

2010-2011

2011-2012

# ANNUAL REPORT



Bengal Biscuits Limited

# **ANNUAL REPORT AND ACCOUNTS**








**For the years ended June 30, 2011 and 2012**

**BENGAL BISCUITS LIMITED**

**345, SEGUN BAGICHA, DHAKA-1000.**

## THE EXCELSIOR GROUP

**BENGAL BISCUITS LIMITED** is a Member Company of the **EXCELSIOR GROUP**. The names, nature of activities and the year of Incorporation of all the Members of this Group are mentioned below :

<u>NAMES &amp; NATURE OF ACTIVITIES</u>	<u>YEAR OF INCORPORATION</u>
 <b>EXCELSIOR TRADING CORPORATION LTD.</b> Indenters, Exporters & Importers	1972
 <b>BENGAL BISCUITS LIMITED</b> Manufacturer of high quality Biscuits, Flour, Extruded Snacks, Candy and other Consumer food products	1980
 <b>PHARMA AIDS LIMITED</b> Manufacturer of Neutral Glass Ampoules	1981
 <b>EXCELSIOR GARMENTS LIMITED</b> 100% Export Oriented Readymade Garments	1984
 <b>EXCELSIOR ENGINEERS LIMITED</b> Engineering Consultants & Fabricators	1985
 <b>EXCELSIOR SHOES LIMITED</b> Manufacturer of 100% Export Oriented Shoes	1988
 <b>EXCELSIOR CORPORATION LIMITED</b> Corporate Affairs of the Member Companies	1990

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## **BENGAL BISCUITS LIMITED**

**345, Segun Bagicha, Dhaka-1000**

### **Price Sensitive Information**

The valued Shareholders of the Company are hereby informed that the Board have recommended no dividend at its Board Meeting held on 03.02.2013.

### **NOTICE OF THE 31ST AND 32ND ANNUAL GENERAL MEETING.**

Notice is hereby given to all the Shareholders of the Company that its 31<sup>st</sup> and 32<sup>nd</sup> ANNUAL GENERAL MEETING will be held in the Barisal Auditorium, Band Road, Barisal on Thursday the 28<sup>th</sup> February 2013 at 10:00 and 10:30 am respectively to transact the following agenda:

1. To confirm the minutes of the 30th Annual General Meeting.
2. To receive, consider and adopt the Audited Accounts of the Company for the Accounting years ended on 30th June, 2011 and 30th June, 2012 together with the Auditors' and the Directors' reports thereon.
3. To elect Director as per terms of Article Nos. 107 & 109 of the Articles of Association of the Company.
4. To appoint Auditors and to fix their remuneration.

Directors

By Order of the Board of

Sd-  
(K. H. Reza, FCS)  
Corporate Secretary

Dated: 03.02.2013

#### **NOTES:**

01. The Share Register of the Company will remain closed from 19<sup>th</sup> to 28<sup>th</sup> February 2013 (both the days inclusive). During that period no share transfer will be effected.
02. Votes may be given either personally or by attorney or by proxy and in case of a Company/Corporation by a representative duly authorized. Such proxy shall be a Member of the Company or a person duly authorized by the Member. The Proxy Form/Power of Attorney/Authorization letter, duly completed and stamped must be deposited at the Company's Registered Office at least 48 hours before the meeting.
03. Members are requested to notify change of address, if any, to the Company in writing before 19<sup>th</sup> February 2013.
04. Admission into the auditorium will be only production of the Attendance Slip.

## **CORPORATE DIRECTORY**

### **BOARD OF DIRECTORS:**

**MR. M. A. KALAM**  
Chairman & Managing Director

**MR. M. A. MASUD**  
Director

**MR. FAIZUL HASSAN**  
Director

**MRS. NURUL AKHTAR AURORA**  
Director

**MR. M. SYEDUR RAHMAN**  
Independent Director

### **CORPORATE SECRETARY:**

Mr. K. H. Reza, FCS

### **AUDITORS:**

**Pinaki & Company**  
Chartered Accountants  
And

**S.H. Khan & Company**  
Chartered Accountants

### **BANKER:**

Prime Bank Limited  
Bijoy Nagar Branch  
15/5, Akram Tower (1<sup>st</sup> floor),  
Dhaka-1000.

### **REGISTERED OFFICE:**

345, Segun Bagicha  
Ramna, Dhaka-1000  
Bangladesh.  
Phones : 9561941, 9337741-43  
Fax : 880-2-8313687, 9567948

### **FACTORY:**

Plot # A43-A46  
BSCIC Industrial Estate  
Kawnia, Barisal  
Bangladesh.

## বেঙ্গল বিস্কুট লিমিটেড সভাপতি ও পরিচালকমন্ডলীর প্রতিবেদন।

সম্মানিত শেয়ারহোল্ডারগণ।

আসসালামু-আলাইকুম।

অদ্যকার বার্ষিক সাধারণ সভায় উপস্থিত সকলকে আমি ব্যক্তিগতভাবে এবং পরিচালকমন্ডলীর পক্ষ থেকে স্বাগত জানাচ্ছি। আমি ২০১০-২০১১ অর্থ বছরের কোম্পানীর বার্ষিক প্রতিবেদন, নিরীক্ষিত হিসাব ও তার উপর নিরীক্ষকদের প্রতিবেদন আপনাদের সদয় বিবেচনা, পর্যালোচনা ও অনুমোদনের জন্য উপস্থাপন করছি।

### কোম্পানীর পরিচিতি :

বেঙ্গল বিস্কুট লিমিটেড ১৯৮০ ইং সনে স্থাপিত হয় এবং ১৯৮৪ ইং সনের ১০ই অক্টোবর উৎপাদন শুরু হয়। বরিশাল সদরে অবস্থিত বিসিক এলাকায় কারখানাটি অবস্থিত। কারখানায় বিভিন্ন প্রকার বিস্কুট, ক্যান্ডি ও ময়দা উৎপাদন হয়। অত্র প্রতিষ্ঠানে মোট ২৯৭ জন কর্মকর্তা, কর্মচারী ও শ্রমিক কর্মরত আছে।

### ব্যবসায়িক কার্যক্রম :

আলোচ্য বছরে কোম্পানীর বিক্রয়ের পরিমাণ পূর্ববর্তী বছরের তুলনায় ১৪.১৮% বৃদ্ধি পেয়ে ১০৩১.৫৮ লক্ষ টাকায় উন্নীত হয়েছে। উৎপাদনে ব্যবহৃত কাঁচামালের অস্থিতিশীল বাজার এবং বিদ্যুৎ সংকটের কারণে আমাদের উৎপাদন কার্যক্রম বাধাগ্রস্ত হওয়া সত্ত্বেও নতুন বাজারমুখী পরিকল্পনা এবং উন্নত ব্যবস্থাপনার মাধ্যমে এ ফলাফল অর্জন সম্ভব হয়েছে। হিসাবের পদ্ধতিগত পার্থক্যের কারণে (২০০৯-২০১০ ইং অর্থ বছরে প্রদত্ত VAT সহ মোট বিক্রয় ধরা হয়েছে, ২০১০-২০১১ ইং অর্থ বছরে VAT বাদে মোট বিক্রয় দেখানো হয়েছে) এবং বিদ্যুতের পর্যাপ্ত সরবরাহ না থাকায় ডিজেল চালিত জেনারেটর এর মাধ্যমে উৎপাদন করায় Power & Electricity খাতে খরচ বৃদ্ধি পেয়েছে। ফলে Cost of Goods Sold বৃদ্ধি পাওয়ায় কোম্পানীর গ্রস মুনাফা পূর্ববর্তী বছরের তুলনায় ৪.১৪% কমে ১২২.১৯ লক্ষ টাকা হয়েছে। তবে সর্বোপরি Net Loss পূর্ববর্তী বছরের তুলনায় ৩.৬৮ লক্ষ টাকা কমেছে।

### আর্থিক ফলাফল :

২০০৯-২০১০ অর্থ বছরের তুলনায় ২০১০-২০১১ অর্থ বছরের কোম্পানীর আর্থিক ফলাফল এর তুলনামূলক প্রতিবেদন নিম্নে দেয়া হল;

		(লক্ষ টাকায়)	
		২০১০-২০১১	২০০৯-২০১০
মোট বিক্রয়	:	১০৭৫.৪৭	৯০৩.৪৬
বাদ : ভ্যাট		৪৩.৮৯	-
নীট বিক্রয়	:	১,০৩১.৫৮	৯০৩.৪৬
মোট লাভ	:	১২২.১৯	১২৭.৪৬
নীট লাভ/(লোকসান)	:	(৩৩.১৮)	(৩৬.৮৬)
শেয়ার প্রতি লাভ/(লোকসান)	:	(৪.৬১)	(৫.১২)

**লভ্যাংশ ঘোষণা সংক্রান্ত সিদ্ধান্ত :**

২০০৯-২০১০ অর্থ বছরে কোম্পানীর নীট লোকসান ছিল ৩৬.৮৫ লক্ষ টাকা। আলোচ্য বছরে কোম্পানীর নীট লোকসান হয়েছে ৩৩.১৮ লক্ষ টাকা এবং পুঞ্জীভূত লোকসানের পরিমাণ ৫২৮.০৮ লক্ষ টাকা। এমতাবস্থায় কোম্পানীর পরিচালনা পর্ষদের পক্ষে এ বছরও লভ্যাংশ ঘোষণা করা সম্ভবপর হয়নি বলে পর্ষদ দুঃখ প্রকাশ করেছে।

**পরিচালনা পর্ষদ :**

বর্তমানে কোম্পানীর পরিচালকমণ্ডলীর সদস্যগণ নিম্নরূপ :

১। জনাব এম, এ, কালাম	সভাপতি ও ব্যবস্থাপনা পরিচালক
২। জনাব এম, এ, মাসুদ	পরিচালক
৩। জনাব ফায়েজুল হাসান	পরিচালক
৪। মিসেস নূরুল আক্তার আরোরা	পরিচালক
৫। জনাব সাইদুর রহমান	স্বতন্ত্র পরিচালক

**হিসাবকাল পরবর্তী অবস্থা :**

সবকিছুই পরিকল্পনা মাফিক এগুচ্ছে। বিভিন্ন ব্যবস্থা ও কৌশল প্রয়োগ করে কোম্পানীর উৎপাদিত পণ্যের বাজার সৃষ্টির প্রক্রিয়া অব্যাহত রয়েছে। যার ফলে কোম্পানীর বাজার আরও বৃদ্ধি পেয়েছে এবং ভবিষ্যতে কোম্পানীর সার্বিক সফলতা অর্জন সম্ভব হবে।

**কর্পোরেট গভর্নেন্স :**

সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নোটিশ নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/প্রশাসন/০২-০৮, তারিখ : ফেব্রুয়ারী ২০, ২০০৬ ইং এর নিরিখে কোম্পানীর কর্পোরেট গভর্নেন্স এর অবস্থান সন্নিবেশিত হয়েছে পরিশিষ্ট-১ এর মধ্যে।

**পরিচালকগণের অবসর গ্রহণ ও পুনর্নিয়োগ :**

কোম্পানীর আর্টিকেলস্ অব এসোসিয়েশনের ১২০ নং অনুচ্ছেদ অনুসারে জনাব এম এ মাসুদ এ বছর পরিচালকমণ্ডলীর পর্ষদ হতে অবসর গ্রহণ করেছেন। তিনি পুনর্নিয়োগ লাভের যোগ্য বিধায় পুনর্নিয়োগের জন্য আবেদন করেছেন।

**নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ :**

কোম্পানীর বর্তমান নিরীক্ষক মেসার্স পিনাকী এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ এর নিয়োগ SEC এর আইন অনুযায়ী ৩০-০৬-২০১১ ইং তারিখ পর্যন্ত বলবৎ ছিল। ২০১০-২০১১ ইং সমাপ্ত বছরে কোন এজিএম অনুষ্ঠিত না হওয়ায় এবং মেসার্স পিনাকী এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস্ এর মেয়াদ শেষ হওয়ার কারণে পরিচালনা পর্ষদের সিদ্ধান্ত মোতাবেক মেসার্স এস. এইচ. খান এন্ড কোং, চার্টার্ড এ্যাকাউন্ট্যান্টস্ কে বাৎসরিক ৫০,০০০.০০ (পঞ্চাশ হাজার) টাকা পারিশ্রমিকে ২০১১-২০১২ ইং সমাপ্ত বছরের জন্য নতুন নিরীক্ষক হিসাবে নিয়োগ প্রদান করা হয়েছে।



**অন্যান্য :**

ভ্যাট কর্তৃপক্ষ কর্তৃক অযৌক্তিকভাবে ৩.০০ কোটি টাকা ভ্যাট আরোপ এবং উহার উপর আরও ৬.৪২ কোটি টাকা জরিমানা ধার্যের বিষয়টি বর্তমানে আদালতে বিচারাধীন রয়েছে।

**উপসংহার :**

পরিচালকমন্ডলীর কাজে মূল্যবান সহযোগিতা ও সমর্থন দানের জন্য কোম্পানীর সম্মানিত শেয়ারহোল্ডারগণ, ক্রেতা-বিক্রেতা, সরবরাহকারী, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেড, ব্যাংক ও অন্যান্য আর্থিক প্রতিষ্ঠানসমূহ যারা আমাদের কার্যক্রমের সাথে জড়িত তাদের সকলকে আন্তরিক ধন্যবাদ ও অভিনন্দন জানাচ্ছে। একই সাথে কোম্পানীর সকল কর্মকর্তা, কর্মচারী ও শ্রমিকগণকে তাদের দায়িত্বশীলতা, নিষ্ঠা ও কর্মতৎপরতার জন্য জানাই আন্তরিক ধন্যবাদ।

পরিচালকমন্ডলীর পক্ষে,



(এম, এ, কালাম)

সভাপতি ও ব্যবস্থাপনা পরিচালক।

**ANNEX-I**

**The Directors also report that:**

- The financial statements of the Company present true and fair view of Company's state of affairs, result of its operations, cash flows and changes in equity.
- Proper books of account as required by law have been maintained.
- Appropriate accounting policies have been followed in formulating the financial Statements and Accounting estimates were reasonable and prudent.
- The financial statement was prepared in accordance with International Accounting Standard (IAS) as applicable in Bangladesh.
- The internal control system is sound in design and effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There is no significant deviation from the operating result of the last year.
- The number of board meetings and the attendance of directors during the year 2010-2011 were as follows:

Name of Directors	Meeting Held	Attended
Mr. M. A. Kalam	4	4
Mr. M. A. Masud	4	4
Mr. Faizul Hassan	4	4
Mrs. Nurul Akhtar Aurora	4	4
Mr. M. Syedur Rahman	4	4

- The pattern of shareholding (along with name wise detail) of parent/subsidiary/associated companies and other related parties, directors, chief executive officer, company secretary, chief financial officer, head of internal audit and their spouse and minor children, executives, shareholders holding 10% or more voting interest in the company as at 30<sup>th</sup> June, 2011 is stated in ANNEX-II.
- Securities and Exchange Commission compliance report is enclosed herewith as ANNEX-III.
- Key operating and financial data of last three years have been presented in summarized form as Past Financial Statistics in ANNEX-IV.

