

Auditor's Report and Audited Financial Statements

of

Navana Pharmaceuticals Limited

125/A Islam Chamber

Motijheel C/A, Dhaka-1000, Bangladesh.

For the year ended 30 June 2022

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Independent Auditor's Report
To the Shareholders
of
Navana Pharmaceuticals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Navana Pharmaceuticals Limited**, which comprise the statement of financial position as at 30 June 2022, 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, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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) and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to note # 26.00 of the financial statements, the company has translated its unsettled foreign currency liabilities (USD) at the exchange rate (BC Selling rate of Bangladesh Bank) of BDT 93.5/\$1 on 30 June 2022 as per the requirements of IAS 21 — The Effects of Changes in Foreign Exchange Rate. Subsequently, up to 30 September 2022, foreign currency liabilities have been settled at the average rate of BDT 102.15/\$1 as disclosed under Event after Reporting Period as per IAS 10 in note # 37.00 to the financial statements of the company.

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 year. 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. For each matter below our description of how our audit addressed the matters provided in that context.

01. Revenue Recognition

See note no 20.00 to The Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
<p>During this year, net sales revenue of Tk. 4,758,706,524. Revenue is measured net of discounts, commission and rebates earned by customers on the sales. Within a number of the company markets, the estimation of discounts, commission and rebates recognized based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Segregation of duties in invoice creation and modification; and • Timing of revenue recognition. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct year; • Within a number of the Company's markets, comparing current year rebate accruals to the prior year and, where relevant, completing further inquiries and testing. • Agreeing a sample of claims and rebate accruals to supporting documentation; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards; • Performing cut-off test by obtaining delivery challan for goods delivered during the beginning of the next accounting year and at the close of current accounting year to verify whether sales are recorded in the current accounting year; and • Inspecting VAT returns submitted to VAT authority to determine consistency of sales revenue recognized.

02. Valuation of Inventory

See Note No 7.00 to the Financial Statements

<p>The Inventory of Tk. 1,009,145,823 as at 30 June 2022, held in warehouses, depots and across multiple product lines.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the management apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> • evaluating the design and implementation of key inventory controls operating across the Company, including those at a sample of warehouses; • Testing, on a sample basis, the stock aging profile, expiry dates and the market price used in assessing the net realizable values of inventories to the related documents. • comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; • reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; and • challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow- moving/obsolete stock are valid and complete.
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03. Valuation of Property, Plant and Equipment

See Note No 3.00 to the Financial Statements

<p>The carrying value of the PPE amounted to Tk. 3,421,837,366 as at 30 June 2022. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management’s estimates regarding the year during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedures: 3,421,837,366</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. • We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals. • We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate. • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. <p>We checked whether the depreciation of PPE items was commenced namely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.</p>
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Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon.

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

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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. But we have nothing to report in this regard.

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, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations 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 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 the mall 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 year 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 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) 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;
- b) 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;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purpose of the Company's business.

Place: Dhaka, Bangladesh
Dated: 27 October 2022

Signed for & on behalf of
MABS & J Partners, Chartered Accountants



Nasir Uddin Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC: 2210270535AS275090

Navana Pharmaceuticals Limited


Statement of Financial Position

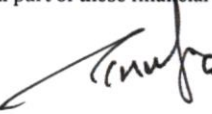
As at 30 June 2022

Particulars	Notes	Amount in Taka	
		30-Jun-2022	30-Jun-2021
Assets			
Non-Current Assets:			
Property, Plant and Equipment	3.00	3,421,837,366	2,970,319,683
Intangible Asset	3.01	770,000	990,000
Capital Work in Progress	4.00	403,007,534	159,035,250
Right-of-Use Asset	5.00	204,018,990	259,743,994
Investment in Marketable Securities (Fair Value)	6.00	159,028,097	-
Total Non-Current Assets		4,188,661,986	3,390,088,927
Current Assets:			
Inventories	7.00	1,009,145,823	802,165,574
Trade and Other Receivables	8.00	547,819,881	462,891,220
Advances, Deposits and Prepayments	9.00	1,204,469,458	444,485,260
Goods In Transit	10.00	67,575,600	73,799,207
Cash and Cash Equivalents	11.00	66,427,585	25,776,315
Total Current Assets		2,895,438,346	1,809,117,577
Total Assets		7,084,100,333	5,199,206,505
Equity And Liabilities			
Equity:			
Paid-up Share Capital	12.00	802,301,500	802,301,500
Revaluation Reserve	13.00	1,966,271,633	1,966,271,633
Capital Reserve		605,590,148	-
Unrealized Gain/ (Loss) Reserve	6.00	(95,356,927)	-
Retained Earnings		204,242,971	535,831,580
Total Equity:		3,483,049,324	3,304,404,714
Liabilities			
Non-Current Liabilities:			
Loan from Directors	14.00	30,000,000	30,000,000
Lease Liabilities	15.02	100,720,006	131,527,892
Long Term Loan	16.02	141,390,720	132,979,288
Deferred Tax Liability	17.00	42,362,502	28,252,205
Total Non-Current Liabilities		314,473,228	322,759,385
Current Liabilities:			
Short Term Loan	18.00	2,682,055,890	1,136,653,530
Lease Liabilities (Current Maturity)	15.01	29,254,646	34,620,415
Long Term Loan (Current Maturity)	16.01	28,125,222	18,797,712
Trade and Other Payables	19.00	547,142,023	381,970,750
Total Current Liabilities		3,286,577,781	1,572,042,407
Total Liabilities		3,601,051,009	1,894,801,792
Total Equity and Liabilities		7,084,100,333	5,199,206,505
Net Asset Value (NAV) Per Share	29.00	43.41	41.19

The accompanying notes form an integral part of these financial statements.


Company Secretary


Chief Financial Officer


Managing Director


Director

Signed in terms of our report of even date annexed

Place: Dhaka, Bangladesh
Dated: 27 October 2022

Signed for & on behalf of
MABS & J Partners, Chartered Accountants

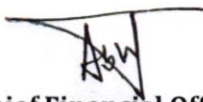

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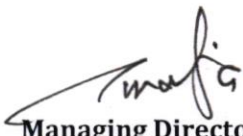
Navana Pharmaceuticals Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		2021-2022	2020-2021
Net Sales	20.00	4,758,706,524	3,606,576,486
Less: Cost of Good Sold	21.00	2,586,134,851	1,979,530,541
Gross Profit		2,172,571,672	1,627,045,945
Less: Operating Expenses			
Administrative Expenses	22.00	151,042,811	111,953,238
Selling & Marketing Expenses	23.00	1,143,937,454	894,673,593
Distribution Expenses	24.00	288,402,731	256,707,467
Total Operating Expenses:		1,583,382,996	1,263,334,298
Operating Profit		589,188,676	363,711,647
Less: Finance Expenses	25.00	200,421,168	75,184,536
Add: Other Income	26.00	22,607,712	29,006,157
Profit before WPPF & Tax		411,375,220	317,533,269
Contribution to WPPF	19.05	19,589,296	15,120,632
Profit before tax		391,785,923	302,412,637
Less: Income Tax		117,784,385	100,119,906
Current Tax	27.00	103,674,087	65,408,756
Deferred Tax Expense/(Income)		14,110,297	34,711,150
Profit after Tax		274,001,539	202,292,731
Other Comprehensive Income			
Unrealized Gain/(loss) on Marketable Securities		(95,356,927)	-
Total Comprehensive Income		178,644,611	202,292,731
Earnings Per Share (EPS)	28.00	3.42	2.52

The accompanying notes form an integral part of these financial statements.


Company Secretary


Chief Financial Officer


Managing Director


Director

Signed in terms of our report of even date annexed

Place: Dhaka, Bangladesh

Dated: 27 October 2022

Signed for & on behalf of

MABS & J Partners, Chartered Accountants


Nasir Uddin Ahmed

FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)

Deputy Managing Partner

ICAB Enrollment No: 535

DVC: 2210270535AS275090

Navana Pharmaceuticals Limited

Statement of Changes in Equity
For the year ended 30 June 2022

Particulars	Amount in Taka					
	Share Capital	Revaluation Reserve	Capital Reserve	Unrealized Gain / (Loss) Reserve	Retained Earnings	Total
Balance as at 1 July 2021	802,301,500	1,966,271,633	-	-	535,831,580	3,304,404,713
Profit after Tax	-	-	-	-	274,001,539	274,001,539
Transfer to Capital Reserve	-	-	605,590,148	-	(605,590,148)	-
Total Unrealized Gain / (Loss) on Marketable Securities	-	-	-	(95,356,927)	-	(95,356,927)
Balance as at 30 June 2022	802,301,500	1,966,271,633	605,590,148	(95,356,927)	204,242,971	3,483,049,324

Navana Pharmaceuticals Limited

Statement of Changes in Equity
For the year ended 30 June 2021

Particulars	Amount in Taka					
	Share Capital	Revaluation Reserve	Capital Reserve	Unrealized Gain / (Loss) Reserve	Retained Earnings	Total
Balance as at 1 July 2020	801,500	1,966,271,633	-	-	1,135,038,849	3,102,111,982
Issue of bonus share	801,500,000	-	-	-	(801,500,000)	-
Profit after Tax during the period	-	-	-	-	202,292,731	202,292,731
Balance as at 30 June 2021	802,301,500	1,966,271,633	-	-	535,831,580	3,304,404,712

The accompanying notes form an integral part of these financial statements.


Chief Financial Officer


Managing Director


Director

Company Secretary
Place: Dhaka, Bangladesh
Dated: 27 October 2022



Navana Pharmaceuticals Limited

Statement of Cash Flows For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		2021-2022	2020-2021
Cash Flows from Operating Activities:			
Cash Received from Customers		4,669,531,817	3,530,056,762
Cash Received from Other Income		30,180,900	22,658,514
Cash Paid to Suppliers		(2,546,219,181)	(1,824,417,722)
Cash Paid to Operational & Others		(892,633,744)	(694,225,945)
Cash Paid to Employees		(951,231,159)	(823,527,277)
Income Tax Paid		(110,269,216)	(88,792,366)
Net cash flows from Operating Activities:		199,359,418	121,751,967
Cash Flows from Investing Activities:			
Acquisition of Property, Plant and Equipment		(438,824,665)	(364,705,977)
LC Margin for Capital Goods		(162,152,449)	(1,173,893)
Realized Gain from Sale of Marketable Securities		82,902,285	-
Cash Paid for CWIP		(758,793,783)	(156,049,000)
Cash Received from disposal of ROUA (Vehicle)		730,000	-
Cash Received from Dividend Income		3,264,591	-
Cash Received from Sales of investment in Private co. Share		-	53,650,000
Cash Received/(Paid) -Investment in Marketable Securities		(254,385,024)	-
Net cash from/(used in) Investing Activities:		(1,527,259,046)	(468,278,869)
Cash Flows from Financing Activities:			
Payment against Related Party		(9,657,426)	(43,527,500)
Payment for IPO Expenses		(11,893,782)	-
Bank & Lease Interest Paid		(142,832,255)	(64,147,035)
Receipts against Short Term Borrowings		1,551,316,438	360,658,177
Receipts against Long Term Borrowings		17,738,942	93,094,056
Payment against Lease Liability		(36,173,655)	(28,492,015)
Net cash from/(used in) Financing Activities		1,368,498,262	317,585,683
Change in Cash and Cash Equivalent			
Cash and Cash Equivalent at the beginning of the period		40,598,635	(28,941,219)
Cash and Cash Equivalent at the end of the period		25,776,315	54,717,534
Effect of exchange rate changes on Cash and Cash Equivalents		52,635	-
Cash and Cash Equivalent at the end of the period		66,427,585	25,776,315

Net Operating Cash Flow per Share (NOCFPS) 30.00 2.48 1.52

The accompanying notes form an integral part of these financial statements.


