Annual Report And Accounts

For the year ended June 30, 2018

Head Office:
Fine Foods Limited
New Market City Complex (Level-6)
44/1, Rahim Square
New Market, Dhaka-1205
Cell: 01926-766469
Tel-(PABX): 9671320, 9667868
Fax: 88-02-9664542
e-mail: finefoodsltd@live.com
web: www.finefoodslimited.com

Project Office:
Project-1 (Registered Office)
Vill: Mondolvog, U.P. 4 no. Chandpur
P.O: Manik khali, P.S: Katiadi
Dist: Kishoregonj
Cell: 01672-475148
Project-2
Vill. Machhera, P.O : Chandpur
P.S: Tarakanda, Dist: Mymensingh
Cell: 01672-475148

AMAR STOCK

Contents

- Letter of Transmittal
- Corporate Information
- Five Year Financial Information
- Notice of the 24th Annual General Meeting
- Message from the Managing Director & CEO
- Director's Report
- Report of Audit Committee
- BAPLC Certification
- Compliance Certificate
- Corporate Governance Code
- Auditor's Report
- Balance Sheet
- Income Statement
- Cash Flow Statement
- Changes in Equity
- Notes to the Accounts
- Schedule of Fixed Assets
- Form of Proxy and Attendance Slip

WWW.STOCK

Letter of Transmittal



To
All Valued Shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Register of Joint Stock Companies and Firms
Dhaka Stock Exchange Ltd. (DSE)
Chittagong Stock Exchange Ltd. (CSE)

Dear Sir (s),

We are pleased to enclose a copy of Annual Report of Fine Foods Limited for the year ended 30th June 2018 along with Audited Financial Statements containing Statement of Financial Position, Statement of Profit & Loss & Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then endeed, and a summary of significant accounting policies and other explanatory informations.

Thank you for your support and cooperation.

Yours truly

(Md. Sohel Hossain)
Company Secretary

CORPORATE INFORMATION'S

BOARD OF DIRECTORS

Board of Directors

MR. MIZANUR RAHMAN	CHAIRMAN
MR. NAZRUL ISLAM	MANAGING DIRECTOR & CEO
MR. MD. HABIBUR RAHMAN	INDEPENDENT DIRECTOR
MR. MD. ALIMUL HASSAN	INDEPENDENT DIRECTOR
MR. SHAJAHAN SAJU	INDEPENDENT DIRECTOR

Audit Committee

MR. MD. SHAJAHAN SAJU	Chairman
MR. NAZRUL ISLAM	Member
MR. MD. HABIBUR RAHMAN	Member
MR. MD. SOHEL HOSSAIN	Secretary

Company Secretary

MD. SOHEL HOSSAIN

Chief Financial Officer

MD. ABDUL LATIF

Head of Internal Audit

MD. ABDULLAH AL MAMUN

Head Office

New Market City Complex (Level-6), 44/1, Rahim Square, New Market, Dhaka-1205

Project Address

Project-1 (Registered Office)

Vill: Mondolvog, U.P. 4 no. Chandpur P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj
Cell: 01672-475148

Project-2

Vill. Machhera, P.O : Chandpur P.S: Tarakanda, Dist: Mymensingh
Cell: 01672-475148

Auditors

AHMAD & AKHTAR
Chartered Accountants
30-31, Dilkusha Comercial Area, Dhaka-1000, Bangladesh.

Bankers

Premiar Bank Limited
Eastern Bank Limited

5 YEAR'S STATISTICS

(Taka in Thousand)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Authorized Capital	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
Paid-up Capital	1,35,669	1,33,008	1,30,400	1,30,400	1,30,400
Fixed Assets	69,965	71,016	72,158	73,403	74,760
Turnover (Sales)	46,078	47,712	34,874	26,056	23,430
Gross Profit/(L)	4,887	13,141	14,786	847	(3979)
Retained Earning/(L)	7,170	8,805	2,783	(7,863)	(5,919)
Earning per Share	0.076	0.649	0.816	(0.149)	(0.475)
No. of Shareholder	4,151	4,351	4,188	5,320	4,344

Fine Foods Limited

New Market City Complex (Level-6)
44/1, Rahim Square, New Market, Dhaka-1205

Notice of the 24th Annual General Meeting

Notice is hereby given to all concern and shareholder(s) of the Company that its 24th Annual General Meeting will be held in the Registered Office: Vill: Mondolvog, U.P. 4 no Chandpur, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj, Bangladesh on the 21st December 2018, Friday at 02.15 pm to transact the following agenda :

1. To receive, consider and adopt the Audited Accounts as of 30th June, 2018 together with report of the Auditor's and the Director's thereon.
2. To elect Director's in place of retiring ones.
3. To declare and approve Dividend for the year ended June 30, 2018.
4. To appoint Auditors and to fix their remuneration.
5. To appoint professional for the certification on Corporate Governance for the year 2018-2019 and fixation their remuneration.

By Order of the Board
Sd/-
(Md. Sohel Hossain)
Company Secretary

Dated :
December 06, 2018

Notes :

a. 18th November, 2018 has been scheduled as record date, the shareholders whose names will appear in the register of members of the Company or in the Depository on the "Record Day" (18th November, 2018) will be eligible to attend the AGM.

b. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form duly stamped with revenue stamp of TK. 10.00 (Ten) only, must be deposited at the Head Office of the Company not later than 48 hours before the fixed for the meeting.

c. Members are requested to notify change of address, if any, to the Company.

d. Admission to the meeting room will be strictly on production of the attendance slip.

e. The Annual Report, Proxy Form and Attendance Slip will be available at the website of the Company at www.finefoodslimited.com and copy of Annual Report will be sent to the e-mail address of the honorable Shareholder's mentioned in their respective BO Accounts.

f. No gift, cash or kind will be given for attending the meeting according to the circular of BSEC.

Message from the Managing Director & CEO



I am extending a heartiest congratulation and gracious welcome to our all shareholders and institutions including BSEC, DSE, CSE and our well-wishers to all the concern for their support, encouragement, assistance, hard work and devotion that enabled us to boost earning and sustainable growth on behalf of Fine Foods Limited.

We are all tried to keep our growth steady by improving our fundamentals, focusing our main stream of business, which continued our efforts to increase capacity and technological advacement for better services, and acquisition of new business.

Fine Foods Limited is now at a viable position after crossing a lot of hurdles from beginning its operation. In its struggle with environmental adversity, this agro-company has continued its effort to leap ahead with success.

In its year of establishment as Public Limited Company in 2002, the company declared 20% cash Dividend. Then in 2005 cash 5%, in 2008 cash 5% and stock 5%, in 2009 stock 15%, in 2010 stock 25%, in 2011 stock 10%, in 2012 stock 10% and in 2013 stock 2%, in 2016 stock 2%, in 2017 stock 2% and this year 2018 stock 3% Dividend was declared for all.

Our vision is to be focused upon our vast land properties to utilized modern way to develop as quality services, innovative financial product which that strategy up an effective funding source.

We look forward to your continued support, cooperation and guidance that are our constant source of encouragement and strength in the days ahead-Inshallah.

May Almighty bless us.

Wishing you all the best

(Nazrul Islam)
Managing Director & CEO

সম্মানিত শেয়ারহোল্ডার বৃন্দ
আস্‌সালামু আলাইকুম

ফাইন ফুডস লিমিটেড-এর ২৪তম বার্ষিক সাধারণ সভায় আপনাদেরকে স্বাগত জানাচ্ছি এবং ৩০ শে জুন, ২০১৮ইং সমাপনী বৎসরের নিরীক্ষিত আর্থিক বিবরণীসহ বার্ষিক প্রতিবেদন আপনাদের সম্মুখে উপস্থাপন করতে পেরে আমি গর্বিত ও সম্মানিত বোধ করছি।

কোম্পানীর বিষয়াদির অবস্থা ঃ
১.১। পরিচিতি ঃ

কোম্পানীটি ১১/০৭/১৯৯৪ইং সনে রেজিষ্ট্রার অব জয়েন্ট স্টক কোম্পানীজ ও ফার্মস, বাংলাদেশের অনুমতি নিয়ে কিশোরগঞ্জ জেলার কটিয়াদী থানার চাঁদপুর ইউনিয়নের মন্ডলভোগ গ্রামে স্থাপিত হয় যার বাণিজ্যিক উৎপাদন শুরু হয় ১৬/০১/১৯৯৫ইং সনে। ফাইন ফুডস লিমিটেড মাছ, দুধ ও পুষ্টি জাতীয় খাদ্য উৎপাদন করে জিডিপি উন্নয়নে অব্যাহতভাবে অবদান রেখে আসছে।

১.২। মানব সম্পদ ঃ
কোম্পানীতে বর্তমানে প্রত্যক্ষ ও পরোক্ষভাবে প্রত্যন্ত অঞ্চলের প্রায় তিনশতাধিক লোকের কর্মসংস্থান হয়েছে।

২। অগ্রগতি ও আর্থিক ফলাফল ঃ
ফাইন ফুডস লিমিটেড একটি কৃষিভিত্তিক কোম্পানী। মাছ, মাছের পোনা এর প্রধান উৎপাদিত পণ্য। ২০১৭-২০১৮ অর্থ বছরেও পুকুর পরিশোধন সহ প্রকল্পগুলোর চলমান বিভিন্ন সংস্কারমুলক কাজ সম্পন্ন করার মাধ্যমে উৎপাদন প্রক্রিয়া আরো ত্বরান্বিত করে আমরা আমাদের কাঙ্খিত লক্ষ্য মাত্রা অর্জনের পথে এগুচ্ছি। আমরা ভিষণ আশাবাদি। আমাদের দৃঢ় আশা, পরবর্তী অর্থ বছরেও (২০১৮-২০১৯) আমরা আমাদের প্রত্যাশিত সফলতা আরো বেশী অর্জন করতে পারব ইনশাআল্লাহ্।
নিম্নে ২০১৬-২০১৭ অর্থ বছরের সাথে এ অর্থবছরের (২০১৭-২০১৮) একটি সংক্ষিপ্ত তুলনামূলক চিত্র উপস্থাপন করা হলোঃ

