

**ANNUAL REPORT**  
**2019**



**FINE FOODS LIMITED**

# **Annual Report And Accounts**

**For  
The year ended June 30, 2019**

***Head Office:***

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

***Project Office:***

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

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Fine Foods Limited

**Letter of Transmittal**

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



Dear Sir (s),

We are pleased to enclose a copy of Annual Report of Fine Foods Limited for the year ended 30th June 2019 along with Audited Financial Statements containing Statement of Financial Position, Statement of Profit & Loss & Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory informations.

Thank you for your support and cooperation.

Yours truly

A handwritten signature in black ink, appearing to read 'Md. Sohel Hossain', written over a horizontal line.

(Md. Sohel Hossain)  
Company Secretary



Fine Foods Limited

**CORPORATE INFORMATION'S**  
**BOARD OF DIRECTORS**

**Board of Directors**

MR. SUJIT SAHA	CHAIRMAN
MR. NAZRUL ISLAM	MANAGING DIRECTOR & CEO
MR. MD. HABIBUR RAHMAN	INDEPENDENT DIRECTOR
MR. MD. ALAM BISWAS	INDEPENDENT DIRECTOR
MR. MD. MAHBUBUR RAHMAN MUKUL	INDEPENDENT DIRECTOR

**Audit Committee**

MR. MD. MAHBUBUR RAHMAN MUKUL	Chairman
MR. NAZRUL ISLAM	Member
MR. MD. ALAM BISWAS	Member
MR. MD. SOHEL HOSSAIN	Secretary

**Company Secretary**

MD. SOHEL HOSSAIN

**Chief Financial Officer**

MD. ABDUL LATIF

**Head of Internal Audit**

MD. ABDULLAH AL MAMUN

**Head Office**

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

**Project Address**

**Project-1 (Registered Office)**

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

**Project-2**

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

**Auditors**

G. KIBRIA & CO.  
Chartered Accountants  
24-25, Dilkusha Comercial Area, Dhaka-1000, Bangladesh.

**Bankers**

Premiar Bank Limited  
Eastern Bank Limited

**5 YEAR'S  
STATISTICS**

(Taka in Thousand)

Particulars	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
Authorized Capital	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
Paid-up Capital	1,39,739	1,35,669	1,33,008	1,30,400	1,30,400
Fixed Assets	68,997	69,965	71,016	72,158	73,403
Turnover (Sales)	52,774	46,078	47,712	34,874	26,056
Gross Profit/(L)	7,665	4,887	13,141	14,786	847
Retained Earning/(L)	6,552	7,170	8,805	2,783	(7,863)
Earning per Share	0.247	0.076	0.649	0.816	(0.149)
No. of Shareholder	4,288	4,151	4,351	4,188	5,320

Fine Foods Limited

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

## **Notice of the 25th Annual General Meeting**

Notice is hereby given to all concern and shareholder(s) of the Company that its 25th Annual General Meeting will be held in the Registered Office: Vill: Mondolvog, U.P. 4 no Chandpur, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj, Bangladesh on the 12th December 2019, Thursday at 12.31 pm to transact the following agenda :

1. To receive, consider and adopt the Audited Accounts as of 30th June, 2019 together with report of the Auditor's and the Director's thereon.
2. To elect Director's in place of retiring ones.
3. To declare and approve Dividend for the year ended June 30, 2019.
4. To appoint Auditors and to fix their remuneration.
5. To appoint professional for the certification on Corporate Governance for the year 2019-2020 and fixation their remuneration.

By Order of the Board

Sd/-

(Md. Sohel Hossain)

Company Secretary

Dated :  
November 27, 2019

**Notes :**

- a. 19th November, 2019 has been scheduled as record date, the shareholders whose names will appear in the register of members of the Company or in the Depository on the "Record Day" (19th November, 2019) will be eligible to attend the AGM.
- b. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form duly stamped with revenue stamp of TK. 10.00 (Ten) only, must be deposited at the Head Office of the Company not later than 48 hours before the fixed for the meeting.
- c. Members are requested to notify change of address, if any, to the Company.
- d. Admission to the meeting room will be strictly on production of the attendance slip.
- e. The Annual Report, Proxy Form and Attendance Slip will be available at the website of the Company at [www.finefoodslimited.com](http://www.finefoodslimited.com) and copy of Annual Report will be sent to the e-mail address of the honorable Shareholder's mentioned in their respective BO Accounts.
- f. **No gift, cash or kind will be given for attending the meeting according to the circular of BSEC.**

**Message from the Managing Director & CEO**

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



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

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

In its year of establishment as Public Limited Company in 2002, the company declared 20% cash Dividend. Then in 2005 cash 5%, in 2008 cash 5% and stock 5%, in 2009 stock 15%, in 2010 stock 25%, in 2011 stock 10%, in 2012 stock 10%, in 2013 stock 2%, in 2016 stock 2%, in 2017 stock 2%, in 2018 stock 3% and in this year 2019 cash 2% Dividend was declared for all.

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

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

May Almighty bless us.

Wishing you all the best

A handwritten signature in black ink, appearing to be 'Nazrul Islam'.

(Nazrul Islam)  
Managing Director & CEO

## Fine Foods Limited

সম্মানিত শেয়ারহোল্ডার বৃন্দ  
আসসালামু আলাইকুম

ফাইন ফুডস লিমিটেড-এর ২৫তম বার্ষিক সাধারণ সভায় আপনাদেরকে স্বাগত জানাচ্ছি এবং ৩০ শে জুন, ২০১৯ইং সমাপনী বৎসরের নিরীক্ষিত আর্থিক বিবরণীসহ বার্ষিক প্রতিবেদন আপনাদের সম্মুখে উপস্থাপন করতে পেরে আমি গর্বিত ও সম্মানিত বোধ করছি।

কোম্পানীর বিষয়াদির অবস্থা :  
১.১। পরিচিতি :

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

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

২। অগ্রগতি ও আর্থিক ফলাফল :  
ফাইন ফুডস লিমিটেড একটি কৃষিভিত্তিক কোম্পানী। মাছ, মাছের পোনা এর প্রধান উৎপাদিত পণ্য। ২০১৮-২০১৯ অর্থ বছরেও পুকুর পরিশোধন, পুনঃখনন সহ প্রকল্পগুলোর চলমান বিভিন্ন সংস্কারমূলক কাজ সম্পন্ন করার মাধ্যমে উৎপাদন প্রক্রিয়া আরো ত্বরান্বিত করে আমরা আমাদের কাজিত লক্ষ্য মাত্রা অর্জনের পথে এগুচ্ছি। আমরা ভিষণ আশাবাদি। আমাদের দৃঢ় আশা, পরবর্তী অর্থ বছরেও (২০১৯-২০২০) আমরা আমাদের প্রত্যাশিত সফলতা আরো বেশী অর্জন করতে পারব ইনশাআল্লাহ।  
নিম্নে ২০১৭-২০১৮ অর্থ বছরের সাথে এ অর্থবছরের (২০১৮-২০১৯) একটি সংক্ষিপ্ত তুলনামূলক চিত্র উপস্থাপন করা হলোঃ

বিবরণ	২০১৮-২০১৯	২০১৭-২০১৮
বিক্রয়	৫২,৭৭৩,৭৯০/-	৪৬,০৭৮,১৮৪/-
উৎপাদন ব্যয়	৪৫,১০৯,০৭৬/-	৪১,১৯১,৪৭৭/-
মোট লাভ/(ক্ষতি)	৭,৬৬৪,৭১৪/-	৪৮,৮৬,৭০৭/-
নীট লাভ/(ক্ষতি)	৩,৪৫২,৩০২/-	১,০২৪,৬৩৪/-

