TABLE OF CONTENTS

Letter of Transmittal 02

Corporate Profile 03

History of the Company 04

Board of Directors 05

20th Annual General Meeting Picture 06

Notice of 21st Annual General Meeting 07

Message of Managing Director 08

Report of the Board of Directors 09

Auditors' Report to the Shareholders 28

Statement of Financial Position 30

Statement of Comprehensive Income 31

Statement of Cash Flows 32

Statement of Changes in Equity 33

Notes to the Financial Statements 38

Schedule of Property, Plant & Equipment 68

Information Relating to the Subsidiary Accounts 69

Proxy Form and Attendance Slip 79

WWW.STOCK

Letter of Transmittal



Shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Dhaka Stock Exchange Ltd. (DSE)
Chittagong Stock Exchange Ltd. (CSE)

Dear Sir(s),

We are pleased to present you the copy of Annual Report of Fu-Wang Foods Limited for the year ended 30th June 2017 along with Audited Financial Statements containing Statement of Financial Position, Statement of Comprehensive Income, Statement of Change in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Annual Report will be available in the website of the Company. The address of the website is www.fuwangfoodsltd.com

Thank you for your support and cooperation.

Yours truly,

Md. A. Halim Thakur
Company Secretary

Corporate Profile

Board of Directors

Mr. Abdul Quader	:	Chairman
Dr. Arif Ahmed Chowdhury, CIP	:	Managing Director
Mr. Kamal Kanti Mondal	:	Director
Mr. Biplob Chakraborty	:	Director
Mr. Quazi Tafazzal Hossain	:	Independent Director

Audit Committee

Mr. Quazi Tafazzal Hossain	:	Chairman
Mr. Kamal Kanti Mondal	:	Member
Mr. Biplob Chakraborty	:	Member
Mr. Md. A. Halim Thakur	:	Secretary

Chief Financial Officer

Mr. Mohendra Nath Mondol



Company Secretary

Mr. Md. A. Halim Thakur

Head of Internal Audit

Mr. Md. Monzurul Alam

Registered Office

FU-WANG BUILDING
House No. 55, Road No. 17, Banani C/A, Dhaka-1213

Factory

Bokran Monipur, Hotapara, Gazipur Sadar, Gazipur

Auditors

M/S. MABS & J PARTNERS
Chartered Accountants
SMC Tower (7th Floor)
33, Banani C/A, Road No. 17
Dhaka-1213

Bankers

Dhaka Bank Limited, Banani Branch, Dhaka
Pubali Bank Limited, Gulshan M. T. Branch, Dhaka
Standard Bank Limited, Gulshan Branch, Dhaka
IDLC Finance Limited, Dhaka

History of the Company

Date of Incorporation	:	17 February 1997
Listed in Dhaka Stock Exchange Ltd.	:	July 2000
Listed in Chittagong Stock Exchange Ltd.	:	July 2000
Commercial Operation	:	August 1997
ISO Certification	:	ISO-9002 Certified on 04 November 1998
Business Lines	:	Food Processing Industry
Authorized Capital	:	Tk. 1000 Million
Paid up Capital	:	Tk. 916.03 Million
Number of Employees	:	1,659 Persons.

AMARSTOCK

Board of Directors



Mr. Abdul Quader
Chairman



Dr. Arif Ahmed Chowdhury, CIP
Managing Director



Mr. Kamal Kanti Mondal
Director



Mr. Biplob Chakraborty
Director



Mr. Quazi Tafazzal Hossain
Independent Director

AMARSTOCK

20th Annual General Meeting







Notice of the 21st AGM

Notice is hereby given that the 21st Annual General Meeting of the Shareholders will be held on Friday, 29th December 2017 at "Golf Garden" Army Golf Club, Dhaka Cantonment, Dhaka at 10:00 a.m. to transact the following business:

AGENDA :

1. To receive, consider and adopt the audited financial statements for the year ended 30th June 2017 and reports of Auditors and Directors thereon.
2. To declare @ 10% Stock Dividend.
3. To elect Directors and confirm the appointment of Independent Director.
4. To appoint Auditors for the next term and fix their remuneration.

Dated : Dhaka,
04 December 2017

By order of the Board

Md. A. Halim Thakur
Company Secretary

NOTES :

01. The Record Date of AGM is **06 December 2017** and the Shareholders whose names appeared in the Register of Members of the Company or in the depository (CDBL) on the Record Date shall be entitled to attend in the AGM as well as qualify for stock dividend to be approved at the AGM.
02. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her Proxy to attend and vote on his/her behalf.
03. For appointing a Proxy, Proxy Form duly stamped must be deposited at the Company's Registered Office not later than 48 hours before the time appointed for the meeting.
04. Admission into the meeting venue will be strictly on production of the attendance slip/proxy form.
05. **No gift, cash or kind will be given for attending the meeting according to the circular of BSEC.**

TMAR STOCK

Message from the Managing Director



Distinguished Shareholders and Guest

By the grace of Almighty Allah, Fu-Wang Foods Limited passed another financial year 2016-2017 of its operation. I, on behalf of the Board of Directors feel proud for having this opportunity to welcome you to the 21st Annual General Meeting and to write a few words about the company's performance during the financial year 2016-2017.

Dear shareholders

During the year your company earned a net profit after tax of Tk. 6.18 crore compared to Tk. 8.61 crore for the last year, which is a decrease of 28.22%. Turnover also decreased by 23.50%. The main reason for such decreased revenue and profit is stiff competition in the market.

However, considering the overall financial position of the company, the Board of Directors have recommended a 10% (Ten percent) stock dividend for all Shareholders for approval in the 21st Annual General Meeting.

Hon'ble Shareholders

Fu-Wang Foods is one of the largest brands in the country and we are striving hard to increase our annual turnover and profitability. As part of our proactive product diversification policy, we have always been introducing new products to cater to the changing demands of the market. Hence, we introduced 4 nos. of new product in 2016-2017.

Our core strategy is to enhance the financial strength of the company by maintaining an extensive product portfolio and increase our efforts to stimulate long term sales growth starting from this year.

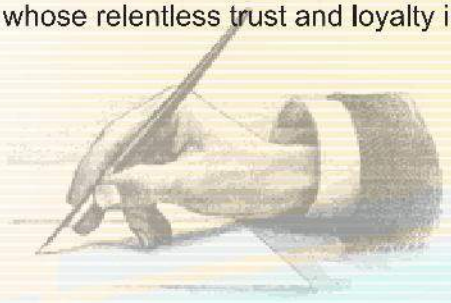
I would like to mention the continuous support, guidance and access that our national regulatory and financial institutions have provided us. The cooperation from Bangladesh Securities and Exchange Commission, Stock Exchanges and banks such as Dhaka Bank Limited, Pubali Bank Limited, Sonali Bank Limited, Standard Bank Limited, IDLC Finance Limited acted as the crucial element behind the smooth and effective execution of our business operations.

Lastly, I would like to thank our Board of Directors, our employees and staff, vendors, suppliers, well wishers and at the end our customers and shareholders without whose relentless trust and loyalty in our brand, Fu-Wang Foods Ltd. would not be here today.

With best regards,



Dr. Arif Ahmed Chowdhury, CIP
Managing Director



Report of the Board of Directors for the year ended 30 June 2017

Dear Shareholders

It is my great pleasure to welcome you, on behalf of the Board of Directors, to the 21st Annual General Meeting of Fu-Wang Foods Ltd. (FWFL). My profound well wishes to those who are present and also to those who could not present unfortunately. We deeply mourn for those respected shareholders whom we lost forever since our last Annual General Meeting and pray for salvation of their departed souls. I pray to Almighty for you all for long life and long relationship with the Fu-Wang family.

Respected Shareholders

I feel honored to be able to present before you the 21st Annual Report of the company along with the Audited Financial Statements for the year ended 30th June 2017 and the Auditors' Report thereon.

Distinguished Shareholders

FWFL is a leading snack foods manufacturing company in Bangladesh. It produces bread, biscuits, noodles, snacks, mini-snacks, chocolates, energy drinks and other food items for the growing and rapidly evolving middle class people in Bangladesh. The company has been existence since 1997 and has been able to create the "Fu-Wang" brand name through its own network over the country. It has 8 branch offices and 500 distributors/dealers over the country. The products are available in retail stores through distributors/Dealers. The project is located in Gazipur about 20 km north of Dhaka.

Raw Materials

Raw materials for these items are purchases locally. The main raw materials are flour, milk powder, butter, sugar, oil etc. The company does not have any raw materials suppliers' agreements with any suppliers; however, that has not been problem since commencement of production due to long standing good relationship with the suppliers.

Company's Performance and Financial Results

You, the hon'able shareholders are aware that Fu-Wang Foods is a food processing industry with yearly production capacity of 10,900 M.Ton in three shifts as against which it run at 53.03% capacity during the year under review, producing 5,780.82 M.Ton in the fiscal year compared to last year 8,486.52 M.Ton.

We have passed another financial year 2016-2017 and your company earned a net profit after tax Tk. 6.18 crore as against Tk. 8.61 crore for the last year which is decrease of 28.27% and turnover also decreased by 23.50%.

Subsidiary Operation

FWFL has a subsidiary company in the name of "Fu-Wang Beverage Industry Limited" (FWBIL). The company was incorporate on December 13, 2004 under the Companies Act. 1994 having Authorized Capital of Tk. 200,000,000.00 of which paid up capital of Tk. 10,000,000.00 divided into 100,000 Ordinary Shares of Tk. 100/- each as on June 30, 2017. FWFL holds 99% shares of the company (FWBIL).

The operating financial results for the year ended 30 June 2017 are as follows :

Particulars	30 June 2017 (Taka)	30 June 2016 (Taka)	Increase/(Decrease) (Taka)	Increase/(Decrease) %
Turnover (Net)	111,002,922	129,984,525	(-) 18,981,603	(-) 14.60
Gross Profit	22,558,349	30,034,803	(-) 7,476,454	(-) 24.89
Net Profit Before Tax	2,034,277	4,885,278	(-) 2,851,001	(-) 58.36
Net Profit After Tax	1,322,280	3,175,430	(-) 1,853,150	(-) 58.36
Net Assets Value Per Share	862.38	849.16	13.22	1.56
Earning Per Share	13.22	31.75	(-) 18.53	(-) 58.36

Dividend

Considering the overall financial position of the Company the Board of Directors has recommended 10% (Ten percent) stock dividend for all Shareholders for approval in the 21st Annual General Meeting.

Increase of Authorized Capital

Authorized Capital of the company will be increased from 100 crore to 150 crore subject to approval by the shareholders of the company in the EGM.

Clause "V" of the Memorandum of Association and clause "4" of the Articles of Association of the Company will be amended subject to approval by the shareholders of the company in the EGM.

Appointment of Auditors

The existing Auditors M/s. MABS & J Partners, Chartered Accountants carried out the audit for the year ended 30 June 2017 and retire at this Annual General Meeting.

Bangladesh Securities and Exchange Commission, by its Order No. SEC/CMRRCD/2009-193/104/Admin dated 27 June 2011 imposed an embargo that no company shall appoint any firm of Chartered Accountants as its Statutory Auditors for a consecutive period exceeding three years. In pursuance thereof, M/s. MABS & J Partners, Chartered Accountants are not eligible for re-appointment as auditors of the company for the next term.

A shareholder of the company Mr. Md. Shorab Hossain (Linkon), BO No. 1201470000021711 nominate M/s. Rahman Mostafa Alam & Co., Chartered Accountants to be auditors of the company and auditors also offered themselves for being appointed as Auditors of the company for the year 2017-2018 with reasonable fee. Accordingly the matter be placed in this Annual General Meeting for consideration of Shareholders.

Corporate Governance

The company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance Guidelines as per Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 of Bangladesh Securities and Exchange Commission. The company already complied the corporate management standard as per BSEC guidelines.

The Board of the Company consist of 5 (five) members including 2 (two) Independent Director, is the supreme authority for the management of the Company. Two individuals have filled up the positions of the Chairman and the Managing Director. The company has appointed Chief Financial Officer, Head of Internal Audit and the Company Secretary. The roles, responsibilities and duties of all the personnel have been clearly defined.

Corporate Governance Compliance Report

In pursuance of Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 of Bangladesh Securities and Exchange Commission, the corporate governance compliance report by the Directors and certified of compliance of corporate governance shall send to the shareholders along with the Annual Report 2016-2017.

APPRECIATION

The Board expresses its heartfelt thanks to you, the valued shareholders and looks forward for continued support and best wishes from you all.

The Board of Directors also takes the opportunity to extend thanks and appreciation to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., all other Government Agencies, Banking and Non-Banking Financial Institutions, Clients, Distributors, Dealers, Patrons, Print and Electronic Media and well wishers for their support and co-operation.

On behalf of the Board

Sd/-
A. M. Naimur Rahman, MP
Chairman

Dated, Dhaka
26 October 2017

Additional statements by the Board of Directors as per condition # 1.5 of the notification dated 07 August 2012 from the Bangladesh Securities and Exchange Commission:

Industry outlook and possible future developments in the industry :
Fu-Wang Foods is one of the largest food processing industries in the country. FWF is a brand name in Bangladesh recognizable by most middle to lower income groups to whom most of the company's products are aimed. Food business is a distribution intensive business. FWFL currently has 8 branch offices and 500 distributors/dealers over the country

The Board of Directors striving hard in line to increase turnover and profitability. As diversification policy, the company has always been introducing new product as demand of the market and the company produced 4 nos. of new product in the corresponding year. The present strategy is to enhance strength of the company.

Segment-wise or product-wise performance:

Description	Taka-2017 Net revenue	% of total revenue	Taka-2016 Net revenue	% of total revenue	Increase/Decrease over last year	
					Amount Tk.	%
1. VATable Items	230,722,687	39.32	157,957,367	20.59	(+) 72,765,320	(+) 46.07
2. Non VATable Items	356,065,000	60.68	609,152,026	79.41	(-) 253,087,026	(-) 41.55

Risks and concerns :
As with all investments, investors should be aware that there are risks associated with an investment in the Company. These risks could result in loss of income or capital investment. Investors are encouraged to seek independent financial advice in this regard.

Industry Risk
Entry of new competitors may increase the market competition and may adversely affect the profitability of Fu-Wang Foods Limited.

