of  
Social Marketing Company (SMC)  
For the year ended 30 June 2019**

**Independent Auditors' Report  
To the Members of  
Social Marketing Company**

**Opinion**

We have audited the accompanying consolidated Financial Statements of Social Marketing Company and its subsidiary, SMC Enterprise Limited (together referred to as the "Group") which comprise the consolidated Statement of Financial Position as at 30 June 2019, consolidated Statement of Profit or Loss and Other Comprehensive Income, consolidated Statement of Changes in Equity, consolidated Statement of Cash Flows for the year then ended and a Summary of Significant Accounting Policies and Other Explanatory Notes.

In our opinion, the accompanying consolidated Financial Statements present fairly, in all material respects, (or give a true and fair view of) the Financial Position of Social Marketing Company and its subsidiary, as at 30 June 2019 and (of) its Financial Performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), comply with the Companies Act 1994, and other applicable Laws and Regulations.

**Basis for Opinion:**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated Financial Statements in accordance with IFRSs, 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 consolidated 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 consolidated 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 consolidated 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated 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 audit findings, including any deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The consolidated Statement of Financial Position, consolidated Statement of Profit or Loss and Other Comprehensive Income of the Company dealt with by the report are in agreement with the books of account.

Dhaka, Bangladesh  
Dated: 18 December 2019

  
MABS & J Partners  
Chartered Accountants

**Social Marketing Company**  
**Consolidated Statement of Financial Position**  
As at 30 June 2019

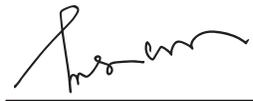
Particulars	Notes	30-Jun-2019	30-Jun-2018
		BDT	BDT
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	2,681,150,263	2,477,416,482
Capital work-in-progress		141,991,636	65,511,498
<b>Total non-current assets</b>		<b>2,823,141,899</b>	<b>2,542,927,980</b>
<b>Current assets</b>			
Inventories	5	955,353,472	704,954,053
Receivables	6	43,715,440	101,300,591
Advances, deposits and prepayments	7	935,992,757	937,361,220
Investment in fixed deposit	8	1,771,136,123	1,716,480,877
Cash and cash equivalents	9	539,739,948	452,271,777
<b>Total current assets</b>		<b>4,245,937,740</b>	<b>3,912,368,518</b>
<b>Total assets</b>		<b>7,069,079,640</b>	<b>6,455,296,498</b>
<b>Equity</b>			
Share capital		-	-
Capital fund	10	2,988,574,110	2,956,759,546
Retained earnings	11	2,449,720,693	1,948,114,795
<b>Total equity</b>		<b>5,438,294,803</b>	<b>4,904,874,341</b>
<b>Non-controlling interest</b>	11	6,284	5,207
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Retirement benefit obligation-gratuity	12	23,587,394	57,843,998
Deferred tax liability	23.1	55,568,780	62,093,083
<b>Total non-current liabilities</b>		<b>79,156,174</b>	<b>119,937,081</b>
<b>Current liabilities</b>			
Deferred Income	14	36,099,143	26,000,726
Provision for income tax	13	704,788,032	672,878,188
Accounts and other payables	15	709,190,729	625,267,496
Creditors for other finance	16	47,272,294	47,386,148
Accrued Interest on long term loan		-	1,372,603
Provision for Worker's Profit Participation & Welfare Fund	17	44,702,472	40,979,769
Security deposits		9,569,708	16,594,937
<b>Total current liabilities</b>		<b>1,551,622,378</b>	<b>1,430,479,868</b>
<b>Total equity and liabilities</b>		<b>7,069,079,640</b>	<b>6,455,296,498</b>



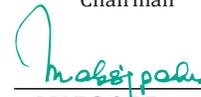
Shafi Uddin Ahmed, FCA  
Chief of Finance & Accounts



Md. Ali Reza Khan  
Managing Director & CEO



Siddiqur Rahman Choudhury  
Chairman



MABS & J Partners  
Chartered Accountants

Dhaka, Bangladesh  
Dated, 18 December 2019

**Social Marketing Company**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2019**

Particulars	Notes	30-Jun-2019	30-Jun-2018
		BDT	BDT
Revenue	18	6,620,635,278	5,376,256,209
Cost of goods sold	19	(4,068,399,270)	(3,289,142,488)
<b>Gross profit</b>		<b>2,552,236,008</b>	<b>2,087,113,721</b>
Operating expenses	20	(1,400,678,657)	(1,221,786,466)
Selling & Marketing Expenses		(887,618,874)	(640,049,923)
<b>Profit from operations</b>		<b>263,938,477</b>	<b>225,277,332</b>
Finance Expenses		(11,768,388)	(9,065,754)
<b>Net Operating Profit</b>		<b>252,170,089</b>	<b>216,211,578</b>
Donation income	21	317,426,076	357,165,745
Other Income	22	315,017,824	225,544,894
Provision for contribution to WPPF		(44,702,472)	(40,979,769)
<b>Net profit before tax</b>		<b>839,911,517</b>	<b>757,942,448</b>
Provision for income tax			
Current tax		(287,336,868)	(261,351,729)
Deferred tax	23	6,524,303	(4,448,883)
<b>Net profit after tax</b>		<b>559,098,952</b>	<b>492,141,836</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>559,098,952</b>	<b>492,141,836</b>
<b>Profit attributable to:</b>			
Social Marketing Company		559,097,815	492,140,810
Non-controlling interest		1,137	1,026
		<b>559,098,952</b>	<b>492,141,836</b>

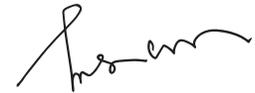
These financial statements should be read in conjunction with annexed notes



Shafi Uddin Ahmed, FCA  
Chief of Finance & Accounts



Md. Ali Reza Khan  
Managing Director & CEO



Siddiquir Rahman Choudhury  
Chairman

Dhaka, Bangladesh  
Dated, 18 December 2019



MABS & J Partners  
Chartered Accountants

**Social Marketing Company**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 30 June 2019**

Particulars	Capital fund	Retained earnings	Non-controlling interest	Total
	BDT	BDT	BDT	BDT
<b>Balance as on 01 July 2018</b>	2,956,759,546	1,948,114,795	5,207	4,904,879,548
Surplus/(Deficit) for the year - SMC (Program division)	31,814,565	-	-	31,814,565
Net profit/(loss) for the year - SMC (Corporate)	-	(41,250,017)	-	(41,250,017)
Utilization of Fund for GAIN-MIYCN Project	-	-	-	-
Previous years adjustment	-	4,322,588	-	4,322,588
Dividend Paid	-	(29,999,940)	(60)	(30,000,000)
Net profit for the year - SMC Enterprise Limited	-	568,533,267	1,137	568,534,404
<b>Balance as at 30 June 2019</b>	<b>2,988,574,111</b>	<b>2,449,720,693</b>	<b>6,284</b>	<b>5,438,301,088</b>

<b>Balance as on 01 July 2017</b>	2,916,429,830	1,504,936,762	4,232	4,421,370,824
Surplus/(Deficit) for the year - SMC (Program division)	30,508,463	-	-	30,508,463
Net profit/(loss) for the year - SMC (Corporate)	-	(51,181,628)	-	(51,181,628)
Utilization of Fund for GAIN-MIYCN Project	9,821,253	6,545,633	-	16,366,886
Dividend Paid	-	(24,999,950)	(50)	(25,000,000)
Previous years adjustment	-	-	-	-
Net profit for the year - SMC Enterprise Limited	-	512,813,977	1,026	512,815,003
<b>Balance as at 30 June 2018</b>	<b>2,956,759,546</b>	<b>1,948,114,795</b>	<b>5,207</b>	<b>4,904,879,548</b>

  
Shafi Uddin Ahmed, FCA  
Chief of Finance & Accounts

  
Md. Ali Reza Khan  
Managing Director & CEO

  
Siddiqur Rahman Choudhury  
Chairman

Dhaka, Bangladesh  
Dated, 18 December 2019

  
MABS & J Partners  
Chartered Accountants

**Social Marketing Company**  
**Consolidated Statement of Cash Flows**  
**For the year ended 30 June 2019**

Particulars	30-Jun-2019	30-Jun-2018
	BDT	BDT
<b>A. Cash flows from operating activities</b>		
Reconciliation of profit before tax to cash generated from operations		
Net profit before tax	851,679,905	767,008,205
Adjustments for non-cash items:	-	-
Depreciation on property, plant and equipment	251,610,376	199,748,204
	<b>1,103,290,282</b>	<b>966,756,409</b>
<b>Changes in working capital components:</b>		
(Increase)/decrease in inventories	(250,399,421)	(96,911,496)
(Increase)/decrease for Utilization of Fund for GAIN	-	-
(Increase)/decrease in previous year adjustment	4,322,588	-
(Increase)/decrease in accounts and other receivable	48,408,854	(152,868,599)
(Increase)/decrease in advances, deposit and prepayments	31,672,756	286,202,101
Increase/(decrease) in deferred donation income	10,098,417	680,333
Increase/(decrease) in accounts and other payable	104,273,738	(56,239,290)
Increase/(decrease) in provision of WPPF	3,722,703	3,640,709
Increase/(decrease) in security deposit	(7,139,083)	(5,739,936)
Increase/(decrease) in retirement benefit obligation-gratuity	(34,256,604)	1,530,675
Finance Cost Paid	(11,768,388)	(9,443,836)
	<b>(101,064,442)</b>	<b>(29,149,338)</b>
Cash generated from operations	<b>1,002,225,840</b>	<b>937,607,071</b>
Income tax paid	(293,583,863)	(458,030,686)
<b>Net cash generated by operating activities</b>	<b>708,641,977</b>	<b>479,576,385</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(461,357,273)	(420,629,083)
Proceeds from sale of property, plant and equipment	8,551,776	39
Adjustment of Excess Capitalization of Land of last year	-	400,000
Investment in Capital-work-in progress	(83,713,061)	(67,154,540)
Encashment of Fixed Deposit	-	116,509,458
Adjustment made for the end of the Projects	-	16,366,886
Investment in fixed deposit	(54,655,249)	(118,259,393)
<b>Net cash (used in)/generated by investing activities</b>	<b>(591,173,807)</b>	<b>(472,766,633)</b>
Dividend Paid	(30,000,000)	(25,000,000)
Loan received from SMC	-	-
Loan repaid to SMC during the year	-	-
Payments to Vendor's Account	-	-
<b>Net cash (used in)/generated by financing activities</b>	<b>(30,000,000)</b>	<b>(25,000,000)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>87,468,170</b>	<b>(18,190,247)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>452,271,777</b>	<b>470,462,024</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>539,739,948</b>	<b>452,271,777</b>



Shafi Uddin Ahmed, FCA  
Chief of Finance & Accounts



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Chairman

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**Social Marketing Company**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 30 June 2019**

**1. Organisation and its of activities**

Social Marketing Company (SMC) ("the Company") is a not-for-profit company incorporated in Bangladesh in April 1990 as per section 26 of the Companies Act, 1913 which subsequently comes under the jurisdiction of the Companies Act, 1994 and is involved in the reproductive, health and nutrition programs of the country. It is funded by the United States Agency for International Development (USAID) both through cash and contraceptive items. SMC formed SMC Enterprise Ltd, a for-profit subsidiary to separate profitable operations from non-profit activities in October 2014. SMC Enterprise Limited ("SMCEL") is registered with Registrar of Joint Stock Companies and Firms vide registration no. L-30001503052-H.

**2. Basis of preparation of financial statements**

**2.1 Statement of compliance**

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act 1994.

IFRSs are designed to apply to general purpose financial statements and other financial reporting of all profit-oriented entities. The Company is not a profit oriented entity for the Programme Division. As such it is not possible to comply with all the requirements of IFRSs. However, the Company adopted the IFRSs so far it is possible to comply without any contradiction to the local laws, as its reporting framework.

**2.2 Principles of consolidation**

Subsidiaries are entities controlled by the Group. An investor controls an investee if and only if it has all of the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect the amount of the investor's returns.

The consolidated financial statements incorporate the financial statements of Social Marketing Company and the financial statements of a majority-owned subsidiary (SMCEL) company from the date that control commences until the date that control ceases. The financial statements of such subsidiary company are incorporated on a line by line basis and the investments held by the Group are eliminated against the corresponding share capital of subsidiary in the consolidated financial statements. All significant intercompany transactions and balances have been eliminated in consolidation. Figures used in the consolidated financial statements are based on the audited financial statements which are audited by other auditors.

**2.3 Measurement of the elements in the financial statements**

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognised and carried in the statement of financial position and statement of profit or loss and other comprehensive income. The measurement basis adopted by Social Marketing Company is historical cost. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.



The complete set of Financial Statements includes the following components:

- Consolidated Statement of Financial Position as at 30 June 2019;
- Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019;
- Consolidated Statement of Changes in Equity for the year ended 30 June 2019
- Consolidated Statement of Cash Flows for the year ended 30 June 2019; and
- Notes to the Consolidated Financial Statements for the year ended 30 June 2019.

#### 2.4 Functional and presentational currency

These financial statements are prepared in Bangladesh Taka (BDT), which is the Company and its subsidiaries' functional currency as well. All financial information presented in BDT has been rounded to the nearest integer.

#### 2.5 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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

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

Note - 4	Depreciation of property, plant and equipment
Note - 5	Inventories
Note -12	Retirement benefit obligation-gratuity
Note - 13	Provision for income tax

#### 2.6 Statement of cash flows

Statement of cash flows has been prepared in accordance with the International Accounting Standard (IAS) 7: Statement of cash flows, under indirect method. Statement of cash flows of SMC for year ended 30 June 2019 have been prepared following indirect method which is represented in this financial statements to make it comparable.

#### 2.7 Reporting period

The accounting period of the Company has been determined to be from 1 July to 30 June each year. These financial statements cover twelve months from 1 July 2018 to 30 June 2019.

Financial statements of one accounting period must be comparable to another in order for the users to derive meaningful conclusions about the trends in an entity's financial performance and position over time.

#### 2.8 Non-controlling interests in consolidated financial statements

Social Marketing Company adopted the accounting guidance on non-controlling interests in consolidated financial statements. Accounting guidance requires that a non-controlling interest in the equity of a subsidiary be accounted for and reported as equity and provides guidance on the treatment of net income and losses attributable to the non-controlling interest and changes in ownership interests in a subsidiary and requires additional disclosures that identify and distinguish between the interests of the controlling and non-controlling owners. Profit attributable to non-controlling interest represent income attributable to the common shareholders of SMC Enterprise Limited in a single line.



The composition of fully paid- up share capital of SMC Enterprise Limited is as follows:

Name of shareholder	Nationality	No. of shares	Face value per share	Amount in
			BDT	BDT
Social Marketing Company	Bangladeshi	999,998	100	99,999,800
Mr. Siddiquir Rahman Choudhury	Bangladeshi	1	100	100
Mr. Md Ali Reza Khan	Bangladeshi	1	100	100
		<b>1,000,000</b>		<b>100,000,000</b>

### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by group entities.

#### 3.1 Revenue

##### 3.1.1 Commodities sold

Products and ORS are sold at profits. Selling prices are fixed time to time by the management with a view to increase the effective use of modern contraceptive methods through promotion of family planning in a generic sense and to promote increased use of ORS for the interest of mother and child health care. Sales are recognised when all of the following conditions are fulfilled:

- SMC has transferred the significant risks and rewards of ownership of the products to the retailers;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of sales can be measured reliably; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 3.1.2 Revenue from the sale of donated goods

The policy of the Company is to sell its USAID donated products and products at subsidised prices.

##### 3.1.3 Donation income in the form of cash donation

Donation income in the form of cash donation is generated from fund provided by foreign donor(s) for programme expenditures.

##### 3.1.4 Other income

Gains and losses on sale of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. Interest accrued and earned on fixed deposits, is recognised as other income.

#### 3.2 Inventories

Contraceptives received through USAID have been valued at realisable value to the Company. The procured contraceptives are valued at average invoice price which includes C&F charges and other costs.

Raw materials and packing materials are valued at cost and the cost is principally determined at latest invoice price. Work in process (WIP) is valued at consumed raw materials cost (100% of materials). Finished goods are valued at cost, cost is principally determined using the average invoice price method. The produced ORS are valued at production cost.



### 3.3 Property, plant and equipment

#### 3.3.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment.

#### 3.3.2 Subsequent cost

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### 3.3.3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. The principal rates generally in use are as follows:

Asset category	Rate (%)
Land (HQ and Factory)	0
Buildings (HQ, Factory and CWH)	2.5 to 10
Lifts (HQ and CWH)	20
Power sub-stations (HQ, Factory and CWH)	20
Fire control system	20
Central air conditioning (HQ and Factory)	20
Deep tube well (Factory)	15
Plant and machinery	15
QC equipment	15
Warehouse equipment	15
Furniture and fittings	10
Vehicles	25
Other equipment	20
Office equipment	20
Other assets	20
Books	0

Items of assets are depreciated from the year of that the asset is completed or purchased and ready for use and no depreciation is charged in the year when an asset is disposed off. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Land is not depreciated.

#### 3.3.4 Impairment

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised in the statement of profit or loss and other comprehensive income if the carrying amount of an asset exceeds its estimated recoverable amount. However, no such conditions that would arise the risk of impairment of assets existed at the reporting date.

### 3.4 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.



### 3.4.1 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 or probabilities of receiving the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and cash equivalents, investment and investment of gratuity fund, interest and other receivables.

#### 3.4.1.1 Cash and cash equivalents

Cash and cash equivalents comprise cash balances in hand, current, short term and fixed deposits.

#### 3.4.1.2 Other receivables

The interest and other receivables includes receivables from donors, SMCEL (vendor agreement-current position) and other miscellaneous receivables.

### 3.4.2 Financial liability

All other financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include accrued expenses, other liabilities and creditor for other finance.

### 3.5 Impairment of financial assets

#### 3.5.1 Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company.

### 3.6 Foreign currency translations

Transactions in foreign currencies are translated to Bangladesh Taka (BDT) currency at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the year. Resulting exchange differences are recognised in the statement of profit or loss and other comprehensive income (profit and loss statement).

### 3.7 Employee benefits

#### 3.7.1 Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

#### 3.7.2 Defined contribution plan (Provident Fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company maintains a recognised provident fund.



### 3.7.3 Defined benefit plan (Gratuity Fund)

Defined benefit plan is a retirement benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and/or year of services. The Company has unfunded gratuity fund. The Employees' Gratuity Fund is being considered as defined benefit plan as it meets the recognition criteria. The Company's obligation is to provide the agreed benefits to current employees as per condition of the fund.

The Company operates a gratuity scheme for its permanent employees; provision for gratuity is made annually against one month's basic salary for an eligible employee who have been employed for less than 10 years and 1.5 month's basic salary for employees who have been employed for more than 10 years for each completed year of services.

### 3.7.4 Defined Staff Welfare Benefit Scheme

SMC Staff Welfare Benefit Scheme was created on 1st January 2015. As per which employees are given on additional benefit at each year end as per the decision of the board.

### 3.7.5 Workers' Profit Participation Fund

SMC Enterprise Limited's Workers' Profit Participation Fund (the "WPPF") also qualifies as defined contribution plan. The Company is required to provide 5% of net profit before tax before charging such expense in accordance with Bangladesh Labour Act 2006 (amended in 2013).

## 3.8 Taxation

Income tax for the year comprises current tax recognised in the statement of profit or loss and other comprehensive income (profit and loss statement).

### 3.8.1 Current tax

Current tax is the expected tax payable on the taxable income chargeable for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years. Provision for current tax expenses has been made on the basis of Income Tax Ordinance 1984 (as amended up to date).

### 3.8.2 Deferred tax

SMCEL a majority - owned subsidiary has recognised deferred tax liability in accordance with the provision of IAS 12 (Income tax) based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and its tax base.

## 3.9 Provisions

Provisions are recognised in the statement of financial position when the Company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

### 3.10 Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

### 3.11 Leases as lessor

The Company leased out a number of floors of the Head Office building. The lease income from operating leases shall be recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term, unless another systematic basis is more representative of the time



### 3.12 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting event are disclosed in the notes when material.

Consolidated 30-Jun-2019 BDT	Consolidated 30-Jun-2018 BDT
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### 4. Property, plant and equipment

Opening Balance	3,222,380,344	2,783,743,476
Add: Addition during the year	463,895,932	476,807,876
Less: Sales/Adjustments during the year	11,439,602	38,171,008
Less: Accumulated depreciation (note 4.1)	993,686,411	744,963,861
<b>Total</b>	<b>2,681,150,263</b>	<b>2,477,416,482</b>

### 4.1 Accumulated depreciation

Opening Balance	744,963,861	582,986,626
Add: Charged during the year	251,610,376	199,748,204
Less: Sales/Adjustments during the year	2,887,826	37,770,969
<b>Total</b>	<b>993,686,411</b>	<b>744,963,861</b>

\* This amount represents written down value at the date of financial statements. Details are shown in **Annexure- A.**



Consolidated	Consolidated
30-Jun-2019	30-Jun-2018
BDT	BDT

**5. Inventories**

Details of the above are as follows:

**a. Contraceptives, ORS & others financed by:**

USAID - Somaject	30,537,916	17,720,370
USAID - Sayanapress	3,234,720	7,470,400
USAID - IUD	581,857	73,457
USAID - Implant	1,744,650	736,500
SMC - Pregnancy Test Kit	218,624	85,316
SMC - Somaject	8,672,295	-
SMC EL - Hero	8,947,023	3,052,862
SMC EL- Panther	27,894,875	18,487,915
SMC EL - Sensation Group	8,846,083	15,340,291
SMC EL- U&ME Group	15,953,517	16,640,698
SMC EL- Extreme Group	1,421,664	1,421,910
SMC EL- Noret	9,521,409	8,086,729
SMC EL- Femicon	77,286,910	25,765,540
SMC - Monimix	12,461,661	174,624
SMC EL- Raja	11,831,038	2,586,927
SMC - SDK	358,885	220,477
SMC EL- Pharma Products	24,004,407	5,701,731
SMC EL- Taste Me	13,312,530	21,886,596
SMC EL- Bolt	12,014,517	24,948,087
SMC EL- Amore	2,339,525	2,110,684
SMC EL- Joya	59,493,360	16,292,678
SMC EL- Norix	3,892,572	2,502,971
SMC EL- Minicon	6,751,121	3,600,092
SMC EL- Mypill	6,469,238	7,646,210
SMC EL- Femipill	38,220,762	26,610,193
SMC EL- Smile	43,415,556	14,748,684
SMC - Niltara Clinic-Pharmacy Products	2,723,850	1,514,658
SMC - Zinc	3,191,214	1,699,839

**Sub-Total**

**440,740,940**

**250,221,152**

<b>b.</b> ORS raw materials	41,347,042	27,134,484
<b>c.</b> ORS work-in process	8,177,066	4,550,872
<b>d.</b> ORS finished product stock	98,215,666	142,442,214
<b>e.</b> Advertising materials	28,846,574	23,717,595
<b>g.</b> Revolving Drug Fund (RDF) - HIV drug stock	-	-
<b>h.</b> Vehicle spare parts and others	54,668,556	42,069,343
<b>i.</b> Raw materials stock at factory - Joya	158,534,901	107,693,562
<b>j.</b> Raw materials stock at factory - Pharma	27,906,835	11,272,596
<b>k.</b> Raw materials stock at factory - ED	8,546,688	14,174,239

**Sub-Total**

**514,612,532**

**454,732,901**

**Grand-Total**

**955,353,472**

**704,954,053**

Consolidated	Consolidated
30-Jun-2019	30-Jun-2018
BDT	BDT

**6. Receivables**

Current account with area offices - trade		
Other receivables (note 6.1)		
Receivable from ADL for Pharma Sales		
Current account with area offices - expenses		
<b>Total</b>		

11,021,614	12,101,722
9,851,767	20,068,249
66,532	56,291,146
22,775,527	12,839,474
<b>43,715,440</b>	<b>101,300,591</b>

**6.1. Other receivables**

High Source Electronics		
Interest Receivables (Staff Welfare Benefits)		
Receivable from SMC PF Account		
Receivable from SMC Gratuity Account		
Receivable from SMC		
Pragati Insurance Ltd		
Receivable from donors for cash fund		
Accrued interest on FDRs		
Union Subscription		
Raw material loan		
Others		

-	3,200
137,053	112,711
2,200,000	6,000,000
6,109,411	-
157,587	7,150,235
443,064	-
132,567	151,527
654,534	573,153
-	2,400
-	4,770,880
17,550	1,304,143
<b>9,851,767</b>	<b>20,068,249</b>

**Sub-Total**

**7. Advances, deposits and prepayments**

**a. Advance**

Vehicle loans (note 7.1)		
Advance against expenses		
Advance against import (L/C)		
Advance income tax		
Advance Trade VAT		
Advance VAT-Toll Manufacturing		
L/C margin		
Advance to contractors		
Bank guarantee-Rupali/Uttara Bank Limited		
Loan to staffs from gratuity fund		
Advance/loan welfare fund		
Advances to Media Persons		
Current Account with VAT-ORS factory		
Current Account with VAT-H & H Factory		
Current Account with VAT-Stock		
Pragati Insurance Ltd		
Others		

48,617,990	33,531,674
19,702,648	60,222,965
166,726,808	176,731,164
605,397,004	537,019,080
-	599,539
342,950	490,321
3,568,453	45,957,560
26,587,250	25,244,408
1,160,000	1,160,000
-	-
283,571	556,826
6,869,949	-
6,199,500	12,714,940
7,849,945	3,720,508
30,059,979	27,317,571
1,897,096	1,438,202
-	11,331
<b>925,263,143</b>	<b>926,716,089</b>

**Sub-Total**

**b. Security deposits**



	Consolidated 30-Jun-2019 BDT	Consolidated 30-Jun-2018 BDT
Deposits against / with:		
Bangladesh Telecommunications Company Limited	284,290	284,290
Grameenphone Limited	11,451	11,451
Titas Gas Transmission and	69,780	69,780
Palli Biddut Samity deposit	541,750	541,750
Dhaka Electric Supply Authority	482,000	482,000
Alpine Fresh Water	19,500	19,500
General Post Office	48,000	48,000
Palli Bidyut Samity	1,149,600	1,149,600
First Security Islami Bank Limited, for 1640 K.W load of ORS Factory	2,538,960	2,538,960
First Security Islami Bank Limited, for 550 KW power to 1600 KVA substation at Bhaluka, Mymensingh for electrolyte drink	2,476,960	2,476,960
Performance Security to BRAC	30,000	70,000
First Security Islami Bank Limited, for electricity line construction	1,484,000	1,484,000
BRAC for OCP purchase	50,000	50,000
Power Development Board (PDB)	768,000	-
Save the Children	-	157,500
<b>Sub-Total</b>	<b>10,294,601</b>	<b>9,724,101</b>
<b>c. Prepayments</b>		
Insurance Premium	435,015	374,345
Ad Queen	-	-
Concord Communication Co. Ltd	-	-
Eastern Insurance Co. Ltd.	-	250,078
Polite Advertising	-	-
Reliance Insurance Ltd	-	112,528
United Insurance Company Limited	-	184,081
<b>Sub-Total</b>	<b>435,015</b>	<b>921,032</b>
<b>Grand Total (a+b+c)</b>	<b>935,992,757</b>	<b>937,361,220</b>

#### 7.1 Vehicles loans

The above loan was given by the Company to its staff to increase their operational efficiency. Entire amount of BDT 48,617,990 is receivable from top graded and management level personnel against motor car / motorbike loan under this scheme through a fixed number of installments.

