CASE STUDY

Nov-Dec 2024

Total marks: 100 **Time allowed:** 4:30 hours.

Instructions:

1. Check that your question paper contains all the exhibits as mentioned in page 3. The consecutive page numbering may be found under the base line at the foot of each page.
2. Use the answer script provided by the Institute. Write your name, roll no., registration no. and name of the subject on the upper portion of the cover page of the answer script.
3. Candidates are asked not to write any particulars of identification in any other place of the answer script and additional pages if taken.
4. Questions must be answered in English.
5. The answer should be referenced to the relevant workings.
6. Answer script and additional page(s) taken to write answer, used or unused, must not be removed or taken away from the Examination Hall.

Requirements & Marks Allocation:

You are Synthia Zaman working as Senior Manager at Strategy & Transaction Consulting Limited (STCL), an advisory company specializes in business restructuring and strategy formulation, transactional advisory related to investment, merger and acquisition. STCL initially was a partnership advisory firm by two ICAB chartered accountants and later incorporated as company. You report to Mr. Abdullah Nahiyan FCA, Equity Partner at STCL. who have forwarded you an email (**Exhibit-1**) he received from Mr. Jamilur Rahman, Managing Director of Infinity Ceramics Limited (Infinity). Mr. Rahman on his email requested advice on several matters and shared relevant information for consideration. Mr. Nahiyan have assigned you for the assignment and asked you to prepare a draft report for Infinity covering all the requirements stated in Mr. Rahman's email. In addition to email from Infinity managing director, Mr. Nahiyan also shared some business articles and news clips (**Exhibit-7** and **Exhibit-8**) which he considers useful and wants you to consider in preparation of the report.

Requirements:

You are required to prepare a draft report for Mr. Jamilur Rahman which should comprise the following elements:

- ❖ An executive summary
- ❖ Your responses to the detailed requirements (a), (b) and (c) set out in Exhibit-1**.**
- ❖ State clearly of any assumptions used in preparing the report.

Marks Allocation:

All of the marks in the Case Study are awarded for the demonstration of professional skills, allocated broadly as follows:

Requirements	**Professional Skills**					**Total**
	Assimilating and using information	Structuring problems and solutions	Applying judgment	Conclusions and making recommendations	Integrative & multidisciplinary skills	
Executive Summary	4	4	2	3	2	**15**
Requirement (a) (i)	3	4	3	3	2	**15**
(ii)	4	2	2	2	0	**10**
Requirement (b) (i)	3	3	3	2	2	**13**
(ii)	2	3	2	2	0	**9**
(iii)	3	3	2	2	2	**12**
(iv)	2	2	2	2	0	**8**
Requirement (c) (i)	2	2	2	2	2	**10**
(ii)	2	2	2	2	0	**8**
Total	**25**	**25**	**20**	**20**	**10**	**100**

In planning your report, you should be aware that not attempting one of the requirements, including an executive summary, will have a significantly detrimental effect on your chances of success. In addition, as indicated above, all skills areas will be assessed under each element of your report.

You should be clear that marks are awarded for demonstrating your professional skills, not for reproducing facts from the case. To be successful, you will need to:

- Demonstrate your knowledge of the case material and make use of your analysis.
- Carryout relevant analysis of the problems and structure your proposed solutions.
- Apply your judgment based on the analysis that you have carried out.
- Draw conclusions from your analysis and judgment in developing practical commercial recommendations.
- Ethical issues may cover the following topic-
  - Lack of professional independence or objectivity
  - Conflict of interest among stakeholders
  - Doubtful accounting or commercial practice or market competition or Market proximity
  - Inappropriate pressure to achieve a reported result.
  - Compliance of local laws and regulations
- Integrative & multidisciplinary skills may cover the following areas-
  - Depletion and wastage of natural resources and its impact on environment and climate change.
  - Impact on pollution, on the public health and productivity and on the national health budget.
  - Social impacts, e.g., social unrest for allowing use of alcohol, bar, etc.
  - Economic impacts, e.g., on employment generation and improvement in connectivity using ICT.

LIST OF EXHIBITS

List of persons in the Case and their Roles

SL.	Names	Roles
1	Synthia Zaman (You)	Senior Manager at STCL
2	Abdullah Nahiyan FCA	Equity Partner at STCL
3	Siddiqur Rahman	Founder & Chairman of Infinity Ceramics Limited
4	Jamilur Rahman	Managing Director & Chairman of Infinity board
5	Safina Rahman	Director, Market & Communication
6	Md. Burhan Uddin	Director - Finance & Accounts
7	Mustafa Ali	Director - Human Resource
8	Omar Ibrahim	Director - Internal Audit & Compliance
9	Hassan Tariq FCA	Head of Financial Reporting

<u>EXHIBIT</u> – 1

<u>E-MAIL</u>

From	: Mr. Jamilur Rahman, Managing Director, Infinity Ceramics Limited
To	: Mr. Abdullah Nahiyan FCA, Partner, STCL
Subject	: Appointment for advisory engagement and request for advisory report on several matters.
Date	: 18 December 2024

Dear Mr. Nahiyan,

Congratulations! It is my pleasure to inform you that board of Infinity Ceramics Limited (Infinity) have accepted your fees proposal and appointed you for advisory services with following scope of work but not limited to:

- Assessing and analyzing business operations and performance for formulating business strategies.
- Evaluating strategic options and viability of financing for investment opportunities considering past performances & prospects of the company and related business issues.
- Assisting us in raising funds through initial public offering (IPO) of shares, issuance of Bond and perform necessary evaluation of investment options, Risk Management, Governance, Due Diligence, Restructuring, etc.
- Reviewing and advising on various Accounting, Tax, financial and internal control related issues of the company.
- Supporting on various regulatory and secretarial matters as and when solicited.
- Modelling a range of scenarios to help evaluate the viability of proposed initiatives.

Please note that we have already prepared draft financial statements of Infinity for 30 June 2024. Board of directors are currently evaluating the draft along with several strategic options available at hand. Board has requested your input in strategic options evaluation. We need your analysis and advice on our financial positions and strategic alternatives as early as possible as final decisions will be taken in our forthcoming board meeting. I have attached with this email a brief background of Infinity including its operations & plans **(Exhibit 2)**. I have also attached the extracts of our latest draft financial statements (**Exhibit 3)** and a recent article published in a business magazine regarding *past, present and future of the ceramics industry* in Bangladesh (**Exhibit 4**). In addition, you will receive emails from our Head of Financial reporting (**Exhibit 5**) and Finance Director (**Exhibit 6**) regarding accounting & compliance issues and prospective investment options. We expect you to consider other relevant information available (**Exhibits 7 & 8)** while drawing your conclusion and sharing recommendations to us on the requirements stated below.

