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Annual Report 2016-2017

RANGPUR DAIRY & FOOD PRODUCTS LIMITED



প্রতিদিনের পুষ্টি

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RANGPUR DAIRY & FOOD PRODUCTS LIMITED

www.rdmilk.org

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COMPANY INFORMATION

RANGPUR DAIRY & FOOD PRODUCTS LIMITED

Line of Business:
Manufacturer & Marketing

Legal Status:
Public Limited Company

Managing Director:
Mr. M. A. Kabir

BOARD OF DIRECTORS

Mr. M. A. Kabir	Managing Director & Acting Chairman
Mrs. Rumana Kabir	Director
Mr. Fahim Kabir	Director
Mr. Md. Rezaul Karim	Independent Director
Mr. Ahmed Hossain	Independent Director

AUDIT COMMITTEE

Chairman	Md. Rezaul Karim
Member	Mr. Fahim Kabir
Member	Mr. Ahmed Hossain

SENIOR EXECUTIVES AND OFFICERS

Chief Financial Officer	Mr. Yeasin Arafat
Manager (Sales)	Mr. Liakat Hossain
Manager (Commercial)	Mr. Alimuzzaman
Manager (Factory)	Mr. Ashraful Alam
Manager (Share Department)	Mr. Ranjit Kumar Basak

AUDITORS

Ahmed Zaker & Co.
Chartered Accountants
45 Shaheed Syed Nazrul Islam Sarani Bijoynager, Dhaka-1000

BANKER

NCC Bank Limited
Motijheel Main Branch, Motijheel C/A, Dhaka,
Shymoli Branch, Dhaka & Rangpur Branch, Rangpur.

Dutch-Bangla Bank Limited
Ring Road Branch, Dhaka.

Islami Bank Bangladesh Limited
Shymoli Branch, Dhaka.

Prime Bank Limited
Foreign Exchange Branch, Dhaka.

Meghna Bank Limited
Motijheel Branch, Dhaka

Union Bank Limited
Hatkhola Branch, Dhaka.

Head Office
22/19, Khiljee Road, Mohammadpur, Dhaka-1207
Telephone : 88 02 9115227
Fax : 88 02 9114865
E-mail : corporate@rdmilk.org
Website : www.rdmilk.org

Registered office & Factory
Salaipur, Baldipukur,
Mithapukur,
Rangpur-5460

Vision

Bringing prosperity into rural families of Bangladesh through co-operative efforts and providing customers with hygienic, affordable and convenient supply of "Fresh and Healthy" food products.

Mission

To be the market leader in the dairy industry by providing high quality dairy brands to the market.

To achieve this for delighting customers by providing "Fresh and healthy" Food products with high quality and improved nutritional standards.

To be a preferred employer by nurturing entrepreneurship, managing career aspirations and providing innovative avenues for employee with enhanced prosperity.

We are committed to enhance prosperity and the empowerment of the farming community through our unique "Relationship Farming" Model.

MAJOR MILESTONES OF THE COMPANY	
2004	: Incorporated as Private Limited Company
2007	: Started Commercial Operation.
2010	: Conversion to Public Limited Company.
2011	: Public Issue of Share through IPO.



RANGPUR DAIRY & FOOD PRODUCTS LIMITED

22/19, Khiljee Road, Mohammadpur, Dhaka-1207

NOTICE OF THE 13TH ANUUAL GENERAL MEETING

Notice is hereby given that the 13th Annual General Meeting of RANGPUR DAIRY AND FOODS PRODUCTS LIMITED will be held on Saturday, December 23, 2017 at 11.00 AM at Factory Premises: Salaipur, (Baldipukur Bus Stand), Baldipukur, Rangpur-5460 to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Accounts of the company for the year ended as on June 30, 2017 together with reports of the Auditors and Directors.
2. To declare Dividend for the year ended as on June 30, 2017.
3. To elect/re-elect and appointment of Directors.
4. To appoint Auditors for the year 2017-2018 and fix their remuneration.

Dated: Dhaka
November 30, 2017.

By order of the Board

Sd/-
(Yeasin Arafat)
CFO & Company Secretary

NOTES:

1. The record date in lieu of Book Closure was on Monday November 27, 2017.
2. The Shareholders names appearing in the Register of Members of the Company up to the record dates will be entitled to attend the Annual General Meeting.
3. The Directors has recommended 10% stock dividend for the year ended as on June 30, 2017
4. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly completed, must be deposited at the Share Office of the Company at 22/19, Khiljee Road, Mohammadpur, Dhaka-1207 not later than 72 hours before the time fixed for the Meeting.
5. Members are requested to notify the changes of address, if any, well in time. For BO A/C holders, the same to be rectified through their respective Depository Participants.
6. The Annual Reports is available in the company's website at www.rdmilk.org

Special Notes: No benefit, refreshment or gift in cash shall be given to the shareholders for attending the 13th Annual General Meeting as per Bangladesh Securities and Exchange Commission's circular no. SEC/CMRRD/2009-193/154 dated October 24, 2013.

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12th AGM



99th Board Meeting



MESSAGE FROM MANAGING DIRECTOR

Dear valued Shareholders

It is an immense gratification for me to welcome you on the 13th Annual General Meeting of Rangpur Dairy and Food Products Limited and to present the Audited Statements of Financial Position, Statements of Profit or Loss and Others Comprehensive Income and other Financial Statements of the company for the year ended on June 30, 2017.

Such a changing world as well as our country each and every matter including business is becoming very challenging. We faced various problems during the year due to various natural disasters like flood, heavy rain etc. You know that your company is working continuously for developing its existing products as well as introducing new products in the market. Looking into the future, we see new conflicts and new challenges. But we also see new development of opportunities. We firmly believe that challenges are everywhere; thus, we should be prepared anytime anywhere, as opportunities always come hand in hand with challenges, and opportunities only favor those who are prepared. We are prepared and will strive to be even better prepared. The Board recognizes the importance of dividends to shareholders and believes in balancing returns with investment to support future growth. We recommended total 10% stock dividends for the year ended on June 30, 2017.

Therefore I would like to express my profound gratitude to all the members of the Board of Directors of Rangpur Dairy and Food Products Limited for their all through support and suggestions to guide me to continue with the work smoothly to achieve the best possible goal for the Company.

I embrace your support and seek out your co-operation by all means for brighter future for all.

Thanking you,

Regards

(Engr. M.A. Kabir)
Managing Director

Directors' Profile

Mr. M. A. Kabir

Managing Director & Acting Chairman

Mr. M. A. Kabir is the founder Managing Director of the company. He has long experience of 27 years through working in different Executive positions both in public and private sector organizations. He is a civil Engineer graduate of 1984 from BUET is also founder Director of other different companies in the area of Telecom, Consultancy, Trading, Construction and Garments of commercial repute. Mr. Kabir is presently working as the Leader of Concerete and Steel Technologies Ltd. which is primarily engaged in the installation of telecom infrastructure and MW tower construction for Grameen Phone, Banglalink, Robi, Teletalk and Citycell. He is overall in- charge and responsible to run this business. He is also the founder Managing Director of Bangladesh Specialized Hospital (BSH), Shaymoli, Dhaka.

Mr. Kabir has gathered a vast experience on Product distribution network in Bangladesh through this responsibility. Mr. Kabir has visited Singapore, Thailand, Malaysia, Turkey, India, China, Japan, UK, Italy, German, France, Denmark, USA and Canada for business purpose during his business career. Based on his previous experience and record of achievement he is very much confident to shoulder the further expansion of the Milk Project as CEO/MD.

Mrs. Rumana Kabir

Director

Mrs. Rumana Kabir is a Director of Rangpur Dairy & Food Products Limited. She is the wife of Mr. M. A. Kabir. She has long business experience of 11 years through working in different organizations as a director. She completed Masters in Social Science in 1993 from Rajshahi University. Based on her previous experience and record of achievement she is very much confident to shoulder the further expansion of the Milk Project as director. Mrs. Kabir is presently working as the Director of CONSTECH in construction field. Mrs. Kabir is also a Director of Bangladesh Specialized Hospital. For business purposes she had visited Thailand, Malaysia, UK, USA, Canada and many others Country.

Mr. Fahim Kabir

Director

Mr. Fahim is a Director of Rangpur Dairy & Food Products Limited. He completed his graduation from BRAC University. He is the Son of Mr. M. A. Kabir & Mrs. Rumana Kabir. He has 2 years business experience through working in different organizations as a director. Mr. Fahim is presently working as the Director of Bangladesh Specialized Hospital. For Business purposes he had visited Thailand, India, Malaysia, UK and USA.

REPORT OF THE DIRECTORS TO SHAREHOLDERS

Dear Shareholders,
Assalamu Alaikum,

The Board of Directors of Rangpur Dairy & Food Products Limited is pleased to present this Directors report of the 13th Annual General Meeting together with the Audited Financial Statements of the Company covering the Statements of Financial Position, Statements of Profit or Loss and Other Comprehensive Income and the notes thereto for the year ended on June 30, 2017 thereon, for your valued consideration, approval and adoption.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994 and Bangladesh Securities & Exchange Commission's (BSEC) notification no- SEC/CMRRCD/2006-158/134/Admin/44 dated 07th August 2012.

Review of the operational performance:

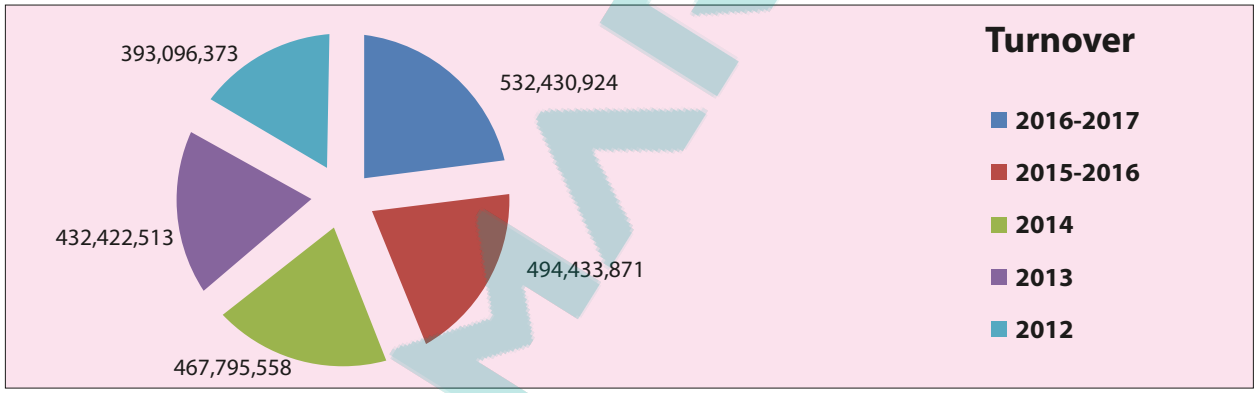
Rangpur Dairy & Food Products Limited has been engaged in the manufacture & marketing of food products. The company has been manufacture & supplying a wide range of UHT process Milk and others food products in Bangladesh since 2007.

FY 2016-2017 was a challenging period for the all business sectors in Bangladesh. Rangpur Dairy & Food Products Limited has try to met all the challenges bravely and played an important role for the national development of Bangladesh. Here we have also reviewed our operational and financial performances through analyzing our key operational areas and the activities of the Company during the period and have determined the business goals of 2016-2017 in the light of the previous year's evolution.

Turnover:

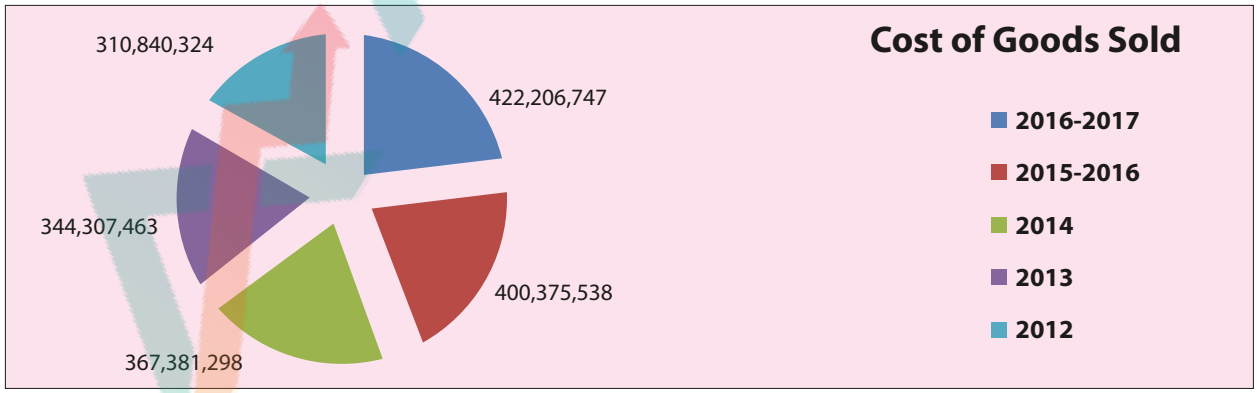
During the year 2016-2017 your company achieved a total net turnover of taka 532,430,924 as against previous year was taka 494,433,871.

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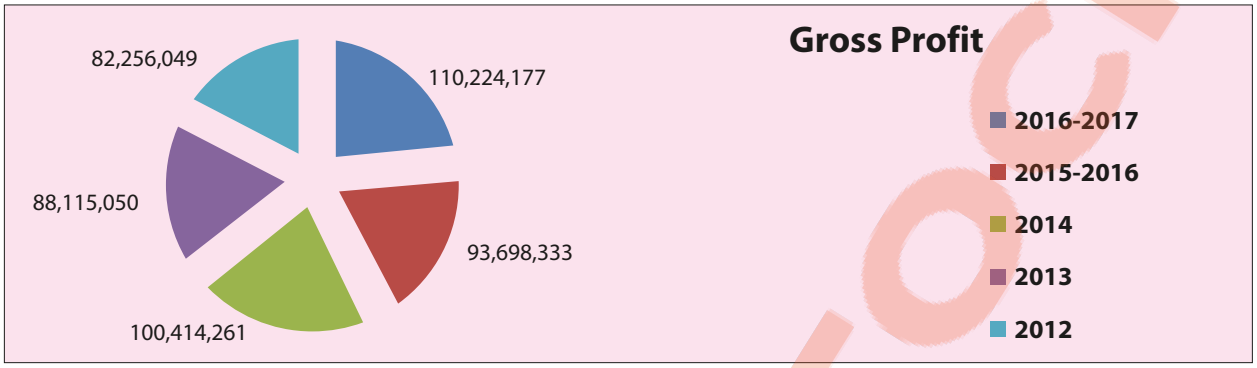
Cost of Goods Sold:

During the year 2016-2017 cost of goods sold was taka 422,206,747 as against last year was taka 400,735,538.