The movement and subsequent position of this amount are as under:

Opening balance	33,531,674	19,025,651
Add: Advance given during the year	25,910,094	21,982,939
	59,441,768	41,008,590
Less: Adjusted/Realised during the year	10,823,778	7,476,916
<b>Closing balance</b>	<b>48,617,990</b>	<b>33,531,674</b>



### 8. Investment in fixed deposit

This represents fixed deposit including interest thereon with various banks and financial institutions namely:

	Consolidated 30-Jun-2019 BDT	Consolidated 30-Jun-2018 BDT
Brac Bank Limited	54,562,500	50,000,000
MIDAS Financing Limited	231,600,704	195,000,000
IPDC	322,843,936	335,699,361
IDLC Finance Limited	103,077,000	109,176,838
Dhaka Bank Limited	50,000,000	50,000,000
Jamuna Bank Limited	82,055,472	30,171,072
IIDFCL	310,897,901	303,418,773
Pubali bank Limited	40,000,000	-
One Bank Limited	40,000,000	-
Lanka Bangla Finance Limited	298,341,278	313,464,535
Reliance Finance	-	19,818,165
Reliance Finance (Staff Welfare Benefits)	6,070,407	3,855,825
Delta Brac Housing Finance Corporation Limited	209,716,925	285,876,308
Modhomoti Bank Limited	21,970,000	20,000,000
	<b>1,771,136,123</b>	<b>1,716,480,877</b>

### 9. Cash and cash equivalents

Cash in hand (note 9.1)	1,046,969	31,538,496
Cash at bank (note 9.2)	538,692,979	420,733,281
<b>Grand Total</b>	<b>539,739,948</b>	<b>452,271,777</b>

#### 9.1 Cash in hand

Head Office	263,973	92,066
Dhaka Area Office - East	58,877	-
Khulna Area Office	4,368	478
Kushtia Area Office	49,015	4,644
Sylhet Area Office	32,394	600
Comilla Area Office	102,063	17,000
Health & Hygiene Factory	10,054	15,535
Cash in hand of Area office sales officers	198,883	31,408,173
Barishal area office	127,610	-
Bogura area office	33,319	-
Mymensingh area office	37,913	-
Rajshahi area office	20,421	-
Rangpur area office	19,832	-
ORS Factory-Bhaluka	40,183	-
Chittagong area office	48,064	-
<b>Total</b>	<b>1,046,969</b>	<b>31,538,496</b>

Consolidated	Consolidated
30-Jun-2019	30-Jun-2018
BDT	BDT

## 9.2 Cash at bank

This represents balances in current and short term deposits with:

Uttara Bank Limited, Corporate Branch, Dhaka	53,020,536	45,179,140
Uttara Bank Limited, Gulshan Branch, Dhaka	103,810,364	48,722,282
Uttara Bank Limited, Gulshan Branch, Dhaka-Gratuity	-	-
Bangladesh Krishi Bank, Principal Branch, Dhaka	-	7,516
Bangladesh Krishi Bank, Banani Branch, Dhaka	189,761	5,411,698
Bangladesh Krishi Bank, Bhaluka Branch, Mymensingh	62,988	4,429,746
Brac Bank Limited	1,331,695	1,639,985
Agrani Bank Limited	8,771	11,946
Standard Chartered Bank	29,854,654	3,270,276
Sonali Bank Limited	3,431,861	4,297,560
IFIC Bank Limited	79,020	26,578
First Security Islami Bank Limited	50,719,218	43,344,357
Pubali Bank Limited	192,534,961	138,232,900
Prime Bank Limited	21,848,491	11,213,875
Dutch Bangla Bank Limited	9,532,446	89,194,630
Dutch Bangla Bank Limited (Staff welfare benefits)	83,680	162,514
United Commercial Bank Limited	2,839,962	2,646,306
Janata Bank Limited	1,325	6,689,155
National Bank Limited	661,066	2,083,369
Rupali Bank Limited	-	646,725
The Hongkong and Shanghai Banking Corporation	-	1,828,504
Eastern bank Limited	52,511,251	-
City bank Limited	841,286	-
Balance at Different Banks	15,329,643	11,677,517
<b>Sub-total</b>	<b>538,692,979</b>	<b>420,716,577</b>
Current and STD accounts and collection accounts with different branches of Uttara Bank Limited (SMC's Area Offices)	-	16,704
<b>Total</b>	<b>538,692,979</b>	<b>420,733,281</b>



	Consolidated 30-Jun-2019 BDT	Consolidated 30-Jun-2018 BDT
<b>10. Capital fund</b>		
Opening balance	2,956,759,546	2,916,429,830
Utilization of Fund for GAIN-MIYCN Project	-	9,821,253
Transferred from Income and Expenditure Statement (SMC Program Division)	31,814,565	30,508,463
<b>Closing balance</b>	<b>2,988,574,110</b>	<b>2,956,759,546</b>
<b>11. Retained earnings</b>		
Opening balance	1,948,120,002	1,504,940,994
Profit for the year of SMC Enterprise Limited	568,534,404	512,815,003
Previous years adjustment	4,322,588	-
Dividend Paid	(30,000,000)	(25,000,000)
Previous years provision of WPPF	-	6,545,633
Profit for the year SMC (Corporate)	(41,250,017)	(51,181,628)
<b>Closing balance</b>	<b>2,449,726,977</b>	<b>1,948,120,002</b>
Represented by:		
Retained earnings	2,449,720,693	1,948,114,795
Non-controlling interest	6,284	5,207
<b>Closing balance</b>	<b>2,449,726,977</b>	<b>1,948,120,002</b>
<b>12. Retirement benefit obligation-gratuity</b>		
For the FY 2018-19, gratuity fund is maintained as a separate set of accounts		
Opening balance	57,843,998	56,313,323
Add: Provision made during the year	41,587,394	29,746,770
	99,431,392	86,060,093
Less: Payment made during the year	75,843,998	28,216,095
<b>Closing balance</b>	<b>23,587,394</b>	<b>57,843,998</b>
<b>13. Provision for income tax</b>		
Opening balance	672,878,188	849,433,021
Less: Adjustment for the assessment year 2018-19	255,427,024	437,906,562
<b>Closing balance</b>	<b>704,788,032</b>	<b>672,878,188</b>
<b>14. Deferred Income</b>		
Deferred donation income has been recognised for the closing stock of donated goods and such goods are valued at realisable value.		
Donated goods	36,099,143	26,000,726
	<b>36,099,143</b>	<b>26,000,726</b>



Consolidated	Consolidated
30-Jun-2019	30-Jun-2018
BDT	BDT

**15. Accounts and other payables**

Advance received from tenant	16,218,386	4,215,718
Partner MISHD Project - Engender Health	1,077,097	828,163
Partner MISHD Project - PSTC	2,361,540	2,240,565
Partner MISHD Project - CWFD	-	2,617,411
Partner MISHD Project - SHIMANTIK	-	3,393,577
Receivable from staff gratuity account	-	6,724,175
Payable for - (ORS bonus, sales incentive, monimix bonus, gratuity, mobile sales money)	2,172,958	5,539,823
CSR Fund (corporate social responsibility)	4,214,582	5,072,625
SMC Employees Welfare Fund (As WPPF)	6,291,141	4,131,050
WPPF (Current year)	7,524,000	7,480,000
Liabilities for expenses	175,527,154	242,120,952
Payable to - various suppliers	496,214,250	342,004,159
Reneta Limited	3,311,814	2,442,393
ORG-Quest Research Limited	-	960,000
Somra MBL	-	677,856
Premier Catering	-	127,380
SMC Area Offices	720,248	1,361,869
Broad Band Telecom	-	12,233
ISCEA Bangladesh	-	20,000
Sanchaita Training Center	-	39,005
MABS & J Partners	275,000	250,000
Adcomm	-	2,949,180
BEAS Enterprise	-	2,331,430
SMC -Niltara, Dhaka Uddan	9,345	-
Provision for Performance Incentive	14,470,048	8,275,743
Others	7,115,568	2,104,193
<b>Sub-Total</b>	<b>737,503,131</b>	<b>647,919,500</b>
Adjustments for consolidation	<b>(28,312,402)</b>	<b>(22,652,004)</b>
<b>Grand-Total</b>	<b>709,190,729</b>	<b>625,267,496</b>

**16. Creditors for other finance**

Security deposits from:		
Suppliers and contractors	46,812,572	44,920,309
Suppliers income tax and VAT withheld	459,722	2,465,839
<b>Total</b>	<b>47,272,294</b>	<b>47,386,148</b>

**17. Provision for Worker's Profit Participation Fund & Welfare Fund**

Opening Balance	40,979,769	37,339,062
Add: Addition during the year	44,702,472	40,979,769
	85,682,241	<b>78,318,831</b>
Less: Paid during the year	40,979,769	37,339,062
	<b>44,702,472</b>	<b>40,979,769</b>



	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30-Jun-2019</b>	<b>30-Jun-2018</b>
	<b>BDT</b>	<b>BDT</b>
<b>18. Revenue</b>		
Programme division	149,966,965	140,680,596
Corporate Enterprise	6,975,742,119	5,619,440,868
Less: Value added Tax	504,093,227	380,964,023
Less: Discount on Sales	980,579	2,901,232
<b>Total</b>	<b>6,620,635,278</b>	<b>5,376,256,209</b>
<b>19. Cost of goods sold</b>		
Opening stock	391,148,707	338,100,574
Add: Production cost (note 19.1)	4,125,814,257	3,311,026,591
Add: Purchase during the year	165,784,649	102,866,066
Less: Transferred to deferred Income for donated goods	75,528,659	71,702,036
Less: Transferred to SMC EL(Raja)	2,586,927	
Less: Closing stock	536,232,757	391,148,707
<b>Total</b>	<b>4,068,399,270</b>	<b>3,289,142,488</b>
<b>19.1 Production cost</b>		
Consumption of raw materials	697,378,165	482,015,735
Consumption of packing materials	537,948,210	425,068,423
Factory Overhead	540,657,465	420,045,417
Purchase of commodities during the year	2,353,456,611	1,987,199,011
Opening work in process	4,550,872	1,248,877
Less: Closing work in process	8,177,066	4,550,872
<b>Sub-Total</b>	<b>4,125,814,257</b>	<b>3,311,026,591</b>
<b>20 Operating expenses</b>		
Salaries and benefits	612,582,590	478,904,083
Travel and distribution	19,432,525	21,854,475
Packaging expenses	11,836,031	11,546,176
General operating costs	63,617,795	53,927,238
Other direct cost	62,537,192	39,451,865
Audit fee	452,525	385,250
Legal and professional expenses	4,307,543	5,846,346
Advertisement and promotion	76,160,624	68,448,357
Depreciation	106,994,343	83,666,209
Research and product development	5,391,148	13,034,424
Participants' training	1,913,078	1,409,743
Repair and Maintenance	5,618,427	6,434,012
Utilities	11,984,490	10,740,958
Communication	6,584,789	5,212,275
Bank Charges & Commission	1,027,744	1,037,724
Consumables	3,147,530	3,534,677
Office supply	11,888,686	12,962,802
Subscription & donation	21,500	-
Rate & taxes	632,551	281,902
Trade license expenses	61,185	-
Product Registration Fees	636,272	-



	Consolidated 30-Jun-2019	Consolidated 30-Jun-2018
	BDT	BDT
Security services	11,153,144	7,266,138
Fuel generator	680,869	1,187,651
Sample Expenses	484,301	95,069
Trade handling charges	123,700	154,300
Honorarium	2,062,225	1,552,501
Recruitment & training exp.	601,996	1,592,832
Bad Debt	24,101	-
Entertainment	6,192,282	-
Meeting & conference exp.	6,288,774	9,827,549
Insurance & premium	7,451,267	9,009,597
Distributor's Commission	-	14,044,031
Inventory write off	351,137	1,025,096
Meal expenses	1,543,739	601,771
Staff gratuity	33,472,401	24,058,354
Medical check-up & Medical expenses	1,244,000	365,404
Cleaning & washing	6,600	12,214
Vehicle maintenance expenses	25,709,962	22,235,036
SMC Funded Projects	26,775,899	12,210,485
<b>Total</b>	<b>1,400,678,657</b>	<b>1,221,786,466</b>

**21. Donation income**

USAID	302,861,047	314,560,646
UN-CHAP	8,768,653	28,548,475
NHSDP-HIV	5,796,375	-
MIYCN GAIN	-	14,040,290
NHSDP	-	16,335
<b>Total</b>	<b>317,426,076</b>	<b>357,165,745</b>

**22. Other Income**

Break-up of the above is as follows:

<b>A. Bank interest</b>		
Interest received on FDRs	162,050,241	85,809,412
Interest received on STDs	7,568,521	6,032,343
<b>Sub-Total</b>	<b>169,618,762</b>	<b>91,841,755</b>
<b>B. Members' subscription</b>	<b>17,000</b>	<b>32,000</b>
<b>C. Headquarters building rent</b>	<b>96,546,019</b>	<b>81,434,266</b>
<b>D. Miscellaneous income</b>		
Insurance claim	750,280	895,396
Sale of scraps	3,699,379	2,995,317
Profit/(Loss) on sale of fixed assets	462,755	18,114,961
Service charges through SMC Nil Tara clinic	3,223,775	129,205
Income from sale of medicine-SMC Clinic	9,132,446	419,441
Income from rent of company vehicles to the staffs	105,566	136,334
Management fee	1,251,179	4,544,976
Dividend Income	29,999,940	24,999,950
Income from sale of tender forms	4,050	-
Other income	206,673	1,293
<b>Sub-Total</b>	<b>48,836,044</b>	<b>52,236,873</b>
<b>Grand-Total (A+B+C+D)</b>	<b>315,017,824</b>	<b>225,544,894</b>

Consolidated	Consolidated
30-Jun-2019	30-Jun-2018
BDT	BDT

### 23 Deferred (Income)/ Expense

Closing balance of Deferred tax liability	55,568,780	62,093,083
Opening Balance of Deferred tax liability	(62,093,083)	(57,644,199)
<b>Deferred tax (income)/expense recognized directly in profit</b>	<b>(6,524,303)</b>	<b>4,448,883</b>

#### 23.1 Deferred tax liability

Deferred tax liability has been recognised in accordance with the provision of IAS 12 (Income tax) based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and their tax base.

Opening balance	(62,093,083)	(57,644,200)
Add: Addition during the year	6,524,303	(4,448,883)
<b>Closing balance</b>	<b>(55,568,780)</b>	<b>(62,093,083)</b>

#### 24 Event after the reporting period

No material events had occurred after the reporting period, which could affect the values as stated in the financial statements.



Social Marketing Company  
Details of Consolidated property, plant and equipment  
as at 30 June 2019

Annexure - A

Particulars	Cost				Depreciation				Written down value as at 30 June 2019 Taka	
	Balance at 01 July 2018	Addition during the year	Sales/ adjustment during the year	Balance at 30 June 2019	Rate	Balance at 01 July 2018	Charged during the year	Sales/ adjustment during the year		Balance at 30 June, 2019
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
Land (HQ, Factory, Bogra, Comilla and Khulna)	722,146,520	221,475,743	-	943,622,263	-	-	-	-	-	943,622,263
Building (HQ, Factory, Electrolyte Dr, CWH, Staff Quarter, Comilla & Bogra)	929,602,237	93,676,338	-	1,023,278,575	2.5 & 10	122,096,997	30,095,476	-	152,192,473	871,086,102
Lift H.Q. Building	65,677,567	-	-	65,677,567	20	25,163,158	13,135,512	-	38,298,670	27,378,897
Power Sub-Station	98,797,186	7,264,433	-	106,061,619	20	69,834,545	15,973,743	-	85,808,288	20,253,330
Fire Alarm System	46,406,180	65,000	-	46,471,180	20	28,641,338	7,708,442	-	36,349,780	10,121,400
Central warehouse equipment	19,388,894	-	-	19,388,894	20	9,277,336	1,938,886	-	11,216,222	8,172,672
Central A/C System	159,642,653	42,958,908	-	202,601,561	20	115,433,834	31,278,117	-	146,711,951	55,889,610
Diesel reservoir	446,632	169,060	-	615,692	20	126,545	109,050	-	235,595	380,097
Deep Tubewell (Factory)	1,168,354	-	-	1,168,354	15	1,168,352	-	-	1,168,352	2
Plant & Machinery	588,994,009	19,149,208	-	608,143,217	15	102,186,882	60,099,210	-	162,286,092	445,857,125
QC Equipment	7,177,191	13,562,227	-	20,739,418	15	2,169,360	1,404,277	-	3,573,637	17,165,781
Warehouse Equipment	27,026	-	-	27,026	15	27,025	-	-	27,025	1
Furniture & Fittings	46,625,344	11,655,660	995,196	57,285,808	10	15,136,648	4,357,155	279,694	19,214,109	38,071,699
Software development	4,774,783	2,804,213	-	7,578,996	20	745,267	1,190,822	-	1,936,089	5,642,907
Vehicles	202,157,513	11,768,730	4,045,470	209,880,773	25	104,626,224	27,236,886	-	131,863,110	78,017,663
Other Equipment	145,011,076	9,252,529	357,945	153,905,660	20	69,521,822	24,381,828	357,933	93,545,717	60,359,942
Office Equipment	81,849,796	15,769,221	6,040,991	91,578,026	20	39,073,574	10,652,655	2,250,199	47,476,030	44,101,996
MFU Equipment	2,398,942	-	-	2,398,942	25	950,456	-	-	950,456	1,448,486
Water treatment plant	3,709,495	-	-	3,709,495	15	342,458	370,949	-	713,407	2,996,088
Other Assets	96,296,118	14,324,663	-	110,620,781	20	38,442,046	21,677,367	-	60,119,413	50,501,367
Books & Periodicals	82,828	-	-	82,828	-	-	-	-	-	82,828
<b>Total-(2018-2019)</b>	<b>3,222,380,344</b>	<b>463,895,932</b>	<b>11,439,602</b>	<b>3,674,836,674</b>		<b>744,963,861</b>	<b>251,610,376</b>	<b>2,887,826</b>	<b>993,686,411</b>	<b>2,681,150,263</b>
<b>Total-(2017-2018)</b>	<b>2,783,743,476</b>	<b>476,807,876</b>	<b>38,171,008</b>	<b>3,222,380,344</b>		<b>582,986,626</b>	<b>199,748,204</b>	<b>37,770,969</b>	<b>744,963,861</b>	<b>2,477,416,482</b>



**Independent Auditors' Report and Audited  
Financial Statements**  
**of**  
**Social Marketing Company (SMC)**

**For the year ended 30 June 2019**

**Independent Auditors' Report  
To the Members of  
Social Marketing Company**

**Opinion**

We have audited the accompanying financial statements of **Social Marketing Company**, which comprise the statement of financial position as at 30 June 2019, Income and Expenditure Account- SMC Corporate, Income and Expenditure Account- SMC Program Division, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of **Social Marketing Company**, as at 30 June 2019 and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), comply with the Companies Act 1994, and other applicable Laws and Regulations.

**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 ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**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, 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's 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 audit findings, including any deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Statement of Financial Position, Income and Expenditure Account- SMC Corporate, Income and Expenditure Account- SMC Program Division of the Company dealt with by the report are in agreement with the books of account.

Dhaka, Bangladesh  
Dated: 11 November 2019

  
MABS & J Partners  
Chartered Accountants

**Social Marketing Company**  
**Statement of Financial Position**  
As at 30 June 2019

Particulars	Notes	30-Jun-2019	30-Jun-2018
		BDT	BDT
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	852,137,035	763,292,768
Investment in subsidiary		100,000,000	100,000,000
<b>Total Non-current assets</b>		<b>952,137,035</b>	<b>863,292,768</b>
<b>Current assets</b>			
Inventories	5	63,725,672	30,582,730
Receivables	6	599,588,990	732,967,540
Advance, deposits and prepayments	7	311,080,657	350,513,685
Investment in fixed deposits	8	1,659,567,030	1,660,130,543
Cash and cash equivalents	9	219,619,653	159,886,109
<b>Total current assets</b>		<b>2,853,582,004</b>	<b>2,934,080,607</b>
<b>Total assets</b>		<b>3,805,719,039</b>	<b>3,797,373,375</b>
<b>Equity &amp; liabilities</b>			
<b>Equity</b>			
Capital fund	10	2,988,574,111	2,956,759,546
Retained earnings	11	360,128,609	397,056,038
<b>Total equity</b>		<b>3,348,702,720</b>	<b>3,353,815,584</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
		-	-
<b>Current liabilities</b>			
Provision for corporate income tax	12	304,353,398	304,353,398
Deferred Income	13	36,099,143	26,000,726
Accounts and other payables	14	69,291,484	65,817,519
Creditors for other finance	15	47,272,294	47,386,148
<b>Total current liabilities</b>		<b>457,016,319</b>	<b>443,557,791</b>
<b>Total equity and liabilities</b>		<b>3,805,719,039</b>	<b>3,797,373,375</b>

These financial statements should be read in conjunction with annexed notes.

  
Shafi Uddin Ahmed, FCA  
Chief of Finance & Accounts

  
Md. Ali Reza Khan  
Managing Director & CEO

  
Siddiqur Rahman Choudhury  
Chairman

Dhaka, Bangladesh  
Dated: 11 November 2019

  
**MABS & J Partners**  
Chartered Accountants

**Social Marketing Company**  
**Income and Expenditure Account (SMC Corporate)**  
For the year ended 30 June 2019

Particulars	Notes/ Annex	30-Jun-2019	30-Jun-2018
		BDT	BDT
<b>Income</b>	16	299,062,625	206,962,849
<b>Expenditure</b>			
Salary and benefits		130,867,884	100,903,312
Travel and transport		8,623,572	9,230,521
Packaging expenses		2,418,763	251,621
General operating costs		57,218,496	47,328,550
Other direct cost		55,387,710	30,865,727
Advertisement and promotion		3,456,371	2,988,970
Depreciation		53,650,869	44,121,026
Participants' training		1,913,078	1,409,743
Research & Development		-	8,834,523
SMC Funded Program	19	26,775,899	12,210,485
<b>Total Expenditure</b>		<b>(340,312,642)</b>	<b>(258,144,477)</b>
<b>Surplus/(Deficit) transferred to retained earnings</b>		<b>(41,250,017)</b>	<b>(51,181,628)</b>

These financial statements should be read in conjunction with annexed notes.



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Chief of Finance & Accounts



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Managing Director & CEO



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**Social Marketing Company**  
**Income and Expenditure Account (SMC Program Division)**  
**For the year ended 30 June 2019**

Particulars	Notes	30-Jun-2019	30-Jun-2018
		BDT	BDT
<b>Income</b>	17	467,479,695	498,606,203
<b>Expenditure</b>			
Salary and benefits		54,185,080	54,006,281
Travel and transport		10,808,953	12,623,954
Packaging expenses		9,417,268	11,294,555
General operating costs		6,399,298	6,598,688
Commodity of SMC Own Products	18	55,735,312	58,259,017
Other direct cost		7,149,482	8,586,138
Advertisement and promotion		72,704,253	65,491,103
Research and product development		5,391,148	4,199,901
Customers' education		213,874,336	247,038,103
<b>Total Expenditure</b>		<b>(435,665,130)</b>	<b>(468,097,740)</b>
Surplus/(Deficit) transferred to capital fund		<b>31,814,565</b>	<b>30,508,463</b>

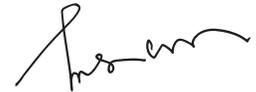
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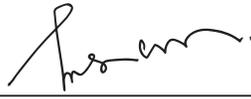
MABS & J Partners  
Chartered Accountants

**Social Marketing Company**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2019**

Particulars	Capital fund	Retained earnings	Total
	BDT	BDT	BDT
<b>Year ended 30 June 2019</b>			
Balance as at 01 July 2018	2,956,759,546	397,056,038	3,353,815,584
Surplus for the year - SMC Program division	31,814,565	-	31,814,565
Previous years adjustment	-	4,322,588	4,322,588
Deficit for the year - SMC Corporate	-	(41,250,017)	(41,250,017)
<b>Balance as at 30 June 2019</b>	<b>2,988,574,111</b>	<b>360,128,609</b>	<b>3,348,702,720</b>
<b>Year ended 30 June 2018</b>			
Balance as at 01 July 2017	2,916,429,830	441,692,033	3,358,121,863
Utilization of Fund for GAIN	9,821,253	-	9,821,253
Previous years provision for staff welfare benefits	-	6,545,633	6,545,633
Surplus for the year - SMC Program division	30,508,463	-	30,508,463
Deficit for the year - SMC Corporate	-	(51,181,628)	(51,181,628)
<b>Balance as at 30 June 2018</b>	<b>2,956,759,546</b>	<b>397,056,038</b>	<b>3,353,815,584</b>

  
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**Social Marketing Company**  
**Statement of Cash Flows**  
**For the year ended 30 June 2019**

Particulars	30-Jun-2019	30-Jun-2018
	BDT	BDT
<b>A. Cash flows from operating activities</b>		
Reconciliation of Surplus/(Deficit) to cash generated from operations Surplus/(Deficit) - (SMC Corporate and Program Division)	(9,435,452)	(20,673,164)
Adjustments for non-cash items:		
Depreciation on property, plant and equipment	54,906,954	44,121,026
	45,471,502	23,447,861
Changes in working capital components:		
(Increase)/decrease in inventories	(33,142,942)	25,745,978
(Increase)/decrease for Utilization of Fund for GAIN	-	9,821,253
(Increase)/decrease in previous year adjustment	4,322,588	6,545,633
(Increase)/decrease in receivables	133,378,550	132,053,899
(Increase)/decrease in advances, deposits and prepayments	77,589,867	107,205,047
Increase/(decrease) in deferred income	10,098,417	680,333
Increase/(decrease) in accounts and other payables	3,473,966	(63,350,868)
(Decrease)/increase in creditors for other finance	(113,855)	7,955,016
	195,606,591	226,656,292
<b>Cash generated by operations</b>	241,078,093	250,104,153
Income tax paid	(38,156,839)	(20,124,124)
<b>Net cash generated from operating activities</b>	202,921,254	229,980,029
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(152,302,998)	(82,463,153)
Proceeds from sale of property, plant and equipment	8,551,776	39
Investment in fixed deposits	563,512	(114,299,250)
<b>Net cash (used in) / generated from investing activities</b>	(143,187,710)	(196,762,364)
<b>C. Cash flows from financing activities</b>		
<b>Net cash (used in) / generated from financing activities</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	59,733,544	33,217,665
<b>Cash and cash equivalents at the beginning of the year</b>	159,886,109	126,668,444
<b>Cash and cash equivalents at the end of the year</b>	<b>219,619,653</b>	<b>159,886,109</b>

  
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Chartered Accountants

## Social Marketing Company Notes to the Financial Statements For the year ended 30 June 2019

### 1. Organization and its of activities

Social Marketing Company (SMC) ("the Company") is a not-for-profit company incorporated in Bangladesh in April 1990 as per section 26 of the Companies Act, 1913 which subsequently comes under the jurisdiction of the Companies Act, 1994 and is involved in the reproductive, health and nutrition programs of the country. It is funded by the United States Agency for International Development (USAID) both through cash and contraceptive items. SMC formed SMC Enterprise Ltd, a for-profit subsidiary to separate profitable operations from non-profit activities in October 2014. Social Marketing Company ("SMC") is registered with Registrar of Joint Stock Companies and Firms vide registration no. CTO-284(3)/90 dated 19-04-1990 and SMC Enterprise Limited ("SMCEL") is also registered with Registrar of Joint Stock Companies and Firms vide registration no. L-30001503052-H

### 2. Basis of preparation of financial statements

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act 1994.

IFRSs are designed to apply to general purpose financial statements and other financial reporting of all profit-oriented entities. The Company is not a profit oriented entity . As such it is not possible to comply with all the requirements of IRFSs. However, the Company adopted the IFRSs so far it is possible to comply without any contradiction to the local laws, as its reporting framework.

