



MARICO BANGLADESH LIMITED

HALF YEARLY REPORT

2013

শুদ্ধতার ১ যুগে ধন্যবাদ আপনাকে!

শুদ্ধতার এই বন্ধন অটুট থাকুক আগামী দিনেও!

১ যুগ



শুদ্ধতার শেষ কথা...



★ Since 1953 ★

A. Qasem & Co.

Chartered Accountants

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Independent Auditor's Report to the Shareholders of Marico Bangladesh Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Marico Bangladesh Limited (the 'Company') which comprise the statement of financial position as at 30 September 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Marico Bangladesh Limited as at 30 September 2013, and of its financial performance and its cash flows for the half year then ended in accordance with Bangladesh Financial Reporting Standards.

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:

- we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- the statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account; and
- the expenditure incurred was for the purposes of the Company's business.

Dhaka, 23 October 2013

A. Qasem & Co.
Chartered Accountants

Marico Bangladesh Limited
Statement of financial position
as at 30 September 2013

	Note	30 September 2013 Taka	31 March 2013 Taka
Assets			
Property, plant and equipment	4	903,491,810	836,558,863
Capital work in progress		8,160,194	28,157,695
Intangible assets		6,739,177	-
Deferred tax assets		23,092,904	39,235,721
Non-current assets		941,484,085	903,952,279
Inventories	5	823,702,714	1,021,556,368
Accrued interest		69,268,082	55,018,956
Advance income tax		1,007,267,818	920,345,408
Advances, deposits and prepayments		176,859,703	216,454,120
Fixed deposits	6	2,702,578,574	2,014,917,416
Cash and cash equivalents	7	172,819,939	50,833,931
Current assets		4,952,496,830	4,279,126,199
Total assets		5,893,980,915	5,183,078,478
Equity and Liabilities			
Equity			
Share capital	8	315,000,000	315,000,000
Share premium		252,000,000	252,000,000
Retained earnings		2,711,031,303	2,588,543,247
Total equity		3,278,031,303	3,155,543,247
Liabilities			
Provision for gratuity		15,956,603	15,956,603
Provision for leave encashment		9,404,119	9,404,119
Non-current liabilities		25,360,722	25,360,722
Short term finance		-	38,534,964
Liability for expenses		551,687,367	433,481,827
Provision for income tax		1,334,210,707	1,080,417,993
Trade creditors		405,246,096	120,138,849
Payable to holding company		251,821,697	256,466,179
Other liabilities	9	47,623,023	73,134,697
Current liabilities		2,590,588,890	2,002,174,509
Total liabilities		2,615,949,612	2,027,535,231
Total equity and liabilities		5,893,980,915	5,183,078,478

The annexed notes 1 to 11 form an integral part of these financial statements.


Company Secretary


Director


Managing Director

As per our annexed report of same date.

Dated: Dhaka
October 23, 2013


A. Qasem & Co.
Chartered Accountants

Marico Bangladesh Limited
Statement of comprehensive income
for the half year ended 30 September 2013

	Half year from		2nd Quarter	
	April 2013 to September 2013 Taka	April 2012 to September 2012 Taka	July 2013 to September 2013 Taka	July 2012 to September 2012 Taka
Revenue	3,739,682,106	3,460,144,199	1,823,566,252	1,814,618,459
Cost of sales	(1,851,192,855)	(2,280,619,926)	(856,303,781)	(1,150,073,875)
Gross profit	1,888,489,251	1,179,524,273	967,262,471	664,544,584
Marketing, selling and distribution expenses	(636,404,631)	(447,500,053)	(356,264,621)	(260,625,128)
General and administration expenses	(380,252,744)	(261,594,512)	(235,119,679)	(147,472,990)
Profit from operation	871,831,876	470,429,708	375,878,171	256,446,466
Other income	150,591,712	60,689,551	78,735,807	34,804,232
Profit before income tax	1,022,423,588	531,119,259	454,613,978	291,250,698
Income tax expense	(269,935,532)	(156,240,485)	(119,370,261)	(89,173,274)
Profit for the year	752,488,056	374,878,774	335,243,717	202,077,424
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	752,488,056	374,878,774	335,243,717	202,077,424
Earnings per share				
Basic earnings per share (par value of Tk 10)	23.89	11.90	10.64	6.42

The annexed notes 1 to 11 form an integral part of these financial statements.


Company Secretary


Director

Managing Director

As per our annexed report of same date.


A. Qasem & Co.
Chartered Accountants

Dated: Dhaka
October 23, 2013

Marico Bangladesh Limited
Statement of changes in equity
for the half year ended 30 September 2013

	Share capital Taka	Share premium Taka	Fair value reserve Taka	Retained earnings Taka	Total equity Taka
Balance at 1 April 2012	315,000,000	252,000,000		2,036,194,216	2,603,194,216
Net profit for the period ended 30 September 2012	-	-	-	374,878,773	374,878,773
Balance at 30 September 2012	315,000,000	252,000,000	-	2,411,072,989	2,978,072,989
Balance at 1 April 2013	315,000,000	252,000,000	-	2,588,543,247	3,155,543,247
Net profit for the period ended 30 September 2013	-	-	-	752,488,056	752,488,056
Interim dividend for the period	-	-	-	(630,000,000)	(630,000,000)
Balance at 30 September 2013	315,000,000	252,000,000	-	2,711,031,303	3,278,031,303

Marico Bangladesh Limited
Statement of cash flows
for the half year ended 30 September 2013

