



HEALTH ▸ HYGIENE ▸ HOME

# Purpose with a passion



Purpose with a passion

**2016**

Reckitt Benckiser (Bangladesh) Limited  
Annual Report and Financial Statements



HEALTH • HYGIENE • HOME

**Our vision is a world where people are healthier and live better.**

**Our Purpose is to make a difference by giving people innovative solutions for healthier lives and happier homes.**

	2016 Tk 000's	2015 Tk 000's	Change %
Revenue	<b>3,326,615</b>	<b>2,884,380</b>	+ 15.33
Profit from operation	<b>471,713</b>	<b>405,005</b>	+16.47
Profit before taxation	<b>458,358</b>	<b>402,709</b>	+13.82
Profit after taxation (including other comprehensive income/items)	<b>290,798</b>	<b>277,514</b>	+4.79
Dividend per share	<b>Tk. 77.50</b>	<b>Tk. 65</b>	+19.23

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### BOARD OF DIRECTORS

Mr. Nitish Kapoor	Chairman	
Mr. Vishal Gupta	Managing Director	
Mr. Raghu Krishnan	Ex-Managing Director	(Resigned on May 1, 2016)
Mr. Rashidul Hasan	Ex-Independent Director	(Resigned on 28 November 2016)
Mr. M. Jahangir Kabir	Independent Director	(Re-appointed on 28 November 2016)
Mr. C.Q.K. Mustaq Ahmed	Independent Director	(Joined on 28 November 2016)
Mr. Parag Agarwal		
Mr. Nayan Ranjan Mukhopadhyay		(Resigned on 30 October 2016)
Mr. Sourav Mitra		(Joined on 30 October 2016)
Mr. Mahmud Hasan Khan		
Mr. Jamal Abdul Naser Chowdhury		(Resigned on 28 November 2016)
Mr. Sushen Chandra Das		
Md. Azizul Islam		(Joined on 28 November 2016 and resigned on 30 April 2017)
Md. Enamul Hoque		(Resigned on 31 March 2016)
Mr. Shahidul Islam		(Joined on 30 April 2017)

### CHIEF FINANCIAL OFFICER

Mr. Sourav Mitra

### COMPANY SECRETARY

Mr. Mohammad Nazmul Arefin

### AUDIT COMMITTEE

Mr. M. Jahangir Kabir	Chairman	(Independent Director)
Mr. Rashidul Hasan	Ex-Chairman	(Resigned on 28 November 2016)
Mr. C.Q.K. Mustaq Ahmed	Member	(Independent Director)
Mr. Vishal Gupta	Member	
Mr. Parag Agarwal	Member	
Mr. Sourav Mitra	Member	
Mr. Mohammad Nazmul Arefin	Secretary	

### AUDITORS

A. Qasem & Co.  
(Chartered Accountants)

### BANKERS

Standard Chartered Bank  
Citibank, N.A.  
The Hongkong & Shanghai Banking Corporation Ltd.

## Key Operating and Financial Data

Taka in Thousand

### FINANCIAL RESULTS:

	2012	2013	2014	2015	2016
Revenue	2,412,369	2,432,087	2,669,969	2,884,380	<b>3,326,615</b>
Profit before Taxation	208,280	209,601	292,347	402,709	<b>458,358</b>
Taxation	79,954	80,062	114,811	125,196	<b>162,272</b>
Profit after Taxation (including other comprehensive income/Items)	128,326	129,539	177,535	277,514	<b>290,798</b>
Dividend	70,875	189,000	259,875	307,125	<b>366,188</b>

### BALANCE SHEET SUMMARY:

Property, Plant & equipment (Including CWIP)	186,870	210,493	183,593	169,966	<b>258,755</b>
Long Term Deposits & Prepayments	5,756	-	-	-	-
Deferred Tax	1,644	5,958	7,966	13,605	<b>26,333</b>
Net Current Assets	213,647	260,382	70,603	84,749	<b>28,321</b>
Provision for Employees' Gratuity	(35,175)	(45,427)	(50,740)	(62,884)	<b>(77,050)</b>
<b>Net Assets</b>	<b>372,742</b>	<b>431,406</b>	<b>211,422</b>	<b>205,436</b>	<b>236,359</b>