#### 2.2 Measurement of the elements in the financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and income and expenditure account- SMC corporate, income and expenditure account- SMC program division. The measurement basis adopted by Social Marketing Company is historical cost. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

**The complete set of Financial Statements includes the following components:**

- Statement of Financial Position as at 30 June 2019;
- Income and Expenditure Account (SMC Corporate) for the year ended 30 June 2019
- Income and Expenditure Account (SMC Program Division) for the year ended 30 June 2019
- Statement of Changes in Equity for the year ended 30 June 2019
- Statement of Cash Flows for the year ended 30 June 2019; and
- Notes to the Financial Statements for the year ended 30 June 2019

#### 2.3 Functional and presentational currency

These financial statements are prepared in Bangladesh Taka (BDT), which is the Companies' functional currency as well. All financial information presented in BDT has been rounded to the nearest integer.

#### 2.4 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the following notes:

Note - 4	Depreciation of property, plant and equipment
Note - 5	Inventories
Note - 12	Provision for income tax

## 2.5 Statement of cash flows

Statement of cash flows has been prepared in accordance with the International Accounting Standard (IAS) 7: Statement of cash flows, under indirect method.

Statement of cash flows of SMC for year ended 30 June 2019 have been prepared following indirect method which is represented in this financial statements to make it comparable.

## 2.6 Reporting period

The accounting period of the Company has been determined to be from 1 July to 30 June each year. These financial statements cover twelve months from 1 July 2018 to 30 June 2019.

## 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently.

### 3.1 Revenue

#### 3.1.1 Commodities sold

Sales are recognized when all of the following conditions are fulfilled:

- SMC has transferred the significant risks and rewards of ownership of the products to the retailers;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of sales can be measured reliably; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 3.1.2 Revenue from the sale of donated goods

The policy of the Company is to sell its USAID donated products at subsidized prices.

#### 3.1.3 Donation income in the form of cash donation

Donation income in the form of cash donation is generated from fund provided by foreign donor(s) for programme expenditures.

#### 3.1.4 Other income

Gains and losses on sale of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. Interest accrued and earned on fixed deposits, is recognized as other income.

### 3.2 Inventories

Commodities received through USAID have been valued at realizable value to the Company. The procured commodities are valued at average invoice price which includes C&F charges and other costs.

### 3.3 Property, plant and equipment

#### 3.3.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss.



### 3.3.2 Subsequent cost

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

### 3.3.3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. The principal rates generally in use are as follows:

Asset category	Rate (%)
Land (HQ and Factory)	0
Buildings (HQ, Factory and CWH)	2.5 to 10
Lifts (HQ and CWH)	20
Power sub-stations (HQ, Factory and CWH)	20
Fire control system	20
Central air conditioning (HQ and Factory)	20
Deep tube well (Factory)	15
Plant and machinery	15
QC equipment	15
Warehouse equipment	15
Furniture and fittings	10
Vehicles	25
Other equipment	20
Office equipment	20
Other assets	20
Books	0

Items of assets are depreciated from the year of that the asset is completed or purchased and ready for use and no depreciation is charged in the year when an asset is disposed off. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Land is not depreciated.



### 3.3.4 Impairment

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognized in the Income and Expenditure Account if the carrying amount of an asset exceeds its estimated recoverable amount. However, no such conditions that would arise the risk of impairment of assets existed at the reporting Date.

### 3.4 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.

#### 3.4.1 Financial assets

The Company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

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

Financial assets include cash and cash equivalents, investment and investment of gratuity fund, interest and other receivables.

##### 3.4.1.1 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and at banks which are held and available for use by the company without any restriction.

##### 3.4.1.2 Other receivables

The interest and other receivables includes receivables from donors, SMCEL and other miscellaneous receivables.

#### 3.4.2 Financial liability

All other financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include accrued expenses, other liabilities and creditor for other finance.

### 3.5 Impairment of financial assets

#### 3.5.1 Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company.

### 3.6 Foreign currency translations

Transactions in foreign currencies are translated to Bangladesh Taka (BDT) currency at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the year. Resulting exchange differences are recognized in the income and expenditure account.

### 3.7 Employee benefits

#### 3.7.1 Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

### 3.7.2 Defined contribution plan (provident fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company maintains a recognized provident fund.

### 3.7.3 Defined benefits plan (gratuity )

Defined benefit plan is a retirement benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and/or year of services. The Company has funded gratuity fund. The Employees' Gratuity Fund is being considered as defined benefit plan as it meets the recognition criteria of IAS-19 Employee Benefits. The Company's obligation is to provide the agreed benefits to current employees as per condition of the fund.

The Company operates a gratuity scheme for its permanent employees; provision for gratuity is made annually against one month's basic salary for an eligible employees who have been employed for less than 10 years and 1.5 month's basic salary for employees who have been employed for more than 10 years for each completed year of services .

### 3.7.4 Defined Staff Welfare Benefit Scheme

SMC Staff Welfare Benefit Scheme was created on 1st January 2015. As per which employees are given on additional benefit at each year end as per the decision of the board.

### 3.8 Provisions

Provisions are recognized in the statement of financial position when the Company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

#### 3.8.1 Provision for corporate income tax

Corporate income tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates incurred or substantively incurred at the reporting date, and any adjustment to tax payable in respect of previous years.

### 3.9 Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

### 3.10 Leases as lessor

The Company leased out a number of floors of the Head Office building. The lease income from operating leases shall be recognized in the statement of income and expenditure account on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

### 3.11 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting event are disclosed in the notes when material.



	<b>30-Jun-2019</b>	<b>30-Jun-2018</b>
	<b>BDT</b>	<b>BDT</b>
<b>4. Property, plant and equipment</b>		
Opening Balance	1,094,515,104	1,049,822,955
Add: Addition during the year	152,302,998	82,463,153
Less: Sales/Adjustments during the year	(11,439,602)	(37,771,008)
Less: Accumulated depreciation (note 4.1)	(383,241,465)	(331,222,337)
<b>Total</b>	<b>852,137,035</b>	<b>763,292,768</b>
<b>4.1 Accumulated depreciation</b>		
Opening Balance	331,222,337	324,872,280
Add: Charged during the year	54,906,954	44,121,026
Less: Sales/Adjustments during the year	(2,887,826)	(37,770,969)
<b>Sub-Total</b>	<b>383,241,465</b>	<b>331,222,337</b>
<b>Details are given in Annexure- A</b>		
<b>5. Inventories</b>		
Details of the above are as follows:		
<b>a. Donor's Products (USAID):</b>		
USAID - Somaject	30,537,916	17,720,370
USAID - Sayanapress	3,234,720	7,470,400
USAID - IUD	581,857	73,457
USAID - Implant	1,744,650	736,500
<b>Sub-total</b>	<b>36,099,143</b>	<b>26,000,727</b>
<b>b. SMC Products:</b>		
SMC Somaject	8,672,295	-
Pregnancy Test Kit(PTK)	218,624	85,316
SMC Zinc	3,191,214	-
SMC - Monimix	12,461,661	174,624
SMC - Raja	-	2,586,927
SMC - SDK	358,885	220,477
<b>Sub total SMC Product</b>	<b>24,902,679</b>	<b>3,067,344</b>
<b>Sub-Total(a+b) (As detailed in Annexure-B)</b>	<b>61,001,822</b>	<b>29,068,072</b>
Details of Contraceptives & others are shown in Annexure B.		
<b>b. SMC Niltara Clinic-Pharmacy Products</b>	<b>2,723,850</b>	<b>1,514,658</b>
<b>Sub-Total</b>	<b>2,723,850</b>	<b>1,514,658</b>
<b>Total</b>	<b>63,725,672</b>	<b>30,582,730</b>



	<b>30-Jun-2019</b>	<b>30-Jun-2018</b>
	<b>BDT</b>	<b>BDT</b>
<b>6. Receivables</b>		
Other receivables (note 6.1)	576,813,463	720,128,066
Current account with area offices - expenses	22,775,527	12,839,474
<b>Total</b>	<b>599,588,990</b>	<b>732,967,540</b>
<b>6.1. Other receivables</b>		
High Source Electronics	-	3,200
SMC Enterprise Limited (note 6.1.1)	568,216,883	712,556,485
Receivable from SMC Gratuity Account	6,109,411	-
Receivable from SMC PF Account	2,200,000	6,000,000
Interest Receivables (Staff Welfare Benefits)	137,053	112,711
Receivable from SMC Niltara for sales proceeds	132,567	151,527
Others (Utility bills from tenants and others)	17,550	1,304,143
<b>Total</b>	<b>576,813,463</b>	<b>720,128,066</b>
<b>6.1.1. SMC Enterprise Limited (Vendor's Agreement)</b>		
<b>Share money portion</b>		
Share money deposit with SMC EL	290,000,000	290,000,000
<b>Sub Total</b>	<b>290,000,000</b>	<b>290,000,000</b>
<b>Operational activities portion</b>		
Vendor accounts with SMC Enterprise Limited	249,904,481	399,904,481
Other receivables (Sales proceeds and direct purchase on behalf of SMC Enterprise)	28,312,402	22,652,004
<b>Sub Total</b>	<b>278,216,883</b>	<b>422,556,485</b>
<b>Total</b>	<b>568,216,883</b>	<b>712,556,485</b>
<b>7. Advance, deposits and prepayments</b>		
<b>a. Advance</b>		
Vehicle loans (note 7.1)	15,380,842	11,808,989
Advance against expenses	5,108,792	6,270,871
L/C margin	3,568,453	45,957,560
Advance to contractors	26,587,250	25,244,408
Bank guarantee-Rupali/Uttara Bank Limited	160,000	160,000
Advance/loan welfare fund	189,503	380,156
Advance to SMC EL (note 7.2)	11,176,607	50,000,000
Advance income tax (note 7.3)	241,523,554	203,366,715
<b>Sub-Total</b>	<b>303,695,001</b>	<b>343,188,699</b>



	<b>30-Jun-2019</b>	<b>30-Jun-2018</b>
	<b>BDT</b>	<b>BDT</b>
<b>b. Security deposits</b>		
Deposits against / with:		
Bangladesh Telecommunications Company Limited	284,290	284,290
Grameenphone Limited	11,451	11,451
Titas Gas Transmission and Distribution Company Limited	780	780
Palli Biddut Samity deposit	541,750	541,750
Dhaka Electric Supply Authority	482,000	482,000
Alpine Fresh Water	19,500	19,500
General Post Office	48,000	48,000
Palli Bidyut Samity	1,149,600	1,149,600
Mymensingh Palli Bidyut Samity-2 (1640kw- ORS Factory)	2,538,960	2,538,960
Mymensingh Palli Bidyut Samity-2(elect. line construct)	1,484,000	1,484,000
BRAC for OCP purchase	50,000	50,000
Mymensingh Palli Bidyut Samity-2 for central warehouse	340,310	340,310
<b>Sub-Total</b>	<b>6,950,641</b>	<b>6,950,641</b>
<b>c. Prepayments</b>		
Insurance Premium	435,015	374,345
<b>Sub-Total</b>	<b>435,015</b>	<b>374,345</b>
<b>Total</b>	<b>311,080,657</b>	<b>350,513,685</b>



30-Jun-2019	30-Jun-2018
BDT	BDT

### 7.1 Vehicle loans

The loan was given by the Company to its staff to increase their operational efficiency. Entire amount of BDT 15,380,842 is receivable from management level personnel against motor car / motorbike loan under this scheme through a fixed number of installments.

The movement and subsequent position of this amount are as under:

Opening balance	11,808,989	12,515,962
Add: Loan given during the year	6,310,000	4,343,439
	18,118,989	16,859,401
Less: Adjusted/Realised during the year	2,738,147	5,050,412
<b>Closing balance</b>	<b>15,380,842</b>	<b>11,808,989</b>

### 7.2 Advance to SMC Enterprise Limited

Term loan to SMC Enterprise	11,176,607	50,000,000
	<b>11,176,607</b>	<b>50,000,000</b>

### 7.3 Advance Income Tax

Opening balance	203,366,715	183,242,591
Add: Advance given during the year	38,156,839	20,124,124
	241,523,554	203,366,715
Less: Adjusted/Realised during the year	-	-
<b>Closing balance</b>	<b>241,523,554</b>	<b>203,366,715</b>

### 8. Investment in fixed deposits

This represents fixed deposits with banks and financial institutions namely:

IDLC Finance Limited	103,077,000	109,176,838
Jamuna Bank Limited	32,055,472	30,171,072
Dhaka Bank Limited	50,000,000	50,000,000
Industrial and Infrastructure Development Finance One Bank Limited	310,897,902	303,418,773
Pubali Bank Limited	40,000,000	-
Modhumoti Bank Limited	40,000,000	-
Industrial Promotion and Development Company	21,970,000	20,000,000
Lanka Bangla Finance Limited	261,274,843	279,349,029
Reliance Finance	298,341,278	313,464,535
Brac Bank Limited	-	19,818,165
MIDAS Financing Limited	54,562,500	50,000,000
Delta Brac Housing Finance Corporation Limited	231,600,704	195,000,000
Reliance Finance, IIDFCL, MIDAS Financing Limited (Staff Welfare Benefits)	209,716,925	285,876,308
	6,070,407	3,855,825
	<b>1,659,567,030</b>	<b>1,660,130,543</b>



30-Jun-2019	30-Jun-2018
BDT	BDT

**9. Cash and cash equivalents**

Cash in hand (note 9.1)	250,000	44,027
Cash at bank (note 9.2)	219,369,653	159,842,082
<b>Total</b>	<b>219,619,653</b>	<b>159,886,109</b>

**9.1 Cash in hand**

Head Office	250,000	44,027
<b>Sub-Total</b>	<b>250,000</b>	<b>44,027</b>

**9.2 Cash at bank**

This represents balances in current and short term deposits with:

Uttara Bank Limited, Corporate Branch, Dhaka	2,236	34,670
Uttara Bank Limited, Gulshan Branch, Dhaka	31,704,544	21,108,672
Bangladesh Krishi Bank, Principal Branch, Dhaka	-	7,516
Bangladesh Krishi Bank, Banani Branch, Dhaka	189,761	5,411,698
Bangladesh Krishi Bank, Bhaluka Branch, Mymensingh	8,904	9,479
Sonali Bank Limited, Banani Branch	289,611	4,297,560
Agrani Bank Limited	8,771	11,946
Standard Chartered Bank	12,624,840	2,280,763
IFIC Bank Limited	79,020	26,578
First Security Islami Bank Limited	34,108,590	25,520,098
Pubali Bank Limited	131,777,951	34,204,464
Dutch Bangla Bank Limited	8,491,745	66,764,857
The Hongkong and Shanghai Banking Corporation	-	1,268
Dutch Bangla Bank Limited (Staff Welfare Benefits)	83,680	162,514
<b>Sub-Total</b>	<b>219,369,653</b>	<b>159,842,082</b>



	<b>30-Jun-2019</b>	<b>30-Jun-2018</b>
	<b>BDT</b>	<b>BDT</b>
<b>10. Capital fund</b>		
Opening balance	2,956,759,546	2,916,429,830
Transferred from Income and Expenditure Account (SMC Program Division)	31,814,565	40,329,716
<b>Closing balance</b>	<b>2,988,574,111</b>	<b>2,956,759,546</b>
<b>11. Retained earnings</b>		
Opening balance	397,056,038	441,692,033
Transferred from Income and Expenditure Account (SMC-Corporate)	(41,250,017)	(51,181,628)
Previous years adjustment	4,322,588	-
Previous years provision for staff welfare benefits	-	6,545,633
<b>Closing balance</b>	<b>360,128,609</b>	<b>397,056,038</b>
<b>12. Provision for corporate income tax</b>		
Opening balance	304,353,398	304,353,398
Current tax expense	-	-
<b>Closing balance</b>	<b>304,353,398</b>	<b>304,353,398</b>
<b>13. Deferred Income</b>		
Deferred Income represents the closing stock of donated goods (USAID) and such goods are valued at realisable value. (Detailed are given in Annexure-B)		
<b>Opening balance</b>	26,000,726	25,320,393
Add: Goods received during the year	85,627,076	72,382,369
Less: Goods Distributed during the year	75,528,659	71,702,036
<b>Closing balance</b>	<b>36,099,143</b>	<b>26,000,726</b>



**14. Accounts and other payables**

**A Accounts Payable:**

	30-Jun-2019 BDT	30-Jun-2018 BDT
Partner MISHD Project - Engender Health	1,077,097	828,163
Partner MISHD Project - PSTC	2,361,540	2,240,565
Partner MISHD Project - CWFD	-	2,617,411
Partner MISHD Project - SHIMANTIK	-	3,393,577
Provision for staff gratuity account	-	6,724,175
Payable to SMC Enterprise (MoniMix bonus, TBA&NGO meet and packaging cost of Somaject)	5,686,458	5,539,823
Provision for Staff Welfare Benefits (Current year)	7,524,000	7,480,000
Others Payable (different suppliers)	7,115,568	1,852,592
Reneta Limited	3,311,814	2,442,393
ORG-Quest Research Limited	-	960,000
Somra MBL	-	677,856
Premier Catering	-	127,380
SMC Area Offices (Dhaka East & West)	720,248	1,361,869
Broad Band Telecom	-	12,233
ISCEA Bangladesh	-	20,000
Sanchaita Training Center	-	39,005
MABS & J Partners	275,000	250,000
Adcomm	-	2,949,180
BEAS Enterprise	-	2,331,430
Liabilities for expenses (Incentive)	14,470,048	8,275,743
SMC -Niltara, Dhaka Uddan	9,345	-
<b>Sub-Total (A):</b>	<b>42,551,118</b>	<b>50,123,395</b>

**B Other Payables:**

Advance received from tenant and Donor's CSR Fund (corporate social responsibility)	16,218,386	4,215,718
Staff Welfare Benefits Scheme	4,214,582	5,072,625
Others	6,291,141	4,131,050
Liabilities for expenses	-	251,601
	16,258	2,023,130
<b>Sub-Total (B):</b>	<b>26,740,367</b>	<b>15,694,124</b>

**Total (A+B):**

**69,291,484**      **65,817,519**

**15. Creditors for other finance**

Security deposits from:		
Suppliers and contractors	46,812,572	44,920,309
Suppliers TDS and VDS withheld	459,722	2,465,839

**Total**

**47,272,294**      **47,386,148**



30-Jun-2019	30-Jun-2018
BDT	BDT

**16. Income (SMC Corporate)**

A. Dividend Income from SMC EL	29,999,940	24,999,950
B. Interest Income	158,320,774	77,150,423
C. Rental Income	96,546,019	81,434,266
D. Income from Service through SMC Niltara-1	12,356,221	548,646
E. Income from Sales of Fixed Assets	462,755	18,114,961
F. Management Fee	1,251,179	4,544,976
G. Vehicle rental income	108,737	137,627
H. Member's Subscription	17,000	32,000
<b>Total Income</b>	<b>299,062,625</b>	<b>206,962,849</b>

**17. Income (SMC Program Division)**

A Revenue (Note 17.1)	149,966,965	140,680,596
B Donation from :		
USAID	302,861,047	314,560,646
UN-CHAP	8,768,653	28,548,475
FHI360	5,796,375	-
MIYCN GAIN	-	14,040,290
NHSDP	-	16,335
C Interest income	86,654	759,862
<b>Total Income</b>	<b>467,479,695</b>	<b>498,606,203</b>

**17.1 Revenue**

Source	Brand Name	Qty (Unit)	Average Selling Price	FY'2018-19 Total	FY'2017-18 Total
			BDT	BDT	BDT
USAID	Depo-provera (Vial)	2,382,704	32.01	76,262,801	65,320,494
	Sayanapress (Vial)	92,010	78.23	7,197,984	8,156,225
	IUD	7,031	20.00	140,620	126,780
	Implant	3,552	150.00	532,800	455,400
	<b>Sub-Total</b>			<b>84,134,205</b>	<b>74,058,899</b>

SMC	Raja (Pcs)	-	-	-	23,225,350
	Pregnancy Test Kit	50,408	11.07	557,982	300,817
	Vitamine	20,015	1.55	31,024	382,840
	Hematinic	151,974	0.85	129,178	469,348
	MoniMix	23,215,950	2.11	48,897,345	37,970,942
	SMC Zinc	462,100	14.79	6,832,909	-
	Depo-provera (Vial) SMC	148,448	32.22	4,782,722	-
	Safe Delivery Kit (SDK)	57,520	80.00	4,601,600	4,272,400
	<b>Sub-Total</b>			<b>65,832,760</b>	<b>66,621,697</b>
	<b>Grand Total</b>			<b>149,966,965</b>	<b>140,680,596</b>

30-Jun-2019	30-Jun-2018
BDT	BDT

**18. Commodity of SMC Own Products**

Opening stock	
Add: Purchase and received from donor	
Less: Transferred to SMC EL(Raja)	
Less: Closing stock	
<b>Total</b>	

3,067,346	30,842,665
80,157,574	30,483,697
2,586,927	-
24,902,680	3,067,344
<b>55,735,312</b>	<b>58,259,017</b>

Details are given in Annexure-B

**19. SMC Funded Program**

**A SMC Niltara-1**

Salary and benefits	
Travel and transport	
General operating costs	
Other direct cost	
Advertisement and promotion	
Depreciation	
Cost of sale of medicine	
Customers' education	
<b>Total SMC Niltara-1</b>	

4,890,555	2,162,967
319,951	68,185
2,972,923	3,303,257
167,628	111,608
194,850	69,270
1,256,085	412,038
8,208,176	342,986
150,771	132,990
<b>18,160,939</b>	<b>6,603,301</b>

<b>B</b> Community Mobilization Program(Natore)	
<b>C</b> Slum Program (Korail and Sattola)	

6,311,051	4,616,118
2,303,909	991,066
<b>26,775,899</b>	<b>12,210,485</b>

**Total**

**20. Event after the reporting period**

No material events had occurred after the reporting period, which could affect the values as stated in the financial statements.



**Social Marketing Company**  
**Details of Property, Plant and Equipment**  
**as at 30 June 2019**

Annexure - A

Particulars	Cost			Depreciation			Written down value as at 30 June 2019			
	Balance at 01 July 2018	Addition during the year	Sales/ adjustment during the year	Balance at 30 June 2019	Rate	Balance at 01 July 2018		Charged during the year	Sales/ adjustment during the year	Balance at 30 June 2019
	Taka	Taka	Taka	Taka	%	Taka		Taka	Taka	Taka
Land (HQ, Factory, Bogura, Cumilla and Khulna)	280,896,559	-	-	280,896,559	-	-	-	-	-	280,896,559
Building (HQ, Factory, Cumilla & Bogra)	332,425,753	2,916,093	-	335,341,846	2.5 & 10	68,897,173	9,526,672	-	78,423,845	256,918,001
Building SMC Tower-2	68,389,094	86,130,303	-	154,519,397	2.5 & 10	-	-	-	-	154,519,397
Lift H.Q. Building	60,060,055	-	-	60,060,055	20	23,334,859	12,012,010	-	35,346,869	24,713,186
Power Sub-Station	23,711,047	-	-	23,711,047	20	23,247,046	348,000	-	23,595,046	116,001
Fire Alarm System	29,108,226	-	-	29,108,226	20	18,821,096	4,240,187	-	23,061,283	6,046,943
Central A/C System	69,777,326	42,629,107	-	112,406,433	20	64,407,972	13,255,931	-	77,663,903	34,742,530
Deep Tubewell (Factory)	1,168,353	-	-	1,168,353	15	1,168,352	-	-	1,168,352	1
Plant & Machinery	1,316,298	-	-	1,316,298	15	1,308,211	8,082	-	1,316,293	5
QC Equipment	1,120,638	-	-	1,120,638	15	1,120,628	-	-	1,120,628	10
Warehouse Equipment	27,026	-	-	27,026	15	27,025	-	-	27,025	1
Furniture & Fittings	27,036,190	4,215,385	995,196	30,256,380	10	11,214,552	2,007,712	279,694	12,942,570	17,313,809
Vehicles	109,006,222	8,555,980	4,045,470	113,516,732	25	55,741,646	8,372,480	-	64,114,126	49,402,605
Other Equipment	33,745,414	23,000	357,945	33,410,469	20	28,193,941	750,880	357,933	28,586,888	4,823,581
Office Equipment	53,939,036	7,833,130	6,040,991	55,731,175	20	32,710,501	4,379,815	2,250,199	34,840,117	20,891,058
MFU Equipment	2,398,942	-	-	2,398,942	25	950,456	-	-	950,456	1,448,486
Other Assets	306,097	-	-	306,097	20	78,879	5,184	-	84,063	222,034
Books & Periodicals	82,828	-	-	82,828	-	-	-	-	-	82,828
<b>Total (2018-2019)</b>	<b>1,094,515,104</b>	<b>152,302,998</b>	<b>11,439,602</b>	<b>1,235,378,500</b>		<b>331,222,337</b>	<b>54,906,954</b>	<b>2,887,826</b>	<b>383,241,465</b>	<b>852,137,035</b>
<b>Total (2017-2018)</b>	<b>1,049,822,955</b>	<b>82,463,153</b>	<b>37,771,008</b>	<b>1,094,515,100</b>		<b>324,872,280</b>	<b>44,121,026</b>	<b>37,770,969</b>	<b>331,222,337</b>	<b>763,292,768</b>



**Social Marketing Company**  
**Details of Cost of Goods Sold and Commodities (Program Division)**  
**For the year ended 30 June 2019**

**Annexure - B**

Particulars	Donors		Own Source							FY'2018-19 Total		FY'2017-18 Total	
	USAID	BDT	SMC- Somajet BDT	PTK BDT	SMC ZINC BDT	Monimix BDT	Raja BDT	SDK BDT	Total		BDT	BDT	
									BDT	BDT			
<b>Opening stock</b>	26,000,726		-	85,316	-	174,624	2,586,927	220,477	3,067,346		29,068,072	56,163,059	
Add: purchase/donation received during the year	85,627,076	12,457,719	12,457,719	523,228	8,779,839	56,525,418	-	1,871,370	80,157,574		-	102,866,066	
Transferred from CRS to other projects	111,627,802	12,457,719	12,457,719	608,544	8,779,839	56,700,042	2,586,927	2,091,847	83,224,919		194,852,721	159,029,124	
Less: SMC-EL	111,627,802			608,544	8,779,839	56,700,042	2,586,927	2,091,847	83,224,919		194,852,721	159,029,124	
Less: Transferred to deferred income for donated goods/ Transferred to SMC EL(Raja)	111,627,802	12,457,719	12,457,719	608,544	8,779,839	56,700,042	2,586,927	2,091,847	83,224,919		194,852,721	159,029,124	
Less Closing stock	36,099,143	12,457,719	12,457,719	608,544	8,779,839	56,700,042	-	2,091,847	80,637,992		116,737,134	87,327,087	
<b>Cost of goods sold</b>	36,099,143	8,672,295	8,672,295	218,624	3,191,214	12,461,661	-	358,885	24,902,680		61,001,822	29,068,072	
	-	3,785,423	3,785,423	389,920	5,588,625	44,238,382	-	1,732,963	55,735,312		55,735,312	58,259,017	



## Social Marketing Company

Details of Program Division (Donor's) for the year ended 30 June 2019

Particulars	Annexure - C							
	USAID Cash Fund BDT	USAID Program Income BDT	FHI360 Cash Fund BDT	GAIN Cash Fund BDT	SMC Program Income BDT	CHAP Cash Fund BDT	01 July' 17 to 30 June' 18 Total BDT	01 July' 18 to 30 June' 19 Total BDT
<b>Receipts</b>								
Fund Received from Donors	302,861,047	-	5,796,375	-	-	8,768,653	357,165,745	317,426,076
Sales of program products	-	84,134,206	-	-	65,832,759	-	140,680,596	149,966,965
Other Income	3,171	-	70,116	52	-	13,315	759,862	86,654
<b>Total Receipts</b>	<b>302,864,218</b>	<b>84,134,206</b>	<b>5,866,491</b>	<b>52</b>	<b>65,832,759</b>	<b>8,781,968</b>	<b>498,606,203</b>	<b>467,479,695</b>
<b>Operating Expenses</b>								
Salary & Benefits	46,117,907	804,988	2,818,308	2,116,892	-	2,326,985	54,006,281	54,185,080
Travel & Transport	8,780,036	-	818,241	280,171	-	930,505	12,623,954	10,808,953
General Operating Costs	3,206,086	36,178	1,502,413	67,123	-	1,587,498	6,598,688	6,399,298
Packaging Expenses	-	9,417,268	-	-	-	-	11,294,555	9,417,268
Advertisement & Promotion	29,058,244	43,666,625	-	-	-	-	65,491,103	72,724,869
Research & Product Development	5,216,903	42,300	-	-	-	131,945	4,199,901	5,391,148
Participants' Training	-	-	-	-	-	-	-	-
Commodity Cost(COGS)	-	-	-	-	55,735,312	-	58,259,017	55,735,312
Customers' Education	204,811,240	3,910,500	120,497	2,161,697	-	2,825,986	247,038,103	213,829,920
Other Direct Cost	5,670,632	-	536,916	-	-	965,734	8,586,138	7,173,282
<b>Total Operating expenses</b>	<b>302,861,047</b>	<b>57,877,859</b>	<b>5,796,375</b>	<b>4,625,883</b>	<b>55,735,312</b>	<b>8,768,653</b>	<b>468,097,740</b>	<b>435,665,130</b>
<b>Surplus / (Deficit)</b>	<b>3,171</b>	<b>26,256,347</b>	<b>70,116</b>	<b>(4,625,831)</b>	<b>10,097,447</b>	<b>13,315</b>	<b>30,508,463</b>	<b>31,814,564</b>







Subsidiary

Profile - SMC EL



# Directors Report

Dear Shareholders,

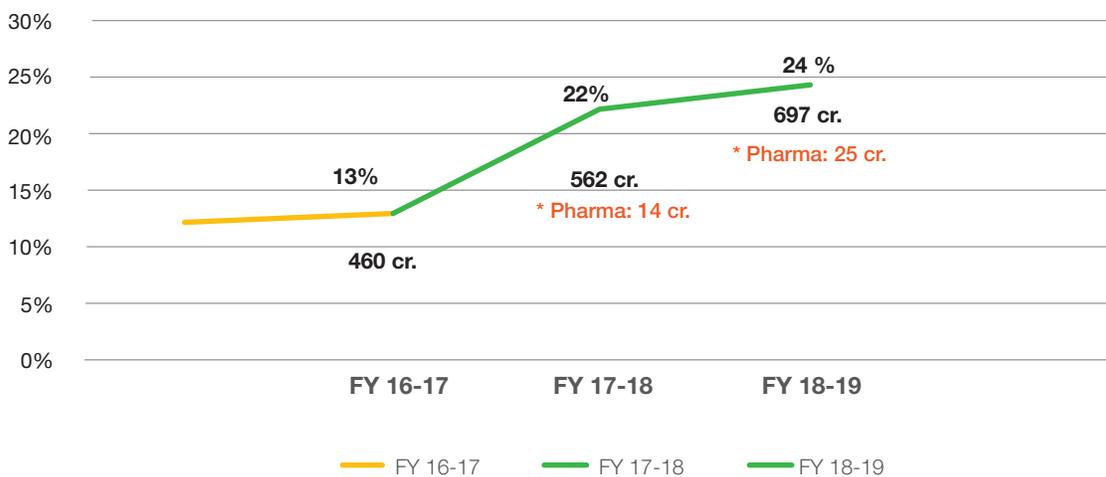
We are pleased to submit before you the operational activities and audited financial statements of the company for the financial year 2018-19. Directors' report of the company has been prepared in compliance with section 184 (1) of the Companies Act 1994.