**Pattern of Shareholding as on June 30, 2011:**

Particulars	Nos. Share holding	Percentage
Parent Company	-	-
Associated Companies:		
Excelsior Trading Corporation Ltd.	20	-
Other Related Parties:		
Directors:		
Mr. M. A. Kalam	45,877	6.37%
Mr. M. A. Masud	23,702	3.29%
Mr. Faizul Hassan	37,298	5.18%
Mrs. Nurul Akhtar Aurora	12,433	1.73%
Mr. M. Syedur Rahman	No Share	-
Chief Executive Officer (CEO) and his spouse and minor children:	-	-
Chief Financial Officer (CFO) and his spouse and minor children:	-	-
Company Secretary (CS) and his spouse and minor children:	-	-
Head of Internal Audit (HIA) and his spouse and minor children:	-	-
Executives (Top five salaried person other than CEO, CFO, CS, HIA) :		
1. Mr. Md. Fakhrul Islam, Deputy General Manager	-	-
2. Mr. Md. Shahidul Islam, Factory Manager	-	-
3. Mr. Md. Jalal Ahmed, Manager Business Development	-	-
4. Mr. Md. Nurul Alam Khan, Manager Business Development	-	-
5. Mr. Md. Abu Baker Siddik, Asst. Manager, Co-Ordination	-	-
Shareholders Holding 10% or more voting right	-	-

**ANNEX-III**

Status of compliance with conditions imposed by the Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated 20<sup>th</sup> February, 2006 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Explanation for non compliance with the condition
		Complied	Not Complied	
1.1	Board's Size: Board Members should not be less than 5 (five) and more than 20 (twenty)	Complied		
1.2 (i)	Independent Director: at least 1/10th	Complied		
1.2 (ii)	Appointment of Independent Director by elected Directors	Complied		
1.3	Chairman of the Board and Chief Executive Officer should preferably be filled by different individuals		Not Complied	
1.4 (a)	Fairness of financial statements	Complied		
1.4 (b)	Maintenance of proper books of account	Complied		
1.4 (c)	Appropriate accounting policies applied consistently	Complied		
1.4 (d)	International accounting standards, as applicable in Bangladesh have been followed in preparing the financial statements	Complied		
1.4 (e)	Sound and effective internal control system	Complied		
1.4 (f)	Ability to continue as going concern	Complied		
1.4 (g)	Significant deviations from last year in operating results	Complied		
1.4 (h)	Summary of key operation and financial data	Complied		
1.4 (i)	If dividend has not been declared, the reason thereof	Complied		
1.4 (j)	Number of Board meeting held during the year and attendance each director	Complied		
1.4 (k)	Pattern of share holding	Complied		

Condition No.	Title	Compliance Status		Explanation for non compliance with the condition
		Complied	Not Complied	
2.1	Appointment of: a) CFO b) Head of Internal Audit c) Company Secretary	Complied Complied Complied		
2.2	Attend the Board Meeting by : a) CFO b) Company Secretary	Complied Complied		
3.00	Constitution of audit committee	Complied		
3.1 (i)	The audit committee should be composed of at least three members	Complied		
3.1 (ii)	Members of audit committee should be appointed by the board who are directors and one should be independent director	Complied		
3.1 (iii)	Board of Director should fill up the vacancy within one month of the vacancy in the audit committee	Complied		
3.2 (i)	Board of Director should select one member of the audit committee to be as chairman of the audit committee	Complied		
3.2 (ii)	Chairman of the audit committee should have a professional qualification or knowledge, understanding and experience in accounting and finance	Complied		
3.3.1 (i)	Reporting to the Board of Director of the Audit Committee	Complied		
3.3.1(ii) (a)	Report of conflict of interest	Not Applicable		
3.3.1(ii) (b)	Reporting of any fraud or irregularity or material defect in internal control system	Not Applicable		
3.3.1(ii) (c)	Reporting of infringement of laws, including securities related laws, rules and regulations	Not Applicable		
3.3.1(ii) (d)	Reporting of any other matter to the Board of Director	Not Applicable		

Condition No.	Title	Compliance Status		Explanation for non compliance with the condition
		Complied	Not Complied	
3.3.2	<p><b>Reporting to the Authorities:</b></p> <p>If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and being ignored by the Board of Directors, the Audit Committee should report such findings to the Commission.</p>	Not Applicable		
3.4	<p><b>Reporting to the Shareholders:</b></p> <p>Report on activities carried by the Audit Committee including any report made to the Board of Directors under condition 3.3.1 (ii) and the Disclosure of which should be made in the Annual Report</p>	Complied		
4.00 (i)	Non-engagement of External/Statutory Auditors in appraisal or valuation	Complied		
4.00 (ii)	Non-engagement of External/Statutory Auditors in designing in financial information system	Complied		
4.00 (iii)	Non-engagement of External/Statutory Auditors in book-keeping or other services related to the accounting records or financial statements	Complied		
4.00 (iv)	Non-engagement of External/Statutory Auditors in broker/dealer services	Complied		
4.00 (v)	Non-engagement of External/Statutory Auditors in actuarial services	Complied		
4.00 (vi)	Non-engagement of External/Statutory Auditors in internal audit services	Complied		
4.00 (vii)	Non-engagement of External/Statutory Auditors in any other services	Complied		

**Past Financial Statistics :**

**ANNEX-IV**  
**(Taka in lac)**

SL. No.	Particulars	2007-2008	2008-2009	2009-2010	2010-2011
1	Authorized Capital	1000.00	1000.00	1000.00	1000.00
2	Paid up Capital	720.00	720.00	720.00	720.00
3	Reserves & Surplus	(373.64)	(458.04)	(494.89)	(528.08)
4	Share Premium	291.99	291.99	291.99	291.99
5	Fixed Assets -Written down value	506.18	480.22	439.26	379.59
6	Turnover	651.95	747.04	903.46	1031.58
7	Gross Profit	132.58	160.14	210.76	122.19
8	Net Profit/(Loss)	(115.69)	(84.39)	(36.86)	(33.18)
9	Earning Per Share (EPS)	(16.07)	(11.72)	(5.12)	(4.61)
10	Net Asset Value (NAV) per share	88.66	76.94	71.82	67.21
11	No. of Employees	349	294	296	297
12	No. of Shareholders	5043	5008	4941	4824

**Auditors' Report**  
**to the shareholders**  
for the year ended June 30, 2011

We have audited the accompanying financial statements of **Bengal Biscuits Limited** which comprise the statement of Financial Position as at June 30, 2011, and the statement of Comprehensive Income, statement of changes in equity and Statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 the 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 evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June 2011 and of the result of its operations and its cash flows for the period then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

**Matter of Emphasis :**

Charging of depreciation on leasehold premises and relevant accounting treatment there to appeared to be contradictory to accounting principle.

**We also report that:**

1. 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;
2. 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;
3. The expenditure incurred and payments made were for the purpose of the company's business;
4. The Company's Balance Sheet and Income Statement dealt with by the report are in agreement with the books of account and returns;

*Pinaki Das*  
**Pinaki Das, FCA**  
**Partner**

**Date : 30. 10. 2011**

**BENGAL BISCUITS LIMITED**  
**Statement of Financial Position**

as at June 30, 2011

ASSETS	NOTES	TAKA	
		2010-2011	2009-2010
<b>NON-CURRENT ASSETS</b>		<b>38,959,212</b>	<b>45,925,890</b>
Property, Plant & Equipment	04	37,959,212	43,925,890
Promotional Expenses -Deferred	05	1,000,000	2,000,000
<b>CURRENT ASSETS</b>		<b>28,414,643</b>	<b>25,885,334</b>
Inventories	06	14,419,049	13,249,230
Accounts Receivable	07	8,007,597	5,956,980
Advances, Deposits and Prepayments	08	2,869,798	3,842,983
Cash and Cash Equivalnts	09	3,118,199	2,836,141
<b>Total Assets</b>		<b>67,373,855</b>	<b>71,811,224</b>
<b>EQUITY &amp; LIABILITIES</b>			
Authorized Share Capital 10,00,000 Ordinary Shares of Tk. 100/- each		100,000,000	100,000,000
<b>SHAREHOLDERS' EQUITY</b>		<b>48,391,516</b>	<b>51,709,644</b>
Issued, Subscribed and Paid-up Capital 7,20,000 Ordinary Shares of Tk.100/-each paid up in full	10	72,000,000	72,000,000
Share Premium	11	29,199,138	29,199,138
Retained Earnings		(52,807,622)	(49,489,494)
<b>NON-CURRENT LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>		<b>18,982,339</b>	<b>20,101,580</b>
Accounts Payable	12	14,036,751	14,845,992
Others Payable	13	4,945,588	5,255,588
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>67,373,855</b>	<b>71,811,224</b>

The accounting policies and other notes form an integral part of the financial statements.

Signed in terms of our separate report of even date

  
**M. A. Kalam**  
Chairman & Managing Director

Dated: Dhaka  
30th October, 2011

  
**F. Hassan**  
Director

  
**PINAKI & COMPANY**  
Chartered Accountants

  
**K. H. Reza, FCS**  
Corporate Secretary

**BENGAL BISCUITS LIMITED**  
**Statement of Comprehensive Income**  
for the year ended June 30, 2011


Particulars	Notes	Taka	
		2010-2011	2009-2010
<b>Revenue</b>	14	103,158,070	90,345,754
Cost of goods sold	15	90,939,275	77,599,643
<b>Gross Profit</b>		<b>12,218,795</b>	<b>12,746,111</b>
Other Income	16	250,000	225,160
<b>Operating Income</b>		<b>12,468,795</b>	<b>12,971,271</b>
Administrative Expenses	17	9,764,501	11,063,197
Selling and Distribution Expenses	18	6,022,422	5,593,896
<b>Operating Expenses</b>		<b>15,786,923</b>	<b>16,657,093</b>
<b>Net Profit/(Loss) during the year</b>		<b>(3,318,128)</b>	<b>(3,685,822)</b>
Basic earning per share (EPS)	19	(4.61)	(5.12)

The accounting policies and other notes form an integral part of the financial statements.


Examined and found correct

  
M. A. Kalam  
Chairman & Managing Director

Dated: Dhaka  
30th October, 2011

  
F. Hassan  
Director

  
PINAKI & COMPANY  
Chartered Accountants

  
K. H. Reza, FCS  
Corporate Secretary

**BENGAL BISCUITS LIMITED**

**Statement of Changes in Equity**  
for the year ended June 30, 2011


Particulars	Share Capital	Share Premium	Retained Earnings	Total (Taka)
Balance as on 01-07-2010	72,000,000	29,199,138	(49,489,494)	51,709,644
Net Profit/(Loss) during the year	-	-	(3,318,128)	(3,318,128)
<b>Balance as on 30-06-2011</b>	<b>72,000,000</b>	<b>29,199,138</b>	<b>(52,807,622)</b>	<b>48,391,516</b>

**Statement of Changes in Equity**  
for the year ended June 30, 2010

Particulars	Share Capital	Share Premium	Retained Earnings	Total (Taka)
Balance as on 01-07-2009	72,000,000	29,199,138	(45,803,672)	55,395,466
Net Profit/(Loss) during the year	-	-	(3,685,822)	(3,685,822)
<b>Balance as on 30-06-2010</b>	<b>72,000,000</b>	<b>29,199,138</b>	<b>(49,489,494)</b>	<b>51,709,644</b>


The accounting policies and other notes form an integral part of the financial statements.

Signed in terms our separate report of even date

  
**M. A. Kalam**  
Chairman & Managing Director

  
**PINAKI & COMPANY**  
Chartered Accountants

**Dated: Dhaka**  
**30th October, 2011**

  
**F. Hassan**  
Director

  
**K. H. Reza, FCS**  
Corporate Secretary

**BENGAL BISCUITS LIMITED**

**Cash Flow Statement**

for the year ended June 30, 2011

Particulars	Taka	
	2010-2011	2009-2010
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Cash receipts from customers	107,091,789	90,985,357
Cash paid to suppliers and employees	(105,112,731)	(83,669,123)
Cash generated from operation	<u>1,979,058</u>	<u>7,316,234</u>
Income Tax Paid	(310,000)	-
Net Cash from operating activities	<u>1,669,058</u>	<u>7,316,234</u>
<b>Cash Flow from Investing Activities:</b>	<u>(1,387,000)</u>	<u>(5,724,347)</u>
Acquisition of Fixed Assets	(1,387,000)	(5,724,347)
<b>Cash Flow from Financing Activities:</b>	<u>(1,387,000)</u>	<u>(5,724,347)</u>
<b>Net Cash Inflow/(Outflow)</b>	<u>282,058</u>	<u>1,591,887</u>
<b>Opening Cash &amp; Bank Balance</b>	<u>2,836,141</u>	<u>1,244,254</u>
<b>Closing Cash &amp; Bank Balance</b>	<u><u>3,118,199</u></u>	<u><u>2,836,141</u></u>

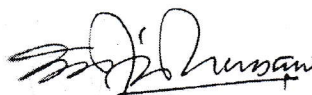
The accounting policies and other notes form an integral part of the financial statements.