Company Secretary


Chief Financial Officer


Managing Director


Director

Place: Dhaka, Bangladesh
Dated: 27 October 2022



Navana Pharmaceuticals Limited
Notes to the financial statements
For the period 01 July 2021 to 30 June 2022

1.0 About the Company

1.01 Legal Form of the Company

Navana Pharmaceuticals Limited (the "Company") was incorporated in Bangladesh on 31 March 1986 vide registration No. C-15428/994 under the Companies Act-1913 (replaced by the Companies Act-1994) as a Private Company Limited by shares. The company was converted into a Public Limited Company on 30 December 2020. In July 01, 2016 it took over 'Navana Health Care Limited' a Private Limited Company with common shareholders following the Scheme of Amalgamation approved by the High Court.

1.02 Address of the Registered Office and Factory

The address of the Company's registered office is 125/A Islam Chamber Motijheel C/A Dhaka 1000. Corporate office address is House 99, Road 4, Block # B, Banani, Dhaka-1213, Bangladesh. The Company has its factory in Rupshi, Narayanganj and several depots around the country.

1.03 Nature of Business Activities

The principal activities of the Company are manufacturing, distribution and marketing of pharmaceutical and veterinary products and sales of the produced items in the domestic and foreign market.

2.00 Basis of preparation and Presentation of Financial Statements

2.01 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of the company is responsible for the preparation and fair presentation of Financial Statements of Navana Pharmaceuticals Limited.

2.02 Statement of Compliance

The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 1994 and other relevant local laws as applicable and in accordance with the applicable International Accounting Standards (IASs), The Securities and Exchange Rules, 2020 and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and others laws and regulations applicable for the company.

2.03 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:

- a) The Income Tax Ordinance 1984;
- b) The Income Tax Rules 1984;
- c) The Value Added Tax and Supplementary Duty Act 2012;
- d) The Value Added Tax and Supplementary Duty Rules 2016;
- e) The Customs Act, 1969;
- f) Bangladesh Labour Law, 2006 (Amended 2018);
- g) Negotiable Instrument Act, 1881; and
- h) The Securities and Exchange Rules, 2020.

2.04 Basis of Measurement

Measurement is the process of determining the monetary amounts at which the elements of the financial Statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the Company is historical cost of inventories are at the lower of cost and net realizable value and marketable securities (if any) are at market value. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. The Financial Statements have been prepared on a going concern basis under the historical cost convention applying accrual basis of accounting in accordance with the International Financial Reporting Standards (IFRS's).

The financial statements have been prepared on historical cost convention following the accrual concept of accounting, except for Property, Plant & Equipment which has been presented under the revaluation model. Investment in shares is valued at par value and cash flow statement has been prepared on cash basis.



2.05 Components of Financial Statements

The presentation of the financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

The Financial Statements comprises of:

- (a) Statement of Financial Position as at 30 June, 2022;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July 2021 to 30 June 2022;
- (c) Statement of Changes in Equity for the period from 01 July 2021 to 30 June 2022;
- (d) Statement of Cash Flows for the period from 01 July 2021 to 30 June 2022; and
- (e) Notes, comprising summary of significant accounting policies and explanatory information.

2.06 Reporting Period and Comparative Information

The Financial statements cover 12 months period starting from July 01, 2021 to June 30, 2022. Certain comparative amounts have been re-classified & rearranged to conform to the current period's presentation and all numerical information in the current financial statements as below:

- Statements of Financial Position as at the end of the preceding financial period;
- Statements of Comprehensive Income for the comparable of the preceding financial period;
- Statements of Changes in Equity for the comparable of the preceding financial period;
- Statements of Cash Flows for the comparable of the preceding financial period;

Narrative and descriptive information for comparative information has also been disclosed as required by IAS & IFRS whenever it is relevant for the understanding of the current Period financial statements.

2.07 Rearrangement of Financial Statements

The previous period's figure has been rearrangement whenever considered necessary to ensure comparability with the current period presentation as per IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.08 Functional and Presentation Currency

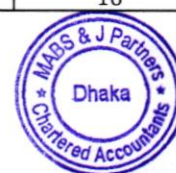
The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.09 Authorization for issue

The financial statements have been authorized for issue by the Board of Directors on 27 October 2022.

2.10 Compliance with the IASs and IFRSs

Sl. No.	Name of the IAS	IAS's No.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in Accounting Estimates and Errors	8
5	Events after the Reporting Period	10
6	Income Taxes	12
7	Property, Plant and Equipment	16
8	Employee Benefits	19
9	The Effects of Changes in Foreign Exchange Rates	21
10	Borrowing Costs	23
11	Related Party Disclosures	24
12	Earnings per Share	33
13	Impairment of Assets	36
14	Provision, Contingent Liabilities and Contingent Assets	37
15	Intangible Assets	38
16	Financial Instrument	32
Sl. No.	Name of the IFRS	IFRS No.
1	First-time Adoption of International Financial Reporting Standards	1
2	Financial Instruments: Disclosures	7
3	Operating Segments	8
4	Financial Instruments	9
5	Fair Value Measurement	13
6	Revenue from Contracts with Customers	15
7	Leases	16



2.11 Use of Estimates and Judgments

The preparation of financial statements in conformity with the IFRSs including IASs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation accrued expenses, others payable, capitalization of assets and deferred liability for gratuity.

2.12 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the management continue to adopt going concern assumption in preparing the Financial Statements. As per management assessment there is no material uncertainties related to event as condition which may cast significant doubt upon the company's ability to continue as a going concern.

2.13 Significant Accounting Policies

The specific accounting policies have been selected and applied for significant transactions and events that have a material effect within the framework for the preparation and presentation of Financial Statements.

2.14 Changes in Significant Accounting Policies

Except the changes following, the Company has consistently applied the accounting policies to all periods presented in these financial statements. The Company has initially adopted IFRS 16 'Leases' from 1 July 2019. There is no material impact on financial statements on initial application of the standards.

As a Lessee

On 1st July 2019, IFRS 16 'Lease' has been adopted and all leasing arrangements except those having less than 12 months of useful life and underlying asset values of less than BDT 425,000 (\geq \$ 5000 as per IFRS 16) when new, have been capitalized as "right to use" assets with a corresponding financial liability on the balance sheet. Leased assets are capitalized from the start date of the lease agreement at the present value of the future leased payments, based on the rate of interest entered in the asset master data. Low value (less than BDT 425,000) and short term leases (less than 12 months) have been excluded from the recognition requirements and expensed in operating profit as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a change in scope of lease agreement can be made if necessary.

The lessor transfers ownership of the underlying assets to the lessee by the end of the lease term or if the cost of right-of-use asset reflects that the lessee will exercise a purchase option, the lessor shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

2.15 Property, Plant and Equipment (PPE)

Recognition and measurement:

Items of property, plant & equipment are measured at cost or revalued amount less accumulated depreciation and impairment losses, if any in accordance with IAS 16: Property, Plant and Equipment. Cost includes expenditure that are directly attributable to the acquisition of the assets. The company has adopted 'Revaluation Model' for stating property, plant & equipment.

Maintenance Activities

The company incurs maintenance costs for all its major items of property, plant and equipment. Repair and maintenance, costs are charged as expenses when incurred.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenances costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they incurred.



Retirements and Disposals

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of Profit or Loss and Other Comprehensive Income, which is determined with reference to the net book value of the assets and net sales proceeds.

Depreciation

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, Plant and Equipment.

Depreciation on Property, Plant and Equipment has been computed during the periods using reducing balance method except Land & Land Development. Depreciation has been charged on addition when the related PPE are available.

After considering the useful life of assets as per IAS 16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Rate of Depreciation:

Particulars	Rate	Particulars	Rate
Land and Land Development		Vehicles	
Land and Land Development	Nil	Transport & Vehicles	20%
Building & Other Construction		Motor Cycle	20%
Factory Building	10%	Furniture & Fixture	
Office Decoration	10%	Furniture & Fixtures	10%
Pump House Construction	20%	Rack & Pallets	15%
Store Room	15%	Office Equipment's	
Office Room Extension	10%	Fire Extinguishers	15%
Factory Decoration	10%	Office Equipment's	15%
Factory Wall	10%	Air Cooler	20%
Pre Fabrication Building	10%	Cookeries & Cutleries	10%
Solvent Store	15%	Telephone Line Installation	15%
Plant & Machinery		Photocopier & Fax Machine	20%
Plant & Machinery	20%	Projector	15%
Electrical Installation	20%	Refrigerator A/H	20%
Generator	20%	Mobile	20%
Gas Line Installation	20%	Computer & IT Accessories	
Spare Parts	20%	Computer	30%
ETP	20%	IT Accessories	30%
Electric Sub Station	20%	Other Assets	
Lab Equipment		Sundry Assets	15%
Quality Control Equipment	15%	Books	10%
Tools & Equipment's	15%	Software	20%

2.16 Right-of-use Asset

IFRS 16: Leases has introduced a single on-balance sheet lease accounting model for leases and replaces the previously adopted IAS 17: Leases. The standard requires that an asset acquired under a lease be recognized as Right of use Asset and the corresponding liability as lease liability. The Lease shall measure the lease liability at the present value of the future lease payment discounted using the interest rate implicit in the lease. The asset shall be depreciated over the lease period and the interest on the lease shall be charged as finance expense.

The Company has been consistently recording its underlying assets acquired under lease as right-of-use assets and the corresponding obligation as Lease Liabilities in the financial statements. The company has reclassified the assets acquired under the lease into "Right-of-use Assets" and presented them in the Statement of Financial Position following IFRS 16. Interest costs on lease liabilities and depreciation of Right-of Use Assets are charged to the profit or loss account.

Depreciation on Right of Use Assets

Depreciation on Right of use Assets (Finance Lease) is computed using the straight line method so as to write off the assets over their expected useful life. After considering the useful life of assets as per IAS 16 Property, Plant & Equipment the annual depreciation rates applied under which is considered reasonable by the management. Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.



2.17 Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38: Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Subsequent costs

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in statement of profit or loss and other comprehensive income as incurred.

Amortization

Software are amortized over 5 periods based on straight line method from the date when assets are available for use. The amount of amortization has been presented under the statement of rate of amortization on software is as under.

Particulars	30 June, 2022
Software	20%

2.18 Capital Work in Process

Property, plant and equipment under construction/ acquisition are accounted for as capital work-in progress until construction/ acquisition is complete and measured at cost. As the capital work in process has not yet been finished and is not contributing to the production process to generate revenue, depreciation is not applied for capital work in process as per Generally Accepted Accounting Principles (GAAPs- revenue and expense recognition principle).

2.19 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: Inventories. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

2.20 Income Taxes

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income and accounted for in accordance with the requirements of IAS 12: Income Taxes.

a) Current Tax:

Current income tax expense represents the sum of the tax currently payable. Applicable Tax Rate is 30%. "Current tax is the expected tax payable on the taxable income for the period and any adjustment to tax payable in respect of previous periods as per the provisions of Income Tax Ordinance, 1984 and Finance Act, 2021.

b) Deferred Tax:

The company has recognized deferred tax using balance sheet method in compliance with the provisions of IAS 12: Income Taxes. The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences Taxable or (deductible) between the carrying amount (Book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available, against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

VAT for the Company

VAT on the Company's product at 15% as Value Added Tax and Supplementary Duty Act-2012.

2.21 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments comprise Financial Assets and Financial Liabilities which are recognized, classified, measured and reported following IFRS-9: Financial Instruments.



2.22 Financial Assets

Financial assets of the company include cash and cash equivalents, accounts receivable, other receivables and investments in marketable securities.

The company initially recognizes receivable on the date they are originated. All others financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, in transit and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

Trade and other Receivables

Accounts receivable are created at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account aging, previous experience and general economic conditions. When an accounts receivable is determined to be uncollected it is written off, firstly against any provision available and then to the profit and loss account. Subsequent recoveries of amounts previously provided for are credited to the profit and loss account.

Investment in Marketable Securities (Fair Value)

Investment in Marketable Securities are measured at fair value. Unrealized Gain or Loss on these financial assets are recognized in "Other Comprehensive Income." At the time of derecognition, related Gains or Losses is reclassified to "Profit or Loss" from "Other Comprehensive Income".

Bad Debt Policy

The provision for bad debt is determined as 0.1% of net local sales for the relevant period consistently which reflect the historical pattern of doubtful or bad receivable. The provision or doubtful or bad debt is written off on the basis of the result of legal procedure.