SMC EL continues its commendable performance with a revenue growth of 24% over last year with a gross revenue of Tk. 697crore- achieving 103% of the target. During the reporting period the company has earned profit before tax of Tk. 85 crore which is 9% more than the year before. Strategic management, leadership, strong focus on growth and with a highly committed team made such splendid results possible.

## Overall Company Performance

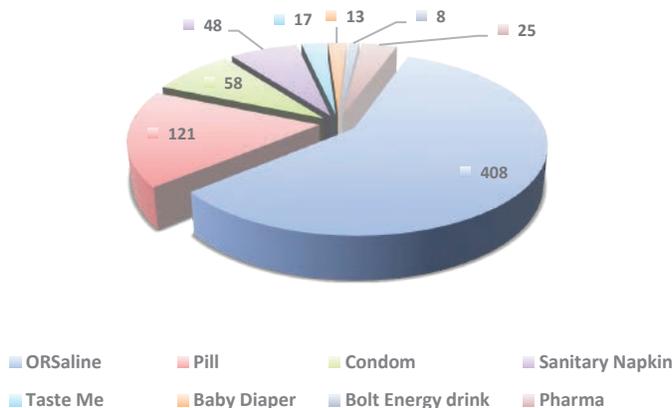
The company has been consistently maintaining higher sales growth over the last three years and ensured progress in all categories. Communication activities of Enterprise reached out to a diversified group of audiences through multiple media.

SMC EL Sales Growth (with Pharma)



## Sales Performance by category and brands

Product wise Sales Revenue (BDT crore)



ORSaline, our key product, has performed consistently with a sales value of Tk. 408 crore (97 crore sachets), achieving a growth of 21%, attaining 109% of the target. Growth of Joya Sanitary Napkin has been strong at 42% with a 108% achievement over the target witnessing a sale of Tk. 48 crore. There has been a 32% growth in the sale of Condom category amounting to Tk. 58 crore as opposed to 18% growth in the previous year. In Pill category 7% growth has been recorded with a sales revenue of Tk. 121 crore.

## Pharma performance

The key overriding reason for SMC to enter Pharmaceutical business is: “No one should suffer, especially the less-privileged due to lack of affordable quality medicine”, in other words, SMC Pharma’s objective is to “provide quality medicine for all”.

In its second year of operation, Pharma division has promoted 32 products in the market generating net sales revenue of Tk. 25 crore (77% growth over last year) which included antibiotic, anti-ulcerant, NSAIDs, anti-histamine, anti-asthmatic, anti-spasmodic and mineral supplements.

## Financial Position

The consistent top line growth along with efficient business operation has lead SMC EL to exceed its profit target, as shown in the following table.

Key financial information	2018-19		2017-18	incrore Tk. Growth (%)
	Actual	Achv. (%)		
Sales Revenue	647	103%	524	23
Gross Profit	246	103%	200	23
Operating Profit	88	105%	80	10
Profit before Tax	85	110%	78	9
ShareholdersEquity	248		194	28
Liabilities / Debt	146	-	158	(8)
D/E Ratio	1 : 1.69		1 :1.23	

## Manufacturing Operations

### In house manufacturing - ORS Factory, Bhaluka, Mymensingh

SMC’s ORS manufacturing facility in Bhaluka, Mymensingh is ISO-certified and cGMP compliant. The state of the art facility operates round the clock to meet growing demand and achieve higher revenue targets. During FY2018-19, the ORS factory produced 45 crore sachets against the target of 43 crore, which was 5.44% higher than the target. Presently, total production capacity of the factory is 45 crore sachets per year from seven lines.

The factory employs around 591 staff with a combination of fulltime, casual and contractual employees.



## Outsourcing

Since SMC's own supply is not adequate to meet the growing demand for ORS, especially during the hot summer season each year, we need to procure the additional quantity through contract-manufacturing from renowned pharmaceutical companies. In FY 2018-19, SMC purchased around 501.57 million sachets of ORSaline-N from Renata Limited, Popular Pharmaceuticals Ltd. and Essential Drugs Company Ltd.

## Health & Hygiene Factory - Baubond, Cumilla

SMC EL own state of the art Hygiene Factory in Baubond, Cumilla and started commercial production on April, 2017. SMC, riding on the success of Joya in low-middle class segment, is now targeting upscale consumers through introduction of new variants of sanitary napkin of premium quality. The factory also manufactures a range of other products including baby diaper, baby wipes and wet tissues.



## Production

Product	Actual	Target	Achv. %
Sanitary Napkin (cartoon)	518,885	509,095	102%
Baby Diaper (cartoon)	89,648	85,755	105%

### Capacity utilization:

Product	Sanitary Napkin	Baby Diaper
Capacity utilization	93%	79%

### Capacity Utilization:

FY 2018-19	Napkin Belt Machine	Napkin Wings Machine	Smile Baby Diaper Machine
Capacity utilization	95%	90%	79%

## Development of Infrastructure

As a part of its continuous effort to increase the capacity building in line with its business strategy, the company has invested significantly in the infrastructural development. During the period under review, the company has invested Tk. 31.16 crore for the acquisition of capital items such as machinery & equipment, land & building, furniture and fittings and so on. The major activities done during the year is stated below:

- Construction of a 3-storied building for expansion of canteen, change room, toilet and other facilities at Bhaluka:
- Extension from 8th to 12th lines to increase ORS production capacity:
- 8th to 12th lines extended area of ORS expansion project:
- Production Area for MoniMix Product at Bhaluka:
- 1,250 KVA sub-station and 600 KVA Generator at Bhaluka:
- Construction of prefabricated steel mezzanine floor for RM warehouse at Cumilla

## Governance

The company maintains full compliance with the laws, rules and regulations, policy guidelines etc. and accordingly SMC EL has adequate system of internal control in place. The Board oversees the operation and compliance, through holding meetings of Board, Board Sub Committees', reviewing performance every quarter, providing policy guidelines.

### a. The Board meeting and attendance

According to clause 60 of the Articles of Association (AoA) of SMC EL, the Board currently comprises 9 Directors including the Chairman; the MD, SMC EL is the ex-officio Directors of the Board as per AoA clause 91.

Mr. Siddiqur Rahman Choudhury is the Chairman of the Board of Directors of SMC EL by virtue of his position as a Chairman in the Board of SMC as per Articles of Association of SMC EL clause 90.

During the reporting period the board of directors held 11 (eleven) meetings of SMC EL which met the regulatory requirement as per Companies Act 1994 under section 96. The Board attendance records are as follows:

Sl.	Name of Directors	Designation	Board Meeting attended
1.	Mr. Siddiqur Rahman Choudhury	Chairman	11
2.	Mr. Muhammed Ali	Director	11
3.	Mr. Md. Siddique Ullah	Director	10
4.	Mr. Aftabul Islam FCA	Director	9
5.	Mr. Waliul Islam	Director	5
6.	Dr. Jahiruddin Ahmed	Director	11
7.	Mr. Muhammad Farhad Hussain FCA	Director	9
8.	Mr. Md. Ali Reza Khan	Director	10
9.	Mr. Abdul Haque	Ex-officio Director	10

The Directors, who could not attend the meetings, were granted leave of absence. Mr. Waliul Islam was appointed in the Board of SMC EL as a nominated Director from SMC at 36th Board meeting of the company held on 28.01.2019.

### b. Annual General Meeting

The Company (SMC EL) held its last (4th) Annual General Meeting (AGM) on March 30, 2019 at the Company Head Office in Dhaka. The AGM received, adopted and ratified the Directors' Report and the Auditor's Report for the Financial Year 2017-2018 and appointed auditors for the Financial Year 2018-2019. Mr. Siddiqur Rahman Choudhury, Chairman of the Board of Directors of SMC, presided over the meeting. Board Directors, MD of SMC EL along with senior officials of the Company were present in the meeting. The 4th AGM of the company was held in compliance with the Companies' Act, 1994 and the dividend declared and disbursed subsequently from the profit of the 4th-year's operation.

### **c. Board Sub-committee**

The Board is assisted in its oversight role by strong independent Board Sub Committees' who are jointly and or individually serving the company. All together there are 4 Board Sub-committees related with SMC EL. These are:

Board Sub-committee on Personnel Policy and Administrative Matters (Joint Committee)

Board Sub-committee on Construction and Engineering Works (Joint Committee)

Board Sub-committee on Procurement of SMC EL

Board Sub-committee for setting up the SMC EL Pharma Factory

The Board Sub committee meetings are held on regular basis as and when required on need basis. During the reporting period Board Sub Committees of SMC EL held 6 (six) meetings in connection with procurement, acquisition of capital assets and other operational matters.

### **Board Audit Committee (Joint Committee)**

The Audit committee comprises of five members of the Board headed by Chairman of SMC and its subsidiary SMC EL with a defined terms of reference (TOR). The members of the present audit committee are:

Mr. Siddiquir Rahman Choudhury, Convener

Mr. Muhammad Ali, Member

Mr. Waliul Islam, Member

Mr. Aftabul Islam, Member

Mr. Muhammad Farhad Hussain FCA, Member

The committee relies on the expertise and knowledge of management, the internal auditors and the independent auditors in carrying out its oversight roles and responsibilities and accountable to the Board for carrying out the responsibilities associated with risks and controls, internal audit, financial statement, budgeting and compliances. The committee submits its report to the Board of Directors from time to time.

### **d. Internal Control**

The company has an extensive system of internal controls; ensuring optimal utilization and protection of resources and for the prevention and detection of irregularities and fraud. However, it is an ongoing process to modify and improve the internal controls and monitoring compliance with financial and administrative practices and procedures as laid down in applicable laws, policies, rules & regulations. The company has defined authorization and payment matrix where the financial authority limit is clearly spelt out for the Board Sub-committee, Managing Director(s) and Senior management.

### **Internal Audit**

The Internal audit department headed by Head of Internal Audit is conducting audit covering all areas of operation with a view to ensure effective internal control within the organization in line with the policy guidelines of the company from time to time. Audits are carried out in head office, factories, regional offices, area offices, central ware house of the companies. The frequency of which is determined by the level of risk assessed by the audit department in order to provide an independent and objective report on operational and management activities.

### **Financial Reporting framework and MIS**

The company adopted the Bangladesh Accounting Standards comprising of Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS) in line with International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS). Since adoption of such BAS and BFRS, progressive improvements on processes to comply with new requirements and proper disclosures are being made.

In order to ensure data integrity and reliability the companies follow robust MIS with a focus of establishing technology driven process coupled with high level of data security with a view to ensure data accuracy and reliability.

## Human Resources Management

The company has a sound human resource policy to ensure congenial working environment and better career path. SMC EL during the reporting period has 1,057 employees comprising of 572 management staff and 485 graded staff. SMC EL is having the comprehensive set of practices for recruiting, managing, developing and optimizing the human resources of the organization.

<b>Male:</b>	<b>980</b>
<b>Female:</b>	<b>77</b>

## Capacity Building

Our capacity building, aligned with company vision and strategy has two major objectives, prepare the people to carry out current activities to build the value of SMC, and to ensure that people are ready to shape the future, so that the value addition continues. Our training programs are designed accordingly, as part of our employee's continuing professional development.

## Industrial relationship

Healthy and peaceful Industrial Relations (IR) is one of the key factors of sustainable growth of any organization. In SMC EL there are two organized labour unions exist. Management and the CBA maintains an effective relationship in performing their duties and responsibilities, complying with guiding principle, policies and practices in line with the Bangladesh Labour laws.

## Outlook: 2019-20

The company's long term strategy is to continue to increase the sales, doubling the business in every 4-5 years through continuous improvements in everything that we do, investment in product diversification through introducing consumer preferred new product and expanding the sales and distribution network, investment in increasing manufacturing capacities as required. SMC will also maintain a healthy and profitable balance between own manufacturing and outsourcing and to keep on maintaining continuous process of cost optimization. Focus will also be given very strongly in building the capacity of the human resource which is the most important building block of this business.

I would like to take this opportunity to recognize the hard work and commitment of the Enterprise team, the synergy between Program and Enterprise activities, committed leadership at all levels, and especially those who work hard in the factories and in the field for sustaining a continuously improving performance.

I would extend my deep appreciation to our shareholders and the Board for their valuable guidance and support in managing SMC EL and building it for the future.



**Siddiqur Rahman Choudhury**  
Chairman, SMC EL



Product  
Development  
and Brand  
Communication  
SMC EL

SMC Enterprise Ltd made its striking presence with various brands during different cricket series recently in Bangladesh. SMC's 'ORSaline-N' was a proud sponsor of the Bangladesh vs Zimbabwe cricket series held in October-November 2018. 'Smile' and 'Sensation' were the proud sponsors of Bangladesh vs West Indies cricket series held in November-December 2018.

## ORSaline-N

ORSaline-N is the No. 1 choice in treating diarrhea and correcting dehydration of children and adults. ORSaline-N is also being used for dehydration caused by excessive sweating. To communicate extended usage of ORSaline-N, Shakib Khan, the most popular film actor has been appointed as brand ambassador. The campaign was highly successful in the country. As a result market share was increased to 60%.

The brand maintained strong presence in mass media especially in the major sports events (e.g. FIFA World Cup 2018, Bangladesh Premier League, Indian Premier League, Tri-nation) throughout the year.



## Taste me

Instant soft drink powder Taste Me was launched in July 2017 in four mouthwatering fruit flavors - Orange, Mango, Lychee, and Pomegranate, with a refreshing taste which instantly lifts up the mood. It is a perfect household product for home refreshment. Within a short period of time the brand achieved tremendous sales growth. Various strategic campaigns were carried out during major sports, cultural & religious events throughout the year, such as World Cup Cricket 2019, Ramadan, Eid and Indian Premier League. Effective school activation and free sampling was done during Pahela Baishakh. Taste me also actively maintained the official Facebook page to ensure brand connect.



## BOLT

Glucose powder 'BOLT' was launched in February 2018 with the positioning of instant energy drink powder. The popularity of glucose is increasing due to prolonged summer season and excessive heat. Bangladesh National Cricket Team's fast bowler Taskin Ahmed was brand ambassador and also the face of the pack and communication.

Throughout the year, 'BOLT' was active in mass media during the major sports events like FIFA World Cup 2018, Indian Premier League, World Cup Cricket 2019 and popular cricket tournaments. The brand had strategic presence in digital space via Face book.



## Joya Sanitary Napkin

Joya's commitment to increase sanitary napkin usage and empower women continued throughout the year with powerful taboo breaking communication and campaigns regarding menstruation and different social challenges.

To cater to women from all social and income segments, Joya introduced 2 new premium variants – Joya Extra Heavy Flow Wings and Joya All Night Wings in the market on December 2018.



Joya Sanitary Napkin has signed an agreement with Nusrat Faria, a popular actress in Bangladesh and India. Joya as a brand defies taboo associated with menstruation and inspires women to move forward in life.

- To commemorate International Women's Day, SMC EL has been the title sponsor of "Joya Alokito Nari" for the last 4 years in collaboration with RTV, one of the top-ranked channels in Bangladesh. "Joya Alokito Nari" honors the achievements of 8 enlightened women every year to mark the day. By showcasing these achievements, Joya and SMC Enterprise Limited wishes to inspire all women in Bangladesh, and to ensure that no woman stays behind. Joya is now the 2nd most popular Sanitary Napkin brand in the country.

## Smile Baby Diaper

SMC has launched Smile baby diaper in June 2018. Smile baby diaper has successfully gained around 7% of the total market share in the first year. SMC has also planned to extend its health and hygiene category by introducing baby wipes by 2019 and pulls up diaper in 2020.

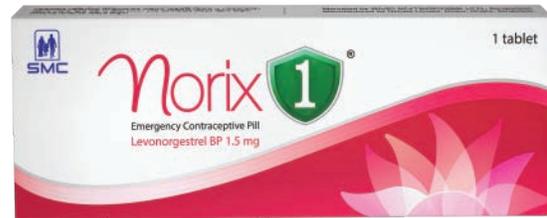


## Femicon



Femicon continues to be the most popular birth control pill in the country. The campaign of Femicon was continued in mass media focusing on female centric programs in popular TV channels. The campaign was also supported by press ad, magazines, sponsoring Devi movie, Trade gifts and outdoors at strategic locations.

## Norix 1



Emergency contraceptive pill Norix was launched in FY 2016-17 with 2 pill variant. Considering consumer preference of Single pill solution, SMC EL launched Single dose emergency contraceptive pill – Norix 1 in FY 2018-19.

## Panther



Panther continues to be the No. 1 condom brand in the country. The very successful “Ashol Purush” campaign was carried out in TV, press and other mass media. Billboards were also placed in various strategic locations nationwide as a brand reminder.

## Sensation



The widely accepted campaign of countries one of the most popular condom brands Sensation was aired in top channels and programs especially during popular cricket tournaments including BPL-2019, IPL-2019, Bangladesh Vs West Indies series and World Cup Cricket 2019. The advertisement was also published in popular magazines.

## U&Me

A new campaign of U& Me was developed and communicated through various mass media on theme “spice up your marriage”. This TVC was aired in popular programs in top TV channels including Eid special programs. An attractive trade promotion was also been offered to the traders to boost up sales. This brand was also very visible in the digital platform throughout the year.



## Xtreme

SMC's one of the most popular premium condom brands Xtreme has launched a remarkable campaign 'Xtreme Xplore'. This campaign won the country's most prestigious award 'Commward' in two categories, Gold award in art direction and Silver award in print. Besides an innovative consumer promotion (free sampling with magazine) was also successfully carried out for Xtreme.





# Auditors' Report

## SMC - EL

## **Independent Auditor's Report To the Shareholders of SMC Enterprise Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of SMC Enterprise Limited, which comprise statement of the financial position as at 30 June 2019, and the statements of profit or loss and other comprehensive income, statement of changes in equity, 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 a true and fair view, in all material respects, the financial position of the Company as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

#### **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. 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 # 4.1 to the financial statements, which describes the effects acquisition of the land & building from Social Marketing Company (SMC) worth Tk.134,668,703 under vendor's agreement have not been yet registered in the name of SMC Enterprise Limited. For this the management of both Social Marketing Company and SMC Enterprise Limited decided to enter into a lease agreement. The management has taken steps to prepare a lease agreement in accordance with IFRS-16; which is not effective as on 30 Jun 2019. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, 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.

#### Report on other Legal and Regulatory Requirements

The financial statements comply with the terms and conditions in accordance with the Companies Act, 1994 and other applicable laws and regulations. We also report the following:

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

Dhaka,  
11 November 2019



**ACNABIN**  
**Chartered Accountants**

**SMC Enterprise Limited**  
**Statement of Financial Position**  
As at 30 June 2019

	Notes	30.06.2019 Taka	30.06.2018 Taka
<b>Assets</b>			
<b>Non-current assets</b>			
		<b>1,971,004,863</b>	<b>1,774,940,949</b>
Property, plant and equipment	4	1,829,013,227	1,714,123,714
Capital work-in-progress	5	141,991,636	60,817,235
<b>Current assets</b>			
		<b>1,975,262,727</b>	<b>1,745,538,657</b>
Inventories	6	891,627,800	674,371,322
Accounts receivables	7	11,088,145	68,392,867
Other receivables	8	4,768,685	12,494,268
Advance, deposit and prepayments	9	636,088,708	641,544,199
Investment in FDR	10	111,569,093	56,350,332
Cash and bank balances	11	320,120,295	292,385,668
<b>Total assets</b>		<b><u>3,946,267,590</u></b>	<b><u>3,520,479,605</u></b>
<b>Equity and liabilities</b>			
<b>Capital and equity</b>			
		<b>2,479,598,368</b>	<b>1,941,063,964</b>
Share capital	12	100,000,000	100,000,000
Retained earnings	13	2,089,598,368	1,551,063,964
Vendor's account -SMC (potential shares)	14	290,000,000	290,000,000
<b>Non-current liabilities</b>			
		<b>179,060,655</b>	<b>421,214,165</b>
Vendor's account - loan (net of current portion)	14.1	99,904,481	249,904,481
Loan from SMC	15	-	51,372,603
Payable for gratuity	16	23,587,394	57,843,998
Deferred tax liability	17	55,568,780	62,093,083
<b>Current liabilities</b>			
		<b>1,287,608,567</b>	<b>1,158,201,477</b>
Vendor's account - loan (current portion)	14.1	150,000,000	150,000,000
Security deposits	18	9,569,708	16,594,937
Accounts payable	19	496,214,250	342,004,159
Others payable	20	186,687,503	240,097,822
Provision for WPPF & WF	21	44,702,472	40,979,769
Provision for Income Tax	22	400,434,634	368,524,790
<b>Total equity and liabilities</b>		<b><u>3,946,267,590</u></b>	<b><u>3,520,479,605</u></b>

The annexed notes from 1 to 36 form an integral part of these financial statements.

  
**Abul Bashir Khan, FCMA**  
Chief Financial Officer

  
**Abdul Haque**  
Managing Director

  
**Siddiqur Rahman Chowdhury**  
Chairman

This is the Statement of Financial Position referred to in our separate report of even date.

Dhaka,  
11 November 2019

  
**ACNABIN**  
Chartered Accountants

**SMC Enterprise Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
 For the year ended 30 June 2019

	Notes	2018-2019 Taka	2017-2018 Taka
Net revenue	23	6,470,668,313	5,235,575,613
Cost of goods sold	24	(4,012,663,957)	(3,230,883,471)
<b>Gross profit</b>		<b>2,458,004,356</b>	<b>2,004,692,142</b>
<b>Operating expenses</b>		<b>(1,568,055,072)</b>	<b>(1,193,853,188)</b>
Administrative expenses	25	(680,436,197)	(539,759,234)
Selling & marketing expenses	26	(887,618,874)	(654,093,954)
<b>Gross operating profit for the year</b>		<b>889,949,284</b>	<b>810,838,955</b>
Finance expenses	27	(11,768,388)	(9,065,754)
<b>Net operating profit for the year</b>		<b>878,180,896</b>	<b>801,773,201</b>
Other income	28	15,868,545	17,822,183
<b>Profit before WPPF &amp; WF for the year</b>		<b>894,049,441</b>	<b>819,595,384</b>
Provision for contribution to WPPF & WF		(44,702,472)	(40,979,769)
<b>Profit before tax for the year</b>		<b>849,346,969</b>	<b>778,615,615</b>
Income tax expense		(280,812,565)	(265,800,612)
Current tax expense		(287,336,868)	(261,351,729)
Deferred tax Income/(expense)	17.1	6,524,303	(4,448,883)
<b>Total comprehensive income</b>		<b>568,534,404</b>	<b>512,815,003</b>

The annexed notes from 1 to 36 form an integral part of these financial statements.



**Abul Bashir Khan, FCMA**  
 Chief Financial Officer



**Abdul Haque**  
 Managing Director



**Siddiquir Rahman Chowdhury**  
 Chairman

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka,  
 11 November 2019



**ACNABIN**  
 Chartered Accountants

**SMC Enterprise Limited**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2019**

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Vendor's Account-SMC (Potential Shares)	Total Equity
Opening balance	100,000,000	1,551,063,964	290,000,000	1,941,063,964
Net Profit for the year	-	568,534,404	-	568,534,404
Cash Dividend paid for the year 2017-2018	-	(30,000,000)	-	(30,000,000)
<b>Balance as at 30 June 2019</b>	<b>100,000,000</b>	<b>2,089,598,368</b>	<b>290,000,000</b>	<b>2,479,598,368</b>

Particulars	Share Capital	Retained Earnings	Vendor's Account-SMC (Potential Shares)	Total Equity
Opening balance	100,000,000	1,063,248,961	290,000,000	1,453,248,961
Net Profit for the year	-	512,815,003	-	512,815,003
Cash Dividend paid for the year 2016-2017	-	(25,000,000)	-	(25,000,000)
<b>Balance as at 30 June 2018</b>	<b>100,000,000</b>	<b>1,551,063,964</b>	<b>290,000,000</b>	<b>1,941,063,964</b>

The annexed notes from 1 to 36 form an integral part of these financial statements.