বিবরণ	২০১৭-২০১৮	২০১৬-২০১৭
বিক্রয়	৪৬,০৭৮,১৮৪/-	৪৭,৭১২,৪৭৯/-
উৎপাদন ব্যয়	৪১,১৯১,৪৭৭/-	৩৪,৫৭১,৩৮৫/-
মোট লাভ/(ক্ষতি)	৪৮,৮৬,৭০৭/-	১৩,১৪১,০৯৪/-
নীট লাভ/(ক্ষতি)	১,০২৪,৬৩৪/-	৮,৬২৯,৭৬৮/-

৩. ব্যবসায়িক কার্যক্রম পর্যালোচনা:
প্রিয় শেয়ারহোল্ডারবৃন্দ আপনারা জানেন যে, ফাইন ফুডস লিমিটেড একটি কৃষিভিত্তিক উৎপাদনমুখী প্রতিষ্ঠান। প্রতিষ্ঠার শুরু থেকে আজ পর্যন্ত অনেক চড়াই উৎড়াই পার করে ইহা বর্তমানে একটি শক্ত ভিত্তির উপর প্রতিষ্ঠিত। পাবলিক লিমিটেড কোম্পানী হিসেবে প্রতিষ্ঠার পর থেকে আজ পর্যন্ত অভ্যন্তরীণ সংস্কার, প্রাকৃতিক দুর্যোগ ও রাজনৈতিক অস্থিরতার কারণে ১৫টি অর্থবছরের মধ্যে ৫টি অর্থবছর ছাড়া ১০টি অর্থবছরেই প্রতিষ্ঠানটি সফলতার সাথে লভ্যাংশ অর্জন, ঘোষণা ও বিতরন করেছে। তার-ই ধারাবাহিকতায় প্রকল্প গুলোর অভ্যন্তরীণ সংস্কার কাজ সম্পন্ন শেষে এ বছরেও (উভয় প্রকল্পে) উৎপাদন কার্যক্রম পরিচালনা করার ফলে এ অর্থবছরেও আমরা আরো কিছুটা উন্নতি করে মোটামোটি কাঙ্খিত ফল (Profit) অর্জন করতে সক্ষম হয়েছি। এজন্য আমরা সকলকে আন্তরিকভাবে ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। উল্লেখ্য যে, জমি ক্রয়ের নিমিত্তে অগ্রীম বাবদ যে ১.২০ কোটি টাকা প্রদান করা হয়েছিল তার প্রেক্ষিতে এ অর্থবছরেও জমির মালিকগনের সাথে ইতিপূর্বে স্বাক্ষরিত সমঝোতা চুক্তি মোতাবেক গত ২৫-১০-২০১৮ইং তারিখে ৩য় কিস্তি হিসেবে জমির মালিকগণ ৪০ লক্ষ টাকা কোম্পানীকে ফেরত দেয় এবং শীঘ্রই বাকি ৪০ লক্ষ টাকা কিস্তির মাধ্যমে ফেরত প্রদান করবে বলে পুনরায় অবগত করে। পরিচালনা পর্ষদ প্রতিজ্ঞাবদ্ধ যে, আরো দৃঢ়ভাবে প্রচেষ্টা চালানোর মাধ্যমে যেন ২০১৮-২০১৯ অর্থ বছরে কোম্পানী আরো বেশি করে লাভ (Profit) অর্জন করতে সক্ষম হয়। আমরা আন্তরিকভাবে বিশ্বাস করি, আমাদের এই প্রচেষ্টার মাধ্যমে অর্জিত ফল ধারাবাহিক ভাবে বৃদ্ধি করতে সক্ষম হবো এবং সহযোদ্ধা হিসাবে অতীতের মত আগামী দিনেও আপনাদের সহযোগিতা আমরা পুরোপুরিভাবে পাব।

৪। পরিচালক মন্ডলীর সভা ঃ
২০১৭-২০১৮ অর্থ বছরে পরিচালনা পর্ষদের মোট আটটি সভা অনুষ্ঠিত হয়। উক্ত সভাসমূহে বেশকিছু নীতিগত এবং গুরুত্বপূর্ণ বিষয়ে আলোচনা ও সিদ্ধান্ত গৃহীত হয়। সভা সমূহের সকল সিদ্ধান্ত সভায় উপস্থিত সকল পরিচালক বৃন্দের সর্বসম্মতিক্রমে গৃহীত হয়।

৫। লভ্যাংশ সংক্রান্ত মন্তব্য ঃ
এই অর্থ বছরে (২০১৭-২০১৮) কোম্পানীর আর্থিক হিসাবের ফলাফলে "লাভ"(Profit) হওয়ায় পরিচালনা পর্ষদ ২০১৭-২০১৮ অর্থ বছরের জন্য ৩% স্টক লভ্যাংশের প্রস্তাব করেন।

৬। পরিচালকগণের অবসর গ্রহণ ও পুনঃ নিয়োগ ঃ
স্বতন্ত্র পরিচালক জনাব আলিমুল হাসান শাহীন ও জনাব মিজানুর রহমানের অব্যাহতির (বার্ষিক সাধারণ সভা-এর দিন হতে) প্রেক্ষিতে তাদের স্থলে জনাব সুজিত সাহা ও জনাব নুর আলম বিশ্বাস কে পরবর্তী মেয়াদকালের জন্য নিয়াগ প্রদানের প্রস্তাব করা হলো।

৭। নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণঃ
আহমেদ এ্যান্ড আক্তার চার্টার্ড একাউন্ট্যান্টস ১ম বারের মতো এ অর্থ বছরে (২০১৭-২০১৮) কোম্পানীর বার্ষিক হিসাব নিরীক্ষা করেছেন। বিধি ও বিএসইসি-র নির্দেশনা মোতাবেক ২০১৮-২০১৯ অর্থ বছরের জন্যও তারা যোগ্য। বিধায়, নিরীক্ষক হিসাবে মেসার্স আহমেদ এ্যান্ড আক্তার চার্টার্ড একাউন্ট্যান্টসকে (৩০-৩১ দিলকুশা (৪র্থ তলা) ঢাকা-১০০০) ২০১৮-২০১৯ অর্থ বছরের জন্য বার্ষিক ২,০০,০০০ (দুই লক্ষ) টাকা পারিশ্রমিক-এর বিনিময়ে পুনরায় নিয়োগ-এর জন্য প্রস্তাব করা হলো।

৮। নিরীক্ষকের সংরক্ষিত মন্তব্যের উপর আমাদের বক্তব্য ঃ
যেহেতু আমাদের মূল ব্যবসা মাছ ও মাছের পোনা চাষ ও বিক্রয় করা এবং যেহেতু এগুলোর ক্রেতাগণ মুলত প্রকল্প চত্বর থেকে সরাসরি ক্রয় করে থাকেন সেহেতু তাদের পক্ষে ব্যাংকের মাধ্যমে লেনদেন পরিচালনা করা সম্ভব হয়ে ওঠেনা। উপরন্ত মাছ ব্যবসায়িরা এতে আগ্রহীও নন। ফলে বাধ্য হয়ে আমাদেরকেও নগদেই লেনদেন সম্পন্ন করতে হয়। তথাপি নিরীক্ষক-এর গুরুত্বারোপকৃত মন্তব্যের (Emphasis of Matter) আলোকে আমাদের বক্তব্যঃ

সম্মানীত নিরীক্ষক মহোদয় Emphasis of Matter এর আওতায় যে মন্তব্য করেছেন তাকে যথেষ্ট গুরুত্ব প্রদান করে ভবিষ্যতে আমরা উহা পালন করার জন্য সর্বোচ্চ প্রচেষ্টা গ্রহণ করব।

৯। বোর্ড সভা ও উপস্থিতি :
২০১৭-২০১৮ অর্থ বছরে ৪টি অডিট কমিটির সভা এবং ৮টি বোর্ড সভা অনুষ্ঠিত হয় যাতে গড়ে ৯০% পরিচালক উপস্থিত ছিলেন। উক্ত সভাসমূহে বেশ কিছু নীতিগত এবং গুরুত্বপূর্ণ বিষয়ের উপর আলোচনা ও সিদ্ধান্ত গৃহীত হয়। বোর্ড সভার সকল সিদ্ধান্ত সর্বসম্মতিক্রমে গৃহীত হয়।

১০। নিরীক্ষা কমিটি :
BSEC কর্তক জারীকৃত প্রজ্ঞাপন নং SEC/CMRRCD/2006-158/134/admin/44 মোতাবেক নিম্নোক্ত বোর্ড সদস্যদের নিয়ে নিরীক্ষা কমিটি পূনঃর্গঠন করা হয়েছে এবং তাঁরা যথাযথভাবে তাঁদের উপর অর্পিত দায়িত্ব পালন করেছেন।

নং	নাম	কোম্পানীতে পদমর্যাদা	কমিটিতে পদমর্যাদা
০১	মিঃ মোঃ শাহজাহান সাজু	স্বতন্ত্র পরিচালক	চেয়ারম্যান
০২	মিঃ নজরুল ইসলাম	ব্যবস্থাপনা পরিচালক ও সিইও	সদস্য
০৩	মিঃ মোঃ হাবিবুর রহমান	স্বতন্ত্র পরিচালক	সদস্য
০৪	মিঃ মোঃ সোহেল হোসেন	কোম্পানী সচিব	সচিব