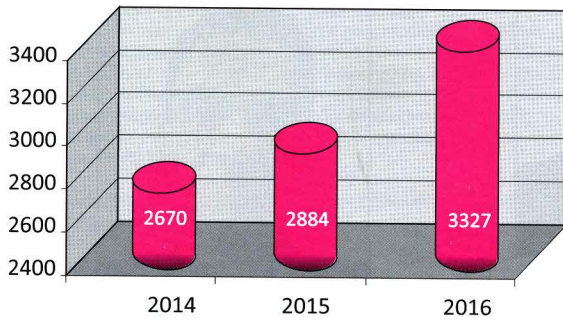
Share Capital	47,250	47,250	47,250	47,250	<b>47,250</b>
General Reserves & Retained earnings	325,492	384,156	164,172	158,186	<b>189,109</b>
<b>Shareholders' Funds</b>	<b>372,742</b>	<b>431,406</b>	<b>211,422</b>	<b>205,436</b>	<b>236,359</b>

### STATISTICS :

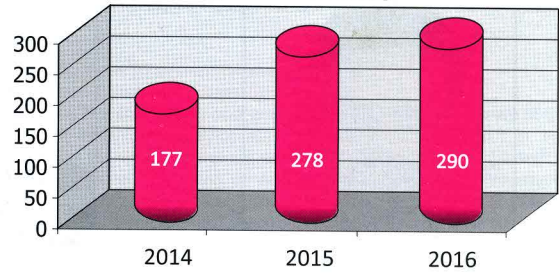
Net assets per share (Taka)	78.88	91.30	44.75	43.48	50.02
Earning per share (Taka)	27.16	27.42	37.57	58.73	62.66
Dividend per share (Taka)	15.00	40.00	55.00	65.00	77.50
Profit before Taxation as % of sales	8.63	8.62	10.95	13.96	13.78
Return on Capital Employed (%)	34.42	30.03	83.97	135.09	123.03
Current Ratio (Times)	1.31	1.35	1.09	1.12	1.02



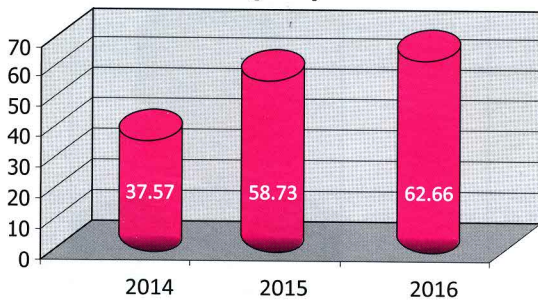
**Net Turnover  
(Taka In Million)**



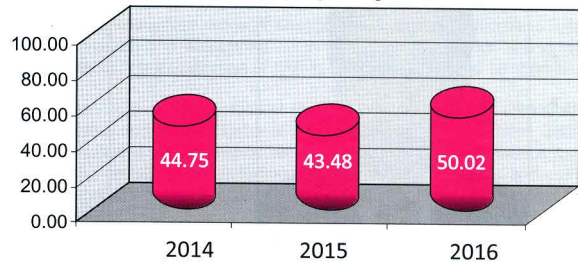
**Net Profit  
(Taka In Million)**



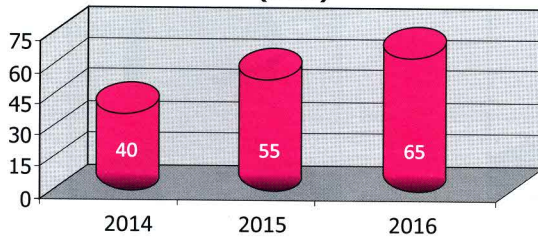
**Earnings Per Share  
(Taka)**



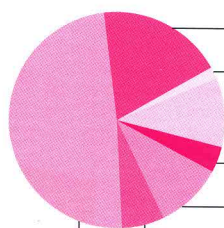
**Net Assets Per Share  
(Taka)**



**Dividend Per Share  
(Taka)**



## Split of Revenue



	<b>2016</b>	<b>2015</b>
Marketing Expenses	23.4%	21.6%
Depreciation and impairment	1.3%	1.6%
Other expenses	7.8%	7.3%
Taxation	4.9%	4.3%
Salaries, wages and benefits	13.1%	13.4%
Profit after tax	8.9%	9.6%
Cost of Materials	40.6%	42.2%