Dhaka,  
11 November 2019

  
**Abul Bashir Khan, FCMA**  
**Chief Financial Officer**

  
**Abdul Haque**  
**Managing Director**

  
**Siddiqur Rahman Chowdhury**  
**Chairman**

**SMC Enterprise Limited**  
**Statement of Cash Flows**  
 For the year ended 30 June 2019

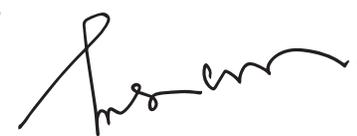
	2018-2019 Taka	2017-2018 Taka
<b>A. Cash flows from operating activities</b>		
<b>Net profit before interest and taxes</b>	861,115,357	787,681,369
Item not involving in movement of cash:		
Depreciation on property, plant and equipment	196,703,422	155,627,178
	<b>1,057,818,779</b>	<b>943,308,547</b>
<b>Changes in working capital/Non Operating/ Non Cash Items</b>		
Decrease in advances, deposit and prepayments	5,455,490	224,302,791
Increase in inventories	(217,256,478)	(122,657,473)
Decrease/(Increase) in accounts receivables	57,304,722	(60,125,262)
Decrease/(Increase) in other receivables	7,725,583	(24,797,236)
Increase in provision for WPPF	3,722,703	3,640,707
(Decrease)/Increase in provision for gratuity	(34,256,604)	1,530,675
(Decrease)/Increase in other payable	(53,410,319)	56,124,840
Decrease in security deposits	(7,025,229)	(5,739,936)
Increase/(Decrease) in accounts payables	154,210,091	(56,968,276)
Finance Expenses	(11,768,388)	(9,443,836)
Adjustment of income tax	(255,427,024)	(437,906,562)
	<b>(350,725,453)</b>	<b>(432,039,568)</b>
<b>Net cash flow from operating activities</b>	<b>707,093,327</b>	<b>511,268,979</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(309,054,275)	(338,165,930)
Adjustment of excess capitalization of land of last year	-	400,000
Capital work-in-progress	(83,713,061)	(62,460,277)
Encashment of FDR	-	116,509,458
Investment in FDR	(55,218,761)	(3,960,142)
<b>Net cash used in investing activities</b>	<b>(447,986,097)</b>	<b>(287,676,891)</b>
<b>C. Cash flows from financing activities</b>		
Loan receipt from SMC during the year	250,000,000	50,000,000
Loan repaid to SMC during the year	(301,372,601)	(150,000,000)
Payments as per vendor's agreement	(150,000,000)	(150,000,000)
Dividend Paid	(30,000,000)	(25,000,000)
<b>Net cash used in financing activities</b>	<b>(231,372,601)</b>	<b>(275,000,000)</b>
<b>Net increase/(decrease) cash and bank balances(A+B+C)</b>	<b>27,734,627</b>	<b>(51,407,912)</b>
Cash and bank balances at beginning of the year	292,385,668	343,793,580
<b>Cash and bank balances at end of the year</b>	<b>320,120,295</b>	<b>292,385,668</b>

The annexed notes from 1 to 36 form an integral part of these financial statements.

Dhaka,  
11 November 2019

  
 Abul Bashir Khan, FCMA  
 Chief Financial Officer

  
 Abdul Haque  
 Managing Director

  
 Siddiqur Rahman Chowdhury  
 Chairman

**SMC Enterprise Limited**  
**Notes to the financial statements**  
**For the year ended 30 June 2019**

**1. The background and business activities of the Company**

**1.1 Status of the Company**

SMC Enterprise Limited ("SMC EL" or "the Company"), a private company limited by shares was incorporated in Bangladesh bearing Registration No. C-118753/14, dated 20 October, 2014 under the Companies Act, 1994. The Company obtained registration from the Board of Investment (BOI), Government of Bangladesh under Registration No. L-30031503052-H, dated 16 March, 2015. Commercial operation started from 1 January 2015.

A vendor's agreement has been executed between Social Marketing Company (Vendor) and SMC Enterprise Limited (Vendee) on 01 January 2015 to acquire and take over the business of manufacturing, trading and other commercial operations of Social Marketing Company. Social Marketing Company has authorized SMC Enterprise Limited at the board meeting held on 22 December 2014 to receive the scheduled property and stock at their net book value of Tk 1,480,556,533 as certified by MABS & J Partners Chartered Accountants. The Vendor's agreement was addendumed at 03 May 2017 as per board decision. The consideration for such transactions is to be revised and settled in the following manner:

<u>Particulars</u>	<u>Taka</u>
a) Total Consideration	1,480,556,533
Less: Adjustment against excess valuation of property & stock	40,652,052
Total consideration after adjustment	<b>1,439,904,481</b>
Less: Cash payment made upto 30 June 2019	850,000,000
Less: Shares issued till 30 June 2019	50,000,000
Outstanding amount to be paid:	<b>539,904,481</b>
b) Amount to be paid in Cash	
30 September 2019	50,000,000
31 December 2019	50,000,000
31 March 2020	50,000,000
30 September 2020	50,000,000
31 December 2020	49,904,481
<b>Total cash consideration to be paid</b>	<b>249,904,481</b>
c) Shares to be issued in phases	340,000,000
Less: Shares issued till 30 June 2019	50,000,000
<b>Outstanding shares to be issued</b>	<b>290,000,000</b>

The Board of Directors of the company has not yet determined the date/phase wise date including the numbers of shares to be issued.

**1.2 Nature of business**

Social Marketing Company (SMC) formed SMC Enterprise Limited as a 'for-profit subsidiary' to run profitable operations. All manufacturing and trading operations of self-financed profitable products are implemented through the Enterprise. The company markets a diverse range of brands under multiple product categories such as pills, condoms, Orsaline, female hygiene, pharma products, food products, bevarage items etc to specific segments supported with brand-specific advertising and promotion, and manages a nationwide distribution operation through 12 area offices located across the country.

SMC EL has made a contract dated 04 May 2016 with Julphar bangladesh Limited for Toll Manufacturing of the pharma products. As per contract the commercial operation was started dated May 2017 and the sales was started dated August 2017. Where Julphar Bangladesh Limited produces total 32 pharma items for SMC EL. The cost of the production was started to charge from May 2017.

## 2. Basis of preparation of Financial Statements

### 2.1 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs), the Companies Act 1994, and other relevant local laws as applicable.

In addition to the above, the entity is also required to comply with the requirements of the following:

The Income Tax Ordinance, 1984;  
The Income Tax Rules, 1984;  
The Value Added Tax Act, 1991;  
The Value Added Tax Rules, 1991;  
The Customs Act, 1969;  
The Bangladesh Labour Act (Amendment) 2013,  
The Sale of Goods Act 1930;

### 2.2 Basis of Measurement

These financial statements have been prepared on a going concern basis under the historical cost convention method in accordance with International Financial Reporting Standards (IFRSs).

### 2.3 Components of financial statements

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

### 2.4 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

### 2.5 Use of estimates and judgments

The preparation of financial statements 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. Revision of accounting estimates is recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the following notes:

Note: 4 Depreciation on property, plant and equipment.  
Note: 6 Inventory valuation  
Note: 7 Accounts receivables  
Note: 16 Payable for gratuity  
Note: 17 Deferred tax liabilities  
Note: 22 Provision for Income Tax

### 2.6 Reporting period

The financial year of the company covers one year from 01 July to 30 June and will be followed consistently.

## 3. Significant accounting policies

### 3.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and after due compliance with the International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations.

### 3.2 Property, plant and equipment

#### 3.2.1 Recognition and measurement

Property, plant and equipment are stated at cost or revalued amount if any less accumulated depreciation in compliance with International Accounting Standard (IAS)-16: Property Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its location and condition for its intended use inclusive of onward freight, duties and non-refundable takes.

#### 3.2.2 Subsequent Costs

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

#### 3.2.3 Depreciation

Depreciation is charged on property (except Land), plant and equipment using straight line method over the estimated useful life of each item of property, plant and equipment. Depreciation on addition to property, plant and equipment is charged from the date when assets is put into use for commercial operation. No depreciation is charged on the assets from the month on which such assets are disposed. The rates of depreciation varies from 2.5% to 30% p.a. based on useful lives and nature of the assets rates of depreciation are as follows:

Category of Assets	Rate (p.a)
Office Building	2.50%
Factory Building	5%
Lift	20%
Power sub-station	20%
Fire control system	20%
Central air conditioning	20%
Deep tubewell	15%
Plant and machineries	10%
QC equipment	10%
Central warehouse equipment	10%
Furniture and fittings	10%
Vehicles	20%
Other equipment	20%
Office equipment	20%
Other assets	20%
Mobile phone	30%
Water Treatment Plant	15%
Software Development	20%
Diesel Reservoir	20%

### 3.3 Financial assets

Financial assets of the company include cash and bank balances, investment in FDR, accounts receivables and other receivables. The company initially recognizes receivable on the date they are originated. All others financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

#### 3.3.1 Investment in FDR

The Company has the positive intent and ability to hold FDR to maturity and such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognized initially at fair value. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

### 3.3.2 Accounts receivables

Accounts receivables are initially recognized as invoice amount and subsequently measured at invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account aging, previous experience and general economic conditions. When an accounts receivable is determined to be uncollected it is written off, firstly against any provision available and then to the profit or loss and other comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the profit or loss and other comprehensive income.

### 3.3.3 Cash and bank balances

Cash and bank balances include cash in hand and at banks which are held and available for use by the company without any restriction.

### 3.3.4 Advance, deposit and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.

## 3.4 Financial liabilities

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include liabilities for expenses, accounts payable, other payables and other financial obligations.

### 3.4.1 Loans and borrowings

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

### 3.4.2 Finance income and expenses

Finance income comprises interest income on funds invested as FDR, bank deposits. Interest income is recognized using accrual principle.

Finance expenses comprise interest expenses on loan, overdraft, bank charged and recognized in the statement of Profit or Loss and other comprehensive income using effective interest rate method.

## 3.5 Inventories

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

## 3.6 Revenue Recognition

In compliance with the requirements of IFRS-15: Revenue is recognized only when it completes the 5 steps model:

- Step-1 Identify the contract with a customer.
- Step-2 Identify the performance obligations in the contract.
- Step-3 Determine the transaction price.
- Step-4 Allocate the prices to the performance obligations
- Step-5 Recognize revenue.

## 3.7 Value Added Tax exempted products

VAT is exempted for all kinds of contraceptive and sheth contraceptive Products as per SRO # 172/Law/2019/29-VAT dated 13 June 2019. But Orsaline and female hygiene products and pharma products are not VAT exempted.

### 3.8 Employee benefits

#### 3.8.1 Defined contribution plan (provident fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company has recognised provident fund.

#### 3.8.2 Defined benefit plan (gratuity)

Defined benefit plan is a retirement benefit plan under which amounts to be paid as retirement benefits are determined by reference to employees' earnings and/or year of services. The Company has funded gratuity fund. The Employees' gratuity fund is being considered as defined benefit plan as it meets the recognition criteria of IAS-19, Employee Benefit. The Company's obligation is to provide the agreed benefits to current employees as per condition of the fund.

The Company operates a gratuity scheme for its permanent employees; provision for gratuity is made annually against one month's basic salary for each completed year of services of an eligible employee.

#### 3.8.3 Workers' Profit Participation Fund

Workers' Profit Participation Fund (the "WPPF") also qualifies as defined contribution plan. The Company is required to provide 5% of net profit before tax before charging such expense in accordance with Bangladesh Labour Act (Amendment in 2013) 2006. The amount contributed to WPPF is separated.

### 3.9 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to item recognised directly in equity.

#### 3.9.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date. The applicable tax rate for the Company is 35%. Provision for current tax expenses has been made on the basis of Finance Act 2019 of Income Tax Ordinance 1984.

#### 3.9.2 Deferred tax

Deferred tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognised in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognised in current year. The deferred tax asset/income or liability/expense does not create a legal recoverability/liability to and from the income tax authority.

#### 3.10 Statement of cash flows

Statement of cash flows is prepared principally in accordance with IAS-7: Statement of Cash Flow and the cash flows from operating activities have been presented under indirect method.

#### 3.11 Provision

A provision is recognized on the date of financial position if, as a result of past events, the company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### 3.12 Foreign currency transactions

Foreign currency transactions are converted into Bangladesh Taka at exchange rates prevailing on the dates of transactions. Assets and liabilities in foreign currency as at 30 June 2019 were converted into Taka/Tk./BDT at the exchange rate prevailing on the closing date.

### 3.13 Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after reporting periods 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 those after the reporting period. Materials non-adjusting events are disclosed in the financial statements.

### 3.14 General

- i. Figures have been rounded off to the nearest Taka.
- ii. Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

### 3.15 Comparative information

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

### 3.16 Status of compliance of International Accounting Standards

The Company's status of compliance with applicable Financial Reporting Standards is as under:

<b>IAS</b>	<b>Title</b>	<b>Remarks</b>
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Partially Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
24	Related Party Disclosures	Complied
32	Financial Instruments: Presentation	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
39	Financial Instruments: Recognition and Measurement	Complied
<b>IFRS</b>	<b>Title</b>	<b>Remarks</b>
7	Financial Instruments: Disclosures	Complied
12	Disclosure of Interest in Other Entities	Complied
13	Fair value measurement	Complied
15	Revenue from Contracts with Customers	Complied

#### 4. Property, plant and equipment

##### A. Cost

	30.06.2019 Taka	30.06.2018 Taka
Opening balance	2,127,865,244	1,733,920,521
Add: Addition during the year	311,592,935	394,344,723
	2,439,458,179	2,128,265,244
Less: Disposal during the year	-	400,000
<b>Total</b>	<b>2,439,458,179</b>	<b>2,127,865,244</b>

##### B. Accumulated depreciation

Opening balance	413,741,530	258,114,352
Add: Charged during the year	196,703,422	155,627,178
	610,444,952	413,741,530
<b>Total</b>	<b>610,444,952</b>	<b>413,741,530</b>

##### C. Written down value (A-B)

	<b>1,829,013,227</b>	<b>1,714,123,714</b>
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A schedule of property, plant and equipment is given in **Annexure-A**

- 4.1 Property, plant and equipment includes land & buildings of Taka 134,668,703 and Taka 229,669,842 respectively, which has been acquired from Social Marketing Company (SMC) through vendor's agreement dated 01 January 2015 but company has not yet registered those land in the name of SMC Enterprise Limited and therefore ownership still remains with SMC.

#### 5. Capital work-in-progress

Construction work at Comilla	9,111,282	-
Construction work at Bhaluka for ORS factory	91,306,774	59,803,199
Construction work at Bogura	-	40,738
Construction work for CWH at Bhaluka	540,000	225,000
Construction work at Khulna	748,298	748,298
Property, plant and equipment (Other than construction works)	40,285,282	-
	<b>141,991,636</b>	<b>60,817,235</b>

The movement and subsequent position of this amount is as under:

Opening balance	60,817,235	54,535,751
Add: Addition during the year	83,713,061	62,460,277
	144,530,296	116,996,028
Less: Transfer to property, plant and equipments during the year	2,538,660	56,178,793
	<b>141,991,636</b>	<b>60,817,235</b>

#### 6. Inventories

Raw Materials	236,335,465	160,274,880
Packing Materials	88,369,204	81,677,996
POP materials	28,846,574	23,717,595
Stores and Spares	54,668,556	42,069,343
Work in Progress	8,177,066	4,550,872
Finished Goods	475,230,935	362,080,635
	<b>891,627,800</b>	<b>674,371,322</b>

A schedule of inventories is given in **Annexure-B**

Items of Inventories	Opening balance	Purchase during the year	Consumption during the year	Closing balance
POP materials	23,717,595	60,338,148	55,209,169	28,846,574
Packing Materials	81,677,996	544,639,417	537,948,209	88,369,204
Stores and Spares	42,069,343	40,918,382	28,319,170	54,668,556
Raw Materials	160,274,880	773,438,750	697,378,165	236,335,465
Work in Progress	4,550,872	-	-	8,177,066
Finished Goods including Bulk	362,080,635	2,353,456,611	2,240,306,311	475,230,935
<b>Total</b>	<b>674,371,322</b>	<b>3,772,791,308</b>	<b>3,559,161,024</b>	<b>891,627,800</b>

#### 7. Accounts Receivables

Receivable from Sales	(Note: 7.1)	11,021,614	12,101,722
Receivable from Pharma Sales	(Note: 7.2)	66,532	56,291,146
		<b>11,088,145</b>	<b>68,392,867</b>

### 7.1 Accounts receivable (other than pharma)

Opening balance  
Add: Sales during the year  
  
Less: Collection during the year

30.06.2019 Taka	30.06.2018 Taka
12,101,722	8,267,606
6,722,702,188	5,616,456,895
6,734,803,910	5,624,724,501
6,723,782,296	5,612,622,779
<b>11,021,614</b>	<b>12,101,722</b>

### 7.2 Accounts receivable-Pharma

Opening balance  
Add: Sales during the year  
  
Less: Collection during the year

56,291,146	-
253,039,931	142,739,725
309,331,077	142,739,725
309,264,545	86,448,579
<b>66,532</b>	<b>56,291,146</b>

The aging of above accounts receivables as at the statement of financial position date was:

#### Aging of the above receivables is given below

Past due 0-30 days  
Past due 31-90 days  
Past due over 91 days

3,650,802	22,518,535
6,251,031	38,557,029
1,186,313	7,317,303
<b>11,088,146</b>	<b>68,392,867</b>

### 8. Other Receivables

Receivable from SMC  
Pragati Insurance Ltd  
Interest receivable on FDRs  
Raw Materials Loan

3,671,087	7,150,235
443,064	-
654,534	573,153
-	4,770,880
<b>4,768,685</b>	<b>12,494,268</b>

### 09. Advance, deposit and prepayments

Advance (Note: 9.1)  
Security Deposit (Note: 9.2)

632,744,748	638,770,739
3,343,960	2,773,460
<b>636,088,708</b>	<b>641,544,199</b>

#### 9.1 Advances and prepayments

Advanced against expenses  
Goods in Transit  
Advanced Income Tax (Note: 9.1.1)  
Margin against Bank Guarantee  
Vehicles loan (Note-9.1.2)  
Advance VAT-Toll Manufacturing  
Advances for Advertisement (Note-9.1.3)  
Advance Trade VAT  
Advance against Employees welfare  
Advance against fixed assets  
Other advances  
VAT Current Account-ORS Factory  
VAT on Stock  
VAT Current Account-Health & Hygiene Factory  
Union subscription  
Eastern Insurance Co. Ltd.  
Pragati Insurance Ltd  
United Insurance Ltd  
Reliance Insurance Ltd

14,593,856	53,952,094
166,726,808	176,731,164
363,873,449	333,652,365
1,000,000	1,000,000
33,237,148	21,722,685
342,950	490,321
6,869,949	-
-	599,539
94,068	176,670
-	4,694,263
-	11,331
6,199,500	12,714,940
30,059,979	27,317,571
7,849,945	3,720,508
-	2,400
-	250,078
1,897,096	1,438,202
-	184,081
-	112,528
<b>632,744,748</b>	<b>638,770,739</b>

#### 9.1.1 Advanced Income Tax

Opening balance  
Add: Addition during the year  
  
Less: Adjustment for the assessment year 2017-2018

333,652,365	480,769,212
285,648,108	290,789,715
619,300,473	771,558,927
255,427,024	437,906,562
<b>363,873,449</b>	<b>333,652,365</b>

As per clause 1(a) of section 94 of Income Tax Ordinance 1984, if NBR does not assess the income two years from the end of the first assessment year in which the income was first assessable then the amount of tax provision can be adjusted based on the acknowledgement receipt from NBR at the time of payment of tax as per return under 82BB. So here SMC Enterprise Limited has adjusted the tax paid for the assessment year 2017-2018 against the advance income tax. The company subsequently will adjust if there is any over or under provision assessed by NBR.

### 9.1.2 Vehicles loan

The above loan was provided by the Company to its sales and management staff to increase their operational efficiency. Entire amount Tk 3,32,37,148 was receivable from the sales and management level personnel against motor car/Motorbike loan under this scheme through a fixed number of installments without interest.

The movement and subsequent position of this amount is as under:

	Motor bike Taka	Motor Car Taka	30.06.2019 Taka	30.06.2018 Taka
Opening balance	3,819,108	17,903,577	21,722,685	6,509,689
Add: Advance given during the year	3,481,094	16,119,000	19,600,094	17,639,500
	7,300,202	34,022,577	41,322,779	24,149,189
Less :Adjusted/Realized during the year	1,014,162	7,071,469	8,085,631	2,426,504
	<b>6,286,040</b>	<b>26,951,108</b>	<b>33,237,148</b>	<b>21,722,685</b>

### 9.1.3 Advances for Advertisement

Nushrat Faria	1,405,555	-
Nanziba Fatema Meem	150,000	-
Shakib Khan	5,314,394	-
	<b>6,869,949</b>	<b>-</b>

### 9.2 Security Deposit

Performance Security to BRAC	30,000	70,000
Titas Gas	69,000	69,000
Power Development Board (PDB)	768,000	-
Save the Children International	-	157,500
Deposit for 550 KW power to 1600 KVA substation	2,476,960	2,476,960
	<b>3,343,960</b>	<b>2,773,460</b>

### 10. Investment in FDR

IPDC	61,569,093	56,350,332
Jamuna Bank Ltd.	50,000,000	-
	<b>111,569,093</b>	<b>56,350,332</b>

### 11. Cash and bank balances

Cash in hand	(Note-11.1)	796,968	31,494,469
Cash at bank	(Note-11.2)	319,323,327	260,891,199
		<b>320,120,295</b>	<b>292,385,668</b>

#### 11.1 Cash in hand

Head office	13,973	48,039
Dhaka area office-West	58,877	-
Chittagong area office	48,064	-
Khulna area office	4,368	478
Kushtia area office	49,015	4,644
Barishal area office	127,610	-
Comilla area office	102,063	17,000
Sylhet area office	32,394	600
Bogura area office	33,319	-
Health & Hygiene Factory	10,054	15,535
Mymensingh area office	37,913	-
Rajshahi area office	20,421	-
Rangpur area office	19,832	-
ORS Factory-Bhaluka	40,183	-
Undeposited Sales Proceeds	198,882	31,408,173
	<b>796,968</b>	<b>31,494,469</b>

**11.2 Cash at bank**

			30.06.2019 Taka	30.06.2018 Taka
Bank Name	A/C Number	Branch		
<b>Collection Account</b>				
Uttata Bank Ltd.	14100041157	Corporate Br	53,018,300	45,144,470
Pubali Bank Ltd	4465102000053	Bhaluka Br	-	382,534
Pubali Bank Ltd	1690102000178	Madhabpur Br	1,597	1,976,093
BRAC Bank Ltd	1901103571806001	Gobindagonj Br	1,095,932	1,320,907
United Commercial Bank Ltd	088130100000038	Hathazari Br	525,039	639,710
United Commercial Bank Ltd	157130100000074	Ghatail Br	1,186,550	1,064,735
United Commercial Bank Ltd	133130100000043	Kapasias Br	1,128,373	941,861
Pubali Bank Ltd. collection a/c	3311-102-000724	Banani Br.	1,845,282	-
DBBL Collection account	197.120.1334	Matuail Br.	83,049	-
Pubali Bank Ltd.	4863102000044	Siddirgonj Br.	1,872	-
Pubali Bank Ltd	3311102000707	Banani Br	11,873,083	15,595,768
Pubali Bank Ltd	183102000877	Daulatgonj Br	3,360	9,213
Prime Bank Ltd.	2214315008827	Shibpur Br	11,409	212,281
Janata Bank Ltd	0100131367044	Kaligonj Br	1,326	6,689,155
First Security Islami Bank Ltd	023013100000017	Bauphal Br	-	185,552
Rupali Bank Ltd	5314024000003	Bhandaria Br	-	646,725
National Bank Ltd	1174002785170	Phulpur Br	661,066	2,083,369
<b>Operating Account</b>				
Uttara Bank Limited	159414100004223	Gulshan	72,105,820	27,630,314
Pubali Bank Limited	3311102000576	Banani	23,580,108	78,565,220
Pubali Bank Limited	3311102000692	Banani	23,441,705	6,694,620
Prime Bank Limited	12321010034932	Banani	21,837,083	11,001,594
Brac Bank Limited	1501103649154001	Corporate	235,763	319,078
Balance at Area offices' Banks	Various A/Cs	Area offices	15,329,643	11,677,517
HSBC	001-018464-011	Main	-	1,827,236
Sonali Bank Ltd.	6503000022	Banani	3,142,250	-
Eastern Bank Ltd.	1161360285322	Gulshan	52,511,252	-
The City Bank Ltd.	3102466399001	Gulshan	841,286	-
Pubali Bank OD Account	3311901022127	Banani	10,000	-
First Security Islami Bank Limited	011513100000345	Banani	16,610,628	18,443,695
Dutch Bangla Bank Limited	103-120-3742	Banani	957,652	22,429,773
Stanadard Chartered Bank	02-1307733-01	Gulshan	17,229,814	989,513
Bangladesh Krishi Bank, Banani Branch	41160320000309	Banani	54,084	4,420,267
			<b>319,323,327</b>	<b>260,891,199</b>

	30.06.2019 Taka	30.06.2018 Taka
<b>12. Share capital</b>		
<b>a. Authorized share capital</b>		
5,000,000 Ordinary shares of BDT 100 each	500,000,000	500,000,000
<b>b. Issued, subscribed and paid-up share capital</b>		
1,000,000 ordinary shares of BDT 100 each fully paidup	100,000,000	100,000,000
<b>c. The composition of fully paid-up share capital is as follows:</b>		
	<b>1,000,000</b>	<b>100,000,000</b>
	<b>100,000,000</b>	<b>100,000,000</b>
<b>13. Retained earnings</b>		
Opening Balance	1,551,063,964	1,063,248,961
Add: Net profit for the year	568,534,404	512,815,003
	2,119,598,368	1,576,063,964
Less: Dividend paid in cash during the year	(30,000,000)	(25,000,000)
	<b>2,089,598,368</b>	<b>1,551,063,964</b>
<b>14. Vendor's Account -SMC (Potential Share)</b>	<b>290,000,000</b>	<b>290,000,000</b>
As per addendum to the original Vendor's agreement disclosed in note # 1.1, SMC Enterprise Limited will issue shares to SMC for Tk 340,000,000 in phases for the property and stocks acquired from SMC. The company issued 500,000 shares for the year ended 30 June 2017 amounting to Taka 50,000,000. No further shares were issued during the year ended 30 June 2019.		
<b>14.1 Vendor's Account - loan</b>		
As disclosed in note # 1.1, out of total consideration, an amount of Tk 399,904,481 has been agreed to settle through cash payments, the details of which are as under:-		
Vendor's Account - Loan (Opening Balance)	399,904,481	549,904,481
Repayment made during the year	(150,000,000)	(150,000,000)
Balance	249,904,481	399,904,481
Current portion of loan	(150,000,000)	(150,000,000)
Vendor's Account (Net off current portion)	<b>99,904,481</b>	<b>249,904,481</b>
<b>15. Loan from SMC</b>		
Opening Balance	51,372,603	151,750,685
Add: Received during the year	250,000,000	59,065,754
	301,372,603	210,816,439
Less: Paid during the year	301,372,603	159,443,836
	<b>-</b>	<b>51,372,603</b>
<b>16. Payable for gratuity</b>		
Opening Balance	57,843,998	56,313,323
Add: Provision made during the year	41,587,394	29,746,770
	99,431,392	86,060,093
Less: Transferred to fund during the year	75,843,998	28,216,095
	<b>23,587,394</b>	<b>57,843,998</b>

## 17. Deferred Tax Liabilities

Deferred tax liability has been recognized in accordance with the provision of IAS-12 based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and its tax base.