Advance, Deposits and Prepayments

Advances are initially measured at cost. Since initial recognition, advances are carried at cost fewer deductions, adjustments, or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to Statement of Profit or Loss and Other Comprehensive Income.

Financial Liability

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Finance liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

2.24 Capital Reserve

As per board approval Capital Reserve has been credited from Retained Earning as on 30 June 2022.

2.25 Impairment

Financial Assets

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effects on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy etc.

Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.



2.26 Revenue from Contracts with Customers

In compliance with the requirements of IFRS 15: Revenue from Contracts with Customers, revenue is recognized when the company fulfills the performance obligations in contract with the customers. It usually occurs when customers take possession of the products or goods are delivered at destination specified in the contracts and recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

2.27 Related Party Transaction

The objective of "Related Party Disclosures", IAS 24 is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions. A party is related to an entity if: [IAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity. The information as required by IAS 24: Related Party Disclosures has been disclosed in note 32 to the accounts.

2.28 Finance Cost

Financial expenses comprise interest expenses on long term loan, short term loan and finance lease etc. All such costs are recognized in the statements of profit or loss and other Comprehensive Income except those are capitalized (if any) in accordance with IAS 23: Borrowing Costs.

2.29 Provisions

As per "IAS 37: Provisions, Contingent Liabilities and Contingent Assets" A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

2.30 Other Income

Export Incentives

Cash Incentives for export are recognized when all conditions as laid down in the relevant incentive scheme including receipt of export remittances are satisfied and the right to claim the incentives are established.

Gain from Disposal of Property, Plant & Equipment

Gain arises from sale of disposed of old machineries as scrap, vehicles is recognized as other income.

Toll Income

Toll income is recognized when services are delivered and there remains no unfulfilled obligation in connection with the service.

Interest Income

Interest income from savings account is recognized on accrual basis.

Dividend Income

Dividend Income from marketable securities is recognized when received.

Realized Gain/(loss) from Sale of Marketable Securities

Realized Gain or Loss from the sale of marketable securities are recognized in Other Income.

Income from PF Contribution Forfeiture

Forfeited PF Contribution of resigned members are recognized as Other Income.

FOREX Gain/(loss)

Gain of Loss arising from movement in foreign currency exchange rate from the booking date is recognized in Other Income.

Sales of Wastage

Sale proceed from wastage of various items at factory is recognized as other income.



2.31 Employee Benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits. The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate. The company's employee benefits include the following:

Defined Contribution Plan (Provident Fund)

The company has a registered provident fund scheme (Defined Contribution Plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. Employees contribute 10% of their basic salary to the provident along with the Company that makes an equal contribution. The company recognizes contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

Defined Benefit Plan (Gratuity)

This represents unfunded gratuity scheme for its permanent employees. Though no valuation was done to quantify actuarial liabilities as per the IAS 19: Employee Benefits, such valuation is not likely to yield a result significantly different from the current provision.

Contribution to Workers' Profit Participation and Welfare Funds (WPPF)

The company contributed to the WPPF Fund as per provisions of the Bangladesh Labour Act-2006 (amendment) Act 2018 and is payable to workers as defined in the said law.

Short-term employee benefits

Short-term employee benefits include salaries, bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

Insurance Scheme

Employees of the company are covered under group insurance schemes.

2.32 Earnings Per Share (EPS)

Basic Earnings Per Share

The Company calculates its Earnings per Share (EPS) in accordance with IAS 33 "Earnings per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

Basic Earnings

This represents earnings for the period attributable to the Ordinary Shareholders. As there are no preference dividends, minority interest or extra ordinary items, the net profit for the period has been considered as fully attributable to Ordinary Shareholders.

Basic Earnings per Share

Basic EPS is calculated by dividing the profit or loss attributable to Ordinary Shareholders of the company by the weighted average number of Ordinary Shares outstanding during the period.

Weighted Average Number of Ordinary Shares outstanding during the period. The basis of computation of number of shares in line with the provisions of IAS 33: Earnings per share. Therefore, the total number of shares outstanding at the period multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as proportion of total number of days in the period.

Diluted Earnings Per Share (DEPS)

Diluted EPS is determined by adjusting the profit or loss attributable to Ordinary Shareholders and weighted average number of Ordinary Shares outstanding, for the effect of all dilutive potential Ordinary Shares. However, dilution of EPS is not applicable for this Financial Statements as there were no potential Ordinary Shares during the relevant period.

2.33 Foreign Currency Transactions

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

The monetary assets and liabilities, if any, denominated in foreign currencies at the financial position date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are charged off as revenue expenditure in compliance with the provisions of IAS 21: The Effects of Changes in Foreign Exchange Rates.



2.34 Statement of Cash Flows

The Statement of Cash Flow has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 2020 and as the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

As per Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006/158/208/Admin/81 dated 08 August, 2018 Cash Flows From operating activities has been reconciled with net income using the indirect method.

2.35 Impact of COVID-19

The Company through out the COVID lock down remained open and continued to manufacture, distribute, sale the life saving medicines in the market. The healthcare and certain other essential services remained exempted from the lockdown, ensuring uninterrupted production and supply with highest priority on the health and safety of the employees was indeed challenging. Management took various mitigating measures to confront this unforeseen situation and continued its production and supply of products overcoming the challenges in the global supply chain constraints. Directors are continually reviewing the local and global situation of the pandemic and the associated risks affecting the operation of the business.

As the country gradually adapts to the new environment, the economy started showing signs of recovery in the post balance sheet period. While there are uncertainties how the COVID-19 situations evolve and affects the business in the future, given the currently prevailing situation, directors believe that there is no material adverse effect of the pandemic on the business's continuity in the foreseeable future. Excepting above, no circumstances have arisen since the date of Statement of Financial Position which would require adjustment to, or disclosure in, the financial statements or notes thereto.

2.36 Events After the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate that the going concern assumption is not appropriate are reflected in the financial statements. Events after reporting period that are not adjusting events are disclosed in the notes when material.

2.37 Operating Segments

Segmental reporting is applicable for the company as required by "IFRS 8: Operating Segments" as the company operates in a single industry segment and within as a geographical segment

2.38 Measurement of Fair Values

When measuring the fair value of an asset or a liability, the company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included in level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.39 Contingencies

Contingencies arising from a claim, litigation assessment, fines, penalties etc. are recorded. It is probable that a liability has been incurred and the amount can be measured reliably in accordance with "IAS 37: Provisions, Contingent Liabilities and Contingent Assets"

2.40 Risk Exposure

Risk Management Framework

The management is responsible for the establishment and oversight of the company's risk management policies that are established to identify and analyzed the risks faced by the company, to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Management discloses the exposures to risk and how they arise as well as its objectives, policies and processes for managing the risk and the methods used to measure the risk. The company has exposures to the following risks from its use of Financial Instruments.

- i. Market Risk;
- ii. Credit Risk;
- iii. Liquidity Risk.



Market Risk

Market risk is the risk that any changes in market prices such as foreign exchange rates, interest rate and investment in freely traded share of stock exchange will affect the company's income or the value of its holdings financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates.

Currency Risk

The Company is exposed to foreign currency risk relating to purchases, which are denominated in foreign currencies. The company primarily utilizes forward exchange contracts with maturities of less than one period to hedge such Financial Liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to a large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its Financial Obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient Cash and Cash Equivalents to meet expected operational expenses, including Financial Obligations through preparation of the Cash Flow forecast, prepared based on timeline of payment of the Financial Obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short-term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through Cash Flows projections and credit lines facilities with banks are negotiated accordingly.

Expiry of any revenue-generating contract that may adversely affect the business: The Company has no long-term contract with their customers so not in risk of expiry of any revenue-generating contract.

External risk factors may include among others:

Industry Risk:

i) Environmental Issue: Environmentalists are likely to create pressure on government to protect or banning those factories, which are not follow proper ETP, waste management solution, Air pollution etc. which are negative effects on living being and environment thereby causing closure of business of the company. We have a good setup for ETP and incinerator for waste management, a very good and sophisticated fire alarm system with integrated fire hydrant and firehouse arrangement with carbon dioxide fire extinguisher, dry powder and sand bucket. The company also strictly follows the laid down regulations for marketing the products and therefore does not foresee any problems in doing the business.

ii) Political Risks: Bangladesh is prone to serious unrest in the political condition which produces Strike, Road-Block and Domestic Terror Attacks in Bangladesh could increase over the coming months, this could have an adverse impact on the country's economic growth prospects as investors, expatriates, and tourists may be deterred. During the last forty periods of post-independence period, Bangladesh has gone through a variety of political situations. At present political situation is much stable in the country as the oppositionist not much active in the field. Last democratic national assembly election and local council polls are instances of peaceful political situation in Bangladesh.



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
3.00 Property, Plant and Equipment: Tk. 3,421,837,366			
	This is made up as follows:		
	Cost		
	Opening Balance	1,544,433,709	1,238,375,809
	Addition during the year	557,290,503	325,449,482
	Adjustment/disposal during the year	-	(19,391,582)
	Closing Balance	2,101,724,213	1,544,433,709
	Revaluation		
	Opening Balance	1,966,271,632	1,966,271,632
	Adjustment due to revaluation during the year	-	-
	Closing Balance	1,966,271,632	1,966,271,632
	Total Cost & Revaluation	4,067,995,845	3,510,705,342
	Depreciation		
	Opening Balance	540,385,659	510,661,262
	Charged during the year	105,772,821	49,115,756
	Adjustment during the year	-	(19,391,359)
	Closing Balance	646,158,480	540,385,659
	Written Down Value	3,421,837,366	2,970,319,683
3.01 Intangible Assets: Tk. 770,000			
	This is made up as follows:		
	Cost		
	Opening Balance	1,100,000	-
	Addition during the year	-	1,100,000
	Total Cost	1,100,000	1,100,000
	Depreciation		
	Opening Balance	110,000	-
	Charged during the year	220,000	110,000
	Closing Balance	330,000	110,000
	Written Down Value	770,000	990,000
4.00 Capital Work In Progress: Tk. 403,007,534			
	This is made up as follows:		
	Opening Balance	159,035,250	-
	Add: Addition during the year	755,282,533	156,049,000
		914,317,784	156,049,000
	Add: Interest Capitalized:		
	Interest on Term Loan	525,000	2,986,250
	Less: Capitalized during the year		
	Capitalized in Factory Building	(511,835,250)	-
	Closing Balance	403,007,534	159,035,250
5.00 Right-of-Use Asset: Tk. 204,018,990			
	This is made up as follows:		
	Cost		
	Opening Balance	490,163,324	297,023,603
	On Lease Vehicles	468,009,472	274,869,751
	On Rental Asset	22,153,852	22,153,852
	Addition during the year on Vehicles	4,601,000	193,139,721
	Less: Adjustment during the year	(1,493,943)	-
	Closing Balance	493,270,381	490,163,324
	Depreciation		
	Opening Balance	230,419,330	192,261,435
	On Lease Vehicles	218,187,735	185,983,194
	On Rental Asset	12,231,595	6,278,241
	Charge during the year	60,063,527	38,157,895
	Less: Adjustment during the year	(1,231,465)	-
	Closing Balance	289,251,391	230,419,330
	Written Down Value	204,018,990	259,743,994
6.00 Investment in Marketable Securities (Fair Value): Tk. 159,028,097			
	This is made-up as follows:		
	Total Market Value Securities	159,028,097	-
	Total Cost of Marketable Securities	254,385,024	-
	Unrealized Gain/(loss)	(95,356,927)	-

During the year total Realized Gain/(loss) from sale of marketable securities is Tk. 82,902,284/-



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
7.00 Inventories: Tk. 1,009,145,823			
This is made-up as follows:			
	Raw Material	367,866,435	252,923,665
	Packing Material	148,435,283	90,015,455
	Finished Goods	390,328,433	365,136,224
	Work-in-Process	98,809,121	90,459,914
	Printed & Gifted Promotional Stock	3,706,552	3,630,315
	Total	1,009,145,823	802,165,574

i) The inventory quantity can not be disclosed/ inserted here as some of material contain in liter some are in pieces some are in box and some are in kg, gram, mili-gram, ton, liter and pcs.

ii) There is no damage goods item in the inventory list.

iii) As part of loan condition all of the company's inventory are pledged as security for loan finance of the company.

