



# *Marico Bangladesh Limited*

## *Extended Quarter (Oct-Dec '2010) Financial Statements (Un-audited)*

*For the three months ended December 31, 2010*

*As per Securities & Exchange Commission (SEC) letter no- SEC/CFD/11:29/2009/794 dated  
September 14, 2010*

*Registered & Corporate Office:*

*House-1, Road-1, Sector-1, Uttara, Dhaka-1230*

## Statement of Financial Position

as at December 31, 2010

(amount in taka)	Dec '2010	Sep '2010
<b>Assets</b>		
Property, plant and equipment		
Cost	492,536,676	476,248,928
Less: Accumulated depreciation	259,844,342	233,719,219
	232,692,333	242,529,709
Intangible assets	7,805,490	8,959,247
Deferred tax assets	22,142,220	29,959,740
	29,947,710	38,918,986
<b>Total non-current assets</b>	<b>262,640,044</b>	<b>281,448,695</b>
Inventories	502,257,201	282,364,562
Goods in transit	114,629,402	65,391,044
Accrued interest	54,254,184	40,304,110
Investments	40,752,823	40,752,823
Advances and deposits	45,169,105	68,071,366
Advance income tax	247,097,581	202,932,329
Fixed deposit	3,102,015,300	2,652,015,300
Cash and cash equivalents	54,721,677	106,741,118
<b>Total current assets</b>	<b>4,160,897,273</b>	<b>3,458,572,651</b>
<b>Total assets</b>	<b>4,423,537,316</b>	<b>3,740,021,346</b>
(amount in taka)	Dec '2010	Sep '2010
<b>Equity and liabilities</b>		
Share capital	315,000,000	315,000,000
Share premium	252,000,000	252,000,000
Revaluation reserve	28,155,877	28,155,877
Accumulated profit	1,747,928,489	1,600,067,396
<b>Total shareholders equity</b>	<b>2,343,084,366</b>	<b>2,195,223,273</b>
Provision for gratuity	8,088,052	8,088,052
<b>Total non-current liabilities</b>	<b>8,088,052</b>	<b>8,088,052</b>
Short term loan	440,702,620	189,627,813
Liability for expenses	38,629,013	436,540,120
Interest payable	3,282,757	2,000,000
Income tax payable	538,997,953	448,224,604
Trade creditors	910,679,208	328,179,028
Payable to holding company	112,556,313	97,089,004
Other liabilities	27,517,035	35,049,453
<b>Total current liabilities</b>	<b>2,072,364,898</b>	<b>1,536,710,022</b>
<b>Total equity and liabilities</b>	<b>4,423,537,316</b>	<b>3,740,021,346</b>

## Statement of Comprehensive Income

for the period ended December 31, 2010

(amount in taka)	Oct to Dec 2010	Oct to Dec 2009
<b>Turnover</b>	<b>1,655,855,073</b>	<b>1,181,563,704</b>
Cost of goods sold	(1,218,486,663)	(841,476,148)
<b>Gross profit</b>	<b>437,368,410</b>	<b>340,087,556</b>
Distribution expenses	(95,310,891)	(126,670,398)
Administration expenses	(80,380,177)	(66,208,730)
	(175,691,068)	(192,879,127)
<b>Results from operating activities</b>	<b>261,677,341</b>	<b>147,208,429</b>
Finance income	67,120,811	36,424,043
Finance costs	(3,596,191)	(6,368,465)
Net finance costs	63,524,620	30,055,578
<b>Profit before taxation</b>	<b>325,201,961</b>	<b>177,264,007</b>
Tax (expenses)/income		
Current tax	(90,773,348)	(49,323,539)
Deferred tax	(7,817,520)	-
	(98,590,868)	(49,323,539)
<b>Profit for the period</b>	<b>226,611,093</b>	<b>127,940,468</b>
<b>Earnings per share (EPS)</b>		
No of shares	31,500,000	31,500,000
<b>Basic earnings per share (per value Tk 10)</b>	<b>7.19</b>	<b>4.06</b>

## Statement of changes in equity

for the period ended December 31, 2010

(amount in taka)

	Share capital	Share premium	Fair Value reserve	Retained earnings	Total
<b>Balance as at 1 October 2009</b>	<b>315,000,000</b>	<b>252,000,000</b>		<b>1,003,704,892</b>	<b>1,570,704,892</b>
Net profit after tax for the period ( Oct to Dec) 2009				127,940,468	127,940,468
<b>Balance as at 31 December 2009</b>	<b>315,000,000</b>	<b>252,000,000</b>		<b>1,131,645,360</b>	<b>1,698,645,360</b>
<b>Balance as at 1 October 2010</b>	<b>315,000,000</b>	<b>252,000,000</b>	<b>28,155,877</b>	<b>1,600,067,396</b>	<b>2,195,223,273</b>
Net profit after tax for the period ( Oct to Dec) 2010				226,611,093	226,611,093
Dividend paid				(78,750,000)	(78,750,000)
<b>Balance as at 31 December 2010</b>	<b>315,000,000</b>	<b>252,000,000</b>	<b>28,155,877</b>	<b>1,747,928,489</b>	<b>2,343,084,366</b>