১১। চলমান ব্যবসা প্রতিষ্ঠান ঃ
আর্থিক বিবরনীর অনুমোদন কালে পরিচালকবৃন্দ যথাযথ অনুসন্ধান করে পরিচালন ও আর্থিক সূচকসমূহ বিশ্লেষণ করেছেন। পরিচালকবৃন্দ আশ্বস্থ্য হয়েছেন যে, ভবিষ্যতে বর্তমান অবস্থা থেকে আরো উন্নতি করণে ও সুষ্ঠুভাবে পরিচালনায় কোম্পানীর সামর্থ্য রয়েছে।

উপসংহার ঃ
পরিশেষে মহান সৃষ্টিকর্তাকে কৃতজ্ঞতা ও সকল সম্মানীত শেয়ার মালিকগণ, প্রতিষ্ঠানে কর্মরত সকল স্তরের কর্মকর্তা কর্মচারীবৃন্দ, শ্রমিকবৃন্দসহ কোম্পানীর সকল সহযোগীবৃন্দ ও প্রতিষ্ঠান সমুহকে তাঁদের ঐকান্তিক আন্তরিকতা এবং বিভিন্ন প্রতিকূলতার মাঝেও সর্বদা পাশে থাকার জন্য পরিচালকমন্ডলীর পক্ষ থেকে আবারো আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি ।

পরিচালক মন্ডলীর পক্ষে



(নজরুল ইসলাম)
ব্যবস্থাপনা পরিচালক ও সিইও

REPORT OF AUDIT COMMITTEE

For the year 2017-2018

Fine Foods Limited constituted an Audit Committee as a sub-committee of the Board of Directors. The Audit Committee is responsible to the Board and they assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The duties and responsibilities of the Audit Committee are clearly set forth in writing by the Board in the Audit Committee Charter.

Composition of Audit Committee:

The Audit Committee consists of the following members:

Name of Members	Position in the Committee	Positon in the Board
Mr. Md. Shajahan Saju	Chairman	Independent Director
Mr. Nazrul Islam	Member	Managing Director & CEO
Mr. Md. Habibur Rahman	Member	Independent Director
Mr. Md. Sohel Hossain	Secretary	Company Secretary

Function of the Audit Committee defined as under:

Review the Audit Financial Statements and recommended to approved for statutory purpose.
Review Internal Audit Systems and monitoring the function of Internal Audit Department.
Review the implementation of signification issues as recommended to the Board.
Review the function of management policy, system of governance.
Review and consider the internal report and statutory auditors' observation and internal control.
Review the quarterly and half yearly financial statements before submission to the board for approval and to the stakeholders as a statutory requirement.

Activities carried out during the year

The committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observation in their reports on the draft financial statements of the company initialed by the auditors for the year ended 30th June 2018. The committee found the statements adequate arrangement to present a true and fair view of the financial status of the company; and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting and disclosures.

Acknowledgement

The Audit Committee expressed its sincere thanks to the members of the Board, management and the Auditors for their support in carrying out its duties and responsibilities effectively.

Sd/-
Shahjahan Saju
Chairman, Audit Committee

বাংলাদেশ এসোসিয়েশন অব পাবলিকলী লিষ্টেড কোম্পানীজ
BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES
Block # B, Road #1, House # 17 (8th Floor), Unit-A, Niketan Eastern Housing Complex, Gulshan-1, Dhaka-1212
Phone : 8824926 Fax : 9887245. E-mail : baplc@dhaka.net

Ref: CM-2017/262

18th September 2017

TO WHOM IT MAY CONCERN

Certificate of Membership

This is to certify that FINE FOODS LIMITED is an Ordinary Member of Bangladesh Association of Publicly Listed Companies (BAPLC).

This Certificate remains current until *31st December 2017.*

Secretary-General
(Acting)

Compliance Certificate

RAHMAN MUSTAFIZ HAQ & CO.
CHARTERED ACCOUNTANTS
58, Naya Paltan (3rd Floor), Dhaka-1000

Certificate of Compliance with the conditions of Corporate Governance Guidelines to the Shareholders of Fine Foods Limited

This is to certify that Fine Foods Limited has complied with all the conditions of Corporate Governance Guidelines imposed by the Bangladesh Securities and Exchange Commission vides their notification no. SEC/CMRRCD/2006/158/134/Admin/44 dated August 7, 2012.

Dated: Dhaka
28 October, 2018

Rahman Mustafiz Haq & Co.
Chartered Accountants

Annexure -i

CORPORATE GOVERNANCE COMPLIANCE STATUS

[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD /2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(1)	Board's Size	✓		
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be Independent Director	✓		
1(2)(b)(i)	"Independent Director" means a director- Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company.	✓		
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company	✓		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1(2)(b)(v)	Who is not a member, TREC holder, director or officer of any stock exchange	✓		
1(2)(b)(vi)	Who is not a shareholder, director or officer of any member or TREC holder of stock exchange or any intermediary of the capital market	✓		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude	✓		
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM	✓		Will be complied in the AGM schedule to be held on 21.12.18
1(2)(d)	The post of independent director(s) can't remain vacant for more than 90 (ninety) days	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	✓		
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association.			
1(3)(b)(ii)	Corporate Leader who is or was a top level executive	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law			
1(3)(b)(v)	Professional	✓		
1(3)(c)	Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	In special cases, the qualifications or experience may be relaxed subject to prior approval of the Commission			No such incident happened
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director/or Chief Executive Officer of the company shall be filled by different individuals	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(4)(b)	The Managing Director/or Chief Executive Officer of a listed company shall not hold the same position in another listed company	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
1(4)(d)	Responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1(4)(e)	The reason of absence of the regular Chairperson in the board meeting shall be duly recorded in the minutes	✓		if arise, will be complied
1(5)(i)	Industry outlook and possible future developments in the industry	✓		
1(5)(ii)	Segment-wise or product-wise performance	✓		
1(5)(iii)	Risks and concerns			
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		
1(5)(v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		
1(5)(vi)	Related party transactions	✓		
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	✓		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc	✓		
1(5)(ix)	Explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	✓		
1(5)(x)	Remuneration to directors including independent directors	✓		
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1(5)(xii)	Proper books of account of the issuer company have been maintained	✓		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	✓		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	✓		
1(5)(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	✓		
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given			Not applicable
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	✓		
1(5)(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed	✓		
1.5(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise Details)	✓		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	✓		
1.5(xxiii)(c)	Executives	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	✓		
1(5)(xxiv)(a)	A brief resume of the director	✓		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation	✓		
1(5)(xxv)(c)	Comparative analysis	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	✓		
1(5)(xxv)(f)	Risks and concerns	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof	✓		
1(5)(xxvi)	Certification by the CEO and CFO to the Board	✓		
1(5)(xxvii)	Certificate regarding compliance of conditions of this Code as required under condition No. 9	✓		
1(6)	Board meeting and record the minutes	✓		
1(7)(a)	The code of conduct for the Chairperson of the Board, other board members and Chief Executive Officer of the company	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company			Will be complied
2(a)	Composition of the Board			Under process
2(b)	At least 1 (one Independent Director on the Board)	✓		
2(c)	Review of the Minutes of subsidiary company	✓		
2(d)	Review of the Minutes of holding company	✓		
2(e)	Audit committee shall review the financial statements, in particular the investments made by the subsidiary company	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1)(a)	**Appointment:** The Board shall appoint a Managing Director, a Company Secretary, a Chief Financial Officer and a Head of Internal Audit and Compliance company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS).	✓		
3(1)(b)	The positions of the Managing Director, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance shall be filled by different individuals	✓		
3(1)(c)	The MD, CS, CFO and HIAC of this company shall not hold any executive position in any other company at the same time.	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, HIAC the CS	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange(s)	✓		
3(2)	The MD, CS, CFO and HIAC shall attend the meetings of the Board, provided that the CS, CFO and or the HIAC shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3(3)(a)(ii)	These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws	✓		
3(3)(b)	There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members	✓		
3(3)(c)	The certification of the MD and CFO	✓		
4(i)	Audit Committee	✓		
4(ii)	Nomination and Remuneration Committee	✓		
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors	✓		
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	✓		
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)(b)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management experience	✓		
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee			No such incident happened
5(2)(e)	The company secretary shall act as the secretary of the Committee	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓		
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting	✓		
5(3)(c)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)			Will be complied
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	✓		
5(4)(b)	Quorum of the meeting of the Audit Committee	✓		
5(5)(a)	Oversee the financial reporting process	✓		
5(5)(b)	Monitor choice of accounting policies and principles	✓		
5(5)(c)	Monitor Internal Control Risk management process	✓		
5(5)(d)	Oversee hiring and performance of external auditors	✓		
5(5)(e)	Hold meeting with external or statutory auditors for review of annual financial statements before submission to the board for approval	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(h)	Review the adequacy of internal audit function	✓		
5(5)(i)	Review the Managements' discussion and Analysis before disclosing in the Annual Report	✓		
5(5)(j)	Review statement of significant related party transactions submitted by the management	✓		
5(5)(k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	✓		
5(5)(l)	Oversee the determination of audit fees	✓		
5(5)(m)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Share Offer have been utilized as per purposes stated in relevant offer document or prospectus approved by the Commission.	✓		
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors	✓		
5(6)(a)(ii)(a)	Report on conflicts of interests			No such incident happened
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system			No such incident happened
5(6)(a)(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations			No such incident happened
5(6)(a)(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately			No such incident happened
5(6)(b)	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier	✓		
5(7)	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company			No such incident happened
6(1)(a)	Nomination and Remuneration Committee (NRC) as sub-committee of the Board	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(1)(b)	The NRC shall assist the Board	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition 6(5)(b)			Will be complied in future
6(2)(a)	The Committee shall comprise of at least three members including an independent Director	✓		
6(2)(b)	All members of the committee shall be non-executive directors	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	✓		
6(2)(d)	The Board shall have authority to remove and appoint any members of the Committee	✓		
6(2)(e)	The Board shall fill the vacancy within 180 days of occurring such vacancy in the committee			If arise, will be complied
6(2)(f)	Appointment of Chairperson of the Committee	✓		
6(2)(g)	The company secretary shall act as the secretary of the committee	✓		
6(2)(h)	The quorum of the NRC	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓		
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particulars meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓		
6(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting			Will be complied
6(4)(a)	The NRC shall conduct at least one meeting in a financial year			Will be complied
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC			If arise, will be complied
6(4)(c)	The Quorum of the meeting of the NRC			Will be complied
6(4)(d)	The proceedings of each meeting of the NRC			Will be complied