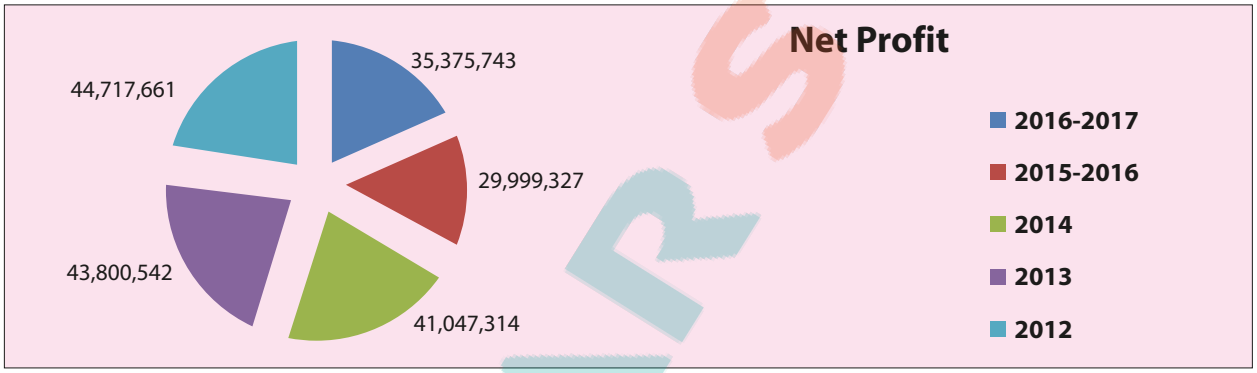


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Gross Profit:
During the year 2016-2017 Gross profit earned was taka 110,224,177 as against last year was taka 93,698,333.



Net Profit:
During the year 2016-2017 Net profit (after tax) was taka 35,375,743 as against last year was taka 29,999,327.



Earnings per share:
During the year earnings per share was taka 0.59 as against last year was taka 0.55.



Extra-Ordinary gain or loss:
Net Asset Value per share as on June 30, 2017 was taka 16.74 as against dated June 30, 2016 was taka 16.17.



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Extra-Ordinary gain or loss:

During the year 2016-2017 there was no realized extra-ordinary gain or loss made by the company.

Risks and concerns:

Industry Risk refers to the risk of increased raw materials from foreign and domestic sources. The prime raw material of our products is raw milk and it is procured mainly from greater Rangpur, Dinajpur, Bogra, Pabna, Sirajgong and some other District in Bangladesh. Price of raw milk, the power & transport cost are factor for production cost as well as profit margins.

Brand and Communications

For better brand building and communication, the company is investing heavily for long term sustainability & acceptability of the company's product at home adopting new ideas and techniques in the competitive market.

Business Overviews

Food industry is a rapidly growing sector in Bangladesh, employing a significant portion of the labor force in the country. Agriculture has always served a virtual role in Bangladesh economy in terms of GDP contribution, employment generation, rural development and food security. Bangladesh has dense and large population and agriculture is their mainstay. Alternative options for livelihood improvement are also limited. Thus, agriculture development is the top of the agenda for government & all other development concerns to bring prosperity in our country.

Industry Analysis

The Dairy Milk Products Industry was initiated in 1946. At present, milk products contribute to 3.1% of Agro Sector GDP and 0.5% of total GDP. Historically Milk Products grew at a rate of 1.18% annually (from GDP at Constant Prices). In a year, contribution from this industry to the economy was BDT 25,028 million.

The milk industry has a few segments. Firstly, there are Fresh milk and powder milk. Secondly, there is a flavored milk segment. Finally there are milk by-products like Ghee, Butter etc. among these segments, liquid and powder milk segment is the largest and is quite competitive. Competition between liquid and powder milk is based on both price and quality, and they act as substitutes. While powdered milk importers focus on creating brand image, the liquid milk producers focus on the issue of purity and freshness of milk. Among the liquid milk producers, the two broad categories are Pasteurized and UHT milks. These two are basically different process of purifying milk from bacteria. In Bangladesh, all but three plants are pasteurization plants. These plants require less fixed capital compared to UHT plants. But UHT plants provide products with longer shelf life and better quality. Still, UHT processed milk is a new concept to local users and will take some time before establishing a solid position. Again milk has a nutrition value to every human being. So the possibility of decrease in demand is less.

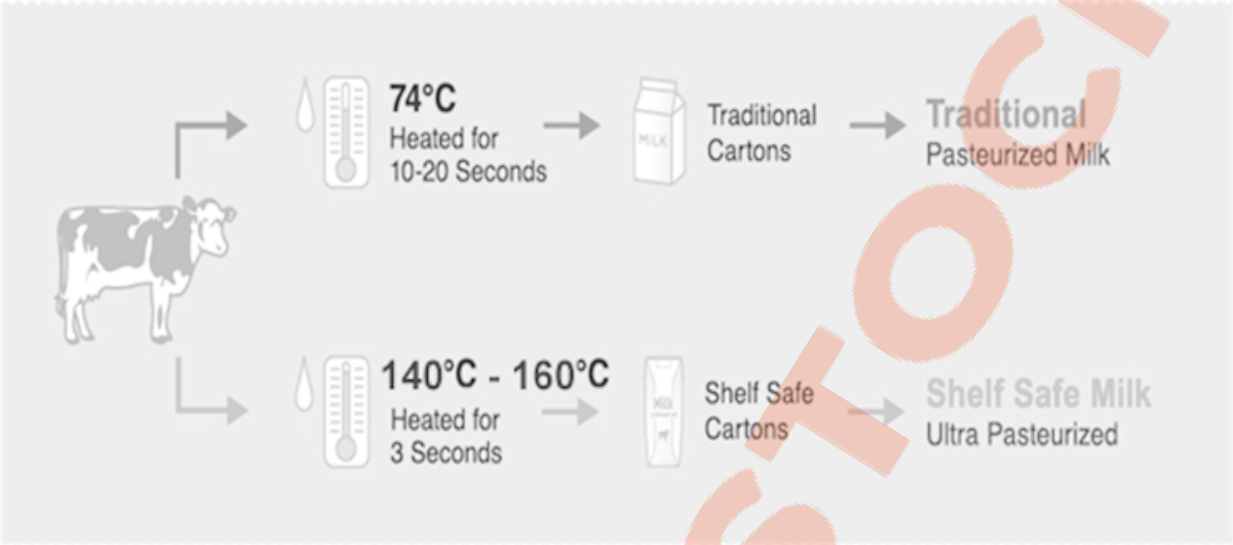
Although, dairying is the most ancient occupation established in the rural setting of Bangladesh, its development is unsatisfactory due to several problems. The main problems concern breeding, feeding, management, diseases and marketing. The dairy sector has also not received adequate attention in respect of information and research with present policies and issues. National milk production can only meet 13% of the current milk consumption. The demand for milk is growing at a faster rate than supply because of the rapid increase in population, creating a widening imbalance between demand and supply. Between 2004 and 2010, the food processing industry in Bangladesh grew at an average 7.7 percent per annum.

UHT Milk

UHT Milk industry in Bangladesh is a fast growing sector and can become an important source of earning for the nation. Domestic UHT Milk Market, focuses on the development and enhancement of production facilities, factories and market (storage and distribution) in the country. There have been a remarkable progress in the field of UHT Milk in the past 5 years.

If there is any increase of milk temperature more than + 4 Deg C during the storage and distribution, the quality of Pasteurized milk deteriorates instantly. As such, the scope of distribution of pasteurized milk remains within urban city and within the limited market area of the country. On the other hand, UHT milk can be distributed to any corner of Bangladesh by ordinary transport and still the quality of milk remains intact. Both the urban and rural population may get the benefit of the UHT milk which is needed for healthy growth of our young population. With a population of 156.59 million, Bangladesh is one of the biggest economies in the world.

The UHT milk VS pasteurized milk processes:

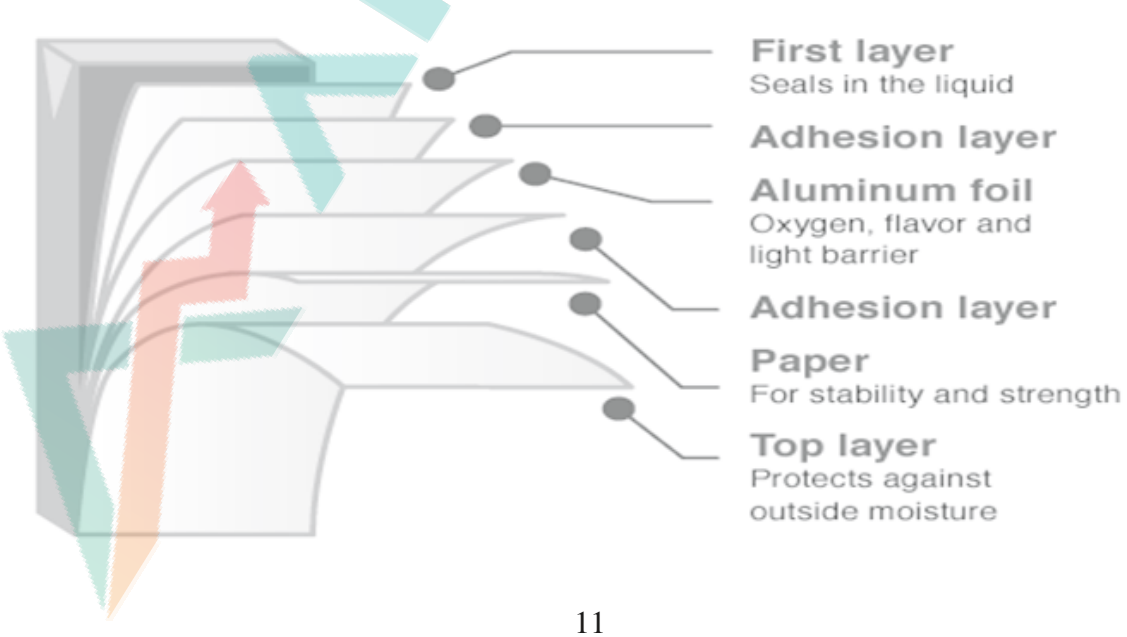


UHT means treatment of milk at Ultra High Temperature that the milk has been pasteurized at a higher temperature (140 Celsius to 160 Celsius) but for a shorter time (1 to 3 seconds) to preserve taste and nutrition. The milk is fully sterilized and then aseptically packed in 5 to7 layers of packaging material (paper or poly ethylene) with barrier film. UHT treatment has no adverse effect on the nutritional value or vitamin content compared to ordinary pasteurization of milk. But it facilitates storage of UHT treated milk in ambient temperature for longer time without any effect on the quality of milk.

UHT processed milk must be packed in Aseptic packing machine, pouch or bricks. The UHT milk is packed in the packing line, which also operates under aseptic condition. The complete UHT process and Aseptic Filling machine must be operated under 100% aseptic conditions to ensure killing of 100% bacteria, spores etc and to pack the milk under 100% aseptic condition.

The processing and packaging cost of pasteurized milk is little cheaper compared to UHT milk but the distribution cost in cold chain, storage in cold temperature and the deterioration of milk quality clearly supplements the UHT milk. With greater volume of UHT milk, it is more of a good business to run compared to pasteurized milk.

Image of the aseptically packed in 6 layers



Raw Materials

The prime raw material of the Company is raw milk from Cows and it is procure from mainly Rangpur, Kurigram, Joypurhat, Gaibandha, Nilphamari, Lalmonirhat, Thakurgoan, Dinajpur, Bogra, Pabna, Sirajgong and some other District in Bangladesh. We Import some raw materials like Mango Compound, Banana Compound, Strawberry Compound and Aseptic pack from Denmark, Italy, Vietnam, Malaysia, India and China.

Production & Quality Control

With modern lab facility, qualified and foreign-trained chemists, Rangpur Dairy performs pre-sale and post-sale tests for every batch of production. For quality assurance, fresh milk is tested on various stages. Chemists of the Company conduct the comprehensive test on fat, acidity, alcohol, COB (Clot on Boiling) to ensure high quality and to preserve the original taste. After successfully packaging the products, a sample of finished products is stored from every batch. Other than this the authority of BSTI checks the quality of the products once in a year and reports based on that survey.

Sales, Marketing & Distribution

The company is continuously upgrading & restructuring the network of distribution & distribution and many steps have been taken to improve and strengthening the whole process. The Company gives importance on Direct Sales Mechanism and also open some depot in various area and therefore sales volume is increased from the previous year. Initially the company started its marketing campaign highlighting only the difference and advantage between the pasteurized and UHT process milk as UHT was relatively a new concept in Bangladesh. We are committed to increase sales by reaching to our valued consumers with variety of products within shortest possible time.

Human Resources

Frequently changing business environment requires having a skilled work force. Therefore, the company has given more emphasis on developing management skills to go well with today's business environment.

Training is another secret behind the high-performing Human Resources of Rangpur Dairy & Food Products Limited. Various training programmes were carries out during the year. The management of the company is always dedicated towards nurturing the potentialities of our human resource through training and development so that human resource may excel in every possible way. RD feels human resource is the engines of company's growth. In order to step up growth of the company, it had adopted dynamic human resource management strategy considering human resource as the power house of its success.

Financial Results and Appropriations

The Directors of the company submitted to report to its shareholders the financial result of the company for the year ended on June 30, 2017 and their recommendations of earnings for the year under review as follows:

Particulars	**2016- 2017**	**2015- 2016**
Net Profit after tax	35,375,743	29,999,327
Add: Accumulated (Surplus brought forward)	185,935,314	154,900,051
Revalued amount	1,004,858	1,035,936
Profit Available For Appropriations	**222,315,916**	**185,935,314**
Dividend Paid (for Jul 2015-Jun 2016)	(54,208,000)	-
Proposed Dividend (for Jul 2016-Jun 2017)	(59,628,800)	-
Balance Carried Forward	**108,479,115**	**185,935,314**

Dividend:

The Board of Directors of the company is continuously making effort to uphold and protect the interest of shareholders. Keeping in view performances of current year, future projection and capital outlaying, the Directors are pleased to recommend 10% stock dividend for year 2016-2017 will be payable subject to approval of the shareholders in 13th AGM.

Rotation of Directors and Appointment of New Directors:

Mr. Rezaul Karim is retiring from the Board in terms of the Articles of Association of the Company and being eligible, offer him selves for re-election.

Our honorable Chairman Mr. S. M. Fakhar-uz-Zaman has been resigned as on dated April 26, 2017 from the post of Chairman & Director of the Company. The Board accepted his resigned & gives additional responsibility to Mr. M. A. Kabir as an Acting Chairman.

The Board has also appointed Mrs. Rumana Kabir & Mr. Fahim Kabir as new Director of the Company. This appointment now requires the approval of the shareholders at this Annual General Meeting. Their short resume is stated in Directors Profile.