8.00 Trade and Other Receivables: Tk. 547,819,881

This is made-up as follows:

	Trade Receivables-Local Sales	482,282,704	344,385,968
	Trade Receivables-Export Sales	37,688,728	90,428,427
	Receivable for Export Cash Incentive	27,815,948	28,076,825
	Interest Receivable on FDR	32,500	-
	Total	547,819,881	462,891,220

Export Receivable as at 30 June 2022 total \$ 403,088 has been translated @ Tk. 93.50 spot rate and resulting unrealized gain of Tk. 3,817,751 has been reported under 'FOREX Gain/Loss Account'.

Accounts Receivable Ageing :

	0 -3 months	435,575,697	354,944,547
	3 - 6 months	60,824,892	66,265,468
	6-12 months	26,126,810	23,936,203
	> 1 Year	25,058,462	17,745,002
	Total	547,585,861	462,891,220

Information about Accounts receivable as per requirement under Schedule XI Part I Para 4 of the Companies Act 1994.

Debtors have been stated at their nominal value. Debtors are accrued in the ordinary course of business.

Particulars	Amount in Taka	Amount in Taka
Receivable considered good in respect of which the company is fully secured.	37,688,728	87,687,196
Accounts receivable considered good for which the company holds no security other than the debtor personal security.	510,098,652	368,828,941
Accounts receivable considered doubtful or bad	-	6,375,083
Accounts receivable due by directors or other officers of the company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or a member to be separately stated	-	-
Accounts receivable due by Common Management	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-

9.00 Advances, Deposits and Prepayments: Tk. 1,204,469,458

This is made-up as follows:

	Advance for Suppliers (Others)	80,074,638	68,364,697
	Advance for Raw/Packing Purchase	92,932,529	55,471,888
	LC Margin for Raw Material	36,033,000	41,710,501
	VAT paid on Finished Goods	131,679,055	82,309,879
	Security Money	6,853,594	6,468,882
	Prepaid Insurance	2,594,925	1,977,112
	Pre-IPO Expenses	11,893,782	-
	Advance against Lease for vehicles	1,222,534	1,888,616
	Advance against Rent Sales Center	6,113,460	1,876,400
	Advance against Customs Duty	498,300	436,581
	Advance Income Tax (Note: 9.01)	287,948,490	177,679,274
	Advance for Capital Expense	382,988,255	4,816,983
	LC Margin for Capital goods	163,636,897	1,484,448
	Total	1,204,469,458	444,485,260



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
9.01 Advance Income Tax: Tk. 287,948,490			
This is made-up as follows:			
Opening Balance		177,679,274	174,138,826
Addition during this year			
TDS at Import Stage (u/s 53)		66,058,521	46,219,442
Deducted at source from Export Proceed (u/s 53)		1,240,298	858,732
Deposited at the time of Vehicle Registration (AIT) (u/s 68B)		2,870,500	934,140
Deducted from Institutional sales (u/s 52)		1,986,022	1,637,800
Deducted from Toll Bill (u/s 52A)		11,290	-
Deducted from Bank interest (u/s 53F)		335,566	2,735
Deducted from Dividend Income (U/s 54)		652,816	-
Deducted from Export Cash Incentive Proceed (u/s 53F)		1,599,000	1,761,300
Advance tax paid U/s 64 for AY 2022-23		34,000,000	-
Advance tax paid U/s 64 for AY 2021-22 incl. Tk. 3,483,824 (AY19-20) tax refund		-	26,483,824
Paid for Assessment year 2020-21		1,515,203	-
Paid for Assessment year 2005-06		-	18,500
Paid for Assessment year 2012-13		-	242,023
Paid for Assessment year 2013-14		-	625,000
Paid for Assessment year 2015-16 (12 Month)		-	5,263,293
Paid for Assessment year 2015-16 (10 Month)		-	8,229,401
		110,269,216	92,276,190
Less: Adjusted during the year		-	(88,735,742)
Total		287,948,490	177,679,274

Information about Advances Deposits & Prepayments as per requirement under Schedule XI Part I Para 6 of the Companies Act 1994.

Debtors have been stated at their nominal value. Debtors are accrued in the ordinary course of business.

Particulars	Amount in Taka	Amount in Taka
i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.	-	-
ii) Advance, deposits & prepayment considered good for which the company holds no security.	1,204,469,458	444,485,260
iii) Advance, deposits & prepayment considered doubtful or bad	-	-
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member	-	-
v) Advance, deposits & prepayment due by companies under the same management.	-	-
vi) The maximum amount due by directors or other officers of the company at any time during the year.	-	-

10.00 Goods In Transit: Tk. 67,575,600 **67,575,600** **73,799,207**

Goods in transit consist of raw materials and packing materials under shipment as on 30 June 2022.

11.00 Cash and Cash Equivalents: Tk. 66,427,585

This is made-up as follows:

Cash at Bank

Jamuna Bank Ltd., Rupshi Br. A/c. 1661	807,934	70,006
Jamuna Bank Ltd., Rupshi Br. A/c. 1670	-	587
Pubali Bank Ltd., Dhaka Stadium Br. A/c 473	7,136,884	807,249
Southeast Bank Ltd., Corporate Br. CD A/C No.648	2,384,152	380,794
Southeast Bank Ltd., Corporate Br. CD A/C No 7614	1,959,503	7,776
Dutch Bangla Bank Ltd., Local Office, CD A/C No.957	4,760,908	9,408,339
Sonali Bank Ltd., Customs House Br. A/c 379	4,110,034	438,235
Sonali Bank Ltd., Customs House Br.A/c 378	92,239	97,419
Al Arafah Islami Bank Ltd., VIP Road Br. A./c-7189	425,432	7,254,111
Al Arafah Islami Bank Ltd., VIP Road Br. ERQ A./c-46	3,280,849	-
United Commercial Bank Ltd., Gulshan Br., A./c-0011	9,147,417	1,835,883
United Commercial Bank Ltd., Gulshan Br. A./c-0055	2,041	49,009
United Commercial Bank Ltd., SND A.C-162	45,345	-
Dhaka Bank Ltd.. Banani Br. A/c-28321	-	119,175
NRBC Bank Ltd. -SND 033	1,848,314	-
Shimanto Bank Ltd., CD-012	281,508	-
Community Bank BD Ltd.-9101	31,479	-
Pubali Bank Ltd. Faridpur Br. A./c-160	213,562	108,341
Pubali Bank Ltd., Mymensingh Br.- A/c 294	110,220	-
Pubali Bank Ltd., Dargagate Br. A./c-125	295,831	-



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
	Pubali Bank Ltd., Kamalpur Br. A/c-25303	1,599	887
	Pubali Bank Ltd., Maizdee Court Br. A./c-840	2,882	1,179
	Pubali Bank Ltd., Momin Road Br. A./c-8940	1,701,600	1,888
	Southeast Bank Ltd., Barisal Br. A./c-051	6,250	1,912
	Southeast Bank Ltd., Bogra Br. A./c-246	406,061	1,895
	Southeast Bank Ltd., Comilla Br. A./c-044	305,364	1,045
	Southeast Bank Ltd., Corporate Br.A./c-8200	1,090,138	157,383
	Southeast Bank Ltd., Cox's Bazar Br. A./c-091	307,391	1,680
	Southeast Bank Ltd., Dinajpur Br.-A/c 0144	403,516	741
	Southeast Bank Ltd., Jessore(SME) Br. A./c-347	496,386	859
	Southeast Bank Ltd., Joydevpur Br. A./c-027	1,161,740	2,845
	Southeast Bank Ltd., Khulna Br. A./c-925	1,145	1,241
	Southeast Bank Ltd., Rajshahi Br. A./c-014	1,005,178	1,478
	Southeast Bank Ltd., Rangpur Br. A./c-284	405,612	42
		44,228,509	20,754,978
	FDR at IPDC AC-25213	3,000,000	-
	Cash in Hand	19,199,076	5,021,337
	Total	66,427,585	25,776,315

The Bank Balances have been reconciled where necessary and were agreed with the balance as per bank statements as on 30-06-2022. Cash in hand balance was duly certified by the management. The balance in AIBL ERQ A/c has been translated in Tk.93.50 resulting in exchange gain of Tk.52,632/- as at 30-06-2022.

12.00 Paid-up Share Capital: Tk. 802,301,500

This is made-up as follows:

A. Authorized Capital:

200,000,000 Ordinary Shares of Tk. 10 each 2,000,000,000 2,000,000,000

B. Issued Subscribed & Paid up Capital:

80,230,150 Ordinary Shares of Tk. 10 each 802,301,500 802,301,500

Total **802,301,500** **802,301,500**

Capital Structure of the Company		Percentage %		As at 30 June 2022	As at 30 June 2021
Name	Designation	30-Jun-22	30-Jun-21	Share Nos	Share Nos
Mr. Anisuzzaman Chowdhury	Chairman	5.00%	5.00%	4,014,010	4,014,010
Professor Dr. Md. Jonaid Shafiq	Managing Director	9.02%	9.02%	7,237,230	7,237,230
Mrs. Imrana Zaman Chowdhury	Director	5.00%	5.00%	4,014,010	4,014,010
Mrs. Masuma Parvin	Director	9.84%	7.44%	7,894,891	5,965,960
Dr. Zahara Rasul MD, CCFP	Director	6.00%	6.00%	4,814,810	4,814,810
Mr. Javed Kaiser Ally	Director	3.12%	5.59%	2,500,000	4,484,480
Mrs. Tarana Ahmed	Director	3.12%	5.59%	2,500,000	4,484,480
Dr. Sayeed Ahmed	Director	3.29%	3.29%	2,642,640	2,642,640
Mr. Manzurul Islam	Sponsor Director	3.12%	15.00%	2,500,000	12,032,020
Mrs. Suraiya Islam	Sponsor Director	0.00%	5.14%	-	4,124,120
General Shareholders	N/a	52.49%	32.93%	42,112,559	26,416,390
Total		100%	100%	80,230,150	80,230,150

Shareholding Pattern of the Company

Category of Shareholders	30-Jun-22	30-Jun-21	Ordinary Shares No.	Ordinary Shares No.
Director and Sponsor	47.51%	67.07%	38,117,591	53,813,760
Local Institute	5.05%	6.24%	4,055,000	5,005,000
Foreign Institute	24.78%	7.24%	19,879,102	5,805,800
General Shareholders	10.32%	7.11%	8,278,567	5,705,700
Non-Resident Bangladeshi	12.34%	12.34%	9,899,890	9,899,890
Total	100%	100%	80,230,150	80,230,150

13.00 Revaluation Reserve: Tk. 1,966,271,633

This is made-up as follows:

Opening Balance	1,966,271,633	1,966,271,633
Less: Adjusted during the year	-	-
Revaluation Reserve:	1,966,271,633	1,966,271,633

14.00 Loan from Directors: Tk. 30,000,000

This is made-up as follows:

Opening Balance	30,000,000	38,727,500
Received from Professor Dr. Md. Jonaid Shafiq	-	7,895,982
Received from Dr. Zahara Rasul	-	6,000,788
Received from Mrs. Imrana Zaman Chowdhury	-	10,736,800
Received from Mr. Javed Kaiser Ally	-	2,683,215
Received from Mrs. Tarana Ahmed	-	2,683,215
	30,000,000	68,727,500
Less: Paid to Mr. Manzurul Islam	-	(38,727,500)
Closing Balance	30,000,000	30,000,000