## Statement of Cash Flows

for the period ended December 31, 2010

(amount in taka)	Oct. to Dec. 2010	Oct. to Dec. 2009
<b>A) Cash flows from operating activities</b>		
Collection from customers	1,647,543,407	769,682,362
Payment to suppliers and operating expenses	(1,196,411,471)	(769,039,806)
Interest paid	(2,313,434)	(2,131,975)
Interest received	53,170,737	5,813,324
Income tax paid	(44,165,252)	(14,948,058)
<b>Net cash from operating activities</b>	<b>457,823,987</b>	<b>(10,624,153)</b>
<b>B) Cash flows from investing activities</b>		
Acquisition of fixed assets	(19,786,000)	(11,555,522)
Investment in FDR	(450,000,000)	(32,375,750)
Sale of fixed assets	1,100,000	-
<b>Net cash used in investing activities</b>	<b>(468,686,000)</b>	<b>(43,931,272)</b>
<b>C) Cash flows from financing activities</b>		
Dividend paid	(78,750,000)	-
Short term loan	251,074,807	-
<b>Net cash from financing activities</b>	<b>172,324,807</b>	<b>-</b>
Net increase in cash and cash equivalents (A+B+C)	161,462,794	(54,555,425)
Opening cash and cash equivalents	106,741,118	444,701,711
<b>Closing cash and cash equivalents</b>	<b>54,721,677</b>	<b>390,146,286</b>

## Selective Notes to Financial Statements

### 1. Reporting Entity:

Marico Bangladesh Limited (MBL) was incorporated on 6 September 1999 in Bangladesh under the Companies Act 1994 as a private company limited by shares. Subsequently, the company converted to “Public Company” limited by shares vide special resolution passed in the extra ordinary general meeting held on 21 September 2008. The company is a subsidiary of Marico Limited; India. The company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

### 2. Nature of Business:

MBL carries on business in Branded Fast Moving Consumer Goods (FMCG) in Bangladesh. The company manufactures and markets coconut oil, perfumed hair oil, soaps etc under the brand names of Parachute, Parachute Beliphool, Aromatic Gold, Camelia, Parachute Advansed, Hair Code etc in Bangladesh. Its products reach its consumers through retail outlets serviced by its own distribution network comprising four sales depots located in Dhaka, Chittagong, Bogra and Jessore.

### 3. Basis of Preparation:

These quarterly financial statements have been prepared in accordance with Bangladesh Accounting Standard (BAS)-34 “Interim Financial Reporting”, Securities and Exchange Rules 1987, Bangladesh Financial Reporting Standards (BFRSs), the Companies Act, 1994 and other applicable laws and regulations. These financial statements are un-audited. Board of Directors is of the view that these quarterly financial statements fairly represent the company’s position for the period. Prudent estimates have been employed for the preparation of these interim financial statements, for the period. Future results could differ from these estimates.

### 4. Accounting Policies:

Accounting policies and methods of computations followed in preparing this quarterly financial statement are same as those used in preparation for accounts of the 4<sup>th</sup> quarter ended September 30, 2010.

### 5. Turnover:

The company has maintained its pace of turnover growth in the reported quarter (Oct-Dec ‘2010). In this extended quarter (Oct-Dec ‘2010), turnover has grown by 40% as compared to corresponding quarter (Sep to Dec ‘2009).

### 6. Cost of Goods Sold:

The percentage of COGS to turnover was 73.59% in the reporting quarter which was 2.37% higher than corresponding period 2009 at 71.22%. This reduced gross margin percentage to 26% from 29% in line with turnover growth. The main reason for increase in COGS was raw materials cost push particularly that used for coconut oils owing to international price inflation.

**7. Selling and Distribution expenses:**

Selling & Distribution expenses declined by 25% in the quarter as compared to Sep-Dec '2009 quarter. The percentage of selling & distribution expenses to turnover for the reporting quarter marked at 5.76% which was 10.72% in the quarter 2009.

**8. General & Administrative Expenses:**

In the extended quarter (Oct-Dec '2010), though general & administrative cost increased by 21% in line with turnover growth, however it reduced as a percentage of turnover from 5.60% to 4.80%

**9. Subsequent events:**

No material events have occurred after the reporting date, non-disclosure of which could affect the ability of the users of these financial statements to make appropriate evaluation.

**10. General:**

The financial statements prepared for the extended quarter (Oct-Dec '2010) period ended December 31, 2010. These financial statements are un-audited.

**End**