Appointment of Statutory Auditor:

Our Present Auditors M/S Ahmed Zaker & Co. Chartered Accountants has to retire due to they have already audited Rangpur Dairy & Food Products Limited for 3 years successfully. So, a new Chartered Accountants firm is going to get appointment as statutory Auditors for the financial year 2016-2017 and the board will recommended their appointment in the 13th AGM of the Company.

A. Statutory Information.

In compliance with the Bangladesh Securities and Exchange Commission's condition no.-1.4 the Directors confirms 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.

Proper books of account of the issuer company have been maintained.

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.

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 issuer company's ability to continue as a going concern.

Board meetings:

The Number of Board Meeting held during the year and attendance by each Directors is given in **annexure-I.**

The pattern of shareholding:

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "The pattern of shareholding" is **annexure-II.**

Key operating and financial data of at least preceding 5 (five) years:

The Key operating and financial data of at least preceding 5 (five) years is given in **annexure-III.**

B. Status of Compliance Report:

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Report" is given in **annexure-IV.**

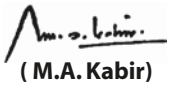
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Acknowledgment

In conclusion, we would like to express our sincere thanks to our valued shareholders, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), Central Depository of Bangladesh Limited (CDBL), RJSC and other business associates for their valuable suggestions, continuous support and co-operation extended during the period under review. We would like to thank our auditor for their efforts for timely completion of the audit. We also thank to our dedicated management team and employees whose hard work and firm commitment made this year a successful one. We hope to get all of your support, advice and encouragement for our continuous growth.

Thanking you all.

On behalf of the Board



(M.A. Kabir)

Managing Director & Acting Chairman

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Annexure I

Attendance of Board meetings:

During the year 9 Board Meetings were held and attendance by each Director is as follows:

Name of Directors	Meeting attended
Mr. S.M.Fakhar-uz-Zaman	7
Mr. M. A. Kabir	9
Mrs. Rumana Kabir	2
Mr. Fahim Kabir	2
Md. Rezaul Karim	9
Mr. Ahmed Hossain	9

Annexure II

Pattern of shareholdings:

As per BSEC guideline condition no.- 1.4(k), the pattern of share holding status as on June 30, 2017 is given bellow:

1.4(k) (I) Held by Parent/subsidiary/Associated and other related patties Nil

1.4(k) (II) Held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, etc.

Name	Position	No. of shares
Mr. M. A. Kabir	Managing Director & Acting Chairman	6,415,937
Mrs. Rumana Kabir	Director	226,000
Mr. Fahim Kabir	Director	199,080
Mr. S. M. Fakharuzaman	Sponsor	6,415,937
Mrs. Sultana Parvin	Sponsor	746,491
Mr. Md. Rezaul Karim	Independent Director	Nil
Mr. Ahmed Hossain	Independent Director	Nil
Mr. Yeasin Arafat	CS & Chief Financial Officer	Nil

1.4(k) (III) Held by Executive Nil

1.4(k) (IV) Held by Shareholders holding ten percent (10%) or more voting right:

Name	Position	% of shares
Mr. M.A. Kabir	Managing Director & Acting Chairman	10.76%
Mr. S.M. Fakharuzaman	Sponsor	10.76%

Five Years Financial History

Annexure III

Particulars	Amount	2016-2017	2015-2016	2015	2014	2013
Authorized Capital	Taka	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Paid up Capital	Taka	596,288,000	542,080,000	542,080,000	542,080,000	492,800,000
Share Premium	Taka	130,731,200	130,731,200	130,731,200	130,731,200	130,731,200
Revaluation Reserve	Taka	104,343,644	105,348,502	105,858,582	106,910,294	107,994,533
Retained Earnings	Taka	168,107,916	185,935,314	168,566,851	134,349,651	141,498,096
Non Current Assets	Taka	704,831,977	688,511,174	674,500,796	630461468	588,803,602
Intangible Assets	Taka	1,871,025	1,780,877	1,839,607	1,376,741	1,529,712
Investments	Taka	18,151,136	18,151,136	18,151,136	18,151,136	18,151,136
Current Assets	Taka	400,097,087	356,740,872	337,778,107	320,225,137	307,505,318
Current Liabilities & Provisions	Taka	107,147,399	87,123,806	73,226,339	47,657,976	37,338,733
Net Current Assets	Taka	292,949,688	269,617,066	264,551,768	272,567,160	270,166,585
Non-current liabilities	Taka	16,462,041	12,184,360	9,967,247	7,002,298	5,627,206
Net Sales Revenue	Taka	532,430,924	494,433,871	468,589,507	467,795,558	432,422,513
Cost of Goods Sold	Taka	422,206,747	400,735,538	374,659,757	367,381,298	344,307,463
Gross Profit	Taka	110,224,177	93,698,333	93,929,750	100,414,261	88,115,050
Operating Expenses	Taka	57,675,073	50,834,917	52,488,770	52,190,674	38,221,618
Profit from Operation	Taka	52,549,104	42,863,417	41,440,980	48,223,587	49,893,432
Net Profit before Income Tax	Taka	41,359,698	35,034,503	36,201,271	43,844,051	47,396,971
Net Profit / (Loss) after Income Tax	Taka	35,375,743	29,999,327	33,059,167	41,153,637	43,800,542

1. Liquidity Ratios:					
Current Ratio	3.73	4.09	4.61	6.72	8.24
Quick Ratio	2.78	3.04	3.66	5.76	6.29
Times Interest Earned Ratio	5.25	6.17	9.41	14.97	23.89
Debt to Equity Ratio	0.08	0.06	0.05	0.02	0.02
2. Operating Ratios:					
Accounts Receivable	5.55	5.58	5.48	5.96	6.02
Inventory Turnover	5.48	4.50	4.38	4.77	4.86
Fixed Asset Turnover	0.76	0.74	0.72	0.77	0.75
3. Profitability Ratios:					
Gross Margin	20.70	18.95	20.05	21.47	20.38
Operating Income	9.87	8.67	8.84	10.31	11.54
Net Income	6.64	6.07	7.06	8.80	10.13
Return on Assets	3.20	2.87	3.27	4.33	5.01
Return on Equity	3.54	3.11	3.49	4.50	5.02
Earnings Per Share	0.59	0.55	0.61	0.76	0.89
Net Asset Value Per Share	16.74	16.17	17.47	16.86	17.72

ANNEXURE - IV

REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE

Rangpur Dairy & Food Products Limited

Security and Exchange Commission Compliance issues-Status
and Recommendations For the year ended June 30, 2017

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
SEC Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012				
		Complied	Non-complied	
	Board of Directors			
1.1	Board's size: Board members shall not be less than 5 (five) and more than 20 (twenty)	√		
1.2	**Independent Director:**			
1.2(i)	At least on fifth (1/5) of the total member of directors in the company's board shall be independent directors.	√		
1.2 (ii) a)	Share holding of Independent Director in the company.	√		
1.2 (ii) b)	Family members Share holding of Independent Director in the company.	√		
1.2 (ii) c)	Any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2 (ii) d)	Member, director or officer of any stock exchange;	√		
1.2 (ii) e)	Shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	√		
1.2 (ii) f)	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)	Director in more than 3 (three) listed companies;	√		
1.2 (ii) h)	Convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution.	√		
1.2 (ii) i)	Convicted for a criminal offence involving moral turpitude.	√		
1.2 (iii)	Appointment of Independent Director	√		
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	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.	√		
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 independent director must have at least 12 (twelve) years of corporate management/professional experiences.	√		
1.3 (iii)	Above qualifications may be relaxed in special cases			No such matter
1.4	**Chairman & Chief Executive Officer**			
	The chairman of the company shall be elected from among the directors of the company. The Board of directors shall clearly define respective role and responsibility of the chairman & 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.			No such matter
1.5 (vi)	Statement of all related party transactions.			No such matter
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			No such matter
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.			No such matter
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.			No such matter
1.5 (x)	Remuneration to directors including independent directors.	√		Remuneration only for MD.
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)	Accounting & Financial Reporting Standards.	√		
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.			No such matter
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.			No such matter
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.			No such matter
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-	√		
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);			N/A
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.	√		
1.5 (xxii)	Appointment/re-appointment of a director the company.	√		
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.			N/A
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining of their respective roles, responsibilities and duties.	√		
2.2	Attendance of CFO and the Company Secretary at Board of Directors meeting	√		
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	**Constitution of Committee:**			
3.1 (i)	Members of the Audit Committee.	√		
3.1 (ii)	Appoint members of the Audit Committee.	√		
3.1 (iii)	Experience of the audit committee in Accounting or financial management.	√		
3.1 (iv)	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			No such matter
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.	√		
3.2	Chairman of the Audit Committee:			
3.2 (i)	An independent director to be Chairman of the Audit Committee.	√		
3.2 (ii)	Present in the Annual General Meeting (AGM).	√		
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.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness.	√		
3.3 (x)	Capital raised through (IPO)/(RPO) /Rights disclose about the uses /applications of funds by major category.			No such matter
3.4	**Reporting of the Audit Committee:**			
3.4.1	Reporting to the Board of Directors	√		
3.4.1 (i)	Activities of the Audit Committee	√		
3.4.1(ii)	**Reporting to the Board of Directors in the following findings:**			
3.4.1(ii)(a)	Reporting of any on conflicts of interests;			No such even to report
3.4.1(ii)(b)	Reporting of any fraud or irregularity or material defect in the internal control system;			No such even to report
3.4.1(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations;			No such even to report
3.4.1(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately.			No such even to report

3.4.2	Reporting to the Authorities If the Audit Committee has reported to the Board of Directors.			No such even to report
3.5	Reporting of activities to the Shareholders.	√		
4.00	**External/Statutory Auditors:**			
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.	√		
5.	**Subsidiary Company:**			
5 (i)	Composition of the Board of Directors.			N/A
5 (ii)	At least 1 (one) independent director to the subsidiary company.			N/A
5 (iii)	Submission of minutes to the holding company.			N/A
5 (iv)	Review of minutes by the holding company.			N/A
5 (v)	Review of financial statements by the holding company.			N/A
6.	**Duties of the Chief Executive Officer & Chief Financial Officer.**			
6 (i) a)	Reviewed the materially untrue of the financial statements.	√		
6 (i) b)	Reviewed about compliance with existing accounting standards and applicable laws.	√		
6 (ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct.	√		
7.	**Reporting and compliance of Corporate Governance:**			
7 (i)	Obtain a certificate about compliance of conditions of Corporate Governance Guidelines.	√		
7 (ii)	Annexure attached, in the directors' report.	√		

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES
To the Shareholders of Rangpur Dairy & Food Products Limited

[As required under the Bangladesh Securities and Exchange Commission (BSEC) Guideline]

We, in respect of Rangpur Dairy & Food Products Limited, have examined the status of its compliance with the conditions of corporate governance issued by Bangladesh Securities and Exchange Commission (BSEC) through its notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 under section 2CC of the Securities & Exchange Ordinance 1969.

Such compliance to the codes of Corporate Governance and reporting the status thereof is the responsibility of the management of the Rangpur Dairy & Food Products Limited. Our responsibility is to provide a certificate about whether the Rangpur Dairy & Food Products Limited is in compliance with the said condition of Corporate Governance based on our examination. Our examination for the purpose of issuing this certificate was limited to procedures including implementation thereof as adopted by the company for ensuring the compliance on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statement of the Rangpur Dairy & Food Products Limited.

To the best of our information and according to the explanations given to us we certify that Rangpur Dairy & Food Products Limited has complied with the Conditions of Corporate Governance as stipulated in the above mentioned BSEC's notification dated 07 August 2012.

We also state that such compliance certificate is neither an assurance as to the future viability of the company nor a certificate on the efficiency or effectiveness with which the Management has conducted the affairs of the Rangpur Dairy & Food Products Limited.

Date: November 05, 2017
Dhaka

Sd/-
N.M Tareque & Associates
Cost and Management Accountants

AMARSTOCK

Report on Financial Statements by Managing Director & Chief Financial Officer's

The Board of Directors
Rangpur Dairy & Food Products Limited

Subject: Managing Director & Chief Financial Officer's Declaration to the Board.

Dear Sirs:

In compliance with the condition no. 6 imposed by the Bangladesh Securities & Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 issued under Section 2CC of the Securities & Exchange Ordinance, 1969.

We do hereby certify to the Board that:

(i) We have reviewed the financial statements for the year ended on June 30, 2017 and that to the best of our knowledge and belief:

(a) These statements do not contain any materially untrue statements 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.

Sincerely yours,

Sd/-
(M.A. Kabir)
Managing Director

Sd/-
(Yeasin Arafat)
Chief Financial Officer

Audit Committee Report
For the year ended on June 30, 2017

The Audit Committee of Rangpur Dairy & Food products Limited was formed as per terms of reference approved by the Board in accordance with the notification of BSEC no. SEC/CMRRCD/2006-158/134/Admin/44, dated 07/08/2012.

During the year, the Committee held four (4) meetings. The details of attendance at the meetings are given bellow:

SL	Name	Status	Meeting held	Attendance
1	Md. Rezaul Karim	Chairman	4	4
2	Mr. S. M. Fakhar-uz-Zaman	Member		3
3	Mr. Ahmed Hossain	Member		4
4	Mr. Fahim Kabir	Member		1

Scope of the Audit Committee:

i) Reviewed the financial and other systems including internal control and its reporting procedure;

ii) Reviewed the duties, responsibilities, functions, due diligence with due care, objectivity and staffing of internal audit department;

iii) Recommend to the Board regarding appointment of the external auditors and their terms of appointment;

iv) Reviewed all the operational policies before being approved by the Board;

- Reviewed the effectiveness and independence for the statutory auditors;
- Reviewed along with the management, the quarterly and the half yearly financial statements before submission to the Board for approval.
- Reviewed along with the management, the annual financial statements before submission to the Board for approval;

Activities of the Audit Committee during the year:

The Committee reviewed the quarterly & annually financial statements and recommended to the Board for consideration. The committee had reviewed and approved the procedure & task of internal audit department and financial report perpetration. The Audit Committee assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of the affairs of the Company.

The Audit Committee expressed their sincere thanks to the members of the Board, Management, Statutory and internal auditors for their support in carrying out its duties and responsibility effectively.

