RANGPUR FOUNDRY LIMITED

105-Middle Badda,Dhaka-1212

Dear Shareholders

We forward herewith the Un-Audited Financial Statements of **Rangpur Foundry Ltd** for the half year ended 31 December 2018 as per Rule 13 of the Securities & Exchange Rules, 1987.

Rathendra Nath Paul
Managing Director

RANGPUR FOUNDRY LIMITED

Half Yearly Un-Audited Results

Statement of Profit or Loss and Other Comprehensive Income
For the Period 1st July ,2018 to 31 December,2018

Taka' 000

Particulars	Notes	Jul'18-Dec'18	Jul'17-Dec'17	Oct'18-Dec'18	Oct'17-Dec'17
Turnover	10	**734,644**	**677,236**	**380,367**	**340,686**
Cost of Goods Sold	11	**(585,039)**	**(539,273)**	**(301,860)**	**(270,237)**
Gross Profit		**149,605**	**137,963**	**78,507**	**70,449**
Operating Expenses		(94,964)	(85,774)	(50,812)	(44,671)
Administrative Expenses		22,563	20,447	11,995	10,565
Selling & Distribution Expenses		43,407	39,089	22,551	19,811
Marketing Expenses		28,994	26,238	16,266	14,295
Gross Operating Profit		**54,641**	**52,189**	**27,695**	**25,778**
Financial Expenses	12	(23,467)	(21,621)	(12,683)	(11,196)
Net Profit Before Income Tax & WPPF Provisi		**31,174**	**30,568**	**15,012**	**14,582**
WPPF		(1,484)	(1,456)	(715)	(694)
Net Profit Before Tax		**29,690**	**29,112**	**14,297**	**13,888**
Income Tax					
Provision for Income tax		(7,862)	(7,586)	**(3,787)**	**(3,690)**
Deferred tax		68	(56)	**34**	**44**
Net Profit After Income Tax		**21,896**	**21,470**	**10,544**	**10,242**
Earnings per Share(EPS)-		2.19	2.15	1.05	1.02

Managing Director | Chairman | Director

Chief Financial Officer | Company Secretary

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RANGPUR FOUNDRY LIMITED

Statement of Financial Position(Un-Audited)

As at 31 December 2018

Taka' 000

Particulars				December 31, 2018	June 30, 2018
ASSETS :					
Non-Current Assets				**54,492**	**60,281**
Property,Plant & Equipment (WDV)	03			54,492	60,281
Current Assets :				**496,056**	**442,604**
Inventories	04			343,281	307,333
Debtors	05			4,308	3,314
Advances,Deposits & Prepayments				73,751	57,923
Cash & Bank Balances				74,716	74,034
TOTAL ASSETS				**550,548**	**502,885**
EQUITY AND LIABILITIES					
Shareholders' Equity				**252,071**	**253,175**
Share Capital				100,000	100,000
Retained Earnings	06			152,071	153,175
LIABILITIES					
Non-current Liabilities					
Deferred tax liabilities	07			413	481
Current Liabilities :				**298,064**	**249,229**
Short Term Credit Facility				185,660	167,318
Trade Payable				942	2,877
Liabilities for Expenses				9,914	9,824
Security deposit				3,321	3,321
Provision for Income Tax	08			67,423	59,561
WPPF & WF	09			4,125	2,641
Unclaimed Dividend				26,679	3,687
TOTAL LIABILITIES				**298,477**	**249,710**
TOTAL EQUITY AND LIABILITIES				**550,548**	**502,885**
Net Asset Value				25.21	25.32

Managing Director Chairman Director

Chief Financial Officer Company Secretary

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Cash Flow Statement

Taka' 000

Particulars	July'18-Dec'18	July'17-Dec'17
i) Cash Flows from Operating Activities :		
Collection from Customers & Other Income	733,650	678,431
Payment for Cost and Expenses	(725,877)	(658,566)
Cash Generated from operation	7,773	19,865
Interest Paid	(23,290)	(21,621)
Income Tax paid	(2,135)	(1,554)
Net cash flow from/ (used in) operating activities(Note-15)	**(17,652)**	**(3,310)**
ii) Cash Flow from Investing Activities :		
Acquisition of Fixed Assets		(319)
Net cash used in investing activities	-	**(319)**
iii) Cash Flows from Financing Activities :		
Short Term Loan	18,342	9,930
Liabilities for other Finance		-
Dividend Paid	(8)	(21)
Net cash (used in)/flow from financing activities	**18,334**	**9,909**
Net Cash Inflows/(Outflows) for the period(i+ii+iii)	**682**	**6,280**
Opening Cash & Bank Balances	74,034	14,633
Closing Cash & Bank Balances	**74,716**	**20,913**
Net operating cash flow per share(NOCFPS)	(1.77)	(0.33)