Signed in terms our separate report of even date



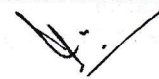
**M. A. Kalam**  
 Chairman & Managing Director

**Dated: Dhaka**  
**30th October, 2011**



**F. Hassan**  
 Director

*Pinaki Das*  
**PINAKI & COMPANY**  
 Chartered Accountants



**K. H. Reza, FCS**  
 Corporate Secretary

**Notes to the Financial Statements**  
for the year ended June 30, 2011

**1. Reporting entity**

**1.1. Company Profile.**

The Company was incorporated on 1<sup>st</sup> November, 1980 as a Private Limited Company under the Companies Act, 1913. Subsequently on 16<sup>th</sup> May, 1994, it was converted into a Public Limited Company under the same statute. Its shares are listed in both the Dhaka and Chittagong Stock Exchange Limited. The Registered Office of the Company is located at 345, Segun Bagicha, Dhaka -1000 and the Factory is located at Plot # A-42, A-43, A-44, A-45, A-46, D-268, D-269 & S-10 and BSCIC Industrial Estate, Kawnia, Barisal.

**1.2 Principal Activities and Nature of Operations:**

The Company is a manufacturer of high quality Biscuits, Flour, Extruded Snacks, Candy and other Consumer food products.

**2.1 Statement of Compliance:**

The financial statement have been prepared and the disclosure of information made in accordance with the requirement of the Companies Act 1994, the Security Exchange Rules 1987 and BASs adopted by the Institute of Chartered Accounts of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS). The balance sheet and income statement have been prepared according to BAS-1 (Presentation of Financial Statements) based on accrual basis following going concern assumption under generally accepted accounting principals and practices in Bangladesh and cash flow statement according to BAS-7 (Cash Flow Statement).

SL No.	BAS/BFRS Framework	Applicability	Remarks
		Applied	
BAS 01	Presentation of Financial Statements (2008)	Applied	
BAS 02	Inventories	Applied	
BAS 07	Cash Flow Statements	Applied	
BAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied	
BAS 10	Events after the Reporting Period	Applied	
BAS 11	Construction Contracts	N/A	
BAS 12	Income Tax	Applied	
BAS 14	Segment Reporting	N/A	
BAS 16	Property, Plant and Equipment	Applied	
BAS 17	Leases	Not Applied	3.9
BAS 18	Revenue	Applied	
BAS 19	Employee Benefits	N/A	
BAS 20	Accounting for Government Grants and Disclosure of Government Assistance	N/A	
BAS 21	The Effects of Changes in Foreign Exchange Rates	N/A	
BAS 23	Borrowing Costs (2008)	N/A	
BAS 24	Related Party disclosures	N/A	

BAS 26 Accounting and Reporting by Retirement Benefit Plans	N/A
BAS 27 Consolidated and Separate Financial Statements	N/A
BAS 28 Investments in Associate	N/A
BAS 31 Interests in Joint Venture	N/A
BAS 32 Financial Instruments: Presentation	N/A
BAS 33 Earnings Per Share	Applied
BAS 34 Interim Financial Reporting	N/A
BAS 36 Impairment of Assets	N/A
BAS 37 Provisions, Contingent Liabilities and Contingent Assets	N/A
BAS 38 Intangible Assets	Not Applied
BAS 39 Financial Instruments: Recognition and Management	Applied
BAS 40 Investment Property	N/A
BAS 41 Agriculture	N/A
BFRS 1 First Time Adoption of BFRS	N/A
BFRS 2 Share Based Payment	N/A
BFRS 3 Business Combination	N/A
BFRS 4 Insurance Contracts	N/A
BFRS 5 Non-current Assets Held for Sale & Discontinued Operations	N/A
BFRS 6 Exploration for and Evaluation of Mineral Resources	N/A
BFRS 7 Financial Instruments : Disclosures	Applied
BFRS 8 Operating Segments	N/A

## **2.2 Authorization Date**

These financial statement have been authorized for issue by the Board of Directors of the company on 22<sup>nd</sup> August 2011.

## **2.3 Basis of Measurement**

All the element of financial statement have been measured on "Historical Cost" basis which is one of the most commonly adopted basis as provided in "The Framework for the Preparation and Presentation of Financial Statements" issued by the Bangladesh Accounting Standards (BAS).

## **2.4 Functional and presentation currency.**

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT) which is both functional currency and presentation currency of the group/company. The amounts in these financial statements have been rounded off to the nearest Taka.

## **2.5 Use of estimates and judgements.**

The preparation of financial statements is in conformity with the International Accounting Standards requires management to make estimates and assumptions that affects the reported amounts of the assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and revenue and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in a accounting for certain items such as depreciation; liability for outstanding claims whether due or intimated, taxes etc.

**3. Significant Accounting Policies**

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Security Exchange Rules 1987 and BASs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS). The balance sheet and income statement have been prepared according to BAS-1 (Presentation of Financial Statements) based on accrual basis following going concern assumption under generally accepted accounting principals and practices in Bangladesh and cash flow statement according to BAS-7 (Cash Flow Statement).

**3.1 Property, plant and equipment.**

Properties, plant & Equipment are stated at cost less accumulated depreciation. Cost represent cost of acquisition or construction and include purchase price and other directly attributable cost of bringing the assets to working condition for its intended use, but do not include any capitalized borrowing cost.

Depreciation has been charged using Reducing Balance Method. Full year's depreciation is charged on additions irrespective of date when the related assets are put into use and no depreciation is charged on assets disposed of during the year. Expenditure for maintenance and repairs are expensed, major replacement, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in operations for the year.

**The annual depreciation rates are as under:**

<b>Particulars</b>	<b>Rate</b>
Factory Building	20%
Plant and Machinery	20%
Furniture and Fixture	10%
Office Equipment	10%
Factory Equipment	10%
Vehicles	20%
Auxiliaries	20%
Leasehold Land	1.01%

Depreciation has been charged to income statement consistently.

**Leasehold Land:**

Land on BSCIC Industrial Estate, Kawnia, Barisal has been taken on lease from BSCIC on the dates mentioned against each:

<b>Plot Name</b>	<b>Area</b>	<b>Date</b>
Plot No. A-45 & A-46	33,000 sft.	10-11-1980
Plot No. A-44	16,500 sft.	10-02-1985
Plot No. A-43	16,500 sft.	24-01-2009
Plot No. A-42, D-268, D-269 & S-10	41,434 sft.	20-10-2009



**3.2 Financial instruments**

A financial instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

**3.3 Accounts Receivable**

Accounts receivable are in original invoice value. The Current Accounts is maintaining with every party. All Current Accounts are considered good and collectable, and therefore, no amount was written off as bad debt and no debt was considered doubtful to provided for.

**3.4 Cash and cash equivalents**

Cash and Cash equivalents are readily convertible to known amounts of Cash and are subject to an insignificant risk of changes in value and are not restricted as to use. Here cash and cash equivalent includes cash and bank balances.

**3.5 Inventories**

Inventories consisting of Biscuits, sugar, Salt, Oil, Flour are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production of conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**3.6 Employee Benefits**

Bengal Biscuits Limited provide short term benefit to its employees such as Wages, Salary, annual leave, sick leave and bonuses.

**3.7 Income Tax**

No income tax provision has been created during the year ended 30<sup>th</sup> June 2011.

**3.8 Revenue Recognition**

Revenues are measured at fair value of the consideration received or receivable, net of discount and sales related taxes and VAT. Revenues are reported gross with separate recording of expenses to vendors of products or services.

**3.9 Leases**

(a) Finance leases

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Minimum lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability. The finance expenses is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Depreciation on leasehold land does not comply with IAS 17.

**3.10 Stock-in-Trade**

Stock of raw, packing and other materials have been valued at cost. Average method has been followed for determining the value of stock.

**3.11 Sundry Creditors and Other Accounts Payable**

Liabilities are recorded at the amount to be paid in the future for settlement in respect of goods and services received by the Company.

**3.12 Statement of Cash Flows**

Statement of Cash Flows is prepared principally in accordance with BAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of BAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow Operating Activities Using the Direct Method".

**3.13 Basic Earning Per Share :**

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

**3.14 Diluted Earning per Share**

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

**Additional Information on Financial Statement:**

**3.15 Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of "The Framework for the Preparation & Presentation of Financial Statements" issued by the Bangladesh Accounting Standards (BAS).

**3.16 Components of the Financial Statements :**

According to the Bangladesh Accounting Standards (BAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following Components":

- 1) Statement of Financial position as at 30<sup>th</sup> June, 2011;
- 2) Statement of Comprehensive Income for the year ended 30<sup>th</sup> June, 2011;
- 3) Statement of Changes in Equity for the year ended 30<sup>th</sup> June, 2011;
- 4) Statement of Cash Flow for the year ended 30<sup>th</sup> June, 2011;
- 5) Accounting Policies and Explanatory Notes.

**3.17 Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements :**

The preparation of financial statements are in conformity with the Bangladesh Accounting Standards (BAS) requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates.

**3.18 Reclassifications :**

Certain reclassifications have been made to conform the 2009-2010 financial statements and footnotes to the 2010-2011 presentation.

**3.19 Reporting currencies and Level of Precision :**

The figures in the financial statements represent Bangladeshi Taka currency and rounded off to the nearest Taka except where indicates otherwise.

**3.20 Reporting Period :**

Financial statement of the Company cover one financial year from 1<sup>st</sup> July 2010 to 30<sup>th</sup> June 2011 consistently.

**3.21 Comparative Information:**

Comparative information have been disclosed if respect of the year 2009-2010 for all numerical information in the financial statements and also the narrative descriptive information when it is relevant for understanding of the current periods of financial statements.

**Schedule of Fixed Assets as on 30-06-2011**

**04. Property, Plant & Equipment.**

Particulars	C O S T		Rate of %	D E P R E C I A T I O N		W. D. V. as on 30-06-11
	Balance as on 01-07-10	Addition during the year		Balance as on 01-07-10	Charged during the year	
Factory Building	20,969,408		20%	15,312,074	1,131,467	4,525,868
Plant and Machinery	211,550,755	2,500,000	20%	177,010,384	7,408,074	29,632,297
Furniture and Fixture	2,631,655		10%	2,475,454	15,620	140,581
Office Equipment	2,431,255		10%	2,030,619	40,064	360,572
Factory Equipment	2,313,487	-	10%	639,129	167,436	1,506,922
Vehicles	4,678,495	462,000	20%	4,553,199	117,459	469,837
Auxiliaries	9,314,846	25,000	20%	9,026,780	62,613	250,453
<b>Total :</b>	<b>253,889,901</b>	<b>2,987,000</b>		<b>211,047,639</b>	<b>8,942,734</b>	<b>36,886,529</b>

Particulars	C O S T		Rate of %	D E P R E C I A T I O N		W. D. V. as on 30-06-11
	Balance as on 01-07-10	Addition during the year		Balance as on 01-07-10	Charged during the year	
Lease hold Land	1,132,143		1.01%	48,515	10,945	1,072,683
<b>Total :</b>	<b>1,132,143</b>	<b>-</b>		<b>48,515</b>	<b>10,945</b>	<b>1,072,683</b>
<b>Total 30. 06. 2011</b>	<b>255,022,044</b>	<b>2,987,000</b>		<b>211,096,154</b>	<b>8,953,679</b>	<b>37,959,212</b>
<b>Total 30. 06. 2010</b>	<b>248,706,420</b>	<b>6,315,624</b>		<b>200,684,419</b>	<b>10,411,734</b>	<b>43,925,890</b>

**Allocation of Depreciation**

Manufacturing Expenses (80%)

7,162,943

Administration Expenses (20%)

1,790,736

**8,953,679**

No. Particulars	Taka	
	2010-2011	2009-2010
<b>05. Promotional expenses:</b>	<b>1,000,000</b>	<b>2,000,000</b>
As per last Account	2,000,000	3,000,000
Add: Addition during the year	-	-
	2,000,000	3,000,000
Less: Amortization during the year	1,000,000	1,000,000
<p>This represents different revenue expenditure which includes sales promotional expenditure (ie.trade offer, merchandizing campaign, P.O.S. materials, etc.) for launching and market penetration of new products.</p> <p>The company will get benefit of this promotional expenditure in coming year. This amount will be amortized in next five years as per the decision of management.</p>		
<b>06. Inventories:</b>	<b>14,419,049</b>	<b>13,249,230</b>
Raw Materials	4,679,193	3,286,769
Packing Materials	3,622,128	5,173,228
Finished goods	6,117,728	4,789,233
<b>07. Accounts receivable:</b>	<b>8,007,597</b>	<b>5,956,980</b>
M/S Rupali Traders	-	3,771,029
M/S Bismillah Enterprise	3,201,127	1,446,876
M/S Padma Traders	3,158,683	739,075
M/S Sikder Enterprise	1,647,787	-
<b>7.1. M/S Rupali Traders</b>	<b>-</b>	<b>3,771,029</b>
Opening Balance	3,771,029	5,073,994
Add. Sales during the year	6,990,597	26,572,691
	<b>10,761,626</b>	<b>31,646,685</b>
Less-Collection during the year	10,761,626	27,875,656
<b>7.2. M/S Bismillah Enterprise</b>	<b>3,201,127</b>	<b>1,446,876</b>
Opening Balance	1,446,876	1,140,096
Add. Sales during the year	13,815,927	5,296,922
	<b>15,262,803</b>	<b>6,437,018</b>
Less-Collection during the year	12,061,676	4,990,142