Sd/-
Md. Rezaul Karim
Chairman of the Audit Committee

শেয়ারহোল্ডারগনের প্রতি পরিচালকমন্ডলীর প্রতিবেদনঃ

প্রিয় শেয়ারহোল্ডরগণ,
আসসালামু আলাইকুম

আমি রংপুর ডেইরী অ্যান্ড ফুড প্রোডাক্টস লিমিটেড-এর ত্রয়োদশ বার্ষিক সাধারণ সভায়, পরিচালকবৃন্দের পক্ষ থেকে আপনাদের সকলকে স্বাগত জানাচ্ছি এবং সেইসাথে ২০১৭ সালের ৩০শে জুন তারিখে সমাপ্ত বছরের নিরীক্ষিত হিসাব ও নিরীক্ষকের প্রতিবেদনসহ বার্ষিক প্রতিবেদন আপনাদের সম্মুখে উপস্থাপন করতে পেরে আনন্দবোধ করছি।

ব্যবসায়িক কার্যক্রম পর্যালোচনাঃ
দুগ্ধ শিল্প বাংলাদেশের জাতীয় অর্থনীতিতে তাৎপর্যপূর্ন ভুমিকা পালন করে চলছে। খাদ্য শিল্প বাংলাদেশে একটি দ্রুত বর্ধনশীল শিল্প হিসাবে পরিচিতি পাচ্ছে। খাদ্য শিল্পের সাথে বাংলাদেশের কর্মসংস্থানের উল্লেখযোগ্য ভুমিকা বিদ্যমান। কিন্তু দেশের করনীতি, অর্থনৈতিক অস্থিরতা, প্রকুতিক দুর্যোগ ও কাঁচা মালের মূল্য বৃদ্ধির কারণে আমাদের উৎপাদন ও অপারেশনাল ব্যয় উল্লেখযোগ্য হারে বৃদ্ধি পায়। অন্যদিকে কঠিন প্রতিযোগিতার কারণে দর বাড়ানো সম্ভব হয়নি। যার ফলে কর পরিশোধের পর কোম্পানীটির নীট মুনাফা আমাদের প্রত্যাশা অনুযায়ী বৃদ্ধি পায়নি।

মোট বিক্রয়ঃ
২০১৬-২০১৭ অর্থবছরে কোম্পানীর মোট বিক্রয় ৫৩২,৪৩০,৯২৪ টাকা যা ২০১৫-২০১৬ অর্থ বছরে ছিল ৪৯৪,৪৩৩,৮৭১ টাকা।

বিক্রিত পণ্যের ব্যয়ঃ
২০১৬-২০১৭ অর্থবছরে কোম্পানীর বিক্রিত পণ্যের মোট ব্যয় ছিল ৪২২,২০৬,৭৪৭ টাকা যা ২০১৫-২০১৬ অর্থ বছরে ছিল ৪০০,৭৩৫,৫৩৮ টাকা।

মোট লাভ :
২০১৬-২০১৭ অর্থবছরে কোম্পানীর মোট লাভ দাঁড়িয়েছে ১১০,২২৪,১৭৭ টাকা যা ২০১৫-২০১৬ অর্থ বছরে ছিল মোট লাভ ৯৩,৬৯৮,৩৩৩ টাকা।

নীট লাভ
২০১৬-২০১৭ অর্থবছরে কোম্পানীর (কর পরবর্তী) নীট লাভ দাঁড়িয়েছে ৩৫,৩৭৫,৭৪৩ টাকা যা পূর্বের বৎসর ছিল ২৯,৯৯৯,৩২৭ টাকা।

শেয়ার প্রতি আয়ঃ
২০১৬-২০১৭ অর্থবছরে কোম্পানীর শেয়ার প্রতি আয় দাঁড়িয়েছে ০.৫৯ টাকা যা ২০১৫-২০১৬ অর্থবছরে ছিল ০.৫৫ টাকা।

শেয়ার প্রতি নীট সম্পদঃ
৩০শে জুন ২০১৭ তারিখে কোম্পানীর শেয়ার প্রতি নীট সম্পদ দাঁড়িয়েছে ১৬.৭৬ টাকা যা ৩০শে জুন ২০১৬ তারিখে ছিল ১৬.১৭ টাকা।

ব্রান্ড প্রতিষ্ঠা এবং যোগাযোগের জন্য নতুন ধারণাঃ
আমাদের দেশের প্রতিযোগিতামূলক বাজারে উন্নততর ব্রান্ড প্রতিষ্ঠা ও যোগাযোগের জন্য নতুন ধারণা ও কৌশল আয়ত্ব করতে কোম্পানী ব্যাপক বিনিয়োগ করেছে যাতে সেগুলোর গ্রহনযোগ্যতা দীর্ঘমেয়াদী ও স্থায়ী হয়।

কৃষি ও অর্থনীতি:

কৃষিখাত আমাদের দেশের জিডিপিতে প্রবৃদ্ধি অর্জন, কর্মসংস্থান, গ্রামীন উন্নয়ন, খাদ্য নিরাপত্তা এবং রপ্তানী আয়ের মাধ্যমে অর্থনীতিতে অত্যন্ত গুরুত্বপর্ণ ভূমিকা পালন করেছে।এই ঘনবসতিপূর্ণ বাংলাদেশে কৃষি হচ্ছে প্রধান অবলম্বন। জীবন যাত্রার মান উন্নয়নে বিকল্প আয়ের রাস্তাও খুব সীমিত। এই কারণে বাংলাদেশের সমৃদ্ধি জন্য সরকার এবং বিভিন্ন উন্নয়ন সংস্থা কৃষিকে আলোচ্যসূচির শীষে নিয়ে এসেছে।

দুগ্ধ শিল্প গবেষনা:

যদিও দুগ্ধশিল্প এদেশের একটি অন্যতম পুরনো কৃষি পেশা তবুও বাংলাদেশে এ শিল্পের উন্নয়ন নানাপ্রকার সমস্যার জন্য সন্তোষজনক নয়। এর মধ্যে অন্যতম সমস্যা হল গবাদি পশুর প্রজনন, খাদ্য, ব্যবস্থাপনা, রোগবালাই, চিকিৎসা এবং উৎপাদিত পণ্যের সঠিক মূল্য নির্ধারণ ও বাজারজাতকরণ। দুগ্ধশিল্পের বিষয়ে যে নীতি আমাদের দেশে বিদ্যমান তা তথ্য ও গবেষনার জন্য যথেষ্ট মনোযোগ আকর্ষন করতে পারছে না। বর্তমানে আমাদের দেশে যে পরিমান দুধ উৎপাদিত হয় তা আমাদের মোট চাহিদার মাত্র ১৩%। ২০০৪ সাল হতে ২০১০ সাল পর্যন্ত বাংলাদেশে খাদ্য শিল্পের গড় প্রর্বদ্ধি হয়েছে ৭.৭% । কিন্তু দুধের যোগানের তুলনায় চাহিদার পরিমান অনেক বেশী।

দুগ্ধশিল্প বিভিন্নস্তরে বিন্যাস্ত: প্রথমত : এতে তরলদুধ এবং গুঁড়োদুধ, দ্বিতীয়ত; রয়েছে ফ্লেভারড মিল্ক সর্বোপরিশেষে আরো রয়েছে ঘি, মাখন, মিষ্টি এবং অন্যান্য দুগ্ধজাত খাদ্য সামগ্রী। দাম ও গুনগতমান বিবেচনায় তরলদুধ এবং গুঁড়োদুধ প্রতিযোগিতায় রয়েছে। তরলদুধ পাস্তরিত এবং ইউ এইচ টি পদ্ধতিতে প্রক্রিয়াজাত করা হয়। এর মধ্যে ইউ এইচ টি পদ্ধতিতে প্রক্রিয়াজাত দুধ পাস্তরিত পদ্ধতিতে দুধের তুলনায় বেশী বিশুদ্ধ ও ব্যাকটেরিয়ামুক্ত। আমাদের দেশে ইউ এইচ টি প্রক্রিয়াজাতকরণের তিনটি প্লান্ট রয়েছে। ইউ এইচ টি পদ্ধতিতে প্রক্রিয়াজাতকৃত শিল্প স্থাপনে পাস্তরিত পদ্ধতিতে প্রক্রিয়াজাত শিল্পের তুলনায় অনেক বেশি মূলধন সরবরাহ করতে হয়। তাই ইউ এইচ টি (UHT) পণ্যের জীবন ও গুনগতমান পাস্তরিত দুধের তুলনায় অনেক ভাল। এই জন্য আমাদের দেশে ইউ এইচ টি পণ্যের চাহিদা দিন দিন বৃদ্ধি পাচ্ছে।

আমাদের দেশে ১৯৪৬ সালে দুগ্ধ শিল্প স্থাপনের উদ্যোগ নেওয়া হয়। বর্তমানে কৃষিখাতের জিডিপিতে দুগ্ধ শিল্প ৩.১ % অবদান রাখছে যা মোট জিডিপির প্রায় ০ .৫০%।

ইউ এইচ টি মিল্ক:

ইউ এইচ টি প্রক্রিয়ায় উচ্চ তাপমাত্রায় (অর্থাৎ ১৪০ থেকে ১৫০ ডিগ্রী সেলসিয়াস) তরলদুধকে পরিশোধন এবং পরবর্তীতে প্যাকিং ও ব্যাকটেরিয়ামুক্ত করে দীর্ঘ জীবন দানকরে। এসেপটিক পদ্ধতিতে তরল দুধকে প্যাকিং করা হয় এবং ৩-৪ মাস পর্যন্ত ৩০-৫০ ডিগ্রী সেলসিয়াস তাপমাত্রায় ১০০% ব্যাকটেরিয়ামুক্ত রাখা যায়। বাংলাদেশের মত উচ্চতাপমাত্রার দেশে তরল দুধ একটি পচনশীল পণ্য হিসাবে বিবেচনা করা হয়। যেহেতু তাপমাত্র ৪ ডিগ্রী সেলসিয়াস এর উপরে থাকলেই কৃষকের কাছ থেকে সংগৃহিত দুধ বাজারজাত করা পর্যন্ত কোল্ড চেইন মানতে হয়। সে কারণে গ্রাম এবং শহর সর্বত্রই ইউ এইচ টি দুধ অধিকতর গ্রহণযোগ্য। ইউ এইচ টি পণ্যের উৎপাদনে যদিও উৎপান ও মোড়কীকরন খরচ তুলমামূলকভাবে পাস্তরিত দুধের তুলনায় বেশী হলেও দীর্ঘদিন গুনগত মান ঠিক থাকায় এই পণ্যের ভবিষ্যত সম্ভাবনাময়।

কাঁচামাল:

আমাদের কোম্পানীর প্রধান কাঁচামাল হল গরু হতে সংগৃহীত কাঁচা তরলদুধ। এই কাঁচা তরলদুধ বৃহত্তর রংপুর, দিনাজপুর, পাবনা, রাজশাহী, সিরাজগঞ্জ ছাড়াও বাংলাদেশের অন্যান্য জেলা থেকে সংগ্রহ করা হয়। কাঁচা তরলদুধ ছাড়া ম্যাঙ্গো কম্পাউন্ড, বানানা কম্পাউন্ড, স্ট্রবেরী কম্পাউন্ড, কোকো পাউডার ইত্যাদি কাচাঁমাল ডেনমার্ক, ইটালী, ভিয়েতনাম ও মালয়েশিয়া থেকে আমদানী করা হয়। তাছাড়া দেশীয়ভাবে সংগৃহীত অন্যান্য কাচাঁমালের মধ্যে চিনি, গ্লুকোজ, ম্যাঙ্গো পাল্প প্রভৃতি উল্লেখযোগ্য।

উৎপাদন ও মান নিয়ন্ত্রন:

আমাদের কোম্পানীতে বিদেশে প্রশিক্ষণপ্রাপ্ত ক্যামিষ্ঠ এবং আধুনিক গবেষণাগার রয়েছে । কোম্পানীর কাঁচামাল সংগ্রহ থেকে শুরু করে বাজারজাতকরণ পর্যন্ত আমাদের উৎপাদিত পণ্যগুলো উন্নত প্রযুক্তি দ্বারা উৎপাদন, মান নিয়ন্ত্রন এবং পরীক্ষা-নিরীক্ষা করা হয়।

বাজারজাতকরণ:

যেহেতু আমাদের দেশে ইউ এইচ টি পণ্য একটি নতুন ধারণা সেহেতু পাস্তরিত তরল দুধের সাথে ইউ এইচ টি দুধের তুলনামূলক সুবিধার চিত্র তুলে ধরে বাজারজাতকরণ শুরু করা হয়। ইউ এইচ টি পন্য বাজারজাতকরণে প্রধান ভোক্তা হল ছাত্র-ছাত্রী, বালক-বালিকা, শিক্ষক-শিক্ষিকা, পিতা-মাতা সহ সমাজের সকল শ্রেনী ও পেশার মানুষ । সুতরাং বলা যায় গুনগতমান ঠিক রেখে এই পণ্য দেশব্যাপি বাজারজাত করলে আরডি পণ্যের চাহিদা বহুগুন বিস্তৃত হতে পারে।

অস্বাভাবিক লাভ বা ক্ষতি:

চলতি বছরে আমাদের কোম্পানী উল্লেখযোগ্য কোন ধরনের অস্বাভাবিক লাভ বা ক্ষতির সম্মুখীন হয়নি।

মানবসম্পদ ব্যবস্থাপনা:

কোম্পানীর সার্বিক উন্নয়ন ত্বরান্বিত করার লক্ষ্যে মানব সম্পদকে চালিকা শক্তি হিসেবে বিবেচনা করা হয়েছে এবং এ লক্ষে কেম্পানীর ব্যাপক মানবসম্পদ উন্নয়নের কৌশলগ্রহণ করেছে। আমাদের কোম্পানী দক্ষ এবং যোগ্য জনশক্তি দ্বারা পরিচালিত যাদেরকে একটি স্বচ্ছ প্রক্রিয়ার মান্যমে নিয়োগ করা হয়ে থাকে। ব্যবস্থাপনা কর্তৃপক্ষ মানবসম্পদেরও প্রশিক্ষণ ও উন্নয়নমূখী শিক্ষা গ্রহণের উপর অধিকতর গুরুত্বআরোপ করে থাকেন এবং আমরা দক্ষ জনশক্তি গড়ে তোলার জন্য প্রতিনিয়ত কাজ করে যাচ্ছি। কোম্পানী সর্বদা একটি সুন্দর পরিবেশে কর্মীদের কাজের উৎকর্ষতা, দলগতভাবে কাজের স্পৃহা ও উদ্ভাবনী শক্তিকে নিশ্চিতকরণ এবং অধিকতর গ্রহণযোগ্য পারিশ্রমিক ও সুবিধাদি প্রদানে নিবেদিত।

সামাজিক প্রতিশ্রুতি:

সমাজের প্রতি দায়িত্ববোধের দৃষ্টিকোন থেকে আমরা পরিচালনা করছি বলে বিশ্বাস করি। সেজন্য রংপুর ডেইরী অ্যান্ড ফুড প্রোডাক্টস লিমিটেড -এ আমাদের সকল কার্যক্রম প্রধানত সমাজের মঙ্গলের দিকে লক্ষ্য রেখেই সম্পাদিত হয়ে থাকে। সামাজিক অঙ্গীকারের অংশ হিসাবে কোম্পানী সামাজিক গুর"ত্ব সম্পন্ন কাজে সার্বিক সহযোগিতা করে থাকে। আমাদের কোম্পানী পরিবেশ রক্ষায় সর্বদা সচেতন। কারখানা আঙ্গিনার মধ্যে পুকুর খনন এবং বৃক্ষরোপন এ মধ্যে উল্লেখযোগ্য।