	Carrying amount	Tax base	Taxable/ (deductible) temporary difference
<b>As at 30 June 2019</b>			
Property, plant and equipment - (Excluding land)	1,166,287,523	965,932,186	200,355,336
Permanent difference for Vehicle exceeding Tk 2,500,000	-	-	-
			200,355,336
Gratuity provision	(41,587,394)	-	(41,587,394)
Taxable temporary difference			158,767,942
Applicable Tax Rate			35%
<b>Deferred tax liability</b>			<b>55,568,780</b>
<b>As at 30 June 2018</b>			
Property, plant and equipment - (Excluding land)	1,272,873,753	1,061,197,800	211,675,953
Parmanent difference for Vehicle exceeding Tk 2,500,000	(4,520,375)	-	(4,520,375)
			207,155,578
Gratuity provision	(29,746,770)	-	(29,746,770)
Taxable temporary difference			177,408,808
Applicable Tax Rate			35%
<b>Deferred tax liability</b>			<b>62,093,083</b>
		<b>30.06.2019</b>	<b>30.06.2018</b>
		<b>Taka</b>	<b>Taka</b>

### 17.1 Deferred (Income)/ Expense

Closing balance of Deferred tax liability	55,568,780	62,093,083
Opening Balance of Deferred tax liability	(62,093,083)	(57,644,199)
<b>Deferred tax (income)/expense recognized directly in profit</b>	<b>(6,524,303)</b>	<b>4,448,884</b>

## 18 Security deposit

Neptune Advertisers	111,790	111,790
Adway Publicity	288,916	288,916
Azad Art Hall	163,363	163,363
Aziz & Company Ltd.	34,000	34,000
Asiatic Marketing Communication Ltd	154,441	118,488
ABM Water Company	-	185,475
Magnum Eng. & Const. Ltd	1,141,449	845,227
Adcomm Ltd.	9,978	9,978
McDonald Steel Building Products Ltd	-	3,385,603
ACMEC Consortium Ltd.	108,000	108,000
Bitopi Advertising Ltd.	170,052	379,691
Asiatic Marketing Comm. Ltd.	10,610	-
Media Com Ltd.	145,335	76,577
Airy International	444,741	109,472
Cross World Power Ltd.	435,748	338,948
Nutech Construction Chemical Ltd	41,678	41,678
Mayer Dawua Thai Alominium Fabricator	11,662	-
Power property care service	8,375	8,375

K. Z. Khan & Co.	
Total Engineering & Construction Solution Tech	
Godhury Marketing Communication	
Nexus Trading	
Nodi Enterprize	
Gray Advt.(BD) Ltd.	
Nazma Construction Co.	
ISE LTD.	
Energypac Engg. Ltd.	
Noor Ad.	
Multi Product Engg. Ltd	
Uranus Communication	
OOH Leader & Printers	
GREY	
Ogilvy & Mather Communication Pvt. Ltd	
Paragon Ceramic Industries Ltd	
Build Asia	
Marn Steel Structure Ltd.	
Base Technologies Ltd.	

30.06.2019 Taka	30.06.2018 Taka
-	3,287,617
111,436	214,350
595,108	638,083
396,366	396,366
94,500	94,500
37,791	37,791
1,243,733	867,007
64,780	64,780
1,398,675	2,468,460
72,000	72,000
122,847	914,809
183,000	183,000
362,250	362,250
31,433	31,433
1,444	1,444
167,290	167,290
728,855	588,176
455,564	-
222,499	-
<b>9,569,708</b>	<b>16,594,937</b>

#### 19 Accounts payable

A Schedule of Accounts payable is given in **Annexure-C**

<b>496,214,250</b>	<b>342,004,159</b>
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#### 20 Other payables

CSR Fund (Corporate Social Responsibility)	
Payable to SMC (Other than Vendor's Agreement)	
Withholding tax and VAT	
Liabilities for area office expenses	(Note: 20.1)
Trade VAT payable	
Liabilities for expenses	
Raw Materials Loan	
Provision for Incentive	
Union subscription	
Excess collection from pharma sales	
Gratuity Loan	
Payable to Employee's provident Fund	
Payable for PF loan	
Liabilities for supplies	
Payroll Tax	
Current Account with ORS factory	

2,225,797	2,849,020
28,742,449	21,397,797
8,734,229	13,062,171
5,467,109	5,135,027
5,105,328	19,175,662
71,056,392	66,027,011
2,577,254	-
53,236,431	42,967,916
11,300	-
14,322	-
268,202	193,969
-	1,376,878
-	36,140
9,038,594	65,873,077
-	494,101
210,097	1,509,053
<b>186,687,503</b>	<b>240,097,822</b>

#### 20.1 Liabilities for area office expenses

Dhaka East Area Office.	
Chittagong Area Office	
Khulna Area Office.	
Sylhet Area Office.	
Barisal Area Office	
Comilla Area Office	
Kushtia Area Office	
Mymensingh Area Office.	
Rangpur Area Office.	
Dhaka Area Office West	

437,052	226,494
1,493,159	1,853,445
292,915	303,368
399,811	308,305
362,112	370,505
1,302,118	1,150,607
241,938	236,831
270,728	180,024
344,502	239,088
322,774	266,360
<b>5,467,109</b>	<b>5,135,027</b>

30.06.2019 Taka	30.06.2018 Taka
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**21 Provision for Worker's Profit Participation Fund & Welfare Fund**

Opening Balance	40,979,769	37,339,062
Add: Addition during the year	44,702,472	40,979,769
	85,682,241	78,318,831
Less: Paid during the year	40,979,769	37,339,062
	<b>44,702,472</b>	<b>40,979,769</b>

**22 Provision for Income Tax**

Opening Balance	368,524,790	545,079,623
Add: Provision made during the year	287,336,868	261,351,729
	655,861,658	806,431,352
Less: Adjustment for the assessment year 2017-2018	255,427,024	437,906,562
	<b>400,434,634</b>	<b>368,524,790</b>

As per clause 1(a) of section 94 of Income Tax Ordinance 1984, if NBR does not assess the income of two years from the end of the first assessment year in which the income was first assessable then the amount of tax provision can be adjusted based on the acknowledgement receipt from NBR at the time of payment of tax as per return under 82BB. So here SMC Enterprise Limited has adjusted the tax paid for the assessment year 2017-2018 against the advance income tax. The company subsequently will adjust if there is any over or under provision assessed by NBR.

**23 Net Revenue**

	2018-2019 Taka	2017-2018 Taka
Gross revenue	6,975,742,119	5,619,440,868
Less : VAT on sales	504,093,227	380,964,023
Less : Discount on Sales	980,579	2,901,232
	<b>6,470,668,313</b>	<b>5,235,575,613</b>

Details of gross revenue is given in **Annexure-D**.

**24 Cost of Goods Sold**

Consumption of Raw Materials	(Note-24.1) 697,378,165	482,015,735
Consumption of Packing Materials	(Note-24.2) 537,948,210	425,068,423
Factory Overhead	(Note-24.3) 540,657,465	420,045,417
<b>Total Cost</b>	<b>1,775,983,840</b>	<b>1,327,129,575</b>
Opening work in process	4,550,872	1,248,877
Closing work in process	(8,177,066)	(4,550,872)
<b>Cost of Production</b>	<b>1,772,357,647</b>	<b>1,323,827,579</b>
Opening stock of finished goods	362,080,635	281,937,515
Purchase of commodities during the year (Net)	2,353,456,611	1,987,199,011
Closing stock of finished goods	(475,230,935)	(362,080,635)
<b>Cost of Goods Sold</b>	<b>4,012,663,957</b>	<b>3,230,883,471</b>

**24.1 Consumption of Raw Material**

Opening stock of Raw materials	160,274,880	141,727,096
Purchased of Raw materials during the year (Net)	773,438,750	500,563,519
Closing stock of Raw materials	(236,335,465)	(160,274,880)
	<b>697,378,165</b>	<b>482,015,735</b>

**24.2 Consumption of Packing Material**

Opening stock of Packing materials	81,677,997	95,737,431
Purchase of Packing materials for own production	454,636,975	349,204,980
Purchased of Packing materials for outsourced products	90,002,442	61,804,009
Closing stock of Packing materials	(88,369,204)	(81,677,997)
	<b>537,948,210</b>	<b>425,068,423</b>

**24.3 Factory Overhead**

Salaries & wages	212,855,796	158,643,116
Travel Expenses	8,797,770	9,835,340
General factory overhead	(Note-24.3.1) 158,365,585	120,885,165
Depreciation	143,359,947	116,081,995
Medical check-up	-	481,598
Insurance & Premium	-	91,470
Factory meal expenses	17,278,368	14,026,733
	<b>540,657,465</b>	<b>420,045,417</b>

**24.3.1 General factory overhead**

Office utilities	36,332,823	29,479,323
Telephone and internet service	533,879	1,131,393
Bank charges and commission	97,206	82,774
Uniforms	2,885,182	2,792,060
Minor equipment	159,221	1,298,647
Recruitment, training and others	19,700	-
Meeting and conference expenses	504,916	684,903

	2018-2019 Taka	2017-2018 Taka
Postage	31,185	39,192
Factory supplies	11,808,109	6,781,038
Toll Manufacturing Charge	26,719,116	12,324,541
Misc. Direct Cost	-	104,248
Laboratory chemicals	798,531	446,899
Repairs and maintenance	6,440,324	8,266,470
Spare Parts	19,314,656	12,213,442
Research & Development	-	974,285
Rates and taxes	54,235	326,862
Product Registration Fees	748,880	-
Incentive	26,542,389	18,172,898
Security services	7,660,031	6,436,089
Fuel for generator	8,669,631	12,847,504
Entertainment	260,793	-
Cleaning and washing	387,943	391,918
Legal & professional expenses	281,841	400,764
Tender notice & others	-	1,500
Gratuity expenses	8,114,993	5,688,416
	<b>158,365,585</b>	<b>120,885,165</b>

## 25 Administrative expenses

Salaries and benefits	427,529,626	323,994,490
Rent	55,809,357	50,800,103
Utilities	11,984,490	10,740,958
Communication	6,584,789	5,212,275
Bank Charges & Commission	1,027,744	1,037,724
Office Supply	11,888,686	12,962,802
Consumables	3,147,530	3,534,677
Repair & maintenance	5,618,427	6,434,012
Legal and professional expenses	4,307,543	5,815,256
Trade license expenses	61,185	31,090
Product Registration Fees	636,272	-
Subscription & donation	21,500	-
Rate & taxes	632,551	281,902
Security services	11,153,144	7,266,138
Generator fuel	680,869	1,187,651
Product Development Expenses	484,301	95,069
Trade handling charges	123,700	154,300
Honorarium	2,062,225	1,552,501
Recruitment & training exp.	601,996	1,592,832
Bad Debts	24,101	-
Entertainment	6,192,282	-
Meeting & conference exp.	6,288,774	9,827,549
Insurance & premium	7,451,267	9,009,597
Inventory write off	351,137	1,025,096
Audit fee	452,525	385,250
Meal expenses	1,543,739	601,771
Staff gratuity	33,472,401	24,058,354
Medical check-up & Medical expenses	1,244,000	365,404
Cleaning & washing	6,600	12,214
Vehicle Taxes	401,758	634,776
Vehicle Fuel	15,996,763	14,241,758
Vehicle maintenance expenses	9,311,441	7,358,502
Depreciation	53,343,474	39,545,183
	<b>680,436,197</b>	<b>539,759,234</b>

**26 Selling & Distribution expenses**

	<b>2018-2019</b> <b>Taka</b>	<b>2017-2018</b> <b>Taka</b>
Participants training	2,502,805	3,457,368
Advertisement and promotion	448,411,090	384,202,171
RMP/TBA/Seminar/GDS	4,157,923	3,608,658
Customer education	799,337	646,689
Research and development	9,990,398	2,582,070
Incentive	40,279,173	26,858,324
Travel & Perdiem expenses	101,603,531	69,374,360
Corporate affairs & Promotion	1,354,713	100,000
Cartage & porter	21,900,659	19,538,391
Transport Expenses	134,029,559	94,464,606
Distribution expenses	80,484,279	14,044,031
Vehicle fuel for sales van (Gas)	24,815,167	20,577,880
Distribution-labor charge	16,407,569	12,500,513
Cycle salesman	882,671	2,138,893
	<b>887,618,874</b>	<b>654,093,954</b>

**27 Finance Expenses**

Interest expenses	<b>11,768,388</b>	<b>9,065,754</b>
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**28 Other income**

Interest on FDR investment	5,907,783	9,839,471
Interest on STD accounts	5,303,551	4,091,999
Income from sale of scrap	3,699,379	2,995,317
Income from insurance claim	750,280	895,396
Other income	203,502	-
Income from sale of tender forms	4,050	-
	<b>15,868,545</b>	<b>17,822,183</b>

## 29. Related party transactions

The Company has carrying out a good number of transactions with its parent entity, Social Marketing Company (SMC) at arm's length in normal course of business that fall within the definition of related parties as per International Accounting Standard (IAS) - 24 "Related Party Disclosures". SMC Enterprise Limited has the following transactions with SMC:

S. L No.	Transactions Type	Received during the year	Payment during the year	Other transactions during the year
1	Payment of loan (Under vendor's agreement)	-	150,000,000	-
2	Sales proceed of SMC's product	149,806,763	145,782,285	1,699,839
3	Loan Received	250,000,000	250,000,000	-
4	Packaging Expenses (Somaject)		978,959	-
5	Selling & Distribution Overhead	5,187,393		-
6	Expenses incurred for RMP Meet & Seminar		2,668,527	-
7	Expenses incurred for common services	-		-
8	Office rent	-	27,591,980	-

## 30. Capital Expenditure Commitment

There is no other capital expenditure commitment or contract except Vendor's Agreement as on 30 June 2019.

## 31. Payments in foreign currency

	Amount in FCY	
	2018-2019	2017-2018
Import of machineries		
USD	1,561,363	1,198,629
EURO	21,343	4,281
GBP	27,146	24,449
Import of raw materials		
USD	9,994,560	7,672,637
EURO	53,704	10,772

## 32. Disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994:

The company had 934 permanent employees as at 30 June 2019 and a varying number of seasonal and temporary workers as required. All permanent employees receive remuneration in excess of taka 60,000 per annum each.

	2018-2019	2017-2018
Permanent employees	1,047	934
Contractual & seasonal employees	56	60

## 33. Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994:

The Directors of the company except Managing Director did not take any benefit from the company other than the board meeting attendance fees.

Managing Director's remuneration and benefit for the year

	2018-2019 Taka	2017-2018 Taka
Basic Salary	4,226,250	3,601,813
Other benefit	3,580,899	3,051,814
	<b>7,807,149</b>	<b>6,653,627</b>

2018-2019 Taka	2017-2018 Taka
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**34. Disclosure as per Schedule XI, Part II, Para 7 of the Companies Act 1994:**

**Particulars**

**Production (In Pcs)**

Installed Capacity (Targeted production)	435,000,000	405,000,000
Actual Production	448,101,600	411,409,660
Utilization	103.01%	101.58%

**Toll Manufacturing (In Packs)**

Production Contract	1,763,171	682,010
Actual Received	1,763,171	682,010
Accomplishment	100%	100%

**35. Financial risk management**

International Financial Reporting Standard IFRS 7: Financial Instruments: Disclosures - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the companies policies for controlling risks and exposures. The company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk

**35.1 Credit risk**

Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables.

In monitoring credit risk, debtors are grouped according to their risk profile i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are mainly related to sales of finished goods. The maximum exposure to credit risk each represented by the carrying amount of each financial assets in the financial statement of financial position.

**Exposure to credit risk**

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

Accounts receivables	11,088,145	68,392,867
Other receivables	4,768,685	56,249,688
Advance & deposit & prepayments	636,088,708	597,788,779
Cash and bank balances	320,120,295	292,385,668
	<b>972,065,834</b>	<b>1,014,817,003</b>

**35.2 Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to manage liquidity (cash and Bank balance) 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.

The following are the contractual maturities of financial liabilities of the company:

As at 30 June 2019	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Vendor's Account - loan (current portion)	150,000,000	150,000,000	-
Security deposits	9,569,708	9,569,708	-
Accounts payable	496,214,250	496,214,250	-
Other payables	186,687,503	186,687,503	-
Income tax provision less AIT	36,561,185	-	-

As at 30 June 2018

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Vendor's Account - loan (current portion)	150,000,000	150,000,000	-
Security deposits	16,594,937	16,594,937	-
Accounts payable	342,004,159	342,004,159	-
Other payables	240,097,822	240,097,822	-
Income tax provision less AIT	34,872,425	-	-

### 35.3 Market risk

Market risk is the risk that any change 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.

#### a) Currency risk

The company is exposed to currency risk on payment of import of inventory and plant & machineries through letter of credit. All of the company's foreign currency transactions are denominated in USD, JPY, EURO, GBP.

#### i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

##### Foreign currency denominated assets

	2018-2019 Taka	2017-2018 Taka
Receivable from the Prime Bank against FDR Lien	-	50,000,000
Receivable from The City Bank against FDR Lien	50,000,000	-
	<u>50,000,000</u>	<u>50,000,000</u>

The following rate has been applied (as on 29 June 2019):

	Taka	Taka
US Dollar (\$)	84.74	83.74

The rate of exchange has been applied which was circulated from the Bangladesh Bank in the bank's website as on 29 June 2019.

#### Accounting classification and fair values

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

	30.06.2019	
	Carrying Amount	Fair Value
<b>Financial Assets</b>		
<b>Held to Maturity</b>		
Investment in fixed deposit (short term)	111,569,093	111,569,093
<b>Loans and receivables</b>		
Accounts receivables	11,088,145	11,088,145
Other Receivables	4,768,685	4,768,685
Advance, deposit and prepayments	636,088,708	636,088,708

**Financial Liabilities**
**Liabilities carried at amortized costs**

30.06.2019		
	Carrying Amount	Fair Value
Vendor's Account- SMC (non-current portion)	99,904,481	99,904,481
Security deposits	9,569,708	9,569,708
Accounts payable	496,214,250	496,214,250
Other payable	186,687,503	186,687,503
Vendor's Account - loan (current portion)	150,000,000	150,000,000

**Financial Assets**
**Held to Maturity**

31.06.2018		
	Carrying Amount	Fair Value
Investment in fixed deposit (short term)	56,350,332	56,350,332

**Loans and receivables**

Accounts receivables	68,392,867	68,392,867
Other Receivables	12,494,268	12,494,268
Advance, deposit and prepayments	641,544,199	641,544,199

**Financial Liabilities**
**Liabilities carried at amortized costs**

Vendor's Account- SMC (non-current portion)	249,904,481	249,904,481
Security deposits	16,594,937	16,594,937
Accounts payable	342,004,159	342,004,159
Other payable	240,097,822	240,097,822
Vendor's Account - loan (current portion)	150,000,000	150,000,000

**36. Authorization for issue**

The financial statements was authorized by Board of Directors on 11 November 2019.

Dhaka,  
11 November 2019



**Abul Bashir Khan, FCMA**  
Chief Financial Officer



**Abdul Haque**  
Managing Director



**Siddiqur Rahman Chowdhury**  
Chairman

**SMC Enterprise Limited**  
**Schedule of Property Plant and Equipment**  
 For the year ended 30 June 2019

Particulars	Balance as on 01.07.18		Addition during the year		Adjustments during the year		Total balance as on 30.06.19		Rate %	Charged during the year		Adjustments during the year		Total balance as on 30.06.19		Written down value as on 30.06.19	
	Taka		Taka		Taka		Taka			Taka		Taka		Taka		Taka	
Land	441,249,961		221,475,743				662,725,704		-								662,725,704
Building	528,787,390		4,629,942				533,417,332	2.5 & 5			20,568,804						459,648,704
Central warehouse equipment	19,388,894		-				19,388,894	10			1,938,886						8,172,672
Deep tubewell	1					1		15									1
Diesel reservoir	446,632		169,060				615,692	20			109,050						380,097
Fire control system	17,297,954		65,000				17,362,954	20			3,468,255						4,074,457
Furniture & fittings	19,589,154		7,440,276				27,029,430	10			2,349,443						20,757,891
Vehicles	93,151,291		3,212,750				96,364,041	20			18,864,406						28,615,057
Lift	5,617,512		-				5,617,512	20			1,123,502						2,665,711
Office equipment	27,910,760		7,936,091				35,846,851	20			6,363,073						23,210,938
Other assets	95,990,021		14,324,663				110,314,684	20			21,672,183						50,279,334
Other equipment	111,265,662		9,229,529				120,495,191	20			23,630,948						55,536,362
Plant & machinery	587,677,711		19,149,209				606,826,920	10			60,091,128						445,857,121
Power sub station	75,086,139		7,264,433				82,350,572	20			15,625,743						20,137,330
QC equipment	6,056,553		13,562,227				19,618,780	10			1,404,277						17,165,771
Software development	4,774,783		2,804,212				7,578,995	20			1,190,822						5,642,906
Central a/c system	89,865,331		329,800				90,195,131	20			18,022,186						21,147,083
Water treatment plant	3,709,495		-				3,709,495	15			370,949						2,996,088
<b>As at 30 June 2019</b>	<b>2,127,865,244</b>		<b>311,592,935</b>				<b>2,439,458,179</b>				<b>196,703,422</b>						<b>1,829,013,227</b>
<b>As at 30 June 2018</b>	<b>1,733,920,521</b>		<b>394,344,723</b>				<b>2,127,865,244</b>				<b>155,627,178</b>						<b>1,714,123,714</b>

**SMC Enterprise Limited**  
**Schedule of Inventories**  
 As at 30 June 2019

(Amount in Taka)

SL #	Particulars	30.06.2019	30.06.2018
1	POP Materials	28,846,574	23,717,595
2	Packaging Materials	88,369,204	81,677,996
3	Stores and Spares	54,668,556	42,069,343
	<b>Raw Materials:</b>		
4	Raw Material Stock at factory-Soft Drink (kg)	8,546,688	14,174,239
5	Raw Material Stock at factory-Health & Hygiene	158,534,900	107,693,562
6	Raw Material Stock at factory-Pharma	27,906,835	11,272,596
7	Raw Material Stock at factory-Orsaline	41,347,042	27,134,484
	<b>Total</b>	<b>236,335,465</b>	<b>160,274,880</b>
	<b>Total</b>	<b>408,219,799</b>	<b>307,739,815</b>
	<b>Work in process</b>	<b>8,177,066</b>	<b>4,550,872</b>
	<b>Finished Product Stock:</b>		
	<b>ORSaline</b>		
	ORS-N-Outsourced	57,272,957	65,669,134
	ORS-N- Own production	40,942,710	76,773,080
	<b>Sub-Total</b>	<b>98,215,666</b>	<b>142,442,214</b>
	<b>Condoms</b>		
1	Panther condom	27,894,876	18,487,915
2	Sensation classic	7,791,842	11,113,406
3	Sensation-SD	1,043,403	2,154,471
4	Sensation-SR	10,838	2,072,414
5	Hero	8,947,023	3,052,862
6	U & me-Anatomic	12,279,084	2,866,654
7	U & me- Long Love	3,646,932	12,434,391
8	U & me-Colour	27,501	1,339,653
9	Xtreme ultra thin	888,278	1,098,945
10	Xtreme 3 in 1	533,386	322,965
11	Amore black	647,034	1,116,694
12	Amore gold	1,692,491	993,990
13	Raja	11,831,038	
	<b>Sub-Total</b>	<b>77,233,727</b>	<b>57,054,358</b>
	<b>Pills</b>		
1	Minicon	6,751,121	3,600,092
2	Noret-28	9,521,409	8,086,729
3	Ovacon gold	5,399,160	3,094,713
4	Mypill	6,469,238	7,646,210
5	Femipill	38,220,762	26,610,193
6	Norix	3,892,572	2,502,971
7	Femicon pill	77,286,910	25,765,540
	<b>Sub-Total</b>	<b>147,541,171</b>	<b>77,306,448</b>



SL #	Particulars	30.06.2019	30.06.2018
	<b>Health &amp; Hygiene Products</b>		
1	Joya-8	29,644,522	1,163,064
2	Joya-5	7,826,607	2,925,814
3	Joya-wings	8,009,735	5,681,725
4	Joya ultra comfort	2,807,743	6,522,075
5	Joya All Night	3,833,452	-
6	Joya Extra Heavy Flow	7,371,301	-
7	Smile m 5s mini	5,553,051	3,003,968
8	Smile s 5s mini	10,099,996	2,508,902
9	Smile xl 4s mini	6,321,319	1,198,414
10	Smile L 4s mini	3,905,324	8,037,400
11	Smile L 24s	4,173,781	-
12	Smile M 26s	5,293,254	-
13	Smile S 28s	6,287,657	-
14	Smile XL 22s	1,650,566	-
15	Smile XXL 20s	130,608	-
	<b>Sub-Total</b>	<b>102,908,916</b>	<b>31,041,362</b>
	<b>FMD Products</b>		
1	Bolt 200gm	1,174,918	13,064,927
2	Bolt 25gm	8,136,625	6,507,908
3	Bolt 400gm	2,702,974	5,375,252
4	Taste me (lychee 200 gm)	89,073	169,859
5	Taste me (lychee 25 gm)	316,504	608,864
6	Taste me (mango 25 gm)	2,067,529	-
7	Taste me (orange 25 gm)	4,982,374	-
8	Taste me (mango 200 gm)	2,885,690	13,623,895
9	Taste me (orange 200 gm)	1,857,110	7,158,312
10	Taste me (pomegranate 200 gm)	714,446	238,205
11	Taste me (pomegranate 25 gm)	399,804	87,461
	<b>Sub-Total</b>	<b>25,327,048</b>	<b>46,834,683</b>
	<b>Pharma Products</b>		
1	Narvid Capsule-50 mg	183,264	-
2	Narvid Capsule-75 mg	366,962	-
3	Vomidyl Tablet	408,089	157,330
4	Flexidol Tablet~100mg	667,804	494,550
5	Actifast Tablet~10mg	290,840	211,691
6	Dolwin Tablet~500mg	973,740	702,197
7	Ezepain 90 Tablet	898,257	-
8	Ezepain 120 Tablet	1,326,457	-
9	Paragesic Tablet~500mg	117,172	284,918
10	Paragesic-C Tablet~500mg & 65mg	1,205,378	1,032,624
11	Aziday-500 mg Tab	775,959	-
12	Aziday PFS 20 ml	1,182,147	-
13	Aziday PFS 35 ml	1,674,832	-
14	Cefimax 200 Cap	1,367,474	-
15	Cefimax PFS 50 ml	481,036	-
16	Ciprodyl Tablet-500 mg	231,214	-
17	Ceframax 500 Capsule	898,116	-
18	Fenox Tablet~120mg	594,391	412,730
19	Resectin Tablet~150mg	170,588	165,172



SL #	Particulars	30.06.2019	30.06.2018
20	Esomium 20 Capsule~20mg	2,420,171	842,282
21	Esomium 40 Capsule	288,124	87,320
22	Prazomax 20 Capsule~20mg	2,143,293	585,312
23	Prazomax 40 Capsule	167,899	25,979
24	Pantoprox Tab	228,737	-
25	Kofmelt Syrup	493,055	-
26	Spadyl Tablet	373,035	112,080
27	Moticare 10mg	629,214	-
28	Forbon Tablet~500mg	360,058	15,428
29	SMC Zinc Syrup	549,658	-
30	Ezevent 10 Tablet~10mg	523,007	572,118
31	Maxivent Tablet-400 mg	497,855	-
32	Nurowel Tablet	1,516,581	-
	<b>Sub-Total</b>	<b>24,004,407</b>	<b>5,701,731</b>
1	Zinc tablet	-	1,699,839
	<b>Total Finished Product Stock</b>	<b>475,230,935</b>	<b>362,080,635</b>
	<b>Total Inventories</b>	<b>891,627,800</b>	<b>674,371,322</b>

**SMC Enterprise Limited**  
**Schedule of Accounts Payable**  
**As at 30 June 2019**

(Amount in Taka)