No. Particulars	Taka	
	2010-2011	2009-2010
<b>7.3. M/S Padma Traders</b>	<b>3,158,683</b>	<b>739,075</b>
Opening Balance	739,075	-
Add. Sales during the year	7,887,622	4,308,455
	<b>8,626,697</b>	<b>4,308,455</b>
Less-Collection during the year	5,468,014	3,569,380
<b>7.4. M/S Sikder Enterprise</b>	<b>1,647,787</b>	<b>-</b>
Opening Balance	-	-
Add. Sales during the year	15,711,476	-
	<b>15,711,476</b>	<b>-</b>
Less-Collection during the year	14,063,689	-
<b>08. Advances, deposits &amp; prepayments :</b>	<b>2,869,798</b>	<b>3,842,983</b>
Advances against employee	393,520	347,720
Advance against VAT	912,347	879,866
Advance for machinery (LC # NO-022011010234)	548,534	-
Deposits for Telephone, Electricity	832,902	832,902
Prepayments against Office rent	182,495	1,782,495
No amount was due by the Directors (including Managing Director) of the Company.		
No amount was due by the associated undertaking.		
<b>09. Cash and bank balance :</b>	<b>3,118,199</b>	<b>2,836,141</b>
Cash in Hand	2,935,008	2,428,597
Cash at Bank	183,191	407,544
	note-9.1	
<b>9.1 Cash at Bank :</b>	<b>183,191</b>	<b>407,544</b>
Cash at Janata Bank, Barisal Corporate Br. (CD # 52016)	592	3,093
Cash at Janata Bank, Topkhana Road Corp. Br., Dhaka (CD # 33016448)	5,423	72,244
Social Islami Bank, Principal Br. Dhaka (CD # 50521)	6,211	6,211
National Bank Ltd., Dilkusha Br. (CD # 36001606)	1,000	1,000
National Bank Ltd., Barisal Br. (CD # 7925)	1,360	253
Sonali Bank Ltd, Ramna Corporate Br. (CD # 201489)	5,461	5,461
Prime Bank Ltd, Bijoyagar Br. (15911080001765)	92,625	319,282
Pubali Bank Ltd, Nayapaltan Branch (2438901038845)	65,261	-
Al-Arafah Islami Bank Ltd., VIP Road Branch (0141020033832)	5,258	-

No.	Particulars	Taka	
		2010-2011	2009-2010
10.	<b>Share capital:</b>		
	Authorised Capital		
	10,00,000 Ordinary Share of Tk. 100/- each	<u>100,000,000</u>	<u>100,000,000</u>
	Issued, Subscribed & Paid up capital		
	7,20,000 Ordinary Share of Tk. 100/- each paid up in full	<u>72,000,000</u>	<u>72,000,000</u>

**(a) Composition of Shareholding:**

	6/30/2011		6/30/2010	
	No. of Shares	%	No. of Shares	%
Directors & Sponsors	363,312	50.46	360,000	50.00
ICB Unit Fund	10,968	1.52	11,368	1.58
General Public	345,720	48.02	348,632	48.42
	<u>720,000</u>	<u>100.00</u>	<u>720,000</u>	<u>100.00</u>

**(b) Details of Shareholding is given below:**

The distribution schedule showing the number of shareholders and their shareholding in percentage has been disclosed below as a requirement of the "Listing Regulation" of Dhaka and Chittagong Stock Exchange.

Range of Holdings in number of shares	No. of Folio		Number of Share		Holding %	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010	30.06.2011	30.06.2010
01-50	3,657	3,733	66,281	69,457	9.21	9.65
51-100	522	530	41,416	41,720	5.75	5.79
101-500	506	540	107,864	115,388	14.98	16.03
501-1000	71	70	53,549	51,257	7.44	7.12
1001-10000	57	56	164,552	144,432	22.85	20.06
10001-25000	6	7	83,623	95,691	11.61	13.29
25001-50000	4	4	137,515	137,555	19.10	19.10
50001-100000	1	1	65,200	64,500	9.06	8.96
	<u>4,824</u>	<u>4,941</u>	<u>720,000</u>	<u>720,000</u>	<u>100</u>	<u>100</u>

**(c) Option on Un-Issued Shares:**

There is no option regarding the authorized capital not yet issued but can be used to increase the paid up capital through the issuance of new shares against cash contribution and bonus.

**Bengal Biscuits Limited**  
**Annual Report: 2010-2011**

No.	Particulars	Taka	
		2010-2011	2009-2010
11.	Share premium :	29,199,138	29,199,138
12.	Accounts Payable :	14,036,751	14,845,992
	Creditors -for Goods & Supplies	9,872,385	12,726,714
	Creditors -for Expenses	2,664,366	1,819,278
	Creditors -for Other Finance	1,500,000	300,000
12.1	Creditors -for Goods & Supplies	9,872,385	12,726,714
	Opening Balance as on 01-07-2010	12,726,714	9,576,697
	Add. Purchase during the Year	73,154,461	64,111,080
		85,881,175	73,687,777
	Less : Payment during the Year	76,008,790	60,961,063
12.1.1	Details of Creditors -for Goods & Supplies	9,872,385	12,726,714
	Farid Store	-	1,226,851
	Imam Flour Mills	1,064,228	1,241,553
	Jamuna Plastic	666,721	965,036
	Maritime Entereprenurs pte Ltd.	787,116	783,626
	Padma Flour Mills	1,537,735	2,168,765
	Sabnam Vegitable	920,366	559,135
	Urmy Product	802,385	1,352,615
	Anis Enterprise	-	480,206
	Khaleque Polythen Store	-	575,008
	Ronjit & Sons	-	746,574
	Annadata Flour Mills, Madaripur	-	1,136,646
	Padma Stores	-	683,048
	Metali Traders	500,101	807,651
	Quality Can Industries Ltd.	734,260	-
	Grand Holdings Ltd.	1,185,229	-
	Lasmunhas Packages	788,534	-
	M K Traders	885,710	-

**Bengal Biscuits Limited**  
**Annual Report: 2010-2011**

No.	Particulars	Taka	
		2010-2011	2009-2010
<b>12.2</b>	<b>Creditors -for Expenses</b>	<b>2,664,366</b>	<b>1,819,278</b>
	Salary & Wages payable	914,145	908,846
	Audit Fees Payable	52,250	50,000
	Electricity Bill	547,600	260,861
	IT deducted at source	70,371	59,571
	Directors remuneration	1,080,000	540,000
<b>12.3</b>	<b>Creditors -for Other Finance</b>	<b>1,500,000</b>	<b>300,000</b>
	M/S Rupali Traders, Barisal	-	100,000
	M/S Bismillah Enterprise, Khulna	500,000	100,000
	M/S Padma Traders, Bogra	500,000	100,000
	M/S Sikder Enterprise, Barisal	500,000	-
	These liabilities have arisen in the normal continuous course of business.		
<b>13.</b>	<b>Other Payables:</b>	<b>4,945,588</b>	<b>5,255,588</b>
	Payable for Income Tax	4,324,878	4,634,878
	Payable for leasehold land	620,710	620,710
<b>13.1</b>	<b>Payable for Income Tax</b>	<b>4,324,878</b>	<b>4,634,878</b>
	As per last accounts	4,634,878	4,634,878
	Less- Payment	310,000	-
<b>13.2</b>	<b>Payable for leasehold land</b>	<b>620,710</b>	<b>620,710</b>
	Opening Balance	620,710	58,866
	Add- New Acquisition	-	739,097
		620,710	797,963
	Less -Payment	-	177,253



No.	Particulars	Taka	
		2010-2011	2009-2010
<b>14. Revenue :</b>		<b>103,158,070</b>	<b>90,345,754</b>
	VATable Item	59,670,333	46,135,893
	Non-VATable Item	43,487,737	44,209,861
<b>14.1 VATable Item :</b>		<b>59,670,333</b>	
	Revenue from VATable Item	64,059,452	-
	Less : VAT	4,389,119	-
<b>15. Cost of goods sold:</b>			
	Purchase of :	<b>90,939,275</b>	<b>77,599,643</b>
	Raw Materials	42,086,892	47,197,147
	Packing Materials	21,124,593	16,913,933
	Finished Goods Purchase	9,942,976	-
	Other Materials	25,350	30,560
	<b>Total Purchase:</b>	73,179,811	64,141,640
	Add : Opening stock of Materials	8,459,997	7,346,237
	<b>Materials available for consumption</b>	81,639,808	71,487,877
	Less : Closing stock of Materials	8,301,321	8,459,997
	<b>Materials Consumed</b>	73,338,487	63,027,880
	Manufacturing Expenses	18,929,283	16,818,150
	<b>Cost of Goods Manufactured</b>	92,267,770	79,846,030
	Add : Opening stock of Finished Goods	4,789,233	2,542,846
	<b>Cost of Goods available for Sale</b>	97,057,003	82,388,876
	Less : Closing stock of Finished Goods	6,117,728	4,789,233

Break-up of materials consumed with percentage :

Particulars	2010-2011		2009-2010	
Raw Materials	420.87	57.51%	471.97	73.58%
Packing Materials	211.25	28.87%	169.14	26.37%
Finished Goods Purchase	99.43	13.59%	-	-
Other Materials	0.25	0.03%	0.31	0.05%
	731.80	100.00%	641.42	100.00%

No.	Particulars	Taka	
		2010-2011	2009-2010
<b>15.1</b>	<b>Manufacturing expenses:</b>	<b>18,929,283</b>	<b>16,818,150</b>
	Salary and wages	4,169,541	3,793,222
	Bonus	256,686	216,624
	Uniform & gloves	72,796	67,411
	Medical and sanitation	45,897	59,212
	Conveyance	72,363	63,524
	Carriage loading and unloading	497,950	353,550
	Repairs and maintenance	404,805	324,698
	Power and electricity	5,989,130	3,355,219
	Water bill	36,000	30,000
	Telephone, fax and mobile	89,399	86,540
	Newspaper, books and periodicals	2,752	2,880
	Entertainment	21,628	18,655
	Insurance	102,893	113,892
	Local rates and taxes	4,500	3,334
	Depreciation	7,162,943	8,329,389
	The number of employees/workers each who received salary and wages upto and above Tk.36,000.00 per annum :		
	-Upto Tk. 36,000.00 = 192 Nos.		
	-Above Tk. 36,000.00 = 42 Nos.		
<b>16.</b>	<b>Other income</b>		
	Wastage Goods	<b>250,000</b>	<b>225,160</b>
		250,000	225,160
<b>17.</b>	<b>Administrative expenses:</b>	<b>6,022,422</b>	<b>5,593,896</b>
	Director's remuneration	540,000	540,000
	Salary and allowances	1,620,560	1,394,820
	Bonus	156,150	134,150
	Medical Expenses	9,853	5,302
	Conveyance	17,843	50,230
	Travelling	159,753	75,854
	Office rent	409,200	337,200
	Renewal and fees	98,288	65,120
	Repair and maintenance	53,372	25,124
	Power, Electricity & Expenses	134,716	106,641
	Photocopy and documentation	27,390	17,580
	Stationery	38,855	24,560
	Postage and stamp	10,493	7,535
	Telephone, mobile and fax	165,602	142,500
	Fuel, repair, services and cleaning	35,589	18,721
	Newspaper, books and periodicals	5,995	6,310
	Entertainment	30,747	24,320
	Gas and water charge	55,887	40,090

No.	Particulars	Taka	
		2010-2011	2009-2010
	Audit fee	52,250	51,800
	Bank charges and commission	31,998	24,022
	AGM expenses	577,145	419,671
	Depreciation	1,790,736	2,082,346

Director's remuneration including perquisites represents the amount paid to the Managing Director and other three active Directors during the year for services rendered by them as follows :

-Managing Director	Tk. 360,000
-3 Directors @ Tk: 60,000 per Year	Tk. 180,000

Audit Fees includes only auditors remuneration as fixed by the Shareholders in the last Annual General Meeting.

The number of employees each who received salary upto and above Tk. 36,000.00 per annum :

-Above Tk. 36,000.00 =11 Nos.

18. Selling & distribution expenses:	9,764,501	11,063,197
Salary and allowance	3,044,960	2,553,679
Bonus	282,040	225,642
Staff welfare	54,279	29,450
Travelling	621,786	285,640
Carriage outward and loading/unloading	360,100	259,500
Conveyance	194,943	85,860
Photocopy and documentation	71,570	45,650
Stationery and printing	81,618	55,562
Office Rent	88,000	-
Postage and stamp	17,228	15,243
Telephone, mobile and fax	124,266	85,650
Fuel, repair, services and cleaning	96,609	35,234
Promotional expenses	1,621,065	956,808
Store Damage & Date Expired	1,592,535	989,406
VAT	-	4,161,972
Entertainment	44,710	33,560
Distribution of sample	289,695	99,680
Product design charges	179,097	144,661
Amortization of Promotional Expenses	1,000,000	1,000,000

The number of employees each who received salary upto and above Tk. 36,000.00 per annum :

-Upto Tk. 36,000.00 = 33 Nos.

-Above Tk. 36,000.00 = 19 Nos.

**No. Particulars**

		Taka	
		2010-2011	2009-2010
<b>19. Basic earning per share (EPS) :</b>			
		<b>(4.61)</b>	<b>(5.12)</b>
Net Profit after tax		(3,318,128)	(3,685,822)
Weighted average number of ordinary shares in issue		720,000	720,000

**20. PAYMENT/ PERQUISITES TO DIRECTORS/OFFICERS:**

The aggregate amount paid/provided during the year in respect of Directors and Officers of the Company are disclosed below :

	<u>Directors .</u>	<u>Officers</u>
Remuneration/Salary	420,000.00	-
Perquisites	120,000.00	-

No attendance fee for Board Meeting was paid to Directors.