আর্থিক ফলাফল ও আবন্টন:

পরিচালনা পর্ষদ ৩০শে জুন ২০১৭ সমাপ্ত অর্থ বছরে কোম্পানীর আর্থিক ফলাফল ও আবন্টন আপনাদের কাছে উপস্থাপন করছে

বিবরণ	২০১৬-২০১৭ সন	২০১৫-২০১৬ সন
করপরবর্তী নীট মুনাফা	৩৫,৩৭৫,৭৪৩	২৯,৯৯৯,৩২৭
যোগঃ পুঞ্জিত উদ্ধৃত (পূর্ববর্তী বছর থেকে আনীত)	১৮৫,৯৩৫,৩১৪	১৫৪,৯০০,০৫১
পূন:নির্ধারিত হিসাব থেকে আনীত	১,০০৪,৮৫৮	১,০৩৫,৯৩৬
বন্টনযোগ্য মুনাফা	**২২২,৩১৫,৯১৬**	**১৮৫,৯৩৫,৩১৪**
লভ্যাংশ প্রদান (২০১৫-২০১৬)	(৫৪,২০৮,০০০)	-
প্রস্তাবিত লভ্যাংশ (অক্টোবর ৩০, ২০১৭ইং)	(৫৯,৬২৮,৮০০)	-
উদ্ধৃত পরবর্তী বছরে স্থানান্তরিত	**১০৮,৪৭৯,১১৫**	**১৮৫,৯৩৫,৩১৪**

লভ্যাংশ:

সম্মানিত শেয়ারহোল্ডারবৃন্দের বিনিয়োগ বিবেচনায় রেখে কোম্পানীর পরিচালনা পর্ষদ ২০১৬-২০১৭ সালের জন্য কোম্পানীর পরিশোধিত মুলধনের উপর ১০% স্টক লভ্যাংশ প্রদানের সুপারিশ করেছেন।

পরিচালকমন্ডলীর নির্বাচন:

কোম্পানীর আর্টিকেলস অফ এ্যাসোসিয়েসন অনুসারে স্বতন্ত্র পরিচালক জনাব রেজাউল করিম অবসর গ্রহন করেছেন এবং যোগ্য বিধায় পরিচালক পদে পুন: নির্বাচনের প্রস্তাব করা হয় এবং প্রস্তাবনুযায়ী তিনি পুন: নির্বাচনের জন্যে আগ্রহ প্রকাশ করেন। এই আগ্রহের প্রেক্ষিতে পরিচালকমন্ডলী তার পুনঃ নিয়োগের সুপারিশ করেছেন।

চেয়ারম্যান জনাব এস.এম. ফখর-উজ-জামান গত ২৬-০৪-১৭ তারিখে ব্যক্তিগত কারণ দেখিয়ে চেয়ারম্যান এবং পরিচালক উভয় পদ থেকে পদত্যাগ করেন । পরিচালকমন্ডলী জনাব এস.এম. ফখর-উজ-জামান -এর পদত্যাগের প্রস্তাব গ্রহন করেছেন। পরিচালকমন্ডলী কোম্পানীর ব্যবস্থাপনা পরিচালক জনাব এম, এ. কবিরকে ভারপ্রাপ্ত চেয়ারম্যান হিসাবে অতিরিক্ত দায়িত্ব প্রদান করেন এবং জনাবা রুমানা কবির ও জনাব ফাহিম কবিরকে কোম্পানীর নতুন পরিচালক হিসাবে নিয়োগ প্রদান করেন।

নিরীক্ষকঃ

বর্তমান নিরীক্ষক মেসার্স আহমেদ জাকের এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস, ২০১৬-২০১৭ সালের নিরীক্ষাকাজ সম্পন্ন করেছেন। পর পর ৩ বছর নিরীক্ষাকাজ সম্পন্ন করায় উক্ত প্রতিষ্ঠান ২০১৭-২০১৮ হিসাব বছরের জন্য নিরীক্ষাকাজ সম্পন্ন করার যোগ্য নয় বিধায় নতুন কোন চার্টার্ড একাউন্ট্যান্টস ফার্মকে নিয়োগ প্রদান করতে হবে। পরিচালকমন্ডলী ২০১৭-২০১৮ হিসাব বছরের জন্য ১৩তম এজিএম এ নতুন চার্টার্ড একাউন্ট্যান্টস ফার্মকে নিয়োগ প্রদানের সুপারিশ করবেন।

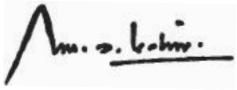
পরিশেষে, রংপুর ডেইরী অ্যান্ড ফুড প্রোডাক্টস লিমিটেড কর্তৃপক্ষ তার সকল কর্মচারীবৃন্দকে আন্তরিক শুভেচ্ছা জ্ঞাপন করছে। সেইসাথে আমাদের সম্মানিত শেয়ারহোল্ডার, ক্রেতা, বিক্রেতা, বিধিবদ্ধ প্রতিষ্ঠান এবং আমাদের ব্যবসা পরিচালনার সাথে যারা জড়িত তাদের সকলকে আন্তরিক ধন্যবাদ জ্ঞাপন করছে।

উপসংহার :

সর্বশেষে, রংপুর ডেইরী অ্যান্ড ফুড প্রোডাক্টস লিমিটেড-এর পর্ষদের পক্ষে আমি আমাদের ব্যবস্থাপকগণ সহ কর্মচারী, কর্মকতাগণকে ব্যক্তিগতভাবে ধন্যবাদ ও আন্তরিক কৃতজ্ঞতা জানাতে চাই। কারণ আপনাদের সহযোগিতা ছাড়া ২০১৬-২০১৭ অর্থ বছরে আমাদের এই ব্যবসা সম্পাদন কখনোই সম্ভব হতো না।

আমি আরও ধন্যবাদ জানাতে চাই সরকারী সংস্থা সমূহ, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা স্টক এক্সচেঞ্জ লিঃ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ (সিএসই), সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিমিটেড (সিডিবিএল) আরজেএসসি-সহ বিধিবদ্ধ প্রতিষ্ঠান সমূহকে যারা কোম্পানীটিকে বিভিন্নভাবে তাদের সহায়তা প্রদান করেন। আমাদের সম্মানীত শেয়ারহোল্ডার, ক্রেতা, বিক্রেতা ও আমাদের ব্যাংকারদের প্রতি তাদের সদয় সহযোগীতা ও ধারাবাহিক সমর্থন প্রদানের জন্য আন্তরিক কৃতজ্ঞতা প্রকাশ করছি।

পরিচালকমন্ডলীর পক্ষে



এম, এ. কবির
ব্যবস্থাপনা পরিচালক ও ভারপ্রাপ্ত চেয়ারম্যান

Independent Auditors' Report
To the Shareholder of Rangpur Dairy & Food Products Limited

We have audited the accompanying financial statements of **Rangpur Dairy & Food Products Limited** which comprises the Statement of Financial Position as at June 30, 2017 along with Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in equity and Statement of Cash Flows for the year ended June 30, 2017, and a summary of significant accounting policies and other explanatory notes.

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, Companies Act 1994, The Securities & Exchange Rules 1987 and other applicable rules and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 financial statements give a true and fair view of the financial position of **Rangpur Dairy & Food Products Limited** as at June 30, 2017 and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

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 and Other Comprehensive Income, Statement of Changes in equity and Statement of Cash Flows dealt with by the report are in agreement with the books of accounts;

d) the expenditures incurred were for the purpose of the Company's business.

Place: Dhaka;
Dated: October 30, 2017

AHMED ZAKER & CO.
Chartered Accountants

RANGPUR DAIRY & FOOD PRODUCTS LIMITED

STATEMENT OF FINANCIAL POSITION

As at June 30, 2017

Particulars	Notes	Amount in Taka	
		June 30, 2017	June 30, 2016 Restated
Non-current assets		**704,831,977**	**688,511,174**
Property, Plant & Equipment	5.00	702,960,952	686,382,313
Intangible Assets	6.00	1,871,025	1,780,877
Construction Work in Progress	7.00	-	347,984
Investments		**18,151,136**	**18,151,136**
Government Bond	8.00	18,151,136	18,151,136
Current assets		**400,097,087**	**356,740,872**
Inventories	9.00	102,231,930	92,203,599
Accounts Receivable	10.00	98,510,308	93,331,445
Advances, Deposits & Pre-Payments	11.00	168,546,899	158,776,295
Cash & Cash Equivalents	12.00	30,807,950	12,429,533
Total Assets:		**1,123,080,200**	**1,063,403,182**
Shareholder's equity		**999,470,759**	**964,095,016**
Share Capital	13.00	596,288,000	542,080,000
Share Premium	14.00	130,731,200	130,731,200
Revaluation Reserve	15.00	104,343,644	105,348,502
Retained Earnings	16.00	168,107,915	185,935,314
Non-current liabilities		**16,462,041**	**12,184,360**
Deferred Tax Liability	17.00	16,462,041	12,184,360
Current liabilities		**107,147,400**	**87,123,806**
Accounts Payable	18.00	7,585,575	2,551,671
Short Term Bank Loan	19.00	75,936,301	62,260,772
Provision for WPPF and Welfare Fund	20.00	13,511,939	12,689,424
Share Application Money	21.00	5,739,018	5,739,018
Provision for Income Tax	22.00	1,476,511	953,676
Accrued Expenses	23.00	2,898,056	2,929,245
Total Liabilities & Shareholders' equity		**1,123,080,200**	**1,063,403,182**

The annexed notes 1 to 32 form an integral part of these financial statements.

Managing Director & Acting Chairman	Director	Director	Company Secretary

Signed as per our separate report on same date.

Place: Dhaka
Dated: October 30, 2017

Ahmed Zaker & Co.
Chartered Accountants

RANGPUR DAIRY & FOOD PRODUCTS LIMITED

Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2017

Particulars	Notes	Amount in Taka	
		2016-17	2015-16
Revenue	24.00	532,430,924	494,433,871
Cost of Goods Sold	25.00	(422,206,747)	(400,735,538)
Gross profit		**110,224,177**	**93,698,333**
Operating expenses		**(57,675,073)**	**(50,834,917)**
Office & Administrative Expenses	26.00	(29,597,192)	(29,315,282)
Marketing & Distribution Expenses	27.00	(28,077,881)	(21,519,634)
Profit from operation		**52,549,104**	**42,863,417**
Financial Expenses	28.00	(10,216,182)	(7,113,247)
Non Operating Income	29.00	1,094,761	1,036,058
		43,427,683	**36,786,228**
Contribution to WPPF and Welfare Fund		(2,067,985)	(1,751,725)
Net Profit before income tax		**41,359,698**	**35,034,503**
Income Tax Expense	30.00	(5,983,955)	(5,035,175)
Net profit after income tax		**35,375,743**	**29,999,327**
Earnings per share	31.00	**0.59**	**0.55**

The annexed notes 1 to 32 form an integral part of these financial statements.

Managing Director & Acting Chairman	Director	Director	Company Secretary

Signed as per our separate report on same date.

Place: Dhaka
Dated: October 30, 2017

Ahmed Zaker & Co.
Chartered Accountants

RANGPUR DAIRY & FOOD PRODUCTS LIMITED

Statement of Changes in Equity
For the year ended June 30, 2017

				Amount in Taka	
Particulars	**Share Capital**	**Share Premium**	**Revaluation Reserve**	**Retained Earnings**	**Total**
Balance as on 01.07.2016	542,080,000	130,731,200	105,348,502	185,935,314	964,095,016
Net profit after tax for the period	-	-		35,375,743	35,375,743
Depreciation charged on revalued amount	-	-	(1,004,858)	1,004,858	-
Dividend paid for the year	54,208,000			(54,208,000)	
Balance as on 30.06.2017	**596,288,000**	**130,731,200**	**104,343,644**	**168,107,915**	**999,470,759**

Statement of Changes In Equity
For the year ended June 30, 2016

				Amount in Taka	
Particulars	**Share Capital**	**Share Premium**	**Revaluation Reserve**	**Retained Earnings**	**Total**
Balance as on 01.07.2015	542,080,000	130,731,200	106,384,438	154,900,051	934,095,689
Net profit after tax for the period	-	-	-	29,999,327	29,999,327
Depreciation charged on revalued amount	-	-	(1,035,936)	1,035,936	-
Balance as on 30.06.2016	**542,080,000**	**130,731,200**	**105,348,502**	**185,935,314**	**964,095,016**

Managing Director & Acting Chairman | **Director** | **Director** | **Company Secretary**

Signed as per our separate report on same date.

Place: Dhaka
Dated: October 30, 2017

Ahmed Zaker & Co.
Chartered Accountants

RANGPUR DAIRY & FOOD PRODUCTS LIMITED

Statement of Cash Flows
For the year ended June 30, 2017

Particulars	Amount in Taka	
	2016-17	2015-16
Cash Flow from Operating Activities:		
Receipts from customers	527,252,061	485,035,365
Receipts from non operating income	1,094,761	1,036,058
Payment to suppliers, employees & others	(454,733,397)	(421,660,168)
Income Tax Paid	(2,162,048)	(1,670,507)
Net Cash Provided by Operating Activities: (A)	**71,451,377**	**62,740,748**
Cash Flow from Investing Activities:		
Acquisition of Property, Plant & Equipment	(66,450,449)	(90,462,718)
Acquisition of Intangible Assets	(298,040)	(131,125)
Net Cash Used by Investing Activities: (B)	**(66,748,489)**	**(90,593,843)**
Cash Flow from Financing Activities:		
Share Application Money refund	-	(14,400)
Proceeds from short term loan	13,675,529	27,803,531
Net Cash Used by Financing Activities: (C)	**13,675,529**	**27,789,131**
Net Cash inflow/ outflow(A+B+C)	**18,378,417**	**(63,964)**
Cash & Cash equivalents at the beginning of the year	12,429,533	12,493,497
Closing Cash & Cash equivalents at the end of the year	**30,807,950**	**12,429,533**

Managing Director & Acting Chairman | **Director** | **Director** | **Company Secretary**

Signed as per our separate report on same date.

Place: Dhaka
Dated: October 30, 2017

Ahmed Zaker & Co.
Chartered Accountants

RANGPUR DAIRY & FOOD PRODUCTS LIMITED
Notes to the financial statements
As at & for the year ended June 30, 2017

1 Corporate History of the Reporting Entity

1.1 Corporate history

Rangpur Dairy & Food Products Ltd. (The Company) was incorporated in Bangladesh on March 06,2004 Vide Registration No. C-52012(2307)/2004, as a Private Limited Company under The Companies Act 1994. The company was converted to Public Limited Company from Private Limited Company as at June 24, 2010 and issue of share through IPO as on 13 October 2011.