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
15.00 Lease Liabilities: Tk. 129,974,652			
This is made-up as follows:			
Opening balance		166,148,307	51,711,657
Add: Addition during the year for ROUA for Vehicle		4,601,000	142,928,665
Less: Payment during the year		(40,774,655)	(28,492,015)
Closing balance		129,974,652	166,148,307
15.01	Principal Payment due within one year	29,254,646	34,620,415
15.02	Principal Payment due within two to five year	100,720,006	131,527,892
	Total	129,974,652	166,148,307
16.00 Long Term Loan: Tk. 169,515,942			
This is made-up as follows:			
AIBL Term Loan (HPSM Ind), VIP Road Br., Dhaka		86,908,171	100,000,000
AIBL Term Loan (HPSM RE) VIP Road Br., Dhaka		45,642,807	30,000,000
AIBL Term Loan (HPSM Machine) VIP Road Br., Dhaka		14,156,036	21,777,000
IPDC Term Loan- AC		22,808,929	-
Total		169,515,942	151,777,000
16.01	Payment due within one year	28,125,222	18,797,712
16.02	Payment due within two to four year	141,390,720	132,979,288
	Total	169,515,942	151,777,000
17.00 Deferred Tax Liability: Tk. 59,415,004			
This is made-up as follows:			
Opening Balance		48,740,390	17,301,661
Addition during the year:			
Deferred tax on PPE and ROUA		10,674,614	31,438,729
Total		59,415,004	48,740,390
Less: Deferred Tax Asset (Note 17.01)		17,052,502	20,488,185
Net Deferred Tax Liability Balance		42,362,502	28,252,205
17.01 Deferred Tax Asset: Tk. 17,052,502			
This is made up as follows:			
Opening Balance		20,488,185	23,760,605
Addition/(Adj) during the year		(3,435,683)	(3,272,421)
Deferred Tax on Lease Liability		(1,458,702)	(2,041,445)
Deferred Tax on Gratuity		(2,105,711)	(1,526,472)
Deferred Tax on Broken Damage Expired Goods		121,494	57,878
Deferred Tax on Provision for Bad Debts		7,236	237,619
Closing Balance		17,052,502	20,488,185
Breakup of Closing DTA:			
Deferred Tax on Lease Liability		746,245	2,204,947
Deferred Tax on Gratuity		13,626,355	15,732,067
Deferred Tax on Broken Damage Expired Goods		760,140	638,646
Deferred Tax on Provision for Bad Debts		1,919,761	1,912,525
Total		17,052,502	20,488,185
18.00 Short Term Loan: Tk. 2,682,055,890			
This is made-up as follows:			
Southeast Bank Ltd. OD		-	(973)
AIBL Bai-Muajjal OD		646,398,558	498,813,773
AIBL Bai-Muajjal-Stimulus Loan		200,000,000	-
Dhaka Bank Ltd. OD		179,444,139	17,837,299
Shimanto Bank Ltd. OD		223,842,166	-
Community Bank Bangladesh Ltd. OD		194,842,264	-
Dhaka Bank Time loan		194,500,000	-
Community Bank Bangladesh Ltd. Time Loan		30,000,000	-
Shimanto Bank Ltd. Time loan		40,000,000	-
AIBL LTR		94,470,651	43,487,717
Dhaka Bank Ltd. LTR		-	612,620
Southeast Bank Ltd. UPAS		-	212,461,094
Dhaka Bank Ltd. UPAS		60,311,240	2,120,000
AIBL UPAS		710,122,528	361,322,000
Margin Loan for Investment in Securities		108,124,344	-
Total		2,682,055,890	1,136,653,530

The above balances were in agreement with the balance as per respective bank statement as on 30-06-2022. Provision is kept as per matching principal.



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
19.00 Trade and Other Payables: Tk. 547,142,023	This is made-up as follows:		
	Trade Payables	29,484,513	20,434,370
	Salary Payables	32,623,081	38,555,478
	VAT Payable	58,614,557	37,399,370
	Payable Audit Fee	230,000	230,000
	Payable for Other Supplies	600,490	434,432
	Payable Director Remuneration	750,000	750,000
	Payable-Sales Center Rent	860,827	727,240
	Payable for Utility	3,261,065	3,105,776
	Provision for Gratuity (Note 19.01)	49,550,383	52,440,223
	Provision for Bad Debt (Note 19.02)	6,980,950	6,375,083
	Provision for Broken, Damage & Expiry (Note 19.03)	2,764,146	2,128,819
	Provision for Income Tax (Note 19.04)	245,110,056	141,435,969
	Provision for W.P.P.F (Note 19.05)	18,916,683	25,378,539
	Interest Payable on Short Term Loan	76,553,448	19,407,759
	Interest Payable on Term Loan	1,002,173	304,878
	Interest Payable on Lease Liability	2,999,634	3,649,634
	Interest Payable on Other Loan	554,927	158,997
	Interest Payable Capitalized on Term Loan	-	2,986,250
	Withholding Tax Payable	245,211	4,678,909
	Loan from Others	12,614,078	6,700,000
	Payable for PPE and Lease Asset	3,425,802	14,689,024
	Total	547,142,023	381,970,750
19.01 Provision for Gratuity: Tk. 49,550,383	This is made-up as follows:		
	Opening Balance	52,440,223	53,103,196
	Provision made during the year	24,886,161	35,037,026
	Less: Paid/Adj. during the year	(27,776,000)	(35,700,000)
	Total	49,550,383	52,440,223
19.02 Provision for Bad Debt: Tk. 6,980,950	This is made-up as follows:		
	Opening Balance	6,375,083	5,153,558
	Provision made during the year (0.1% of Local Sales)	4,582,302	3,366,312
	Less: Adjusted during the year	(3,976,436)	(2,144,787)
	Total	6,980,950	6,375,083
19.03 Provision for Broken, Damage and Expiry: Tk. 2,764,146	This is made-up as follows:		
	Opening Balance	2,128,819	1,786,979
	Provision made during the year	1,653,138	1,239,381
	Less: Adjustment during the year	(1,017,811)	(897,541)
	Total	2,764,146	2,128,819
19.04 Provision for Income Tax: Tk. 245,110,056	This is made-up as follows:		
	Opening Balance	141,435,969	161,279,132
	Provision made during this year	103,674,087	51,474,025
	Additional provision for earlier years:		
	AY: 2005-06	-	18,500
	AY: 2012-13	-	242,023
	AY: 2013-14	-	625,000
	AY: 2015-16 (12 Month)	-	4,820,143
	AY: 2015-16 (10 Month)	-	8,801,539
	AY: 2019-20	-	(572,474)
	Total:	245,110,056	226,687,887
	Less: Adj. of earlier Assessment year balance upon Final Order		
	AY: 2019-20	-	(57,873,359)
	AY: 2005-06	-	(18,500)
	AY: 2012-13	-	(242,023)
	AY: 2013-14	-	(625,000)
	AY: 2015-16 (12 Month)	-	(11,709,634)
	AY: 2015-16 (10 Month)	-	(14,783,402)
	Total	245,110,056	141,435,969



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
19.05	Provision for W.P.P.F: Tk. 18,916,683		
	This is made-up as follows:		
	Opening Balance	25,378,539	23,652,468
	Provision made during the year	19,589,296	15,120,632
	Less: Paid to WPPF a.c for AY 2018-19	-	(5,628,031)
	Less: Paid to WPPF a.c for AY 2019-20	-	(7,766,530)
	Less: Paid to WPPF a.c for AY 2020-21 to Labour Welfare Fund	(1,093,052)	-
	Less: Paid to WPPF a.c for AY 2021-22 to Labour Welfare Fund	(1,512,063)	-
	Less: Paid to WPPF a.c for AY 2020-21 to WPPF	(9,837,468)	-
	Less: Paid to WPPF a.c for AY 2021-22 to WPPF	(13,608,569)	-
	Total	18,916,683	25,378,539

Notes	Particulars	Amount in BDT	
		2021-2022	2020-2021
20.00	Sales: Tk. 4,758,706,524		
	This is made-up as follows:		
	Local Sales Human Health	4,376,138,837	3,176,268,808
	Export Sales	176,404,474	240,264,065
	Local Sales Animal Health	1,029,949,813	711,691,777
	Gross sales	5,582,493,124	4,128,224,650
	Less: Value Added Tax (VAT)	823,786,600	521,648,164
	Net sales	4,758,706,524	3,606,576,486

Sales figure is presented on net of VAT in the statement of profit or loss and other comprehensive income.

Breakup of Net Turnover

Local Sales Human Health Division	3,596,176,805	2,705,510,058
Export Sales	176,404,474	240,264,065
Local Sales Animal health division	986,125,244	660,802,363
Total	4,758,706,524	3,606,576,486

Sales comprises pharmaceutical formulation products of various therapeutic categories in different dosage forms and strengths. The quantity sold under different broad categories are as follows:

Dosage Form	UoM	2021-2022	2020-2021
Tablet, Capsule, Syrup, Bolus	Pcs.	459,865,674	407,321,235
Liquid, PFS, Oral Solution	Bottle	3,056,253	2,935,568
Powder	Container/ Sachet	1,986,511	1,905,431
Nasal Drops, Nasal Spray, Eye Drops	Dropper	961,537	914,782
Ointment, Cream	Tube	53,579	46,102
Injection	Vial	757,775	705,491
Total		466,681,329	413,828,608

21.00 Cost of Sales: Tk. 2,586,134,851

This is made-up as follows:

Raw Material Consumption (Note No: 21.01)	1,614,976,476	1,137,454,859
Packing Material Consumption (Note No: 21.02)	672,609,153	600,664,006
Factory Expenses (Note No: 21.03)	402,739,043	324,245,546
Total Manufacturing Cost	2,690,324,672	2,062,364,411
Opening Stock Work-In-Process	90,459,914	71,933,212
Closing Stock Work-In-Process	(98,809,121)	(90,459,914)
Cost of Production	2,681,975,466	2,043,837,708
Opening Stock Finished Goods	365,136,224	325,894,338
Finished goods available for sale	3,047,111,690	2,369,732,046
Cost of Physician Sample transferred to Marketing Exp.	(50,317,662)	(19,672,225)
Cost of Bonus Product transferred to Marketing Exp.	(20,330,744)	(5,393,056)
Closing Stock Finished Goods	(390,328,433)	(365,136,224)
Cost of Goods Sold	2,586,134,851	1,979,530,541

21.01 Raw Material Consumption: Tk. 1,614,976,476

This is made-up as follows:

Opening Stock of Raw Materials	252,923,665	249,828,071
Add: Purchase during the year	1,729,919,246	1,140,550,453
Less: Closing Stock of Raw Materials	(367,866,435)	(252,923,665)
Total	1,614,976,476	1,137,454,859



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
21.02	Packing Material Consumption: Tk. 672,609,153		
	This is made-up as follows:		
	Opening Stock of Packing Materials	90,015,455	104,821,977
	Add: Purchase during the year	731,028,981	585,857,484
	Less: Closing Stock of Packing Materials	(148,435,283)	(90,015,455)
	Total	672,609,153	600,664,006
21.03	Factory Expenses: Tk. 402,739,043		
	This is made-up as follows:		
	Salary and Allowance	165,447,647	147,095,898
	Festival Bonus	13,020,963	11,580,376
	Contribution to Provident Fund	7,700,171	6,294,332
	Conveyance	140,233	77,540
	Holiday Allowance & Overtime	14,687,165	12,488,207
	Cylinder Expenses	647,255	883,631
	Diesel for generator	3,876,390	4,644,000
	Electricity Bill	28,179,056	24,403,268
	Entertainment	1,542,855	1,387,452
	Renewal Fees	142,168	216,164
	Fees & Forms	198,744	155,439
	Insurance Premium-Fire & Burglary	1,866,686	1,812,884
	Gas Bill	613,395	550,539
	Group Insurance Premium	281,518	273,078
	Laboratory Chemicals	9,724,071	9,249,338
	Medical Expenses	25,412	23,191
	Newspaper & Periodicals	4,878	4,559
	Repair & Maintenance	7,217,435	4,772,269
	Medical Waste Management Expense	640,550	307,547
	Sanitation Expense	1,928,163	1,553,157
	Spare Parts for machinery	9,551,245	19,639,122
	Mobile Telephone Bill	780,805	657,961
	Staff Quarter Rent	1,354,215	1,474,413
	Rent for Depot	971,458	-
	Stationery	1,249,558	1,225,057
	Subsidy on Canteen	6,300,626	5,185,561
	Uniform & Liveries	666,345	1,024,175
	Staff Transport Cost	3,844,094	2,439,649
	Vehicle Petrol Oil & Lubricants	2,017,943	1,421,229
	Vehicle-Toll & Levies	219,782	226,807
	Vehicle Repair-Spare Parts	783,040	745,951
	Vehicle Tax & Renewals	104,633	111,914
	Land Revenue	340,350	311,204
	Toll Charges (Contract Manufacturing)	28,993,892	786,456
	Gratuity	4,910,917	3,059,588
	Broken, Damaged & Expiry Expenses	1,653,138	1,239,381
	Depreciation on PPE & ROUA	81,112,247	56,924,208
	Total	402,739,043	324,245,546
22.00	Administrative Expenses: Tk. 151,042,811		
	This is made-up as follows:		
	Salary and Allowances	52,597,300	38,391,287
	Festival Bonus	5,026,221	3,118,749
	Contribution to Provident Fund	2,514,012	2,039,580
	Gratuity	8,823,757	7,613,250
	Holiday Allowance & Overtime	1,370,505	1,216,466
	Audit Fees	230,000	230,000
	Board Meeting Fee	655,500	7,100
	Audit Committee & NRC Meeting Fee	120,750	-
	Professional Fees	586,444	1,412,152
	Advertising Expenses	199,944	260,100
	Conveyance and Travelling	402,980	467,752
	Director's Remuneration	9,837,313	7,600,000
	Electricity Bill	2,696,038	1,799,406
	Internet Bill	422,505	460,133
	Gardening Expenses	360,695	50,000
	Entertainment	2,057,141	1,849,935
	Subscription Fee	277,122	504,034
	Registration Fees and Renewal Fees	510,530	1,059,192
	Foreign Tour Expenses	4,488,246	3,954,169
	Gas Bill	49,210	35,000