Parag Agarwal  
Director



Nitish Kapoor  
Chairman



Vishal Gupta  
Managing Director



Mahmud Hasan Khan  
Director



Sushen Chandra Das  
Director



Shahidul Islam  
Director



Rashidul Hasan  
Ex-Independent Director



M. Jahangir Kabir  
Independent Director



C.Q.K. Mustaq Ahmed  
Independent Director



Nayan Ranjan Mukhopadhyay  
Ex-Director & Chief Financial Officer



Sourav Mitra  
Director & Chief Financial Officer



Mohammad Nazmul Arefin  
Company Secretary



## **Nitish Kapoor**

### **(Indian)-Chairman of the Board Reckitt Benckiser Bangladesh**

Nitish Kapoor is the Regional Director for RB South Asia. In his current role, he is responsible for the business and operations of RB in India, Bangladesh and Sri Lanka. He brings with him more than two decades of extensive experience, numerous success stories across diverse markets and international geographies of RB. Nitish joined RB India as a Management Trainee from Faculty of Management Studies (FMS), New Delhi in 1993. After a series of roles in sales and marketing, he moved to Slough as the Global Brand Marketing Manager Pest Control & Shoe Care in 2002. Later in 2006, he took over the role of Marketing Director for RB South Africa before moving to Portugal as General Manager in 2010. In the most recent assignment, he took over as the Managing Director for RB India in January, 2014.

Nitish holds a Bachelor's degree in Economics from Delhi University and an MBA from the Faculty of Management Studies, Delhi.

## **Vishal Gupta (Indian)**

### **Managing Director, Reckitt Benckiser (Bangladesh) Limited**

Vishal Gupta is a Master of Business Administration in Management from the University of Delhi, India and Graduate with Bachelor of Mechanical Engineering from the Institute of Technology Delhi, India. He began his career with Reckitt Benckiser India in 1995. He has worked in various assignments across India, Indonesia, United Kingdom and Philippines. He brings with him a wide ranged experience at Reckitt Benckiser from June 1995 to April 2016 in different roles holding in various positions like General Manager, Marketing Director, Sales Director, Marketing/Brand Manager, Regional Sales Manager and so on in different country like Philippines, United Kingdom, Indonesia and India. During his career with Reckitt, he had fostered strong partnership with customers, step-changed the GTM model, created a robust product portfolio and drove digital marketing initiatives that grew the business significantly which was much faster than the market.

## **Parag Agarwal**

### **(Indian)- Director Reckitt Benckiser Bangladesh**

Parag is a Chartered Accountant and Company Secretary from India, and has over 22 years of experience in industry. He started his career with SRF Limited in 1986 and moved to Lipton India in 1993. He did stints in Corporate Accounts, and Branch Commercial in Lipton and Brooke Bond India before moving to Unilever Mashreq in Egypt as Financial Controller in 2000. Parag returned to Unilever India in 2002 as Senior Manager - Control Assurance and worked upto 2006 and was the General Manager Corporate Accounts at the point of leaving Unilever in 2006.

Parag's last assignment has been with GSK Consumer Healthcare as General Manager - Commercial Finance. He joined Reckitt Benckiser India as Regional Finance Director in 2010 and in 2012 he has been assigned the role of Area Finance Director (Latin America and Asia Pacific) in Reckitt Benckiser. In the course of his career, Parag has worked in diverse facets of the Finance functions. Most of his experience of has been in the multinational FMCG sector. He brings strong process, control and commercial skills and a mix of operational and strategic acumen.