Management Perception
Food business is a Distribution Intensive Business. FWFL currently has 8 branch offices and 500 distributors/dealers over the country. It may be difficult for a new company to establish such a wide distribution network in a short period of time. Therefore it is difficult and time consuming for a new entrant to quickly establish itself in the market and grab market share from us.

Moreover, food business is brand-dependent business. FWFL Food is asked by the consumers by its brand name. The company is continuously concentrating on a "pull" strategy instead of "push". To this end, FWFL spends a large amount of fund for promotion and advertisement to further enhance and strengthen its brand name.

Interest Rate Risks
Interest rate risk is concerned with borrowed funds of short term and long term maturity. Considering of money market and decreased of demand for loans/investments, increase current liquidity position have down the rate of interest in recent time.

Management Perception

The Management of the Company is always aware of interest rate. If the interest rate increases the cost of fund will increase, affecting profitability adversely.

Exchange Rate Risk

Exchange rate fluctuation may reduce the profitability of Fu-Wang Foods Limited because of its foreign trade commitments from various sources of foreign exchange like import raw materials and machineries.

Management Perception

FWFL is able to pass on the additional cost of raw material through price increase. Its brand name allows it to increase its price without much difficulty. Competitors may also increase their price if the raw material prices increase.

Market and Technology related Risk

In the global market of 21st century, developed technology obsoletes the old service/ product strategy. So the existing technology may not be efficient enough to cope up with the future trend and needs.

Management Perception

FWFL continuously upgrades its machines and technology. So the risk of obsolete technology is mitigated as the company continuously upgrades its technology every 5-6 years. Our proposed expansion program will be availed for latest technology.

Changes in Economic & Political Condition

Changing economic & Political conditions may affect the demand for the product offered by the company which may effect the turnover and profitability.

Management Perception

Social unrest due to political reasons may cause downturn of the economic activities which will have adverse impact on demands of foods.

Energy Costs may raise

Due to the adverse power situation in the country, production may be hampered due to interruption of power supply which may result is higher production wastage and lower productivity.

Management Perception

The Company is self sufficient in generating power by its own generators. However, in case of gas shortfall and subsequent rationing if any, then the productivity will be reduced. In that scenario, the overall sector will be affected.

History of non-operation, if any

Fu-Wang Foods Limited is a food processing industry with yearly production capacity of 10,900 M.Ton in three shifts as against which it run at 53.03% capacity during the year under review, producing 5,780.82 M.Ton in the fiscal year compared to last year 8,486.52 M.Ton. The shortfall in utilization of production capacity is for time lost for maintenance of machinery and for shortage of market demand.

Management Perception

Fu-Wang Foods Limited was incorporated on 17 February, 1997. It has already completed more than 20 years of successful operation. It has no record of operation failure yet and chances of non-operative in future is very remote.

Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin

During the year the company's revenue decreased by 23.50%, cost of Goods Sold decreased by 25.60%, Gross profit decreased by 17.72% and net profit decreased by 28.27% comparing to last year. The details are as follows:-

Particulars	June 30, 2017	June 30, 2016	Increase/(Decrease) (Taka)	Increase/(Decrease) (%)
Revenue	586,787,687	767,109,392	(-) 180,321,705	(-) 23.50
Cost of Goods Sold	419,366,766	563,649,060	(-) 144,282,294	(-) 25.60
Gross Profit	167,420,921	203,460,332	(-) 36,039,411	(-) 17.71
Net Profit after Tax	61,799,818	86,159,782	(-) 24,359,964	(-) 28.27

Reasons for increase / Decrease of

1. Revenue
2. Cost of Goods sold
3. Gross Profit
4. Net Profit

Decrease of Revenue

During the year 2016-17 revenue decreased by an amount of Tk. 180,321,705 due to competition of market, market demand.

Increased of Cost of Goods Sold

During the year, Cost of Goods Sold is 71.47% of revenue as against 73.48% of the preceding year due to following reasons

- Decrease raw materials cost.
- Decrease the direct cost.
- Decrease in Depreciation on Tangible Fixed Assets.
- Smooth Transport Facility.

Decreased of Gross Profit

In the financial year 2016-17, Fu-Wang Foods Ltd. earned Gross profit @ 28.53% as against 26.52% in the preceding year, due to the same reasons described in the preceding paragraph for decrease of Cost of Goods Sold.

Decrease of Net Profit

Fu-Wang Foods Limited earned net profit @ 10.53% as against @ 11.23% in the preceding year against Sales. Net profit decreased by 0.70% compared to last year for the following reasons:

* Increase in Administrative cost.
* Increase in selling and distribution cost.

Discussion on continuity of any Extra-Ordinary gain or loss :
There is no extra-ordinary gain or loss during the year 2016-2017.

Related party transactions :
During the year the company did not make any transaction with any related party other than its subsidiary company.

Utilization of proceeds from Rights Issues/IPO :
The Company has no raised any fund from Rights Issues/IPO during the year 2016-2017

Significant variance of financial performance :
There is no significant variance occurred in between quarterly financial performance and Annual Financial Statements.

Financial results deteriorated after Public Issue/Rights Offer :
The company did not raise share capital through Public Issue/Rights Issue or through any other instruments during the year 2016-2017.

Remuneration to directors including independent directors :
Remuneration to directors including independent director of the company stated in Note No. 21.00 in the "Notes to the Financial Statements."

The Directors also report that:
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

The proper books of account of the issuer company have been maintained

The 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

The 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

The system of internal control is sound in design and has been effectively implemented and monitored.

There are no significant doubts upon the company's ability to continue as a going concern.

There are no significant deviations from the last year's operating results of the company.

The summery of key operating and financial data of preceding 5 (five) years :

(Taka in million)

Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Turnover (Net)	586.787	767.109	819.851	794.406	785.126
Gross Profit	167.421	203.460	240.160	179.467	179.730
Net Profit before Tax	82.400	114.879	146.738	88.237	92.145
Net Profit after Tax	61.800	86.159	110.054	59.693	61.724
Shareholders' Equity	1,101. 636	1,038.910	951.776	838.646	777.765
Earning Per Share after Tax (Taka), Adjusted	0.67	0.94	1.52	0.91	1.03
Cash Dividend Per Share (Taka)	Nil	Nil	Nil	Nil	Nil
Bonus Dividend (Percentage)	10% (Proposed)	10%	15%	10%	10%

Dividend

FINANCIAL RESULTS	2016-2017	2015-2016
Net Profit before Tax and WPPF for the year	86,519,745	120,623,695
Add: Realization from Revaluation Reserve	3,701,739	3,896,567
Add : Retained earnings up to last year (Net of Bonus for previous year)	49,112,054	42,330,895
	139,333,538	**166,851,157**
Less : Contribution to Workers Profit Participation & Welfare Fund	4,119,988	5,743,985
Profit available for appropriation Tk.	**135,213,550**	**161,107,172**

PROPOSED APPROPRIATION	2016-2017	2015-2016
Provision for Income Tax	20,599,939	28,719,928
Dividend (Bonus 10%)	91,602,715	83,275,196
Retained Earnings	23,010,896	49,112,054
Tk.	**135,213,550**	**161,107,172**

Considering the overall financial position of the Company, the Board of Directors has recommended 10% (Ten percent) stock dividend for the year ended 30 June 2017 (subject to approval by the shareholders in the forthcoming AGM) whose names will appear in the share register of the company and/or Depository Register of CDBL as on Record Date i.e. **06 December 2017.**

The number of Board meetings held during the year ended 30 June 2017 and attendance by each director :

During the year ended 30 June 2017 the Board of Directors held 10 (Ten) meetings and attendance by the Directors at the Board meeting during the year as follows:

Name of the Directors	Official Status	Meeting Attended
Mr. A.M. Naimur Rahman, MP	Independent Director & Chairman	6
Mr. Arif Ahmed Chowdhury, CIP	Managing Director	10
Mr. Kamal Kanti Mondal	Director	9
Mr. Biplob Chakraborty	Director	10
Mr. Quazi Tafazzal Hossain	Independent Director	2

Notes :

1. Mr. Quazi Tafazzal Hossain appointed as Independent Director on 29 November 2016.
2. The Chief Financial Officer and Company Secretary attended at all Board Meetings of the Company held in the corresponding year.

The pattern of shareholding as on 30 June 2017

Sl. No.	Categories	No. of Shares	% of Holding
a)	Parent/Subsidiary/Associated Companies and other related parties (name wise Details)	Nil	Nil
b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details) are as follows:		
1	Mr. A.M. Naimur Rahman, MP Chairman & Independent Director	Nil	Nil
2	Mr. Arif Ahmed Chowdhury, CIP Managing Director	41,14,387	4.492
3	Mr. Kamal Kanti Mondal Shareholder Director	4,315	0.005
4	Mr. Biplob Chakraborty Shareholder Director	31,308	0.034
5	Mr. Quazi Tafazzal Hossain Independent Director	Nil	Nil
6	Mr. Md. A. Halim Thakur Company Secretary	Nil	Nil
7	Mr. Mohendra Nath Mondol Chief Financial Officer	Nil	Nil
8	Mr. Md. Monzurul Alam Head of Internal Audit	Nil	Nil
c)	Executives	Nil	Nil
d)	Shareholders holding ten percent (10%) or more voting interest in the company		
1	Investment Corporation of Bangladesh (ICB)	94,16,998	10.28

Composition of the shareholders:

SL. No.	Particulars	30.06.2017			30.06.2016		
		No. of Shares	Value of Shares	%	No. of Shares	Value of Shares	%
1	Directors/Sponsors	43,61,609	4,36,16,090	4.76%	39,65,100	3,96,51,000	4.76%
2	Institutions	1,75,11,487	17,51,14,870	19.12%	1,43,48,316	14,34,83,160	17.23%
3	General Public	6,97,29,619	69,72,96,190	76.12%	6,49,61,780	64,96,17,800	78.01%
	Total	**9,16,02,715**	**91,60,27,150**	**100%**	**8,32,75,196**	**83,27,51,960**	**100%**

Appointment/re-appointment of Directors:

Ratification of appointed of Independent Director

Mr. Abdul Quader appointed as Independent Director of the Board for the 3 (Three) years in a Board Meeting held on October 26, 2017 and he also elected as Chairman of the Board. The appointment of Mr. Abdul Quader is required to be ratified by the shareholders in the 21st Annual General Meeting.

Mr. Quader obtained his MBA Degree in 1977 from IBA, Dhaka University. He acted as a Senior Financial Analyst in various strategic roles for more than 2 decades at several commercial and development banks in the financial and banking sector of Bangladesh. In addition he served at an international commodity trading company in Singapore for 5 years till 2005. Currently he is acting as a Financial Advisor of various private sector enterprises in the country.

Re-appointment of Directors

In terms of articles 126 of the Articles of Association of the company Mr. Kamal Kanti Mondal and Mr. Biplob Chakraborty retire from the Board at this 21st Annual General Meeting and being eligible to be offered themselves for reelection.

Kamal Kanti Mondal

Mr. Kamal Kanti Mondal is a public shareholder director of the company, he is also member of the audit committee, a sub-committee of the board. He obtained post graduate degree from National University. He is about 60 years. He is servicing in a recognized Group of Companies. Mr. Mondal has no directorship and membership of committee of the board of any other company.

Biplob Chakraborty

Mr. Biplob Chakraborty is also a public shareholder director of the company, he is also member of the audit committee, a sub-committee of the board. He obtained post graduate degree in 2000 from National University. He is about 43 years. He is servicing in a recognized technical consultant firms which are involved in design and supervision engineering. Mr. Chakraborty has no directorship and membership of committee of the board of any other company.

On behalf of the Board

Sd/-
A. M. Naimur Rahman, MP
Chairman

Dated, Dhaka
26 October 2017

REPORT OF AUDIT COMMITTEE
For the year 2016-2017

Fu-Wang 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	Position in the Board
Mr. Quazi Tafazzal Hossain	Chairman	Independent Director
Mr. Kamal Kanti Mondal	Member	Director
Mr. Biplob Chakraborty	Member	Director
Mr. Md. A. Halim Thakur	Secretary	Company Secretary

Function of the Audit Committee defined as under :
Oversee the Financial Reporting Process.
Review the Audited 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 significant 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 2017. 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 of any adverse finding/observation in the areas of reporting and disclosures.

The committee also reviewed the financial statements of the subsidiary company i.e. Fu-Wang Beverage Industry Ltd.

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.

Quazi Tafazzal Hossain
Chairman, Audit Committee

REPORT ON FINANCIAL STATEMENTS
FOR THE YEAR 2016-2017
BY CEO AND CFO

The financial statements of Fu-Wang Foods Limited have been prepared in accordance 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 ended on 30th June 2017 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.

Arif Ahmed Chowdhury, CIP
Managing Director

Mohendra Nath Mondol
Chief Financial Officer

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2017/265

BAPLC

Date of issue : 5th October 2017

Renewed Certificate

This is to certify that

FU-WANG FOODS LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies *and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2017.