	Half year from April to September 2013	Half year from April to September 2012
	Taka	Taka
Cash flows from operating activities		
Collection from customers	3,699,622,727	3,460,144,199
Payment to suppliers and for operating expenses	(2,143,833,984)	(1,895,226,960)
Interest paid	(1,237,415)	1,655,232
Interest received	137,580,000	57,779,619
Income tax paid	(86,922,412)	(106,612,206)
<i>Net cash from operating activities</i>	1,605,208,916	1,517,739,885
Cash flows from investing activities		
Acquisition of property, plant and equipment	(127,026,786)	(554,708,805)
Disposal of property, plant and equipment	-	-
Encashment (Investment) in fixed deposits	(687,661,158)	(784,878,000)
<i>Net cash used in investing activities</i>	(814,687,944)	(1,339,586,805)
Cash flows from financing activities		
Short term finance	(38,534,964)	(100,000,000)
Dividend paid	(630,000,000)	-
<i>Net cash used in financing activities</i>	(668,534,964)	(100,000,000)
Net increase in cash and cash equivalents	121,986,008	78,153,080
Opening cash and cash equivalents	50,833,931	171,207,070
Closing cash and cash equivalents	172,819,939	249,360,150

Marico Bangladesh Limited

Notes to the 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 and also a listed entity enlisted with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited.

1.1 Registered office

The address of the Company's registered office is House # 01, Road # 01, Sector # 01, 4th floor, Uttara, Dhaka-1230.

1.2 Nature of Business Activities

The Company is engaged in manufacturing and marketing of branded Fast Moving Consumer Goods under the brand name of Parachute, Beliphool, Nihar, Saffola, Hair Code Active etc in Bangladesh. The Company sells its products with its depot from Dhaka, Chittagong, Bogra, Jessore and Comilla. The Company started its commercial operations from 30 January 2000.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs).

The financial statements were authorized for issue by the Board of Directors in the Board meeting held on 23 October 2013.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is the Company's functional currency. All financial information presented in BDT/Taka has been rounded off to the nearest integer.

2.4 Reporting period

The financial statements of the Company covered six months period from 1 April 2013 to 30 September 2013.

3. Accounting policies

The accounting policies and methods of computations followed in preparing these six months financial statements are same as those used in preparation for financial statements of last financial year ended 31 March 2013.

	30 September 2013	30 September 2012
	Taka	Taka
4. Property, plant and equipment		
Property, plant and equipment - at cost	1,205,520,936	1,053,408,489
Accumulated depreciation	(302,029,126)	(216,849,626)
	903,491,810	836,558,863
5. Inventories		
Raw materials	654,232,091	553,048,338
Packing materials	42,074,396	53,502,198
Finished goods	105,572,498	283,400,693
Raw materials in transit	21,823,729	131,605,139
	823,702,714	1,021,556,368
6. Fixed deposits		
BRAC Bank Limited	262,473,489	175,804,456
Dhaka Bank Limited	200,000,000	50,000,000
Commercial Bank of Ceylon PLC	500,000,000	300,000,000
IDLC Finance Limited	455,000,000	350,000,000
The Hongkong and Shanghai Banking Corporation Limited	458,210,677	272,354,688
IFIC Bank Limited	11,370,562	10,765,029
Prime Bank Limited	350,000,000	50,000,000
State Bank of India	140,000,000	240,000,000
Standard Chartered Bank	275,523,846	515,993,243
Southeast Bank Limited	50,000,000	50,000,000
	2,702,578,574	2,014,917,416
7. Cash and cash equivalents		
Cash on hand	285,387	242,136
Cash at banks and financial institution:		
Citibank N.A.	18,996,209	19,452,342
Standard Chartered Bank	21,439,756	-
Commercial Bank of Ceylon PLC	2,638	73,814
The Hongkong and Shanghai Banking Corporation Limited	19,644,868	15,702,830
Dutch Bangla Bank Limited	132,021	130,239
BRAC Bank Limited	112,319,060	15,232,570
	172,534,552	50,591,795
	172,819,939	50,833,931

	30 September 2013	30 September 2012
	Taka	Taka
8. Share capital		
Authorised		
40,000,000 ordinary shares of Tk 10 each	400,000,000	400,000,000
Issued, subscribed and paid up		
Issued for cash	41,500,000	41,500,000
Issued for consideration other than cash	273,500,000	273,500,000
	315,000,000	315,000,000
9. Payable to holding company		
Royalty	219,500,058	224,144,540
Bank guarantee commission	8,893,986	8,893,986
General and technical assistance fees	23,427,653	23,427,653
	251,821,697	256,466,179

10. Comparative figures

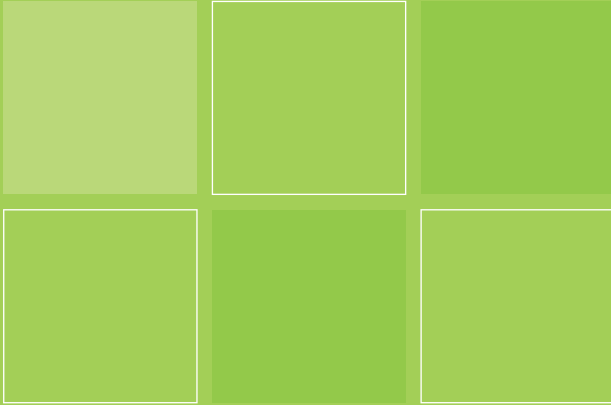
Comparative figures have been re-arranged wherever necessary to facilitate comparison.

11. Subsequent events

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

MARICO BRANDS IN BANGLADESH





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