We expect a ***draft report*** along with your workings (where applicable) addressing to the board. Your report should include an ***Executive Summary*** and cover:

(a) (i) Make a schedule of adjustments required for reporting and compliance issues stated in **Exhibit-5.** Evaluate adjusted financial performance & position taking non-financial information into consideration.

(ii) Perform a SWOT analysis on Infinity's business and operations.

(b) (i) Analyze the investment options using NPV method and recommend to the board with justifications the option to be selected considering compatibility with Infinity's missions & vision statement.

(ii) Perform financial analysis to evaluate whether selling the land and leasing back is a viable financing option.

(iii) Evaluate whether expected of share premium might be acceptable to BSEC. If the expected share premium is not approved, determine the maximum share premium can be charged. Also determine the number of shares to be issued in IPO and whether it exceeds Infinity's ownership threshold.

(iv) Discuss the non-financial factors to be considered for both of the financing options.

(c) (i) Comment on the ethical issues involving Infinity's existing and planned business; suppliers, customers and service providers.

(ii) Assess Human, Social, Economic and Environmental sustainability in Infinity's business operations.

I look forward to receiving your draft report on or before 24 December 2024.

Yours sincerely,
Jamilur Rahman
Managing Director,
Infinity Ceramics Limited

EXHIBIT – 2

A brief note on Infinity Ceramics Limited and its business operations.

About Infinity Ceramics Limited

Infinity Ceramics Limited (Infinity), a private limited company established in 1990, is a leading ceramics manufacturer in Bangladesh, celebrated for its exceptional craftsmanship and unwavering commitment to quality. Over the years, the company has grown into a major player in the ceramics industry, earning recognition both in the domestic and international markets. Infinity's headquarters and production facilities are strategically located in Gazipur, an industrial hub near Dhaka. The location was chosen carefully to leverage easy transportation links, efficient supply chain networks and access to skilled artisans, facilitating smooth production and distribution across the country and to global markets.

At its state-of-the-art factory, Infinity Ceramics blends modern technology with traditional craftsmanship, ensuring every piece meets the highest standards of quality and aesthetics. The company has developed a reputation for producing a wide range of Porcelain and Bone China tableware, characterized by durability, elegance, and innovative designs that cater to both contemporary and classic tastes. Since its inception, Infinity Ceramics Limited has been dedicated to excellence, constantly innovating to meet the evolving demands of its customers. Its focus on sustainability, precision manufacturing, and creative design has enabled the company to establish itself as a trusted brand in households, hospitality sectors, and global export markets.

Infinity was founded by visionary entrepreneur Mr. Siddiqur Rahman who had keen interest in trade and industrialization from an early age. He started career in a multination company that was engaged in production and export of goods. As part of his work, he had to visit different countries for promoting products. His education and exposure to global markets enhanced his understanding of modern manufacturing practices and the potential for high-quality exports from Bangladesh. He later started his own ventures and achieved success.

Mr. Rahman had a strong appreciation for craftsmanship and the skill of Bangladeshi artisans. Recognizing the availability of natural resources like clay and the growing demand for fine ceramics in both local and global markets, he founded Infinity Ceramics Limited. Infinity was established as a small manufacturing plant for porcelain tableware. However, under Mr. Rahman leadership and vision, Infinity became a pioneer in the Bangladeshi ceramics industry.

At present Infinity offers a diverse range of high-quality Porcelain ceramic products, including tableware such as plates, bowls, mugs, and cups, as well as tea and coffee sets, complete dinner sets, and premium Bone China products known for their translucency and elegance. The company also provides customized ceramics for corporate clients and institutions, along with decorative items for interior decoration. Additionally, Infinity manufactures durable and stylish hospitality and institutional ware for restaurants, hotels, and banquet services. Renowned for its innovative designs and combination of traditional craftsmanship with modern aesthetics, Infinity serves both functional and decorative needs of local and global market. At present Infinity exports various countries. Major exports are to USA, Canada, UK, Germany, France, Italy, Romania, Norway, Sweden, Denmark, Poland, Spain, Turkey, Japan, Australia, New Zealand, Brazil, India, Chile, Egypt, Russia etc.

Mission & Vision

Infinity Ceramics Limited has set its mission to deliver high-quality ceramic products that blend craftsmanship, innovation, and sustainability. It is committed to provide its customers with elegant, durable, and functional ceramics that enhance their daily lives and elevate dining experiences. Through continuous innovation, ethical practices, and a dedication to excellence, Infinity aims to be a global leader in the ceramics industry while contributing to the economic growth of Bangladesh.

Infinity Ceramics Limited has the vision to become a globally recognized brand known for exceptional ceramic products that combine art, quality, and sustainability. it aspires to be the preferred choice for customers worldwide, setting new standards in design, technology, and environmental responsibility, while fostering a culture of creativity and craftsmanship within the organization.

Board of Directors and Key Management Personnel

Since incorporation Mr. Siddiqur Rahman has been leading Infinity from forefront. However, these days Mr. Siddiqur Rahman chairs Infinity's board and most of his responsibility has been divided between his son Mr. Jamilur Rahman and her daughter Mrs. Safina Rahman.

Members of the board and Key Management Personnel (KMP) includes:

Persons	Ownership %	Position
Siddiqur Rahman	60%	Chairman of the board
Jamilur Rahman	25%	Managing Director
Safina Rahman	15%	Director - Market & Communication
Md. Burhan Uddin	0%	Director - Finance & Accounts
Mustafa Ali	0%	Director - Human Resource
Omar Ibrahim	0%	Director - Internal Audit & Compliance
Hassan Tariq FCA	0%	Head of Financial Reporting

Products and target customers

Infinity Ceramics Limited has been primarily focusing on tableware, as it is the most exported item in the ceramics industry. Infinity's product line includes elegantly crafted ceramic plates, bowls, mugs, serving platters, and teapots, catering to both casual and fine dining needs. While local sales remain its main priority, the company has also placed special emphasis on producing premium tableware for the global market. Around 20% of infinity’s revenue is generated from export sales. However, exports to European and American markets have slightly declined in recent years due to a shift in consumer behaviour, with more people dining at restaurants and opting for fast-food, reducing the use of crockery at home.

Business Model

In response, Infinity has adapted its strategy by targeting both B2C and B2B markets. In case of B2B business, it is supplying tableware to high end-hotels, restaurants, and hospitality businesses. In case of B2C business, Infinity have distributors selling across the country. It also has 10 of its own outlets across the major cities in Bangladesh including Dhaka, Chittagong and Sylhet.