**৩. ব্যবসায়িক কার্যক্রম পর্যালোচনা:**

প্রিয় শেয়ারহোল্ডারবৃন্দ আপনারা জানেন যে, ফাইন ফুডস লিমিটেড একটি কৃষিভিত্তিক উৎপাদনমুখী প্রতিষ্ঠান। প্রতিষ্ঠার শুরু থেকে আজ পর্যন্ত অনেক চড়াই উৎড়াই পার করে ইহা বর্তমানে একটি শক্ত ভিত্তির উপর প্রতিষ্ঠিত। পাবলিক লিমিটেড কোম্পানী হিসেবে প্রতিষ্ঠার পর থেকে আজ পর্যন্ত অভ্যন্তরীণ সংস্কার, প্রাকৃতিক দুর্যোগ ও রাজনৈতিক অস্থিরতার কারণে ১৬টি অর্থবছরের মধ্যে ৫টি অর্থবছর ছাড়া ১১টি অর্থবছরেই প্রতিষ্ঠানটি সফলতার সাথে লভ্যাংশ অর্জন, ঘোষণা ও বিতরণ করেছে। তার-ই ধারাবাহিকতায় প্রকল্প গুলোর অভ্যন্তরীণ সংস্কার কাজ সম্পন্ন শেষে এ বছরেও (উভয় প্রকল্পে) উৎপাদন কার্যক্রম পরিচালনা করার ফলে এ অর্থবছরেও আমরা উন্নতির ধারাবাহিকতা রক্ষা করে মোটামোটি কাজিত ফল (Profit) অর্জন করতে সক্ষম হয়েছি। এজন্য আমরা সকলকে আন্তরিকভাবে ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। উল্লেখ্য যে, জমি ক্রয়ের নিমিত্তে অগ্রীম বাবদ যে ১.২০ কোটি টাকা প্রদান করা হয়েছিল তার প্রেক্ষিতে এ অর্থবছরেও জমির মালিকগণের সাথে ইতিপূর্বে স্বাক্ষরিত সমঝোতা চুক্তি মোতাবেক গত ২৬-১০-২০১৯ইং তারিখে ৪র্থ কিস্তি হিসেবে জমির মালিকগণ ২০ লক্ষ টাকা কোম্পানীকে ফেরত দেয় এবং শীতাই বাকি ২০ লক্ষ টাকা ফেরত প্রদান করবে বলে পুনরায় অবগত করে। পরিচালনা পর্ষদ প্রতিজ্ঞাবদ্ধ যে, আরো দৃঢ়ভাবে প্রচেষ্টা চালানোর মাধ্যমে যেন ২০১৯-২০২০ অর্থ বছরে কোম্পানী আরো বেশি করে লাভ (Profit) অর্জন করতে সক্ষম হয়। আমরা আন্তরিকভাবে বিশ্বাস করি, আমাদের এই প্রচেষ্টার মাধ্যমে অর্জিত ফল ধারাবাহিক ভাবে বৃদ্ধি করতে সক্ষম হবো এবং সহযোগিতা হিসাবে অতীতের মত আগামী দিনেও আপনাদের সহযোগিতা আমরা পুরোপুরিভাবে পাব।

**৪। পরিচালক মন্ডলীর সভা :**

২০১৮-২০১৯ অর্থ বছরে পরিচালনা পর্ষদের মোট আটটি সভা অনুষ্ঠিত হয়। উক্ত সভাসমূহে বেশকিছু নীতিগত এবং গুরুত্বপূর্ণ বিষয়ে আলোচনা ও সিদ্ধান্ত গৃহীত হয়। সভা সমূহের সকল সিদ্ধান্ত সভায় উপস্থিত সকল পরিচালক বৃন্দের সর্বসম্মতিক্রমে গৃহীত হয়।

**৫। লভ্যাংশ সংক্রান্ত মন্তব্য :**

এই অর্থ বছরে (২০১৮-২০১৯) কোম্পানীর আর্থিক হিসাবের ফলাফলে “লাভ”(Profit) হওয়ায় পরিচালনা পর্ষদ ২০১৮-২০১৯ অর্থ বছরের জন্য ২% নগদ লভ্যাংশের প্রস্তাব করেন।

**৬। পরিচালকগণের অবসর গ্রহণ ও পুনঃ নিয়োগ :**

অত্যন্ত দুঃখের সাথে জানাচ্ছি যে, স্বতন্ত্র পরিচালক জনাব শাজাহান সাজু হঠাৎ অসুস্থতাজনিত কারণে গত ০১-০২-২০১৯ইং তারিখে মৃত্যুবরণ করেন (ইন্সলিলাহি.....রাজিউন)। তার মৃত্যুর ফলে শূণ্য হওয়া জায়গায় জনাব মাহবুবুর রহমান মুকুল কে পরবর্তী মেয়াদকালের জন্য নিয়োগ প্রদানের প্রস্তাব করা হলো।

৭। নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণঃ

২০১৮-২০১৯ অর্থ বছরের জন্য আমাদের নিয়োগকৃত চার্টার্ড একাউন্ট্যান্টস ফার্ম “আহমেদ এ্যান্ড আঞ্জার চার্টার্ড একাউন্ট্যান্টস ফার্ম” কে বিএসইসি নিরীক্ষাকার্যে অযোগ্য ঘোষণা করায় তদন্তে মেসার্স জি. কিবরিয়া এন্ড কো. চার্টার্ড একাউন্ট্যান্টস ফার্ম কে নিয়োগ প্রদান করা হলে তারা ২০১৮-২০১৯ অর্থ বছরের হিসাব নিরীক্ষা কার্য সম্পাদন করেন। বিধি ও বিএসইসি-র নির্দেশনা মোতাবেক ২০১৯-২০২০ অর্থ বছরের জন্যও তারা যোগ্য। বিধায়, নিরীক্ষক হিসাবে মেসার্স জি. কিবরিয়া এন্ড কো. চার্টার্ড একাউন্ট্যান্টস ফার্ম কে (২৪-২৫ দিলকুশা (৬ষ্ঠ তলা) ঢাকা-১০০০) ২০১৯-২০২০ অর্থ বছরের জন্য বার্ষিক ২,৫০,০০০ (দুই লক্ষ পঞ্চাশ হাজার) টাকা পারিশ্রমিক-এর বিনিময়ে পুনরায় নিয়োগ দানের জন্য প্রস্তাব করা হলো।

৮। নিরীক্ষকের সংরক্ষিত মন্তব্যের উপর আমাদের বক্তব্যঃ

নিরীক্ষক-এর গুরুত্বারোপকৃত মন্তব্যের (Qualified Opinion) আলোকে আমাদের বক্তব্যঃ  
০১. আমরা Capital Stock যে পদ্ধতিতে (Historical Method) মূল্যায়ন করে থাকি আগামী ২০১৯-২০২০ অর্থ বছর থেকে সেই পদ্ধতিতে না করে বর্তমান মূল্যে (Fair Value) মূল্যায়ন করার প্রচেষ্টা গ্রহণ করব।  
০২. ১৫ হাজার টাকার উপরে বেতনভুক্ত কর্মীদের বেতন ব্যাংকের মাধ্যমে প্রদান সংক্রান্ত যে অধ্যাদেশ এর কথা বরা হয়েছে তা প্রতিপালনে সর্বোচ্চ সচেতন থাকব।

অর্থাৎ সম্মানিত নিরীক্ষক মহোদয় Qualified Opinion এর আওতায় যে মন্তব্য করেছেন তাকে যথেষ্ট গুরুত্ব প্রদান করে ভবিষ্যতে আমরা উহা পালন করার জন্য সর্বোচ্চ প্রচেষ্টা গ্রহণে সচেতন থাকব।

৯। বোর্ড সভা ও উপস্থিতি :

২০১৮-২০১৯ অর্থ বছরে ৪টি অডিট কমিটির সভা এবং ৮টি বোর্ড সভা অনুষ্ঠিত হয় যাতে গড়ে ৯০% পরিচালক উপস্থিত ছিলেন। উক্ত সভাসমূহে বেশ কিছু নীতিগত এবং গুরুত্বপূর্ণ বিষয়ের উপর আলোচনা ও সিদ্ধান্ত গৃহীত হয়। উল্লেখ্য বোর্ড সভার সকল সিদ্ধান্ত সর্বসম্মতিক্রমে গৃহীত হয়।

১০। নিরীক্ষা কমিটি :

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

নং	নাম	কোম্পানীতে পদমর্যাদা	কমিটিতে পদমর্যাদা
০১	মি: মো: মাহবুবুর রহমান মুকুল	স্বতন্ত্র পরিচালক	চেয়ারম্যান
০২	মি: নজরুল ইসলাম	ব্যবস্থাপনা পরিচালক ও সিইও	সদস্য
০৩	মি: মো: আলম বিশ্বাস	স্বতন্ত্র পরিচালক	সদস্য
০৪	মি: মো: সোহেল হোসেন	কোম্পানী সচিব	সচিব