## **Mahmud Hasan Khan**

### **(Bangladeshi) Director**

Mahmud Hasan Khan holds B.Sc. in Mechanical Engg. From Bangladesh University of Engg. And Technology in 1996. He began his career with 'Global Buyers' as research & Development officer in 1996. After some progression he moved to BATA Shoe Company Bangladesh Limited in 1998 for two and half years. He was with Unilever Bangladesh for more than six years and effectively discharged couple of roles in Project Management. He worked as Head of supply in Reckitt Benckiser Lanka Limited before moving to Reckitt Benckiser Bangladesh Limited as Supply Director in 2011. He has undergone several training from domestic and abroad at various specializations and brings with him enriched experience and success stories in many facets of supply chain.

## **Rashidul Hasan (Bangladeshi)**

### **Ex-Independent Director**

Graduated with Honours in political Science from Dhaka University in 1959 and M.A in 1960. Obtained Post-Graduate Diploma in Development Administration from Cambridge University, UK in 1970. Fellow of the Economic Development Institute of the World Bank since 1977. CEO & Managing Director of Industrial Promotion and Development Company of Bangladesh Limited (IPDC)- The First Joint venture investment and finance company of Bangladesh with IFC of the World Bank, C.D.C of UK, D.E.G of Germany, AKFED of Switzerland and Government of Bangladesh from 1982 to 1988. At present he is holding the position of Directorships/ Chairmanship in reputed National and Multinational companies like Bata Shoe company (Bangladesh) Limited, Monno Group of Industries and 'Uttara Finance and Investment limited' a publicly listed joint venture investment and leasing company.

## **M. Jahangir Kabir**

### **(Bangladeshi) Independent Director**

M. Jahangir Kabir Graduated with honors (in Economics) and an MBA majoring in Marketing. He has decades of experience in reputed national and multinational organizations. and has set up ventures, specializing in Strategic Planning, Executive Search, Market Research. Currently he is managing his own business, Endeavor. He has held several important positions home and abroad with BAT and BOSCH, as Regional Liaison Representative-Bosch Limited (2011-2013), International Group Brand Manager/Head of

Brands-West Africa (11 Countries), Asst. Manager International Brands-UK(BAT HO), Marketing. He worked as Chief Facilitator, Bangladesh Bank for developing Strategic Plan 2010-2014 & 2016-19 and Bangladesh Myanmar Business Promotion council (in 2002-2004). He is also the Founder President of Bangladesh Marketing & Social Research Society-BMSRS (from 2013 to2016). A successful mentor and international moderator, takes pride in mentoring young executives who want to build themselves as professional managers.

## **Sushen Chandra Das (Bangladeshi) Government nominated Director**

Sushen Chandra Das holds a post graduation degree from University of Chittagong. He has joined government service as a member of BCS (Admin.) in 1986. As Joint Secretary to the Govt. he worked as Managing Director of Bangladesh Hi-Tech Park Authority. Now he is working as Additional Secretary in the Ministry of Industries, Dhaka. He is also holding Directorship of the Board of Directors of UFFL, Gorashal and is also a council member of ICMA. He has taken part in several trainings and has also undergone offshore trainings on Managing at the top.

## **Nayan Ranjan Mukhopadhyay (Indian)**

### **Ex-Director**

Nayan is a Chartered Accountant from India and has 33 years of experience in professional environment as well as Industry across a few countries in RB group. He started his career with Price Waterhouse India in 1983 and gathered wide experience in Audits, Taxation and special projects in big multinationals across range of industries like engineering, cement, tea, paints, coal, machinery manufacturing, food and particularly fast moving consumer goods.

From 1991 onwards he has held various responsibilities and positions in RB India till 2003 and worked across range of finance functions in Commercial, Supply, banking, treasury, taxation and accounting with many success stories and projects. He was instrumental in first introduction of ERP in RB called BPCS and later on JD Edwards.