Infinity’s business model consists of primary activities and support activities. Primary activities are Raw material sourcing, Design and Product Development, Manufacturing, Quality Control and Assurance, marketing and distribution. These primary activities are supported by support services activities which includes Customer Service, Human Resources Management, Research and Development (R&D), Infrastructure and Facilities Management and Financial Management.

Primary Activities:

Procurement:

The procurement of raw materials is a vital component of the business model. Infinity Ceramics Limited sources high-quality clay, glazes, and other materials from trusted suppliers. The company emphasizes sustainable sourcing practices, aiming to minimize its environmental footprint while maintaining product quality. Most of its raw materials are imported from China and other countries. Only a few portions are sourced locally. Long-term relationships with suppliers are nurtured to ensure the consistent availability of materials and favorable pricing. Packing materials is sourced from a local vendor who is known to the factory manager. Because of factory manager’s trust, no other vendor is selected.

Design and Product Development:

The core of Infinity Ceramics Limited lies in its ability to design and develop unique, aesthetically pleasing tableware. The design team works closely with ceramic artisans to create original patterns, shapes, and textures. The company offers a range of collections that cater to various tastes— from minimalistic designs to more intricate, artistic patterns. Product development is driven by market research, customer feedback, and trend analysis to ensure relevance in the competitive market.

Manufacturing and Quality Assurance:

The manufacturing process is central to Infinity’s value proposition. The company uses a combination of traditional handcrafting techniques and cutting-edge technology to produce high-quality ceramics. The process involves molding, shaping, glazing, and firing clay into finished products. Skilled artisans are involved at each step, ensuring that each piece maintains exceptional craftsmanship. Quality control is paramount, with rigorous checks at each stage of production to guarantee the durability and aesthetic appeal of the products. Each product undergoes a detailed inspection to ensure that the final piece matches the design specifications and meets both functional and aesthetic expectations. Wastage products are sold at a nominal value to a business owned by local political leader.

Sales and Marketing:
The sales strategy includes both direct and indirect channels. Infinity Ceramics Limited markets its tableware through online platforms, retail partnerships, and select showrooms. A dedicated e-commerce platform allows customers to easily browse the company's offerings and make purchases, while retail partnerships with high-end home decor stores help expand the company's reach. Marketing efforts are focused on building brand awareness, showcasing product quality, and engaging with customers through social media, advertising, and collaborations with designers.

Distribution and Logistics:
Efficient distribution is key to meeting customer expectations. Infinity Ceramics Limited manages its logistics through partnerships with reliable third-party couriers for national and international shipping. The company uses advanced inventory management systems to ensure that products are available for immediate dispatch, optimizing warehouse space and reducing lead times. Sustainable packaging is a key focus, with efforts to minimize environmental impact during shipping.

Support Activities:
Support activities are essential for ensuring the smooth operation and continued success of Infinity. These activities provide the necessary infrastructure, resources, and services that enable the company to deliver high-quality product.

Customer Service:
Providing excellent customer service is a vital part of Infinity Ceramics Limited's strategy. The company offers a responsive customer support team that assists with inquiries, product issues, and returns. The brand's focus on creating a strong customer relationship is reinforced by post-purchase communication, loyalty programs, and satisfaction surveys to improve products and services.

Research and Development (R&D):
Research and development efforts are dedicated to creating new products, improving manufacturing processes, and exploring sustainable materials. R&D teams at Infinity Ceramics Limited work on developing innovative glaze formulas, new ceramic techniques, and cutting-edge designs. They also explore ways to enhance product durability and functionality while maintaining aesthetic appeal.

Infrastructure and Facilities Management:
The manufacturing facilities are designed to facilitate an efficient production process. It invested in modern production equipment, spacious storage, and environmentally conscious waste management systems. The facilities are strategically located near key transport hubs to ensure smooth logistics and lower shipping costs. The company also prioritizes the maintenance of a safe and comfortable working environment for its employees.

Human Resource Management
Infinity believes that skilled workforce forms the backbone of its operations, driving innovation, production, and sustainable growth. From craftspeople shaping exquisite Tableware to engineers ensuring operational efficiency and designers creating functional, cutting-edge solutions, our human capital defines its identity. With a 1,750-strong workforce and over 10,000 training hours across 55 programs, it prioritizes continuous learning, skill development, and fostering a sense of pride among employees, enabling sustainable growth and a competitive edge in the market. HR efforts also focus on hiring skilled professionals for sales, marketing, and customer service roles. The company promotes a positive workplace culture that encourages creativity, teamwork, and employee well-being.

Infinity's human capital strategy is built on six key pillars: skills development through training and upskilling programs, fostering innovation and creativity, prioritizing health and safety with strict protocols and workshops, promoting diversity and inclusion to drive new ideas, supporting career growth through leadership development, and attracting and retaining top talent with competitive compensation and employee recognition. Together, these initiatives create a thriving, motivated, and innovative workforce at the heart of our success.

Financial Management
Finance and accounts department is responsible for managing, recording, and reporting Infinity's financial transactions. This department creates and manages budgets to ensure financial stability and support strategic planning, ensure timely filling of TDS, VAT, Income tax and statutory returns. It maintains accurate financial records, managing accounts payable and receivable, and ensuring timely financial reporting. It regularly conducts financial analysis to identify trends, assess performance, and make informed business decisions. Based on its financial analysis it reports to the board of directors for formulating strategic business decisions. In addition to other responsibilities, this finance department implements costs control measures and policies.

Financial reporting & Auditing

Infinity prepares its financial statement in accordance with International Financial Reporting Standards (IFRSs). Its financial year has recently ended on 30 June 2024. Accounts department has prepared its draft financial statements (**EXHIBIT - 3**) which are to be shared with Auditor Sukumar Roy & Co., Chartered Accountants. (SRC). SRC has been auditing and providing tax services and secretarial services to Infinity since 2021. Since the first year of audit, it has been issuing qualified opinion on the ground that Infinity's land has not been revalued since 2012. In 2012, Infinity revalued its land for the purpose of bank borrowing. The land was had a cost of BDT 4,000,000 which was revalued to BDT 20,000,000. Resulting revaluations has been taken to retained earnings. SRC also issued an emphasis of matter stating that BDT 1,500,000 reported within Capital Work-in-progress is related to advance payment to vendors.

Investing & financing strategy

Infinity has plan to diversify its business by introducing production facility of tiles and sanitaryware either through acquisition, joint venture or organic growth. It is also planning alternative of gas-based firing system. Infinity is open to any financing options including IPOs.

Health & Safety policy

Infinity remains steadfast in its commitment to fostering a safe and healthy work environment through a comprehensive health and safety initiative. The company enforces rigorous occupational health and safety protocols, including mandatory use of personal protective equipment (PPE) and frequent inspections to ensure compliance. Regular training programs and workshops are conducted to upskill employees, supported by mentoring opportunities that promote professional growth. In addition to workplace safety, the company champions environmental consciousness by organizing awareness programs on water-saving practices and encouraging employee feedback for continuous improvement.