১১। চলমান ব্যবসা প্রতিষ্ঠান :

আর্থিক বিবরণীর অনুমোদন কালে পরিচালকবৃন্দ যথাযথ অনুসন্ধান করে পরিচালন ও আর্থিক সূচকসমূহ বিশ্লেষণ করেছেন। পরিচালকবৃন্দ আশুস্থ্য হয়েছেন যে, ভবিষ্যতে বর্তমান অবস্থা থেকে আরো উন্নতি করণে ও সুষ্ঠুভাবে পরিচালনায় কোম্পানীর সামর্থ্য রয়েছে।

উপসংহার :

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

পরিচালক মন্ডলীর পক্ষে



(নজরুল ইসলাম)  
ব্যবস্থাপনা পরিচালক ও সিইও



## REPORT OF AUDIT COMMITTEE

For the year 2018-2019

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

### Composition of Audit Committee:

The Audit Committee consists of the following members:

Name of Members	Position in the Committee	Position in the Board
Mr. Md. Mahbubur Rahman Mukul	Chairman	Independent Director
Mr. Nazrul Islam	Member	Managing Director & CEO
Mr. Md. Alam Biswas	Member	Independent Director
Mr. Md. Sohel Hossain	Secretary	Company Secretary

### Function of the Audit Committee defined as under:

Review the Audit Financial Statements and recommended to approved for statutory purpose.

Review Internal Audit Systems and monitoring the function of Internal Audit Department.

Review the implementation of signification issues as recommended to the Board.

Review the function of management policy, system of governance.

Review and consider the internal report and statutory auditors' observation and internal control.

Review the quarterly and half yearly financial statements before submission to the board for approval and to the stakeholders as a statutory requirement.

### Activities carried out during the year

The committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observation in their reports on the draft financial statements of the company initialed by the auditors for the year ended 30th June 2019. The committee found the statements adequate arrangement to present a true and fair view of the financial status of the company; and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting and disclosures.

### Acknowledgement

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

Sd/-

**Mahbubur Rahman Mukul**

Chairman, Audit Committee



**BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES**

Ref. No: CM:2019/236



Date of issue : July 14, 2019

**Renewed Certificate**

*This is to certify that*

**FINE FOODS LIMITED**

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

*This certificate remains current until 31<sup>st</sup> December 2019.*



*[Signature]*  
Secretary-General



রহমান মুস্তাফিজ হক এন্ড কোং  
Rahman Mustafiz Haq & Co.  
Chartered Accountants

85, Naya Paltan (3rd Floor),  
Dhaka-1000, Bangladesh.  
Phone : 9357324, 01715-853243  
01762-728721  
E-mail : rmh\_ca@yahoo.com

**Annexure- B**

**Report to the Shareholders of Fine Foods Limited on compliance on the  
Corporate Governance Code.**

**(Certificate as per condition No. 1(5)(xxvii)**

We have examined the compliance status to the Corporate Governance code by **Fine Foods Limited** for the year ended on 30 June 2019. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was Limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.


This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory subject to the remarks and observations as reported in the attached corporate governance compliance status.

Place: Dhaka  
Dated: 29 October 2019



  
Rahman Mustafiz Haq & Co.  
Chartered Accountants

**CHITTAGONG OFFICE**

Taher Chamber (2nd Floor), 10 Agrabad C/A, Chittagong, Phone : 2515646, Mobile : 01711-140769, 01711-396098

**CORPORATE GOVERNANCE COMPLIANCE STATUS**

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

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

of the Securities and Exchange Ordinance, 1969:

**(Report under Condition No. 9)**

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

Fine Foods Limited

Condition No	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBF1)	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude	✓		
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM)	✓		Will be complied in the AGM schedule to be held on 12.12.19
1(2)(d)	The post of independent director(s) can't remain vacant for more than 90 (ninety) days	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	✓		
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association.			
1(3)(b)(ii)	Corporate Leader who is or was a top level executive	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law			
1(3)(b)(v)	Professional	✓		
1(3)(c)	Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	In special cases, the qualifications or experience may be relaxed subject to prior approval of the Commission			No such incident happened
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director/or Chief Executive Officer of the company shall be filled by different individuals	✓		

Fine Foods Limited

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

Fine Foods Limited

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

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



Fine Foods Limited

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

Fine Foods Limited

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

Fine Foods Limited

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

Fine Foods Limited

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

Fine Foods Limited

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

Fine Foods Limited

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

**The Pattern of Shareholding  
as on 30-06-2019**

SI No	Name of Shareholders	Status	No. of Shares held	Percentage of Share Holdings (%)
a)	Parents/Subsidiary/Associate Companies	n/a	n/a	
b)	Directors, Sponsors, Company Secretary, Chief Financial Officer			
1	Mr. Sujit Saha	Chairman	206	0.01
2	Mr. Nazrul Islam	MD & CEO	7,06,083	5.05
3	Mr. Md. Alam Biswas	Independent Director	3,660	0.03
4	Mr. Md. Mahbubur Rahman Mukul	Independent Director	Nil	Nil
5	Mr. Md. Habibur Rahman	Independent Director	Nil	Nil
6	Mr. Md. Sohel Hossain	Company Secretary	Nil	Nil
7	Mr. Md. Abdul Latif	CFO	Nil	Nil
8	Mr. Md. Abdullah Al Mamun	Head of Internal Audit	Nil	Nil
c)	Executives		Nil	Nil
d)	Share holder holding Ten percent or more voting interest		Nil	Nil

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

Fine Foods Limited

Annexure -iii

**Key Operating and Financial Data of Last Five Years**

as on 30-06-2019

(Taka in Thousand)

Particulars	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
Authorized Capital	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
Paid-up Capital	1,39,739	1,35,669	1,33,008	1,30,400	1,30,400
Fixed Assets	68,997	69,965	71,016	72,158	73,403
Turnover (Sales)	52,774	46,078	47,712	34,874	26,056
Gross Profit/(L)	7,665	4,887	13,141	14,786	847
Retained Earning/(L)	6,552	7,170	8,805	2,783	(7,863)
Earning per Share	0.247	0.076	0.649	0.816	(0.149)
No. of Shareholder	4,288	4,151	4,351	4,188	5,320

Annexure-iv

**Board of Directors Meeting**

as on 30-06-2019

Name of the Directors	Meeting Held	Attended
Mr. Sujit Saha	8	8
Mr. Nazrul Islam	8	8
Mr. Md. Habibur Rahman	8	6
Mr. Md. Mahbubur Rahman	8	3
Mr. Alam biswas	8	8



Fine Foods Limited

**Annexure-A**  
[As per condition No. 1(5)(xxvi)]

**Name of the Company: Fine Foods Limited**  
**Declaration by CEO and CFO**

Date:29-10-2019  
The Board of Directors  
Fine Foods Limited  
New Market City Complex (Level-6)  
44/1, Rahim Square, New Market, Dhaka-1205

Subject: Declaration on Financial Statements for the year ended on 30th June 2019.


Dear Sirs,


Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80, Dated 3rd June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Fine Foods Limited for the year ended on 30th June 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the Financial Statements for the year ended 30th June 2019 and that to the best of our knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the code of conduct for the Company's Board of Directors or its members.

  
**(Nazrul Islam)**  
**Managing Director & CEO**

  
**(Md. Abdul Latif)**  
**Chief Financial Officer**

**Independent Auditor's Report  
To the Shareholders of Fine Foods Limited  
Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the financial statements of Fine Foods Limited (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Qualified Opinion**

1. As disclosed in the note 5.00 of the financial statements regarding Capital Stock of Tk.10,478,734. The amount includes plantation and livestock. As per IAS 41 the following falls under Biological Asset. Biological Assets within the scope of IAS 41 are measured on initial recognition and at subsequent reporting dates at Fair value less estimated cost to sell. The company have been valuing the asset at Historical cost which is a direct noncompliance with IAS 41. Management did not perform any fair value calculations and hence we do not have the necessary information to quantify the misstatement. Consequently we are unable to quantify the necessary adjustment amount for the relevant financial statement line items.