Managing Director Chairman Director

Chief Financial Officer Company Secretary

RANGPUR FOUNDRY LIMITED

Statement Of Changes In Shareholders' Equity

Half Year ended 31 December '2018

	Share Capital	Retained Earnings	Total
	1	2	3=(1+2)
Balance as on 30th June 2017	**100,000**	**153,175**	**253,175**
Dividend Paid for the year 2017-18		(23,000)	(23,000)
Net Profit for the period	-	21,896	**21,896**
Balance as on 31 December 2018	**100,000**	**152,071**	**252,071**
Balance as on 30th June 2016	**100,000**	**137,224**	**237,224**
Dividend Paid for the year 2016-17		(23,000)	(23,000)
Net Profit for the period	-	21,470	**21,470**
Balance as on 31 December 2017	**100,000**	**135,694**	**235,694**

INTERIM NOTES TO THE FINANCIAL STATEMENTS AS PER BAS-34

a. There is no post balance sheet event occurred after the reporting date, which would significantly affect the financial position of the company as at the Balance Sheet date.

b. Figure have been rounded off to the nearest thousand taka and rearranged, where necessary to conform the current period presentation.

c.Deferred Tax has been calculated Up-to December,2018.

d.Tax has been provided @ 25% considering yearly tax rate as per previous years'.

e. Net Asset value per share 25.21

f. Net Operating Cash Flow Per Share (1.77)

Managing Director **Chairman** **Director**

Chief Financial Officer **Company Secretary**

RANGPUR FOUNDRY LIMITED

Notes to the Financial Statements

Half Yearly Un-Audited (1st July ,2018 to 31 December,2018)
As at and for the period ended 31 December,2018

1. The background and business activities of the Company

1.1 Status of the Company

Rangpur Foundry Limited was incorporated in Bangladesh on 30 June 1980 as a Private Limited Company under the Companies Act, 1913 and subsequently on 8 November 1996 the company was converted into a Public Limited Company. The Company went into public in 1999 and its shares are listed with the Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd. The Company's registered office is situated at PRAN-RFL Centre, 105 Middle Badda, Progoti Sharani, Dhaka-1212 and the factory is located at BSCIC Industrial Estate, Kellabond, Rangpur.

1.2 Nature of business

The company owns and operates an industrial undertaking which manufactures and sells cast iron products which include tubewell and irrigation pump including spare parts thereof.

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 Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), the Companies Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and other applicable laws and regulations.

2.2 Other regulatory compliance

As required, Rangpur Foundry Limited also complies with the applicable provisions of the following major laws/

The Income Tax Ordinance 1984;
The Income Tax Rules 1984;
The Value Added Tax Act 1991;
The Value Added Tax Rules 1991 and
The Bangladesh Labour (Amendment) Act 2013.

2.3 Components of financial statements

(a) Statement of Financial Position(Un-Audited)
(b) Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)
(c) Statement of Changes in Equity
(d) Statement of Cash Flows
(e) Notes to the Financial Statements

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2.4 Basis of Measurement

These financial statements have been prepared under the historical cost convention applying accural basis of accounting in accordance with Bangladesh Financial Reporting Standards (BFRSs).

2.5 Going concern

The company has adequate resources to be in operation for a foreseeable future and the directors continue to adopt going concern basis in preparing the accounts. The current resources of the company provide sufficient fund to meet the present requirements of its existing business.

2.6 Reporting Period:

The financial report covered the period from 01 July 2018 to 31 December 2018 and theses have been prepared based on Bangladesh Accounting Standard(BAS) 34:' Interim Financial Reporting' and same accounting policies and methods of computations were adopted for the financial statements for the year ended 30 June,2018, have been followed for the same for the period under review.

3.00 Non-Current Assets

	'December 31, 2018 Taka
Land & Land Development	2,121
Office Building	66
Factory Building	11,131
Plant & Machinery	33,947
Furniture Fixture & Equipment	452
Vehicles	6,775
	54,492

4.00 Inventories

	Taka
Raw materials	290,945
Work-in-process	20,957
Finished goods	31,379
	343,281

5.00 Trade and Other Receivable

Trade Debtors	4,308

Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business

6.00 Retained earnings

Opening balance	153,175
Add : Addition for this Period	21,896
	175,071
Less: Adiustment for this Period	23,000
	152,071

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7.00 Deferred tax liabilities