A significant achievement was the dramatic reduction in the accident rate, which dropped from 1,444 injuries in 2022 to 885 in 2023, and further to just 384 in 2024—an impressive decrease to nearly a quarter of the initial rate over three years. This achievement underscores the company's unwavering focus on safety as a priority for the future. To ensure well-being, on-site medical facilities with doctors and emergency medicines are readily available. Furthermore, regular safety training sessions cover topics such as heart disease and stroke awareness, dengue prevention, task hazard recognition, mechanical and electrical safety, fire and workplace safety, and driving safety, empowering employees with the knowledge to maintain a secure work environment.

Innovative Practices

Infinity Ceramics Limited is at the forefront of Bangladesh's ceramics industry, utilizing advanced technology to produce high-quality porcelain and Bone China products efficiently. Infinity focuses on production with a commitment to sustainability. It employs energy-efficient firing processes and eco-friendly materials. By investing in skilled labor and innovative techniques, the company has become a prominent entity and competitive global player delivering durable products that meet international standards.

Corporate Social Responsibility

Infinity Ceramics showcases a strong commitment to CSR through community initiatives like education, healthcare, and skill development, alongside environmental efforts in clean energy, waste management, and water conservation. The company also prioritizes employee welfare through professional development, safety measures, and sustainable water management practices using advanced technologies and training.

Infinity has entered into partnerships with schools provide scholarships, resources, and support for underprivileged children. It organizes health camps and awareness campaigns, addressing prevalent health issues in communities. Infinity also runs skill development programs, empowering individuals with employable skills for better livelihoods.

Infinity utilizes clean energy sources like natural gas to reduce greenhouse gas emissions. It has implemented effective recycling and waste management practices to promote a circular economy. Its focuses on water conservation through innovative technologies reduced water usage in manufacturing. It has also implemented filtration system to treats wastewater and reuse in non-critical activities like cleaning and gardening. Infinity aims to continuously upgrades processes and equipment to minimize water usage per production unit.

EXHIBIT – 3

Summary and Extracts of Draft Financial Statements of the Infinity Ceramics Limited

Statement of Financial Position
As of 30 June 2024

	Notes	2024	2023
Assets			
Non-Current Assets			
Property, plant & equipment		522,134,977	472,944,580
Capital work in progress		62,217,681	31,560,321
Investments		72,025,600	72,025,600
		656,378,258	**576,530,501**
Current Assets			
Inventories		298,399,355	276,236,266
Trade & other receivables		108,816,462	107,050,803
Advance, deposits & pre-payments		51,390,461	49,453,582
Advance income Tax		87,781,206	141,892,458
Cash & cash equivalents		80,624,800	41,328,335
		627,012,284	**615,961,444**
Total		**1,283,390,542**	**1,192,491,945**
Equity & Liabilities			
Shareholders' Equity			
Share capital (FV @ BDT 10)		241,435,600	241,435,600
Retained earnings		171,677,467	101,488,426
		413,113,067	**342,924,026**
Non-Current Liabilities			
Long term loan		202,948,294	165,984,133
Deferred Tax liability		127,747,670	125,401,852
Deferred liability		5,941,729	6,043,297
		336,637,693	**297,429,282**
Current Liabilities			
Long term loan (current portion)		76,288,000	76,288,000
Short term borrowings		315,597,181	314,467,609
Trade & other payables		61,598,785	70,588,835
Provisions & accruals		24,927,545	29,743,767
Provisions for income tax		55,228,271	61,050,426
		533,639,782	**552,138,637**
Total Liabilities		**870,277,475**	**849,567,919**
Total Liabilities & Equity		**1,283,390,542**	**1,192,491,945**

Statement of Changes in Equity
As of 30 June 2024

Particulars	Sharing Capital	Retained earnings	Total
Balance on 01 July 2022	241,435,600	76,576,309	318,011,909
Profit for the year	-	24,912,117	24,912,117
Balance on 30 June 2023	**241,435,600**	**101,488,426**	**342,924,026**
Profit for the year	**-**	70,189,041	70,189,041
Balance on 30 June 2024	**241,435,600**	**171,677,467**	**413,113,067**

Infinity Ceramics Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Notes	2024	2023
Revenue		392,264,452	578,641,261
Cost of revenue		(333,769,424)	(464,667,001)
Gross Profit		**58,495,028**	**113,974,260**
Administrative expenses		(24,361,345)	(26,159,310)
Selling & distribution expenses		(10,599,116)	(12,456,687)
Other income		134,983,997	9,527,127
Profit from operation		**158,518,564**	**84,885,390**
Finance cost		(55,146,330)	(39,184,363)
Profit before WPPF		**103,372,234**	**45,701,027**
Contribution to WPPF		(4,922,488)	(2,176,239)
Profit before Tax		**98,449,746**	**43,524,788**
Income tax expenses		(28,260,705)	(18,612,671)
Net profit for the year		**70,189,041**	**24,912,117**
Other comprehensive income		-	-
Total comprehensive income		**70,189,041**	**24,912,117**

Notes to the financial statements	**2024**	**2023**

Note 1 - Revenue

Local sales	310,525,638	483,633,954
Export sales	81,738,815	95,007,308
	392,264,453	578,641,262

Note 2 - Cost of Revenue

Local sales	270,353,233	378,703,606
Export sales	63,416,191	85,963,395
	333,769,424	464,667,001

5 Year Financial Summary

Figures in BDT

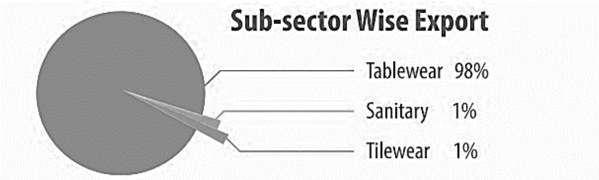
Financial highlights	2024	2023	2022	2021	2020
Revenue	392,264,452	578,641,261	452,333,000	385,523,000	685,490,000
Gross Profit	58,495,028	113,974,260	84,420,000	70,533,000	127,682,000
Profit Before Tax	98,449,746	43,524,788	6,497,000	11,483,000	58,987,000
Profit After Tax	70,189,041	24,912,117	21,706,000	11,586,000	46,498,000
Shareholder’s Equity	413,113,067	342,924,026	321,218,026	309,632,026	263,134,026
Total Assets	1,283,390,542	1,192,491,945	1,007,673,041	970,788,517	892,271,958
Total Current Assets	627,012,284	615,961,444	598,313,139	578,068,293	524,178,019
Total Current Liabilities	336,637,693	297,429,282	478,452,074	434,048,140	391,228,740
Total Non-Current Liabilities	533,639,782	552,138,637	208,002,941	227,108,351	237,909,192

EXHIBIT – 4

A brief note on Ceramics industry in Bangladesh.