The principal office of business of the company is situated at 22/19 Khiljee Road, Mohammadpur. Dhaka–1207 and factory is located at Salaipur, Baldipukur, Rangpur-5460. The Company commenced its commercial production on 14th April 2007.

1.2 Nature of business

To produce or manufacture UHT, pasteurized and flavored milk, ghee, butter, different type of candy and milk products and marketing the same in the domestic market.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRS) as well as the other applicable laws and regulations.

Financial Statements comprises Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, notes and explanatory materials covering accounting policies.

2.2 Other Regulatory compliances

The Company is required to comply with the following major legal provisions in addition to the Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax Act (VAT), 1991
The Value Added Tax Rules (VAT), 1991

2.3 Basis of measurement

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain property, plant and equipment.

2.4 Functional and presentational currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's' functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise. Figures in brackets indicate deductions.

2.5 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting polices and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

2.6 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Company provide sufficient fund to meet the present requirements of its existing business.

2.7 Applicable standards

The following BASs are applicable for the financial statements:

BAS:1 Presentation of Financial Statements
BAS:2 Inventories
BAS:7 Statements of Cash Flows
BAS:8 Accounting policies, Changes in Accounting Estimates and Errors
BAS:10 Events after the reporting period
BAS:12 Income Taxes
BAS:16 Property, Plant and Equipment
BAS:18 Revenue
BAS:19 Employee Benefits
BAS:23 Borrowing Costs
BAS:24 Related Party Disclosures
BAS:32 Financial Instruments (Presentaion)
BAS:33 Earnings Per Share
BAS:34 Interim Financial Reporting
BAS:37 Provisions, Contingent Liabilities and Assets
BAS:38 Intangible Assets

2.8 Reporting period

The financial period of the company covers one year (12 months) end from 1 July 2016 to 30 June 2017.

3 Significant accounting polices

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

3.1 Financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, short term finance and other payables.

3.2 Property, plant and equipment

3.2.1 Recognition and Measurement

These are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation and impairment losses. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the Statement of Profit or Loss and Other Comprehensive Income which is determined with reference to the net book value of assets and the net sales proceeds.

3.2.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliable. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

3.2.3 Fixed Assets and Depreciation

No depreciation is charged on land & land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life. Six month's depreciation has been charged on additions irrespective of the date when the related assets are put into use.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management:

Particulars	Rate of Depreciation
Factory Building	3%
Furniture & Fixture	10%
Vehicles	10%
Plant & Machinery	10%
Electrical Installation	10%
Office Equipment	10%
Factory Equipment	10%
Generator	5%
Shop Sign	30%

3.2.4 Intangible asset

An Intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of assets can be measured reliably. Intangible assets have been shown at cost less amortization as per BAS-38 "Intangible Assets" and any impairment loss. Amortization has been charged on diminishing balance method. Amortization on addition of assets has been charged from the date of purchase. Amortization has been charged at the rate of 10%.

3.2.5 Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.3 Revenue recognition

Revenue from the sale of goods is measured at fair value of the consideration received or receivable. Revenue from sale of goods is recognized in the Statement of Profit or Loss and Other Comprehensive Income when goods are delivered from factory go down and delivery Chillan is issued to the customer. This is considered to be consistent with BAS -18.

3.4 Inventories

Inventories are valued in accordance with BAS-2 (Inventories) at the lower of cost and net realizable value. The cost of finished goods comprises raw materials, direct labor, other direct and other related production overheads (based on normal capacity) and related depreciation. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale.

Category	Basis of Valuation
Finished Goods	At the lower of cost or Net realizable value. The cost includes allocation of production overheads that relate to bringing the inventories to their present condition and location.
Raw Materials	At the lower of weighted average cost or Net realizable value.
Materials-in-transit	At cost including related charges.

3.5 Accounts receivables

Receivables are carried at original invoice price. Provision for bad debts are calculated, on a case by case basis after review of the aging schedule and revised every quarter, when any specific risk arises relating to the collectability the amount is written off.

3.6 Cash and cash equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was insignificant risk of changes in value of the same.

3.7 Statements of Cash Flows

Statements of Cash Flows is prepared in accordance with BAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method.

3.8 Investments

Income on Investment is recognized on accrual basis.

3.9 Borrowing Costs

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with BAS-23 "Borrowing Cost". Borrowing costs relating to property, plant and equipment up to the year of completion of erection are capitalized, and those for the subsequent year is charged to revenue.

3.10 Accrued Expenses and Other Payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

3.11 Advances, 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 such as PPE or inventory etc.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Income Statement.

3.12 Responsibility of the Preparation and Presentation of the Financial Statements

The Board of Directors are responsible for preparing and presenting the financial statements in accordance with BFRS, the Company Act 1994 and other applicable laws including adequate disclosures, who approved and authorized for issue of this financial statements.

3.13 Events after the Reporting Period

In compliance with the requirements of BAS 10: Events After Reporting Period Date, adjusting events that provide additional information about the company's position at the Events After Reporting Period Date are reflected in the financial statements. Events after Reporting Period date that are non adjusting events are disclosed in the notes when material.

3.14 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

a. when the company has an obligation (legal or constructive) as a result of past events;

b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c. reliable estimates can be made of the amount of the obligation.

d. As of june 30, 2017, the company did not have any adjusting events reporting period.

3.15 Income Taxes

a) Current Tax

Income Tax is assessed based on SRO No. 199 - law/Income Tax/2015-Income Tax Ordinance, 1984 Dated June 30, 2015 under section 44, sub-section (4), clause (b).

b) Deferred Tax

The company has adopted deferred tax during the year under review in compliance with the provisions of Bangladesh Accounting Standard (BAS-12) "Income Taxes". The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences (Taxable or deductable) between the carrying amount (Book value) of assets and liabilities for financial reporting purposes and its tax base and accordingly deferred tax income/ expenses has been considered to determine net profit after tax and Earning Per Share (EPS).

3.16 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

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

3.17 Employment Benefit Schemes

The company has made a provision for Workers' Profit Participation (WPPF) and Welfare funds @ 5% of net profit before tax as per Labor Act 2006.

3.18 Comparative Information and Rearrangement Thereof

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

4 Additional information on Financial Statements:

4.1 Responsibility for the preparation and presentation of Financial Statements

The Board of Directors and Management of the company are responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994, and Corporate Governance gridline issued by the Bangladesh Securities and Exchange Commission as per the provision of "The Framework for the preparation and presentation of Financial Statements" issued by the International Accounting Standards Committee (IASC).

4.2 Authorization date for issuing Financial Statements

The Financial Statements were authorized by the Board of Directors on October 30, 2017 for issuing after the completion of review.

4.3 Components of the Financial Statements

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

1) Statement of Financial Position as at June 30, 2017.
2) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2017.
3) Statement of Changes in Equity for the year ended June 30, 2017.
4) Statement of Cash Flows for the year ended June 30, 2017.
5) Explanatory notes to the Financial Statements.

		Amount in Taka	
		June 30, 2017	June 30, 2016
5.00	**Property, Plant & Equipment:**		
	This is made up as follows:		
	Particulars		
	A. Cost:		
	Opening Balance (at cost)	965,664,715	871,798,425
	Add: Addition during the year	66,746,228	93,866,290
	Closing Balance:	**1,032,410,943**	**965,664,715**
	B. Accumulated Depreciation:		
	Opening Balance	279,282,402	231,870,211
	Add: Charged during the year	50,167,590	47,412,191
	Closing Balance:	**329,449,992**	**279,282,402**
	Written Down Value (A-B):	**702,960,952**	**686,382,313**
	The details Schedule of Property, Plant & Equipment are shown in attached (**Annexure- A).**		
6.00	**Intangible Assets:**		
	This is made up as follows:		
	Particulars		
	Opening Balance	1,780,877	1847627
	Addition during the year	298,040	131,125
		2,078,917	**1,978,752**
	Amortization during the year	(207,892)	(197,875)
	Written Down Value:	**1,871,025**	**1,780,877**
7.00	**Construction Work in Progress:**		
	This is made up as follows:		
	Particulars		
	Opening Balance	347,984	508,485
	Addition during the year	-	-
		347,984	**508,485**
	Transferred to Property, Plant & Equipment	(347,984)	(160,501)
	Closing Balance:	**-**	**347,984**
8.00	**Government Bond:**		
	This is made up as follows:		
	Particulars		
	Opening Balance	18,151,136	18,151,136
	Addition during the year	-	-
	Closing Balance:	**18,151,136**	**18,151,136**
9.00	**Inventories:**		
	This is made up as follows:		
	Particulars		
	Raw Materials	72,519,666	66,233,452
	Finished Goods	26,327,557	22,247,971
	Work In Progress	2,797,404	3,071,597
	Stationary	587,303	650,579
	Closing Balance:	**102,231,930**	**92,203,599**
10.00	**Accounts Receivable:**		
	This is made up as follows:		
	Particulars		
	Accounts Receivable	98,510,308	93,331,445
	Closing Balance	**98,510,308**	**93,331,445**

	Amount in Taka	
	June 30, 2017	June 30, 2016

a) Ageing of the above receivables is given Below:

1 to 3 Months	4 to 6 Months	7 to 12 Months	1 Year and above	Total
51,722,737	39,244,863	5,389,034	2,153,673	98,510,308
51,722,737	**39,244,863**	**5,389,034**	**2,153,673**	**98,510,308**

b) Receivables are unsecured but considered good.
c) There is no debt due by or to directors or other officers of the company
d) There is no debt due by the directors and officers within the common management of the company.
e)The details of Accounts Receivable are shown in **(Annexure-B).**

11.00 Advances, Deposits & Pre-Payments:

This is made up as follows:

Particulars			
advance to new office		661,085	661,085
advance to factory/Chilling		38,972,267	41,721,852
Advance to Parties	(Annexure- C)	25,194,768	13,983,469
Advance for Machinery	Note:11.01	89,880,165	89,827,960
Advance income Tax		12,581,539	11,602,929
VAT Current Account		1,116,135	838,060
Security Deposit		140,940	140,940
Closing Balance:		**168,546,899**	**158,776,295**

a) All Advances & Deposits are considered good and recoverable by the management.
b) There is no amount due from Directors or officers of the Company.
c) There is no advances due by or to within the common management of the company.

11.01 Advance for Machinery:

This is made up as follows:

Particulars		
Apon Engineering Workshop	10,170,700	10,324,400
Basic Engineering	26,633,086	27,978,086
Chowdhury Enterprise	7,006,012	4,849,012
ESS (Engineering and Support service)	1,816,732	2,984,532
JS Builders	6,644,195	5,536,545
Santek	22,259,511	26,584,996
Sumon Engineering	8,575,714	5,922,714
United Engineering	6,774,215	5,647,675
Closing Balance:	**89,880,165**	**89,827,960**

Aging of Advance & Deposits:		
Due to 1-6 months	48,970,549	47,702,995
Due to 7-12 months	17,930,233	33,463,705
Above 1 year	22,979,383	8,661,260
Total:	**89,880,165**	**89,827,960**

12.00 Cash & Cash Equivalents :

This is made up as follows:

Particulars			
Cash in Hand	Note: 12.01	5,844,931	6,547,789
Cash at Bank	Note: 12.02	24,963,019	5,881,744
Closing Balance:		**30,807,950**	**12,429,533**

12.01 Cash in Hand:

This is made up as follows:

Particulars		
Cash in Hand (Head Office)	5,194,863	6,154,147
Cash in Hand (Factory)	650,068	393,642
Closing Balance	**5,844,931**	**6,547,789**

12.02 Cash at Bank:

This is made up as follows:

	Amount in Taka	
	June 30, 2017	June 30, 2016

Particulars:

Name of Bank	Name of Branch	Account Number	2016-17	2015-16
Islami Bank Bd. Ltd.	Shyamoli Br.	20502090900006902	1,445,895	1,434,452
Prime Bank Ltd.	Foreign Exchange Br.	12631060018441	157,810	538,297
NCC Bank Ltd.	Rangpur Br.	0026-0210016463	5,040	519,302
NCC Bank Ltd.	Motijheel Main Br.	0002-0210011279	-	-
NCC Bank Ltd.	Shyamoli Br.	0055-0325000141	9,478,926	701,340
NCC Bank Ltd.	Motijheel Main Br.	0002-0315000047	4,954	5,862
NCC Bank Ltd.	Motijheel Main Br.	0002-0325000760	7,449,970	567,782
NCC Bank Ltd.	Shyamoli Br.	00550325000409	5,000	-
Dutch-Bangla Bank Ltd.	Ring Road Br.	148-120-0004782	399,197	1,349,503
Union Bank Ltd.	Hatkhola Br.	0041210000209	2,762	3,784
Meghna Bank Ltd.	Motijheel Br.	110311100000403	5,281,837	29,793
NCC Bank Ltd. (USD)	Motijheel Main Br.	0002-0251008241	680,793	680,793
NCC Bank Ltd. (Euro)	Motijheel Main Br.	0002-0253000521	25,626	25,626
NCC Bank Ltd. (GBP)	Motijheel Main Br.	0002-0252000247	25,210	25,210
Total:			**24,963,019**	**5,881,744**

13.00 Share Capital:

This is made up as follows:

Particulars

Authorized Capital :

100,000,000 Ordinary Shares of Tk. 10/- each	1,000,000,000	1,000,000,000
	1,000,000,000	**1,000,000,000**

Issued, Subscribed, Called-up & Paid-up Capital:

59,628,800 Ordinary Shares of Tk. 10/- each	596,288,000	542,080,000
	596,288,000	**542,080,000**

The Shareholding position of the Company is as under:

Name	Status	%	No. of Shares	Amount
Mr. S.M.Fakharuzaman	Sponsor	10.76	6,415,937	64,159,370
Mr. M.A.Kabir	MD & Acting Chairman	10.76	6,415,937	64,159,370
Mrs. Sultana Parvin	Sponsor	1.25	746,491	7,464,910
Mr. Fahim Kabir	Director	0.33	199,080	1,990,800
Mrs. Rumana Kabir	Director	0.38	226,000	2,260,000
General Shareholder	General Public	76.52	45,625,355	456,253,550
Total		**100.00**	**59,628,800**	**596,288,000**

	Amount in Taka	
	June 30, 2017	June 30, 2016

Details of Number of Shareholders and percentage as under:

Share Holding Range	Percentage (%)	No. of share holders	No. of Shares
01-499 shares	4.10	12,781	2,443,351
500-5,000 shares	7.11	2,340	4,239,351
5,001-10,000 shares	5.42	428	3,231,393
10,001-20,000 shares	5.28	219	3,150,914
20,001-30,000 shares	4.77	115	2,844,579
30,001-40,000 shares	2.35	41	1,401,337
40,001-50,000 shares	3.13	40	1,863,780
50,001-100,000 shares	8.20	70	4,891,205
100,001- 1,000,000 shares	31.53	67	18,803,066
1,000,001- 1,000,000,000 shares	28.11	4	16,759,824
Total	**100.00**	**16,105**	**59,628,800**

14.00 Share Premium:

This is made up as follows:

Particulars		
Share Premium	130,731,200	130,731,200
Total:	**130,731,200**	**130,731,200**

The above amount received when issued share through initial public offering.

