

## **Message from the Chairman**

**For the year ended on 30th June 2018**

"Bismillah Hir Rahmanir Rahim"

### **Distinguished Shareholders**

Assalamu Alaikum

I have the pleasure to welcome you in the Annual General Meeting of your company. I express my heartfelt gratitude to the Almighty Allah for enabling us to assemble here to exchange our views on the affairs of the company. Please accept my warm welcome!

We have passed another year in business. The RMG industry is experiencing a turbulent time due to the erosion of its competitive advantage leading to a decline in the unit sale price in one hand and increases in cost (increase the wages, gas and other utilities) on the other.

The cost-push could not have been absorbed due to the lack of concurrent increase in productivity, and product/market diversification. We are trying relentlessly and putting efforts to enhance productivity and product diversification for maintaining a normal growth rate.

On issues of compliance of Accord standards, the management has been adopting various measures to implement the CAP (corrective actions plan) raised by Accord covering fire, electrical and infrastructural safety. So far, by the grace of the Almighty, we have made considerable progress in terms of fire and electrical safety, while the CAPs on structural aspects are ongoing. The process is time-consuming and the progress is in line with our expectations.

While we are taking all measures to enhance growth and sustainability, the macro economic factors, among others, such as time-based wages structure determined by minimum wage board and increasing trend of utility costs continue to



erode our competitiveness. It is important that worker' take-home-pay be enhanced, but at the same time this increase must be supported by enhanced productivity. Time-based pay alone has rarely facilitated increased productivity; history of productivity suggests that. Without commensurate increase in productivity, both competitiveness and sustainability is gravely at stake. The Introduction of performance based pay structure is likely to result in a win-win situation. BKMEA, BGMEA can play a vital role in setting up the standards needed for performance-based pay.

As per the Provision of the Articles of the company, I have the pleasure to present before you the Directors Report, the Audited Financial Statements of the company for the year ended 30th June 2018, along with the report of the auditors for your consideration.

Finally, the Board offers its sincere thanks to the workers, professionals, whom the management considers as the most valuable asset of the company, and hopes that they will continue to keep the spirit of teamwork in the coming years for the smooth growth of the company.

With best wishes for the time ahead



Professor Dr. Muhammad Abdul Moyeen  
Chairman

Dated: October 24, 2018