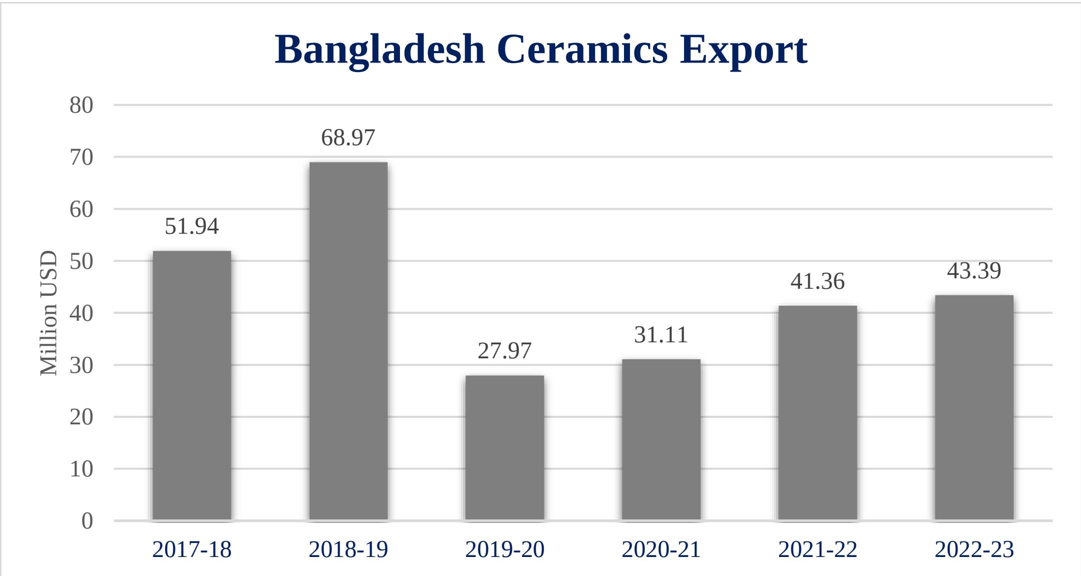
The ceramics industry in Bangladesh has experienced remarkable growth over the past few decades, transforming from a small-scale manufacturing sector to one that now competes globally. The industry, which encompasses a range of products from tableware and tiles to sanitary ware, has shown potential not only to meet domestic demand but also to become a significant player in international markets.

Bangladesh's ceramics industry began in the late 1950s. The first major step toward industrial ceramics production was the establishment of Tajma Ceramic Industries in 1958 in Bogura, which focused on porcelain tableware. Initially, the sector struggled due to limited investment and competition from foreign products. However, during the 1980s, the local market began to develop a stronger foothold, particularly in the tableware segment. Despite the early years being marked by heavy dependence on imported raw materials and foreign technology, advancements in manufacturing techniques and investments in the 1990s gave rise to some local giants.



In the last two decades, the ceramics industry in Bangladesh has experienced exponential growth, primarily driven by the construction and real estate boom. This sector's growth is not only limited to the domestic market but also includes a burgeoning export market. According to the Bangladesh Ceramics Manufacturers and Exporters Association (BCMEA), ceramic products are exported to over 50 countries, including major markets like the United States, the United Kingdom, Germany, and Italy. The sector saw a growth of over 20% annually in the last decade, with investments flowing into expanding production capacities.

The primary categories of products in the market are tiles, tableware, and sanitary ware. The tile industry has seen significant advancements, with local manufacturers now meeting 80% of the domestic demand. Additionally, tableware is the largest export category constituting nearly 98% of Bangladesh's ceramic exports.



Bangladesh Ceramics Export (Source: BIDA report on Ceramics Industry, June 2023)

Recent reports shows that the annual consumption of ceramic products globally is USD 5.7 trillion whereas the value in Bangladesh is around USD 905 million. In Bangladesh, tiles accounting for the largest portion of the ceramics market. The production capacities of the industry stand at 210 million square meters for tiles, 308 million pieces for tableware, and 19 million pieces for sanitary ware. The domestic market is predominantly supplied by local producers, with some foreign brands still present, especially in the sanitary ware segment. However, the industry's success has been marked by a shift from dependency on imports to achieving significant self-sufficiency. Innovative technologies are increasingly being used in manufacturing to boost production and efficiency. The ceramic sector's ability to offer high-quality products at competitive prices, combined with low labor costs, has allowed Bangladesh to challenge traditional ceramics powerhouses like China and Italy.

Despite its success, the ceramics industry in Bangladesh faces several challenges that hinder its potential for growth. One of the most critical issues is the inadequate supply of natural gas, which is essential not only for production but also for maintaining the quality of products. The ongoing gas shortages have affected manufacturers' operations, although the introduction of Liquefied Natural Gas (LNG) is expected to alleviate this problem in the coming years.

Another significant challenge is the industry's heavy reliance on imported raw materials, which increases production costs. While the government has made efforts to support the industry through export incentives and duty-free raw material imports, the sector still struggles with price competitiveness compared to nations with more favorable import conditions. The need for better infrastructure, particularly in ports and transport logistics, remains a bottleneck. Delays in the import of raw materials and export of finished products add to the cost burden for manufacturers.

The recent political changes and labor unrest in Bangladesh have significantly impacted the country's ceramics industry, exacerbating the challenges already posed by global economic shifts and domestic infrastructure issues. Political instability, including protests and policy changes, has disrupted supply chains and affected business confidence, especially in the wake of transitions in government. This uncertainty has led to disruptions in production and trade, particularly in transportation and raw materials. Moreover, ongoing labor unrest in key manufacturing hubs like Gazipur and Ashulia has further strained industrial output, as workers' strikes, and transportation disruptions hinder production and exports.

The ceramics sector, heavily reliant on imports for raw materials such as clay, feldspar, and quartz, faces escalating costs due to these labor and political disruptions. The ongoing economic turbulence, including a gas crisis, has already pushed production costs up by 20-30%, making it harder for manufacturers to remain competitive. These internal challenges are compounded by the broader decline in global demand and rising competition from international players with advanced technology. Despite these issues, there is cautious optimism that a combination of government support, infrastructure improvements, and technological advancements could eventually stabilize and even revitalize the industry.

