

DIRECTORS' REPORT**"Bismilla-Hir-Rahmanir Rahim"****Dear Valued Shareholders****As-Salamu-Alaikum**

The Board of Directors takes immense pleasure to present all in the 41st Annual General meeting of your Company and we present before you the Annual Report of your Company for the year ended June 30, 2017.

Operating Activities:

During the year under review, the Company attained a net sale of Tk. 35.18 crores which is 3.65 % higher than that of the previous year (2015). Though costs continued to increase during the year, the management was able to earn a reasonable amount of pre-tax profit i.e. Tk. 0.98 crore by efficient management of purchases, production, sale, inventory and finance. The Management is trying its best to further gear-up the marketing activities of the Company so as to earn more confidence of consumers on the Company's products and thereby to gradually increase the sale and profit.

Financial results and appropriation of Profit:

Considering the financial results of the company during the year under review, the Board of Directors is pleased to recommend appropriations as follows :

	July 16 to June 17	Jan.15 to June 16	Jan.16 to June 16	Jan. to Dec 15
Net Profit before Income-tax	9,839,575	9,779,156	2,367,480	7,411,676
Less : Provision for Income-tax	(2,584,893)	(1,597,232)	(696,745)	(900,487)
Net Profit after Tax	7,254,682	8,181,924	1,670,735	6,511,189
Add : Retained Earnings brought forward from previous year (after adjustment of previous deferred tax)	26,313,197	24,371,273	24,642,462	24,371,273
Profit available for appropriation	33,567,879	32,553,197	26,313,197	30,882,462
Less :Recommended for appropriation :				
-Proposed Dividend 30% @ Tk. 3.00 per share of Tk. 10.00 each (2015-16 @ Tk. 2.60)	(7,200,000)	(6,240,000)		(6,240,000)
Retained Earnings Carried forward	Tk. 26,367,879	26,313,197	26,313,197	24,642,462

Dividend:

Considering the overall performance of the Company during the year end 30 June 2017, the Board of Directors is pleased to recommend Cash Dividend @ 30% (2015-16 @ 26%). It is hoped that the shareholders would please appreciate the sincerity of the Board of Directors in taking care of the shareholders interest by recommending dividend this year.

Director:

In terms of Article 119 of the Articles of Association of the company Director Mrs.Sakina Miraly retire in this meeting by rotation and being eligible, she offer herself for re-election.

Independent Director:

Mr. Ruhul Quddus, Independent Director retired and being eligible his tenure may be extended for another term. The Board of Directors proposed to extended his tenure for another 1 (one) term as an Independent Director.

Auditors:

The existing Auditors M/s. Khan Wahab Shafique Rahman & Co. Chartered Accountants, Rupali Bima Bhaban,7 Rajuk Avenue (5th Floor), Motijheel, Dhaka 1000, who were appointed as Auditors of the Company in the 40th AGM of the Company has carried out the audit for the year ended 30 June 2017, completing their three consecutive years of service and retire. Therefore, a new auditors is to appointed for the year 2017-2018. The retiring auditors were paid Tk.3,50,000.00(three lac fifty thousand) only as remuneration.

Corporate Governance:

Corporate Governance is the practice of good citizenship through which the company is governed by the board, keeping in view its accountability to the shareholders, stakeholders and to the society at large. The status report required to be presented by the company in pursuance to the notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012, by order of the Securities and Exchange Commission, is attached in Annexure-III to this Report.

Acknowledgements:

The Board of Directors take this opportunity to thank all employees of the company for their co-operation and hard work and also acknowledge the support received by the Company from its shareholders, bankers, financial institutions, customers, suppliers and, above all from the Securities and Exchange Commission, Stock Exchanges, Drug Administration, National Board of Revenue and other Government agencies.

Allah Hafiz.

On behalf of the Board of Directors

(Naureen Aziz Mohammad Bhai)
Managing Director