Bangladesh Association of Publicly Listed Companies ★ BAPLC

Secretary-General
(Acting)

FAMES & R
CHARTERED ACCOUNTANTS

House # 424 (4th floor), Road # 30, Mohakhali DOHS
Dhaka-1206, Phone: 9884049, 9587531
Mobile : 01715-001622, 01783294818, 01706446010
Email : fames1622@gmail.com
shahadatrashid67@gmail.com

H-3/1 & 3/2 (Flat-A2), Bijoynagar, Dhaka-1000
Mobile : 01819496565, 01819207889, 01731925302

Certificate on compliance of conditions of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission to the shareholders of Fu-Wang Foods Limited

We have examined the Compliance of Corporate Governance Guidelines by **Fu-Wang Foods Limited** for the year ended 30 June 2017, as set by Bangladesh Securities and Exchange Commission (BSEC) by the notification # SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Notification.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Dated: Dhaka, 03 December 2017

FAMES & R
Chartered Accountants

A Member Firm of
PrimeGlobal | An Association of Independent Accounting Firms

CORPORATE GOVERNANCE COMPLIANCE REPORT

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD /2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.	**Board of Directors**			
1.1	Board's Size	√		
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be Independent Director	√		
1.2 (ii) a)	"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 (ii) b)	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 (ii) c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies	√		
1.2 (ii) d)	who is not a member, director or officer of any stock exchange	√		
1.2 (ii) e)	who is not a shareholder, director or officer of any member of stock exchange or any intermediary of the capital market	√		
1.2 (ii) f)	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 (ii) g)	who shall not be an independent director in more than 3 (three) listed companies	√		
1.2 (ii) h)	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 (ii) i)	who has not been convicted for a criminal offence involving moral turpitude	√		
1.2 (iii)	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 29.12.2017
1.2 (iv)	the post of independent director(s) can not remain vacant for more than 90 (ninety) days	√		
1.2 (v)	the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	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	**Qualification of Independent Director**			
1.3 (i)	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 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission			No such incident happened
1.4	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer	√		
1.5	**The Directors' Report to Shareholders**			
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)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	√		
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)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	√		
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	√		
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)	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 (xvii)	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(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given			Not applicable

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed	√		
1.5(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise Details)	√		
1.5(xxi) 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(xxi) c)	Executives	√		
1.5(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1.5(xxii) a)	A brief resume of the director	√		
1.5(xxii) b)	Nature of his/her expertise in specific functional areas	√		
1.5(xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	√		
2	**Chief Financial Officer (CFO), Head of Internal Audit & Company Secretary**			
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS	√		
2.2	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary 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	**Audit Committee**			
3(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors	√		
3(ii)	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	√		
3(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√		
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members	√		
3.1(ii)	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	√		
3.1(iii)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management experience	√		
3.1(iv)	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	√		
3.1(v)	The company secretary shall act as the secretary of the Committee	√		
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director	√		
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)			Will be complied
3.3	**Role of Audit Committee**			
3.3(i)	Oversee the financial reporting process	√		
3.3(ii)	Monitor choice of accounting policies and principles	√		
3.3(iii)	Monitor Internal Control Risk management process	√		
3.3(iv)	Oversee hiring and performance of external auditors	√		
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval	√		
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	√		
3.3(vii)	Review the adequacy of internal audit function	√		
3.3(viii)	Review statement of significant related party transactions submitted by the management	√		
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	√		
3.3(x)	When money is raised through Initial Public Offering (IPO)/ Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/ applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus	√		
3.4	**Reporting of the Audit Committee**			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1(ii) a)	Report on conflicts of interests	No such incident happend		
3.4.1(ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	No such incident happend		
3.4.1(ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations	No such incident happend		
3.4.1(ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately	No such incident happend		
3.4.2	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	No such incident happend		
3.5	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (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 happend		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
4	**External/statutory auditors perform** The issuer company should not engage its external/statutory auditors to perform the following services of the company, namely:			
4(i)	Appraisal or valuation services or fairness opinions	√		
4(ii)	Financial information systems design and implementation	√		
4(iii)	Book-keeping or other services related to the accounting records or financial statements	√		
4(iv)	Broker-dealer services	√		
4(v)	Actuarial services	√		
4(vi)	Internal audit services	√		
4(vii)	Any other service that the Audit Committee determines	√		
4(viii)	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	√		
4(ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition no. 7	√		
5	**Subsidiary Company**			
5(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company	√		
5(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company	√		
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	√		
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	√		
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	√		
6	**Duties of CEO & CFO**			
6(i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
6(i) 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	√		
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	√		
7	**Reporting and compliance of corporate goverance**			
7(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant /Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis	√		
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions	√		

Auditors' Report to the Shareholders of FU-WANG FOODS LIMITED

We have audited the accompanying consolidated Financial Statements of **FU-WANG FOODS LIMITED** and its subsidiary (the group) as well as the separate Financial Statements of **FU-WANG FOODS LIMITED**, which comprise the Statement of Financial Position as at 30th June 2017 and Statement of Profit or Loss & Other Comprehensive Income, Statements of Cash Flows and Statement of Changes in Equity for the year ended 30th June 2017 and a summary of significant accounting policies and other explanatory notes thereto. The financial statements of Fu-Wang Beverage Industry Limited (subsidiary) for the year ended 30th June 2017 have also audited by us on which we expressed unqualified opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements 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 the auditor's 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, the auditor considers 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 consolidated financial statements present fairly and give a true and fair view of the financial position of **FU-WANG FOODS LIMITED** and its subsidiaries as at 30th June 2017 and of its financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and other applicable laws and regulations.

We also report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

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

d) The expenditure incurred was for the purposes of the Company's business.

Dated : Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

PARTICULARS	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
ASSETS			
Non-Current Assets		**564,089,336**	**558,553,462**
Property, Plant and Equipment (Net of Depreciation)	3.00	542,747,606	519,885,201
Capital Work-in-Progress	4.00	21,341,730	38,668,261
Investment	**5.00**	**50,000,000**	**50,000,000**
Current Assets		**967,763,431**	**873,650,360**
Inventories	6.00	199,129,915	189,444,994
Trade and Other Receivables	7.00	329,090,196	289,124,512
Advances, Deposits and Prepayments	8.00	424,590,575	387,066,057
Cash and Cash Equivalents	9.00	14,952,745	8,014,797
Total Assets		**1,581,852,767**	**1,482,203,822**
EQUITY & LIABILITIES:			
Shareholders' Equity		**1,101,636,013**	**1,038,910,760**
Share Capital	10.02	916,027,150	832,751,960
Tax Holiday Reserve	11.00	18,245,470	18,245,470
Revaluation Reserve		52,749,782	55,526,086
Retained Earnings	12.00	114,613,611	132,387,244
Non-Current Liabilities		**96,114,234**	**56,690,929**
Deferred Tax Liabilities		41,268,323	36,963,287
Long Term Loan	13.00	54,845,911	19,727,642
Current Liabilities		**384,102,520**	**386,602,133**
Short Term Bank Loans and Others	14.00	83,567,807	100,344,571
Trade and Other Payables	15.00	33,581,792	36,860,247
Liabilities for Expenses	16.00	10,112,786	7,926,648
Provision for Income Tax	17.00	256,840,135	241,470,667
Total Equity and Liabilities		**1,581,852,767**	**1,482,203,822**
Net Asset Value (NAV) Per Share (Adjusted)	**18.00**	**12.48**	**11.75**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP
Managing Director

Biplop Chakraborty
Director

Md. Abdul Halim Thakur
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

PARTICULARS	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
Turnover (Net of VAT)	19.00	586,787,687	767,109,392
Cost of Goods Sold	20.00	(419,366,766)	(563,649,060)
Gross profit		**167,420,921**	**203,460,332**
Operating Expense		**(65,496,489)**	**(69,095,390)**
Administrative Expenses	21.00	(43,200,865)	(44,069,573)
Selling and Distribution Expenses	22.00	(22,295,624)	(25,025,817)
Operating Profit before Financial Expenses		**101,924,432**	**134,364,942**
Financial Expenses	23.00	(15,404,687)	(13,741,247)
Profit From Operation		**86,519,745**	**120,623,695**
Provision for WPPF and Welfare Fund		(4,119,988)	(5,743,985)
Net Profit Before Tax		**82,399,757**	**114,879,710**
Income Tax Expenses		**(20,599,939)**	**(28,719,928)**
Current Tax	24.00	(15,369,468)	(24,262,246)
Deferred Tax		(5,230,471)	(4,457,682)
Profit After Tax		**61,799,818**	**86,159,782**
Earnings Per Share (EPS) (Adjusted)	**25.00**	**0.67**	**0.94**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP	**Biplop Chakraborty**	**Md. Abdul Halim Thakur**
Managing Director	Director	Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

PARTICULARS		TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
	Cash Flows from Operating Activities:		
	Collections from Turnover and Others	546,822,003	717,299,312
	Payment for Cost and Expenses	(477,813,745)	(630,023,974)
	Financial Expenses Paid	(15,404,687)	(13,741,247)
	Income Tax Paid and Deducted at Source	(38,610,367)	(37,217,355)
A.	**Net Cash Used in Operating Activities**	**14,993,204**	**36,316,736**
	Cash Flows from Investing Activities:		
	Acquision of Property, Plant and Equipment	(27,806,828)	(60,341,729)
	Capital Working Progress	-	(10,638,724)
	Advance to Subsidiary	1,410,067	(12,005,904)
B.	**Net Cash Used in Investing Activities**	**(26,396,761)**	**(82,986,357)**
	Cash Flows from Financing Activities:		
	Loan Received	18,341,505	27,668,614
C.	**Net Cash Provided from Financing Activities**	**18,341,505**	**27,668,614**
D.	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	6,937,948	(19,001,007)
E.	**Cash and Cash Equivalents at the Begaining of the Year**	8,014,797	27,015,804
F.	**Cash and Cash Equivalents at the End of the Year**	**14,952,745**	**8,014,797**
	Net Operating Cash Flow Per Share (Adjusted)	**0.16**	**0.40**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP	**Biplop Chakraborty**	**Md. Abdul Halim Thakur**
Managing Director	Director	Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as At 01 July 2016	**832,751,960**	**18,245,470**	**55,526,086**	**132,387,244**	**1,038,910,760**
Bonus Share	83,275,190	-	-	(83,275,190)	-
Depreciation on Revaluation	-	-	(3,701,739)	3,701,739	-
"Adjustment for Deferred Tax (Last Year)"	-	-	18,508,695	-	**18,508,695**
Adjustment for Deferred Tax (Current Year)	-	-	(17,583,260)	-	**(17,583,260)**
Net Profit for 2016-2017	-	-	-	61,799,818	**61,799,818**
Balance as at 30 June 2017	**916,027,150**	**18,245,470**	**52,749,782**	**114,613,611**	**1,101,636,013**

FOR THE YEAR ENDED 30 JUNE 2016

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as At 01 July 2015	**724,132,140**	**18,245,470**	**58,448,511**	**150,950,715**	**951,776,836**
Bonus Share	108,619,820	-	-	(108,619,820)	-
Depreciation on Revaluation	-	-	(3,896,567)	3,896,567	-
Adjustment for Deferred Tax (Last Year)	-	-	19,482,837	-	**19,482,837**
Adjustment for Deferred Tax (Current Year)	-	-	(18,508,695)	-	**(18,508,695)**
Net Profit for 2015-2016	-	-	-	86,159,782	**86,159,782**
Balance as at 30 June 2016	**832,751,960**	**18,245,470**	**55,526,086.00**	**132,387,244**	**1,038,910,760**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury
Managing Director

Biplop Chakraborty
Director

Md. Abdul Halim Thakur
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

PARTICULARS	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
ASSETS			
Non-Current Assets		**615,053,499**	**613,190,555**
Property, Plant and Equipment (Net of Depreciation)	3.00(a)	593,711,769	574,522,294
Capital Work-in-Progress	4.00	21,341,730	38,668,261
Current Assets		**1,035,488,688**	**934,167,368**
Inventories	6.00(a)	228,442,666	218,981,529
Trade and Other Receivables	7.00(a)	448,854,053	410,060,753
Advances, Deposits and Prepayments	8.00(a)	337,121,178	292,511,306
Cash and Cash Equivalents	9.00(a)	21,070,791	12,613,780
Total Assets		**1,650,542,187**	**1,547,357,922**
EQUITY & LIABILITIES:			
Shareholders' Equity		**1,137,874,554**	**1,073,827,021**
Share Capital	10.02	916,027,150	832,751,960
Tax Holiday Reserve	11.00	18,245,470	18,245,470
Revaluation Reserve		52,749,782	55,526,086
Retained Earnings	12.00(a)	150,390,766	166,855,342
Non-Controlling Interest	26.00	461,386	448,163
Non-Current Liabilities		**96,114,234**	**56,690,929**
Deferred Tax Liabilities		41,268,323	36,963,287
Long Term Loan	13.00	54,845,911	19,727,642
Current Liabilities		**416,553,399**	**416,839,972**
Short Term Bank Loans and Others	14.00	83,567,807	100,344,571
Trade and Other Payables	15.00(a)	37,938,348	40,114,904
Liabilities for Expenses	16.00(a)	12,568,172	9,982,890
Provision for Income Tax	17.00(a)	282,479,072	266,397,607
Total Equity and Liabilities		**1,650,542,187**	**1,547,357,922**
Net Asset Value (NAV) Per Share		**12.87**	**12.13**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP
Managing Director

Biplop Chakraborty
Director

Md. Abdul Halim Thakur
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

PARTICULARS	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
Turnover (Net of VAT)	19.00(a)	697,790,609	833,781,907
Cost of Goods Sold	20.00(a)	(507,811,339)	(616,081,112)
Gross profit		**189,979,270**	**217,700,795**
Operating Expense		**(86,020,561)**	**(81,145,571)**
Administrative Expenses	21.00(a)	(57,901,599)	(52,443,915)
Selling and Distribution Expenses	22.00(a)	(28,118,962)	(28,701,656)
Operating Profit before Financial Expenses		**103,958,709**	**136,555,224**
Financial Expenses	23.00	(15,404,687)	(13,741,247)
Profit From Operation		**88,554,022**	**122,813,977**
Provision for WPPF and Welfare Fund		(4,119,988)	(5,743,985)
Net Profit Before Tax		**84,434,034**	**117,069,992**
Income Tax Expenses		**(21,311,936)**	**(29,486,527)**
Current Tax	24.00(a)	(16,081,465)	(25,028,845)
Deferred Tax		(5,230,471)	(4,457,682)
Profit After Tax		**63,122,098**	**87,583,465**
Profit Attributable to :			
Parent Shareholders		63,108,875	87,569,228
Non-Controlling Interest		13,223	14,237
		63,122,098	**87,583,465**
Earnings Per Share (EPS)		**0.69**	**0.96**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP
Managing Director