2. As per the Income Tax Ordinance, 1984, Section 30(i), Any payment by way of salary or remuneration made otherwise than by crossed cheque or bank transfer by a person to any employee having gross monthly salary of taka fifteen thousand or more will be inadmissible. We have found that the company have made cash payments to several employees every month that is over Tk. 15,000.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the 2019 Annual Report. The Annual Report comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis. The Annual Report is expected to be made available to us after the date of this auditor's report

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## Fine Foods Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we did not determine any additional matters described below to be key audit matters to be communicated in our report.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

# Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

# Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

# Evaluate the overall presentation, structure and content of the Company' financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's/Company's business.

Date: 29 October 2019  
Place: Dhaka


  
**G. KIBRIA & CO.**  
Chartered Accountants.

**FINE FOODS LIMITED**  
**Statement of Financial Position**  
**As At 30 June 2019**

Particulars	Notes	Figures in Taka 30.06.2019	Figures in Taka 30.06.2018
<b>ASSETS</b>			
<b>NON- CURRENT ASSETS</b>			
		<b>83,475,294</b>	<b>86,050,063</b>
Property, plant and equipment	3	68,996,560	69,964,679
Advance for Land Purchases	4	4,000,000	8,000,000
Capital Stock	5	10,478,734	8,085,384
<b>CURRENT ASSETS</b>			
		<b>74,444,404</b>	<b>68,014,584</b>
Inventories	6	64,839,459	61,108,987
Trade Receivables	7	7,290,950	4,683,439
Advance & Prepayments	8	1,362,000	1,362,000
Cash & Cash Equivalents	9	951,995	860,158
<b>Total ASSETS</b>		<b><u>157,919,698</u></b>	<b><u>154,064,648</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE HOLDER EQUITY:</b>			
		<b>151,440,578</b>	<b>147,988,276</b>
Share Capital	10	139,739,180	135,669,110
Reserve for Bond	11	5,149,473	5,149,473
Retained Earning	12	6,551,925	7,169,693
<b>CURRENT LIABILITIES</b>			
		<b>5,704,534</b>	<b>5,350,586</b>
Liabilities for Expenses	13	585,138	591,716
WPPF	14	1,125,147	929,176
Tax payable (deduction on dividend)	15	653,487	653,487
Provision for Tax	16	1,301,652	1,137,097
Trade Payables	18	1,939,110	1,939,110
Dividend Payable	19	100,000	100,000
<b>NON-CURRENT LIABILITIES</b>			
		<b>774,586</b>	<b>725,786</b>
Deferred Tax Liability/Asset	17	774,586	725,786
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>157,919,698</u></b>	<b><u>154,064,648</u></b>

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

  
 \_\_\_\_\_  
**Director**

  
 \_\_\_\_\_  
**Managing Director**

  
 \_\_\_\_\_  
**Chairman**

As per our report annexed

Date: 29 October 2019  
 Place: Dhaka

  
**G. KIBRIA & CO.**  
 Chartered Accountants

**FINE FOODS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2019**

Particulars	Notes	Figures in Taka 30.06.2019	Figures in Taka 30.06.2018
Turnover	20	52,773,790	46,078,184
Cost of Goods Sold	21	45,109,076	41,191,477
<b>Gross Profit</b>		<b>7,664,714</b>	<b>4,886,707</b>
<b>Operating Expenses:</b>		<b>3,745,297</b>	<b>3,693,938</b>
Expenses	22	3,745,297	3,693,938
<b>Operating Profit/(Loss)</b>		<b>3,919,417</b>	<b>1,192,769</b>
<b>Net Profit before Tax</b>		<b>3,919,417</b>	<b>1,192,769</b>
Provision for WPPF (5% of Net Profit before Tax)		(195,971)	(59,638)
<b>Net Profit After WPPF</b>		<b>3,723,446</b>	<b>1,133,131</b>
Provision for Tax (SRO - 255/Law/Income Tax/2015)	15	(222,345)	(56,657)
Deffered Tax	16	(48,800)	(51,840)
<b>Net Profit/(Loss) after Tax</b>		<b>3,452,302</b>	<b>1,024,634</b>
Retained earning brought forward		3,099,623	6,145,059
<b>Retained Earning/ (Loss) transferred to Financial Position</b>		<b>6,551,925</b>	<b>7,169,693</b>
Basic Earning Per Share (Annualized) 24		<b>0.247</b>	<b>0.076</b>
<b>Basic Earning Per Share (Adjusted)</b>		<b>0.247</b>	<b>0.073</b>

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

  
 Director

  
 Managing Director

  
 Chairman

As per our report annexed

Date: 29 October 2019  
 Place: Dhaka

  
**G. KIBRIA & CO.**  
 Chartered Accountants

Fine Foods Limited

**FINE FOODS LIMITED**  
**Statement of Cash Flows**  
**For the year ended 30 June 2019**

Particulars	Figures in Taka 30.06.2019	Figures in Taka 30.06.2018
<b>Cash Flow from Operating Activities:</b>	<b>(1,514,813)</b>	<b>(1,734,472)</b>
Cash Collection from Turnover & others	50,166,279	48,296,003
Payment for Production Materials	(51,623,302)	(49,185,262)
Tax Payment	(57,790)	(845,213)
<b>Cash Flow from Investing Activities:</b>	<b>1,606,650</b>	<b>2,000,000</b>
Advance for land adjusted	4,000,000	2,000,000
Cattle	(2,393,350)	-
<b>Cash Flow from Financing Activities:</b>	-	-
<b>Net Cash Inflow/ ( Outflow)</b>	<b>91,837</b>	<b>265,528</b>
Opening Cash & Bank Balances	860,158	594,630
<b>Closing Cash &amp; Bank Balances</b>	<b>951,995</b>	<b>860,158</b>
<b>Net Operating Cash Flows</b>		
<b>Per Share (NOCFPS)</b>	<b>(0.108)</b>	<b>(0.128)</b>

  
\_\_\_\_\_  
**Director**

  
\_\_\_\_\_  
**Managing Director**

  
\_\_\_\_\_  
**Chairman**

Date: 29 October 2019  
Place: Dhaka

**FINE FOODS LIMITED**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2019**

Particulars	Share Capital	Reserved for Investment of Govt. Bond	Retained Earning/(Loss)	Total Amount in Taka
<b>Balance as on 01.07.2018</b>	135,669,110	5,149,473	7,169,693	147,988,276
Net profit/(Loss) this year	-	-	3,452,302	3,452,302
Less : Dividend	-	-	(4,070,070)	(4,070,070)
Add : Inc.Capital by Bonus Share	4,070,070	-	-	4,070,070
<b>At the end of the year 30.06.2019</b>	<b>139,739,180</b>	<b>5,149,473</b>	<b>6,551,925</b>	<b>151,440,578</b>

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

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

  
 \_\_\_\_\_  
**Director**

  
 \_\_\_\_\_  
**Managing Director**

  
 \_\_\_\_\_  
**Chairman**

Date: 29 October 2019  
 Place: Dhaka



Fine Foods Limited

**FINE FOODS LIMITED**  
Head Office: Newmarket City Complex (level-6),  
44/1 Rahim Squire, Newmarket, Dhaka-1205.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 TH JUNE 2019**

**1. Significant Accounting Policies and Relevant Information**

**1.1 Domicile, Legal Form and Country of Incorporation:**

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

**1.2 Address of Registered Office and Principal Place of Business:**

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

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

The main activities of the company are as follows:

Production of fish, fish product, fish spawn breeding, fingerling growing, production of fish meal & oil, processing fish and marketing the same products in local and foreign market, Cattle farming, Plantations of good quality timber trees.

**2.00 Basis of Preparation of Financial Statements**

**2.01 Statement of Compliance**

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

## **2.02 Regulatory Compliances**

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

The Income Tax Ordinance 1984;  
The Income Tax Rules 1984;  
The Value Added Tax Act 1991;  
The Value Added Tax Rules 1991;  
The Customs Act, 1969;  
Bangladesh Labour Law, 2006;  
The Securities and Exchange Ordinance, 1969;  
The Securities and Exchange Rules, 1987; and  
Securities and Exchange Commission Act, 1993.

## **2.03 Structure, content and presentation of financial statements**

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

- i. Statement of financial position as at 30 June 2019;
- ii. Statement of profit or loss and other comprehensive income for the financial year 30 June 2019;
- iii. Statement of cash flows for the financial year 30 June 2019;
- iv. Statement of changes in equity for the financial year 30 June 2019;
- v. Accounting policies and other explanatory notes for the financial year 30 June 2019

## **2.04 Basis of Measurement of Elements of Financial Statements**

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

## **2.05 Functional and presentation currency**

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

## **2.06 Preparation and Presentation of Financial Statements of the Company**

The Board of Directors of the company is responsible for the preparation and presentation of financial statements of Fine Foods Limited.