15.00 Revaluation Reserve:

This is made up as follows:

Particulars		
Opening Balance	105,348,502	106,384,438
Adjustment during the year	(1,004,858)	(1,035,936)
Closing Balance	**104,343,644**	**105,348,502**

The revaluation reserve includes Land & Land Development and Factory Building of the company. The revalued amount as per valuation report of **Online Survey & Inspection Company**, a licensed certified surveyor, Government of Bangladesh, dated : **20 April 2010** based on the Financial Statements as on 31 December 2009. The re-valuation surplus amount was **Tk. 109,112,305** as on 31 December 2010.

16.00 Retained Earnings:

This is made up as follows:

Particulars		Restated
Opening Balance	185,935,314	154,900,051
Add: Profit/(Loss) during the year	35,375,743	29,999,327
Add: Depreciation charged on revalued amount	1,004,858	1,035,936
Less: Dividend paid for the year	54,208,000	-
Closing Balance	**168,107,915**	**185,935,314**

17.00 Deferred Tax Liability:

This is made up as follows:

Particulars		Restated
Opening Balance	12,184,360	7,464,895
Add: Deferred Tax expenses during the year	4,277,681	4,719,465
Closing Balance:	**16,462,041**	**12,184,360**

18.00 Accounts Payable:

This is made up as follows:

Particulars		
Sundry Creditors	7,585,575	2,551,671
Total:	**7,585,575**	**2,551,671**

	Amount in Taka	
	June 30, 2017	June 30, 2016

a) The details have been shown in (**Annexure-D).**
b) Sundry creditors represents regular suppliers of raw materials, stationery and others.
c) All creditors were paid on regular basis.

19.00 Short Term Bank Loan :

This is made up as follows:

Particulars		
Meghna Bank Limited (Cash Credit)-017	69,678,827	57,422,910
Meghna Bank Limited (LTR)	6,257,474	4,837,862
Total:	**75,936,301**	**62,260,772**

The details of the loan is as under:
Name of the Bank: Meghna Bank Limited
Nature: Cash Credit & Import Loan (LTR)
Sanction Limit: Tk. 90,000,000
Expiry Date: 28.02.2018
Interest Rate: 11 % P.a. subject to revision from time to time.
Securities:
a) Hypothecation of Stock of raw materials, work-in-process and finished goods duly insured under Bank's mortgage
b)Registered mortgage of 257 decimal project land along with factory building and other structure at Vill: salaipur,
c) Post dated cheque(s) covering LTR.

20.00 Provision for WPPF and Welfare Fund:

This is made up as follows:

Particulars		Restated
Opening Balance	12,689,424	12,377,123
Add: Addition during the year	2,067,985	1,751,725
Payment made during the year	(1,245,470)	(1,439,424)
Closing Balance:	**13,511,939**	**12,689,424**

21.00 Share Application money:

This is made up as follows:

Particulars		
General Public	5,002,753	5,002,753
Non- Resident Bangladeshi	736,265	736,265
Closing Balance:	**5,739,018**	**5,739,018**

This represents subscription money received from IPO which is ready for refund. They will be refunded whenever claimed by the applicants.

22.00 Provision for Income Tax:

This is made up as follows:

Particulars		Restated
Opening Balance	953,676	637,965
Current year Tax	1,706,273	315,711
	2,659,949	**953,676**
Payment during the year	(1,183,438)	-
Closing Balance:	**1,476,511**	**953,676**

23.00 Accrued Expenses:

This is made up as follows:

Particulars		
Audit fee	115,000	75,000
Electricity Bill	400,000	694,091
Salary & Allowances	2,266,308	2,044,408
Other Liabilities	116,748	115,746
Closing Balance:	**2,898,056**	**2,929,245**

All accrued Expenses were paid on regular basis.

		Amount in Taka	
		2016-17	2015-16

24.00 Revenue:

This is made up as follows:

Particulars			
Gross Sales Revenue		536,138,475	497,456,723
Less: Sales Return		1,036,656	502,254
		535,101,819	**496,954,469**
Less: VAT		2,670,895	2,520,598
Total:		**532,430,924**	**494,433,871**

25.00 Cost of Goods Sold:

This is made up as follows:

Particulars			
Raw materials Consumed	Note: 25.01	328,581,426	312,869,112
Wages		4,055,704	2,910,244
Power Cost	Note: 25.02	26,223,850	25,464,480
Prime Cost		**358,860,980**	**341,243,836**
Add: Manufacturing Overhead	Note: 25.03	67,151,160	61,800,997
Cost of Production		**426,012,140**	**403,044,833**
Add: Opening Work-In-Progress		3,071,597	3,177,809
Total Goods In Process		**429,083,737**	**406,222,642**
Less: Closing Work-In-Progress		2,797,404	3,071,597
Cost of Goods Manufactured		**426,286,333**	**403,151,045**
Add: Opening finished goods		22,247,971	19,832,464
Cost of Goods Available for Sale		**448,534,304**	**422,983,509**
Less: Closing finished goods		26,327,557	22,247,971
Cost of Goods Sold:		**422,206,747**	**400,735,538**

25.01 Raw Materials Consumed:

This is made up as follows:

Particulars		
Opening stock	66,233,452	62,598,403
Add: Purchase during the year	334,867,640	316,504,161
Raw materials available for use	**401,101,092**	**379,102,564**
Less: Closing Stock	72,519,666	66,233,452
Raw materials Consumed:	**328,581,426**	**312,869,112**

25.02 Power Cost:

This is made up as follows:

Particulars		
Electricity bill	6,151,693	6,778,099
Fuel & Diesel	19,964,947	18,647,661
Gas Charges	107,210	38,720
Total	**26,223,850**	**25,464,480**

	Amount in Taka	
	2016-17	2015-16

25.03 Manufacturing Overhead:

This is made up as follows:

Particulars		
Salary & Allowances	18,825,077	15,424,104
Festival Bonus	1,857,114	2,471,104
Entertainment	127,916	182,240
Chilling Center Expenses	271,755	318,178
Factory Maintenance	220,257	123,721
Farming Expenses	3,440	9,445
Generator Maintenance	85,000	287,896
Internet Bill	147,855	235,232
Medical Expenses	9,153	11,139
Repair & Maintenance	392,513	28,655
Depreciation	45,150,831	42,670,972
Fair Expense	15,750	-
Public Relation	44,500	38,310
Total:	**67,151,160**	**61,800,997**

26.00 Office & Administrative Expenses:

This is made up as follows:

Particulars		
Salary & Allowances	9,412,538	7,712,052
Director Remuneration	2,400,000	2,529,679
Festival Bonus	2,785,671	3,706,656
Conveyance	74,094	111,662
Entertainment	191,874	273,361
Audit Fee	115,000	130,000
Electric bill	124,776	91,878
Donation & subscription	27,200	15,509
Fees & Charges	364,496	789,638
Fine & Penalties	76,190	85,370
Fuel & Oil	2,424,753	3,262,973
General Expenses	97,603	444,324
Insurance Premium	37667	285,163
Iftar Bill	151,258	66,238
Meeting Fees	1,200	12,000
Mobile Bill	1,224,395	1,123,561
Office Maintenance	20,836	35,095
Office Rent	557,600	778,615
Photocopy Bill	3,300	6,744
Postage Telex courier	70,108	184,915
Paper & Periodics	5,130	6,580
Printing & Stationary	1,336,746	200,000
Repair & Maintenance	262,334	366,640
Renewal Fee	246,895	632,154
Amortization of Intangible Assets	207,892	197,875
Telephone	15,779	184
Tours & Travel	37,388	1,769
Annual Listing Fee	871,484	689,210
Water Bill	69,758	19,043
Design Bill	97,580	235,525
A.G.M.Expenses	851,558	81,001
Picnic	84,475	50,000
Fooding Allowance	220,650	329,586
Computer Accessories	38,130	51,906
Legal Fees	74,075	67,157
Depreciation	5,016,759	4,741,219
Total:	**29,597,192**	**29,315,282**

27.00 Marketing & Distribution Expenses :

This is made up as follows:

Particulars	Amount in Taka 2016-17	2015-16
Salary & Allowances	18,825,077	15,424,104
TA/DA	4,409,326	3,601,970
Carrying Charges	42,315	367,448
Dealer Incentive Program	-	91,016
Advertising & Publicity	512,748	172,970
Business Promotion	606,177	522,660
Tour & Travels	281,282	266,941
Research & Development	1,752	3,326
Free Sample	918,505	216,703
Depot Expenses	37,632	159,492
Vehicle Maintenance	1,916,891	677,389
Toll Charge	524,176	-
Incentive	2,000	15,615
Total:	**28,077,881**	**21,519,634**

28.00 Financial Expenses:

This is made up as follows:

Particulars		
Interest on Loan	10,059,204	6,823,240
Bank Charges & Commission	156,978	290,007
Total:	**10,216,182**	**7,113,247**

29.00 Other Income:

This is made up as follows:

Particulars		
Bank Interest	14,094	25,466
Interest of Govt. Bond	773,000	786,500
Miscellaneous Sale	307,667	224,092
Total:	**1,094,761**	**1,036,058**

30.00 Income Tax Expense:

This is made up as follows:

Particulars			
Current year Tax	Note: 30.01	1,706,273	315,711
Deferred Tax expense/(Income)	Note: 30.02	4,277,681	4,719,465
Total:		**5,983,955**	**5,035,175**

30.01 Current year Tax Provision:

Computation of Taxable profit for current tax calculation:

Net Profit before income tax	41,359,698	35,034,503
Add: Accounting base depreciation	50,167,590	47,412,191
	91,527,287	**82,446,694**
Less: Tax base depreciation	78,685,464	78,875,289
Taxable profit for current tax	**12,841,823**	**3,571,404**

			Amount in Taka	
			2016-17	2015-16
Taxable profit :				
On 1st	1,000,000	3%	30,000	30,000
On Next	2,000,000	10%	200,000	200,000
On Rest Amount	9,841,823	15%	1,476,273	85,711
Total:	**12,841,823**		**1,706,273**	**315,711**

30.02 Deferred Tax Expenses/ (Income):

This is made up as follows:

Particulars		
Deferred Tax Expenses/ (Income)	4,277,681	4,719,465
	4,277,681	**4,719,465**

Deferred Tax Expenses/(Income) for liability/(asset) has been calculated as per Bangladesh Accounting Standard (BAS)-12.

31.00 Earnings Per Share:

This is made up as follows:

Particulars		
Net Profit after Income Tax	35,375,743	29,999,327
No. of Share	59,628,800	54,208,000
Total:	**0.59**	**0.55**
Earnings per share (Diluted)	**0.59**	**0.50**

32.00 Events after the reporting period:

The Board of Directors of Rangpur Dairy & Food Products Limited in its Board meeting held on 30 October 2017 recommended 10% stock dividends for the year 2016-17 subject to approval of shareholders in the forth comming AGM.

Rangpur Dairy & Food Products Limited
Schedule of Property, Plant & Equipment
For the year ended June 30, 2017

Annexure-A

Amount in Taka

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written down value as at June 30, 2017
	As at July 01, 2016	Addition during the year	As at June 30, 2017		As at July 01, 2016	Charged during the year	As at June 30, 2017	
Land & Land Development	130,371,941	-	130,371,941	-	-	-	-	130,371,941
Factory Building	145,298,587	3,612,437	148,911,024	3%	22,560,794	3,736,320	26,297,114	122,613,910
Furniture & Fixture	7,755,844	245,955	8,001,799	10%	3,402,125	447,670	3,849,794	4,152,005
Vehicles	51,298,797	2,775,758	54,074,555	10%	19,027,413	3,365,926	22,393,339	31,681,216
Plant & Machinery	549,067,888	50,267,425	599,335,313	10%	204,772,626	36,942,897	241,715,524	357,619,790
Electrical Installation	23,005,347	2,829,837	25,835,184	10%	12,004,986	1,241,528	13,246,514	12,588,670
Office Equipment	5,460,726	410,420	5,871,146	10%	1,920,378	374,556	2,294,934	3,576,212
Factory Equipment	45,399,260	6,604,396	52,003,656	10%	12,558,612	3,614,285	16,172,897	35,830,759
Generator	5,965,510	-	5,965,510	5%	1,778,111	209,370	1,987,481	3,978,029
Shop Sign	2,040,815	-	2,040,815	30%	1,257,357	235,037	1,492,394	548,421
Total as at 30.06.2017	**965,664,715**	**66,746,228**	**1,032,410,943**		**279,282,402**	**50,167,590**	**329,449,992**	**702,960,952**
Total as at 30.06.2016	**871,798,425**	**93,866,290**	**965,664,715**		**231,870,211**	**47,412,191**	**279,282,402**	**686,382,313**

Allocation of Depreciation:

Administrative	5,016,759
Manufacturing Overhead	45,150,831
	50,167,590

Description	Asset Value Before Revaluation (Tk.)	Revalued Amount (Tk.)	Revaluation Surplus (Tk.)	Revaluation Reserve as at July 01, 2016	Depreciation charged on Revalued Amount			Revaluation Reserve as at June 30, 2017
					Balance as at July 01, 2016	Charged during the year	Balance as at June 30, 2017	
Land and Land Development	33,485,923	105,339,154	71,853,231	71,853,231	-	-	-	71,853,231
Building	54,287,026	91,546,100	37,259,074	33,495,271	3,763,803	1,004,858	4,768,661	32,490,413
Total as at 30.06.2017	**87,772,949**	**196,885,254**	**109,112,305**	**105,348,502**	**3,763,803**	**1,004,858**	**4,768,661**	**104,343,644**
Total as at 30.06.2016	**87,772,949**	**196,885,254**	**109,112,305**	**106,384,438**	**2,727,867**	**1,035,936**	**3,763,803**	**105,348,502**

Rangpur Dairy & Food Products Limited
Schedule of Accounts Receivable
As at June 30, 2017