During the year under review, no compensation was allowed by the Company to the Chief Executive Officer of the Company.

No amount was spent by the Company for compensating any number of the Board for special services rendered.

**21. LIABILITIES FOR CONTINGENT AND OTHER NATURE:**

There is no such liabilities except the following :

VAT authority had an illegal claim of VAT for Tk. 9.42 crore against which the Company had lodged an appeal to VAT Appellate Tribunal after the Commissioner (Appeal) of Custom, Excise & VAT has given decision against our favour. The matter is now pending in.

There was no credit facilities as on 30-06-2011 availed by the Company under any contract, other than trade credit available in the ordinary course of business.

No guarantees were given by the Company on behalf of the Directors, Manager or other Officers of the Company or any of them severally or jointly with any other person.

## বেঙ্গল বিস্কুট লিমিটেড সভাপতি ও পরিচালকমন্ডলীর প্রতিবেদন।

সম্মানিত শেয়ারহোল্ডারগণ।

আসসালামু-আলাইকুম।

কোম্পানীর অদ্যকার বার্ষিক সাধারণ সভায় উপস্থিত সকলকে আমি ব্যক্তিগতভাবে এবং পরিচালকমন্ডলীর পক্ষ থেকে স্বাগত জানাচ্ছি। আমি ২০১১-২০১২ অর্থ বছরের কোম্পানীর বার্ষিক প্রতিবেদন, নিরীক্ষিত হিসাব ও তার উপর নিরীক্ষকদের প্রতিবেদন আপনাদের সদয় বিবেচনা, পর্যালোচনা ও অনুমোদনের জন্য উপস্থাপন করছি।

### কোম্পানীর পরিচিতি :

বেঙ্গল বিস্কুট লিমিটেড ১৯৮০ ইং সনে স্থাপিত হয় এবং ১৯৮৪ ইং সনের ১০ই অক্টোবর উৎপাদন শুরু হয়। বরিশাল সদরে অবস্থিত বিসিক এলাকায় কারখানাটি অবস্থিত। কারখানায় বিভিন্ন প্রকার বিস্কুট, ক্যান্ডি ও ময়দা উৎপাদন হয়। অত্র প্রতিষ্ঠানে মোট ৩০০ জন কর্মকর্তা, কর্মচারী ও শ্রমিক কর্মরত আছে।

### ব্যবসায়িক কার্যক্রম :

আলোচ্য বছরে কোম্পানীর বিক্রয়ের পরিমাণ পূর্ববর্তী বছরের তুলনায় ২০.১২% বৃদ্ধি পেয়ে ১২৩৯.১৪ লক্ষ টাকায় উন্নীত হয়েছে। উৎপাদনে ব্যবহৃত কাঁচামালের অস্থিতিশীল বাজার এবং বিদ্যুৎ সংকটের কারণে আমাদের উৎপাদন কার্যক্রম বাধাগ্রস্ত হওয়া সত্ত্বেও নতুন বাজারমুখী পরিকল্পনা এবং উন্নত ব্যবস্থাপনার মাধ্যমে এ ফলাফল অর্জন সম্ভব হয়েছে। কোম্পানীর গ্রস মুনাফা পূর্ববর্তী বছরের তুলনায় ৫৩.০৬% বৃদ্ধি পেয়ে ১৮৭.০২ লক্ষ টাকা হয়েছে। পাশাপাশি মোট ব্যয় পূর্ববর্তী বছরের তুলনায় মাত্র ৩১.৬৬% বৃদ্ধি পেয়েছে।

### আর্থিক ফলাফল :

২০১০-২০১১ অর্থ বছরের তুলনায় ২০১১-২০১২ অর্থ বছরের কোম্পানীর আর্থিক ফলাফল এর তুলনামূলক প্রতিবেদন নিম্নে দেয়া হল;

		২০১১-২০১২	(লক্ষ টাকায়) ২০১০-২০১১
মোট বিক্রয়	ঃ	১২৩৯.১৪	১০৩১.৫৮
মোট লাভ	ঃ	১৮৭.০২	১২২.১৯
নীট লাভ/(লোকসান)	ঃ	(১৮.৫৩)	(৩৩.১৮)
শেয়ার প্রতি লাভ/(লোকসান)	ঃ	(২.৫৭)	(৪.৬১)

**লভ্যাংশ ঘোষণা সংক্রান্ত সিদ্ধান্ত :**

২০১০-২০১১ অর্থ বছরে কোম্পানীর নীট লোকসান ছিল ৩৩.১৮ লক্ষ টাকা। আলোচ্য বছরে কোম্পানীর নীট লোকসান হয়েছে ১৮.৫৩ লক্ষ টাকা এবং পুঞ্জীভূত লোকসানের পরিমাণ ৫৪৬.৬০ লক্ষ টাকা। এমতাবস্থায় কোম্পানীর পরিচালনা পর্ষদের পক্ষে এ বছরও লভ্যাংশ ঘোষণা করা সম্ভবপর হয়নি বলে পর্ষদ দুঃখ প্রকাশ করেছে।

**পরিচালনা পর্ষদ :**

বর্তমানে কোম্পানীর পরিচালকমন্ডলীর সদস্যগণ নিম্নরূপ :

১। জনাব এম, এ, কালাম	সভাপতি ও ব্যবস্থাপনা পরিচালক
২। জনাব এম, এ, মাসুদ	পরিচালক
৩। জনাব ফায়েজুল হাসান	পরিচালক
৪। মিসেস নূরুল আক্তার অরোরা	পরিচালক
৫। জনাব সাইদুর রহমান	স্বতন্ত্র পরিচালক

**হিসাবকাল পরবর্তী অবস্থা :**

সবকিছুই পরিকল্পনা মারফিক এগুচ্ছে। বিভিন্ন ব্যবস্থা ও কৌশল প্রয়োগ করে কোম্পানীর উৎপাদিত পণ্যের বাজার সৃষ্টির প্রক্রিয়া অব্যাহত রয়েছে। যার ফলে কোম্পানীর বাজার আরও বৃদ্ধি পেয়েছে এবং ভবিষ্যতে কোম্পানীর সার্বিক সফলতা অর্জন সম্ভব হবে।

**কর্পোরেট গভর্নেন্স :**

সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নোটিশ নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/প্রশাসন/০২-০৮, তারিখ : ফেব্রুয়ারী ২০, ২০০৬ ইং এর নিরিখে কোম্পানীর কর্পোরেট গভর্নেন্স এর অবস্থান সন্নিবেশিত হয়েছে পরিশিষ্ট-১ এর মধ্যে।

**পরিচালকগণের অবসর গ্রহণ ও পুনঃনিয়োগ :**

কোম্পানীর আর্টিকেলস্ অব এসোসিয়েশনের ১২০ নং অনুচ্ছেদ অনুসারে জনাব এম এ কালাম এ বছর পরিচালকমন্ডলীর পর্ষদ হতে অবসর গ্রহণ করেছেন। তিনি পুনঃনিয়োগ লাভের যোগ্য বিধায় পুনঃনিয়োগের জন্য আবেদন করেছেন।

**নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ :**

কোম্পানীর বর্তমান নিরীক্ষক মোসার্স এস.এইচ. খান এন্ড কোং, চার্টার্ড এ্যাকাউন্ট্যান্টস্ ২০১১-২০১২ অর্থ বছরের জন্য নিয়োগপ্রাপ্ত ছিলেন। তাঁরা ২০১২-২০১৩ ইং অর্থ বছরের জন্য কোম্পানীর নিরীক্ষক হিসাবে পুনঃনিয়োগের জন্য আবেদন করেছেন। অন্য কোন প্রস্তাব না থাকায় এবং যোগ্যতাসম্পন্ন হওয়ায়, পর্ষদ তাঁদের পূর্ববর্তী বছরের সমপরিমাণ পারিশ্রমিকে ৫০,০০০.০০ (পঞ্চাশ হাজার) টাকায় পুনঃনিয়োগ দানের জন্য সুপারিশ করেছে।

**অন্যান্য :**

ভ্যাট কর্তৃপক্ষ কর্তৃক অযৌক্তিকভাবে ৩.০০ কোটি টাকা ভ্যাট আরোপ এবং উহার উপর ৬.৪২ কোটি টাকা জরিমানা ধার্যের বিষয়টি বর্তমানে সুপ্রিম কোর্টের হাইকোর্ট ডিভিশনে বিচারাধীন রয়েছে।

**উপসংহার :**

পরিচালকমন্ডলীর কাজে মূল্যবান সহযোগিতা ও সমর্থন দানের জন্য কোম্পানীর সম্মানিত শেয়ারহোল্ডারগণ, ক্রেতা-বিক্রেতা, সরবরাহকারী, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেড, ব্যাংক ও অন্যান্য আর্থিক প্রতিষ্ঠানসমূহ যারা আমাদের কার্যক্রমের সাথে জড়িত তাদের সকলকে আন্তরিক ধন্যবাদ ও অভিনন্দন জানাচ্ছে। একই সাথে কোম্পানীর সকল কর্মকর্তা, কর্মচারী ও শ্রমিকগণকে তাদের দায়িত্বশীলতা, নিষ্ঠা ও কর্মতৎপরতার জন্য জানাই আন্তরিক ধন্যবাদ।

পরিচালকমন্ডলীর পক্ষে,



(এম, এ, কালাম)

সভাপতি ও ব্যবস্থাপনা পরিচালক।

**The Directors also report that:**

- The financial statements of the Company present true and fair view of Company's state of affairs, result of its operations, cash flows and changes in equity.
- Proper books of account as required by law have been maintained.
- Appropriate accounting policies have been followed in formulating the financial Statements and Accounting estimates were reasonable and prudent.
- The financial statement was prepared in accordance with International Accounting Standard (IAS) as applicable in Bangladesh.
- The internal control system is sound in design and effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There is no significant deviation from the operating result of the last year.
- The number of board meetings and the attendance of directors during the year 2011-2012 were as follows:

Name of Directors	Meeting Held	Attended
Mr. M. A. Kalam	4	4
Mr. M. A. Masud	4	4
Mr. Faizul Hassan	4	4
Mrs. Nurul Akhtar Aurora	4	4
Mr. M. Syedur Rahman	4	4

- The pattern of shareholding (along with name wise detail) of parent/subsidiary/associated companies and other related parties, directors, chief executive officer, company secretary, chief financial officer, head of internal audit and their spouse and minor children, executives, shareholders holding 10% or more voting interest in the company as at 30<sup>th</sup> June, 2012 is stated in ANNEX-II.
- Securities and Exchange Commission compliance report is enclosed herewith as ANNEX-III.
- Key operating and financial data of last three years have been presented in summarized form as Past Financial Statistics in ANNEX-IV.



**Pattern of Shareholding as on June 30, 2012:**

Particulars	Nos. Share holding	Percentage
Parent Company	-	-
Associated Companies:		
Excelsior Trading Corporation Ltd.	20	-
Other Related Parties:		
Directors:		
Mr. M. A. Kalam	55,877	7.76%
Mr. M. A. Masud	23,702	3.29%
Mr. Faizul Hassan	37,298	5.18%
Mrs. Nurul Akhtar Aurora	22,509	3.13%
Mr. M. Syedur Rahman	No Share	-
Chief Executive Officer (CEO) and his spouse and minor children:	-	-
Chief Financial Officer (CFO) and his spouse and minor children:	-	-
Company Secretary (CS) and his spouse and minor children:	-	-
Head of Internal Audit (HIA) and his spouse and minor children:	-	-
Executives (Top five salaried person other than CEO, CFO, CS, HIA) :		
1. Mr. Md. Fakhrul Islam, Deputy General Manager	-	-
2. Mr. Md. Shahidul Islam, Factory Manager	-	-
3. Mr. Md. Jalal Ahmed, Manager Business Development	-	-
4. Mr. Md. Nurul Alam Khan, Manager Business Development	-	-
5. Mr. Md. Abu Baker Siddik, Asst. Manager, Co-Ordination	-	-
Shareholders Holding 10% or more voting right	-	-

**ANNEX-III**

Status of compliance with conditions imposed by the Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated 20<sup>th</sup> February, 2006 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Explanation for non compliance with the condition
		Complied	Not Complied	
1.1	Board's Size: Board Members should not be less than 5 (five) and more than 20 (twenty)	Complied		
1.2 (i)	Independent Director: at least 1/10th	Complied		
1.2 (ii)	Appointment of Independent Director by elected Directors	Complied		
1.3	Chairman of the Board and Chief Executive Officer should preferably be filled by different individuals		Not Complied	
1.4 (a)	Fairness of financial statements	Complied		
1.4 (b)	Maintenance of proper books of account	Complied		
1.4 (c)	Appropriate accounting policies applied consistently	Complied		
1.4 (d)	International accounting standards, as applicable in Bangladesh have been followed in preparing the financial statements	Complied		
1.4 (e)	Sound and effective internal control system	Complied		
1.4 (f)	Ability to continue as going concern	Complied		
1.4 (g)	Significant deviations from last year in operating results	Complied		
1.4 (h)	Summary of key operation and financial data	Complied		
1.4 (i)	If dividend has not been declared, the reason thereof	Complied		
1.4 (j)	Number of Board meeting held during the year and attendance each director	Complied		
1.4 (k)	Pattern of share holding	Complied		