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the Shareholders			Will be complied
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully			Will be complied
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks			Will be complied
6(5)(b)(i)(c)	Remuneration to Directors, tip level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.			Will be complied
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality			Will be complied
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in to level executive			Will be complied
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board			Will be complied
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria			Will be complied
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies			Will be complied
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report			Will be complied
7(1)(i)	Appraisal or valuation services or fairness opinions	✓		
7(1)(ii)	Financial information systems design and implementation	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements	✓		
7(1)(iv)	Broker-dealer services	✓		
7(1)(v)	Actuarial Services	✓		
7(1)(vi)	Internal audit services or special audit services	✓		
7(1)(vii)	Any service that the Audit Committee determines	✓		
7(1)(viii)	Audit or certification service on compliance of corporate governance as required under condition No. 9(1)	✓		
7(1)(ix)	Any other service that creates conflict of interest	✓		

Condition No	Title	Compliance Status (Put ? in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	✓		
7(3)	Representative of external or statutory auditors shall remain present in the AGM & EGM			Will be complied
8(1)	The company shall have an official website linked with the website of the stock exchange	✓		
8(2)	The company shall keep the website functional from the date of listing			Partial complied
8(3)	The company shall make available the detailed disclosures on its website	✓		
9(1)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant /Cost and Management Accountant/Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting			Will be complied
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions	✓		

Annexure -ii

The Pattern of Shareholding as on 30-06-2018

Sl No	Name of Shareholders	Status	No. of Shares held	Percentage of Share Holdings (%)
a)	Parents/Subsidiary/Associate Companies	n/a	n/a	
b)	Directors, Sponsors, Company Secretary, Chief Financial Officer			
1	Mr. Mizanur Rahman	Chairman	Nill	Nill
2	Mr. Nazrul Islam	MD & CEO	1,41,829	1.05
5	Mr. Md. Alimul Hasan	Independent Director	1,603	0.01
4	Mr. Md. Shajahan Saju	Independent Director	Nill	Nill
5	Mr. Md. Habibur Rahman	Independent Director	Nill	Nill
6	Mr. Md. Sohel Hossain	Company Secretary	Nill	Nill
7	Mr. Md. Abdul Latif	CFO	Nill	Nill
8	Mr. Md. Abdullah Al Mamun	Head of Internal Audit	Nill	Nill
c)	Executives		Nill	Nill
d)	Share holder holding Ten percent or more voting interest		Nill	Nill

The expression "executives" means top five salaried employees of the company, other than the Directors, Company Secretary, Chief Financial Officer and Head of internal Audit.

Annexure -iii

Key Operating and Financial Data of Last Five Years

as on 30-06-2018

(Taka in Thousand)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Authorized Capital	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
Paid-up Capital	1,35,669	1,33,008	1,30,400	1,30,400	1,30,400
Fixed Assets	69,965	71,016	72,158	73,403	74,760
Turnover (Sales)	46,078	47,712	34,874	26,056	23,430
Gross Profit/(L)	4,887	13,141	14,786	847	(3979)
Retained Earning/(L)	7,170	8,805	2,783	(7,863)	(5,919)
Earning per Share	0.076	0.649	0.816	(0.149)	(0.475)
No. of Shareholder	4,151	4,351	4,188	5,320	4,344

Annexure-iv

Board of Directors Meeting

as on 30-06-2018

Name of the Directors	Meeting Held	Attended
Mr. Mizanur Rahman	8	6
Mr. Nazrul Islam	8	8
Mr. Md. Habibur Rahman	8	7
Mr. Md. Shajahan Saju	8	8
Mr. Alimul Hasan	8	5

REPORT ON FINANCIAL STATEMENTS FOR THE YEAR 2017-2018 BY CEO AND CFO

The financial statements of Fine Foods Limited. have been prepared in according with the Companies Act, 1994, International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS) and other applicable laws, rules and regulations.

In this regard, we also certify to the board that:

(i) We have reviewed financial statements for the year and to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

(Nazrul Islam)
Managing Director & CEO

(Md. Abdul Latif)
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FINE FOODS LIMITED

Report on the financial statements

We have audited the accompanying financial statements of **Fine Foods Limited** which comprise the statement of financial position as at 30 June 2018 and the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), The Companies Act 1994 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with relevant ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Fine Foods Limited** as at 30 June 2018 and its financial performance and its cash flows for the year then ended in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, and other applicable laws and regulations.
Reporting Standards (BFRSs), the Companies Act 1994, and other applicable laws and regulations.

Emphasis of Matter

We draw attention to the following matter, though our opinion is not qualified in respect of the same:

To establish proper internal control over the sales and its realization, it is suggested to deposit into bank account of the company the daily collection of sale proceeds. Any fund needed by the company should be withdrawn from bank on the basis of fund requisition to be prepared according to the need of the day. Moreover it could help to comply the requirements of section 30 (i) & (m) of the Income Tax Ordinance, 1984.

Report on Other legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

a) We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) Based on our examination of the Company's books and financial records, we believe proper books of accounts, as required by law, have been kept by the company;

c) The company's statement of financial position, statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns ; and

d) All expenditures incurred by the Company were for the purposes of the company's business and operations.

Date: 28 October 2018
Place: Dhaka

AHMAD & AKHTAR
Chartered Accountants.

FINE FOODS LIMITED
Statement of Financial Position
As At 30 June 2018

Particulars	Notes	Figures in Taka 30.06.2018	Figures in Taka 30.06.2017
ASSETS			
NON- CURRENT ASSETS		**86,050,063**	**89,101,054**
Property, plant and equipment	3	69,964,679	71,015,670
Advance for Land Purchases	4	8,000,000	10,000,000
Capital Stock	5	8,085,384	8,085,384
CURRENT ASSETS		**68,014,584**	**64,466,037**
Inventories	6	61,108,987	55,608,149
Trade Receivables	7	4,683,439	6,901,258
Advance & Prepayments	8	1,362,000	1,362,000
Cash & Cash Equivalents	9	860,158	594,630
Total ASSETS		**154,064,648**	**153,567,091**
EQUITY AND LIABILTIES			
SHARE HOLDER EQUITY:		**147,988,276**	**146,963,642**
Share Capital	10	135,669,110	133,008,940
Reserve for Bond	11	5,149,473	5,149,473
Retained Earning	12	7,169,693	8,805,229
CURRENT LIABILTIES		**6,076,372**	**6,603,449**
Liabilities for Expenses	13	591,716	441,715
WPPF	14	929,176	869,538
Tax payable (deduction on dividend)	15	653,487	653,487
Provision for Tax	16	1,137,097	1,925,653
Deffered Tax	17	725,786	673,946
Trade Payables	18	1,939,110	1,939,110
Dividend Payable	19	100,000	100,000
TOTAL EQUITY AND LIABILITIES		**154,064,648**	**153,567,091**

The annexed notes 1 to 48 form an integral part of these Financial Statements

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

As per our report annexed

AHMAD & AKHTAR
Chartered Accountants

Date: 28 October 2018
Place: Dhaka

FINE FOODS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2018

Particulars	Notes	Figures in Taka 30.06.2018	Figures in Taka 30.06.2017
Turnover	20	46,078,184	47,712,479
Cost of Goods Sold	21	41,191,477	34,571,385
Gross Profit		**4,886,707**	**13,141,094**
Operating Expenses:		**3,693,938**	**3,168,778**
Administrative, Selling & Distribution Expenses	22	3,693,938	3,168,778
Operating Profit/(Loss)		**1,192,769**	**9,972,316**
Net Profit/(Loss) before Tax		**1,192,769**	**9,972,316**
Provision for WPPF		(59,638)	(498,616)
Tax Expense			
Current Tax (SRO - 255/Law/Income Tax/2015)	15	(56,657)	(789,732)
Deffered Tax	16	(51,840)	(54,200)
Net Profit/(Loss) after Tax		**1,024,634**	**8,629,768**
Retained earning brought forward		6,145,059	175,461
Retained Earning/ (Loss) transfered to Financial Position		**7,169,693**	**8,805,229**
Basic Earning Per Share (Annualized)	24	**0.076**	**0.649**
Basic Earning per Share (Adjusted)		**-**	**0.636**

The annexed notes 1 to 48 form an integral part of these Financial Statements

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

As per our report annexed

AHMAD & AKHTAR
Chartered Accountants

Date: 28 October 2018
Place: Dhaka

FINE FOODS LIMITED
Statement of Cash Flows
For the year ended 30 June 2018

Particulars	Figures in Taka 30.06.2018	Figures in Taka 30.06.2017
Cash Flow from Operating Activities:	**(1,734,472)**	**693,570**
Cash Collection from Turnover & others	48,296,003	46,220,727
Payment for Production Materials	(49,185,262)	(45,398,809)
Tax Payment	(845,213)	(128,348)
Cash Flow from Investing Activities:	**2,000,000**	**(657,800)**
Advance for land adjusted	2,000,000	2,000,000
Cattle	-	(2,657,800)
Cash Flow from Financing Activities:	-	-
Net Cash Inflow/ (Outflow)	**265,528**	**35,770**
Opening Cash & Bank Balances	594,630	558,860
Closing Cash & Bank Balances	**860,158**	**594,630**
Net Operating Cash Flows Per Share (NOCFPS)	**(0.128)**	**0.052**