Annexure-B

SI No.	Particulars	Amount in Taka	
		June 30, 2017	June 30, 2016
1	3-S Shopping Mall (Uttara)	32,756	30,291
2	Academia School Canteen	7,695	7,695
3	Aklima Enterprise	3,366,844	2,504,129
4	Alif Enterprise	2,157,101	2,157,259
5	Anisha Store (Mawna)	1,478,772	-
6	Aman Super Shop	40,248	61,099
7	Ananda Bazar	19,774	10,443
8	Anik Enterprise	3,310,850	3,213,694
9	Anurag Super Shop	4,121	3,712
10	Aroma Bazar Ltd.	30,624	11,537
11	Asraf Traders	-	3,074,115
12	Azmere Bazar (Ring Road)	27,097	10,888
13	Babu Store	2,386,249	2,187,695
14	Bangladesh Specialized Hospital Ltd.	477,044	412,849
15	Business Trade Link	1,679,003	-
16	Barista Labaza Coffee Shop	4,237	4,560
17	Belal Enterprise	2,640,533	2,841,463
18	Bhai Bhai Enterprise (Gazipur)	3,054,430	2,654,709
19	Bhai Bhai Genaral Store (Gazipur)	1,115,174	874,707
20	Big Bazer	21,805	6,502
21	Big Bazer (Khilgao)	16,333	5,444
22	Carefamily	35,820	18,584
23	Carefamily (Mohammadpur)	19,683	19,683
24	CSD Bangladesh	114,520	22,416
25	D.R.M.C Genaral Store	10,334	3,537
26	Daily Super shop	8,394	12,444
27	Depot Sales	3,525,752	3,211,102
28	Dider Super shop	2,892	2,892
29	Esha & Tisha Enterprise	3,151,009	3,401,478
30	Friends Traders	2,706,915	2,972,212
31	Gmart Super Market Ltd	29,675	11,541
32	Haques Mart	7,468	5,121
33	Hashem Enterprise	-	1,186,783
34	Hemel Enterprise	-	1,477,296
35	Haji Ibrahim & sons(keranigonj)	2,020,480	-
36	Hridoy Enterprise	1,000,864	-
37	Huq Traders	2,577,624	3,020,160
38	J A Traders-Rangpur	1,329,529	815,347
39	IV & EE Canteen	9,593	4,786
40	Jahin Traders	2,449,396	2,422,599
41	Kashfia Enterprise	2,701,991	2,643,126
42	Kanon Enterprise	943,732	-
43	Khalid Store	2,672,846	2,573,338
44	Kisibid Bazer (Kazi para)	6,654	22,339
45	Kisibid Bazer (Mirpur 10)	32,832	11,886
46	Konjumer Mega Shop	6,147	1,384
47	Lal Miah Food Product	472,889	248,370
48	M.A Jaman & Son's	996,277	995,977
49	Maayer Doya Store	3,075,726	1,979,499

SI No.	Particulars	Amount in Taka	
		June 30, 2017	June 30, 2016
50	Mapleleaf Int School	3,465	3,465
51	Mehadi Mart	48,007	20,900
52	Megha Enterprise-Savar	2,134,790	969,928
53	Meraz Store	3,381,448	3,409,901
54	Mina Bazar (DM)	392,634	294,523
55	Minu Bazar	28,171	21,125
56	Mohona Store-Ashulia	906,669	881,836
57	Mr. Abdus Sabur (NCC Bank Ltd.)	24,304	20,844
58	Mr.Shah Alam (HO)	1,280,988	1,913,166
59	Mr.Shawkat Ali (Banani)	124,592	85,474
60	Nandan Mega Shop (DM)	32,677	20,911
61	Nandonik Bazar	6,483	6,483
62	Nasrin Traders (Rng)	7,660,979	8,670,248
63	Nayem Enterprise	-	1,603,818
64	New Bazar	16,579	17,059
65	Pick and Pay	33,440	19,345
66	Pinki Enterprise	1,805,361	-
67	Pothik Departmental Store	1,307,091	599,449
68	Prince Bazar (Mirpur 1)	38,042	42,206
69	Prince Bazar (MP)	145	14,315
70	Prince Bazar (Shamoly)	19,754	548
71	Prince Bazar (Pallabi)	8,273	9,635
72	Prova Enterprise	3,740,923	3,484,208
73	PSI - Canteen	5,683	3,631
74	Rahimafrooz (Hatipul)	1,441	2,785
75	Rahimafrooz (Japan Garden)	14,410	18,114
76	Rahimafrooz (Pallabi)	12,966	13,763
77	Rahimafrooz (Shantinagar)	34,681	58,997
78	Rahimafrooz (Shegunbagicha)	11,716	25,711
79	Rahimafrooz (Uttara-1)	8,808	8,121
80	Rahimafrooz (Uttara-2)	17,320	6,387
81	Rahim Afrooz Super Store (Mogbazar)	18,229	27,286
82	Rahimafrooz (Uttara-3)	11,481	8,611
83	Rahimafrooz SS(Ctg)	33,128	104,635
84	Rahimafrooz SS(DM)	208,600	148,612
85	Rahimafrooz SS(DM-27)	29,168	37,193
86	Rahimafrooz SS(GL-1)	14,922	13,419
87	Rahimafrooz SS(GL-2)	231	231
88	Rahimafrooz SS(Indira Road)	15,058	4,704
89	Rahim Afrooz Super Store (uttara-4)	14,495	-
90	Rahimafrooz SS(MP-1)	19,045	38,535
91	Rifat Enterprise	1,727,624	1,726,137
92	Ripto Enterprise-Rangpur	1,385,070	748,015
93	Riya Enterprise	2,365,321	2,366,482
94	Riyam G.Store	2,120,782	1,920,598
95	RM Enterprise	1,470,963	1,471,624
96	Saad Musa City Centre	15,719	11,967
97	Shakil Enterprise	1,764,900	1,744,295
98	Shikder organic Market	39,509	15,129
99	Shishir Trading	-	4,272,708
100	sohana store(gazipur)	1,171,824	-
101	sumon store	1,208,954	-

SI No.	Particulars	Amount in Taka	
		June 30, 2017	June 30, 2016
102	Shwapno Shopping Mall	676,598	326,549
103	Simul Enterprise	-	1,176,841
104	SK Enterprise	3,245,086	3,469,138
105	Talukder Enterprise	2,106,306	906,014
106	Tasdid Enterprise	2,770,061	3,320,912
107	Trust Family Needs	40,628	30,737
108	Trust Family Needs 2	20,384	16,674
109	Unimart(Gulshan)	15,864	6,046
110	Uttara Bazar	26,381	14,763
111	yamin enterprise	1,092,397	-
Total:		**98,510,308**	**93,331,445**

Rangpur Dairy & Food Products Limited
Schedule of Advance to Parties
As at June 30, 2017

Annexure-C

SI No.	Particulars	Amount in Taka	
		June 30, 2017	June 30, 2016
1	Advance to Fish Project	3,253,853	3,253,853
2	Ajanta Handicraft	50,000	50,000
3	Alam Tyre and Battery	-	42,100
4	Apurbo Ad. Media	100,000	-
5	Atlas Food & Beverage	182,332	-
6	Ava Enterprise	72,000	-
7	Babylon Paper Products Ltd.	150,000	-
8	Badal Enterprise	265,713	265,000
9	Bangla Trac	113,484	-
10	Barishal Greet Vandar	8,860	-
11	Bengal Polymers	390,000	190,000
12	Bismillah Auto Mobiles	370,500	198,000
13	BSMC	400,000	400,000
14	Capak Industry Inc.	58	-
15	Digital Engravers	397,110	197,237
16	DITF	2,895,530	2,895,530
17	Faridpur Rice Agency	471,340	-
18	Kalyar Replica Ltd	262,650	-
19	Khan Engraving	34,500	34,500
20	LC Margin	885,292	836,959
21	Madona Cpmmunication Ltd.	100,000	-
22	Manikgong Colour Process & Print	-	142,355
23	Meghna Automation	295,000	295,000
24	MH Motors	426,084	-
25	Monaz Airtechnology Ltd.	14,500	-
26	Mr. Asraf	1,033,198	1,033,198
27	National Art Press	62,490	-
28	Olympic Industries Ltd.	78,000	-
29	Orana Vietnam Co. Ltd.	195	-
30	Pacific Int.	38,450	-
31	Pioneer Ins Co. Ltd.	135,135	-
32	Poly Cord Ltd.	100,000	-
33	Perfect Pack	91,554	-
34	Plus Distribution	1,500,000	1,500,000
35	Rahim Afroz	250,000	124,000
36	R.K Jute Mills Ltd.	7,200	-
37	S K Builder	160,000	160,000
38	Saheen Enterprise	2,200,000	2,200,000
39	Security Money (Cilling)	141,737	165,737
40	Shakawat Hossain	755,200	-
41	Shahara Power	159,260	-
42	Shapla Foods Ltd	22,648	-
43	Sincos Engineering Ltd.	45,450	-
44	Smart Digital System	68,000	-
45	Sonali Agencies	84,018	-
46	Star Seven Printing & Packaging	114,200	-
47	Star tech & Engineering Ltd.	41,450	-
48	Techno Prime Engineering	6,634,200	-
49	Unicorn Industries Ltd.	163,056	-
50	Unitech	112,600	-
51	World Engineering & Technology	57,921	-
	Total:	**25,194,768**	**13,983,469**

AMAR STOCK

Rangpur Dairy & Food Products Limited
Schedule of Accounts Payable
As at June 30, 2017

Annexure-D

SI No.	Particulars	Amount in Taka	
		June 30, 2017	June 30, 2016
1	Advance Packaging Ltd.	3,687	3,687
2	AB Food Products	81,315	-
3	Ahmed Zaker & co	13,500	-
4	Al Mostofa Printing & Packaging	26,643	-
5	Alam Tyre & Battery	62,960	-
6	Alom Auto Corner	7,340	-
7	Amigo Foods & Agrovet Ltd.	20,501	-
8	Atlas Food & Beverage	-	32,668
9	Bangla Trac	15,000	-
10	BBL Packaging	863	863
11	Bengal Plexipack Ltd	7,124	71,595
12	Billal enterprise	74,521	-
13	Bright Plastic Industries	131,782	-
14	Brothers Plastic Industries Ltd	11,416	11,416
15	City Oil Mail	-	39,990
16	Dipa Food	13,339	13,338
17	Dream International	81,000	-
18	Emerging Credit Rating Ltd	9,000	-
19	Eqra Perfumery	-	54,350
20	ESS paper & Packaging	235,642	125,400
21	Expression Ltd	1,500	1,500
22	Fahim Enterprise	27,690	27,690
23	Fair Sign	41,120	41,120
24	Farhan and Brothers	75,823	43,745
25	Faridpur Rice Agency	-	25,340
26	Faridpur Special Gaoa Ghee	335,883	194,188
27	Fortune Advertising	77,750	77,750
28	GBC product	86,522	-
29	Golden Trading	26,710	-
30	Guanzhou Flower Flavour	211,250	-
31	Grapic System ltd	2,000	2,000
32	Habib & Brothers	3,620	-
33	Hasan Chemical	548,800	-
34	IBS Metal	181	181
35	Igloo Foods Ltd	153,760	9,400
36	J.S Corporation	400	400
37	Janani Enterprise	58,025	500
38	Janani Traders	52,590	58,165
39	K Ferdows Plastic	113,400	76,368
40	Largess plastic & packaging industries	72,348	-
41	Lucy enterprise	22,368	-
42	M.R Garments Accessories	1,508	1,308
43	M/S Bari	225	167
44	Mahadi Enterprise	22,198	378
45	Manikgonj Color Process & print	574,985	-
46	MH Motors	-	20,252
47	Mostafa Enterprise	794,140	-
48	Mohona Trading	20,175	20,175
49	Monaz Air Technology	-	17,500
50	Mansoor & Sons	72,344	85,308
51	Maritme Enterprenure Pvt Ltd	33,750	-
52	MR Packaging	162,845	162,845

SI No.	Particulars	Amount in Taka	
		June 30, 2017	June 30, 2016
53	National Art Press	-	87,510
54	Navana Poly Packaging Ltd.	200	200
55	Nawmi Enterprise	2,750	-
56	Nitol Motors Ltd.	35,550	522,550
57	Polycon	239,108	-
58	Plastoccatats Limited	54,000	-
59	Parakha Agro Industries Ltd	17,603	-
60	Padma Plastic Factory	34,000	-
61	Raj Akhfa Pakaging	13,680	45,120
62	Ripon Perfumery & Chemical	45,800	-
63	RK International	8,400	-
64	Rubel Poly Corner	34,483	-
65	Runners Motors ltd	1,150,000	-
66	Rhythm Traders	75,760	-
67	Ridom Traders	-	107,700
68	S A Electric	4,680	-
69	Safa Traders	383,775	-
70	Sahajan Store	10,530	10,530
71	Sakawat Hosasen	-	181,560
72	Shapla Foods	-	62,867
73	Shariatpur Plastic Store	1,996	93,642
74	SS Metal	348,577	187,976
75	Sun Dairy and Agro	644,880	1,500
76	T S Enterprise	10	-
77	Victoria Scientific Traders	4,500	4,500
78	World Engineering	-	4,279
79	Yellow Design & Printing	750	18,750
80	Zaman Trading	85,000	3,400
Total:		**7,585,575**	**2,551,671**

Rangpur Dairy & Foods Products Limited
22/19, Khiljee Road (3rd floor)
Mohammadpur, Dhaka -1207

Proxy Form

I/We.....(Name)
of .....(Address)
being a member of **Rangpur Dairy & Foods Products Limited** hereby appoint
Mr./Mrs./Miss.....(Name)
of .....(Address)
as my/our proxy to attend and vote for me/us and on my/our behalf at the 13th ANNUAL GENERAL MEETING of the Company to be held on Saturday the December 23, 2017 at 11.00 a.m. and or at any adjournment thereof. Signed this.....day of.....2017.

Revenue Stamp

Signature of Shareholder(s) ..... Signature of the Proxy: .....

BO ID:

No. of Shares held: .....

.....
Authorized Signature
Rangpur Dairy & Foods Products Limited

.....
Signature verified

Note :> The Proxy Form, duly completed, signed and affixed with revenue stamp of Tk. 10.00 must be deposited at the Registered Office of the Company not later than 72 hours before the time fixed for the meeting. Proxy will be invalid if not signed and stamped as explained above.
>Signature of the shareholder should match with the Specimen Signature registered with the Company.

Rangpur Dairy & Foods Products Limited
22/19, Khiljee Road , Mohammadpur, Dhaka -1207

ATTENDANCE SLIP

I/We hereby record my attendance at the 13th ANNUAL GENERAL MEETING o**f Rangpur Dairy & Foods Products Limited** being held on Saturday the December 23, 2017.

Signature of Shareholder(s) ..... Signature of the Proxy: .....

Name of Shareholder(s) ..... Name of Proxy.....

BO ID:

No. of Shares held: .....

.....
Authorized Signature
Rangpur Dairy & Foods Products Limited

Note: Please complete the attendance slip and hand it over at the entrance of the meeting venue.

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