Condition No.	Title	Compliance Status		Explanation for non compliance with the condition
		Complied	Not Complied	
2.1	Appointment of: a) CFO b) Head of Internal Audit c) Company Secretary	Complied Complied Complied		
2.2	Attend the Board Meeting by : a) CFO b) Company Secretary	Complied Complied		
3.00	Constitution of audit committee	Complied		
3.1 (i)	The audit committee should be composed of at least three members	Complied		
3.1 (ii)	Members of audit committee should be appointed by the board who are directors and one should be independent director	Complied		
3.1 (iii)	Board of Director should fill up the vacancy within one month of the vacancy in the audit committee	Complied		
3.2 (i)	Board of Director should select one member of the audit committee to be as chairman of the audit committee	Complied		
3.2 (ii)	Chairman of the audit committee should have a professional qualification or knowledge, understanding and experience in accounting and finance	Complied		
3.3.1 (i)	Reporting to the Board of Director of the Audit Committee	Complied		
3.3.1(ii) (a)	Report of conflict of interest	Not Applicable		
3.3.1(ii) (b)	Reporting of any fraud or irregularity or material defect in internal control system	Not Applicable		
3.3.1(ii) (c)	Reporting of infringement of laws, including securities related laws, rules and regulations	Not Applicable		
3.3.1(ii) (d)	Reporting of any other matter to the Board of Director	Not Applicable		

Condition No.	Title	Compliance Status		Explanation for non compliance with the condition
		Complied	Not Complied	
3.3.2	<p><b>Reporting to the Authorities:</b></p> <p>If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and being ignored by the Board of Directors, the Audit Committee should report such findings to the Commission.</p>	Not Applicable		
3.4	<p><b>Reporting to the Shareholders:</b></p> <p>Report on activities carried by the Audit Committee including any report made to the Board of Directors under condition 3.3.1 (ii) and the Disclosure of which should be made in the Annual Report</p>	Complied		
4.00 (i)	Non-engagement of External/Statutory Auditors in appraisal or valuation	Complied		
4.00 (ii)	Non-engagement of External/Statutory Auditors in designing in financial information system	Complied		
4.00 (iii)	Non-engagement of External/Statutory Auditors in book-keeping or other services related to the accounting records or financial statements	Complied		
4.00 (iv)	Non-engagement of External/Statutory Auditors in broker/dealer services	Complied		
4.00 (v)	Non-engagement of External/Statutory Auditors in actuarial services	Complied		
4.00 (vi)	Non-engagement of External/Statutory Auditors in internal audit services	Complied		
4.00 (vii)	Non-engagement of External/Statutory Auditors in any other services	Complied		

**Past Financial Statistics :**

**ANNEX-IV**  
**(Taka in lac)**

SL. No.	Particulars	2008-2009	2009-2010	2010-2011	2011-2012
1	Authorized Capital	1000.00	1000.00	1000.00	1000.00
2	Paid up Capital	720.00	720.00	720.00	720.00
3	Reserves & Surplus	(458.04)	(494.89)	(528.08)	(546.60)
4	Share Premium	291.99	291.99	291.99	291.99
5	Fixed Assets -Written down value	480.22	439.26	379.59	356.42
6	Turnover	747.04	903.46	1031.58	1239.14
7	Gross Profit	160.14	210.76	122.19	187.02
8	Net Profit/(Loss)	(84.39)	(36.86)	(33.18)	(18.53)
9	Earning Per Share (EPS)	(11.72)	(5.12)	(4.61)	(2.57)
10	Net Asset Value (NAV) per share	76.94	71.82	67.21	64.64
11	No. of Employees	294	296	297	300
12	No. of Shareholders	5008	4941	4824	4757

**Auditors' Report**  
**to the shareholders**  
for the year ended June 30, 2012

To the Shareholders of  
BENGAL BISCUITS LIMITED

**Introduction**

We have audited the accompanying financial statements of **Bengal Biscuits Limited**, which comprise of the Statement of Financial Position as at June 30, 2012, and the statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash flows for the year ended, 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 (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws 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 misstatements, 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 (BAS). Those standards require that we comply with relevant 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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure 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 evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting standards (BFRSs), give a true and fair view of the state of the company's affairs as at 30 June 2012 and of the result of its operations and cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**We also report that:**

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (c) The statement of Financial Position (Balance Sheet) and Statement of Comprehensive Income (Profit & Loss Account) dealt with by the report are in agreement with the books of account; and
- (d) The expenditure incurred was for the purpose of the company's business.



**S.H. KHAN & CO.**  
**Chartered Accountants**

**Date : 23. 10. 2012**

**BENGAL BISCUITS LIMITED**  
**Statement of Financial Position**

as at June 30, 2012

<b>ASSETS</b>	<b>NOTES</b>	<b>TAKA</b>	
		<b>2011-2012</b>	<b>2010-2011</b>
<b>NON-CURRENT ASSETS</b>		<b>35,641,802</b>	<b>38,959,212</b>
Property, Plant & Equipments	02	35,641,802	37,959,212
Promotional Expenses -Deferred	03	-	1,000,000
<b>CURRENT ASSETS</b>		<b>28,791,539</b>	<b>28,414,643</b>
Inventory	04	14,158,676	14,419,049
Accounts Receivable	05	8,331,088	8,007,597
Advances, Deposits and Prepayments	06	3,430,322	2,869,798
Cash and Cash Equivalent	07	2,871,453	3,118,199
<b>Total Assets</b>		<b>64,433,341</b>	<b>67,373,855</b>
<b>EQUITY &amp; LIABILITIES</b>			
Authorized Share Capital 10,00,000 Ordinary Shares of Tk. 100/- each		100,000,000	100,000,000
<b>SHAREHOLDERS' EQUITY</b>		<b>46,538,662</b>	<b>48,391,516</b>
Issued, Subscribed and Paid-up Capital 7,20,000 Ordinary Shares of Tk.100/-each paid up in full	08	72,000,000	72,000,000
Share Premium	09	29,199,138	29,199,138
Retained Earnings		(54,660,476)	(52,807,622)
<b>CURRENT LIABILITIES</b>		<b>17,894,679</b>	<b>18,982,339</b>
Accounts Payable	10	14,449,091	14,036,751
Others Payable	11	3,445,588	4,945,588
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>Tk.</b>	<b>64,433,341</b>	<b>67,373,855</b>

Those Financial Statement Should be read in conjunction with the annexed Notes

Approved and authorized for issue by the board of directors on 15 October, 2012 and signed for and on behalf of the Board.

  
M. A. Kalam  
Chairman & Managing Director



F. Hassan  
Director

  
S.H. KHAN & COMPANY  
Chartered Accountants

  
K. H. Reza, FCS  
Corporate Secretary

Dated: Dhaka  
23 October, 2012



**BENGAL BISCUITS LIMITED**  
**Statement of Comprehensive Income**  
for the year ended June 30, 2012

Particulars	Notes	Taka	
		2011-2012	2010-2011
<b>Net Sales Revenue</b>	12	123,914,386	103,158,070
Cost of goods sold	13	(105,212,120)	(90,939,275)
<b>Gross Profit</b>		18,702,266	12,218,795
<b>Operating Expenses :</b>			
Administrative Expenses	14	(7,933,150)	(6,022,422)
Selling and Distribution Expenses	15	(12,851,396)	(9,764,501)
<b>Loss Before Interest &amp; Tax</b>		(2,082,280)	(3,568,128)
Financial Cost		-	-
Other Income	16	229,426	250,000
<b>Loss Before Tax</b>		(1,852,854)	(3,318,128)
Income Tax Expenses		-	-
<b>Net Profit/(Loss) during the year</b>		(1,852,854)	(3,318,128)
Other Comprehensive Income for the year		-	-
<b>Total Comprehensive Income for the year</b>		(1,852,854)	(3,318,128)
Basic earning per share (EPS)	17	(2.57)	(4.61)

Those Financial Statement Should be read in conjunction with the annexed Notes

Approved and authorized for issue by the board of directors on 15 October, 2012 and signed for and on behalf of the Board.



**M. A. Kalam**  
Chairman & Managing Director

**Dated: Dhaka**  
**23 October, 2012**



**F. Hassan**  
Director



**S.H. KHAN & COMPANY**  
Chartered Accountants



**K. H. Reza, FCS**  
Corporate Secretary

**BENGAL BISCUITS LIMITED**

**Statement of Changes in Equity**  
for the year ended June 30, 2012

Particulars	Share Capital	Share Premium	Retained Earnings	Total (Taka)
Balance as on 01-07-2011	72,000,000	29,199,138	(52,807,622)	48,391,516
Net Profit/(Loss) during the year	-	-	(1,852,854)	(1,852,854)
<b>Balance as on 30-06-2012</b>	<b>72,000,000</b>	<b>29,199,138</b>	<b>(54,660,476)</b>	<b>46,538,662</b>


**Statement of Changes in Equity**  
for the year ended June 30, 2011

Particulars	Share Capital	Share Premium	Retained Earnings	Total (Taka)
Balance as on 01-07-2010	72,000,000	29,199,138	(49,489,494)	51,709,644
Net Profit/(Loss) during the year	-	-	(3,318,128)	(3,318,128)
<b>Balance as on 30-06-2011</b>	<b>72,000,000</b>	<b>29,199,138</b>	<b>(52,807,622)</b>	<b>48,391,516</b>


Those Financial Statement Should be read in conjunction with the annexed Notes

Approved and authorized for issue by the board of directors on 15 October, 2012 and signed for and on behalf of the Board.

  
M. A. Kalam  
Chairman & Managing Director

  
F. Hassan  
Director

  
S.H. KHAN & COMPANY  
Chartered Accountants

  
K. H. Reza, FCS  
Corporate Secretary

Dated: Dhaka  
23 October, 2012

**BENGAL BISCUITS LIMITED**


**Cash Flow Statement**

for the year ended June 30, 2012


Particulars	Taka	
	2011-2012	2010-2011
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>	<b>4,120,980</b>	<b>1,669,058</b>
Collection from Sales & Others	131,014,681	107,091,789
Payment for Costs and Expenses	(125,393,701)	(105,112,731)
Income Tax Paid	(1,500,000)	(310,000)
<b>Cash Flow from Investing Activities:</b>	<b>(4,367,726)</b>	<b>(1,387,000)</b>
Acquisition of Non-Current Assets	(4,367,726)	(1,387,000)
<b>Net Cash Inflow/(Outflow)</b>	<b>(246,746)</b>	<b>282,058</b>
<b>Opening Cash &amp; Cash Equivalent</b>	<b>3,118,199</b>	<b>2,836,141</b>
<b>Closing Cash &amp; Bank Equivalent</b>	<b>2,871,453</b>	<b>3,118,199</b>

Those Financial Statement Should be read in conjunction with the annexed Notes

Approved and authorized for issue by the board of directors on 15 October, 2012 and signed for and on behalf of the Board.

  
M. A. Kalam  
Chairman & Managing Director

Dated: Dhaka  
23 October, 2012

  
F. Hassan  
Director

  
S.H. KHAN & COMPANY  
Chartered Accountants

  
K. H. Reza, FCS  
Corporate Secretary

**Notes to the Financial Statements**  
for the year ended June 30, 2012

**1. Reporting entity**

**1.1. Company Profile.**

The Company was incorporated on 1<sup>st</sup> November, 1980 as a Private Limited Company under the Companies Act, 1913. Subsequently on 16<sup>th</sup> May, 1994, it was converted into a Public Limited Company under the same statute. Its shares are listed in both the Dhaka and Chittagong Stock Exchange Limited. The Registered Office of the Company is located at 345, Segun Bagicha, Dhaka -1000 and the Factory is located at Plot # A-42, A-43, A-44, A-45, A-46, D-268, D-269 & S-10 and BSCIC Industrial Estate, Kawnia, Barisal.

**1.2 Principal Activities and Nature of Operations:**

The Company is a manufacturer of high quality Biscuits, Flour, Extruded Snacks, Candy and other Consumer food products.

**1.3 Statement of Compliance:**

The financial statement have been prepared and the disclosure of information made in accordance with the requirement of the Companies Act 1994, the Security Exchange Rules 1987 and BASs adopted by the Institute of Chartered Accounts of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS). The balance sheet and income statement have been prepared according to BAS-1 (Presentation of Financial Statements) based on accrual basis following going concern assumption under generally accepted accounting principals and practices in Bangladesh and cash flow statement according to BAS-7 (Cash Flow Statement).

SL No.	BAS/BFRS Framework	Applicability	Remarks
		Applied	
BAS 01	Presentation of Financial Statements (2008)	Applied	
BAS 02	Inventories	Applied	
BAS 07	Cash Flow Statements	Applied	
BAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied	
BAS 10	Events after the Reporting Period	Applied	
BAS 11	Construction Contracts	N/A	
BAS 12	Income Tax	Applied	
BAS 14	Segment Reporting	N/A	
BAS 16	Property, Plant and Equipment	Applied	
BAS 17	Leases	Not Applied	1.17
BAS 18	Revenue	Applied	
BAS 19	Employee Benefits	N/A	
BAS 20	Accounting for Government Grants and Disclosure of Government Assistance	N/A	
BAS 21	The Effects of Changes in Foreign Exchange Rates	N/A	
BAS 23	Borrowing Costs (2008)	N/A	
BAS 24	Related Party disclosures	N/A	

BAS 26 Accounting and Reporting by Retirement Benefit Plans	N/A
BAS 27 Consolidated and Separate Financial Statements	N/A
BAS 28 Investments in Associate	N/A
BAS 31 Interests in Joint Venture	N/A
BAS 32 Financial Instruments: Presentation	N/A
BAS 33 Earnings Per Share	Applied
BAS 34 Interim Financial Reporting	N/A
BAS 36 Impairment of Assets	N/A
BAS 37 Provisions, Contingent Liabilities and Contingent Assets	N/A
BAS 38 Intangible Assets	Not Applied
BAS 39 Financial Instruments: Recognition and Management	Applied
BAS 40 Investment Property	N/A
BAS 41 Agriculture	N/A
BFRS 1 First Time Adoption of BFRS	N/A
BFRS 2 Share Based Payment	N/A
BFRS 3 Business Combination	N/A
BFRS 4 Insurance Contracts	N/A
BFRS 5 Non-current Assets Held for Sale & Discontinued Operations	N/A
BFRS 6 Exploration for and Evaluation of Mineral Resources	N/A
BFRS 7 Financial Instruments : Disclosures	Applied
BFRS 8 Operating Segments	N/A

**1.4 Authorization Date**

These financial statement have been authorized for issue by the Board of Directors of the company on 15 October, 2012.