Specific accounting policies selected and applied for significant transactions and events are depicted below:

## **2.07 Accounting Period:**

Accounting period of the Company under audit is from July 01, 2018 to June 30, 2019 financial year.

## Fine Foods Limited

### **2.08 Use of estimates in preparation of the financial statements:**

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

### **2.09 Change in Accounting Policies:**

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

### **2.10 Statement of compliance with local laws:**

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

### **2.11 Income Tax:**

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

### **2.12 Revenue Recognition:**

In compliance with the requirements of IFRS 15: the Company recognizes revenue when control of the goods or services has been transferred to the customer and the performance obligation has been completed. Revenue is measured at the fair value of the amount of consideration to which the Company expects to be entitled to, including variable consideration, if any, to the extent that it is highly probable that a significant reversal will not occur

Net Revenue reflects the Company's sale of goods less returns and discounts. Revenue is recognized at the point of delivery measured at fair value of the consideration received, net of discounts. IFRS 15 requires Companies to determine variable factors such as sales returns when calculating the fair value of the consideration to be received. The magnitude and quantity of sales returns as a percentage of sales has been historically very low. As a result, the Company does not make a sales return allowance at the end of the year. The Company does however monitor the activity of sales returns during the year and the behavior of customers to determine if a sales return allowance is required. As of June 30 2019, no sales return allowance was deemed to be required

### **2.13 Recognition of Tangible Fixed Assets:**

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of IAS 16 for "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and other directly attributable cost of bringing the assets to its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses as capitalized also included applicable "Borrowing costs" in compliance with the provisions of the Companies Act 1994 & IAS 23.

### **2.14 Fixed Assets:**

Written down value /book value is arrived at after deduction of accumulate depreciation from cost.

**2.15 Depreciation:**

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

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

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

**2.16 Depreciation Charge:**

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

**2.17 Property, Plant & Equipment:**

Property, Plant & Equipment are stated at cost less accumulated depreciation in accordance with BAS 16 "Property, Plant & Equipment". Cost represents cost of acquisition or construction and includes purchase price and other directly attributable cost, of bringing the assets to working conditions for its intended to use, but do not include any capitalized borrowing cost. No depreciation is charged on land and land development. Depreciation on all other fixed assets are computed using the reducing balance method in amounts sufficient to write off depreciable assets over their estimated useful life. Expenditure for maintenance and repairs are expensed; major replacements, renewals and betterments 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.

**2.18 Valuation of Inventories:**

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

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

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

## Fine Foods Limited

### **2.19 Cash and Cash equivalents:**

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

### **2.20 Cash Flow Statement:**

Cash Flow Statement is prepared principally in accordance with IAS 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. In addition the management disclosed indirect method under IAS-7 statement of cash flows from audit activities as per circular no. Clause No. 5 (2) (c) of Notification No. BSEC/CMRRCD/ 2006-158/208/Admin/81, dated: 20 June 2018: Reconciliation of Net operating cash flow under Indirect Method.

### **2.21 Current and Non-current Assets and Liabilities:**

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

### **2.22 Employees Benefit cost:**

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

### **2.23 Comparative Figures:**

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

### **2.24 Earnings Per Share (EPS):**

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

### **2.25 Basic Earnings:**

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

### **2.26 Weighted Average Number of ordinary shares outstanding during the year:**

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

**2.27 Basic Earnings Per Share:**

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

**2.28 Diluted Earnings Per Share:**

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

**2.29 Financial Instruments and Derivatives:**

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

**2.30 Employee Benefit Schemes:**

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

**2.31 Workers Profit Participation Fund:**

The company has made provision for Workers Profit Participation Fund. The legal formalities like trusty board was not completed by the year end 30th June 2019, however the Workers Profit Participation Fund have been registered before the distribution of the Financial Statements.

## Fine Foods Limited

	Figures in Taka 30.06.2019	Figures in Taka 30.06.2018
<b>3.00 Property, Plant and Equipment</b>		
<b>Unit-1 ( Kishoreganj)</b>		
Land & Land Development	9,113,573	9,113,573
Road & Construction	3,062,540	3,062,540
Pond Excavation	26,898,649	26,898,649
Boundary, Dam,Dyke,Approach Road etc.	6,698,721	7,051,285
Civil Construction	3,087,566	3,337,909
Machinery	307,219	361,434
Office Decoration	99,072	116,555
Microbus	28,799	35,999
Other Assets	39,866	46,901
<b>Sub Total (A)</b>	<b>49,336,004</b>	<b>50,024,845</b>
<b>Unit-2 ( Mymensingh)</b>		
Land & Land Development	13,200,000	13,200,000
Pond Excavation	3,413,210	3,413,210
Civil Construction	251,448	271,836
Machinery	285,540	335,929
Fishery Hatchery	51,976	61,148
Other Assets	2,458,382	2,657,710
<b>Sub Total (B)</b>	<b>19,660,556</b>	<b>19,939,834</b>
<b>Grand Total</b>	<b>68,996,560</b>	<b>69,964,679</b>

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

### 4.00 Advance for Land

Opening Balance	8,000,000	10,000,000
Less: During the year	4,000,000	2,000,000
<b>Total Taka:</b>	<b>4,000,000</b>	<b>8,000,000</b>

The advance for land was given to a group of Land owners for acquiring the same for expansion of project. But after talking the advance the Land Owners were found reluctant to execute the contract. Finally a negotiation was made and the Land Owners would refund the money in phases. Meanwhile the Land Owner refund TK. 40.00 Lacs as on 25.10.2018 and subsequently TK. 20.00 Lac realized on 27.10.2019.

### 5.00 Capital Stock

Cattle ( Note:5.1)	7,433,461	5,040,111
Plantation (Note:5.2)	3,045,273	3,045,273
	<b>10,478,734</b>	<b>8,085,384</b>

### 5.01 Cattle

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

Opening Balance	5,040,111	2,382,311
Add: During the year	4,756,850	2,657,800
Less: Disposal	2,363,500	-
<b>Total Taka</b>	<b>7,433,461</b>	<b>5,040,111</b>

### 5.02 Plantation

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

Mehagani Trees (1652 Pcs)	2,158,960	2,158,960
Other Trees	886,313	886,313
<b>Total Taka</b>	<b>3,045,273</b>	<b>3,045,273</b>

## Fine Foods Limited

30.06.2019

30.06.2018

### 6.00 Inventories :

Unit -1 Kishoregonj  
Unit -2 Mymensingh

Amount (Tk.)

Amount (Tk.)

43,088,302

42,297,805

21,751,157

18,811,182

**64,839,459**

**61,108,987**

### Unit -1 Kishoregonj

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	73,367	84.54	6,202,446	5,526,280
Rui	16,560	135.54	2,244,542	1,973,493
Katla	13,520	130.61	1,765,847	1,765,901
Mregal	15,850	91.07	1,443,460	1,459,245
Common Carp	19,450	84.91	1,651,500	1,651,456
Panggas	38,525	74.72	2,878,588	2,878,471
Others	17,458	70.25	1,226,425	1,226,425
Fingerling			19,142,995	19,829,995
Total fish			<b>36,555,802</b>	<b>36,311,266</b>
Closing Raw Materials			<b>6,532,500</b>	<b>5,986,540</b>
<b>Total</b>			<b>43,088,302</b>	<b>42,297,805</b>

### Unit -2 Mymensingh

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	25,355	82.53	2,092,548	1,927,534
Rui	7,455	134.97	1,006,201	1,006,189
Katla	6,250	129.59	809,938	809,926
Mregal	8,450	92.88	784,836	784,859
Common Carp	7,850	79.73	625,881	625,850
Pangas	12,560	75.36	946,522	946,504
Other	3,260	88.45	288,347	288,334
Fingerling			9,770,385	8,569,385
Total fish			<b>16,324,657</b>	<b>14,958,582</b>
Closing Raw Materials			<b>5,426,500</b>	<b>3,852,600</b>
<b>Total</b>			<b>21,751,157</b>	<b>18,811,182</b>