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
	Group Insurance Premium	85,085	82,534
	Insurance Premium Fire & Burglary	162,756	153,080
	Mobile Telephone Bill	649,572	697,848
	Newspapers & Periodicals	21,004	410
	Repair & Maintenance	2,709,674	4,114,631
	Staff Transport Cost	1,625,902	2,081,874
	Sanitation Expense	1,105,511	782,656
	Stationery	1,149,521	957,934
	Telephone	21,490	22,315
	Vehicle repair-spare parts	969,108	1,317,940
	Vehicle-Toll & Levies	47,404	13,945
	Vehicle Tax & Renewals	500,700	99,938
	Vehicle Petrol Oil & Lubricants	3,319,832	1,342,064
	WASA	563,705	477,099
	Subsidy on Canteen	891,426	597,718
	Iftar Bill	18,900	28,781
	Bad Debt Expense	4,582,302	3,366,312
	Training Expenses	35,698	28,320
	Other Expenses	14,559	12,766
	Bank Charges	4,960,582	5,811,237
	Bank Charges-Export	2,022,271	2,282,061
	BO Charges, Interest on margin Loan	8,290,153	-
	Software Services	271,626	816,133
	Security Services	635,491	601,950
	Depreciation on Rental Asset (Annex-ROUA)	12,429,319	5,953,354
	Depreciation Other than Rental Asset (Annex-PPE)	10,513,008	8,132,030
	Amortization on software	220,000	110,000
	Total	151,042,811	111,953,238

As per IFRS 16-Leases Office Rent for current year has been presented under Depreciation.

23.00 Selling & Marketing Expenses: Tk. 1,143,937,454

This is made-up as follows:

Salary and Allowances	529,084,030	455,348,501
Festival Bonus	41,648,649	35,145,461
Contribution to Provident Fund	28,986,577	19,120,320
Incentives	61,186,025	20,841,499
Tender Form	64,250	67,000
Gratuity	6,909,412	19,929,654
Stationery	4,008,318	2,197,661
Holiday Allowance & Overtime	74,910	31,812
Daily Expenses for Field workers	227,099,471	223,999,176
Travelling and Conveyance	3,120,817	2,422,017
Bonus On Sales	20,330,744	5,393,056
Product Expiry Replacement	19,028,522	10,672,923
Group Insurance Premium	1,205,787	1,169,637
Insurance Premium Export	888,932	685,344
Export Freight Expenses	3,384,990	3,553,310
Registration Fee	2,042,945	3,743,722
Scientific Seminar	4,192,290	536,175
Meeting	8,703,185	5,493,785
Day Celebration	1,257,423	118,685
Product Registration Fee	1,330,582	1,896,071
Entertainment	1,028,570	924,968
Renewal Fees	143,750	631,050
Training Expenses	1,261,641	761,004
Monthly regional conference	2,804,000	2,493,785
Courier Service & Postage	507,127	517,047
Mobile Telephone Bill	15,149,579	21,593,602
Printed & Gifted Promotional Expenses (23.01)	78,357,630	18,460,406
Sample Expenses	50,317,662	19,672,225
Campaign Expenses	2,123,220	1,610,781
Society Contribution	304,503	68,822
Advertisement & Souvenir Expense	2,302,327	832,440
Vehicle Insurance	-	154,943
Vehicles Repair-Spare Parts	880,888	632,545
Vehicle Petrol Oil & Lubricants	1,061,598	931,621
Vehicle-Toll & Levies	54,320	27,745
Vehicle-Tax & Renewals	458,237	261,924
Repair & Maintenance	651,254	542,440
Software Services	1,437,012	1,694,930
Iftar Bill	48,988	803,111
Staff Transport Cost	1,834,628	3,535,613
Subsidy on Canteen	751,716	485,915
Foreign Tour Expenses	5,829,415	2,418,056
Prescription Survey Report Fee	2,862,201	-
Depreciation on PPE & ROUA	9,219,330	3,252,812
Total	1,143,937,454	894,673,593



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
23.01	Movement of Printed & Gifted Promotional Material: Tk. 3,706,552		
	This is made-up as follows:		
	Opening stock	3,630,315	8,623,077
	Add: Purchase during the year	78,433,866	13,467,645
	Less: Consumption during the year	78,357,630	18,460,406
	Closing Stock	3,706,552	3,630,315
24.00	Distribution Expenses: Tk. 288,402,731		
	This is made-up as follows:		
	Salary and Allowances	99,371,710	93,851,780
	Festival Bonus	8,683,870	8,389,496
	Contribution to Provident Fund	4,978,288	4,997,410
	Repair & Maintenance	1,024,763	1,161,390
	Stationery	4,586,773	4,983,168
	Daily Expenses for Field workers	41,482,845	64,267,191
	Holiday Allowance & Overtime	3,672,229	2,174,494
	Insurance Premium Fire & Burglary	454,715	436,277
	Group Insurance Premium	347,939	337,508
	Sales Centre Rent	14,508,586	11,984,928
	Travelling and Conveyance	270,384	385,334
	Entertainment	514,285	462,484
	Telephone Bill	10,108	17,426
	Security Services	378,177	384,000
	Electricity	3,054,724	2,290,266
	Land Revenue	21,786	21,786
	Gratuity	4,242,075	4,434,533
	Driver Allowance	2,182,288	1,884,750
	Re-packing Expenses	6,891,276	3,217,935
	Internet Bill	232,589	198,438
	Gas Bill	142,900	173,100
	Wasa Bill	291,080	492,636
	Courier Service & Postage	4,154,504	4,163,010
	Consumables & Supplies	654,696	760,174
	Mobile Telephone Bill	1,387,238	1,188,302
	Renewal Fees	1,005,785	387,893
	Vehicle Insurance	-	206,709
	Vehicle-Toll & Levies	3,655,984	2,455,683
	Vehicle-Tax & Renewals	1,833,539	410,512
	Vehicles Repair-Spare Parts	6,182,107	5,531,641
	Vehicle Petrol Oil & Lubricants	19,482,613	22,012,970
	Transfer & Other Charges	140,432	32,994
	Depreciation on PPE & ROUA	52,562,443	13,011,248
	Total	288,402,731	256,707,467
25.00	Finance Expenses: Tk. 200,421,168		
	This is made-up as follows:		
	Interest charged on Short term loan	169,674,959	62,246,915
	Interest charged on Long term loan	18,315,690	4,526,125
	Interest charged on Lease Liability	11,694,234	8,252,499
	Interest on Other loan	736,285	158,997
	Total	200,421,168	75,184,536
26.00	Other Income/ (Loss): Tk. 22,607,712		
	This is made-up as follows:		
	Cash Incentive	15,854,889	22,750,936
	Bank Interest	2,280,376	29,445
	Interest on FDR	32,500	-
	Dividend Income	3,264,591	-
	Sale of Wastage	5,058,678	3,621,460
	Toll Income	924,362	887,755
	FOREX Gain/(loss)	(93,979,209)	(2,521,206)
	Gain on disposal of FA (Note 26.01)	467,522	1,023,000
	Realized Gain/(loss) from Sale of Marketable Securities	82,902,285	-
	Income from PF Contribution Forfeiture	5,801,719	3,214,767
	Total	22,607,712	29,006,157
26.01	Gain on disposal of FA		
	This is made-up as follows:		
	Sale proceed from FA disposed	730,000	1,023,223
	Less: Written Down Value	262,478	223
	Total	467,522	1,023,000



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
27.00	Income Tax: Tk. 117,784,384		
	This is made-up as follows:		
	Current year Tax	103,674,087	51,474,025
	Prior year tax provision shortfall	-	13,934,731
	Deferred Tax Expense/ (Income)	14,110,297	34,711,150
	Total	117,784,384	100,119,906
28.00	Earnings Per Share (EPS)		
	Earnings attributable to the Ordinary Shareholders	274,001,539	202,292,731
	Number of Ordinary Shares	80,230,150	80,230,150
	Earnings Per Share (EPS)	3.42	2.52
29.00	Net Asset Value (NAV) Per Share		
	Total Assets	7,084,100,333	5,199,206,505
	Less Total Liabilities	3,601,051,009	1,894,801,792
	Net Assets	3,483,049,323	3,304,404,713
	Number of Ordinary Shares	80,230,150	80,230,150
	Net Asset Value (NAV) Per Share	43.41	41.19
30.00	Net Operating Cash Flow Per Share (NOCFPS)		
	Net Cash Generated from Operating Activities	199,359,418	121,751,967
	Number of Ordinary Shares	80,230,150	80,230,150
	Net Operating Cash Flow Per Share (NOCFPS)	2.48	1.52

The NOCFPS has been restated in comparative 2020-2021 year due to changes in presentation of 'Bank & Lease Interest Paid' in current year. Had this change been made in the Interim report for Period Ending 31 March 2022, the NOCFPS for would have been Tk. 2.13 and Tk.1.13 for July'21-Mar'22 and Jul'20-Mar'21 respectively.