**1.5 Basis of Measurement**

All the element of financial statement have been measured on "Historical Cost" basis which is one of the most commonly adopted basis as provided in "The Framework for the Preparation and Presentation of Financial Statements" issued by the Bangladesh Accounting Standards (BAS).

**1.6 Functional and presentation currency.**

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT) which is both functional currency and presentation currency of the group/company. The amounts in these financial statements have been rounded off to the nearest Taka.

**1.7 Use of estimates and judgements.**

The preparation of financial statements is in conformity with the International Accounting Standards requires management to make estimates and assumptions that affects the reported amounts of the assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and revenue and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in a accounting for certain items such as depreciation; liability for outstanding claims whether due or intimated, taxes etc.

**1.8 Significant Accounting Policies**

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Security Exchange Rules 1987 and BASs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS). The balance sheet and income statement have been prepared according to BAS-1 (Presentation of Financial Statements) based on accrual basis following going concern assumption under generally accepted accounting principals and practices in Bangladesh and cash flow statement according to BAS-7 (Cash Flow Statement).

**1.9 Property, plant and equipment.**

Properties, plant & Equipment are stated at cost less accumulated depreciation. Cost represent cost of acquisition or construction and include purchase price and other directly attributable cost of bringing the assets to working condition for its intended use, but do not include any capitalized borrowing cost.

Depreciation has been charged using Reducing Balance Method. Full year's depreciation is charged on additions irrespective of date when the related assets are put into use and no depreciation is charged on assets disposed of during the year. Expenditure for maintenance and repairs are expensed, major replacement, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain of loss on such disposal is reflected in operations for the year.

**The annual depreciation rates are as under:**

Particulars	Rate
Factory Building	20%
Plant and Machinery	20%
Furniture and Fixture	10%
Office Equipment	10%
Factory Equipment	10%
Vehicles	20%
Auxiliaries	20%
Leasehold Land	1.01%

Depreciation has been charged to income statement consistently.

**Leasehold Land:**

Land on BSCIC Industrial Estate, Kawnia, Barisal has been taken on lease from BSCIC on the dates mentioned against each:

Plot Name	Area	Date
Plot No. A-45 & A-46	33,000 sft.	10-11-1980
Plot No. A-44	16,500 sft.	10-02-1985
Plot No. A-43	16,500 sft.	24-01-2009
Plot No. A-42, D-268, D-269 & S-10	41,434 sft.	20-10-2009

**1.10 Financial instruments**

A financial instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

**1.11 Accounts Receivable**

Accounts receivable are in original invoice value. The Current Accounts is maintaining with every party. All Current Accounts are considered good and collectable, and therefore, no amount was written off as bad debt and no debt was considered doubtful to provided for.

**1.12 Cash and cash equivalents**

Cash and Cash equivalents are readily convertible to known amounts of Cash and are subject to an insignificant risk of changes in value and are not restricted as to use. Here cash and cash equivalent includes cash and bank balances.

**1.13 Inventories**

Inventories consisting of Biscuits, sugar, Salt, Oil, Flour are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production of conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**1.14 Employee Benefits**

Bengal Biscuits Limited provide short term benefit to its employees such as Wages, Salary, annual leave, sick leave and bonuses.

**1.15 Income Tax**

No income tax provision has been created during the year ended 30<sup>th</sup> June 2012.

**1.16 Revenue Recognition**

Revenues are measured at fair value of the consideration received or receivable, net of discount and sales related taxes and VAT. Revenues are reported gross with separate recording of expenses to vendors of products or services.

**1.17 Leases**

(a) Finance leases

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Minimum lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability. The finance expenses is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Depreciation on leasehold land does not comply with IAS 17.

**1.18 Stock-in-Trade**

Stock of raw, packing and other materials have been valued at cost. Average method has been followed for determining the value of stock.

**1.19 Sundry Creditors and Other Accounts Payable**

Liabilities are recorded at the amount to be paid in the future for settlement in respect of goods and services received by the Company.

**1.20 Statement of Cash Flows**

Statement of Cash Flows is prepared principally in accordance with BAS-7 “Cash Flow Statement” and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of BAS-7 which provides that “Enterprises are Encouraged to Report Cash Flow Operating Activities Using the Direct Method”.

**1.21 Basic Earning Per Share :**

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

**1.22 Diluted Earning per Share**

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

**Additional Information on Financial Statement:**

**1.23 Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of “The Framework for the Preparation & Presentation of Financial Statements” issued by the Bangladesh Accounting Standards (BAS).

**1.24 Components of the Financial Statements :**

According to the Bangladesh Accounting Standards (BAS)-1 “Presentation of Financial Statements” the complete set of Financial Statements includes the following Components”:

- 1) Statement of Financial position as at 30<sup>th</sup> June, 2012;
- 2) Statement of Comprehensive Income for the year ended 30<sup>th</sup> June, 2012;
- 3) Statement of Changes in Equity for the year ended 30<sup>th</sup> June, 2012;
- 4) Statement of Cash Flow for the year ended 30<sup>th</sup> June, 2012;
- 5) Accounting Policies and Explanatory Notes.

**1.25 Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements :**

The preparation of financial statements are in conformity with the Bangladesh Accounting Standards (BAS) requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates.

**1.26 Reclassifications :**

Certain reclassifications have been made to conform the 2010-2011 financial statements and footnotes to the 2011-2012 presentation.

**1.27 Reporting currencies and Level of Precision :**

The figures in the financial statements represent Bangladeshi Taka currency and rounded off to the nearest Taka except where indicates otherwise.

**1.28 Reporting Period :**

Financial statement of the Company cover one financial year from 1<sup>st</sup> July 2011 to 30<sup>th</sup> June 2012 consistently.

**1.29 Comparative Information:**

Comparative information have been disclosed if respect of the year 2010-2011 for all numerical information in the financial statements and also the narrative descriptive information when it is relevant for understanding of the current periods of financial statements.



**Schedule of Fixed Assets as on 30-06-2012**

**02. Property, Plant & Equipments :**

Particulars	C O S T		Rate of %	D E P R E C I A T I O N		W. D. V. as on 30-06-12
	Balance as on 01-07-11	Addition during the year		Balance as on 01-07-11	Charged during the year	
Factory Building	20,969,408	-	20%	16,443,541	905,173	17,348,714
Plant and Machinery	214,050,755	-	20%	184,418,458	5,926,459	190,344,917
Plant and Machinery	-	4,684,560	0%	-	-	4,684,560
Furniture and Fixture	2,631,655	-	10%	2,491,073	14,058	2,505,131
Office Equipment	2,431,255	-	10%	2,070,683	36,057	2,106,740
Factory Equipment	2,313,487	-	10%	806,565	150,692	957,257
Vehicles	5,140,495	231,700	20%	4,670,658	140,307	4,810,965
Auxiliaries	9,339,846	-	20%	9,089,393	50,091	9,139,484
<b>Total :</b>	<b>256,876,901</b>	<b>4,916,260</b>		<b>219,990,371</b>	<b>7,222,837</b>	<b>227,213,208</b>

Particulars	C O S T		Rate of %	D E P R E C I A T I O N		W. D. V. as on 30-06-12
	Balance as on 01-07-11	Addition during the year		Balance as on 01-07-11	Charged during the year	
Lease hold Land	1,132,143	-	1.01%	59,460	10,834	70,294
<b>Total :</b>	<b>1,132,143</b>	<b>-</b>		<b>59,460</b>	<b>10,834</b>	<b>70,294</b>
<b>Total 30. 06. 2012</b>	<b>258,009,044</b>	<b>4,916,260</b>		<b>220,049,831</b>	<b>7,233,671</b>	<b>227,283,502</b>
<b>Total 30. 06. 2011</b>	<b>255,022,044</b>	<b>2,987,000</b>		<b>211,096,153</b>	<b>8,953,678</b>	<b>220,049,831</b>

**Allocation of Depreciation**

Manufacturing Expenses (80%)

Administration Expenses (20%)

7,233,671

5,786,937

1,446,734

**Bengal Biscuits Limited**  
**Annual Report: 2011-2012**

No.	Particulars	Taka	
		2011-2012	2010-2011
<b>03.</b>	<b>Promotional expenses:</b>	-	<b>1,000,000</b>
	As per last Account	1,000,000	2,000,000
	Add: Addition during the year	-	-
		1,000,000	2,000,000
	Less: Amortization during the year	1,000,000	1,000,000
	This represents different revenue expenditure which includes sales promotional expenditure (ie.trade offer, merchandizing campaign, P.O.S. materials, etc.) for launching and market penetration of new products.		
	The company will get benefit of this promotional expenditure in coming year. This amount will be amortized in next five years as per the decision of management.		
<b>04.</b>	<b>Inventory:</b>	<b>14,158,676</b>	<b>14,419,049</b>
	Raw Materials	6,128,864	4,679,193
	Packing Materials	6,815,323	3,622,128
	Finished goods	1,214,489	6,117,728
<b>05.</b>	<b>Accounts receivable:</b>	<b>8,331,088</b>	<b>8,007,597</b>
	M/S Abul & Son's, Jessor	1,624,572	-
	M/S Bismillah Enterprise, Khulna	-	3,201,127
	M/S Padma Traders, Barisal	4,008,156	3,158,683
	M/S A.S Enterprise, Dhaka	2,698,360	-
	M/S Sikder Enterprise, Barisal	-	1,647,787
<b>5.1.</b>	<b>M/S Abul &amp; Son's, Jessor</b>	<b>1,624,572</b>	<b>-</b>
	Opening Balance	-	-
	Add. Sales during the year	4,662,650	-
		4,662,650	-
	Less-Collection during the year	3,038,078	-
<b>5.2.</b>	<b>M/S Bismillah Enterprise, Khulna.</b>	<b>-</b>	<b>3,201,127</b>
	Opening Balance	3,201,127	1,446,876
	Add. Sales during the year	7,029,478	13,815,927
		10,230,605	15,262,803
	Less-Collection during the year	10,230,605	12,061,676
<b>5.3.</b>	<b>M/S Padma Traders, Barisal.</b>	<b>4,008,156</b>	<b>3,158,683</b>
	Opening Balance	3,158,683	739,075
	Add. Sales during the year	13,578,465	7,887,622
		16,737,148	8,626,697
	Less-Collection during the year	12,728,992	5,468,014

No.	Particulars	Taka	
		2011-2012	2010-2011
<b>5.4.</b>	<b>M/S A.S Enterprise, Dhaka.</b>	<b>2,698,360</b>	-
	Opening Balance	-	-
	Add. Sales during the year	11,778,122	-
		<b>11,778,122</b>	-
	Less-Collection during the year	9,079,762	-
<b>5.5.</b>	<b>M/S Sikder Enterprise, Barisal</b>	-	<b>1,647,787</b>
	Opening Balance	1,647,787	-
	Add. Sales during the year	350,448	15,711,476
		<b>1,998,235</b>	<b>15,711,476</b>
	Less-Collection during the year	1,998,235	<b>14,063,689</b>
<b>06.</b>	<b>Advances, deposits &amp; prepayments :</b>	<b>3,430,322</b>	<b>2,869,798</b>
	Advances against employee	350,080	393,520
	Advance against VAT	994,248	912,347
	Advance for machinery (LC # NO-022011010234)	1,070,597	548,534
	Deposits for Telephone, Electricity	832,902	832,902
	Prepayments against Office rent	182,495	182,495
	No amount was due by the Directors (including Managing Director) of the Company.		
	No amount was due by the associated undertaking.		
<b>07.</b>	<b>Cash and Cash Equivalent :</b>	<b>2,871,453</b>	<b>3,118,199</b>
	Cash in Hand	2,728,765	2,935,008
	Cash at Bank <span style="float: right;">note-7.1</span>	142,688	183,191
<b>7.1</b>	<b>Cash at Bank :</b>	<b>142,688</b>	<b>183,191</b>
	Cash at Janata Bank, Barisal Corporate Br. (CD # 52016)	7,626	592
	Cash at Janata Bank, Topkhana Road Corp. Br., Dhaka (CD # 33016448)	109,643	5,423
	Social Islami Bank, Principal Br. Dhaka (CD # 50521)	6,211	6,211
	National Bank Ltd., Dilkusha Br. (CD # 36001606)	1,000	1,000
	National Bank Ltd., Barisal Br. (CD # 7925)	1,360	1,360
	Sonali Bank Ltd, Ramna Corporate Br. (CD # 201489)	5,461	5,461
	Prime Bank Ltd, Bijoyagar Br. (15911080001765)	2,089	92,625
	Pubali Bank Ltd, Nayapaltan Branch (2438901038845)	2,721	65,261
	Al-Arafah Islami Bank Ltd., VIP Road Branch (0141020033832)	6,577	5,258

No.	Particulars	Taka	
		2011-2012	2010-2011
<b>08.</b>	<b>Share capital:</b>		
	Authorised Capital		
	10,00,000 Ordinary Share of Tk. 100/- each	<u>100,000,000</u>	<u>100,000,000</u>
	Issued, Subscribed & Paid up capital		
	7,20,000 Ordinary Share of Tk. 100/- each paid up in full	<u>72,000,000</u>	<u>72,000,000</u>

**(a) Composition of Shareholding:**

	6/30/2012		6/30/2011	
	No. of Shares	%	No. of Shares	%
Directors & Sponsors	363,471	50.48	363,312	50.46
ICB Unit Fund	10,948	1.52	10,968	1.52
General Public	345,581	48.00	345,720	48.02
	<u>720,000</u>	<u>100.00</u>	<u>720,000</u>	<u>100.00</u>

**(b) Details of Shareholding is given below:**

The distribution schedule showing the number of shareholders and their shareholding in percentage has been disclosed below as a requirement of the "Listing Regulation" of Dhaka and Chittagong Stock Exchange.