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

Date: 28 October 2018
Place: Dhaka

FINE FOODS LIMITED
Statement of Changes in Equity
For the year ended 30 June 2018

Particulars	Share Capital	Reserved for Investment of Govt. Bond	Retained Earning/(Loss)	Total Amount in Taka
Balance as on 01.07.2017	**133,008,940**	**5,149,473**	**8,805,229**	**146,963,642**
Net profit/(Loss) this year	-	-	**1,024,634**	**1,024,634**
Less : Dividend	-	-	(2,660,170)	**(2,660,170)**
Add : Inc.Capital by Bonus Share	2,660,170		-	**2,660,170**
At the end of the year 30.06.2018	**135,669,110**	**5,149,473**	**7,169,693**	**147,988,276**

FINE FOODS LIMITED
Statement of Changes in Equity
For the year ended 30 June 2017

Particulars	Share Capital	Reserved for Investment of Govt. Bond	Retained Earning/(Loss)	Total Amount in Taka
Balance as on 01.07.2016	**130,400,930**	**5,149,473**	**2,783,471**	**138,333,874**
Net profit/(Loss) this year	-	-	**8,629,768**	**8,629,768**
Less : Dividend -		-	(2,608,010)	**(2,608,010)**
Add : Inc.Capital by Bonus Share	**2,608,010**	-	-	**2,608,010**
At the end of the year 30.06.2017	**133,008,940**	**5,149,473**	**8,805,229**	**146,963,642**

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

Date: 28 October 2018
Place: Dhaka

FINE FOODS LIMITED
Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information
For the year ended 30 June 2018

1.0 Significant Accounting Policies and Relevant Information

1.1 Domicile, Legal Form and Country of Incorporation:

The Company was incorporated in the Bangladesh in the name of Barakat AI-Amin Agro Complex Ltd. having the registered office at house # 7 Lake Circus, Kalabagan, Dhaka as a Private Limited Company under the Companies Acts 1913. Further its name has been changed as Fine Foods Limited and converted to Public Limited Company under the companies Act 1994 as per special resolution dated 25th March 2000 and a certified copy of said special resolution was obtained from the Registrar of Joint Stock Companies & Firms Dhaka Co. 24th August, 2000. The Company's Share has been listed with Dhaka and Chittagong Stock Exchange.

1.2 Address of Registered Office and Principal Place of Business:

The principal place of business is Newmarket City Complex (level-6), 44/1 Rahim Squre, Newmarket, Dhaka-1205 and the address of its Registered office is at Vill: Mondolvog P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj. Two Projects of the Company are situated at Vill: Mondolvog P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj and Vill: Machhera (Khailapuri) P.O: Chandpur, P.S: Tarakanda, Dist: Mymensingh.

1.3 Principal Activities and Nature of Operations:

The main activities of the company are as follows:
Production of fish, fish product, fish spawn breeding, fingerling growing, production of fish meal & oil, processing fish and marketing the same products in local and foreign market, Cattle farming, Plantations of good quality timber trees.

2. 00 Basis of Preparation of Financial Statements

2.01 Statement of Compliance

The financial statements have been prepared incompliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) including International Accounting Standards (IAS) as issued by International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).Prior year financial statements were prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BAS) which were adopted accounting standards from IASB. Management has made an assessment of the difference between IFRS and BFRS and concluded that there are no differences which would impact any numerical amounts or disclosures in the financial statements.

2.02 Regulatory Compliances

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

i. The Income Tax Ordinance 1984;
ii. The Income Tax Rules 1984;
iii. The Value Added Tax Act 1991;
iv. The Value Added Tax Rules 1991;
v. The Customs Act, 1969;
vi. Bangladesh Labour Law, 2006;
vii. The Securities and Exchange Ordinance, 1969;
viii. The Securities and Exchange Rules, 1987; and
ix. Securities and Exchange Commission Act, 1993.

2.03 Structure, content and presentation of financial statements
According to the International Accounting Standards (IAS)-1 as adopted by ICAB as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

i. Statement of financial position as at 30 June 2018;
ii. Statement of profit or loss and other comprehensive income for the financial year ended 30 June 2018;
iii. Statement of changes in equity for the financial year ended 30 June 2018;
iv. Statement of cash flows for the financial year ended 30 June 2018;
v. Accounting policies and other explanatory notes for the financial year ended 30 June 2018

2.04 Applicable Accounting Standards & Financial Reporting Standards
The following IASs and IFRSs are applicable for the financial statements for the year under review:

Sl. No.	Name of the IAS	IAS's no.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in Accounting Estimates and Errors	8
5	Events after the Reporting Period	10
6	Construction Contracts	11
7	Income Taxes	12
8	Property, Plant & Equipment	16

Sl. No.	Name of the IAS	IAS's no.
9	Leases	17
10	Revenue	18
11	Employee Benefits	19
12	The Effects of Changes in Foreign Exchange Rates	21
13	Borrowing Costs	23
14	Related Party Disclosures	24
15	Financial Instruments: Presentation	32
16	Earnings Per Share	33
17	Impairment of Assets	36
18	Provision, Contingent Liabilities and Contingent Assets	37
19	Intangible Assets	38
20	Financial Instruments: Recognition and Measurement	39

Sl. No.	Name of the IFRS	IFRS no.
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
3	Financial Instruments	9
4	Fair Value Measurement	13

2.05 Basis of Measurement of Elements of Financial Statements

The financial statements have been prepared on the historical cost basis therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.06 Functional and presentation currency

The financial statements are presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka.

2.07 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of the company is responsible for the preparation and presentation of financial statements of Fine Foods Limited. Specific accounting policies selected and applied for significant transactions and events are depicted below:

2.7.1 Accounting Period

Accounting period of the Company under audit is from July 01, 2017 to June 30, 2018 financial year.

2.7.2 Use of estimates in preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results may differ from those estimates

2.7.3 Change in Accounting Policies

There has been no change in accounting policies. All policies applied were consistent with the practices of the previous period.

2.7.4 Statement of compliance with local laws

The financial statements have been prepared in compliance with the Companies Act 1994, Securities & Exchange Rule 1987, and other relevant local laws as applicable.

2.7.5 Income Tax

Provision for Tax for the year provided as per Income Tax Ordinance 1984.

2.7.6 Revenue Recognition

Sales are recognized as the delivery of goods to the customers from the warehouse/sales center. Invoices were made after satisfying the following conditions prescribed by IAS 18 "Revenue":

i. The significant risks and rewards of ownership of the product sold have been transferred to the buyer.
ii. The amount of revenue was fixed at fair value.
iii. The quantities of goods delivered were measured reliably.
iv. It was probable that the economic benefits relating to the transactions will flow to the enterprise.
v. Neither continuing managerial involvement nor effective control usually associated
vi. with ownership of the product was retained by the Company; and
vii. Cost relating to the transactions was measured reliably.

2.7.7 Recognition of Property, Plant and Equipment

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of IAS 16 for "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and other directly attributable cost of bringing the assets to its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses as capitalized also included applicable "Borrowing costs" in compliance with the provisions of the Companies Act 1994.

2.7.8 Cost of the Property, Plant and Equipment

Written down value /book value is arrived at after deduction of accumulate depreciation from cost. Property, plant & equipment are shown at cost less accumulated depreciation plus revaluation. Cost represents cost of acquisition or construction including interest during the construction period. No depreciation is charged on land & Land development and Pond Excavation. Full year's depreciation has been made on additions irrespective of date when assets are put into use. Depreciation on all other property, plant & Equipment is computed using the Diminishing Balance Method in amounts sufficient to write off depreciable assets over their useful lives.

2.7.9 Depreciation

No depreciation is charged on Land & Land development and pond Excavation. Depreciation is charged on all other fixed assets using Reducing Balance Method. The rates at which the assets are depreciated per annum depend on the nature and estimated life of the each asset and are as given below:

The annual depreciation rates applicable to the principal categories of assets are:

Particulars	Percentage
Dam, Dyke, Appr. Road	5%
Civil Construction	7.5%
Machinery	15%
Office Decoration	15%
Motor Vehicles	20%
Other Assets	15%

2.7.10 Depreciation Charge

Depreciation charged as a separate account head to give correct disclosure and effected on cost of good sold but did not provide as any interest expenses since there.

2.7.11 Valuation of Inventories

The management has valued the inventories as mentioned in the subsequent paragraphs.

Fisheries: All the fishes except those kept and reared for breeding are listed in the inventory as Trading Stock of fisheries.

All these Trading Stocks of fisheries have been valued at estimated net realized values as per the; management's best estimate considering various market factors like, volatility, demand and supply and the choices of customers.

2.7.12 Cash and Cash Equivalents

It includes cash in hand and banks deposits, which were held and available for use by the company without any restriction, and there was insignificant risk of changes in value of these current assets. The company is doing business mainly in cash only because there is no approved branch of any Banks available within safe distance of the Farm's location.

2.7.13 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7." Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987. In addition the management disclosed indirect method under IAS-7 statement of cash flows from audit activities as per circular no. Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/ 2006-158/208/Admin/81, dated: 20 June 2018: Reconciliation of Net operating cash flow under Indirect Method.

2.7.14 Current and Non-current Assets and Liabilities

An item of amount expected to be received or settled within date of' 12 months of the Balance Sheet are treated as current assets / Liabilities. Any other Assets or Liabilities do not fall under current assets / liabilities and have been treated as non -current assets / liabilities.

2.7.15 Employees Benefit Cost

The Company has not operated any contributory Provident Fund and gratuity plan for their employees.