SL #	Particulars	30.06.2019	30.06.2018
1	Abdul Monem Sugar Refinery Limited	-	792,242
2	ACI LTD	5,400	1,229,905
3	Acquaint Ad	370,575	-
4	Ad Queen	293,940	979,800
5	ADCOMM LIMITED	-	58,865
6	Adway Publicity	199,824	379,224
7	Allied Corporation	517,900	-
8	Al-Noor Scientific Co.	15,560	-
9	Alpine Fresh Water System Ltd.	6,640	3,322
10	Ancient Steamship Company Limited	4,711,943	472,517
11	ANIK TRANSPORT LTD	88,341	-
12	Annolok	-	30,000
13	Anyadin	100,000	109,000
14	Apollo Pest Control	7,200	-
15	Aquamarine Distribution Ltd	-	4,789,289
16	Argonauts Limited	-	11,592
17	Arif Enterprise	60,000	-
18	Ashraf Printing & Packaging	1,356,715	856,645
19	Asia Plastic Container Ind.	-	199,499
20	Asian Telecast Limited	270,442	-
21	Asiatic Marketing Communications Ltd	6,390,960	6,908,154
22	ATV Limited.	194,465	-
23	Axis Corporation	27,000	-
24	Ayaan Electric	102,000	-
25	Ayna Broadcasting Corporation Ltd.	244,567	-
26	Azad Art Hall	-	276,000
27	Aziz & Company Ltd.	42,160	32,160
28	Badal and Company	5,859,510	-
29	Bangladesh General Insurance Company Ltd	179,883	-
30	Bangla-German Latex Co. Ltd.	-	745,000
31	Barind Media Ltd.	1,410,015	-
32	Bashundhara Paper Mills Limited	13,104	-
33	Bashundhara Printing Zone	2,326,574	1,237,296
34	Bata Shoe Company (Bangladesh) Limited	154,180	-
35	Bay Engineering & AC Equipment	461,160	1,170,500
36	Bdjobs.com. Ltd.	-	10,346
37	Beas Enterprisiers	-	166,109
38	Bengal FlexiPak Ltd.	843,038	8,827,867
39	Bengal Media Corporation Ltd .	4,573,148	431,250
40	Bitopi Advertising Ltd.	1,997,023	14,136,775
41	Boishakhi Media Limited.	667,000	-
42	Brenntag Bangladesh Ltd	113,850	409,975



SL #	Particulars	30.06.2019	30.06.2018
47	Chem Pure Bangladesh Ltd.	228,274	582,878
48	Choice Enterprise	243,900	-
49	Concord Communication Co. Ltd	380,363	-
50	Durable Plastic Ltd	-	360,083
51	Dymon Science & Chemicals Ltd	5,400	-
52	Echo Enterprise	380,000	-
53	Elite Security Services Ltd.	654,580	-
54	Energypac Electronics Ltd.	117,001	-
55	Essential Drugs Company Limited	12,791,733	36,855,768
56	Expo Craft	115,200	-
57	FAV Diesel Sales & Service	37,500	-
58	Fortune Scientific Company	75,400	13,500
59	G4S Secure Solutions Bangladesh (P) Ltd.	383,981	-
60	Gaanchill Media Limited.	893,358	-
61	Gift Gallery	189,000	-
62	Glide Printing & Packaging Ind. Ltd.	992,000	-
63	Godhury Marketing Communication	1,150,000	-
64	Grey Advertising Banglades	-	923,228
65	GTL Motors Ltd.	50,000	-
66	H.Q. International	323,000	-
67	Hafeez Packaging Industries	38,000	-
68	Hazrat Shahjalal Printing & Packaging	-	15,330
69	Hoque Trade International	1,918,200	720,000
70	ICE Media Limited.	152,300	35,000
71	Independent Television Ltd.	869,630	-
72	Integrated Security Services Limited	-	709,282
73	International Brands Ltd	111,636	-
74	International Office Machines Ltd	-	16,800
75	International Television Channel Ltd.	1,081,765	-
76	International Travel Corporation Ltd.	133,600	-
77	InterPack Ltd	55,352	-
78	J.M.S Glass Industries Ltd.	543,340	-
79	James International	619,812	-
80	JS International	62,500	-
81	Julphar Bangladesh Ltd.	1,609,605	953,964
82	K. M. HASAN & CO.	34,500	34,500
83	Kantar Research (Bangladesh) Pvt. Ltd.	172,500	-
84	Kazi Media limited.	1,395,404	-
85	Key On Machinery Stores	76,485	-
86	Kiam Metal Industries Ltd.	255,960	-
87	Korrekt Marketing Services	443,230	176,120
88	Leo Positive	-	6,085
89	LEOPRO	208,000	-
90	Local Supplier	2,672,700	9,087,275
91	M/s ACNABIN	768,775	356,500
92	M/S Bangladesh Store	-	571,871



SL #	Particulars	30.06.2019	30.06.2018
93	M/S Nuha Enterprise	247,532	58,304
94	M/s. Alim Packaging Printing & Accessories	1,159,850	1,407,455
95	M/s. Anik Enterprise	1,393,741	1,198,924
96	M/S. Faruk Enterprise	2,280,000	28,600
97	M/s. Gazipuri Enterprise	379,270	-
98	M/S. Hakim Enterprise	-	25,000
99	M/S. Moral Enterprise	106,549	183,746
100	M/S. Rahat Corporation	278,984	-
101	M/S. Sonali Enterprise	622,500	-
102	Mabs & J Partners	57,500	28,750
103	Mahtab Flexible Printing Press	706,745	1,181,863
104	Manikgonj Printers & Packaging	904,080	-
105	Maritime Entrepreneurs Pte Ltd	44,000	58,500
106	Mark Asia Limited	-	134,000
107	Marks Automation Ltd.	240,550	-
108	Matador Ballpen Industries Ltd.	315,441	11,000
109	Mediacom Limited	6,692,513	3,714,777
110	Mediastar Limited.	3,189,695	59,800
111	Mega Technology System	-	25,000
112	Menoka Motors Limited.	-	8,190,000
113	Mohona Television Limited	316,221	-
114	MRB Bangladesh Pvt Limited.	-	353,625
115	Mukti Printing	3,320	225,180
116	Multi Media Production Co. Ltd.	3,686,977	-
117	Nadia Furniture Limited	360	360
118	NEO CRAFT	320,781	-
119	Neptune Advertising Ltd.	-	248,400
120	New Al-Arafah Mill Store	10,500	-
121	New Sign	-	248,400
122	New Zealand Dairy Products Bd. Ltd.	-	39,594
123	Nissho Koeki Tissue Papers Co.Ltd	165,600	-
124	Nutech Construction Chemicals Company Ltd	-	-
125	Octopi Communications Ltd	1,124,504	-
126	Orbis Trade Network	141,120	-
127	Otobi Ltd	443,844	-
128	OTS (Pvt.) Ltd.	90,000	-
129	Packstone Limited	1,598,419	-
130	Padma Cap Mfg. Co. Ltd.	221,093	-
131	Padma Trading Corporation	1,914,509	430,497
132	Paragon Ceramic Industries Ltd	266,750	-
133	Pharmapack Engineering	645,000	76,260
134	Pixelsearch Limited	103,561	-
135	Ply Packaging (Pvt.) Ltd.	-	478,558
136	Polite Advertising	108,582	401,476
137	Popular Pharmaceuticals Ltd	60,063,039	9,686,818
138	Pragati Insurance Limited	415,617	189,674
139	Print Age Limited	-	272,286
140	Printing Mart Ltd.	3,829,231	13,417,214
141	PRISM Bangladesh Foundation	31,860	23,000
142	Professional Consultants & Support Services	581,108	-
143	Quality Printing & Packaging	2,366,860	-
144	R.R. Enterprise	223,534	209,825
145	Radio Shadhin Private Ltd.	269,790	-



SL #	Particulars	30.06.2019	30.06.2018
146	Rahabar Multimedia Ltd.	-	230,000
147	Rahimafrooz Energy Services Ltd	35,000	-
148	Rahman Chemicals Limited	-	2,602,500
149	Rashid Filling Station	109,883	132,405
150	Reliance Insurance Limited	179,883	-
151	Renata Limited	272,745,048	172,299,972
152	Rifat Aluminum Packaging Ltd.	-	63,560
153	Rohan Electric	195,600	-
154	Royal Filling Station	155,611	139,638
155	Runout Film	1,031,250	-
156	S.A. International	56,934	74,834
157	Samrat Industries	112,125	-
158	SGS Bangladesh Limited	532,221	-
159	Shamol Bangla Media Ltd.	2,134,353	-
160	Shamprotik	69,000	-
161	Siddique Printers	-	596,160
162	SINDABAD.COM LTD.	159,879	-
163	Sketch Studio Limited	-	750,000
164	SMC Niltara Clinic	108,500	-
165	SMC Product Packing Program (UTPS)	-	672,637
166	SMH ENGINEERING LTD.	-	120,000
167	SNF Corporation	1,362,554	-
168	Social Marketing Company	10,958,183	11,106,173
169	Somoy Media Limited.	5,473,425	-
170	Sonali Scientific Stores	300,930	-
171	Square Pharmaceuticals Ltd.	-	1,825,320
172	Sristy Printers	4,148,689	5,061,907
173	Star Seven Printing & Packaging Ltd.	792,092	1,418,470
174	Studio Mason Limited.	35,871	-
175	TECHNOWORTH ASSOCIATES LTD	421,000	-
176	The Daily Bangladesh Pratidin	629,280	-
177	The Daily Star	34,960	386,400
178	The Detective	-	69,000
179	The Glory International	43,594	-
180	The Merchants Ltd.	291,180	1,073,280
181	The Nielsen Company (Bangladesh) Limited.	5,217,922	-
182	Times Media Ltd.	932,995	-
183	Top of Mind	7,728,000	-
184	Troyee Solutions	243,100	-
185	United Suger Mills Ltd. (Closed)	3,746,250	-
186	Unity Through Population Service (UTPS)	234,743	-
187	V. M. International Ltd.	613,334	-
188	Vector Power Limited	43,500	-
189	Virgo Media Ltd.	230,000	4,500,000
190	Yeasmin Stationery	27,248	-
191	Z Express Limited.	738,600	-
192	ZK Foils Limited	-	81,512
193	ZK Plastic Ltd	52,771	85,173
194	ZN Network	138,600	-
195	Employees' Final Settlement	3,843,786	-
196	Marn Steel Structure Ltd.	2,980,709	-
197	Cross World Ltd.	3,531,555	-
	<b>Total</b>	<b>496,214,250</b>	<b>342,004,159</b>

**SMC Enterprise Limited**  
**Itemwise details of Gross Revenue**  
**For the year ended 30 June 2019**

Brand name (Unit)	Quantity	Average selling price per unit	2018-2019 Taka	2017-2018 Taka
HERO (Pcs)	17,526,238	2.51	44,062,857	33,708,491
Amore (Pcs)	359,827	21.93	7,889,773	9,599,823
Panther (Pcs)	63,681,287	3.43	218,592,052	168,170,799
Sensation (Pcs)	29,425,655	5.23	153,768,307	124,931,282
U & ME (Pcs)	11,490,756	8.28	95,123,382	81,216,549
Extreme (Pcs)	1,579,140	16.33	25,792,070	20,502,018
RAJA (Pcs)	17,878,950	1.83	32,780,380	-
Femicon (Cyc)	29,500,815	28.44	838,884,149	789,379,501
Norix (Cyc)	1,160,707	38.56	44,757,924	31,442,594
Noret-28 (Cyc)	3,807,438	19.97	76,027,886	74,610,403
Femipill (Cyc)	10,937,504	14.05	153,715,155	146,725,391
Mypill (Cyc)	35,418	76.43	2,707,066	4,021,711
Minicon (Cyc)	2,782,736	32.19	89,572,313	79,414,273
Ovacon Gold (Cyc)	77,182	51.34	3,962,713	6,594,462
Orsaline-N (Sachet)	971,151,066	4.20	4,078,827,921	3,361,400,616
SMC Zinc (Blister)	-	-	-	4,254,800
Baby Diaper-all variants	1,420,668	90.76	128,933,012	6,928,398
Taste Me 200 gm	482,721	53.02	25,594,533	18,254,386
Taste Me 25gm	19,131,995	7.36	140,749,642	121,019,872
Bolt 25gm	5,210,866	7.37	38,390,717	21,147,030
Bolt 200gm	480,850	53.03	25,501,559	20,772,106
Bolt 400gm	196,035	98.03	19,217,204	15,684,978
Joya (Pack)-all variants	10,108,311	47.26	477,738,531	336,848,985
Excess Collection against Sales	-	-	113,042	72,674
<b>Sub-Total (Consumer &amp; OTC)</b>			<b>6,722,702,188</b>	<b>5,476,701,143</b>
Actifast Tablet-10mg	26,356	261.167	6,883,330	6,865,938
Dolwin Tablet-500mg	16,495	180.958	2,984,904	3,354,625
Esomium 20 Capsule-20mg	60,352	366.174	22,099,340	26,084,081
ESOMIUM 40 CAPSULE	12,690	232.168	2,946,211	3,393,582
Ezevent 10 Tablet-10mg	85,977	210.537	18,101,326	15,646,652
Fenox Tablet-120mg	42,519	181.040	7,697,638	7,488,928
Flexidol Tablet-100mg	53,410	261.976	13,992,123	12,794,045
Forbon Tablet-500mg	41,962	129.316	5,426,344	6,691,949
Paragesic-C Tablet-500mg & 65mg	34,148	217.643	7,432,058	8,436,569
Paragesic Tablet-500mg	24,021	69.532	1,670,218	1,812,806
Prazomax 20 Capsule-20mg	150,075	349.526	52,455,119	32,353,876
Prazomax 40 cap	29,061	154.756	4,497,356	3,798,790
Resectin Tablet-150mg	5,474	216.671	1,186,057	5,287,326
SMC Zinc Syrup	213,498	30.233	6,454,671	5,334,662
Aziday PFS 20 ml	30,403	68.616	2,086,138	-
Aziday PFS 35 ml	32,508	107.170	3,483,872	-
Aziday-500 mg Tab	110,592	256.956	28,417,305	-
Cefimax 200 Cap	65,120	314.602	20,486,879	-
Cefimax PFS 50 ml	41,693	150.073	6,256,983	-
Ceframax 500 Capsule	7,690	309.112	2,377,074	-
Ciprodyl Tablet-500 mg	9,699	312.802	3,033,865	-
Ezepain 120 Tablet	4,544	206.166	936,820	-
Ezepain 90 Tablet	10,340	260.492	2,693,483	-

Brand name (Unit)	Quantity	Average selling price per unit	2018-2019 Taka	2017-2018 Taka
Kofmelt Syrup	176,120	34.515	6,078,839	-
Maxivent Tablet-400 mg	907	206.052	186,889	-
Moticare 10mg	61,498	174.965	10,759,999	-
Narvid Capsule-50 mg	3,200	258.022	825,670	-
Narvid Capsule-75 mg	1,294	309.086	399,957	-
Pantoprox Tab	13,170	206.120	2,714,604	-
Spadyl Tablet	27,931	216.558	6,048,680	-
Vomidyl 8 Tab	9,392	258.324	2,426,177	3,395,897
<b>Sub-Total (Pharma Products)</b>			<b>253,039,931</b>	<b>142,739,725</b>
<b>Grand Total</b>			<b>6,975,742,119</b>	<b>5,619,440,868</b>



# Human Resource Management

## Driving Excellence through People

Human Resource Management of SMC and SMC EL is having the comprehensive set of practices for recruiting, managing, developing and optimizing the human resources of the organization. Both the companies have always been very passionate about human capital management and takes responsibility for developing employee potential and leveraging employee skills as asset. We empower our employees to succeed in a safe, diverse and inclusive workplace that treats everyone fairly and with respect. We seek to employ and develop the talent and offer our employees flexibility, mobility and opportunities within SMC & SMC EL.

### Employment: Permanent and Contractual

SMC and SMC EL has a very unique and diversified operational activities which combines SMC's non-profit motive social marketing operations and SMC EL's profitable business activities. Recruitment has been done as per company's need. During the reporting period, SMC has 280 employees having permanent and contractual employees of 45% and 55% respectively where male-female ratio was 79% and 21%. Whereas, SMC EL has 1057 employees having 95% permanent and 5% contractual where male-female ratio was 93% and 7% respectively.

Employee Count: Permanent & Contractual									
	Type	Category	Gender	Count		Type	Category	Gender	Count
	SMC	Permanent	Management	Male		77	SMC EL	Permanent	Management
Female				9	Female	20			
Total			86	Total		557			
Graded Staff			Male	40	Graded Staff	Male			394
			Female	1		Female			54
Total			41	Total		448			
Contractual		Management	Male	81	SMC EL	Contractual	Management	Male	15
			Female	15				Female	0
		Total		96			Total		15
		Graded Staff	Male	24			Graded Staff	Male	34
			Female	33				Female	3
		Total		57			Total		37
All	Management	Male	158	SMC EL	All	Management	Male	552	
		Female	24				Female	20	
	Graded Staff	Male	64			Graded Staff	Male	428	
		Female	34				Female	57	
	Total		280			Total		1057	

### New Recruitment

In FY 2018-19, SMC and SMC EL hired a good number of employees to its different management and nonmanagement category in permanent and contractual positions. In comparison to last year, new hiring of SMC has decreased due to completion of few projects. SMC, as a steady performance driven organization emphasized more on improving their employees' performance rather than recruiting new employees to drive its versatile growth. Due to its business diversity, maintaining growth consistency and capacity expansion, SMC EL for obvious reason has recruited a good number of people from time to time.

No. of Employees Hired in FY 2018-19		
Category	SMC	SMC EL
Management	22	140
Graded	23	18
Total	45	158

## Employee Attrition

Though the development sector is very competitive and there is a good employment opportunity for efficient people, turnover rate has decreased marginally compared to last year. A total 21 employees of SMC have resigned from service during the year which include both permanent and contractual employees. Out of the total employee separated, 71% were male and 29% female, whereas 67% management employees and 33% graded employees. Attrition rate for the FY 2018-19 was 6%.

On the other hand 139 employees of SMC EL have resigned from the service during the year comprising of 97% were male and 3% were female, whereas 93% management employees and 7% graded employees. The attrition rate of SMC EL was 11% for the reporting period.

SMC	Gender wise			Grade wise			Employment type wise		
	Turnover in FY 18-19			Turnover in FY 18-19			Turnover in FY 18-19		
	Category	# of employee	% of employee	Category	# of employee	% of employee	Category	# of employee	% of employee
	Male	15	71%	Management	14	67%	Permanent	2	10%
Female	6	29%	Graded	7	33%	Contractual	19	90%	
<b>Total</b>	<b>21</b>	<b>100%</b>	<b>Total</b>	<b>21</b>	<b>100%</b>	<b>Total</b>	<b>21</b>	<b>100%</b>	

SMC EL	Gender wise			Grade wise			Employment type wise		
	Turnover in FY 18-19			Turnover in FY 18-19			Turnover in FY 18-19		
	Category	# of employee	% of employee	Category	# of employee	% of employee	Category	# of employee	% of employee
	Male	135	97%	Management	130	93%	Permanent	131	94%
Female	4	3%	Graded	9	7%	Contractual	8	6%	
<b>Total</b>	<b>139</b>	<b>100%</b>	<b>Total</b>	<b>139</b>	<b>100%</b>	<b>Total</b>	<b>139</b>	<b>100%</b>	

## Capacity Building

Our capacity building strategy aligns with developmental, operational needs and priorities as well as business efficacy. Our training programs are designed to equip employees to meet both the internal and external customer requirements and our own standards. We conduct organizational, functional and operational training to ensure that our employees retain necessary knowledge and qualifications as part of their continuing professional development and excellence.

SMC	Training type	Events	Participants
	Overseas Training	2	4
	Training by External Trainer	16	306
	Training by Internal Trainer	1	30
<b>Total</b>	<b>19</b>	<b>340</b>	

SMC EL	Training type	Events	Participants
	Overseas Training	2	2
	Training by External Trainer	16	101
<b>Total</b>	<b>18</b>	<b>103</b>	

### Major training programs of the FY 2018-19:

- Management Acceleration Program
- Leadership & Change Management
- Public Procurement and e-GP Tender Procedure
- Fire Safety & First Aid Management
- Kaizen 5S & SOP (Head Office)
- Managing Brands for growth
- Hazardous Chemical Safety Management
- Employee Health Awareness Program





## Major Employee Engagement Initiatives

- Annual Picnic
- Pohela Boishakh Celebration
- International Women's Day Celebration
- Award of Excellence Program
- Employees Birthday Celebration
- New Year Celebration Program
- Employee Orientation Program



## Industrial relationship

Healthy and peaceful industrial relation (IR) is one of the key factors of sustainable growth of any organization. In SMC EL there are two organized labour unions. Both Management and the CBA are very sensible in performing their duties and also respectful to each other, complying guiding principle, Policies and practices in line with the Bangladesh Labour Laws. The management maintains an open door policy and always tries to secure the lawful interests of the labours by way of discussion and mutual understanding. On the contrary, the labours are also showing their commitment and ownership while discharging their duties for achieving desired level of productivity.

This congenial industrial relationship is not only ensuring uninterrupted production with minimum wastage of time and resources but also enhancing the morale of the employees in accomplishing the goal of the company.

## Way Forward

We believe all employees are responsible and accountable for healthy and safe workplace. This organization has already many employee benefits including Performance Incentive, Profit Share and Group Insurance, etc. SMC is also keen to revise its Admin Manual with context to global modern management practices, upgrade the HRIS, and revamp the e-learning program along with the regular important training modules. Skill development of Graded Staff is one of the major focuses of the coming year.



# Common Services

# Construction & Engineering works for SMC Holding

## ◆ SMC Tower-2 at Mirpur, Dhaka



SMC Tower-2 is a planned 14-storey building with 3 level basement parking facilities. Foundation, three level basement and GF to 14th floor roof casting were completed. SMC Niltara Clinic and Pharmacy will be accommodated on GF, 1<sup>st</sup> and 2<sup>nd</sup> floor. In this regard tiles, wooden work and other finishing works are ongoing.

## ◆ Interior decoration work for Training room and Dining facilities at 18th floor of SMC Tower

The newly constructed Training Room and cafeteria consists of a total floor area of 3,000 sqft. The training room can accommodate 36 persons at a time and is equipped with modern facilities including sound system and multimedia. Besides SMC's own training programs, external users may also rent this venue for training, workshop, conference, seminar and symposium through our admin department. The cafeteria has seating arrangements for 64 people.



## Construction & Engineering support to SMC EL

Since restructuring, SMC Enterprise Ltd has made massive investments in infrastructure development in order to grow through expansion, diversification and improve management through decentralization. The Engineering Division housed under SMC Holding provides technical support on all matters related to civil construction to both SMC and SMC EL. During the period under review, the Engineering division has successfully executed the following works of SMC EL.

### ● Construction of a 3-storied building for expansion of canteen, change room, toilet and other facilities at Bhaluka factory



100% construction of structural part and 100% of finishing part was completed. During FY 2018-19, 80% of HVAC installation work, construction of 166 persons modern canteen facilities, 260 persons change room, Conference room for 45 persons and other facilities were completed.

### ● Extension of 8th to 12th lines to increase ORS production capacity at Bhaluka factory

SMC Board decided to increase ORS production capacity to another 400 million sachets by constructing facilities for additional five ORS production lines. Subsequently, civil construction of 100% of structural part and 95% of finishing part was completed. In this regard, two 150 ton capacity chiller and 12 nos. AHU installation, sandwich panel, floor Ucrete and firefighting system installation works were completed. Pre-fabricated steel work was completed on roof top and two cargo lifts were also installed.



## ◆ 8th to 12th lines extended area of ORS expansion project at Bhaluka factory

To accommodate pre-processing activities of ORS expansion, the SMC management decided to construct a new production building. Subsequently, the civil construction of structural part and finishing part was completed. Also HVAC, sandwich panel and firefighting installation works were completed.



## ◆ Production Area for MoniMix at Bhaluka factory

A new production area was developed for MoniMix production at Bhaluka factory. The civil works, HVAC installation works, Installation of sandwich panel and floor epoxy was completed.



### ◆ 1,250 KVA Sub-station and 600 KVA Generator at Bhaluka factory

Supply, installation, testing and commissioning of 1,250 KVA sub-station and 600 KVA generator works were completed in Bhaluka factory to ensure uninterrupted power supply.



### ◆ Construction of prefabricated steel mezzanine floor for RM warehouse at Cumilla hygiene factory

SMC EL requires more space for storing raw materials. As such, it has constructed two level mezzanine floors by prefabricated steel. As a result additional 500 ton storing capacity of Raw material has increased. A 1,500 Kg capacity cargo lift was also installed.



# MIS & IT Department

MIS & IT department primarily responsible for developing and maintaining integrated software applications, ensuring data safety that support vital management functions. With a view to smooth operation, this department provides data-base services and allow access to pertinent and reliable information for executive decision-making.

The department contributed mostly in the following areas during the reporting period:

## Supply Chain Management:

- Developed and implemented the new web based software for Supply Chain Management operation for SMC and SMC EL through integrating with the existing Inventory Management System of Central Warehouse, Bhaluka Factory, H & H Factory, Cumilla and Area Sales offices.
- Developed and implemented new software for Inventory & Store operations for Uttara Store and Transport Office which is an extended module of existing SMC DSS Software.

## Sales & Distribution:

- Developed and Implemented a Distribution Management Software for secondary sales through integrating with the existing e-Sales System of Consumer Sales Operations.
- Developed Green Star Electronic Reporting System (GSERS) through integrating with the existing Blue Star Electronic Reporting System (BSERS).

## IT Infrastructure Development:

- Developed a strategic plan and implemented a data disaster recovery procedure and data backup plan which would ensure to protect the company's valuable assets.
- Installed a Central Active Directory Server for managing the credentials, access permission of Head Office, Factories and Area office employees who are under the Head office MIS & IT service.
- Revamped the SMC's corporate web portal which is cutting-edge, attractive, informative and interactive.
- Planned and implemented the overall networking segmentation and restructuring through installing Virtual LAN (VL) for managing the network infrastructure securely and user-friendly.
- Enhanced the security of IT operations through re-installing the anti-virus server in Head Office through covering the Area Offices and Factory Computers/Laptops to make sure a centralized frame for the IT security service.
- Established overall IT infrastructure including LAN, surveillance system, broadband connectivity Interactive LB Panel and Wifi networking at 18th Floor Training Room.

## HR Operations:

- Developed and implemented a new module of Attendance and Online Leave system for the employees of SMC Niltara Clinic.
- Developed and implemented the new software for Human Resources Management Operation aligned with the existing Admin Manual of SMC and SMC EL.
- Comprehensive training programs were conducted on new software of e-Sales and Pharma applications for MIOs and Sales Officers (Consumer Sales Forces), Supply Chain Management System and Human Resources Management System.

# Research Insights

## Program Insights from Key Research Findings - SMC

Research and Monitoring is a common services department located within SMC Holding but conducts research analysis for both SMC and SMC Enterprise. During FY 2018-19, SMC has undertaken a number of research projects to understand effects of its program activities. These findings are very important in attuning current interventions as well as plan future interventions tailored to market realities and other external factors. The major research projects have been summarized below:

### Study title:

Availability Study of SMC and Its Competitor Products

### Objectives of the study:

The prime objective of the study was to assess the product availability status of SMC as well as competitors' products in pharma outlets.

### Key findings:

- About half of the pharma outlets (49%) sell micronutrient powder (MNP). More than 9 out of 10 BS outlets (93%) sell MNP where only 45 percent of non-BS outlets sell MNP. A total of 3 brands of MNP are available in the market. About 44 percent of pharma outlets sell MoniMix, 12 percent sell Pushtikona and less than one percent sell Mymix.
- Overall 87 percent of the pharma outlets sell Zinc. More than 9 out of 10 BS outlets (93%) sell Zinc whereas 87 percent of non-BS outlets sell Zinc. A total of 96 brands of Zinc in different formats were available in the market. About 56 percent of pharma outlets sell Baby Zinc followed by SMC Zinc (22%).
- Overall only 14 percent of the pharma outlets sell safe delivery kit. About 6 out of 10 BS outlets (58%) sell SDK whereas only 10 percent of non-BS outlets sell SDK. A total of 2 brands of SDK were available in the market.
- Overall 84 percent of the pharma outlets sell Sanitary Napkin (SN). More than 9 out of 10 BS outlets (93%) sell SN whereas 83 percent of non-BS outlets sell SN. A total of 111 different type of SN were available in the market.
- Overall 18 percent of the pharma outlets had contraceptive injectables. More than 9 out of 10 BS outlets (96%) sell contraceptive injectables whereas 11 percent of non-BS outlets sell contraceptive injectables. A total of 7 brands of contraceptive injectables were available in the market. About 15 percent of pharma outlets (Both BS & non-BS outlets) sell SOMA\_JECT followed by Sayana Press (5%). It is noticeable that 95 percent BS outlets sell SOMA\_JECT and 53 percent sell Sayana Press.
- SMC is treating MoniMix and Joya together as signature product. This study also aimed to understand what percentages of outlets sell both products together. Findings show that 37 percent of pharma outlets sell signature products of SMC. The availability of signature product was quite higher at BS outlets (84%) than non-BS outlets (33%).
- Findings show that about 90 percent of pharma respondents stated they are satisfied with selling SMC products.