Bangladesh's ceramics industry holds immense potential for further expansion. The growth of the real estate sector, increasing urbanization, and rising consumer income levels continue to fuel domestic demand. Furthermore, the global market for high-quality, affordable ceramic products presents significant export opportunities. The increasing preference for Bangladeshi products in countries like the UK, US, and Canada, driven by their combination of high quality and competitive pricing, positions Bangladesh as a strong contender in the global ceramics market.

The government's role in creating a favorable environment for export is also crucial. With the introduction of various incentives, such as a 10% export rebate, the sector is poised to further increase its share in the global market. In particular, the industry is targeting new markets for tiles and sanitary ware, which could become major export drivers in the coming years.

The Bangladesh government has played an active role in supporting the ceramics industry's growth. Initiatives have included providing export incentives, duty exemptions on raw material imports, and efforts to streamline the regulatory process for new investments. These measures have helped attract both local and foreign investments, fueling the growth of the sector.

Additionally, there has been a concerted effort to develop specialized human resources for the ceramics sector. Institutions like the Bangladesh Institute of Glass and Ceramics and the department of ceramic engineering at major universities are training a new generation of skilled professionals to meet the growing demand for advanced ceramics.

The ceramics industry in Bangladesh has come a long way since its inception in the 1960s. Today, it stands as a growing pillar of the country's economy, contributing significantly to both domestic consumption and exports. While challenges such as raw material dependency, gas shortages, and logistics remain, the sector's potential for growth is undeniable. With continued investment, innovation, and government support, Bangladesh's ceramics industry is on track to become one of the country's top export sectors in the near future.

EXHIBIT – 5

E-mail on Reporting and Compliance issues

From	**:** Hassan Tariq FCA, Head of Financial Reporting
To	: Abdullah Nahiyan FCA, Partner, STCL
Subject	: Accounting, reporting and compliance issues.
Date	: 21 December 2024

Dear Mr. Nahiyan
We have prepared draft financial statements (EXHIBIT-3) for the year ended 30 June 2024 which are to be shared with our auditors. However, few issues are yet to be incorporated in the draft. We require your assistance to make appropriate adjustments in accordance with IFRSs.

Receivable from Customers:
Elegant Hospitality Limited is Infinity's one of the major corporate customers owned by Mr. Shahinur Rahman, a politically exposed person and cousin of our Managing Director. Elegant was always a good customer for Infinity. Despite it takes extended credit period, it has always made payment on time. However, after the recent political change, some of the restaurants operated by Elegant has been ransacked by picketers. Furthermore, Mr. Shahinur Rahman left the country and the bank accounts of Elegant has been frozen by the central bank. Because of these events, Elegant has failed to make payment of BDT 1,300,000 due to Infinity.

Revaluation of land & building:
Infinity has a land on which it plans to expand its production facilities. In 2012 the land was revalued in relation to a bank borrowing obtained for new machinery acquisition. However, the land was not revalued in subsequent years. In the current year infinity revalued its land to BDT 100,000,000 and recognized the gain in other income. Revaluation was done keeping in mind of probable investment financing through bank loan.

Labor wages:
As government has yet not set any minimum wage for ceramics industry, wages are determined by the ceramics companies. In January 2024, Infinity declared 5% annual salary increment for its worker which increased of monthly wage cost to 1,100,000. However, workers rejected the salary increase and requested for at least 10% salary increment matching the inflation. In response Infinity decided to perform an industry analysis and cost analysis to determine maximum wage increase acceptable to Infinity. After discussion with labor leaders, it has been decided that old wage structure will be followed until the new increment is finalized. Infinity has not considered the impact of unresolved wage increment in its financial statements.

As of 30 June 2024, Infinity has recognized gratuity obligation of BDT xxx which has been reported within short-term borrowings. However, the impact of proposed increment has not been considered in determining gratuity obligation. Gratuity is calculated on basic salary which is 60% of the gross wages.

Investment in shares:
On 30 June 2023, Infinity acquired 125,000 shares of Red Plum Limited at BDT 574 per share for trading purpose. It incurred transaction cost of BDT 275,600 which was capitalized with the cost of investment. On 30 June 2024 the shares were trading at BDT 553 per share. As the shares remains within Infinity's portfolio, no adjustment was made for price fluctuation.

Lawsuit for compensation:
During the year a fire broke out at the Factory. Although the fire was controlled immediately without much damage, two of our workers were burnt in the fire accident. Both of them died while being treated in the hospital. Families of the deceased worker has sued Infinity for inadequate fire safety and claimed compensation of total BDT 5,000,000. Board has agreed to pay BDT 1,000,000 for each worker and trying to settle the case out of court. Infinity has not considered this matter while preparing the financial statements.

Inventory valuation:
In May 2024, Infinity received an order from a foreign customer with customized design for celebrating a special occasion in July 2024. Production of customized inventory was completed in June 2024 at a cost of BDT 1,150,000, but Infinity couldn't ship the goods due to student unrest and blockade. Political situations worsen during July and Infinity failed to ship and missed the deadline. As a result, customer refused to accept the shipment and charged a penalty of BDT 20,00,000 on Infinity. If the penalty is not paid, customer will cancel on current and future orders.

EXHIBIT – 6

E-Mail on Strategic investment options and financing alternatives

From	**:** Md. Burhan Uddin, Director of Finance & Accounts
To	: Abdullah Nahiyan FCA, Partner, STCL
Subject	: Strategic investment options and financing alternatives.
Date	: 22 December 2024

Dear Mr. Nahiyan

As part of your ongoing engagement, we are requesting your input on the investing and financing decisions that our Board members are considering. At present our board is considering two investment options which are mutually exclusive. For analysis purpose, the board disregards any tax effect unless explicitly mentioned. It is also assumed that all cash flows, other than initial cash outflow, accrue at the year end. For apprising the investment options, board requires the discount rate be determined considering applying Capital Asset Pricing Model (CAPM). For the purpose of investment, Infinity considers coupon rate of 10-year government bond as risk free rate. As of 30 June 2024, relevant information was as below:

coupon rate of 10-year government bond- 12%	Market Return : 14%	Current Market beta : 1.5

Option 1: Arrangement with Thai Sanitaryware Limited

Infinity has been looking to expand and diversify its current business. Our Managing Director recently participated in ceramic expo where he met with Mr. Somchai Kiat, CEO of Thai Sanitaryware Limited (TSL). TSL was also looking for expanding its current business as well. Ater a long discussion, Mr. Kiat offered our MD a proposal for joint venture arrangement. Under this arrangement, Infinity will set up a sanitaryware factory and produce TSL branded sanitaryware including Washbasin, Toilet Seat, Water Closet, Wall Hung Toilet and Pedestal Washbasin. TSL will provide necessary assistance and technology in the production. Furthermore, TSL will assign personnel for quality assurance whose salary will be borne by Infinity. In exchange, Infinity will require to pay 2% technical assistance fee and 4% license fee on annual sales as Royalty to TSL. However, Royalty payment can not be less than 12,000,000 per annum.