31.00 Related Party Disclosure

The name of the related parties nature of transaction and their respective year end balance have been set out in accordance with the provisions of Para 18 Disclosure of Transaction between Related Parties of IAS 24 'Related Party Disclosure's. The company in normal course of business carried out transactions at fair value with following related parties:

Name of the Related Party	Relationship	Nature of Transaction	Balance as at 1 July 2021	Net Transaction during the year	Balance as at 30 June 2022
Aftab Hatchery Ltd.	Common Board Member	Sales	7,300	315,403	322,703
Aftab Feed Products Ltd.	Common Board Member	Sales	1,922,056	7,158,463	9,080,519
Meghna Insurance Co. Ltd.	Common Board Member	Insurance Premium Payable	856,423	37,388	893,811
Janata Insurance Co. Ltd.	Common Board Member	Insurance Premium Payable	412,596	169,579	582,175
Md. Jonaid Shafiq	Director	Remuneration	-	3,948,000	300,000
Mr. Javed Kaiser Ally	Director	Remuneration	-	2,582,656	200,000
Dr. Sayeed Ahmed	Director	Remuneration	-	3,306,657	250,000
Mr. Anisuzzaman Chowdhury	Chairman	Board Meeting Fee	-	69,000	-
Professor Dr. Md. Jonaid Shafiq	Director	Board Meeting Fee	-	69,000	-
Ms. Imrana Zaman Chowdhury	Director	Board Meeting Fee	-	69,000	-
Mrs. Masuma Parvin	Director	Board Meeting Fee	-	69,000	-
Dr. Zahara Rasul MD CCFP	Director	Board Meeting Fee	-	69,000	-
Mr. Javed Kaiser Ally	Director	Board Meeting Fee	-	69,000	-
Mrs. Tarana Ahmed	Director	Board Meeting Fee	-	69,000	-
Dr. Sayeed Ahmed	Director	Board Meeting Fee	-	69,000	-
Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	Board Meeting Fee	-	51,750	-
Mr. Mohammad Bul Hassan FCS	Independent Director	Board Meeting Fee	-	23,000	-
Mr. Mohammad Arife Billah (Bar-At-Law)	Independent Director	Board Meeting Fee	-	28,750	-
Mr. Mohammad Bul Hassan FCS	Independent Director	NRC Meeting Fee	-	5,750	-

Notes	Particulars			Amount in Taka	
				30-Jun-2022	30-Jun-2021
Ms. Imrana Zaman Chowdhury	Director	NRC Meeting Fee	-	5,750	-
Mrs. Masuma Parvin	Director	NRC Meeting Fee	-	5,750	-
Dr. Zahara Rasul MD CCFP	Director	NRC Meeting Fee	-	5,750	-
Mrs. Tarana Ahmed	Director	NRC Meeting Fee	-	5,750	-
Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	Audit Comm. Meeting Fee	-	17,250	-
Ms. Imrana Zaman Chowdhury	Director	Audit Comm. Meeting Fee	-	17,250	-
Mrs. Masuma Parvin	Director	Audit Comm. Meeting Fee	-	17,250	-
Dr. Zahara Rasul MD CCFP	Director	Audit Comm. Meeting Fee	-	17,250	-
Mrs. Tarana Ahmed	Director	Audit Comm. Meeting Fee	-	17,250	-
Mr. Mohammad Arife Billah	Independent Director	Audit Comm. Meeting Fee	-	5,750	-

As per Para-17, IAS 24: An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Name	Designation	Particulars	Transaction during the year	Outstanding as on 30 June 2022
Professor Dr. Jonaid Shafiq	Managing Director	Director Remuneration	3,948,000	300,000
Dr. Sayeed Ahmed	Director	Director Remuneration	3,306,657	250,000
Mr. Javed Kaiser Ally	Director	Director Remuneration	2,582,656	200,000

Board Meeting Fee: During the period from 01-07-2021 to 30-06-2022, there were 13 nos board meeting held. The attendance status of all the meeting is as follows. NB: 1st Board meeting of financial year 2021-2022 dated on July 14, 2021 hasn't been paid any fee

Name of Director	Designation	Nos of Meeting Held	Taka	Nos of Meeting Attended	Taka
Mr. Anisuzzaman Chowdhury	Chairman	13	5,750	13	69,000
Professor Dr. Md. Jonaid Shafiq	Managing Director	13	5,750	13	69,000
Ms. Imrana Zaman Chowdhury	Director	13	5,750	13	69,000
Mrs. Masuma Parvin	Director	13	5,750	13	69,000
Dr. Zahara Rasul MD CCFP	Director	13	5,750	13	69,000
Mr. Javed Kaiser Ally	Director	13	5,750	13	69,000
Mrs. Tarana Ahmed	Director	13	5,750	13	69,000
Dr. Sayeed Ahmed	Director	13	5,750	13	69,000
Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	13	5,750	9	51,750
Mr. Mohammad Bul Hassan FCS	Independent Director	13	5,750	4	23,000
Mr. Mohammad Arife Billah (Bar-At-Law)	Independent Director	13	5,750	5	28,750
Total					655,500

Audit Committee Meeting Fee: During the period from 01-07-2021 to 30-06-2022, there were 3 no's Audit Committee Meeting held. The attendance status of all the meeting is as follows

Name of Director	Designation	Nos of Meeting Held	Taka	Nos of Meeting Attended	Taka
Mr. Khondaker Sabbir Mohammad Kabir	Chairman	3	5,750	3	17,250
Ms. Imrana Zaman Chowdhury	Member	3	5,750	3	17,250
Mrs. Masuma Parvin	Member	3	5,750	3	17,250
Dr. Zahara Rasul MD CCFP	Member	3	5,750	3	17,250
Mrs. Tarana Ahmed	Member	3	5,750	3	17,250
Mr. Mohammad Arife Billah	Member	3	5,750	1	5,750
Total					92,000

Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021

Nomination and Remuneration Committee Fee: During the period from 01-07-2021 to 30-06-2022, there were 1 no's Nomination and Remuneration Committee meeting held. The attendance status of all the meeting is as follows

Name of Director	Designation	Nos of Meeting Held	Taka	Nos of Meeting Attended	Taka
Mr. Mohammad Bul Hassan FCS	Chairman	1	5,750	1	5,750
Ms. Imrana Zaman Chowdhury	Member	1	5,750	1	5,750
Mrs. Masuma Parvin	Member	1	5,750	1	5,750
Dr. Zahara Rasul MD CCFP	Member	1	5,750	1	5,750
Mrs. Tarana Ahmed	Member	1	5,750	1	5,750
Total					28,750

(b) Not paid any Post-employee benefits

(c) Not paid any Other long term benefits

(d) Not paid any Termination benefits

(e) Not paid any Share-based payment

32.00 Contingent Assets

There was no contingent assets as at 30 June 2022.

33.00 Contingent Liability

120,676,846 137,334,101

33.01 Litigation Pending

1. For Non-payment of VAT which the legal experts estimated cost is Tk. 40,000,000/- . It has been stayed by High Court till 27-08-2023.

2. VAT demand of Tk. 31,982,604.12/- for Animal Health Product- "Pusti Premix". It was stayed by High Court on 14-01-2016 until final verdict of court.

3. Demand for Non-payment of VAT & interest to the extent to Tk. 8,666,739.22 by Customs Excise & VAT Commissionerate Dhaka (East) against Navana Health Care past audit reports. It has been stayed by High Court till 26-09-2023.

4. VDS Demand of approx. Tk.9,700,000 as interest from July 2012- June 2017 by LTU Vat from Navana Pharmaceuticals Ltd. which is under process for appeal to the High Court.

5. A petition is filed with High Court against unreasonable demand of Tk. 30,327,503 by Income Tax Tribunal u/s 83(2)/156/159 for AY 2015-16 (11 month).

6. A petition has been filed with Jugma Zilla Judge Court of Narayangonj for reclaiming 30 decimal land opposite of Factory at Rupshi Ruppjonj. It is expected to be favorable.

Bank Guarantee on behalf of the company provided by following Banks:

1. Al-Arafah Islami Bank Limited VIP Road Branch-Tk. 10,688,475.90/-

34.00 Operating segments

(i) Basis for segmentation

The Group has the following strategic business units which are its reportable segments. These business units offer different products and services and are managed separately because they require different technology and marketing strategies.

Reportable Segments	Operation
1. Human Health	Manufacturing, marketing and selling of pharmaceutical products in home and abroad
2. Veterinary	Manufacturing, marketing, distributing and selling of veterinary, poultry and fisheries products

Operating results of two segments are regularly reviewed by the Managing director and board members to make decisions about resources to be allocated to the segment and to assess its performance and for which discrete financial information is available.

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries:



Notes	Particulars	Amount in Taka	
		30-Jun-2022	30-Jun-2021
		For the year ended 30 June 2022	
	Particulars	Human Health	Veterinary
	External revenue	4,552,543,311	1,029,949,813
	Intra-Segment revenue		
	Segment Revenue	4,552,543,311	1,029,949,813
	Depreciation & amortization	134,895,394	30,518,213
	Operating expense	1,291,254,554	292,128,442
	Finance costs/ (income) & WPPF	197,856,000	44,762,177
	Segment Profit/(loss) before tax	319,502,836	72,283,087
	Income tax expense	96,053,591	21,730,793
	Profit after Tax	223,449,245	50,552,294
		For the year ended 30 June 2021	
	Particulars	Human Health	Veterinary
	External revenue	3,416,532,873	711,691,777
	Intra-Segment revenue	-	-
	Segment Revenue	3,416,532,873	711,691,777
	Depreciation & amortization	72,227,973	15,045,678
	Operating expense	1,045,539,797	217,794,503
	Finance costs/ (income) & WPPF	38,217,385	7,960,994
	Segment Profit/(loss) before tax	250,277,735	52,134,902
	Income tax expense	(82,859,577)	(17,260,328)
	Profit after Tax	167,418,158	34,874,574



35.00 The disclosure relating to Schedule XI, Part II, Para 3, 4 & 7 of the Companies Act, 1994

35.01 Disclosure as per requirement of Schedule XI, part II, Note-5 of para 3:

Particulars	2021-2022	2020-2021
Salary/Wages Per Month, Below Tk. 8000	Nil	Nil
Salary/Wages Per Month, Above Tk. 8000	4,196	4,006
Total No. of Employees	4,196	4,006

35.02 Aggregated amount of Remuneration, Fees, Salary & Wages of employees are given below:

Particulars	2021-2022	2020-2021
Directors Remuneration	9,837,313	7,600,000
Wages, Salaries and Allowances (Factory)	165,447,647	147,095,898
Salaries and allowances (Admin, Marketing & Selling)	681,053,040	587,591,568
Total	856,338,000	742,287,466

35.03 Disclosure as per requirement of Schedule XI, part II, para 3 (a) Turnover:

Particulars	2021-2022	2020-2021
Turnover (Values in BDT)	4,758,706,524	3,606,576,486

35.04 Disclosure as per requirement of Schedule XI, part II, para 3 (d) (i): Raw Materials Consumed:

Particulars	2021-2022	2020-2021
Raw Material (Value in BDT)	1,614,976,476	1,137,454,859

35.05 Disclosure of Schedule XI, part-II, Para 4 :

The following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, the subsidiaries of the company and any other person:-

No.	Particulars	2021-2022	2020-2021
(a)	Managerial remuneration paid or payable during the financial year to the directors, including managing directors, a managing agent or manager	9,837,313	7,600,000
(b)	Expenses reimbursed to the Managing Agent	Nil	Nil
(c)	Commission or remuneration payable separately to a managing agent or his associate	Nil	Nil
(d)	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 by such concerns with the company	Nil	Nil
(e)	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	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where practicable	Nil	Nil
(g)	Other allowances and commission including guarantee commission	Nil	Nil
(h)	Pensions, etc.		
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil	Nil
	(iv) Compensation for loss of office	Nil	Nil
(v)	Consideration in connection with retirement from office	Nil	Nil

35.06 Disclosure of Schedule XI, Part-II, Para 8 :

(a) Value of imports calculated on C.I.F basis by the company during the year in respect of Raw materials, Component and Spare Parts and Capital Goods were as follows:

Particulars	30-Jun-2022	30-Jun-2021
i) Raw Materials and Packing Materials	1,453,413,115	1,035,568,236
ii) Capital Goods	163,636,897	5,835,255

(b) No expenditure in foreign currency made during the financial year on account of Royalty, Know-How, Professional Consultation Fees, Interest and Other Matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial year and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particulars	Total Consumption	Imported Taka	(%)	Local Taka	(%)
Raw material and Packing material	2,287,585,629	1,578,434,084	69%	709,151,545	31%

(d) No amount has been remitted during the year in foreign currencies on account of dividends to non-resident shareholders. It is mentioned that the company does not have any non-resident shareholder.

(e) Amount of Foreign Currency in BDT classified under the following heads, namely:

Particulars	30-Jun-2022	30-Jun-2021
i) Export of goods calculated on FOB	176,404,474	240,264,065
ii) No Royalty, Know-How, Professional and consultation fee paid during the year	-	-
iii) No Interest & dividend paid during the year	-	-
iv) No other income received during the year	-	-



35.07 Production Capacity and Utilization

Item Name	UoM (Mill)	Production Capacity		Actual Production		Capacity Utilization	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Tablet, Capsule, Syrup, Bolus	Pcs.	6,736,858	6,386,858	6,292,191	5,243,493	93%	82%
Liquid, PFS, Oral Solution	Bottle	5,858,751	5,858,751	3,077,637	2,849,664	53%	49%
Powder	Container/ Sachet	4,399,701	4,399,701	3,656,538	3,387,118	83%	77%
Nasal Drops, Nasal Spray, Eye Drops	Dropper	580,343,048	580,343,048	549,370,220	484,026,626	95%	83%
Ointment, Cream	Tube	205,974	203,474	42,871	36,642	21%	18%
Injection	Vial	2,931,298	2,931,298	2,635,416	2,558,656	90%	87%
		600,475,630	600,123,130	565,074,873	498,102,198	94%	83%

Production capacity is based on single shift per day. But to meet sales demand, multiple shifts were operated during the year.