2.7.16 Comparative Figures

Figures relating to the previous years included in this report have been rearranged, wherever considered necessary to make them comparable with those of the current year.

2.7.17 Earnings Per Share (EPS)

The Company calculates Earnings per Share (EPS) in accordance with IAS 33". Earnings per share" which has been shown on the face of Income Statement and the computation of EPS is stated in Note 23.

2.7.18 Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, monitory interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

2.7.19 Weighted Average Number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific shares are outstanding as a provision of the total number of days in the period.

2.7.20 Basic Earnings Per Share

This has been calculated by dividing the basic weighted average number of ordinary shares outstanding during the year.

2.7.21 Diluted Earnings Per Share

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

2.7.22 Financial Instruments and Derivatives

The primary financial instruments carried at the balance sheet date and their related disclosures have been stated in note 25 in accordance with provision of IAS 32" Financial Instruments Disclosure and Presentation. "The Company is not a party to any derivative contract (Financial Instruments) at the balance sheet date, such as forward exchange contracts, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw material and others denominated in foreign currency.

2.7.23 Employee Benefit Schemes

The Company has no Employee Benefit Schemes like provident fund and gratuity fund.

2.7.24 Workers Profit Participation Fund

The company has made provision for Workers Profit Participation Fund but legal formalities like trusty board has not been constituted yet, the matter is under process.

	Figures in Taka 30.06.2018	Figures in Taka 30.06.2017
3.00 Property, Plant and Equipment		
Unit-1 (Kishoreganj)		
Land & Land Development	9,113,573	9,113,573
Road & Construction	3,062,540	3,062,540
Pond Excavation	26,898,649	26,898,649
Boundary, Dam,Dyke,Approach Road etc.	7,051,285	7,422,405
Civil Construction	3,337,909	3,608,550
Machinery	361,434	425,217
Office Decoration	116,555	137,123
Microbus	35,999	44,999
Other Assets	46,901	55,178
Sub Total (A)	**50,024,845**	**50,768,234**
Unit-2 (Mymensingh)		
Land & Land Development	13,200,000	13,200,000
Pond Excavation	3,413,210	3,413,210
Civil Construction	271,836	293,877
Machinery	335,929	393,211
Fishery Hatchery	61,148	71,939
Other Assets	2,657,710	2,873,200
Sub Total (B)	**19,939,834**	**20,247,437**
Grand Total	**69,964,679**	**71,015,670**

The details of the Property, Plant & Equipment has been shown in (Annexure-A).

4.00 Advance for Land		
Opening Balance	10,000,000	12,000,000
Less: During the year	2,000000	2,000,000
Total Taka:	**8,000,000**	**10,000,000**

The advance for land was given to a group of Land owners for acquiring the same for expansion of project. But after talking the advance the Land Owners were found reluctant to execute the contract. Finally a negotiation was made and the Land Owners would refund the money in phases. Meanwhile the Land Owner refund TK. 20.00 Lacs as on 26.10.2017 and subsequently TK. 40.00 Lac realized on 25.10.2018.

5.00 Capital Stock		
Cattle (Note:5.1)	5,040,111	5,040,111
Plantation (Note:5.2)	3,045,273	3,045,273
	8,085,384	**8,085,384**

5.01 Cattle

The fleet of Cattle consist of 92 Nos. Cows , Oxen, Bulls, Coilers etc. of different size. The above represents the cost of Cattle and made up as under:

Opening Balance	5,040,111	2,382,311
Add: During the year	-	2,657,800
Less: Disposal	-	-
	5,040,111	**5,040,111**

5.02 Plantation

It represents the Historical Cost of Plantation of different trees made in the year 1997 in the project site and the break up of the same are as under:

Mehagani Trees (1652 Pcs)	2,158,960	2,158,960
Other Trees	886,313	886,313
	3,045,273	**3,045,273**

	30.06.2018	30.06.2017

6.00 Inventories :

	Amount (Tk.)	Amount (Tk.)
Unit -1 Kishoregonj	42,297,805	40,704,154
Unit -2 Mymensingh	18,811,182	14,903,995
	61,108,987	**55,608,149**

Unit -1 Kishoregonj

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	65,367	84.54	5,526,280	3,867,220
Rui	14,560	135.54	1,973,493	2,418,595
Katla	13,520	130.61	1,765,901	2,082,262
Mregal	15,850	92.07	1,459,245	1,943,078
Common Carp	19,450	84.91	1,651,456	1,568,002
Panggas	38,525	74.72	2,878,471	2,991,317
Others	17,458	70.25	1,226,425	1,074,500
Fingerling			19,829,995	18,500,230
Total fish			**36,311,265**	**34,445,204**
Closing Raw Materials			**5,986,540**	**6,258,950**
Total			**42,297,805**	**40,704,154**

Unit -2 Mymensingh

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	23,355	82.53	1,927,534	1,880,107
Rui	7,455	134.97	1,006,189	1,364,685
Katla	6,250	129.59	809,926	1,330,923
Mregal	8,450	92.88	784,859	1,586,305
Common Carp	7,850	79.73	625,850	-
Pangas	12,560	75.36	946,504	-
Other	3,260	88.45	288,334	-
Fingerling			8,569,385	6,885,650
Total fish			**14,958,582**	**13,047,670**
Closing Raw Materials			**3,852,600**	**1,856,325**
Total			**18,811,182**	**14,903,995**

7.00 Trade Receivables

The above amount represent the receivable against credit sales to the following parties as on 30-06-2018

KIshoreganj	Ageing	Amount (TK.)	Amount (TK.)
Mr. Alimuddin Miah, Sararcha, Bajitpur, Kishoreganj	Above 40 days	322,762	550,194
Md. Sirajul Islam , Katiadi, Kishoreganj	Below 45 days	406,560	455,545
Mr. Kamrul, Kishorgonj	Above 40 days	563,675	568,315
Mr. Sumon , Manikkhali	With in 30 to 60 days	531,185	484,987
Mr. Rafikul, Bhairob	Above 30 days	329,447	653,931
Mr. Habibur Rahman, Katiadi, Kishoregonj	Above 45 days	300,243	584,863
Mr. Kaium, Bajitpur, Kishoregonj	Below 60 days	343,150	484,975
Mr. Hasan, Manikkhali, Kishoregonj	With in 45 to 60 days	390,353	537,598
Sub Total		**3,187,375**	**4,320,408**

		30.06.2018	30.06.2017
Mymensingh	**Ageing**	**Amount (TK.)**	**Amount (TK.)**
Mr. Alimuddin Miah, Sararcha, Bajitpur, Kishoreganj	Bellow 60 days	254,824	415,669
Md. Juel, Mecchera, Mymensingh	Above 45 days	228,585	424,512
Mr. Hasem, Dayarampur, Mymensingh	Above 30 days	276,784	451,944
Mr. Rokon, Mymensingh	Above 30 days	295,533	416,298
Mr. Harez, Kashigonj, Mymensingh	With in 30 to 45 days	217,581	457,803
Mr. Hablu, Mozahardi, Mymensingh	Below 60 days	222,757	414,624
Sub Total		**1,496,064**	**2,580,850**
Total		**4,683,439**	**6,901,258**

Receivable are considered goods and subsequently realized.

8.00 Advance and Prepayments		
Advance against Office Rent	120,000	120,000
Security Deposit to Palli,Bidyut	27,000	27,000
Security Deposit To BRTA	15,000	15,000
Security Deposit To CDBL	200,000	200,000
Advance for Feed and fingerling Purchase	1,000,000	1,000,000
	1,362,000	**1,362,000**

9.00 Cash & Cash Equivalents		
Cash in Hand Head office	296,281	190,268
Cash in Hand Factory	298,136	192,569
Cash at bank		
Eastern Bank Ltd. CA A/C No. 01021060008420	5,680	5,680
Premiar Bank CA 016011100000118	138,433	105,020
Premiar Bank SD 01601310000022	121,628	101,093
Total Taka	**860,158**	**594,630**

10.00 Share Capital		
Authorised Capital:		
100,000,000 ordinary shares of Tk. 10/= each	**1,000,000,000**	**1,000,000,000**
Issued , Subscribed and Paid - up :		
13,300,894 ordinary shares of Tk. 10/= each fully paid up	133,008,940	130,400,930
Add: Bonus Share 2,66,017 of TK. 10/= each	2,660,170	2,608,010
Total	**135,669,110**	**133,008,940**

Summarised list of Shareholders as on 30.06.2018 on the basis of share holdings:

Share Holding Range	Share Holder / 18	Share Holder / 17	Share Holder / 18	Share Holder / 17
001-500	889	468	194,694	160,524
501-5000	2938	1581	5,756,462	6,326,546
5001-10000	88	94	681,000	675,860
10001-25000	57	51	890,156	888,012
25001-50000	76	62	2,469,950	2561,902
50001-9999999	28	37	3,574,649	2,688,050
Total	**4076**	**2293**	**13,566,911**	**13,300,894**

On the basis of share holders :

Share Holding Range	Holding % 18	Holding % 17	No of Share / 18	No of Share / 17
General Public	98.94	94.80	13,422,743	12,609,529
ICB	0.01	4.13	736	549,172
Sponsor's (Domestic)	1.06	1.07	143,432	142,193
Total	**100.00**	**100.00**	**13,566,911**	**13,300,894**

	30.06.2018	30.06.2017
11.00 Reserve for Bond		
Opening Balance	5,149,473	5,149,473
Add: During the year	-	-
	5.149,473	**5.149,473**
12.00 Retained Earning / (Loss)		
Opening Balance	8,805,229	2,783,471
Less: Transfer Share Capital	2,660,170	2,608,010
	6,145,059	**175,461**
Add. During the Year	1,024,634	8,629,768
Trasferferred to Balance Sheet	**7,169,693**	**8,805,229**
13.00 Liabilities for Expenses		
Salary & Wages	178,400	178,400
Listing Fee	51,316	51,315
CDBL	112,000	112,000
Professional Fees	250,000	100,000
	591,716	**441,715**
14.00 Workers Profit Participation Fund (WPPF)		
Opening Balance	869,538	370,922
Add: During the year	59,638	498,616
	929,176	**869,538**

15.00 Tax payable (deduction on dividend)

This represents the amount deduction as advance tax on dividend. The amount still in company's account.