## Study title:

Perception and Practice Study of Long Acting Reversible Contraceptive (LARC) users and providers regarding LARC services and its BCC materials.

## Objectives of the study:

The overall objective of the study was to assess the perception on LARC users and providers regarding LARC services and BCC materials, which are being provided by SMC. The study also explored the strength and weakness of the program and scope for future improvement and expansion.

## Key findings:

### Findings from Client Survey

- Findings reveal that out of all IUD insertions, three-fourth was inserted during cesarean delivery and 11% during abortion care.
- Nine out of ten users are still continuing their method. Of them one-third are using the method for more than a year.
- Almost every woman discussed with her spouse before accepting the method. Effective duration of method is the prime reason for accepting LARC method in addition to hassle free to use and doctor's advice.
- Twenty seven percent of IUD and 46% of Implant users reported that they received information about the possible side-effects of LARC method from the providers/counselors.
- The information on possible side-effects on LARC is primarily advised by the providers who administered LARC method (60%) followed by SMC appointed counselors (22%) and other users (11%).
- Findings show that only about 10% of LARC users removed their method and majority of them removed their method due to side-effects.

### Findings from Provider Survey

- The average number of IUD administration is 18 among active and 11 among inactive providers till now.
- Majority of the providers are maintaining record keeping with the help of their assistant. But 15 active providers are not maintaining any service record.
- In response to a question whether providers face any problem to offer IUD, 64 of 101 providers reported that they didn't face any problem. The major reported problems were clients don't want to accept IUD, clients are afraid of side-effects and IUD administration is time consuming. This is also true for Implant administration.
- The providers who administered comparatively higher number of LARC, they achieved due to counseling especially during cesarean delivery and D&C. On the other hand, providers also suggested putting more emphasis on counseling and removing misconception of side-effects through different campaigns.
- About seven out of ten providers stated that they are socially benefited as they offer family planning services and work to control population growth.

## Study title:

Brand Equity Study on Raja, Maya and SMC

## Objectives of the study:

The main objective of the study was to assess customers' associations, perceptions and feelings toward SMC, Raja condom & Maya OCP.

## Key findings:

### Maya

- Despite being absent from the market for more than 20 years, Maya still enjoys a commendable brand franchise with 4% top of mid awareness, 13% spontaneous awareness and 64% total awareness among the current category (OCP) users.
- The brand registered very high rejecters (71%) when measuring its loyalty disposition.
- Mapping of brands indicate that Maya is a low quality, less effective and outdated brand, for lower class people.
- The name 'Maya' is perceived neither modern nor attractive. It's more seen as an old fashioned, suitable for village people. Besides, the name is perceived suitable for an OCP brand only.

### Raja

- Raja enjoys a fairly healthy brand saliency with reasonably good TOM at 12.8%, total spontaneous awareness of 30.4%, current usage of 7.2%, and a share of mind/ad recall of 18.0%.
- Its current users appeared to be satisfied with the brand performance, giving a rating of 4.52 on a 5.0 point scale.
- Perceptual mapping shows that the brand depicts a distinct image of being a low quality, outdated and a somewhat less lubricant product.
- The name Raja is strongly associated with Condom, and has a connotation of 'Aristocracy', perhaps because the name means 'ruler' in Bengali.
- When asked to rate suitability of the name "Raja" against a set of selected potential products for SMC, it was found suitable for Condom only.

### SMC

- SMC is perceived as one of the top 5 (five) companies operating in Bangladesh. The Company's name was spontaneously mentioned as the 4th renowned company in the country after Pran, Square and Unilever, 2nd renowned company working in the health sector after Square.
- When asked what comes to your mind immediately on hearing the name SMC, an overwhelming majority of 81% respondents mentioned 'Oral Saline'.

- Awareness of Femicon, Femipil, Raja, Minicon, Hero and Panther is also reasonably high but stands nowhere near ORSaline.
- When asked to rate suitability as a product of SMC from a list of selected products, OCP and Condom were found most suitable, perhaps due their 'gratitude effect' as these are already present in the market as SMC product.

### Study title:

Household Level Tracking Survey on Critical Program Indicators

### Objectives of the study:

The main purpose of the survey was to monitor and evaluate progress in changing knowledge, attitude and behaviors of married women of reproductive age and caregivers of <5 five years children on critical program indicators as well as to measure the exposure of target audiences on community mobilization activities.

### Key findings:

- An overwhelming 92% respondent mentioned that appropriate age for marriage of a female is 18 years. In case of appropriate age of a male, majority respondent (60%) considered 21-22 years to be ideal.
- More than 90% of the MWRA were aware of the health problems when pregnancy happens in early stage i.e. before 20 years. Whereas, more than half (54%) of the MWRA were aware of the health problems occurs when pregnancy happens in late stage i.e. after 35 years.
- Awareness of consequences of early pregnancy was also high among the MWRA who are exposed to SMC programs.
- Knowledge of Antenatal care (97%) among MWRA was found to be high in all areas. Around 82% of MWRA knew about pregnancy kit that can be used at residence.
- Two third (65%) of the MWRA used FP methods and Pill was the most used method that used by 57% of MWRA. It seems that a few MWRA have willingness to use any long-term methods for the next 12 months.
- About 17% of the MWRA are aware of Emergency Contraceptive pill (ECP). Among them, more than two-third (68%) of MWRA mentioned Norix and Emergency birth control tablets/ECP as methods for preventing unwanted pregnancy.
- Regarding reproductive hygiene, 60% of MWRA used clothes pieces, 32% used sanitary napkin, and nearly 1% used both clothes and napkin during their last menstruation. Usage of sanitary napkin is higher among the daughters of MWRA than their mothers. In addition, both of them mostly used Senora and Joya brand.
- More than one-third (38%) MWRA in all three areas knew about 'Monimix' while the 22% aware of 'Pushtikona'. Those who were aware of these products have given Monimix/ Pushtikona/ Mymix to their children at least for once

## Study title:

Conducting baseline study to Assessing Knowledge Attitude and Practices (KAP) on health among the target audience of Community Sales Agent (CSA) Model areas at Natore District

## Objectives of the study:

The prime objective of the study was to measure the current knowledge, attitude and practices of Married Women of Reproductive Age (MWRA), and caregivers of <5 five years children on critical program indicators.

## Key findings:

- Findings show that 31% of MWRAs in intervention area could correctly report at least two specific risks/complications related to pregnancies before age 20. Similarly 29% of MWRAs in control area could report the same.
- About 14% of MWRAs in intervention area could correctly report at least two specific risks/complications related to pregnancies after age 35. Similarly 13% of MWRAs in control area could report the same.
- About one-third of MWRAs in both intervention and control area could correctly report at least two specific risks/complications associated to birth spacing for less than 2 years.
- Analysis reveals that 13% of MWRAs in intervention area could correctly report at least three potential danger signs related to pregnancies. Similarly 14% of MWRAs in control area could report the same.
- More than half of the MWRAs in both intervention and control areas mentioned that pregnant women should make 4 or more visits during pregnancy.
- More than half of the MWRAs were currently using any method of family planning (FP). Oral contraceptive pill was found the most used FPM among MWRAs in both areas followed by injectables, female sterilization and condom.
- Overall 3.7% of MWRAs in intervention and 2.4% in control area were aware about the effective way of preventing unwanted pregnancy. In terms of knowledge about when to use ECP after having unprotected sex, more than 80% could correctly the dosage of ECP.
- It was found that more than 8 out of 10 MWRAs used cloths during their last menstruation. Analysis reveals that 9% of MWRAs in intervention area used sanitary napkin during their last menstruation whereas this proportion was 6% among the MWRAs in control area.
- Findings show that 92% of MWRAs in both intervention and control area could correctly identify the most important symptom(s) of TB.
- Findings reveal that 9% of MWRAs in intervention area could correctly report at least two benefits of giving MNP to 6-59 months children. Similarly 7% of MWRAs in control area could report the same.

### Study title:

Post evaluation of TVC on Pink Star

### Objectives of the study:

The main objective of the study was to measure the acceptability and effectiveness of the TVC on SOMA-JECT among the Married Women of Reproductive Age (MWRA), who has at least one living child and their husbands.

### Key findings:

- Finding reveal that 10% of male and 5% of female were aware about Pink star Network.
- Only 6% of male and 50% of female are aware about IUD. Less than 5% in both types of respondents are aware about SMC brand IUD Relax.
- About 4% of male and 62% of female are aware about Implant. More than 2% of male and 8% of female are aware about i-plant.
- Respondents who watch Bangladeshi Channel, of them only 12 female watched Pink Star TVC in last 2 months. They watched the TVC on average 2 times.

### Study title:

Impact study on Adolescent Program activities

### Objectives of the study:

The overall objective of the study was to assess the knowledge and behavior of adolescents on different health issues.

### Key findings:

- An overwhelming 96% of adolescents (Male & Female) from both (experimental & control) areas know that appropriate age for marriage of a female is 18 years and male is between 20 years to 22 years.
- About 52% of the adolescents in intervention areas and 33% of the adolescents in control areas are aware of problems that may occur if birth spacing between two pregnancies is less than three years.
- Utilization of sanitary napkin among the experimental group is significantly higher than control group. Seventy-one percent adolescent girls from intervention areas and 49% adolescent girls from control areas used sanitary napkin. The most used brand of sanitary napkin was “Joya”.
- More than half (56%) of school going adolescent boys and girls know that child may suffer anemia and among them 70% mentioned iron deficiency as the major reason for anemia. The knowledge about ‘Monimix’ is high in intervention areas (79%) as compared to control areas (18%).
- More than half of adolescents (59%) in intervention area are aware of Community Sales Agent as compared to 2% in control areas.

## Study title:

Assess effectiveness of Floating IEC program

### Objectives of the study:

The prime objective of this study was to assess the effectiveness of Floating IEC program activities and observe whether the program is being conducted as per guidelines.

### Key findings:

- The knowledge on legal age of marriage for males and females increased significantly after the IEC session. An overwhelming majority of the male and female are aware of the minimum legal age of marriage for males and females.
- Thirty six percent of female and 7% of male were aware about the risk related to become pregnant after age 35 years during pre-test. Whereas in post evaluation, it raised to 58% for females and 30% for males.
- Regarding danger signs during pregnancy and after delivery, the major signs mentioned by the respondents include: severe headache, blurred vision, heavy fever, convulsions/ fainting and excessive vaginal bleeding. It is clearly evident that the knowledge of danger signs increased notably due to attending IEC session.
- Only 20% of female and 17% of male were aware how to prevent unwanted pregnancy before attending IEC session. This increased to 33% among female and 32% among male respondents after attending the IEC session.
- About one-fourth of male and 61% of female had heard about sanitary napkin 'Joya' during pre-test survey. However this proportion increased to 90% among female and 78% among male after attending the IEC session.
- Findings reveal that 65% of the female and 25% of male were aware about MoniMix during pre-test interviews. However, this increased to 98% for female and 91% for male during the post-test interviews.
- Majority respondents reported that floating IEC sessions were very much or effective to disseminate health messages for the riverine population.

## Study title:

Zinc press advertisement design pre-test

### Objectives of the study:

The prime objective of this study was to find out the acceptability of the ad layout and also to gather suggestions from the target audience for improving in the design.

### Key findings:

- Study findings reveal that irrespective of category of respondents, 99% could read the press ad correctly.
- Regarding understanding from the ad, about 50% mothers could mention that "Providing Zinc tablet with ORS help to cure and prevent Diarrhea". This proportion is about 60% among Fathers and about 58% among Pharmacy owners.

- Regarding understandings from “ডায়রিয়ার জয় কখনো নয়”, about 90% fathers, 77% mothers and 78% pharmacy owners mentioned “এসএমসির জিংক খাওয়ালে ডাইরিয়া পরাজয় হয়”.
- Irrespective of category of respondent, everyone could understand from the ad that in order to cure and prevent diarrhea, SMC Zinc needs to be provided with ORS.
- Study findings also reveal that the respondents mentioned the following as benefits of providing SMC Zinc with ORS during Diarrhea:
  - o Reduces the intensity and consistency of Diarrhea
  - o Reduces the risk of Diarrhea for future
  - o Improves the immune system
- Irrespective of category of respondents, about 90% mentioned that there is nothing to change in the ad layouts, since everything seemed alright to them.

# Research Insights – SMC EL

Every year, SMC EL undertakes a number of research initiatives to assess impact of Sales and Marketing initiatives, conduct product feasibility and generate consumer insights. It utilizes primary research data to help regulate current market and design future marketing plan, tailored to market realities, other external factors and internal capabilities.

Following are some of the major research projects activities undertaken by SMC for SMC Enterprise during FY 2019 and their key findings:

## Study title:

Ad pretesting Study for ORSaline-N.

## Objectives of the study:

To find out the acceptability of the new ad concept among the consumers.

## Key findings:

- ORSaline-N – not only for diarrhea but for dehydration also; clearly replicated through the storyline.
- The brand slogan ‘Saves life, helps to move forward – SMC ORSaline-N’ addressing the priority for the category.
- Easily identifiable as a communication for ORSaline-N with assurance of instant rejuvenation.
- Readily connecting with functional benefit of ORSaline-N.
- The story flow associate with the category and brand intensely.
- Spontaneity of the story grab the attention till end and helps long-term remembrance.
- Appeal: Clueless start and sudden transformation of story to product (ORSaline-N) grabs the attention readily and creates initial appeal.
- Uniqueness: Holistic product benefit (medicine + energy enabler) is helping to place the story on unique side; Shakib is doing TVC for ORSaline-N is considered unique by many.
- Enjoyment: Spontaneity of the story and real-life examples grab the attention till end; the story is considered as infotainment by all; Shakib’s presence also adding charm in the storyline.

## Study title:

Product test for ORS-L (Orange & Lemon Flavor).

## Objectives of the study:

Product taste evaluation and feasibility of the product.

### Key findings:

- In terms of overall likeability, Orange has slightly higher mean & T2B scores. However Lemon is pretty much at par since the gap is not significant.
- Orange has significantly higher color likeability over Lemon when we look at the mean score.
- Mean score for taste likeability for orange is significantly higher with a 12% higher endorsement in T2B.
- Significant advantage for Orange is again observed in aftertaste with higher mean score and 9% higher T2B score.
- Overall, likeability for both the products are very much at par.

### Study title:

Product test for Joya Heavy Flow & All Night

### Objectives of the study:

Product evaluation and feasibility of the product in comparison with the current competitors

### Key findings:

- Joya Heavy Flow & All Night has 83% satisfaction in top 2 boxes and is at par with benchmark.
- Joya Heavy Flow & All Night show good proportions of users in favor of likeability of these important attributes.
- Softness and comfort are the top 2 reasons for users to try both prototypes.
- Heavy Flow prototype is easy to use while All Night is said to be well absorbent besides other reasons.
- A little less than half of the respondents are interested to switch to test products.
- Heavy Flow prototype remains effective longer than All Night counterpart.
- All Night lasts an hour longer at night compared to day time.

### Study title:

U&A Study among the Condom User.

### Objectives of the study:

To find out the usage and attitude pattern of the condom users and their unmet needs.

### Key findings:

- **Reason for Condom Use** : Availability, no side effect, safest for male & female, easy to use, one time use, easy to shift, protection from unwanted pregnancy and STIs.
- **MOUB/Preferred Brand** : Panther, Sensation, U&ME, Carex, Coral.

- **Flavor Preference** : TOM- strawberry and chocolate. Other preferred flavors- rose, banana, orange, lemon, coffee.
- **Important Attributes** : Availability, price, lubricity, thinness, color, shape, no case of burst or torn, packaging, flavor, satisfaction, suitability, reliability, brand personality.
- **Influential** : Self, spouse, friends, cousin, drug seller.
- **Reasons for Switching** : Like to use different variants, torn or burst, less lubricity, loose fitting, partner's disliking, price.
- **Likes/Dislikes** : Panther- no torn or burst, dotted is good, better to have smell, more lubricity, need attractive pack.
- **Unmet Needs and Desires** : Condom in different sizes, additional lubricant pouch, natural feelings, added features of extra time, soft & thin but tempered rubber, long lasting fragrance, small & slim pack, packs in 3/4/5 condoms.
- **Exposure to Ad** : Seen Sensation and Panther ads. Nude elements is not preferred, demand for romantic ads.
- **SMC Brand Loyalty** : Panther, Sensation & U&ME found preferred. SMC brands are available, logo is nice, old & trustworthy, affordable, frequent communications.
- **Recommendation** : Keep competitive price, no obscene photo in packs, address unmet needs to reduce brand switching, address Bangladeshi cultural phenomena in communications.

#### Study title:

U&A Study for Mineral Water Users (FGD).

#### Objectives of the study:

To find out the usage and attitude pattern of the bottled water consumers and acceptability of SMC drinking water.

#### Key findings:

- They buy mineral water because it is: Germ Free, Good for health, Safe to drink.
- They buy mineral water when : they feel craving for cold water outside their residences, carried water is run out, traveling, Eating out- restaurant/fast food shop, attend - sports and entertainment events.
- They are quality conscious and check following issues before buying - Expiry date, Renowned store, Quality of the water.
- Influencing factors for selecting a brand- Natural Test, Availability, Germ free, trustworthy brand.
- Consideration for brand loyalty- Clean water, Natural test, Gripping facility (quality of bottle), No smell in the water.
- Top reasons for brand switching- Taste, Gripping facility, Fear of adulteration.

## Study title:

Retail Audit Study.

## Objectives of the study:

Retail market scenario of Bangladesh.

## Key findings:

- Measures Retail channels and helps to understand Off take & Distribution for 6 categories (Oral Saline, Sanitary Napkins, Baby Diaper, Condom, Pill, Glucose powder & instant powder drink) .
- Provide data about the best store for SMC brands and categories.
- Provide data about Category size & growth in terms of volume and value @different market break.
- Provide data about Market Share, Sales & Reach of all the competition brands & SKU's.
- Provide data about Competition's Strength & Weakness by markets.
- Provide the data about the major markets.
- Measure the distribution quality of the brands in specific market.
- Also measure which Segment & Pack sizes are growing or declining.



# Annual General Meeting

### 30th Annual General Meeting of SMC held on March 30, 2019



Social Marketing Company (SMC) held its 30th Annual General Meeting (AGM) on March 30, 2019 at the Company Head Office in Dhaka. The AGM received, adopted and ratified the Directors' Report and the Auditors' Report for the Financial Year 2017-2018 and appointed auditors for the Financial Year 2018-2019.

Mr. Siddiqur Rahman Choudhury, Chairman of the Board of Directors of SMC, presided over the meeting. Board Directors, Company Members and Managing Director & CEO of SMC, Mr. Md. Ali Reza Khan along with senior officials of the Company were present in the meeting.

### 4th Annual General Meeting of SMC Enterprise held on March 30, 2019



SMC Enterprise Limited held its 4th Annual General Meeting (AGM) on March 30, 2019 at the Company Head Office in Dhaka. The AGM received, adopted and ratified the Directors' Report and the Auditors' Report for the Financial Year 2017-2018 and appointed auditors for the Financial Year 2018-2019.

Mr. Siddiqur Rahman Choudhury, Chairman of the Board of Directors of SMC Enterprise Limited, presided over the meeting. Company Shareholders, Board Directors and Managing Director of SMC Enterprise Ltd, Mr. Abdul Haque along with senior officials of the Company were present in the meeting.



# Corporate Engagements

## SMC holds Annual Sales Conference for FY 2018-19



The 'Annual Sales Conference FY-2019' of Social Marketing Company (SMC) and SMC Enterprise Ltd was held at a local hotel in Dhaka on January 16, 2020. The theme of the conference was 'Growth Unlimited.' The conference portrayed the sales performance of FY 2018-19 and recognized the sales team for their outstanding achievement. Chairman of the Board of Directors of Social Marketing Company (SMC) and SMC EL Mr. Siddiqur Rahman Choudhury graced the occasion as the Chief Guest.

The company has witnessed an impressive revenue growth of around 22.37%. During the reporting year, it has distributed 48.3 million cycles of oral contraceptive pills, 141.94 million condoms and 2.62 million vials of injectables, protecting over 5.08 million couples in the country from having unplanned pregnancies. In addition, the company sold 971.15 million sachets of ORSaline-N, 23.21 million sachets of MoniMix micronutrient powder, 462,100 Zinc blister packs, 10.1 million packs of Joya sanitary napkins and around 57,520 Safe Delivery Kits.



### "Engage for Growth" theme recognizes Pharma team's efforts

SMC Pharmaceuticals, a division of SMC Enterprise Ltd (SMC EL), organized its Annual Conference 2019 at a local hotel in Dhaka on February 29, 2020 with the theme "ENGAGE FOR GROWTH." The conference was organized to ensure exponential growth in sales and to increase the Pharma team's engagement in its daily activities. Mr. Siddiqur Rahman Choudhury, the Honorable Chairman of the Board of Directors of SMC EL, attended the conference as the Chief Guest. Mr. Muhammed Ali, Director of the SMC EL Board, Mr. Md. Ali Reza Khan, Managing Director & CEO of SMC and Mr. Abdul Haque, Managing Director of SMC EL also attended the conference. Head of Sales & Marketing – Pharma, Mr. Sheikh Zahidur Rahman, delivered the address of welcome. The business plan and objectives for FY 2020-2021 was presented by the pharma senior management. Best performing sales achievers in different categories of FY 2019 were recognized and awarded at the event. The SMC Pharma team took an oath for visiting qualified doctors and generating six prescriptions every day to increase their sales.

### Our health sector contribution highlighted in Regional Workshop at Nigeria



A Regional Workshop in this regard titled as 'Partnering with Drug Shops & Pharmacies (DSP) to Strengthen Health Systems' was held on May 7-9, 2019 in Abuja, Nigeria to support knowledge sharing among participants, determine the priority challenges and nature of support needed to improve engagement of DSP by country and develop preliminary country action plans to improve engagement of DSP for Ghana, Liberia, Nigeria and Uganda. The workshop was organized by USAID, WHO, the Alliance for Health Policy & Systems Research and Implementing Best Practices Initiative.

SMC was represented in the workshop by Mr. Md. Ali Reza Khan, MD & CEO and Mr. Toslim Uddin Khan, Chief of Program Operations, who participated as resource persons.

The business plan and objectives for FY 2020-2021 was presented by the pharma senior management. Best performing sales achievers in different categories of FY 2019 were recognized and awarded at the event. The SMC Pharma team took an oath for visiting qualified doctors and generating six prescriptions every day to increase their sales.

## Annual Picnic 2019

SMC Annual Picnic was held at “Greentech Resort & Convention Center”, Bhabanipur, Gazipur. More than 1100 employees from all area offices, Bhaluka and Cumilla factories and SMC Head Office participated in this event. The picnic offered variety of fun activities including tug of war, races and football for males and pot balancing, musical chair and dart throwing for females. Mr. Ali Reza Khan, CEO & MD attended the picnic and distributed awards for excellence and prizes among the winners.



## RTV SMC recognized outstanding child development contributors



The Grand Finale of the RTV SMC MoniMix Award-2018 was held in Dhaka on December 7, 2018 to honor the outstanding contributors in the child development sector of Bangladesh. The award giving ceremony was televised live on RTV while the Daily Kaler Kantho published special features about this event. Three individuals and three organizations were awarded this year. From the individual category, Ms. Nazia Jabeen for publishing Braille books for visually impaired children; Mr. Morshedul Islam, film director; Mr. Ali Imam, children’s writer received MoniMix Award while Kendrio Khelaghor, Kolshindur Primary School and Bidyananda Foundation were given the awards in the organizational category. The awardees pledged to continue their work for the betterment of the children. Mr. Siddiqur Rahman Choudhury, Honorable Chairman, Board of Directors, SMC and SMC Enterprise Limited; Mr. Md. Ali Reza Khan, Managing Director and CEO of SMC; Mr. Abdul Haque, Managing Director, SMC Enterprise Limited; Mr. Toslim Uddin Khan, Chief of Program Operations, SMC; Ms. Carol Vasquez, OPHNE Director, and other officials from USAID Bangladesh were present at the occasion.



### 'Joya Alokito Nari' award honors inspiring women

To commemorate the International Women's Day - 2019, SMC Enterprise Limited became the title sponsor of the RTV program "Joya Alokito Nari" for the fourth consecutive year, held on March 8, 2019 at a local hotel in Dhaka. Advocate S. M. Rezaul Karim, M.P., Honorable Minister, Ministry of Housing and Public Works, GoB, attended the program as the chief guest. MD & CEO of SMC Mr. Md. Ali Reza Khan and MD of SMC EL Mr. Abdul Haque attended along with high officials from SMC, diplomats, celebrities and other dignitaries. The awardees included: Dr. Firdausi Qadri (Scientific Research), Rubana Huq (Woman Entrepreneur), Johiron Bewa (Social Services), Noyon Selina (Self Reliant), Sharmin Ratna (Sports), Shabnam (Actress), Jayati Chakraborty (Singer) and Maleka Khan (Contribution in Liberation War).



### Nepal CRS Company visits SMC

A team comprising of the Board of Directors and Management staff of 'Nepal CRS Company,' the largest social marketing company in Nepal, paid a three-day visit to SMC during June 24-26, 2019. The delegation was led by its Managing Director, Mr. Jiblal Pokharel. The purpose of their visit was to learn about SMC's sustainability journey and experience as well as to explore other areas of collaboration.



### Highlighted SMC in WPD-2018

The World Population Day-2018 was observed across the country on July 11, 2018 under the leadership of the Ministry of Health and Family Welfare. The main event of the day took place at the Osmani Memorial Auditorium in Dhaka where the Honorable Speaker of the National Parliament, Dr. Shirin Sharmin Chaudhury, MP was present as the chief guest. SMC had a stall at the event venue where it showcased its public health products and programs. Hon'ble Speaker visited the SMC stall and applauded for its outstanding contribution to the national family planning program including health and nutrition.

## SOCIAL MARKETING COMPANY

### COMPANY MEMBERS

#### PROXY FORM

I/We,-----  
of -----  
being a Member of the SOCIAL MARKETING COMPANY do hereby appoint  
Mr./Ms.-----  
of -----  
as my/our Proxy to attend and vote for me/us on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company to be held on Monday 15<sup>th</sup> day of June, 2020 at 11.00 am at SMC Head office 33, Banani C/A, Dhaka 1213 and at any adjournment thereof.

As witness my/our hand this ----- day of March 2020.

-----  
(Signature of the Company Member)

-----  
(Signature of the Proxy)

Note:

A member, entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her stead. Forms of Proxy must be deposited at the Company's Registered Office not less than seventy two hours before the time fixed for the Annual General Meeting.

## SOCIAL MARKETING COMPANY

### COMPANY MEMBERS

#### ATTENDANCE SLIP

I/We hereby record my/our attendance at the 31<sup>st</sup> Annual General Meeting being held on 15<sup>th</sup> June, 2020 at 11:00 a.m. at SMC Head Office, 33 Banani C/A, Dhaka-1213.

Name of Company Member(s)-----

-----  
Signature(s) of Company Member(s)

Note:

1. Please note that the AGM can only be attended by the honorable Company Members or properly constituted Proxy who is also the members of the company.

2. Please present this slip at the reception desk.