He has been holding the position of Finance Director in RB Sri Lanka, RB Indonesia, RB Bangladesh and the RB Cluster of Bangladesh and Sri Lanka from 2004 till now. All these assignments were enriched with newer challenges and finance partnership into the business growth and developments. Restructuring, Controls and compliance were some of other attributes demonstrated by him during his ongoing career with RB.

## **C. Q. K. Mustaq Ahmed**

### **(Bangladeshi) Independent Director**

Graduated with Honours in economics from Dhaka University in 1975 and M.A in 1976. He has joined government service as a member of BCS (Admin.) in 1981. He has held several important positions like Assistant Commissioner, Joint secretary, Deputy Secretary, Additional Secretary, Secretary and lastly retired from Senior Secretary, Ministry of Home Affairs in 2015. During his service period he worked under several assignments on Banks and NGO. He has taken part in various training & conference both in local and abroad, lastly he attended Bangladesh-Nepal conference on promotion of trade and investment organised by the Embassy of Bangladesh in Nepal in collaboration with FBCCI, FNCCI and the Nepalese Ministry of Commerce. At present he is holding the position of Directorships in Golden Son Limited and playing senior advisory role in GiZ.

## **Shahidul Islam**

### **(Bangladeshi) Government Nominated Director**

Md. Shahidul Islam holds MBA degree on HRM. He has joined government service as a member of BCS in 1988. He has held several important positions like UNO, ADC, DC, Deputy Secretary, Joint Secretary and Additional Secretary. Now he is working as Additional Secretary in the Ministry of Industries, Dhaka. He has attended in several trainings namely BCS orientation course (11th), foundation training (7th), survey and settlement training, law & administration (10th), managing at the top-2 (batch-14), special acad course, etc.

## **Sourav Mitra**

### **(Indian) Director**

Sourav Mitra is a qualified Chartered Accountant and member of Institute of Chartered Accountants of India. He has almost 18 years of finance management experience in various multinationals and in diverse industries such as consumer durables, engineering, FMCG etc. He also has rich global experience of working with diverse teams in various geographies such as Africa, South East Asia, India etc. He has made significant improvement to several different RB businesses during a rich 10 year association with the group. His vision is to step change the capability of the finance function to become able partners in the organization's growth.

## **Mohammad Nazmul Arefin**

### **(Bangladeshi) Company Secretary**

Mohammad Nazmul Arefin is a Graduated in management and an MBA major in finance and has more than 18 years of experience in professional environment as well as industry. He started his career in 1999 in Monico Limited and then to Bangladesh edible oils and then in 2002 he joined in Reckitt Benckiser (Bangladesh) Limited. From 2002 onwards he has held various responsibilities and positions in RB and worked in various functions/positions including management accountant, Finance controller, Supply controller and company secretary. All these assignment were enriched with newer challenges and experience in finance partnership into business growth, compliance, controls were some of other attributes demonstrated by him during his ongoing career with RB.







Our Vision is a world where people are healthier and live better.  
Our Purpose is to make a difference by giving people innovative solutions for healthier lives and happier homes.



HEALTH • HYGIENE • HOME

Reckitt Benckiser (Bangladesh) Limited  
Corporate Office: Plot-2(B), Block-SEC, Road-138, Gulshan-1, Dhaka-1212  
Registered Office: 58/59, Nasirabad I/A, Chittagong-4209

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 56th **Annual General Meeting** of Reckitt Benckiser (Bangladesh) Limited will be held at Hotel Agrabad, Ichamati Hall, Sabder Ali Road, Agrabad, C/A, G.P.O Box-147, Chittagong-4000 on Monday, 19th June, 2017 at 11.00 a.m. to transact the following business:

### **AGENDA**

1. To confirm the Minutes of the 55th Annual General Meeting held on 8th September 2016.
2. To receive and adopt the Financial Statements as on and for the year ended 31 December 2016 together with the Auditors' and Directors' Report thereon.
3. To approve Dividend as recommended by the Board.
4. To elect Directors.
5. To appoint Auditors for the year 2017 and to fix their remuneration.