Opening Balance	653,487	653,487
Add: During the year	-	-
	653,487	**653,487**
Less : Payment during the year	-	-
	653,487	**653,487**
16.00 Provision for Tax		
Opening Balance	1,925,653	1,264,269
Add: current tax	56,653	789,732
Less: Paid During the Year	845,213	128,348
	1,137,097	**1,925,653**
17.00 Deffered Tax		
Opening Balance	653,946	619,746
Add. During the year	51,840	54,200
	725,786	**653,946**

Virtually there is no temporary difference between the written down value of tax base assests & the accounting base because the tax assessment of the company assessed as per (SRO-255/Law/Income Tax/2015).

18.00 Trade Payables		
Opening Balance	1,939,110	939,110
Add: During the year	-	1,000,000
	1,939,110	**1,939,110**
19.00 Dividend Payable		
Opening Balance	100,000	100,000
Add: During the year	-	-
	100,000	100,000
Less: Payment during the year	-	-
	100,000	**100,000**

	30.06.2018	30.06.2017
20.00 Turnover		
	Amount (Tk.)	Amount (Tk.)
Unit -1 Kishoregonj	32,294,658	33,524,561
Unit -2 Mymensingh	13,783,526	14,187,918
	46,078,184	**47,712,479**

Unit -1 Kishoregonj

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	72,449	84.54	6,125,009	6,438,110
Rui	9,816	135.54	1,330,481	1,469,169
Katla	10,645	130.61	1,390,386	1,315,785
Mregal	12,174	92.07	1,120,811	1,158,348
Common Carp	12,454	84.91	1,057,441	1,475,938
Panggas	35,903	74.72	2,682,563	2,630,951
Others			-	193,358
Fingerling			18,587,967	18,842,902
Total			**32,294,658**	**33,524,561**

Unit -2 Mymensingh

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	35,710	82.53	2,947,217	2,243,692
Rui	6,606	134.97	891,601	479,573
Katla	5,412	129.59	701,331	475,531
Mregal	6,250	92.88	580,517	467,980
Common Carp	8,794	79.73	701,112	399,978
Pangas	14,702	75.36	1,107,922	734,013
Others	8,351	88.45	738,612	21,301
Fingerling			6,115,214	9,365,850
Total			**13,783,526**	**14,187,918**

21.00 Cost of Goods Sold		
Unit -1 Kishoregonj	26,007,767	24,404,290
Unit -2 Mymensing	15,183,711	10,167,095
	41,191,477	**34,571,385**
Unit -1 Kishoregonj		
Cost of Raw Materials	19,441,720	18,205,828
Cost of Fingerling Purchased	6,248,700	5,425,630
Wages & Salary	830,400	830,400
W & S of Indirect Labour	245,195	265,340
Medicine and pesticide	59,940	59,650
Fertilizer	93,328	87,896
Carriage inward	77,366	78,965
Fuel & Lubricants	133,790	165,994
Pond Repair	-	315,680
Depreciation (Annexure-A)	743,389	803,461
	27,873,828	26,238,844
Add: Opening Stock / Inventories	34,445,204	32,610,650
Less: Closing Stock / Inventories	36,311,265	34,445,204
Cost of Good Sold	**26,007,767**	**24,404,290**

	30.06.2018	30.06.2017
Cost of Raw Materials	Amount (Tk.)	Amount (Tk.)
Opening Balance	6,258,950	6,260,550
Raw Materials Purchased during the year	19,169,310	18,204,228
Raw Materials available for use	25,428,260	24,464,778
Less: Closing Stock	5,986,540	6,258,950
Raw Materials used during the year	**19,441,720**	**18,205,828**

Unit -2 Mymensingh		
Cost of Raw Materials	11,049,985	12,169,257
Cost of Fingerling Purchased	4,565,230	3,365,250
Wages & Salary	639,600	639,600
W & S of Indirect Labour	220,250	216,350
Medicine and pesticide	52,254	55,230
Fertilizer	53,520	52,650
Carriage inward	99,010	95,860
Fuel & Lubricants	107,170	105,620
Pond Repair	-	132,500
Depreciation (Annexure-A)	307,603	339,228
Total	17,094,622	17,171,545
Add: Opening Stock /Inventories	13,047,670	6,043,220
Less : Closing Stock/Inventories	14,958,582	13,047,670
Cost of Goods sold	15,183,711	10,167,095

Cost of Raw Materials		
Opening Balance	1,856,325	756,780
Raw Materials Purchased During the year	13,046,260	13,268,802
Raw Materials available for Use	14,902,585	14,025,582
Less: Closing Stock	3,852,600	1,856,325
Raw Materials Used During The Year	**11,049,985**	**12,169,257**

22.00 Administrative, Selling and Distributions Expenses		
Salary and Benefits	670,800	670,800
Bonus	55,900	55,900
Office Rent	144,000	144,000
Printing & Stationery	113,372	110,123
Board Meeting Expenses	7 8,915	75,230
Advertisement	66,000	61,800
Conveyance	41,740	36,589
Entertainment	38,578	34,856
Repair & Maintenance	91,650	91,470
Medical Expenses	45,174	42,535
Car Maintenance	49,020	43,658
Professional & Others Fees	250,000	125,000
Paper & Periodicals	4,880	4,785
Miscellaneous Expenses	60,000	62,194
Telephone & Mobile Bill	59,760	60,000
Cost of packing materials	778,650	755,060
Carriage Outward	595,499	566,536
AGM Expenses	256,850	223,560
CDBL	56,710	-
Listing Fee	232,994	-
Bank Charge and Commission	3,446	4,682
Total Taka	**3,693,938**	**3,168,778**

	30.06.2018	30.06.2017

23.00 Financial Instruments and Related Disclosers Under IAS 32" Financial Instruments: Disclosure and Presentation"
Set out below is a year end of amount (book values) of all financial assets and liabilities (Financial Instruments).

Financial Assets		
Trade Receivables	4,683,439	5,409,506
Cash and Cash Equivalents	860,158	558,860
	5,543,597	**5,968,366**
Financial Liabilities		
Liabilities for Expenses	591,716	306,100
Net Financial Assets/(Liabilities)	**4,951,881**	**5,662,266**

24.00 Basic Earning/(Loss) per Share (EPS)
The computation of EPS is given below:

Earning attributable to the ordinary shareholders (Net profit/(Loss) after Tax)	1,024,634	8,629,768
Weighted average number of ordinary shares outstanding during the year	13,566,911	13,300,894
Basic EPS (Annualized)	**0.076**	**0.649**
Basic EPS (Adjusted)	**-**	**0.639**

25.00 Net Asset Value (NAV)
The computation of NAV is given below:

Equity to the ordinary shareholders	147,988,276	146,963,642
Weighted average number of ordinary shares outstanding during the year	13,566,911	13,300,894
NAV (Annualized)	**10.908**	**11.049**

26.00 Net Opareting Cash Flow Per Share
The computation is above as under:

Net Opareting Cash Flow	(1,734,472)	693,570
Weighted average number of ordinary shares outstanding during the year	13,566,911	13,300,894
Net Opareting Cash Flow Per Share (Annualized)	**(0.128)**	**0.052**

27.00 Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:
Reconciliation of Net operating cash flow under Indicect Method:

Particulars	**30 June 2018**	**30 June 2017**
Net profit after tax	**1,024,634**	**8,629,768**
Increase/(Decrease) in provision for Tax	(788,556)	661,384
Increase/(Decrease) in Receivables	2,217,819	(1,491,752)
Depreciation	1,050,992	1,142,690
Increase/(Decrease) in Inventory	(5,500,838)	(9,936,949)
Increase/(Decrease) for WPPF	59,638	498,616
Increase/(Decrease) for Deferred Tax	51,840	54,200
Increase/(Decrease) in Trade payble	-	1,000,000
Increase/(Decrease) in liabilities for expense	150,000	135,613
Net Cash Flow from Operating Activities	**(1,734,472)**	**693,570**
Net Operating cash flow per share	**(0.128)**	**0.052**

28.00 Capital Expenditure Commitment
There was no Capital Expenditure by the company.

29.00 Payment of Foreign Currency
There was no Foreign Currency payment by the company.

30.00 Foreign Exchange Earned
Company has no Foreign Currency income during the year.

31.00 Commission, Brokerage or Discount against sales
Commission, Brokerage or Discount against sales provided the company.

32.00 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed as on 30th June 2018 other than trade credit available in the ordinary course of business.

33 Segment Reporting

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

34.00 Attendance Status of Board Meeting of Directors

During the period from 01.07.2017 to 30.06.2018 there were 8 (Eight) Board Meeting were held. The attendance stutus of all the meeting is as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Mizanur Rahman	**Chairman**	**8**	**6**
Mr. Nazrul Islam	**Managing Director**	**8**	**8**
Mr. Md. Habibur Rahman	**Independent Director**	**8**	**7**
Mr. Md. Alimul Hasan Shaheen	**Independent Director**	**8**	**5**
Mr. Shajahan Saju	**Independent Director**	**8**	**8**

For Board Meeting, attendance fees were not paid to the Directors of the Company.