Infinity will require 2 years from now to set up the sanitaryware factory. In the first year, Infinity will require to invest BDT 50,000,000 for erecting the factory building and further BDT 100,000,000 in 2nd year for machinery. It will be able to start its commercial operation from the beginning of 3rd year. Our marketing team performed a market analysis on the sanitaryware. Based on that finance team prepared a 5-year sales forecast which shows that revenue would be 160 million, 200 million, 235 million, 300 million and 375 million respectively. It is estimated that cost of revenue would be 70% of the revenue. From the 1st year of factory set up, administrative and selling expense would be 2 million, 3 million in the second year and 30 million in the 3rd year. After then, expenses are expected to increase by 20% every year. After 5th year of commercial operation, cash flows are expected to grow at 3% perpetually.

Option 2: Setting up tiles factory:

As the demand for premium tiles has been increasing in the domestic market, many of Infinity's competitors entered into the miles business and achieved success. Infinity is interested to enter into the business and contribute to meeting the growing demand. It is planning to offer both high-end tiles like nano crystal Polish, Matt, Premium Glazed Porcelain and low-end tiles like Glossy Wall and Décor.

Board has been estimated that BDT 170,000,000 will be required to acquire necessary machines including mixing, grinding, spraying, compacting, dying and glazing machineries. In addition, BDT 30,000,000 working capital will be required for raw material purchase and maintaining the supply chain. It is estimated that factory will be ready within a year and commercial operating can be started after 1 year. Annual revenue of 5 year from commercial operation is expected to be 135 million, 155 million, 175 million, 180 million and 189 million respectively. Cost of revenue is forecasted to remain stable at 65% of revenue. Admin, selling and distribution expense is expected to be BDT 3,000,000 during construction period, BDT 15,000,000 in the 1st year of commercial operation and BDT 25,000,000 in the 2nd year. Thereafter, expenses are expected to raise 20% annually. Industry experts forecast that Cash flows after 5th year of commercial operation likely to grow at 4% perpetually.

Financing options:

In order to finance the most favorable investment options, Infinity has considering two possible financing sources.

<u>Sell of land and lease back:</u>
First source is selling the land Infinity owns and lease it back under renewable 10 years term. It had a discussion with prospective buyer who has shown interest to buy the land at BDT 150,000,000 and lease it back to infinity for annual lease payment equivalent to 10% of the purchase cost. After 10 year the lease may be renewable but at this point it is not certain. Any shortage of fund after this transaction will be covered by bank loan. Infinity determines that its incremental borrowing rate is 10%.

<u>Issue of shares in IPO:</u>
As an alternative financing options, Infinity's board is considering raising fund by issuing maximum 25% shares in IPO. Board is expecting to raise fund with 400% premium subject to approval of Bangladesh Securities & Exchange Commission (BSEC). However, they are not sure whether expected premium is justifiable to get BSEC's approval. Board is also keen to know the maximum premium it can charge if 400% premium offer is not approved. BSEC have equal consideration for the NAV, EPS and sectoral PE ratio while approving the premium rate. Infinity will determine the issue price by averaging the price determined using NAV, EPS and sectoral PE ratio. The market capitalization of all securities listed in DSE Ltd. as on December 2024 was BDT 6,524,963 million and market P/E Ratio for all listed securities is 14.26, whereas sectoral Market Capitalization was Tk. 16,289 million and sector's Price earnings (P/E) ratio was 37.44. Market price and EPSs of other comparable companies of the sector were as follows:

SL.	Company Name	Face Value (BDT)	NAV on February 2024 (BDT)	3-month average market price (BDT)	EPS on December 2024 (BDT)
1	Fu-Wang Ceramics Ltd.	10	12	15	0.28
2	Monno Ceramic Ltd.	10	80	78	0.32
3	RAK Ceramics Ltd.	10	18	27	0.35
4	Shinepukur Ceramics Ltd.	10	31	16	1.40
5	Standard Ceramics Ltd.	10	14	82	20.36

Infinity's board is planning to utilize the entire IPO proceed, net of issue cost, for financing the selected investment option. It is estimated that issue cost will be 3% of the IPO proceeds. During initial 5 years, no new bank loan can be availed without the consent of new shareholders and the BSEC. If additional fund is required for expansion or selection of new project, fund must be raised through right share at face value during this period.

DSE Listing Rules require that the listed company shall follow BSEC code of corporate governance which includes submission of quarterly financial statements and induction of independent directors higher of two or 1/5th of the board. Further, board need to introduce different committees including an audit committee headed by an independent director. As per the new circular, all directors including the independent director shall be entitled to receive BDT 50,000 for each board and committee meeting attended. Usually, board and audit committee meetings are mandatory before submission of quarterly and annual financial statements.

For your reference, following 'Present Value Interest Factor' table has been attached which you may use.

Year / Rate	1	2	3	4	5	6	7	8	9	10
10%	0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855
11%	0.9009	0.8116	0.7312	0.6587	0.5935	0.5346	0.4817	0.4339	0.3909	0.3522
12%	0.8929	0.7972	0.7118	0.6355	0.5674	0.5066	0.4523	0.4039	0.3606	0.3220
13%	0.8850	0.7831	0.6931	0.6133	0.5428	0.4803	0.4251	0.3762	0.3329	0.2946
14%	0.8772	0.7695	0.6750	0.5921	0.5194	0.4556	0.3996	0.3506	0.3075	0.2697
15%	0.8696	0.7561	0.6575	0.5718	0.4972	0.4323	0.3759	0.3269	0.2843	0.2472
16%	0.8621	0.7432	0.6407	0.5523	0.4761	0.4104	0.3538	0.3050	0.2630	0.2267
17%	0.8547	0.7305	0.6244	0.5337	0.4561	0.3898	0.3332	0.2848	0.2434	0.2080
18%	0.8475	0.7182	0.6086	0.5158	0.4371	0.3704	0.3139	0.2660	0.2255	0.1911
19%	0.8403	0.7062	0.5934	0.4987	0.4190	0.3521	0.2959	0.2487	0.2090	0.1756
20%	0.8333	0.6944	0.5787	0.4823	0.4019	0.3349	0.2791	0.2326	0.1938	0.1615

EXHIBIT – 7

Article on "Environmental, Health and Ethical issues of Ceramics industry in Bangladesh"

The ceramics industry in Bangladesh has grown rapidly over the past few decades, contributing significantly to the country's economy through exports and domestic consumption. However, like many industrial sectors, it faces critical challenges related to environmental sustainability, health, and ethical practices. Addressing these issues is crucial for the industry's long-term growth and its alignment with global standards of corporate responsibility.