36.00 Cash Flows from Operating Activities

A reconciliation of net income or net profit with cash flow from operating activities:

	01 Jul'21-30 June'22	01 Jul'20-30 June'21
Net Profit before tax	391,785,923	302,412,637
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	166,056,347	87,383,651
Bank & Lease Interest	142,832,255	64,147,035
Income Tax Paid	(110,269,216)	(88,792,366)
Realized Gain/(loss) on Marketable Securities	(82,902,285)	-
Dividend Income	(3,264,591)	-
Disposal of ROUA (Vehicle)	(467,522)	-
Disposal of land	-	223
Increase/Decrease in Current Assets:		
Inventory and Goods in transit (Increase)	(200,756,642)	(95,697,343)
Accounts Receivable (Increase)	(84,928,660)	(74,375,362)
Advance Deposit & Prepayment (Increase)	(98,163,561)	(82,111,302)
Increase/Decrease in current Liabilities:		
Trade and Other Payables (Decrease)	79,437,370	8,784,794
Net Cash Generated by Operating Activities	199,359,418	121,751,968

37.00 Events after reporting date

37.01 The Board in its meeting dated 27 October 2022 recommended that 11% cash dividend i.e. Tk. 1.10 per share to be paid for the year 2021-2022. The dividend proposal is subject to shareholders' approval at the forthcoming annual general meeting.

37.02 Foreign exchange loss includes loss arising from the translation of foreign currency short term loan-UPAS. Under IAS 21, closing rate has to be used to convert foreign currency assets and liabilities. Consistent with past practice, the BC selling rate of Tk.93.50/USD as on 30 June 2022 has been used as the closing rate. Subsequently, up to the 30-09-2022 the average rate with different banks was Tk. 102.15/USD. Had this rate been used for the translation of the total foreign loans the impact in currency loss would have been even higher.



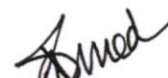
Company Secretary



Chief Financial Officer



Managing Director



Director

Place: Dhaka, Bangladesh
Dated: 27 October 2022



Navana Pharmaceuticals Limited
Schedule of Property, Plant and Equipment
As at 30 June 2022

SL No.	Particulars	Balance as on 01 July 2021				Balance as on 30 June 2022				Dep. Rate	Charged during the year	Adjustment	Balance as on 30 June 2022	Written Down Value as on 30 June 2022	Written Down Value 30 June 2021
		Cost	Revaluation Reserve	Total	Cost	Revaluation Reserve	Total	Adjustment							
1	Land and Land Development	516,631,355	1,966,271,633	2,482,902,988	516,631,355	1,966,271,633	2,482,902,988	-	-	-	-	2,482,902,988	2,482,902,988	2,482,902,988	
2	Building & Other Construction	231,901,794	513,915,336	745,817,130	231,901,794	513,915,336	745,817,130	-	513,915,336	29,953,382	-	159,407,096	586,410,034	102,448,080	
	Office Building	151,940,655	511,835,250	663,775,905	151,940,655	511,835,250	663,775,905	-	24,044,016	101,091	-	132,075,327	531,700,578	43,909,344	
	Office Decoration	15,248,394	2,080,086	17,328,480	15,248,394	2,080,086	17,328,480	-	826,637	-	-	8,355,748	8,972,732	7,719,284	
	Pump House Construction	3,970	-	3,970	3,970	-	3,970	-	-	-	-	3,970	-	-	
	Store Room	27,480	-	27,480	27,480	-	27,480	-	58	-	-	27,153	327	385	
	Office Room Extension	829,201	-	829,201	829,201	-	829,201	-	13,889	-	-	704,203	124,998	138,886	
	Factory Decoration (BMRE)	48,150,595	-	48,150,595	48,150,595	-	48,150,595	-	4,625,296	-	-	6,522,933	41,627,662	46,252,958	
	Factory Wall	3,172,143	-	3,172,143	3,172,143	-	3,172,143	-	101,091	-	-	2,267,327	909,816	1,010,907	
	Pre Fabrication Building	12,445,429	-	12,445,429	12,445,429	-	12,445,429	-	340,105	-	-	9,384,488	3,060,941	3,401,046	
	Solvent Store	78,928	-	78,928	78,928	-	78,928	-	2,290	-	-	65,949	12,979	15,270	
3	Plant & Machinery	568,946,078	3,227,439	3,227,439	572,173,517	-	572,173,517	-	58,419,827	-	-	337,124,177	235,049,340	290,341,728	
	Plant & Machinery	524,355,319	2,514,239	2,514,239	526,869,558	-	526,869,558	-	56,106,317	-	-	301,614,698	225,254,661	278,846,738	
	Electrical Installation	21,097,456	688,000	688,000	21,785,456	-	21,785,456	-	1,047,379	-	-	17,080,226	4,705,230	5,064,609	
	Generator	14,375,046	-	14,375,046	14,375,046	-	14,375,046	-	804,386	-	-	11,157,503	3,217,543	4,021,928	
	Gas Line Installation	3,101,333	-	3,101,333	3,101,333	-	3,101,333	-	349,377	-	-	1,703,827	1,397,506	1,746,883	
	Spare Parts	1,476,205	25,200	25,200	1,501,405	-	1,501,405	-	41,127	-	-	1,311,975	189,430	205,357	
	ETP	660,080	-	660,080	660,080	-	660,080	-	50,492	-	-	458,114	201,966	252,458	
	Electric Sub Station	3,880,639	-	3,880,639	3,880,639	-	3,880,639	-	20,751	-	-	3,797,636	83,003	103,754	
4	Lab Equipment	107,453,312	3,936,070	3,936,070	111,389,382	-	111,389,382	-	9,443,542	-	-	55,647,732	55,741,650	61,249,122	
	Quality Control Equipment	104,092,152	3,936,070	3,936,070	108,028,222	-	108,028,222	-	9,362,649	-	-	52,744,962	52,283,260	60,709,839	
	Tools & Equipment's	3,361,160	-	3,361,160	3,361,160	-	3,361,160	-	80,892	-	-	2,902,770	458,390	539,283	
5	Furniture & Fixture	35,269,913	1,832,614	1,832,614	37,102,527	-	37,102,527	-	1,765,455	-	-	22,122,569	14,979,958	14,912,799	
	Furniture & Fixture	26,017,146	1,292,714	1,292,714	27,309,860	-	27,309,860	-	1,212,898	-	-	15,595,664	11,714,196	11,634,380	
	Back & Palettes	9,252,767	539,900	539,900	9,792,667	-	9,792,667	-	5,974,348	-	-	6,526,905	3,265,762	3,278,419	
6	Office Equipment's	35,881,290	2,969,070	2,969,070	38,850,360	-	38,850,360	-	2,010,354	-	-	27,965,193	10,885,167	9,926,451	
	Fire Extinguishers	1,071,045	3,570	3,570	1,074,615	-	1,074,615	-	31,008	-	-	895,938	178,677	206,116	
	Office Equipment's	16,909,184	509,500	509,500	17,418,684	-	17,418,684	-	869,307	-	-	12,194,019	5,224,666	5,584,472	
	Air Cooler	11,555,205	2,456,000	2,456,000	14,011,205	-	14,011,205	-	931,356	-	-	3,400,050	4,610,155	3,085,510	
	Cookeries & Cutleries	416,096	-	416,096	416,096	-	416,096	-	10,675	-	-	320,020	96,076	106,751	
	Telephone Line Installation	1,077,479	-	1,077,479	1,077,479	-	1,077,479	-	18,406	-	-	973,179	104,300	122,706	
	Photocopier & Fax Machine	441,300	-	441,300	441,300	-	441,300	-	4,731	-	-	385,205	56,095	70,118	
	Projector	770,500	-	770,500	770,500	-	770,500	-	14,024	-	-	522,692	247,808	291,538	
	Refrerator A/H	1,703,275	-	1,703,275	1,703,275	-	1,703,275	-	79,289	-	-	1,386,119	317,156	396,445	
	Mobile	1,937,206	-	1,937,206	1,937,206	-	1,937,206	-	12,559	-	-	1,886,971	50,235	62,794	
7	Transport	-	23,000,000	23,000,000	-	23,000,000	23,000,000	-	642,740	-	-	642,740	22,357,260	-	
	Vehicle	-	23,000,000	23,000,000	-	23,000,000	23,000,000	-	3,278,503	-	-	37,624,888	11,667,710	7,131,240	
8	Computer & IT Accessories	41,477,624	7,814,973	7,814,973	49,292,597	-	49,292,597	-	2,887,310	-	-	28,783,961	10,754,925	5,827,262	
	Computer	31,723,913	7,814,973	7,814,973	39,538,886	-	39,538,886	-	391,193	-	-	8,840,927	912,784	1,303,978	
	Hardware & Networking Installation	9,753,711	-	9,753,711	9,753,711	-	9,753,711	-	259,017,550	-	-	5,624,082	1,843,259	1,507,277	
9	Other Assets	6,872,341	595,000	595,000	7,467,341	-	7,467,341	-	250,535	-	-	4,773,736	1,766,918	-	
	Sundry Assets	5,945,654	595,000	595,000	6,540,654	-	6,540,654	-	8,482	-	-	850,346	76,341	-	
	Books	926,687	-	926,687	926,687	-	926,687	-	105,772,821	-	-	646,158,477	3,421,837,367	2,970,319,683	
	TOTAL 2022:	1,544,433,709	1,966,271,633	3,510,705,342	1,544,433,709	1,966,271,633	3,510,705,342	1	557,290,503	-	-	1,966,271,634	4,067,995,844	770,000	990,000
9	Intangible Assets	1,100,000	-	1,100,000	1,100,000	-	1,100,000	-	220,000	-	-	330,000	770,000	990,000	
	Software	1,100,000	-	1,100,000	1,100,000	-	1,100,000	-	220,000	-	-	330,000	770,000	990,000	

Allocation of depreciation:

Particulars	Admin	Factory	Sales & Mkt	Dhct
PPE excl Vehicle	10,513,008	73,591,057	4,205,203	16,820,813
Vehicle	642,740	-	-	642,740



Navana Pharmaceuticals Limited

Schedule of Right-of-Use Asset

As at 30 June 2022

Annexure-B

SL No.	Particulars	Cost			Dep. Rate	Balance as on 30 June 2022	Depreciation			Written Down Value as on 30 June 2022	Written Down Value as on 30 June 2021
		Balance as on 1 July 2021	Addition	Adjustment			Charged during the year	Adjustment	Balance as on 30 June 2022		
1	Rental Asset	22,153,852	-	-		22,153,852	9,922,255	-	22,153,850	2	9,922,257
	Rental Asset	22,153,852	-	-	33%	22,153,852	9,922,255	-	22,153,850	2	9,922,257
2	Vehicles	468,009,472	4,601,000	1,493,943		471,116,529	50,141,272	1,231,465	267,097,542	204,018,987	249,821,737
	Transport and Vehicles	287,740,448	4,601,000	1,493,943	20%	290,847,505	28,930,536	1,231,465	171,671,460	119,176,045	143,768,059
	Motor Cycle	180,269,024	-	-	20%	180,269,024	21,210,736	-	95,426,082	84,842,942	106,053,678
	Total	490,163,324	4,601,000	1,493,943		493,270,381	60,063,527	1,231,465	289,251,392	204,018,990	259,743,994

Allocation of Depreciation:				
Total	Admin	Factory	Sales & Mkt	Dist.
On Vehicles	2,507,064	7,521,191	5,014,127	35,098,890
On Rent HO	9,922,255	-	-	-