Biplop Chakraborty
Director

Md. Abdul Halim Thakur
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

PARTICULARS		TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
	Cash Flows from Operating Activities:		
	Collections from Turnover and Others	658,997,309	762,610,014
	Payment for Cost and Expenses	(582,342,640)	(666,073,873)
	Financial Expenses Paid	(15,404,687)	(13,741,247)
	Income Tax Paid and Deducted at Source	(41,610,367)	(41,428,985)
A.	**Net Cash Used in Operating Activities**	**19,639,615**	**41,365,909**
	Cash Flows from Investing Activities:		
	Acquision of Property, Plant and Equipment	(29,524,109)	(62,341,729)
	Capital Working Progress	-	(10,638,724)
	Advance to Subsidiary	-	(12,005,904)
B.	**Net Cash Used in Investing Activities**	**(29,524,109)**	**(84,986,357)**
	Cash Flows from Financing Activities:		
	Loan Received	18,341,505	27,668,614
C.	**Net Cash Provided from Financing Activities**	**18,341,505**	**27,668,614**
D.	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	8,457,011	(15,951,834)
E.	**Cash and Cash Equivalents at the Begaining of the Year**	12,613,780	28,565,614
F.	**Cash and Cash Equivalents at the End of the Year**	**21,070,791**	**12,613,780**
	Net Operating Cash Flow Per Share	**0.21**	**0.45**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP	**Biplop Chakraborty**	**Md. Abdul Halim Thakur**
Managing Director	Director	Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Non-controlling Interest	Total
Opening Balance	**832,751,960**	**18,245,470**	**55,526,086**	**166,855,342**	**448,163**	**1,073,827,021**
Bonus Share	83,275,190	-	-	(83,275,190)	-	-
Depreciation on Revaluation	-	-	(3,701,739)	3,701,739	-	-
Adjustment for Deferred Tax (Last Year)	-	-	18,508,695	-	-	18,508,695
Adjustment for Deferred Tax (Current Year)	-	-	(17,583,260)	-	-	(17,583,260)
Net Profit for Year	-	-	-	63,108,875	13,223	63,122,098
Balance as at 30 June 2017	**916,027,150**	**18,245,470**	**52,749,782**	**150,390,766**	**461,386**	**1,137,874,554**

FOR THE YEAR ENDED 30 JUNE 2016

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Non-controlling Interest	Total
Opening Balance	**724,132,140**	**18,245,470**	**58,448,511**	**174,289,446**	**433,926**	**975,549,493**
Gain on Acquisition of Subsidiary (Note-12.00b)	-	-	-	9,719,921	-	9,719,921
Adjusted Opening Balance	**724,132,140**	**18,245,470**	**58,448,511**	**184,009,367**	**433,926**	**985,269,414**
Bonus Share	108,619,820	-	-	(108,619,820)	-	-
Depreciation on Revaluation	-	-	(3,896,567)	3,896,567	-	-
Adjustment for Deferred Tax (Last Year)	-	-	19,482,837	-	-	19,482,837
Adjustment for Deferred Tax (Current Year)	-	-	(18,508,695)	-	-	(18,508,695)
Net Profit for Year/Period	-	-	-	87,569,228	14,237	87,583,465
Balance as at 30 June 2016	**832,751,960**	**18,245,470**	**55,526,086**	**166,855,342**	**448,163**	**1,073,827,021**

The annexed notes form an integral part of this financial statements.

Arif Ahmed Chowdhury, CIP
Managing Director

Biplop Chakraborty
Director

Md. Abdul Halim Thakur
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE 2017

1.0 Corporate Information and Nature of Business Activities :

1.1 Corporate Information

The company, initially 100% owned by foreign nationals, was incorporated on 17.02.1997 as private limited company and subsequently converted into public company limited by shares on 05.06.1999. It is now a public limited company with foreign and local shareholders. It is a food processing industry with yearly production capacity of 10,900 M. Ton. in three shifts (after balancing) as against which it ran at 53.03% capacity during the year under review producing 5,780.82 M. Ton. The shortfall in utilization of production capacity is for time lost for maintenance of machinery and for shortage of market demand. It has started its commercial operation on 23.08.1997. As per Board of Investments' condition for registration, the Industry was to export 30% of its products. The industry has however applied to Board of Investment vide its letter no FWF/COM-06 dated 12-08-2000 to amend the conditions for registration to make it 100% local sales oriented. The said application is under consideration of BOI till to date. Meanwhile the company has been operating in local market fully.

1.2 Address of Company

The principal place of business is the registered office at House # 55, Road # 17, Banani C/A, Dhaka-1213, Bangladesh and the factories are located at Bokran Monipur, Hotapara, Gazipur.

1.3 Nature of Business Activities

The company owns and operates industrial plants for foods items and sales thereof.

1.4 Number of Employees

On the payroll of the Company, there were 211 officers 49 Staff and 635 permanent workers and 764 daily workers/ technicians apart from many casual / contract technicians /workers.

			Amount in Tk.
i)	1,659	Staff/Officers/Employees drew yearly salary & allowances of Tk. 36,000 or more	66,171,156
ii)	Nil	Staff/Officers/Technicians and many other casual workers drew yearly salary/wages & allowances less than Tk. 36,000	Nil
	1,659		**66,171,156**

2.0 Significant Accounting Policies and Basis of preparation of financial Statements :

2.1 Statement of Compliance

The preparation of financial statements and disclosures of information have been made in accordance with the requirements of the Companies Act 1994, The Securities and Exchange Rules 1987, and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) and other applicable laws and regulations.

The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements :

SL. No.	Applicable Accounting Standards	Note reference
01.	IAS/BAS - 1	2.4
02.	IAS/BAS - 2	2.10
03.	IAS/BAS - 7	2.13 & 2.14
04.	IAS/BAS - 10	2.27
05	IAS/BAS - 12	2.17
06.	IAS/BAS - 16	2.8
07.	IAS/BAS - 18	2.19
08.	IAS/BAS - 19	2.26
09.	IAS/BAS - 21	2.20
10.	IAS/BAS - 24	2.21
11.	IAS/BAS - 33	2.24
12.	IAS/BAS - 36	2.25
13.	IAS/BAS - 37	27.00

2.2 Basis of Preparation

The financial statements have been prepared based on the accrual basis of accounting following going concern assumption and prepared under the historical cost convention.

2.3 Basis of Reporting

The financial statements are prepared and presented for external users by the enterprise in accordance with identified reporting framework. Presentation has been made in compliance with the standards adopted by the ICAB for reporting, BAS 1 Presentation of Financial Statements.

i. Reporting Period

Financial statements of the company cover one financial year from 01 July 2016 to 30 June 2017.

ii. Going Concern

There is no significant doubt upon the company's ability to continue as a going concern.

2.4 Components of the Financial Statements :

According to the BAS-1 "Presentation of Financial Statements", the complete set of Financial Statements includes the following components.

(i) Statement of Financial Position as at 30 June 2017;
(ii) Statement of Profit or Loss & Other Comprehensive Income for the year ended 30 June 2017;
(iii) Statement of Cash Flows for the year ended 30 June 2017;
(iv) Statement of Changes in Shareholders Equity for the year ended 30 June 2017; and
(v) Accounting policies and Explanatory notes for the year ended 30 June 2017.

2.5 Accounting Estimates

Preparation of the financial statements requires Management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual result could differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of the accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of Management estimates in these financial statements relate to the useful life of depreciable assets and valuation of inventories. However, assumptions and judgments made by Management in the application of accounting policies that have significant effect on the financial statements are not expected the result in material adjustment to the carrying mounts of assets and liabilities in the next year.

2.6 Risk and Uncertainty for Use of Estimates

The preparation of financial statements in conformity with Bangladesh Accounting Standards requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities furring and the date of the financial statements. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by BAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations :

i. When the company has an obligation as a result of past events;
ii. When it is provable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
iii. Reliable estimate can be made of the amount of the obligation.

2.7 Consistency

In accordance with the BFRS framework for the presentation of financial statements together with BAS-1 and BAS-8, the Company applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of BAS-8.

2.8 Reorganization of Property, Plant & Equipment and Depreciation

Property, Plant and Equipment are stated at their cost (Fair value for Building & other construction) less accumulated depreciation in accordance with IAS-16 as adopted by ICAB as BAS-16 "Property, Plant and Equipment". Cost represents cost of acquisition or construction and capitalization of pre-production expenditure including interest during construction periods. No depreciation is charged on land and land development. Depreciation has been charged on additions from the date of ready for use. Depreciation on all other fixed assets is computed using the diminishing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. Expenditure of maintenance and repairs are expensed; major replacement, renewals and betterments are capitalized.

The annual depreciation rates to the principal categories are :

Categories of Property, Plant & Equipments	Rate of Depreciation
Factory building and other construction	2.50% to 5%
Plant and machinery	5%
Office equipment	20%
Furniture and Fixtures	10%
Motor vehicles	10%
Other assets	10% to 20%

2.9 Retirement and Disposals

An asset is recognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under the head other income / (loss) in the comprehensive income statement.

2.10 Inventories

Inventories comprise raw material, finished goods and packing materials which are stated at the lower of cost and net realisable value on consistent basis in accordance with IAS 2 as adopted by ICAB as BAS-2 "Inventories". Net realisable value is based on estimated selling price less any further costs expected to be incurred for completion and disposal.

2.11 Trade and Other Receivables

This is considered good and collectible and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.

2.12 Advance, Deposits and Prepayments

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

2.13 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities has been presented under direct method as required by the Securities and Exchange Rules, 1987 and considering the provisions that "enterprises are encouraged to report cash flow from operating activities using the direct method".

2.14 Cash and Cash Equivalents

According to IAS-7 as adopted by ICAB as BAS-7 "Statement of Cash Flows" cash comprises cash in hand and demand deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. IAS-1 as adopted by ICAB as BAS-1 "Presentation of Financial Statements" also provides that cash and cash equivalents are those which has no restriction in use considering the provision of IAS-7 and IAS-1. Cash in hand and bank balances have been considered as cash and cash equivalents.

2.15 Share Capital

Share capital represents paid up capital of the company which is contributed by the shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.16 Tax Holiday Reserve

The company enjoyed Tax Holiday for five years from August, 1997 to July, 2003 vide NBR letter no 11(30)Anu:-1/98.

2.17 Income Tax Expenses

Taxation is provided in accordance with fiscal regulations applicable. The company is publicly traded company as per the Income Tax Ordinance, 1984. The company qualifies for being treated as a "Publicly Traded Company" for which the rate for tax at 25.00% has been applied for while making provision for income tax.

Transactions relating to Income Tax have been disclosed in conventional manner following previous practice on consistent basis for which disclosure requirements under para 79-88 of BAS-12 could not be complied with.

2.18 Trade Creditors and Other Liabilities

Liabilities are recognised for the amounts to be paid in the future for goods and services received, whether or not billed by the supplier.

2.19 Revenue Recognition

The revenue during the year represents revenue arising from the sale of food items which are recognised when deliveries are made, against the sales order received from the respective customer and after satisfying all the conditions for revenue recognition as provided in IAS-18 as adopted by ICAB as BAS-18 "Revenue Recognition".

Turnover

Turnover Comprises sales of the company excluding VAT etc.

Commission

No commission has been paid to sales agents during the year under audit.

Brokerage or Discount

The company did not pay any brokerage or discount other than the conventional trade discount against sales.

2.20 Foreign Currency Translation

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of transaction in accordance with IAS-21 as adopted by ICAB as BAS-21 "The Effects of Changes in Foreign Currency Rates".

2.21 Transaction with Related Parties

As per BAS-24 "Related Party Disclosures" parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company has no transactions with any related parties in the year 2016-2017.

2.22 Responsibility for the Preparation and Presentation of Financial Statements

The board of Directors is responsible for the preparation and presentation of financial statements under Section 183 of the Companies Act, 1994 and as per the provision of "The framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

2.23 Proposed Dividend

Propose dividend in cash is considered as "Liability" in accordance with the provisions of the Companies Act, 1994, the Securities and Exchanges Rules, 1987 and IAS 10 as adopted by ICAB as BAS 10 (original version) "Contingencies and Events Occurring After the Balance Sheet Date" adopted by the ICAB. IAS 10 (original version) provides that "dividend proposed or declared after the balance sheet date but before approval of the financial statements should be either adjusted for or disclosed".

2.24 Earning Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with IAS-33 as adopted by ICAB as BAS-33 "Earnings Per Share" which has been shown on the face of statement of comprehensive income and the computation of EPS is stated in Note-25.

i. Basic Earnings

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

ii. Basic Earnings Per Share

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

iii. 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.

2.25 Assets of the Company

As all assets of the company shown in the financial statement that are within the scope of BAS-36 are in physical existence and valued not more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to "Impairment of Assets" as per BAS-36 have not been considered necessary.

2.26 Employee Benefit Obligations

The Company operates a contributory provident fund for its permanent employees. Provident fund is administered by a Board of Trustees and is funded by contributions partly from the employees and partly from the Company at pre-determined rates. These contributions are invested separately from the Company's assets.

2.27 Events after the Reporting Period

In compliance with the requirements of BAS-10: Events after the balance sheet date are those events that occur between the balance sheet and the date when the financial statements are authorized for issue. All material events occurring after the balance sheet date have been considered in these financial statements (Note-28).

2.28 Acknowledgement of Claims

There was no claim against the company acknowledged as debt as on 30 June 2017.

2.29 Credit Facility not Availed of

There was no general credit facilities other than those stated in "Note-14" were available to the company under any contract to be availed of at the Balance Sheet date.

2.30 Leases

Lease rentals against assets acquisition have been expensed as they incurred.

2.31 Board Meeting and Board Members

There were five (05) members in the Board of Directors including independent Director of the Company and ten (10) Board Meetings were held in the year under report.

2.32 Miscellaneous Expenses

Miscellaneous expenses do not include any item exceeding 1% of total revenue.

2.33 Due by the Directors

Nothing was due by Directors including Managing Director, Managers and other Officers of the Company or by associated undertakings and any of them severally or jointly with any other persons.

2.34 Audit Fee

As per decision taken in the **20th Annual General Meeting (AGM)** of the company held on 21st December 2016 the auditors' remuneration of Tk. 1,25,000 has been provided for in the financial statements which is the only sum to be paid to auditors' as remuneration.

2.35 Comparative Figures

Comparative figure and account titles in the financial statements have been re-arranged and classified, where necessary, to conform with changes in presentation in the current period.

2.36 General

i. The financial statements are presented in Bangladeshi Taka which in the company's functional currency. Figures appearing in these financial statements have been rounded off to the nearest taka.

ii. The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the financial statements of the company

iii. Figures of previous year have been re-arranged whenever necessary to conform to current year's presentation.

		NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
3.00	**Property, Plant and Equipment: Tk. 542,747,606**			
	The figures have been arrived at as under:			
	Cost	3.01	810,189,408	765,056,049
	Less: Accumulated depreciation	3.02	267,441,802	245,170,848
	Written Down Value		**542,747,606**	**519,885,201**
3.01	**Cost: Tk. 810,189,408**			
	The figures have been arrived at as under:			
	Opening Balance		765,056,049	695,150,697
	Add : Addition during the year		45,133,359	69,905,352
			810,189,408	**765,056,049**
	Less: Adjustment made during the year		-	-
	Balance as at 30 June 2017		**810,189,408**	**765,056,049**
3.02	**Accumulated Depreciation: Tk. 267,441,802**			
	The figures have been arrived at as under:			
	Opening Balance		245,170,848	220,464,237
	Add : Addition during the year		22,270,954	24,706,610
			267,441,802	**245,170,848**
	Less: Adjustment made during the year		-	-
	Balance as at 30 June 2017		**267,441,802**	**245,170,848**
	Details of Property, Plant and Equipment have been shown in 'Annexure - A'.			
3.00(a)	**Consolidated Property, Plant and Equipment: Tk. 593,711,69**			
	Fu-Wang Foods Ltd.			
	At Cost/Revaluation		810,189,408	765,056,049
	Less : Accumulated Depreciation		267,441,802	245,170,848
	Sub total		**542,747,606**	**519,885,202**
	Fu-Wang Beverage Industry Ltd.			
	At Cost/Revaluation		101,204,760	99,487,479
	Less : Accumulated Depreciation		50,240,597	44,850,387
	Sub total		**50,964,163**	**54,637,092**
	Total		**593,711,769**	**574,522,294**

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
4.00 Capital Work-in-Progress: Tk. 21,341,730			
The figures have been arrived at as under:			
Opening Balance		38,668,261	37,593,160
Add : Addition during the year		-	10,638,724
		38,668,261	**48,231,884**
Less: Adjustment made during the year		17,326,531	9,563,623
Balance as at 30 June 2017		**21,341,730**	**38,668,261**
5.00 Investment : Tk. 50,000,000			
Investment in Fu-Wang Beverage Industry Limited		**50,000,000**	**50,000,000**

The Company invested in shares of Fu-Wang Beverage Industry Limited by acquiring its 99% shares at a cost of Tk. 50,000,000 (99,000 Shares of Tk. 100 each); on 28.03.2011; hence making Fu-Wang Beverage Industry Limited a subsidiary of Fu-Wang Foods Limited.

5.00(a) Consolidated Investment : Tk.Nil			
Investment In Fu-Wang Beverage Industry Ltd.		50,000,000	50,000,000
Adjust with:			
Share Capital of Fu-Wang Beverage Industry Ltd.(99%)		(9,900,000)	(9,900,000)
Deposit Against Share of Fu-Wang Beverage Industry Ltd.		(40,100,000)	(40,100,000)
Total		**-**	**-**
6.00 Inventories : Tk. 199,129,915			
The figures have been arrived at as under :			
Stock of Raw Materials	6.01	134,082,346	127,254,749
Stock of Finished Foods		3,982,642	13,904,572
Stock of Packing Materials		51,064,927	48,285,673
		199,129,915	**189,444,994**

NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

6.01 Stock of Raw Materials: Tk. 134,082,346

Sl No.	Name of the Item	Unit	Opening		Purchase	
			Qty.	Tk.	Qty.	Tk.
1	Flour	MT.	923	33,062,474	5,685	170,596,086
2	Dalda	MT.	298	26,224,000	585	35,586,000
3	Sugar	MT.	321	24,082,531	854	37,044,494
4	Sala Oil	MT.	229	25,961,200	375	12,090,800
5	Milk Powder	MT.	32	6,929,707	107	8,688,663
6	Others	MT.	44	9,448,994	76	8,193,166
7	Eggs	Pcs.	237,822	1,545,843	1,822,740	7,726,686
		Total	**1,847**	**127,254,749**	**7682**	**279,925,895**

Sl No.	Available for Consumption		Consumed		Closing	
	Qty.	Tk.	Qty.	Tk.	Qty.	Tk.
1	6,608	203,658,560	5,532	164,964,240	1,076	38,694,320
2	883	61,810,000	385	25,025,000	498	36,785,000
3	1,175	61,127,025	754	31,188,718	421	29,938,307
4	604	38,052,000	375	22,875,000	229	15,177,000
5	139	15,618,370	102	11,888,610	37	3,729,760
6	120	17,642,160	78	8,954,400	42	8,687,760
7	2,060,562	9,272,529	1,840,864	8,202,330	219,698	1,070,199
	9,529	**407,180,644**	**7,226**	**273,098,298**	**2,303**	**134,082,346**

6.00(a) Consolidated Inventories: Tk. 228,442,666

The figures have been arrived at as under:

Stock of Raw Materials	146,368,619	139,222,281
Stock of Finished Foods	22,045,899	22,447,838
Stock of Packing Materials	60,028,148	57,311,410
	228,442,666	**218,981,529**

7.00 Trade and Other Receivables: Tk. 329,090,196

The figures have been arrived at as under:

Sl No.	Particulars	30 June 2017	30 June 2016
1	Nable Print & Pack	1,598,174	1,327,838
2	Al-Maraz Trading & Co	1,823,467	1,165,438
3	Prottashi Trasport	733,764	565,439
4	Foysal Stores	4,917,451	4,225,677
5	Mr. Taju Uddin Ahmed	5,193,462	4,263,987
6	R.K Enterpise	923,734	1,062,763
7	Shamim Enterprise	6,229,175	5,015,384
8	Tihi Enterprise	1,826,482	1,986,693
9	Taisho Enterprise	786,549	624,449
10	Abu Bakkar Enterprise	461,877	247,264
11	Biswajit Enterprise	7,127,462	6,477,930
12	Kazi Enterprise	452,982	476,225
13	Tania Traders-2	3,820,376	3,049,715
14	Mahtab Flexible Printing	290,164	301,674
15	F&H Trading Car	2,656,314	3,281,846
16	Kamal Brother	263,532	-
17	Mr. Qazi Sahriar	5,572,544	4,523,649
18	Md. Firoz Ali	5,282,351	3,590,916
19	Seam Enterprise	372,224	381,641
20	Nahid Mia	4,729,666	2,836,874
21	Mr. Fouid Islam	6,193,452	5,502,654
22	T. Traders	2,350,174	2,478,551
23	Kabir Enterprise-1	8,164,961	3,171,548
24	Noorjahan Traders	3,917,455	4,061,584
25	M. S. Enterprise (Savar)	490,264	589,623
26	Millon Enterprise	792,723	628,345
27	Hakmot Ali	802,323	734,584
28	Pinko Traders	3,028,451	2,840,803
29	Shorab Store	58,041	52,846
30	Monika Enterprise	294,518	153,985
31	A.R Enterpise	2,682,746	2,280,525
32	M.N.Mollik	3,816,581	1,394,762
33	Mirza Alam	1,283,649	921,364
34	Mr. M. Iqbal Hossain	728,462	714,491
35	Mr. Subur Mia	5,723,982	5,318,466
36	Arnab Rizwan Rashid	528,273	492,603
37	Ohab Mia	162,946	193,649
38	Mr. Almal Uddin	4,274,172	4,141,469
39	Tawhid Enterprise	54,669	69,274
40	Mr. Hamidul Islam	528,723	393,461
41	Al-Haj Md. Quashem	1,274,692	1,283,572
42	Kabir Telecom	517,846	394,624
43	Rejency Travel Ltd	813,674	733,832

AMAR STOCK

Sl No.	Particulars	30 June 2017	30 June 2016
44	Ali Sultan Sons	917,528	986,349
45	Titas Hardware	103,845	83,926
46	Jalil Traders	285,147	208,764
47	Riaz Store	2,083,461	1,301,211
48	Sheba Enterprise	434,743	318,252
49	Amit Traders	693,462	399,847
50	Sunny Traders	363,452	403,735
51	Japan Polly Traders	623,346	875,483
52	Islam Snakes	8,371,932	6,023,755
53	Mr. Asharaf Uddin	7,194,612	7,347,362
54	Hannan Ent.	8,513,552	7,739,856
55	Mr. Abdul Quiyum	2,846,194	2,085,684
56	Dada & Co	564,789	495,772
57	Mr. Akil & Ifteker	1,498,576	1,139,502
58	Macca Bangla Enterprise	197,143	162,845
59	Harun Ahmed	894,365	798,722
60	Shemul kabir	834,613	783,497
61	Al-Amin Traders	8,543,678	7,098,475
62	Biplob Confectionery	634,282	508,275
63	Rashedul Traders	300,467	295,756
64	Hamid & Brothers	832,462	747,095
65	Dada & Co	5,437,288	4,143,896
66	S.A.S Enterprise	8,236,478	7,023,765
67	Moon Traders	564,732	540,030
68	Kiron Enterprise	20,635	52,722
69	Didar & Brothers-2	912,384	629,265
70	G. Corporation-1	812,374	823,663
71	Tumpa Saha Enterprise	657,438	987,825
72	Mr. Syed Fazlul Haque	564,738	927,549
73	Shohidul Islam	1,239,847	787,528
74	Mr. Afanoor Al Manum	912,336	983,275
75	Talha Enterprise	1,622,319	1,193,242
76	Halima Enterprise	912,387	892,245
77	Rajib Shaha	876,523	782,659
78	Alam Store	31,097	3,018,275
79	Akhonda Ent.	912,837	892,754
80	Mr. Sarif Khan	2,193,874	1,204,763
81	Mr. Amulandu Battacharja	1,723,984	1,582,643
82	Bonalata Trade	836,468	727,295
83	B. S. Marketing	562,947	676,643
84	R/S Corporation	6,823,624	4,084,656
85	Mahmud Store	582,753	1,341,323
86	Madumoti Traders	723,674	527,263
87	Nizam Ent	983,289	65,453
88	Moon Marketing	2,536,892	817,643
89	Palas bala	734,694	905,133

Sl No.	Particulars	30 June 2017	30 June 2016
90	Green Leaf Car	84,326	20,346
91	Saheb Ali & Broth.- 01	78,236	174,688
92	Shaju Ent. –01.	62,984	96,254
93	Hasnat Bahia	2,846,184	1,924,746
94	Shakil Enterprise	193,648	104,834
95	Mothaleb Kazi	2,846,597	2,085,475
96	Aftabunnera Print & Pack	3,056,423	2,165,122
97	G. Corporation-2	2,564,789	2,088,575
98	Mr. Ismail Hasan	632,446	873,252
99	M.R Enterprise	5,647,284	3,183,656
100	M. M. Enterprise	1,943,627	2,027,346
101	Haji Mohammad Shadullah	3,985,762	3,391,265
102	Kuddus Mia	294,753	108,234
103	Karim Enterprise	53,898	50,532
104	Tumpa Traders	5,826,582	4,017,345
105	Abu Hasan & Co	2,736,525	2,282,345
106	Union Distribution	923,759	998,363
107	Abdus Samad Talukder	5,836,353	6,142,314
108	Zia-ul-Haque	572,395	755,248
109	Amjad Traders	2,775,624	1,454,342
110	Mata Transport	3,832,561	2,172,354
111	Billal Ent	55,756	40,253
112	Maliha Ent	294,725	-
113	N.Alam Ent	2,654,789	1,893,645
114	RBS International	2,856,295	2,501,745
115	Tasdid Ent	1,746,294	1,529,463
116	Tiesta Enterprise	692,756	635,323
117	Pabel Enterprise	276,049	201,753
118	Dh Enterprise	2,037,615	1,172,658
119	Joy Enterprise	104,762	1,395
120	Rina traders	865,948	826,452
121	S. M. Alam Ent	146,562	119,274
122	A.H Ent	1,034,872	826,252
123	Musha Store	284,629	224,631
124	S.I Enterprise	827,561	754,238
125	Arup Enterprise	923,746	816,533
126	Fahim Enterprise	1,847,243	883,262
127	Munni Confectionery	572,652	352,486
128	Rifat Enterprise	2,548,563	1,103,474
129	S.R Enterprise	923,055	82,492
130	Shah Traders	158,285	98,237
131	Shiblu General Store	2,062,852	823,645
132	Anowar Ent.	92,342	72,354
133	Hasan Conf	2,295,733	873,656
134	J.K Traders	826,524	932,642
135	Maa Traders	724,588	645,284

Sl No.	Particulars	30 June 2017	30 June 2016
136	Milon Traders	725,876	634,134
137	S.B Enterprise	3,518,564	1,762,542
138	Jahid Enterprise	7,209,597	6,879,788
139	Jobeda Traders	7,597,562	4,851,449
140	Anik Teaders	7,501,159	5,591,874
141	Nuha Enterprise	183,464	192,364
142	Safa Enterprise	3,082,764	2,693,462
143	Shekh jalal Ent	5,968,724	4,827,642
144	Mostofa Store	233,098	331,397
145	H.K Traders	4,598,675	3,017,465
146	Bipul Traders	7,645,678	8,164,264
147	Rajen Sen	987,643	916,487
148	M.M Traders	813,249	871,251
149	Manik Islam	7,123,948	6,619,358
150	Tania Enterprise	726,592	622,113
151	Harun Enterprise	75,482	65,382
152	Nahar Traders	912,338	916,484
153	M/S Harun Satter	614,381	238,279
154	Kaniz Enterprise	901,784	-
155	Shikdar Traders	879,123	-
156	Amrin Foods & Beverage	417,451	-
157	JK Traders	716,482	-
158	Kader Ven Store	873,562	-
159	Habib Enterprise	872,563	-
160	kabir Enterprise	762,198	-
161	Luxary Store	347,613	-
162	Bhai Bhai Enterprise	871,262	-
163	Abul Enterprise	912,642	-
164	Lovely Enterprise	75,424	-
165	Mamun Enterprise	76,529	-
166	Chowdhury Enterprise	783,763	-
167	MA varieties Store	861,934	-
168	Maisha Enterprise	988,346	-
169	MA Treaders	245,645	-
170	Nirob Banna Enterprise	452,482	-
171	CSD Exclusive (Rangpur)	723,352	-
172	Promote Supplier	983,645	-
173	Others	30,589,827	27,033,306
		329,090,196	**289,124,512**

Aging of above receivable is us under:

Below Six Month	297,975,705	258,897,412
Over Six Month	31,114,491	30,227,100
	329,090,196	**289,124,512**

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

7.00(a) Consolidated Trade and Other Receivables: Tk. 448,854,053

The break up of the above amount is as under :

Trade and Other Receivables	448,854,053	410,060,753
	448,854,053	**410,060,753**

8.00 Advances, Deposits and Prepayments (considered good): Tk. 424,590,575

The break up of the above amount is as under :