	Carrying Amount	Tax Base	Taxable Temporary Difference	'December 31, 2018 Taka
Property, plant and equipment excluding land and land development	52,371	50,718	1,653	
Applicable rate				25.00%
Deferred tax liability as on 31 December 2018				**413**

8.00 Provision for income tax

Opening balance	59,561
Add: Provision made for this Period	7,862
	67,423
Less: Adjustment for this Period	-
	67,423

9.00 Workers Profit Participation Fund (WPPF) & WF Payable

Opening Balance	2,641
Add: Addition for this Period	1,484
Interest	-
	4,125
Less: Paid for this Period	-
	4,125

10.00 Net sales

Domestic sales net of VAT	724,359
Export sales	10,285
	734,644

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11.00 Cost of goods sold

Material consumed	480,639
Manufacturing Expenses	85,379
Depreciation	5,009
Total Manufacturing Cost	571,027
Opening Work in Process	28,278
Closing Work in Process	(20,957)
Cost of Production	578,348
Opening Stock of Finished Goods	38,070
Closing Stock of Finished Goods	(31,379)
	585,039

12.00 Financial expenses

Interest on working capital loan	23,155
Exchange loss/(gain)	135
Bank charges	177
	23,467

13.00 Related party transactions

a) The company carried out number of transactions with related parties as detailed below in the normal course of business.

Taka in ' 000

Name of the Company	Nature of Transactions	Value of Transaction		Balance as on 30 December 2018
		Debit	Credit	
Agricultural Marketing Co Ltd	Current Account	656	656	-
Property Development Limited		292	292	-
Pran Dairy		66	66	-
Gonga Foundry Limited		124,507	124,507	-
RFL Plastics Limited		3,077	3,077	-
All Plast BD Limited		7,740	7,740	-
Banga Building Materials Limited		1,853	1,853	-

b) Company has issued corporate guarantee to the financiers of its associated companies as listed below :

On behalf of	In favour of	Tk. in Million	Purpose
Rangpur Metal Industries Ltd	Mercantile	179.00	Working Capital
RFL Plastics Limited	SCB	240.00	
Total		**419.00**	

c) Company has received corporate guarantee from the following companies:

Guarantee received from	In favour of	Tk. In Million	Purpose
Property Development Limited	Bank Asia	230	Working Capital
Pran Beverage	AB Bank	320	
Total		**550.00**	

14.00 **The employee benefits for the reporting year have been as follows:**

a) Short term Employee benefits include:

-Basic Salary
-Allowance includes as house rent. Convevance & Medical
-Bonus (One month basic for each of 02 Eid festivals)
-Transportation (Management Personnel)
-Besides, the employees get a portion of company's profit on account of WPPF.

b) Post employment benefits:

There is no provision for post employment benefits

c) Other Long Term Benefits:

There is no provision for long term benefit.

d) Termination Benefits:

Termination benefits have been given as per law of the land. There is no termination benefit during the reporting period.

e) Share based benefits

There no provision for Share based benefit.

15.00 **Reconciliation of Net income or Net profit with cash flows from operating activities.:**

Net Profit Before Tax	**29,690**
Adjustment to reconcile profit to net cash provided by operating activities:	
Depreciation	5,789
Inventories (Increase)/Decrease	(35,948)
Trade receivables (Increase)/Decrease	(994)
Advance and deposits (Increase)/Decrease	(15,829)
Trade payables Increase/(Decrease)	(1,935)
Liabilities for expenses Increase/(Decrease)	91
Security deposit of distributors Increase/(Decrease)	-
Provision for income tax(Adjustment)	-
Workers profit participation fund (WPPF) & WF payable Increase/(Decrease)	1,484
	(17,652)

16.00 **Effect of exchange rate changes on Cash & Cash Equivalents**

There was no existence of any item which 'Effect of Exchange Rate Changes' on cash & cash Equivalents, be reported in terms of provision under paragraph 28 of IAS 7

17.00 **Earning Per Share**

Net profit attributable to the ordinary shareholders (Taka)	21,896
Weighted average number of ordinary shares outstanding (Number)	10,000
Earning per share (EPS)	2.19

Earning per share has been calculated in accordance with BAS -33 "Earning Per Share (EPS)".

18.00 Post Balance Sheet Events- Disclosure under BAS -10: Events after Reporting Period

Neither any "Non Adjusting Events" nor Any "Adjusting Events" took place after the reporting period,

19.00 Reason for major variances of items in financial statements:

Decrease in Net Operating Cash Flow per Share for the period under review compared to that in the preceding period is due the fact that higher amounts ,as necessitated, have been paid to suppliers and employees.

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