The production of ceramics involves high-temperature kilns, which emit significant amounts of greenhouse gases, particularly carbon dioxide (CO_2). Additionally, the release of particulate matter, sulfur oxides (SOx), and nitrogen oxides (NOx) contributes to air pollution, adversely affecting local air quality and contributing to climate change. Ceramics manufacturing also requires large quantities of water for processes like glazing and cooling. Improper disposal of wastewater, often containing harmful chemicals such as lead and cadmium, can contaminate local water sources, affecting both human and aquatic life. Moreover, the industry heavily depends on natural resources like clay, feldspar, and quartz. Excessive mining of these materials can lead to land degradation, loss of biodiversity, and ecological imbalances. Mining in Mymensingh and Netrokona district has led the Hajong families residing in the hills exposed to the risk of landslide. Ceramic production also generates significant solid waste, including defective products, broken tiles, and used molds. Without proper waste management practices, these materials often end up in landfills, contributing to environmental degradation.

Ceramics workers are frequently exposed to silica dust, a byproduct of handling raw materials. Prolonged exposure can lead to silicosis, a severe respiratory disease. The lack of proper ventilation and protective equipment exacerbates the risk. Additionally, the use of glazes and pigments often involves toxic substances, including lead and chromium. Improper handling or insufficient safety measures can lead to acute poisoning or long-term health issues among workers. Working near high-temperature kilns can result in heat stress and dehydration. Repetitive tasks and heavy lifting without ergonomic considerations lead to musculoskeletal injuries. Airborne pollutants and contaminated water from ceramics factories can have serious health consequences for nearby communities, including respiratory problems, skin diseases, and waterborne illnesses.

The ceramics industry in Bangladesh often relies on low-wage labor, and there are frequent reports of poor working conditions. Workers may face long hours, lack of job security, and inadequate access to health care or compensation for workplace injuries. Although illegal, child labor remains a concern in certain segments of the industry. Children employed in ceramics factories are often exposed to hazardous environments, depriving them of education and posing severe risks to their physical and mental health.

Women workers, who form a significant part of the labor force, are often underpaid compared to their male counterparts and face limited opportunities for career advancement. Sexual harassment and gender-based discrimination are also reported issues. Furthermore, many ceramics companies lack transparency regarding their environmental and labor practices. This lack of accountability undermines trust and can result in reputational damage, particularly among international buyers who prioritize ethical sourcing.

Another significant ethical concern in the ceramics industry is the lack of focus on community welfare. Many factories operate in densely populated areas without adequately addressing the needs of surrounding communities. The environmental degradation caused by these factories often leads to loss of livelihoods for local farmers and fishermen, creating economic disparities. Furthermore, the absence of corporate social responsibility (CSR) initiatives means that these companies often fail to reinvest in the communities they impact, leading to long-term social and economic inequalities. Ethical business practices should include not only fair treatment of workers but also meaningful contributions to the welfare of local populations.

The ceramics industry in Bangladesh holds immense potential for growth, but its sustainability depends on addressing the pressing environmental, health, and ethical challenges it faces. The industry's continued success will rely on safeguarding the well-being of workers, communities, and the environment.

EXHIBIT – 8

News clips and articles about Infinity and Ceramics industry in Bangladesh

Ceramics will be third largest export sector in the next five years. (Report by BIDA published in June 2023)
The ceramic industry has been one of the expanding manufacturing sectors of Bangladesh. The sector caters to 85% of the local demand as the country experiences steady economic growth and urbanization and progressing towards being the third largest export sector in the next five years. The sector directly employs around 48,000 people and indirectly employ over 500,000 people.

Ceramic industry in deep trouble (06 Jul 2024 on The Financial Express)
The ceramic industry is a deeply fossil-fuel driven industry, i.e. gas-dependent. It cannot be run on solar power. In fact, no heavy industrial production unit can for that matter. And while the government keeps harping about renewable energy as being the next big thing, industry suffers in silence or in mute protest that falls on deaf ears. The fact of the matter is that ceramic-making factories in key areas of Dhaka, Gazipur and Narsingdi have been struggling to continue production as they have been suffering from a severe gas crisis in recent times.

Unlocking ceramic industry's potential (04 Jul 2024 on The Financial Express)
Ceramic products have undergone a remarkable transformation in recent years and have become a must-have for many consumers. Driven by increasing demands, the Bangladeshi ceramic industry has experienced remarkable growth in recent decades. Prior to 2000, the country relied heavily on imports, spending significant foreign currency to meet over 80 per cent of its ceramic product needs.

Bangladeshi tiles can compete globally in quality. (05 Dec 2021 on The Daily Star)
Despite the challenges in the past, Bangladesh ceramics industry persisted and evolved. Bangladeshi companies can now produce quality tiles that can rival tiles from anywhere in the world. This should not come as a surprise as the industry uses latest-technology equipment, sources raw materials globally and have developed the necessary human capital over the last two decades.

The ceramic industry is going through tough times. (22 May 2023 on The Daily Prothom Alo)
Currently, the ceramic industry is going through a tough time. Demand has slowed due to energy problems and an economic slowdown, particularly in the wake of the Russia-Ukraine war. Besides, the problem of the dollar has also become evident. Furthermore, due to political and labour unrest, production and supply chain has been impacted. May factories had to kept shut. All in all, the problem that the sector is in, has never faced such a situation or challenge before. Currently, the supply in the market is more than the local demand. As a result, a kind of price competition has developed. In such a situation, the profitability of the companies is uncertain, survival has become a big challenge for some companies.

Ceramic producers aim for $12m sanitaryware export in 5 years (27 Feb 2024 on The Business Standards)
Bangladesh imported sanitaryware worth Tk 156 crore in the last fiscal year, indicating high demand in the country. However, the production capacity has not increased proportionally. The market for sanitaryware and tiles remain predominantly local. Sanitaryware exports only began recently, reaching a total of Tk6.89 crore in the last fiscal year which is a very small amount. However, industries are gradually exploring different markets. Though it may take some time, it is expected that sanitary ware exports will reach $10-$12 million in the next five years.

Ceramic factory workers protest wage issues (04 Sep 2024 on Daily Dhaka Tribune)
Workers of Infinity Ceramics Limited held a protest in front of its factory in Gazipur pressing home several demands including a wage increase. The workers' demands include making changes and revisions to the factory's policies through official notices, ensuring a wage increase every year, removing all illegal foreign employees from workers to management positions within the factory, and guaranteeing that no worker will be harassed, dismissed or terminated after the protest. Protesting workers claimed that despite an annual wage increase in January, they were still being paid according to the old structure.

---The End---