### 7.00 Trade Receivables

The above amount represent the receivable against credit sales to the following parties as on 30-06-2019

#### Kishoregonj

Mr. Alimuddin Miah, Sararcha, Bajitpur, Kishoregonj  
Md. Sirajul Islam , Katiadi, Kishoregonj  
Mr. Kamrul, Kishoregonj  
Mr. Sumon , Manikkhali  
Mr. Rafikul, Bhairob  
Mr. Habibur Rahman, Katiadi, Kishoregonj  
Mr. Kaium, Bajitpur, Kishoregonj  
Mr. Hasan, Manikkhali, Kishoregonj

Ageing	Amount (TK.)	Amount (TK.)
With in 30 to 60 days	592,290	322,762
Below 40 days	388,843	406,560
Above 45 days	427,720	563,675
Above 45 days	487,460	531,185
With in 45 to 60 days	535,246	329,447
Below 50 days	535,628	300,243
Above 30 days	673,436	343,150
With in 45 to 60 days	300,374	390,353
<b>Sub Total</b>	<b>3,940,997</b>	<b>3,187,375</b>



## Fine Foods Limited

	30.06.2019	30.06.2018
<b>Mymensingh</b>		
Mr. Alimuddin Miah, Sararcha, Bajitpur, Kishoreganj	681,469	254,824
Md. Juel, Mecchera, Mymensingh	712,038	228,585
Mr. Hasern, Dayarampur, Mymensingh	506,083	276,784
Mr. Rokon, Mymensingh	544,323	295,533
Mr. Harez, Kashigonj, Mymensingh	390,506	217,581
Mr. Hablu, Mozahardi, Mymensingh	515,534	222,757
<b>Sub Total</b>	<b>3,349,953</b>	<b>1,496,064</b>
<b>Total</b>	<b>7,290,950</b>	<b>4,683,439</b>

Receivable are considered goods and subsequently realized.

### 8.00 Advance and Prepayments

Advance against Office Rent	120,000	120,000
Security Deposit to Palli, Bidyut	27,000	27,000
Security Deposit To BRTA	15,000	15,000
Security Deposit To CDBL	200,000	200,000
Advance for Feed and fingerling Purchase	1,000,000	1,000,000
<b>Total</b>	<b>1,362,000</b>	<b>1,362,000</b>

### 9.00 Cash & Cash Equivalents

Cash in Hand Head office	356,488	296,281
Cash in Hand Factory	336,785	298,136
<b>Cash at bank</b>		
Eastern Bank Ltd. CA A/C No. 01021060008420	5,680	5,680
Premiar Bank CA 016011100000118	58,345	138,433
Premiar Bank SD 01601310000022	194,697	121,628
<b>Total Taka</b>	<b>951,995</b>	<b>860,158</b>

### 10.00 Share Capital

Authorised Capital:		
100,000,000 ordinary shares of Tk. 10/= each	1,000,000,000	1,000,000,000
<b>Issued, Subscribed and Paid - up :</b>		
1,35,66,911 ordinary shares of Tk. 10/= each fully paid up	135,669,110	133,008,940
Add: Bonus Share 4,07,007 of TK. 10/= each	4,070,070	2,660,170
<b>Total</b>	<b>139,739,180</b>	<b>135,669,110</b>

Summarised list of Shareholders as on 30.06.2019 on the basis of share holdings:

Share Holding Range	Share Holder / 19	Share Holder / 18	Share Holder / 19	Share Holder / 18
001-500	986	889	226,747	194,694
501-5000	3022	2938	5,929,962	5,756,462
5001-10000	97	88	710,216	681,000
10001-25000	65	57	903,256	890,156
25001-50000	79	76	2,526,588	2,469,950
50001-9999999	39	28	3,677,149	3,574,649
<b>Total</b>	<b>4288</b>	<b>4076</b>	<b>13,973,918</b>	<b>13,566,911</b>

On the basis of share holders :

Share Holding Range	Holding % 19	Holding % 18	No of Share / 19	No of Share / 18
General Public	94.91	98.94	13,263,233	13,422,743
ICB	0.01	0.01	736	736
Sponsor's (Domestic)	5.08	1.06	709,949	143,432
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>13,973,918</b>	<b>13,566,911</b>

Fine Foods Limited

	30.06.2019	30.06.2018
<b>11.00 Reserve for Bond</b>		
Opening Balance	5,149,473	5,149,473
Add: During the year	-	-
	<b>5,149,473</b>	<b>5,149,473</b>
<b>12.00 Retained Earning / (Loss)</b>		
Opening Balance	7,169,693	8,805,229
Less: Transfer Share Capital	4,070,070	2,660,170
	<b>3,099,623</b>	<b>6,145,059</b>
Add: During the Year	3,452,302	1,024,634
Trasferred to Balance Sheet	<b>6,551,925</b>	<b>7,169,693</b>
<b>13.00 Liabilities for Expenses</b>		
Salary & Wages	178,400	178,400
Listing Fee	50,738	51,316
CDBL	106,000	112,000
Professional Fees	250,000	250,000
	<b>585,138</b>	<b>591,716</b>
<b>14.00 Workers Profit Participation Fund (WPPF)</b>		
Opening Balance	929,176	869,538
Add: During the year	195,971	59,638
	<b>1,125,147</b>	<b>929,176</b>
<b>15.00 Tax payable (deduction on dividend)</b>		
This represents the amount deduction as advance tax on dividend. The amount still in company's account.		
Opening Balance	653,487	653,487
Add: During the year	-	-
	<b>653,487</b>	<b>653,487</b>
Less : Payment during the year	-	-
	<b>653,487</b>	<b>653,487</b>
<b>16.00 Provision for Tax</b>		
Opening Balance	1,137,097	1,925,653
Add: current tax (Note 16.01)	222,345	56,653
Less: Paid During the Year	57,790	845,213
	<b>1,301,652</b>	<b>1,137,097</b>
<b>16.01 Current Tax for the Year</b>		
Net Profit before tax	3,919,417	
Less: Prvision for WPPF	195,971	
	<b>3,723,446</b>	
First Tk 1000000 of Tk. 3,723,446 x 0%	0	
2nd Tk. 1000000 of Tk.3,723,446 x 5%	50,000	
Rest Tk. 1,723,446 of Tk. 3,723,446 x 10%	172,345	
<b>Total Current Tax for the Year</b>	<b>222,345</b>	
<b>17.00 Deffered Tax</b>		
Opening Balance	725,786	653,946
Add: During the year	48,800	51,840
	<b>774,586</b>	<b>725,786</b>
Virtually there is no temporary difference between the written down value of tax base assets & the accounting base because the tax assessment of the company assessed as per (SRO-255/Law/Income Tax/2015).		
<b>18.00 Trade Payables</b>		
Opening Balance	1,939,110	1,939,110
Add: During the year	-	-
	<b>1,939,110</b>	<b>1,939,110</b>
<b>19.00 Dividend Payable</b>		
Opening Balance	100,000	100,000
Add: During the year	-	-
	<b>100,000</b>	<b>100,000</b>
Less: Payment during the year	-	-
	<b>100,000</b>	<b>100,000</b>

Fine Foods Limited

<b>30.06.2019</b>	<b>30.06.2018</b>
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**20.00 Turnover**

	Amount (Tk.)	Amount (Tk.)
Unit -1 Kishoregonj	32,167,831	32,294,658
Unit -2 Mymensingh	20,605,959	13,783,526
	<b>52,773,790</b>	<b>46,078,184</b>

**Unit -1 Kishoregonj**

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	68,333	85.57	5,847,293	6,125,009
Rui	8,354	141.56	1,182,630	1,330,481
Katla	10,836	134.33	1,455,643	1,390,386
Mregal	12,713	97.68	1,241,794	1,120,811
Common Carp	8,694	93.50	812,860	1,057,441
Panggas	33,593	77.66	2,608,926	2,682,563
Others			-	-
Fingerling			19,018,685	18,587,967
Total			<b>32,167,831</b>	<b>32,294,658</b>

**Unit -2 Mymensingh**

Particulars	Qty (KG)	Rate (Ton)	Amount (Tk.)	Amount (Tk.)
Telapia	47,849	80.27	3,840,703	2,947,217
Rui	9,977	128.48	1,281,823	891,601
Katla	8,794	124.74	1,096,964	701,331
Mregal	10,612	86.28	915,644	580,517
Common Carp	8,856	77.63	687,495	701,112
Pangas	26,263	75.32	1,978,077	1,107,922
Others	2,844	90.14	256,366	738,612
Fingerling			10,548,887	6,115,214
Total			<b>20,605,959</b>	<b>13,783,526</b>