35.00 Disclosure as per requirement of Schedule XI, Part II of the Company Act. 1994

a. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3

a(i) Employee Position for Fine Foods Limited (As at 30th June 2018)

Salary Rangs (Monthly)	Officer & Staff		Worker	Total Employee
	Head Office	**Project**	**Project**	
Below Tk. 3,000/-	0	4	45	49
Above Tk. 3,000/-	6	10	128	144
Total	6	14	173	193

b. Disclosure as per requirement of Schedule XI, part II, para 4

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
Mr. Mizanur Rahman	Chairman	00	00	00
Mr. Nazrul Islam	Managing Director	00	00	00
Mr. Md. Habibur Rahman	Independent Director	00	00	00
Mr. Md. Alimul Hasan Shaheen	Independent Director	00	00	00
Mr. Md. Shajahan Saju	Independent Director	00	00	00

b (i) Period of payment to Directors is from 1st July 2017 to 30th June 2018

b (ii) The above Directors of the company did not take any benefit from the company other than the remuneration and festival bonus.

a. Expense reimbursed to the managing agent -Nil

b. Commission or other remuneration payable separately to a managing agent or his associate -Nil

c. Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company - Nil.

d. The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year- Nill

e. Any other perquisites or benefit in cash or in kind stating - Nil

f. Other allowances and commission including guarntee commission - Nil.

g. Pensions, etc.-
1) Pensions - Nil
2) Gratuities - Nil
3) Payment from Provident Fund - Nil
4) Compensation for loss of office - Nil
5) Consideration in connection with retirement from office - Nil.

c. Disclosure as per requirement of Schedule XI, Part II, Para 7
Details of production capacity utilization

Particulars	Licence Capacity Not mentioned in the Licence	Installed Capacity in MT	Actual Production in MT from 1st July 2017 to 30th June 2018 ton/nos	Capacity Utilization from 1st July 2017 to 30th June 2018
Telapia	0	150.00	134.88	89%
Rui	0	40.00	10.84	27%
Katla	0	40.00	10.07	25%
Mregal	0	40.00	9.22	23%
Common Carp	0	40.00	33.32	83%
Panggas	0	70.00	66.34	94%
Fingerling	0	30,000,000	27,716,681	92%

d Disclosure as per requirement of Schedule XI, Part II, Para 8

i) Raw Materials, Packing Materials and Capital Machineries

Items	Purchase in Taka		Consumption in Taka	% of Consumption of total purchase
	Local	Total		
Raw Materials	32,215,570		30,491,705	97%
Packing Materials	778,650		778,650	100%
Total	**32,994,220**		**32,994,220**	

ii) The Company has not incurred any expenditure in foreign currency for the period from 1st July 2017 to 30th June 2018 on account of royalty, know-how, professional fee, consultancy fees and interest.
iii) The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.

36.00 Subsequent Disclosure of Events after the Balance Sheet Date - Under IAS 10
There is no non-adjusting post balance sheet event of such importance, non disclosure of which would affect the ability to the users of the financial statements to proper evaluation and decision.

37.00 Details of Lease Agreement:
There is no lease assets. So no lease agreement was required or signed.

38.00 Disclosure as per requirement of schedule XI, Part - I (A. Horizontal Form) of Companies Act. 1994 Accounts Receivable

F. In regard to Sundry debtors the following particulars' shall be given separately:-

39.00 (I) Debt considered good in respect of which the company is fully secured :

The debtors occurred in the ordinary course of business are considered good and secured.

(II) Debt considered good for which the company hold no security other than the debtors personal security
There is no such debt in this respect as on 30 June' 2018.

(III) Debt considered doubtful or bad
The company does not make any provision for doubtful debts as on 30 June 2018, because of the fact that sales/export are being made on regular basis with fixed maturity dates.

(IV) Debt due by directors or other officers of the company
There is no such debt in this respect as on 30 June 2018.

(V) Debt due by Common Management-N/A

(VI) The maximum amount due by directors or other officers of the company
There is no such debt in this respect as on 30 June 2018.

40.00 Approval of the financial statements:
These financial statements were authorized for issue in accordance with a resolution of the company's Board of Directors on 28 October 2018.

41.00 Date of Authorization
The Board of Directors have authorised these financial statements for public issue on 28th October 2018

42.00 Proposed Dividend
In the board metting held on 28 October 2018, the management proposed to declare Dividend 3% Stock for the year 2017-18 subject to the approval by the share holders in AGM.

43.00 Internal Control
The following steps have been taken for implementation of an effective internal control procedure of the Company:

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control.
Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect if internal control technique.
To establish an effective management system that includes planning, organizing and supervising culture in the factory as well as at Head Office.

44.00 Contingent Liability
There is no contingent liability.

45.00 General Comments and Observations

All shares have been fully called and paid up.

Auditor's are paid only statutory audit fees.

No foreign exchange remitted to the relevant shareholders during the period under audit.

No amount of money was expended by the company for compensating any members of the Board for special service rendered.

There was no bank guarantee issued by the company on behalf of Directors.

46.00 Events after the Balance Sheet date:
No material event occuring after balance sheet date came to our notice which could be considered after the valuation made in the financial statement.

47.00 Financial Risk Management
The company is exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. the mail objectives of the Company's risk management process are ensure that risks are property identified and the capital base is adequate in relation to these risks.

The Company is exposed through its operations to the following financial risks:
A. Inherent Risk
B. Risk of Cash Transactions

a) Inherent Risk
The Inherent risk is the risk that production of fish, fish spawn breeding, fingerling growing, production of fish meal and oil. All the goods of the Company are perishable in nature. Therefore there remains the risk of spoilage and the risk of revenue loss. The objective of management is to manage and controll the risk exposure within acceptable parameter.

b) Risk of Cash Transactions
It is impracticable to sale Fish in the local market other than cash thus not possible to reduce cash transactions.

48.00 General
a Comparative amounts
Wherever considered necessary previous year's figures have been restated, in order to conform to current year's presentation.

b Presentation currency
The annexed financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka.

FINE FOODS LIMITED

SCHEDULE OF FIXED ASSETS AS ON 30 JUNE 2018

Unit -1 Kishoregonj **Schedule**

Particulars	Cost			Depreciation					Written Down Value as on 30.06.18
	As on 01.07.2017	Additional during the year	As on 30.06.2018	Rate	As on 01.07.2017	Charged during the year	Disposal	As on 30.06.2018	
Land & Land Development	9,113,573	-	9,113,573	-	-	-	-	-	9,113,573
Road and construction	3,062,540	-	3,062,540	-	-	-	-	-	3,062,540
Pond Excavation	26,898,649	-	26,898,649	-	-	-	-	-	26,898,649
Dam, Dyke, Appr. Road	15,259,931	-	15,259,931	5%	7,837,526	371,120	-	8,208,646	7,051,285
Civil Construction	8,526,185	-	8,526,185	7.5%	4,917,635	270,641	-	5,188,276	3,337,909
Machinery	3,393,950	-	3,393,950	15%	2,968,733	63,783	-	3,032,516	361,434
Office Decoration/Equipment	941,500	-	941,500	15%	804,377	20,568	-	824,945	116,555
Van (Microbus)/Pick-up Van	915,000	-	915,000	20%	870,001	9,000	-	879,001	35,999
Other Assets	693,698	-	693,698	15%	638,520	8,277	-	646,797	46,901
Sub-Total Taka (A)	**68,805,026**	**-**	**68,805,026**		**18,036,792**	**743,389**	**-**	**18,780,181**	**50,024,845**

Unit -2 Mymensing

Particulars	Cost			Depreciation					Written Down Value as on 30.06.18
	As on 01.07.2017	Additional during the year	As on 30.06.2018	Rate	As on 01.07.2017	Charged during the year	Disposal	As on 30.06.2018	
Land & Land Development	13,200,000	-	13,200,000	-	-	-		-	13,200,000
Pond Excavation	3,413,210	-	3,413,210	-	-	-		-	3,413,210
Civil Construction	875,350	-	875,350	7.5%	581,473	22,041		603,514	271,836
Machinery	3,845,600	-	3.845,600	15%	3,450,389	59,282		3,509,671	335,929
Other Assets	700,000	-	700,000	15%	628,061	10,791		638,852	61,148
Fishery Hatchery	4,958,765	-	4,958,765	7.5%	2,085,565	215,490		2,301,055	2,657,710
Sub-Total Taka (B)	**26,992,925**	**-**	**26,992,925**		**6,745,488**	**307,603**		**7,053,091**	**19,939,834**

Grand Total Taka (A + B)	**95,797,951**	**-**	**95,797,951**		**24,782,281**	**1,050,992**	**-**	**25,833,272**	**69,964,679**

PROXY FORM

I/We.....
of .....
being shareholder(s) of Fine Foods Limited here by appoint Mr./Mrs./Miss.....as my / our proxy to attend and vote for me/ us and on my / our behalf at the **24th Annual General Meeting** of the company to be held in the **Registered Office- Registered office is at Vill: Mondolvog, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj, Bangladesh on Friday, 21st December 2018** and/ or at any adjournment thereof and poll that may be taken in consequence thereof. As witness my/ our hand this.....day of.....2018.

Signature of the Shareholder(s)
Register Folio No/ BO ID.....
Date.....

Revenue Stamp Tk. 10.00

Signature of the Proxy
Date.....

(Signature of the Shareholder(s) must be accordance with Specimen Signature kept with the Company)

.....

FINE FOODS LIMITED
Attendance Slip

I hereby record may attendance at the **24nd Annual General Meeting** of Fine Foods Limited being held on **Friday, the 21st December, 2018 in Registered Office- Registered office is at Vill: Mondolvog, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj, Bangladesh at 02.15 PM.**

Full name of Shareholder(s).....Signature
(In Block Letter)
Full name of the Member/Proxy.....Signature
(In Block Letter)
Shareholder(s) Folio No/ BO ID.....

Notes : Please complete this attendance slip and hand over it the time of entrance into the **Registered Office- Registered office is at Vill: Mondolvog, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj.**

MARSTOCK