		TAKA 30 JUNE 2017		TAKA
		Below Six Month	Over Six Month	30 JUNE 2016
Advances	(8.01)	38,610,367	380,664,764	383,504,472
Deposits	(8.02)	1,781,359	3,534,085	3,561,585
		40,391,726	**384,198,849**	**387,066,057**

8.01 Advances: Tk. 419,275,131

The break up of the above amount is as under :

Advance Rent for Chitangong Branch Office		362,000	411,500
Current Account VAT		4,716,460	10,956,631
Advance Income Tax	8.01.1	252,154,802	213,544,435
Advance to Mymensingh Br. Office		699,996	124,997
Advance for VAT Appealate Tribunal		10,222,777	10,222,777
Adance against Salary		3,861,537	3,597,853
Adance against Bristy Biscuite		1,956,598	1,956,598
Advance against Purchase		16,935,494	12,914,147
Advance to Fu-Wang Beverage Industry Ltd.		128,365,467	129,775,534
		419,275,131	**383,504,472**

8.01.1 Advance Income Tax : Tk. 252,154,802

The break up of the above amount is as under :

Balance as at 01 July 2016	213,544,435	176,327,080
Add : Addition during the year	38,610,367	37,217,355
	252,154,802	**213,544,435**
Less : Adjustment made during the year	-	-
Balance as at 30 June 2017	**252,154,802**	**213,544,435**

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
8.02	**Deposits: Tk. 5,315,444**		
	The break up of the above amount is as under :		
	Titas Gas T & D Co. Ltd. (Gas connection)	1,160,114	1,160,114
	Rangpur Branch Office	150,900	107,000
	Sylhet Branch	13,000	13,000
	Margin Against Bank Gurantee–Titas Gas	2,321,067	638,608
	VAT deposit against appeal	1,005,884	1,005,884
	Chittagong Br. Grameen Phone	23,999	23,999
	Jessore Branch Grameen Phone	2,000	2,000
	Rangpur Branch Grameen Phone	2,000	2,000
	Bogra Branch	55,000	-
	Jessore Branch	8,000	35,500
	Deposit against Rent (Ctg. Factory)	84,980	84,980
	Deposit against Rent (Kustia. Factory)	28,000	28,000
	T & T Phone (Factory)	8,000	8,000
	Bangladesh Sugar and Food Industry Corporation	75,000	75,000
	Bangladesh Bevarage Co.	5,000	5,000
	Cocacola Bottle	1,400	1,400
	Deposit against Bhrammanbaria Branch	43,500	43,500
	Grameen Mobile Phone	12,600	12,600
	Citycell Mobile	15,000	15,000
	Deposit to CDBL	300,000	300,000
		5,315,444	**3,561,585**
8.00(a)	**Consolidated Advances, Deposits and Prepayments (considered good): Tk. 337,121,178**		
	The break up of the above amount is as under :		
	Advances	455,750,649	414,304,703
	Deposits	9,735,996	7,982,137
		465,486,645	**422,286,840**
	Adjust with Subsidiary Company	(128,365,467)	(129,775,534)
		337,121,178	**292,511,306**
9.00	**Cash and Cash Equivalents: Tk. 14,952,745**		
	The break up of the above amount is as under :		
	Cash in Hand 9.01	2,773,371	508,788
	Cash at Banks 9.02	12,179,374	7,506,009
		14,952,745	**8,014,797**

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

9.01 Cash in Hand: Tk. 2,773,371

The break up of the above amount is as under :

At Head Office	2,550,371	285,788
At Factory	50,000	50,000
At Chittagong Branch Office	20,000	20,000
At Bogra Branch Office	20,000	20,000
At Sylhet Branch Office	20,000	20,000
At Jessore Branch Office	20,000	20,000
At Rangpur Branch Office	10,000	10,000
At Mymensingh Branch Office	20,000	20,000
At Kustia Branch Office	20,000	20,000
At Sayestagonj Branch Office	20,000	20,000
At Barisal Branch Office	20,000	20,000
At Feni Branch Office	3,000	3,000
	2,773,371	**508,788**

9.02 Cash at Banks: Tk. 12,179,374

The break up of the above amount is as under :

Pubali Bank Ltd., Local Office Dhaka STD-1144	21,220	22,503
Pubali Bank Ltd., Gulshan Br. Dhaka STD-286	-	-
Sonali Bank Ltd., Banani Br., CA 313	1,387,395	-
Standard Bank Ltd., Gulshan Br., CD-34003721	1,151,924	3,923,057
Standard Bank Ltd., CD-33003806	1,842,467	308,106
Pubali Bank Ltd. Gulshan Br., CD-17903	7,776,368	3,252,343
	12,179,374	**7,506,009**

9.00(a) Consolidated Cash and Cash Equivalents: Tk. 21,070,791

The break up of the above amount is as under :

Cash in Hand	7,960,798	748,798
Cash at Banks	13,109,993	11,864,982
	21,070,791	**12,613,780**

10.00 Share Capital: Tk. 916,027,150

10.01 Authorized Capital : Tk. 1,000,000,000

100,000,000 ordinary shares @ of Tk. 10/- each	**1,000,000,000**	**1,000,000,000**

NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

10.02 Issued, Subscribed & Fully Paid-up Capital: Tk. 916,027,150

91,602,715 ordinary shares @ of Tk. 10/= each issued for cash		**916,027,150**	**832,751,960**
The break up of the above amount is as under :			
16,000,000	Ordinary of Tk. 10 each fully paid- up	160,000,000	160,000,000
4,240,000	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	42,400,000	42,400,000
4,048,000	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	40,480,000	40,480,000
20,240,000	Ordinary of Tk. 10 each fully paid- up issued as right shares	202,400,000	202,400,000
8,905,600	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	89,056,000	89,056,000
6,412,032	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	64,120,320	64,120,320
5,984,563	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	59,845,630	59,845,630
6,583,019	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	65,830,190	65,830,190
10,861,982	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	108,619,820	108,619,820
8,327,519	Ordinary of Tk. 10 each fully paid- up issued as bonus shares	83,275,190	-
91,602,715		**916,027,150**	**832,751,960**

10.03 Composition of the Shareholders:

SL.	Particulars	30.06.2017			30.06.2016		
		No. of Shares	Value of Shares	%	No. of Shares	Value of Shares	%
1	Directors/Sponsors	4,361,609	43,616,090	4.76%	3,965,100	39,651,000	4.76%
2	Institutions	17,511,487	175,114,870	19.12%	14,348,316	143,483,160	17.23%
3	General Public	69,729,619	697,296,190	76.12%	64,961,780	649,617,800	78.01%
	Total	**91,602,715**	**916,027,150**	**100%**	**83,275,196**	**832,751,960**	**100%**

11.00 Tax Holiday Reserve: Tk. 18,245,470

This is as Per Last Account.	**18,245,470**	**18,245,470**
The break up of the above amount is as under :		
For 1997-1998	337,628	337,628
For 1998-1999	1,046,244	1,046,244
For 1999-2000	1,879,820	1,879,820
For 2000-2001	1,961,030	1,961,030
For 2001-2002	11,899,538	11,899,538
For 2002-2003	1,121,210	1,121,210
	18,245,470	**18,245,470**

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
12.00 Retained Earnings: Tk. 114,613,611			
The break up of the above amount is as under :			
Opening Balance		132,387,244	150,950,715
Add: Profit after tax for the year		61,799,818	86,159,782
Depreciation on Revaluation		3,701,739	3,896,567
Profit available for Appropriation		**197,888,801**	**241,007,064**
Less: Appropriations			
Utilized for Bonus Shares		(83,275,190)	(108,619,820)
Balance as at 30 June 2017		**114,613,611**	**132,387,244**
12.00(a) Consolidated Retained Earnings: Tk. 150,390,766			
The break up of the above amount is as under :			
Opening Balance		166,855,342	174,289,446
Gain on Acquisition of Subsidiary	12.00(b)	-	9,719,921
Adjusted Opening Balance		**166,855,342**	**184,009,367**
Add: Profit after tax for the Year/Period		63,108,875	87,569,228
Depreciation on Revaluation		3,701,739	3,896,567
Profit available for Appropriation		**233,665,956**	**275,475,162**
Less: Appropriations			
Utilized for Bonus Shares		(83,275,190)	(108,619,820)
Balance as at 30 June 2017		**150,390,766**	**166,855,342**
12.00(b) Gain on Acquisition of Subsidiary: Tk. Nil			
The break up of the above amount is as under :			
Net Assets of Subsidiary at the Time of Investment		-	19,818,102
Less: Non-Controlling Interest		-	198,181
		-	**19,619,921**
Purchase Consideration		-	9,900,000
		-	**9,719,921**
13.00 Long Term Loan: Tk. 54,845,911			
The break up of the above amount is as under :			
IDLC Finance Ltd.		43,385,938	19,727,642
Term Loan, Dhaka Bank		11,459,973	-
		54,845,911	**19,727,642**

NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

14.00 Short Term Bank Loans and Others: Tk. 83,567,807

The break up of the above amount is as under :

Dhaka Bank Ltd., OD-264	80,223,077	82,122,269
Short Term Loan, Dhaka Bank	2,135,853	-
Dhaka Bank Ltd., LTR	1,208,877	18,222,302
	83,567,807	**100,344,571**

Overdraft with Dhaka Bank Ltd. is secured by hypothecation of inventories and faces interest at 10.00% per annum.

The Company has an Overdraft limit of Tk. 8.00 crores with Dhaka Bank Limited against which credit facilities balance on 30-06-2017 was Tk. 80,223,077.

There was no other general nature of credit facilities available to the company under any contract which were not availed of at the date of the Statement of Financial Position.

15.00 Trade and Other Payables: Tk. 33,581,792

The break up of the above amount is as under :

	TAKA 30 JUNE 2017		TAKA 30 JUNE 2016
	Below Six Month	Over Six Month	
Trade Creditors	2,137,459	8,810,965	13,011,732
Security Deposit against Sale and Others	-	11,583,148	11,721,527
Workers' Profit Participation Fund (WPPF) and Welfare Fund (15.01)	4,119,988	6,930,232	12,126,988
	6,257,447	**27,324,345**	**36,860,247**

15.01 Workers' Profit Participation Fund (WPPF) and Welfare Fund: Tk. 11,050,220

The break up of the above amount is as under :

Opening Balance	12,126,988	10,810,656
Add : Addition during the year	4,119,988	5,743,985
	16,246,976	**16,554,641**
Less: Payment during the year	(5,196,756)	(4,427,653)
Balance as at 30 June 2017	**11,050,220**	**12,126,988**

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

15.00(a) Consolidated Trade and Other Payables: Tk. 37,938,348

The break up of the above amount is as under :

Trade Creditors	14,269,480	15,230,889
Sundry Creditors with Holding Company	128,365,467	129,775,534
Security Deposit against Sale and Others	12,618,648	12,757,027
Workers' Profit Participation Fund (WPPF) and Welfare Fund	11,050,220	12,126,988
	166,303,815	**169,890,438**
Adjust with Subsidiary Company	(128,365,467)	(129,775,534)
	37,938,348	**40,114,904**

16.00 Liabilities for Expenses: Tk. 10,112,786

The break up of the above amount is as under :

Salary & Allowances (H/O)	1,516,734	1,408,955
Salary & Allowances (Fac.)	1,287,365	1,274,277
Audit Fees	125,000	110,000
Power & Fuel	7,006,052	4,977,541
Other Expenses	177,635	155,875
	10,112,786	**7,926,648**

16.00(a) Consolidated Liabilities for Expenses: Tk. 12,568,172

The break up of the above amount is as under :

Salary & Allowances (H/O)	1,516,734	1,408,955
Salary & Allowances (Fac.)	1,287,365	1,274,277
Audit Fees	171,000	202,000
Power & Fuel	9,415,438	6,941,783
Other Expenses	177,635	155,875
	12,568,172	**9,982,890**

17.00 Provision for Income Tax: Tk. 256,840,135

The break up of the above amount is as under :

Opening Balance	241,470,667	217,208,421
Add : Addition during the year	15,369,468	24,262,246
	256,840,135	**241,470,667**
Less: Adjustment made during the year	-	-
Balance as at 30 June 2017	**256,840,135**	**241,470,667**

AMARSTOCK

NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

17.00(a) Consolidated Provision for Income Tax: Tk. 282,479,072

The break up of the above amount is as under :

Opening Balance	266,397,607	241,368,762
Add : Addition during the year	16,081,465	25,028,845
	282,479,072	**266,397,607**
Less: Adjustment made during the year	-	-
Balance as at 30 June 2017	**282,479,072**	**266,397,607**

18.00 Net Asset Value (NAV) Per Share:

The break up of the above amount is as under :

Total Assets	1,581,852,767	1,482,203,822
Total Outside Liabilities	(438,948,431)	(406,329,775
Net Assets	**1,142,904,336**	**1,075,874,047**
Number of Ordinary Share	91,602,715	91,602,715
Net Asset Value (NAV) Per Share (Adjusted)	**12.48**	**11.75**

19.00 Turnover (net of VAT etc.): Tk. 586,787,687

Local Sales	621,909,097	791,080,073
Less : VAT, SD etc.	(35,121,410)	(23,970,681)
Total Turnover	**586,787,687**	**767,109,392**

(Sales includes sales of Fu-Wang Foods Ltd., Beverage Unit and Printing Section.)