**21.00 Cost of Goods Sold**

Unit -1 Kishoregonj	28,150,403	26,007,767
Unit -2 Mymensingh	16,958,672	15,183,711
	<b>45,109,076</b>	<b>41,191,477</b>

**Unit -1 Kishoregonj**

Cost of Raw Materials	19,205,574	19,441,720
Cost of Fingerling Purchased	6,689,115	6,248,700
Wages & Salary	830,400	830,400
W & S of Indirect Labour	245,245	245,195
Medicine and pesticide	62,650	59,940
Fertilizer	94,730	93,328
Carriage inward	78,415	77,366
Fuel & Lubricants	138,700	133,790
Pond Repair	361,270	-
Depreciation (Annexure-A)	688,841	743,389
	28,394,940	27,873,828
Add: Opening Stock / Inventories	36,311,266	34,445,204
Less: Closing Stock / Inventories	36,555,802	36,311,265
<b>Cost of Good Sold</b>	<b>28,150,403</b>	<b>26,007,767</b>

Fine Foods Limited

	30.06.2019	30.06.2018
<b>Cost of Raw Materials</b>		
Opening Balance	5,986,540	6,258,950
Raw Materials Purchased during the year	19,751,534	19,169,310
Raw Materials available for use	25,738,074	25,428,260
Less: Closing Stock	6,532,500	5,986,540
Raw Materials used during the year	<b>19,205,574</b>	<b>19,441,720</b>
<b>Unit -2 Mymensingh</b>		
Cost of Raw Materials	11,802,285	11,049,985
Cost of Fingerling Purchased	4,837,755	4,565,230
Wages & Salary	639,600	639,600
W & S of Indirect Labour	232,795	220,250
Medicine and pesticide	54,465	52,254
Fertilizer	57,460	53,520
Carriage inward	103,890	99,010
Fuel & Lubricants	112,920	107,170
Pond Repair	204,300	-
Depreciation (Annexure-A)	279,278	307,603
Total	18,324,748	17,094,622
Add: Opening Stock /Inventories	14,958,582	13,047,670
Less : Closing Stock/Inventories	16,324,657	14,958,582
<b>Cost of Goods sold</b>	<b>16,958,672</b>	<b>15,183,711</b>
<b>Cost of Raw Materials</b>		
Opening Balance	3,852,600	1,856,325
Raw Materials Purchased During the year	13,376,185	13,046,260
Raw Materials available for Use	17,228,785	14,902,585
Less: Closing Stock	5,426,500	3,852,600
Raw Materials Used During The Year	<b>11,802,285</b>	<b>11,049,985</b>
<b>22.00 Administrative, Selling and Distributions Expenses</b>		
Salary and Benefits	670,800	670,800
Bonus	55,900	55,900
Office Rent	144,000	144,000
Printing & Stationery	108,065	113,372
Board Meeting Expenses	82,500	7 8,915
Advertisement	130,000	66,000
Conveyance	43,900	41,740
Entertainment	37,930	38,578
Repair & Maintenance	93,770	91,650
Medical Expenses	46,945	45,174
Car Maintenance	50,900	49,020
Professional & Others Fees	250,000	250,000
Paper & Periodicals	4,846	4,880
Miscellaneous Expenses	74,725	60,000
Telephone & Mobile Bill	58,650	59,760
Cost of packing materials	795,450	778,650
Carriage Outward	594,895	595,499
AGM Expenses	265,350	256,850
CDBL	113,404	56,710
Listing Fee	119,786	232,994
Bank Charge and Commission	3,481	3,446
<b>Total Taka</b>	<b>3,745,297</b>	<b>3,693,938</b>

## Fine Foods Limited

30.06.2019

30.06.2018

### 23.00 Financial Instruments and Related Disclosures Under IAS 32" Financial Instruments: Disclosure and Presentation"

Set out below is a year end of amount (book values) of all financial assets and liabilities (Financial Instruments).

#### Financial Assets

Trade Receivables	7,290,950	5,409,506
Cash and Cash Equivalents	951,995	558,860
	<b>8,242,745</b>	<b>5,968,366</b>
<b>Financial Liabilities</b>		
Liabilities for Expenses	585,138	306,100
<b>Net Financial Assets/(Liabilities)</b>	<b>7,657,807</b>	<b>5,662,266</b>

#### 24.00 Basic Earning(Loss) per Share (EPS)

The computation of EPS is given below:

Earning attributable to the ordinary shareholders (Net profit/(Loss) after Tax)	3,452,302	1,024,634
Weighted average number of ordinary shares outstanding during the year	13,973,918	13,566,911
<b>Basic EPS (Annualized)</b>	<b>0.247</b>	<b>0.076</b>
<b>Basic EPS (Adjusted)</b>	<b>-</b>	<b>0.073</b>

#### 25.00 Net Asset Value (NAV)

The computation of NAV is given below:

Equity to the ordinary shareholders	151,440,578	147,988,276
Weighted average number of ordinary shares outstanding during the year	13,973,918	13,566,911
<b>NAV (Annualized)</b>	<b>10.837</b>	<b>10.908</b>
<b>NAV (Adjusted)</b>	<b>-</b>	<b>10.590</b>

#### 26.00 Net Operating Cash Flow Per Share

The computation is above as under:

Net Operating Cash Flow	(1,514,813)	(1,734,472)
Weighted average number of ordinary shares outstanding during the year	13,973,918	13,566,911
<b>Net Operating Cash Flow Per Share (Annualized)</b>	<b>(0.108)</b>	<b>(0.128)</b>

#### 27.00 Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:

##### Reconciliation of Net operating cash flow under Indirect Method:

Particulars	30 June 2019	30 June 2018
<b>Net profit after tax</b>	<b>3,452,302</b>	<b>1,024,634</b>
Increase/(Decrease) in provision for Tax	164,555	(788,556)
Increase/(Decrease) in Receivables	(2,607,511)	2,217,819
Depreciation	968,119	1,050,992
Increase/(Decrease) in Inventory	(3,730,472)	(5,500,838)
Increase/(Decrease) for WPPF	195,971	59,638
Increase/(Decrease) for Deferred Tax	48,800	51,840
Increase/(Decrease) in Trade payable	-	-
Increase/(Decrease) in liabilities for expense	(6,578)	150,000
<b>Net Cash Flow from Operating Activities</b>	<b>(1,514,814)</b>	<b>(1,734,471)</b>
<b>Net Operating cash flow per share</b>	<b>(0.108)</b>	<b>(0.128)</b>
<b>Net Operating cash flow per share (Adjusted)</b>	<b>-</b>	<b>(0.124)</b>

#### 28.00 Capital Expenditure Commitment

There was no Capital Expenditure by the company.

#### 29.00 Payment of Foreign Currency

There was no Foreign Currency payment by the company.

#### 30.00 Foreign Exchange Earned

Company has no Foreign Currency income during the year.

#### 31.00 Commission, Brokerage or Discount against sales

Commission, Brokerage or Discount against sales provided the company.

## Fine Foods Limited

### 32.00 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed as on 30th June 2019 other than trade credit available in the ordinary course of business.

### 33 Segment Reporting

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

### 34.00 Attendance Status of Board Meeting of Directors

During the period from 01.07.2018 to 30.06.2019 there were 8 (Eight) Board Meeting were held. The attendance status of all the meeting is as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Sujit Saha	Chairman	8	8
Mr. Nazrul Islam	Managing Director & CEO	8	8
Mr. Md. Habibur Rahman	Independent Director	8	6
Mr. Md. Alam Biswas	Independent Director	8	8
Mr. Md. Mahbubur Rahman	Independent Director	8	3

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

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

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

##### a(i) Employee Position for Fine Foods Limited (As at 30th June 2019)

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

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

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
Mr. Sujit Saha	Chairman	00	00	00
Mr. Nazrul Islam	Managing Director & CEO	00	00	00
Mr. Md. Habibur Rahman	Independent Director	00	00	00
Mr. Md. Alam Biswas	Independent Director	00	00	00
Mr. Md. Mahbubur Rahman	Independent Director	00	00	00

b (i) Period of payment to Directors is from 1st July 2018 to 30th June 2019

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

a. Expense reimbursed to the managing agent -Nil

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

## Fine Foods Limited

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

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

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

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

g. Pensions, etc.-

1) Pensions - Nil

2) Gratuities - Nil

3) Payment from Provident Fund - Nil

4) Compensation for loss of office - Nil

5) Consideration in connection with retirement from office - Nil.