**By order of the Board**

**Mohammad Nazmul Arefin**  
Company Secretary

**Dhaka, Dated: 29 May, 2017**

### **Notes:**

1. 24th May 2017 is the RECORD DATE. Shareholders whose name will appear in the Shares Register of the Company or in the Depository Register on that date will be eligible to attend the AGM.
2. A Member entitled to attend and vote at the Annual General Meeting may appoint another Member of the company as Proxy to attend and vote instead of him/her. A Form of Proxy must be stamped and submitted at the Company's Corporate Office not less than 72 hours before the time fixed for the meeting.

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের পুননির্দেশনা নং:এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪

তারিখ : অক্টোবর ২৪, ২০১৩ইং অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।



**2016 was a good year for RB (Bangladesh) being able to deliver double digit growth and further consolidating the key brands despite considerable competitive and other challenges in the domestic market.**

**Nitish Kapoor**  
Chairman

Dear Shareholders

It gives me great pleasure to welcome you all to this 56th Annual General Meeting of your Company. Firstly, I would like to thank the Board of Directors for electing me as the Chairman.

### THE MARKET AND COMPETITIVE ENVIRONMENT

In 2016, your Company faced significant competition in all major segments and categories that it operates in. However despite all these challenges, the Company was able to compete effectively with established local, regional and international companies and outperform by following smart marketing and distribution strategies. I am also very happy to apprise you that our Harpic brand was awarded the best brand in the toilet cleaner category and overall 7th best brand in the country by Bangladesh Brand Forum.

### BUSINESS PERFORMANCE

This year, your Company achieved 15.33% year on year growth in the topline (growth in 2015: 8.03%) delivering a turnover of Tk.3,327 Million. This growth was driven mainly by key brands continuing to grow handsomely. The operating profit improved by 16.47% year on year not only due to turnover growth but also due to margin expansion achieved through continuous procurement and manufacturing cost rationalization and due to softening of the global commodities market.

### DIVIDEND

The Board is pleased to recommend final cash dividend of Tk.37.50/- per share amounting to Tk.177 million for the year 2016. Earlier in October 2016, the Company has already paid an Interim cash dividend of Tk.40/- per share. Thus full year dividend is aggregating to Tk.77.50/- (775%) per share for the year 2016 amounting to a total payout of Tk.366 million. A portion of this is being paid out of un-appropriated profit carried forward from 31 December 2015. This is a significant improvement from 2015 when the company paid a dividend of Tk.65 per share i.e. amounting to Tk.307 million.

### FUTURE OUTLOOK

Your company would continue to invest strongly behind some key brands in Hygiene and Healthcare categories so that these brands can outperform the market and the competition. Innovation and new product launches under key power brands would be a key priority in the coming years. Your company would also be investing heavily in manufacturing and sourcing capabilities to continue to be a world class manufacturer in Bangladesh aligned with the highest global standards. The Board of Directors are following this focused strategy to continue to outperform with pride, passion and responsibility

### THANKS

Finally, I would like to take this opportunity to thank all our esteemed shareholders and also all our business partners and other stakeholders for their continued support and all our employees for their hard work and commitment. I would also like to record my appreciation for my colleagues on the Board for their advice and guidance and the various Regulatory Bodies of Bangladesh Government for the co-operation extended to us.

A handwritten signature in black ink, appearing to read 'Nitish Kapoor', written over a thin horizontal line.

**Nitish Kapoor**  
Chairman



## REPORT OF THE DIRECTORS

The Directors of the Company are pleased to submit the Audited Financial Statements of the Company for the year ended 31 December 2016 and report that:

### PRINCIPAL ACTIVITIES

There was no major change in the principal activity of the Company. The Company remained engaged in the manufacturing and marketing of Household, Toiletries, Pharmaceuticals and food products. It started driving exponential growth by investing behind its major brands like Dettol, Harpic, Lizol and Veet.