The break up of the above amount is as under:

Vatable items	Gross Sales	VAT& SD	Net Sales 2017	Net Sales 2016
Nutirious Biscuit (Big)	2,636,998	343,956	2,293,042	3,824,755
Fu-Wang Milk Merry Biscuit	3,492,942	455,601	3,037,341	8,107,352
Fu-Wang Dia-Salt Biscuit	9,286,700	1,211,309	8,075,391	10,243,384
Eco. Dia Salt Biscuit	4,759,448	620,798	4,138,650	5,795,640
Orange Biscuit	1,303,344	170,001	1,133,342	1,891,080
Energy Plus Biscuit	310,047	40,441	269,606	1,408,781
Fu-Wang Pocket Wafer	1,127,219	147,029	980,191	1,213,963
Horlicks Biscuits	5,368,059	700,182	4,667,877	6,774,758
Namkin Biscuits	5,330,992	695,347	4,635,645	5,148,959
Dry Cake - 420	2,589,374	337,744	2,251,630	2,319,584
Dry Cake - 200	1,421,441	185,405	1,236,036	1,648,217

AMARSTOCK

Vatable items	Gross Sales	VAT& SD	Net Sales 2017	Net Sales 2016
Normal Toast	1,267,066	165,269	1,101,796	2,768,443
Fu-Wang Spyci Toast	5,215,785	680,320	4,535,465	5,980,167
Miu Miu Toast	662,651	86,433	576,218	2,636,265
High Quality Toast	1,710,234	223,074	1,487,160	2,768,892
Vanilla Pie	7,199,626	939,082	6,260,544	9,076,290
Fu-Wang Butter Bun	9,558,417	1,246,750	8,311,667	10,139,803
Lascha Shemai	1,686,847	220,024	1,466,824	1,177,485
Cookies Biscuit	1,670,117	217,841	1,452,276	1,867,110
Pineapple Biscuits	2,394,990	312,390	2,082,600	2,176,686
Fu - Wang Biscuit	4,174,942	544,558	3,630,384	9,057,532
Sandwich Toast	1,497,245	195,293	1,301,952	2,308,891
Choco Toast	4,387,101	572,231	3,814,870	3,182,311
Fruit Cake	1,083,620	141,342	942,278	1,989,522
Fu - Wang Chanachur	2,966,367	386,917	2,579,450	2,013,395
Any Time Slice Cake	4,175,024	544,568	3,630,456	8,830,496
Dairy Milk Chocolate	491,914	64,163	427,752	1,052,599
Choco Pie	3,018,669	393,739	2,624,929	1,612,938
Fu - Wang Toast	4,482,878	584,723	3,898,154	3,078,411
Non Stop Crispy Toast	4,528,249	590,641	3,937,608	3,419,244
Banana Cream Biscuits	450,763	58,795	391,968	1,645,058
Swiss Cheese Cake	2,859,857	373,025	2,486,832	2,521,170
American Cheese Cake	2,555,208	333,288	2,221,920	2,683,914
Jerry Cake	2,982,178	388,980	2,593,198	2,332,630
Chanachur -150gm	1,014,627	132,343	882,284	856,931
Play Glucose	510,883	66,637	444,246	502,407
Fu-Wang Twitter Dia Salt 300 gm	259,350	33,828	225,522	-
Fu-Wang Twitter Dia Salt 27 gm	3,719,857	485,199	3,234,658	-
Lamon Cake	-	-	-	10,524
Custard Bun	-	-	-	5,354,616
Tiffin Cake	-	-	-	7,656
Lemonia Biscuits	-	-	-	150,430
Chanachur -50gm	-	-	-	213,163
Mini Bread (Pcs.)	8,357,280	1,090,080	7,267,200	560,618
Family Bread	9,584,390	1,250,138	8,334,252	421,035
Sweet Bread	7,193,245	938,249	6,254,996	429,977
Econo. Sweet Bread	9,321,389	1,215,833	8,105,556	517,459
Medium Bread	17,185,674	2,241,610	14,944,064	983,315
Fu-Wang Premium Bread	6,721,394	876,704	5,844,690	390,946
Fu-Wang Milky Bread	4,984,767	650,187	4,334,580	245,956
Fu-Wang Mega Bread	5,119,973	667,823	4,452,150	267,826
Mega Sandwich Bread	7,031,516	917,154	6,114,362	416,051

Vatable items	Gross Sales	VAT& SD	Net Sales 2017	Net Sales 2016
Fu-Wang Delicious Bread	14,867,258	1,939,208	12,928,050	795,832
Daily Bread	15,883,828	2,071,804	13,812,024	720,370
Fu-Wang Special Bread	13,089,754	1,707,359	11,382,395	641,306
Platinum Sandwich Bread	4,271,572	557,162	3,714,410	250,927
Milky Bread -700gm	3,241,093	422,751	2,818,342	162,873
Milky Bread -360gm	8,014,048	1,045,311	6,968,737	404,829
Fu-Wang Foods Ltd. (Printing Section)	14,260,856	1,860,112	12,400,744	9,992,854
Fu-Wang Foods Ltd. (Beverage Unit)	2,565,036	780,663	1,784,373	963,742
Sub-Total	**265,844,097**	**35,121,410**	**230,722,687**	**157,957,367**
Non Vatable items				
Fu-Wang Ata	356,065,000	-	356,065,000	-
Mini Bread (Pcs.)	-	-	-	28,194,264
Family Bread	-	-	-	37,146,000
Sweet Bread	-	-	-	32,762,643
Econo. Sweet Bread	-	-	-	30,712,167
Milky Bread-700gm	-	-	-	5,340,022
Milky Bread-360gm	-	-	-	19,275,629
Fu-Wang Premium Bread	-	-	-	23,143,637
Fu-Wang Milky Bread	-	-	-	36,908,786
Fu-Wang Mega Bread	-	-	-	20,655,316
Fu-Wang Delicious Bread	-	-	-	90,626,186
Fu-Wang Special Bread	-	-	-	66,305,018
Medium Bread	-	-	-	84,934,459
Mega Sandwich Bread	-	-	-	42,789,286
Sandwich Bread	-	-	-	367,698
Daily Bread	-	-	-	65,789,224
Gold Sandwich Bread	-	-	-	2,127,132
Platinum Sandwich Bread	-	-	-	22,074,558
Sub-Total	**356,065,000**	**-**	**356,065,000**	**609,152,026**
Grand Total	**621,909,097**	**35,121,410**	**586,787,687**	**767,109,392**

19.00(a) Consolidated Turnover (net of VAT etc.): Tk. 697,790,609

The break up of the above amount is as under :

Fu-Wang Foods Limited	586,787,687	767,109,392
Fu-Wang Beverage Industry Limited	111,002,922	66,672,515
	697,790,609	**833,781,907**

		NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
20.00	**Cost of Goods Sold: Tk. 419,366,766**			
	The break up of the above amount is as under :			
	Raw Materials Consumed	**20.01**	**273,098,298**	**400,757,190**
	Direct Wages and Salary		43,632,748	50,924,786
	Prime Cost		**316,731,046**	**451,681,976**
	Factory Overhead	20.02	102,713,790	112,804,118
	Total Manufactured Cost		**419,444,836**	**564,486,094**
	Opening Finished Goods		13,904,572	13,067,538
	Cost of Goods Available for Sales		**433,349,408**	**577,553,632**
	Closing Finished Goods		(13,982,642)	(13,904,572)
	Cost of Goods Sold		**419,366,766**	**563,649,060**
20.01	**Raw Materials Consumed: Tk. 273,098,298**			
	The break up of the above amount is as under :			
	Opening Balance		127,254,749	117,655,923
	Add: Raw Materials Purchased During the Year		279,925,895	410,356,016
	Raw Materials Available for Use		**407,180,644**	**528,011,939**
	Less : Balance as at June 30, 2017		(134,082,346)	(127,254,749)
	Raw Materials Consumed		**273,098,298**	**400,757,190**
20.02	**Factory Overheads: Tk. 102,713,790**			
	The break up of the above amount is as under :			
	Factory Maintenance		2,066,338	2,957,875
	Festival Bonus to Factory Staff		3,818,652	4,018,746
	Medical Allowance		102,532	93,856
	Packing Materials Consumed	20.02.1	22,572,099	40,662,116
	Repairing & Maintenance		395,276	698,237
	Power & Fuel		39,426,460	27,163,179
	Repairs & Maintenance of Machinery & Equipment		2,285,643	2,863,564
	Uniform		136,500	60,000
	Factory Rent		14,400,000	14,400,000
	Conveyance Allowance		296,442	383,577
	Fuel for Transport		485,328	587,763
	Carriage Inward		263,062	285,668
	Fooding Allowance		229,336	249,276
	Insurance Premium		284,274	297,846
	Depreciation		15,951,848	18,082,415
			102,713,790	**112,804,118**

	NOTES	TAKA 30 JUNE 2016	TAKA 30 JUNE 2015
20.02.1 Packing Materials: Tk. 22,572,099			
The break up of the above amount is as under :			
Opening Balance		48,285,673	45,315,468
Add :Purchase during the year		25,351,353	43,632,321
		73,637,026	**88,947,789**
Less : Balance as at June 30, 2017		(51,064,927)	(48,285,673)
Packaging Materials Consumed		**22,572,099**	**40,662,116**
20.00(a) Consolidated Cost of Goods Sold: Tk. 507,811,339			
The break up of the above amount is as under :			
Fu-Wang Foods Limited		419,366,766	563,649,060
Fu-Wang Beverage Industry Limited		88,444,573	52,432,052
		507,811,339	**616,081,112**
21.00 Administrative Expenses: Tk. 43,200,865			
The break up of the above amount is as under :			
Director Remuneration		2,832,000	2,832,000
Salary & Allowances		15,887,756	15,184,385
Bonus		2,074,322	2,104,836
Conveyance Allowance		1,031,874	1,191,734
Printing & Stationary		535,673	631,139
Repairing & Maintenance (Car)		1,278,384	1,398,465
Fuel for Car		748,243	973,463
Office Maintenance		683,747	823,743
Office Rent		4,723,000	4,242,296
Postage & Telegram		72,054	201,153
Overtime Expenses		247,357	243,197
Fooding Allowance		712,946	503,186
Electricity, Wasa & Gas		2,413,599	2,198,618
Travelling Allowance		663,741	853,052
Maintenance of Vehicle		553,687	645,442
Telephone Allowance		573,217	727,411
Audit Fee		125,000	110,000
Labour Charge		152,875	237,325
Insurance Premium (Car)		450,096	457,738
Registration & Renewals		274,463	559,930
Donation & Subscription		70,558	116,400
AGM Expenses		268,510	527,400
Fees & Professional Expenses		508,657	682,465
Depreciation		6,319,106	6,624,195
		43,200,865	**44,069,573**

MARSTOCK

	NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016

21.00(a) Consolidated Administrative Expenses: Tk. 57,901,599

The break up of the above amount is as under :

Fu-Wang Foods Limited	43,200,865	44,069,573
Fu-Wang Beverage Industry Limited	14,700,734	8,374,342
	57,901,599	**52,443,915**

22.00 Selling and Distribution Expenses: Tk. 22,295,624

The break up of the above amount is as under :

Advertisements	526,367	687,763
Carriage Outward	14,108,866	15,934,732
Incentives on Sale	4,756,353	5,212,006
Business Promotion & Development Expenses	2,904,038	3,191,316
	22,295,624	**25,025,817**

22.00(a) Consolidated Selling and Distribution Expenses: Tk. 28,118,962

The break up of the above amount is as under :

Fu-Wang Foods Limited	22,295,624	25,025,817
Fu-Wang Beverage Industry Limited	5,823,338	3,675,839
	28,118,962	**28,701,656**

23.00 Financial Expenses: Tk. 15,404,687

The break up of the above amount is as under :

Bank Interest	15,184,203	13,428,614
Bank Charges and Commission	220,484	312,633
	15,404,687	**13,741,247**

AMAR STOCK

		NOTES	TAKA 30 JUNE 2017	TAKA 30 JUNE 2016
24.00	**Current Tax: Tk. 15,369,468**			
	The break up of the above amount is as under :			
	Profit as Per Accounts		82,399,757	114,879,710
	Add: Depreciation as per accounts		22,270,954	24,706,610
			104,670,711	**139,586,320**
	Less: Depriciation as per 3rd Schedule		43,192,840	42,537,336
			61,477,871	**97,048,984**
	Income Tax		**15,369,468**	**24,262,246**
	Deferred Tax Liabilities: Tk. 41,268,323			
	Deferred Tax Liabilities on Profit:			
	Balance as Per Last Account		18,454,592	13,996,910
	Add: Addition Durring the Year		5,230,471	4,457,682
	Total as on 30 June 2017		**23,685,063**	**18,454,592**
	Deferred Tax on Revaluation on Revalued Assets		17,583,260	18,508,695
			41,268,323	**36,963,287**
24.00(a)	**Consolidated Current Tax: Tk. 16,081,465**			
	The break up of the above amount is as under :			
	Fu-Wang Foods Limited		15,369,468	24,262,246
	Fu-Wang Beverage Industry Limited		711,997	766,599
			16,081,465	**25,028,845**
25.00	**Earnings per Share (EPS): Tk. 0.67**			
	The break up of the above amount is as under :			
	Earnings Attributable to the Ordinary Shareholders		61,799,818	86,159,782
	Weighted Average Number of Ordinary Shares Outstanding During the Year		91,602,715	83,275,196
	Earnings Per Share (EPS)- Basic		**0.67**	**1.03**
	Earnings Per Share (EPS)- Adjusted			
	Earnings Attributable to the Ordinary Shareholders		61,799,818	86,159,782
	Number of Ordinary Shares Used to Compute EPS		91,602,715	91,602,715
	Earnings Per Share (EPS)- Adjusted		**0.67**	**0.94**
26.00	**Non-Controlling Interest: Tk. 461,386**			
	The break up of the above amount is as under :			
	Opening Balance (1% of Subsidiary Net Assets)		448,163	433,926
	Profit for the period ended 30 June 2017		13,223	14,237
			461,386	**448,163**

27.00 Contingent Liability:

There was a demand of Tk. 10,473,921 by the Custom & VAT Authority for payment of VAT in excess of the amount paid by the company during he financial year 1998-1999 and 1999-2000. The demand was made by the Deputy Commissioner, Customs Excise & VAT, Gazipur Division through his Memo No.-4/mushak/74/food/97/1400 dated 25-04-2001. The company preferred appeal on 08.12.2001 against demand.

The Appellate Authority reduced the demand to Tk. 7,838,832. The company, on 19-04-2003 filed second appeal before the Learned Appellate Tribunal. The Learned Appellate Tribunal confirmed the demand through order dated 23-12-2004. The company thereager filed a Writ Petition 2058 of 2005 before the High Court Division of Hon'ble Supreme Court of Bangladesh. The Hon'ble High Court through its order dated 03-04-2005 stayed the operation of the Tribunal Order till disposal of the writ. This liability of Tk. 7,838,832 is thus contingent upon disposal of the Writ petition and further appeals, if any at all arises. Therefore, Tk. 7,838,832 is the contingent liability pertaining to the period upto 30-06-2017.

28.00 Event after the Balance Sheet Date:

28.01 The Board of Directors in its meeting held on 26 October 2017 has approved the Financial Statement for the year ended 30 June 2017 and recommended 10% stock dividend for the shareholders which is subject to approval by the shareholders at the forthcoming Annual General Meeting (AGM) and authorise the financial statements for issue.