Range of Holdings in number of shares	No. of Folio		Number of Share		Holding %	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011	30.06.2012	30.06.2011
01-50	3,620	3,657	65,669	66,281	9.12	9.21
51-100	511	522	40,448	41,416	5.62	5.75
101-500	492	506	105,288	107,864	14.62	14.98
501-1000	69	71	51,381	53,549	7.14	7.44
1001-10000	55	57	155,700	164,552	21.63	22.85
10001-25000	5	6	92,059	83,623	12.79	11.61
25001-50000	3	4	91,578	137,515	12.72	19.10
50001-100000	2	1	117,877	65,200	16.37	9.06
	<u>4,757</u>	<u>4,824</u>	<u>720,000</u>	<u>720,000</u>	<u>100</u>	<u>100</u>

**(c) Option on Un-Issued Shares:**

There is no option regarding the authorized capital not yet issued but can be used to increase the paid up capital through the issuance of new shares against cash contribution and bonus.

	Amount in Taka	
	2011-2012	2010-2011
<b>09. Share Premium :</b>	<b>29,199,138</b>	<b>29,199,138</b>

No.	Particulars	Taka	
		2011-2012	2010-2011
<b>10.</b>	<b>Accounts Payable :</b>	<b>14,449,091</b>	<b>14,036,751</b>
	Creditors -for Goods & Supplies	7,593,298	9,872,385
	Creditors -for Expenses	4,855,793	2,664,366
	Creditors -for Other Finance	2,000,000	1,500,000
<b>10.1</b>	<b>Creditors -for Goods &amp; Supplies</b>	<b>7,593,298</b>	<b>9,872,385</b>
	Opening Balance as on 01-07-2011	9,872,385	12,726,714
	Add. Purchase during the Year	85,226,157	73,154,461
		95,098,542	85,881,175
	Less : Payment during the Year	87,505,244	76,008,790
<b>10.1.1</b>	<b>Details of Creditors -for Goods &amp; Supplies</b>	<b>7,593,298</b>	<b>9,872,385</b>
	Imam Flour Mills	1,564,228	1,064,228
	Jamuna Plastic	-	666,721
	Maritime Entereprenurs pte Ltd.	-	787,116
	Padma Flour Mill	904,335	1,537,735
	Sabnam Vegetable	-	920,366
	Urmy Product	-	802,385
	Metali Traders	1,612,861	500,101
	Quality Can Industries Ltd.	-	734,260
	Grand Holdings Limited.	1,522,083	1,185,229
	Lasmunhas Packages	-	788,534
	Padma Stors	932,013	-
	M K Traders	1,057,778	885,710
<b>10.2</b>	<b>Creditors -for Expenses</b>	<b>4,855,793</b>	<b>2,664,366</b>
	Salary & Wages payable	925,052	914,145
	Audit Fees Payable	62,700	52,250
	Electricity Bill	697,804	547,600
	IT deducted at source	76,703	70,371

**Bengal Biscuits Limited**  
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No. Particulars

Taka

**2011-2012                      2010-2011**

AGM Expenses

785,140

-

Turnover Tax

619,572

-

Office Rent

68,822

-

Directors remuneration

1,620,000

1,080,000

**10.3 Creditors -for Other Finance**

**2,000,000**

**1,500,000**

M/S Abul & Son's, Jessor

500,000

-

M/S Bismillah Enterprise, Khulna

-

500,000

M/S Padma Traders, Bogra

-

500,000

M/S Padma Traders, Barisal

1,000,000

-

M/S A. S Enterprise, Dhaka

500,000

-

M/S Sikder Enterprise, Barisal

-

500,000

These liabilities have arisen in the normal continuous course of business.

**11. Other Payables:**

**3,445,588**

**4,945,588**

Payable for Income Tax

note-11.1

2,824,878

4,324,878

Payable for leasehold land

note-11.2

620,710

620,710

**11.1 Payable for Income Tax**

**2,824,878**

**4,324,878**

Income Tax Payable

4,324,878

4,634,878

Less- Payment

1,500,000

310,000

**11.2 Payable for leasehold land**

**620,710**

**620,710**

Opening Balance

620,710

620,710

Add- New Acquisition

-

-

Less -Payment

620,710

620,710

-

-

No.	Particulars	Taka	
		2011-2012	2010-2011
<b>12.</b>	<b>Turnover :</b>	<b>123,914,386</b>	<b>103,158,070</b>
	VATable Item	80,371,353	59,670,333
	Non-VATable Item	43,543,033	43,487,737
<b>12.1</b>	<b>VATable Item :</b>	<b>80,371,353</b>	<b>59,670,333</b>
	Revenue from VATable Item	85,476,452	64,059,452
	Less : VAT	5,105,099	4,389,119
<b>13.</b>	<b>Cost of goods sold:</b>		
	Purchase of :	<b>105,212,120</b>	<b>90,939,275</b>
	Raw Materials	51,214,212	42,086,892
	Packing Materials	23,435,590	21,124,593
	Finished Goods Purchase	10,576,355	9,942,976
	Other Materials	30,520	25,350
	<b>Total Purchase:</b>	<b>85,256,677</b>	<b>73,179,811</b>
	Add : Opening stock of Materials	8,301,321	8,459,997
	<b>Materials available for consumption</b>	<b>93,557,998</b>	<b>81,639,808</b>
	Less : Closing stock of Materials	12,944,187	8,301,321
	<b>Materials Consumed</b>	<b>80,613,811</b>	<b>73,338,487</b>
	Manufacturing Expenses	19,695,070	18,929,283
	<b>Cost of Goods Manufactured</b>	<b>100,308,881</b>	<b>92,267,770</b>
	Add : Opening stock of Finished Goods	6,117,728	4,789,233
	<b>Cost of Goods available for Sale</b>	<b>106,426,609</b>	<b>97,057,003</b>
	Less : Closing stock of Finished Goods	1,214,489	6,117,728

Break-up of materials consumed with percentage :

Particulars	2011-2012		2010-2011	
	Value	Percentage	Value	Percentage
Raw Materials	512.14	60.07%	420.87	57.51%
Packing Materials	234.36	27.49%	211.25	28.87%
Finished Goods Purchase	105.76	12.41%	99.43	13.59%
Other Materials	0.31	0.04%	0.25	0.03%
	<b>852.57</b>	<b>100.00%</b>	<b>731.80</b>	<b>100.00%</b>

No.	Particulars	Taka	
		2011-2012	2010-2011
<b>13.1</b>	<b>Manufacturing expenses:</b>	<b>19,695,070</b>	<b>18,929,283</b>
	Salary and wages	4,942,169	4,169,541
	Bonus	307,386	256,686
	Uniform & gloves	70,573	72,796
	Medical and sanitation	77,373	45,897
	Conveyance	54,708	72,363
	Carriage loading and unloading	520,658	497,950
	Repairs and maintenance	442,077	404,805
	Power and electricity	7,199,300	5,989,130
	Water bill	39,000	36,000
	Telephone, fax and mobile	86,175	89,399
	Newspaper, books and periodicals	6,000	2,752
	Entertainment	24,928	21,628
	Insurance	123,880	102,893
	Local rates and taxes	13,906	4,500
	Depreciation	5,786,937	7,162,943
	The number of employees/workers each who received salary and wages upto and above Tk.36,000.00 per annum :		
	-Upto Tk. 36,000.00 = 181 Nos.		
	-Above Tk. 36,000.00 = 53 Nos.		
<b>14.</b>	<b>Administrative expenses:</b>	<b>7,933,150</b>	<b>6,022,422</b>
	Director's remuneration	540,000	540,000
	Salary and allowances	2,331,979	1,607,810
	Bonus	267,750	156,150
	Medical Expenses	57,929	9,853
	Conveyance	37,324	17,843
	Travelling	243,692	159,753
	Office rent	825,864	409,200
	Staff Welfare	270,875	-
	Renewal and fees	76,275	98,288
	Repair and maintenance	118,009	53,372
	Power, Electricity & Expenses	164,284	134,716
	Photocopy and documentation	33,650	27,390
	Stationery	96,422	38,855
	Postage and stamp	33,603	10,493
	Telephone, mobile and fax	201,171	165,602
	Fuel, repair, services and cleaning	128,180	35,589
	Newspaper, books and periodicals	11,838	5,995
	Entertainment	95,670	30,747



No.	Particulars	Taka	
		2011-2012	2010-2011
	Gas and water charge	60,937	55,887
	Audit fee	57,450	65,000
	Bank charges and commission	48,374	31,998
	AGM expenses	785,140	577,145
	Depreciation	1,446,734	1,790,736

Director's remuneration including perquisites represents the amount paid to the Managing Director and other three active Directors during the year for services rendered by them as follows :

-Managing Director	Tk. 360,000
-3 Directors @ Tk: 60,000 per Year	Tk. 180,000

Auditors remuneration includes AIT & VAT. Auditors were not paid any other fee except audit fees.

The number of employees each who received salary upto and above Tk. 36,000.00 per annum :

-Above Tk. 36,000.00 =11 Nos.

**15. Selling & distribution expenses:**

	<b>12,851,396</b>	<b>9,764,501</b>
Salary and allowance	4,322,821	3,044,960
Bonus	399,040	282,040
Staff welfare	76,789	54,279
Travelling	779,371	621,786
Carriage outward and loading/unloading	489,500	360,100
Conveyance	361,562	194,943
Photocopy and documentation	62,280	71,570
Medical Expenses	40,000	-
Stationery	81,381	81,618
Office Rent	120,000	88,000
Postage and stamp	18,601	17,228
Telephone, mobile and fax	132,875	124,266
Fuel, repair, services and cleaning	92,673	96,609
Promotional expenses	1,926,318	1,621,065
Store Damage & Date Expired	1,707,444	1,592,535
Entertainment	50,027	44,710
Distribution of sample	321,043	289,695
Product design charges	250,099	179,097
Amortization of Promotional Expenses	1,000,000	1,000,000
Turnover Tax	619,572	-

No.	Particulars	Taka	
		2011-2012	2010-2011
	The number of employees each who received salary upto and above Tk. 36,000.00 per annum :		
	-Above Tk. 36,000.00 = 55 Nos.		
<b>16.</b>	<b>Other Income :</b>	<b>229,426</b>	<b>250,000</b>
	Wastage Goods	229,426	250,000
<b>17.</b>	<b>Basic earning per share (EPS) :</b>		
		<b>(2.57)</b>	<b>(4.61)</b>
	Net Profit after tax	(1,852,854)	(3,318,128)
	Number of ordinary shares in issue	720,000	720,000

**18. PAYMENT/ PERQUISITES TO DIRECTORS/OFFICERS:**

The aggregate amount paid/provided during the year in respect of Directors and Officers of the Company are disclosed below :

	<u>Directors .</u>	<u>Officers</u>
Remuneration/Salary	420,000.00	-
Perquisites	120,000.00	-

No attendance fee for Board Meeting was paid to Directors.

No amount was spent by the Company for compensating any number of the Board for special services rendered.

**19. LIABILITIES FOR CONTINGENT AND OTHER NATURE:**

There is no such liabilities except the following :

VAT authority had an illegal claim of VAT for Tk. 9.42 crore against which the Company had lodged an appeal to High Court Division of the Supreme court of Bangladesh, as the Commissioner (Apple) of Custom, Excise & VAT has given decision against our favour.

There was no credit facilities as on 30-06-2012 availed by the Company under any contract, other than trade credit available in the ordinary course of business.

No guarantees were given by the Company on behalf of the Directors, Manager or other Officers of the Company or any of them severally or jointly with any other person.

Number of Shares .....

Folio No. ....

### PROXY FORM

I/We.....of.....  
.....being a member of Bengal Biscuits Limited or  
an authorized Representative do hereby appoint Mr./Ms. .... as my/our  
proxy to attend and vote for me/us and on my/our behalf at the 31<sup>st</sup> and 32<sup>nd</sup> Annual General Meeting of the  
Company to be held on the 28<sup>th</sup> February, 2013 at Barisal Auditorium, Band Road, Barisal, at 10.00 am and at  
any adjournment thereof.

As witness my/our hand this.....day of..... 2013.

Affix Tk. 8.00 Revenue Stamp
------------------------------------

\_\_\_\_\_  
Signature of the Proxy

\_\_\_\_\_  
Signature of the Shareholder

#### NOTE:

1. The Proxy Form duly signed and stamped by a revenue stamp of Tk. 8.00 (eight) must be deposited at the Company's Registered Office, 345, Segun Bagicha, Ramna, Dhaka, at least 48 hours before the meeting.
2. Signature of the Shareholder/Proxy must be similar with the Specimen signature recorded at the Company's Registered Office.

### ATTENDANCE SLIP

I do hereby confirm my presence at the 31<sup>st</sup> and 32<sup>nd</sup> Annual General Meeting of Bengal Biscuits Limited at Barisal Auditorium, Band Road, Barisal, today, the 28<sup>th</sup> February, 2013.

Name of the Shareholder/Proxy : \_\_\_\_\_

Register Folio No. \_\_\_\_\_

\_\_\_\_\_  
Signature of the Attendant

*N.B. Shareholder/Proxy is requested to hand over the Attendance Slip at the entrance of the Meeting Hall*



Q u a l i t y F o o d F o r H e a l t h y L i f e