### INDUSTRY OUTLOOK

The improvement and recovery in the industry outlook was quite stable. Our appropriate investment strategies and activities behind hygiene categories, the Company was able to hold the business on stable growth as well.

### BUSINESS HIGHLIGHTS

The Company achieved 15.33 % growth as compared to 2015 (growth in 2015: 8.03%) with a turnover of Tk.3,327 M. This growth was mainly driven by Antiseptics and Lavatory care while there was significant de-growth in pest control due to severe competition and consequential dilution of brand equity.

This year, operating profit improved by 16.47%, mainly due to supply initiatives.

Cash and cash equivalents (including fixed deposits investment with bank) at the end of 2016 was to Tk.769M as compared to Tk.435M at the end of 2015.

### COST OF SALES & GROSS PROFIT MARGIN

Due to supply initiatives and growth in profitable brands gross profit ratio was increased to 53.46% against 51.88% of 2015. Stability in foreign exchange also played a role in profitability.

### NET PROFIT MARGIN

Due to improvement in profit from operations by 16.47%, resulting from improved gross margin, profit after tax or net profit during the year increased to Tk. 296.1m from Tk. 277.5m. However, there has been some reduction in finance income from interest on investments due to lower bank rates.

### RISK AND CONCERNS

Exchange rates was quite stable in full year 2016 but from 2017 onwards it shows upward trend which may impact in our profitability in coming year. Pest Control category used to be one of the major contributors to the net turnover of the company .Due to major competition in the market and consequential price war in the trade for a few years, the margin of this category is going down steadily thereby pulling down the overall profitability. The company is concerned in this area and has been initiating alternative steps to maintain the required level of profit by introduction of new products to cover the de-growth of pest controls.

### EXTRA-ORDINARY GAIN OR LOSS

In 2016 there was no significant extra ordinary gain or losses in the business.

### SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL PERFORMANCE

Annual Earning per share in 2016 is Tk. 62.66 (2015: Tk.58.73 ) resulting from improved profitability and extra credit on account of non-repatriable technical service fees during 2016. Average Earning per share per quarter is Tk. 15.67.

## SUMMARY OF FINANCIALS

We are pleased to present the following summarized financials of the Company before you:

Particulars	2016 Taka
Profit before taxation (including other comprehensive income/items)	453,070,328
Less : Taxation	<u>(162,721,906)</u>
<b>Profit after taxation (including other comprehensive income/items)</b>	<b>290,798,422</b>
Add: Un-appropriated profit from previous year (2015)	<u>158,186,243</u>
Profit available for appropriation	<b>448,984,665</b>
Less : Second Interim cash dividend paid @ Tk.15/= (i.e. 150%) per share for 2015	(70,875,000)
Less : Final cash dividend paid @ Tk.0/= (i.e.0%) per share for 2016	-
Less: Interim cash dividend paid @ Tk.40/= (i.e.400%) per share for 2016	<u>(189,000,000)</u>
Total profit available for appropriation (after dividend payout)	<u>189,109,665</u>
<b>Appropriation:</b>	
Proposed Final dividend @ Tk.37.50/- (i.e. 375%) per share for 2016	<u>(177,187,500)</u>
Un-appropriated profit *	<u><b>11,922,165</b></u>

\*after recognition of dividend in the period of appropriation

## DIVIDEND

The Board is pleased to recommend final cash dividend of Tk.37.50/= per share amounting to Tk.177 million for the year 2016. During the year of 2016, the Company paid Interim cash dividend of Tk.40/= per share in October, full year dividend is aggregating to Tk.77.50/= (775%) per share for the year 2016 i.e. full year amounting to Tk.366M, (2015: Tk.65 per share i.e. amounting to Tk.307M ), a portion of which is appropriated out of carried forward un-appropriated profit as on 31 December 2015.

## EARNINGS PER SHARE

The earnings per share numbers are provided on pages 9, 15 & 26.

## CORPORATE GOVERNANCE

We would like to confirm that:

- (a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- (b) Proper books of account of the company have been maintained.
- (c) 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.
- (d) 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.