28.02 Except the fact stated above, no circumstances have arisen since the balance sheet date, which would require adjustment to or disclosure in the financial statements or notes thereto.

Arif Ahmed Chowdhury, CIP	**Biplop Chakraborty**	**Md. Abdul Halim Thakur**
Managing Director	Director	Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :
Signed in terms of our separate report of even date.
SMC Tower (7th Floor), 33, Banani C/A,
Road No. 17, Dhaka-1213
Dated: Dhaka, 26 October 2017

MABS & J Partners
Chartered Accountants

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT
FOR THE YEAR ENDED 30 JUNE 2017

Annexure - A

Particulars	Cost			Rate	Depreciation			Written down value as at 30.06.2017
	Balance as at 01.07.2016	Addition during the year	Balance as at 30.06.2017		Balance as at 01.07.2016	Charged during the year	Balance as at 30.06.2017	
Land & Land Development	10,099,052	-	10,099,052	-	-	-	-	10,099,052
Factory Building Construction	105,502,976	1,052,352	106,555,328	2.50%	15,580,092	1,703,593	17,283,685	89,271,643
Plant and Machinery	390,343,053	37,753,942	428,096,995	5%	128,857,205	10,749,568	139,606,773	288,490,222
Gas Line	22,719,967	5,025,045	27,745,012	10%	9,190,807	1,224,064	10,414,871	17,330,141
Buildings & Other Constructions	30,135,340	-	30,135,340	5%	17,073,921	489,803	17,563,724	12,571,616
Furniture and Fixture	4,141,496	122,020	4,263,516	10%	1,925,309	173,332	2,098,641	2,164,875
Motor Vehicles	38,431,250	-	38,431,250	10%	14,336,913	1,807,075	16,143,988	22,287,262
Electrical Equipment	44,843,479	1,180,000	46,023,479	10%	22,219,145	1,745,992	23,965,137	22,058,342
Telephone & PABX Installation	2,005,660	-	2,005,660	10%	430,178	118,161	548,339	1,457,321
Office Equipment	2,170,357	-	2,170,357	20%	1,982,980	28,107	2,011,087	159,270
Cookeries & Cutlaries	102,316	-	102,316	20%	100,149	325	100,474	1,842
Bicycle & Rickshaw Van	163,685	-	163,685	20%	159,923	564	160,487	3,198
Deep Tube-well & Pump	1,141,315	-	1,141,315	10%	757,759	28,767	786,526	354,789
Generator	12,541,103	-	12,541,103	10%	5,876,247	499,864	6,376,111	6,164,992
Sub Total	**664,341,049**	**45,133,359**	**709,474,408**		**218,490,628**	**18,569,215**	**237,059,843**	**472,414,565**
Revaluation								
Buildings & Other Constructions	100,715,000	-	100,715,000	5%	26,680,220	3,701,739	30,381,959	70,333,041
Sub Total	**100,715,000**	**-**	**100,715,000**		**26,680,220**	**3,701,739**	**30,381,959**	**70,333,041**
Grand Total 2017	**765,056,049**	**45,133,359**	**810,189,408**		**245,170,848**	**22,270,954**	**267,441,802**	**542,747,605**
Grand Total 2016	**695,150,697**	**69,905,352**	**765,056,049**		**220,464,237**	**24,706,610**	**245,170,848**	**519,885,201**

Allocation of Depreciation :	Cost	Revaluation	Total
Production	15,951,848	-	**15,951,848**
Administration	2,617,367	3,701,739	**6,319,106**
	18,569,215	**3,701,739**	**22,270,954**

Information Relating To The Subsidiary Accounts

FU-WANG BEVERAGE INDUSTRY LTD.

Report of the Board of Directors

For the year ended 30th June 2017

Dear Shareholders

In compliance of section 184 of the Companies Act 1994 and BIAS codes, on behalf of the Board of Directors, I have the pleasure to submit this report along with Audited Financial Statements containing Statement of financial Position, Statement of Profit or Loss & other Comprehensive Income, Statement of Change in Equity and Statement of Cash Flows for the year ended on 30th June 2017 at this 12th Annual General Meeting.

Company's Performance and Financial Results

Respected Shareholders,

Fu-Wang Beverage Industry Limited (FWBIL) is a beverage and food manufacturing industry and it has commenced production from October 2005.

During the financial year 2016-2017, the company earned a net profit after tax of Tk. 13.22 lac as against Tk. 31.75 lac for the last year which is a decrease of 58.36%.

Financial Position

The operating financial results for the year ended 30th June 2017 are as follows:

Particulars	30 June 2017 (Taka)	30 June 2016 (Taka)	Increase/(Decrease) (Taka)	Increase/(Decrease) %
Turnover (Net)	111,002,922	129,984,525	(-) 18,981,603	(-) 14.61
Gross Profit	22,558,349	30,034,803	(-) 7,476,454	(-) 24.89
Net Profit Before Tax	2,034,277	4,885,278	(-) 2,851,001	(-) 58.36
Net Profit After Tax	1,322,280	3,175,430	(-) 1,853,150	(-) 58.36
Net Assets Value Per Share	862.38	849.16	13.22	1.56
Earning Per Share	13.23	31.76	(-) 18.53	(-) 58.34

Shareholding

The shareholding position of the company is as follows:

Name of the Shareholders	No. of Shares	Percentage (%)
Fu-Wang Foods Limited (Holding Company)	99,000	99.00%
Mr. A.K.M. Afzal Ul Munir	1,000	1.00%
Total	**100,000**	**100%**

Board of Directors :

Name of Directors	Position in the Committee	Remarks
Mr. Arif Ahmed Chowdhury, CIP	Chairman and Managing Director	Nominated by Fu-Wang Foods Ltd.
Mr. A.K.M. Afzal Ul Munir	Director	-
Mr. A.M.Naimur Rahman, MP	Director	Nominated by Fu-Wang Foods Ltd.

Appointment of Auditors :

The existing auditors M/s. MABS & J Partners, Chartered Accountants retire at this Annual General Meeting, being eligible offered themselves for re-appointment for the next term with a request for reasonable increase of fee.

Acknowledgement

The Directors record with appropriation the services rendered by all concerned..

On behalf of the Board

Arif Ahmed Chowdhury, CIP
Chairman

Auditors' Report to the Shareholders of FU-WANG BEVERAGE INDUSTRY LTD.

We have audited the accompanying financial statements of **FU-WANG BEVERAGE INDUSTRY LIMITED**, which comprise the financial position as at 30th June 2017, and the statement of comprehensive Income, statement of cash flows and statement of changes in equity for the year ended 30th June 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), 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 Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements 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 the auditor's including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 FU-WANG BEVERAGE INDUSTRY LIMITED Company as at 30th June 2017, and its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs).

We also report that :

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and

c) The Company's Financial Position and Profit or Loss & Other Comprehensive Income dealt with by the report are in agreement with the books of accounts;

Dated : Dhaka, 18 September 2017

MABS & J Partners
Chartered Accountants

FU-WANG BEVERAGE INDUSTRY LTD.
STATEMENTS OF FINANCIAL POSITION
AS AT 30TH JUNE 2017

PARTICULARS		30.06.2017	30.06.2016
ASSETS :			
Non-Current Assets		**50,964,163**	**54,637,092**
Property, Plant and Equipment at Cost		101,204,760	99,487,479
Less: Accumulated Depreciation		50,240,597	44,850,387
Current Assets, Loan and Advances		**196,090,724**	**190,292,542**
Inventories		29,312,751	29,536,535
Account Receivables		119,763,857	120,936,241
Advance, Deposit and Prepayments		40,896,070	35,220,783
Cash and Cash Equivalents		6,118,046	4,598,983
	Total Tk.	**247,054,887**	**244,929,634**
EQUITY & LIABILITIES:			
Shareholders' Equity		**86,238,541**	**84,916,261**
Issued, Subscribed and Paid up Capital		10,000,000	10,000,000
Retained Earnings		36,138,541	34,816,26
Deposit Against Shares by Holding Company		40,100,000	40,100,000
Current Liabilities		**160,816,346**	**160,013,373**
	Total Tk.	**247,054,887**	**244,929,634**

Managing Director | **Director**

These accounts are to be read in conjunction with notes attached.
Signed in terms of our separate annexed report.

Dated: Dhaka, 18 September 2017

MABS & J Partners
Chartered Accountants

FU-WANG BEVERAGE INDUSTRY LTD.

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH JUNE 2017

PARTICULARS	01.07.2016 to 30.06.2017	01.07.2015 to 30.06.2016
Sales (Net of VAT etc.)	111,002,922	129,984,525
Cost of Goods Sold	(88,444,573)	(99,949,722)
Gross Profit	**22,558,349**	**30,034,803**
Operating Expenses		
Administrative and Selling Expenses	(20,524,072)	(25,149,525)
Net Profit Before Tax	**2,034,277**	**4,885,278**
Provision for Income Tax (35%)	(711,997)	(1,709,848)
Net Profit After Tax	**1,322,280**	**3,175,430**
Balance as per Last Account	34,816,261	31,640,831
BALANCE TRANSFERRED TO FINANCIAL POSITION	**36,138,541**	**34,816,261**

Managing Director | **Director**

These accounts are to be read in conjunction with notes attached.
Signed in terms of our separate annexed report.

Dated: Dhaka, 18 September 2017

MABS & J Partners
Chartered Accountants

FU-WANG BEVERAGE INDUSTRY LTD.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2017

PARTICULARS		01.07.2016 to 30.06.2017	01.07.2015 to 30.06.2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Collections from Turnover & Others		112,175,306	122,581,108
Payment for Cost & Expenses		(105,938,962)	(107,378,810)
Income Tax Paid & Deducted at Source		(3,000,000)	(9,672,575)
		3,236,344	**5,529,723**
CASH FLOWS FROM INVESTING ACTIVITIES			
Tangible Fixed Asset Acquired		**(1,717,281)**	**(2,000,000)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Share Capital		-	-
Other Short Term Loan Paid		-	-
Long Term Loan		-	-
		-	-
Increase/(Decrease) in Cash and Cash Equivalents	**Tk.**	**1,519,063**	**3,529,723**
Cash and Cash Equivalents at Opening		4,598,983	1,069,260
Cash and Cash Equivalents at Closing		6,118,046	4,598,983
Increase/(Decrease) in Cash and Cash Equivalents	**Tk.**	**1,519,063**	**3,529,723**

Managing Director **Director**

These accounts are to be read in conjunction with notes attached.
Signed in terms of our separate annexed report.

Dated: Dhaka, 18 September 2017

MABS & J Partners
Chartered Accountants

FU-WANG BEVERAGE INDUSTRY LTD.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH JUNE 2017

Particulars	Share Capital	Retained Earnings	Total
At 01 July 2016	10,000,000	34,816,261	44,816,261
Net profit for the year	-	1,322,280	1,322,280
At 30 June 2017	**10,000,000**	**36,138,541**	**46,138,541**

Managing Director **Director**

These accounts are to be read in conjunction with notes attached.
Signed in terms of our separate annexed report.

Dated: Dhaka, 18 September 2017

MABS & J Partners
Chartered Accountants

AMAR STOCK

FU-WANG BEVERAGE INDUSTRY LTD.

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30TH JUNE 2017

Annexure - A

Particulars	Cost			Rate	Depreciation			Written down value as at 30.06.2017
	Balance as at 01.07.2016	Addition during the year	Total as at 30.06.2017		Balance as at 01.072016	Charged during the year	Total as at 30.06.2017	
Land & Land Development	11,105,300	-	11,105,300	-	-	-	-	11,105,300
Factory Building & Construction	22,253,455	584,434	22,837,889	2.5%	4,842,226	444,413	5,286,639	17,551,250
Plant & Machinery	34,637,405	1,132,847	35,770,252	20%	18,229,882	3,432,551	21,662,433	14,107,819
Gas Line	958,000	-	958,000	10%	632,087	32,591	664,678	293,322
Office Building & Construction	382,768	-	382,768	2.5%	93,963	7,220	101,183	281,585
Furniture & Fixture	79,786	-	79,786	10%	34,869	4,492	39,361	40,425
Electric Equipment	5,344,631	-	5,344,631	10%	2,688,544	265,609	2,954,153	2,390,478
Electric Generator	22,561,467	-	22,561,467	20%	16,925,446	1,127,204	18,052,650	4,508,817
Deep Tubewell & Water Pump	2,164,667	-	2,164,667	10%	1,403,370	76,130	1,479,500	685,167
Total	**99,487,479**	**1,717,281**	**101,204,760**		**44,850,387**	**5,390,210**	**50,240,597**	**50,964,163**

Allocation of Depreciation :

Charge to Production	4,251,294
Charge to Administration	1,138,916
	5,390,210

FU-WANG FOODS LIMITED

House # 55, Road # 17, Banani C/A, Dhaka-1213

PROXY FORM

I / We .....

of .....

being the member of **FU-WANG FOODS LIMITED** hereby appoint

Mr/Mrs .....

of .....

as my/our proxy to attend and vote for me/us on behalf at the 21st Annual General Meeting of the Company to be held on **29th December 2017** at "Golf Garden" Army Golf Club, Dhaka Cantonment, Dhaka at **10:00 a.m.** and any adjournment thereof.

As witness my hand this ..... day of 2017

Revenue Stamp
Tk. 20.00

(Signature of Proxy)

Register Folio:

BO ID :

(Signature of Shareholder)

Register Folio:

BO ID :

Note :

According to the Articles of Association of the company proxy can be given only to the person who is a member (Shareholder) of the Company. The proxy form should reach the company not later than 48 hours before the time fixed for the meeting.

FU-WANG FOODS LIMITED

House # 55, Road # 17, Banani C/A, Dhaka-1213

ATTENDANCE SLIP

I hereby record my attendance at the 21st Annual General Meeting of the Company being held on **29th December 2017** at "Golf Garden" Army Golf Club, Dhaka Cantonment, Dhaka at **10:00 a.m.**

Name of Shareholder/Proxy .....

Shareholder's Folio No.: ..... Proxy Folio No.: ..... Signature: .....

BO ID: BO ID:

No. of Shares : ..... Date: .....

N.B. (i) Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and hand it over at the entrance of the meeting venue. The respected Shareholders are requested to note that entry of non-member is restricted.

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