### c. Disclosure as per requirement of Schedule XI, Part II, Para 7

Details of production capacity utilization

Particulars	Licence Capacity Not mentioned in the Licence	Installed Capacity in MT	Actual Production in MT from 1st July 2018 to 30th June 2019 ton/mos	Capacity Utilization from 1st July 2018 to 30th June 2019
Telapia	0	150.00	134.88	89%
Kui	0	40.00	10.84	27%
Katla	0	40.00	10.07	25%
Mregal	0	40.00	9.22	23%
Common Carp	0	40.00	33.32	83%
Panggas	0	70.00	66.34	94%
Fingerling	0	30,000,000	27,716,681	92%

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

i) Raw Materials, Packing Materials and Capital Machineries

Items	Purchase in Taka		Consumption in Taka	% of Consumption of total purchase
	Local	Total		
Raw Materials	33,127,719		31,007,859	94%
Packing Materials	795,450		795,450	100%
<b>Total</b>	<b>33,923,169</b>		<b>33,923,169</b>	

## Fine Foods Limited

- ii) The Company has not incurred any expenditure in foreign currency for the period from 1st July 2018 to 30th June 2019 on account of royalty, know-how, professional fee, consultancy fees and interest.
- iii) The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.

### **36.00 Subsequent Disclosure of Events after the Balance Sheet Date - Under IAS 10**

There is no non-adjusting post balance sheet event of such importance, non disclosure of which would affect the ability to the users of the financial statements to proper evaluation and decision.

### **37.00 Details of Lease Agreement:**

There is no lease assets. So no lease agreement was required or signed.

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

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

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

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

#### **(II) Debt considered good for which the company hold no security other than the debtors personal security**

There is no such debt in this respect as on 30 June' 2019.

#### **(III) Debt considered doubtful or bad**

The company does not make any provision for doubtful debts as on 30 June 2019, because of the fact that sales/export are being made on regular basis with fixed maturity dates.

#### **(IV) Debt due by directors or other officers of the company**

There is no such debt in this respect as on 30 June 2019.

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

#### **(VI) The maximum amount due by directors or other officers of the company**

There is no such debt in this respect as on 30 June 2019.

### **40.00 Approval of the financial statements:**

These financial statements were authorized for issue in accordance with a resolution of the company's Board of Directors on 29 October 2019.

### **41.00 Date of Authorization**

The Board of Directors have authorised these financial statements for public issue on 29th October 2019

### **42.00 Proposed Dividend**

In the board meeting held on 29 October 2019, the management proposed to declare Dividend 2% Cash for the year 2018-19 subject to the approval by the share holders in AGM.

### **43.00 Internal Control**

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



## Fine Foods Limited

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control.

Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect of internal control technique.

To establish an effective management system that includes planning, organizing and supervising culture in the factory as well as at Head Office.

### **44.00 Contingent Liability**

There is no contingent liability.

### **45.00 General Comments and Observations**

All shares have been fully called and paid up.

Auditor's are paid only statutory audit fees.

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

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

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

### **46.00 Events after the Balance Sheet date:**

No material event occurring after balance sheet date came to our notice which could be considered after the valuation made in the financial statement.

### **47.00 Financial Risk Management**

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

The Company is exposed through its operations to the following financial risks:

- A. Inherent Risk
- B. Risk of Cash Transactions

#### **a) Inherent Risk**

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

#### **b) Risk of Cash Transactions**

It is impracticable to sale Fish in the local market other than cash thus not possible to reduce cash transactions.

### **48.00 General**

#### **a Comparative amounts**

Wherever considered necessary previous year's figures have been restated, in order to conform to current year's presentation.

#### **b Presentation currency**

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

**FINE FOODS LIMITED**  
SCHEDULE OF FIXED ASSETS AS ON 30 JUNE 2018

Schedule

Unit -1 Kishoregonj

Particulars	Cost			Depreciation			Written Down Value as on 30.06.19	
	As on 01.07.2018	Additional during the year	As on 30.06.2019	Rate	As on 01.07.2018	Charged during the year		Disposal
	As on 01.07.2018	Additional during the year	As on 30.06.2019	Rate	As on 01.07.2018	Charged during the year		Disposal
Land & Land Development	9,113,573	-	9,113,573	-	-	-	-	9,113,573
Road and construction	3,062,540	-	3,062,540	-	-	-	-	3,062,540
Pond Excavation	26,898,649	-	26,898,649	-	-	-	-	26,898,649
Dam, Dyke, Appr. Road	15,259,931	-	15,259,931	5%	8,208,646	352,564	-	8,561,210
Civil Construction	8,526,185	-	8,526,185	7.5%	5,188,276	250,343	-	6,698,721
Machinery	3,393,950	-	3,393,950	15%	3,032,516	54,215	-	3,086,731
Office Decoration/Equipment	941,500	-	941,500	15%	824,945	17,483	-	842,428
Van (Microbus)/Pick-up Van	915,000	-	915,000	20%	879,001	7,200	-	886,201
Other Assets	693,698	-	693,698	15%	646,797	7,035	-	653,832
<b>Sub-Total Taka (A)</b>	<b>68,805,026</b>	<b>-</b>	<b>68,805,026</b>		<b>18,780,181</b>	<b>688,841</b>	<b>-</b>	<b>49,336,004</b>

Unit -2 Mymensing

Particulars	Cost			Depreciation			Written Down Value as on 30.06.19	
	As on 01.07.2018	Additional during the year	As on 30.06.2019	Rate	As on 01.07.2018	Charged during the year		Disposal
	As on 01.07.2018	Additional during the year	As on 30.06.2019	Rate	As on 01.07.2018	Charged during the year		Disposal
Land & Land Development	13,200,000	-	13,200,000	-	-	-	-	13,200,000
Pond Excavation	3,413,210	-	3,413,210	-	-	-	-	3,413,210
Civil Construction	875,350	-	875,350	7.5%	603,514	20,388	-	623,902
Machinery	3,845,600	-	3,845,600	15%	3,509,671	50,389	-	3,560,060
Other Assets	700,000	-	700,000	15%	638,852	9,172	-	642,024
Fishery Hatchery	4,958,765	-	4,958,765	7.5%	2,301,055	199,328	-	2,500,383
<b>Sub-Total Taka (B)</b>	<b>26,992,925</b>	<b>-</b>	<b>26,992,925</b>		<b>7,053,092</b>	<b>279,278</b>	<b>-</b>	<b>19,660,556</b>

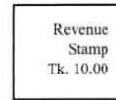
<b>Grand Total Taka (A + B)</b>	<b>95,797,951</b>	<b>-</b>	<b>95,797,951</b>		<b>25,833,274</b>	<b>968,118</b>	<b>-</b>	<b>26,801,391</b>
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Fine Foods Limited

PROXY FORM

I/We.....  
of .....  
being shareholder(s) of Fine Foods Limited here by appoint  
Mr./Mrs./Miss.....as my / our proxy to attend and vote for me/ us and  
on my / our behalf at the **25th Annual General Meeting** of the company to be held in the **Registered Office- Registered office is at Vill: Mondolvog, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj, Bangladesh on Thursday, 12th December 2019** and/ or at any adjournment thereof and poll that may be taken in consequence thereof. As witness my/ our hand this.....day of.....2019.

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



Signature of the Proxy  
Date.....

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

**FINE FOODS LIMITED**  
Attendance Slip

I hereby record my attendance at the **25th Annual General Meeting** of Fine Foods Limited being held on **Thursday, the 12th December, 2019** in **Registered Office- Registered office is at Vill: Mondolvog, P.O: Manikkhali, P.S: Katiadi, Dist: Kishoregonj, Bangladesh** at 12.31 PM.

Full name of Shareholder(s).....Signature

(in Block Letter)

Full name of the Member/Proxy.....Signature

(in Block Letter)

Shareholder(s) Folio No/ BO ID.....

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



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pa &

**Fine Foods Limited**

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