

MABS & J Partners

Chartered Accountants

Member firm of Nexia International, UK

**Auditors' Report and Audited Financial Statements
of**

Navana Pharmaceutical Limited

125/A Islam Chamber

Motijheel C/A, Dhaka-1000, Bangladesh

For the Year Ended 30 June 2021



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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Navana Pharmaceutical Limited**, which comprise the statement of financial position as at 30 June 2021, 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 2021, 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.

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 period. 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.



Risk	Our response to the risk
Revenue Recognition	
<p>During this year, net sales revenue of Tk. 3,606,576,486.</p> <p>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 period; • 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 period and at the close of current accounting year to verify whether sales are recorded in the current accounting period; and • Inspecting VAT returns submitted to VAT authority to determine consistency of sales revenue recognized.
See note no 21.00 to The Financial Statements	
Valuation of Inventory	
<p>The Inventory of Tk. 802,165,574 as at 30 June 2021, 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.

See Note No 7.00 to the Financial Statements

Valuation of Property, Plant & Equipment

The carrying value of the PPE amounted to Tk.-2,970,319,683 at 30 June 2021. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.

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 period 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.

Our audit included the following procedures:

- 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.

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.

See Note No 03 to the Financial Statements

Other Matter

The financial statements of the Company for the year ended 30 June 2020 were audited by **A. Qasem & Co.**, Chartered Accountants who expressed an unqualified opinion on 29 November 2020.

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 period 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: 01 December 2021

Signed for & on behalf of

MABS & J Partners

Chartered Accountants

Nasir Uddin Ahmed, FCA, FCS, CGMA
(AICPA), ACMA (UK), FCA (ICAEW)

Senior Partner

ICAB Enrollment No: 535

DVC No:

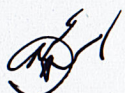
Navana Pharmaceuticals Limited

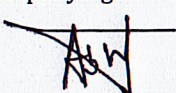
Statement of Financial Position

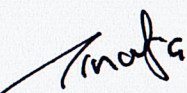
As at 30 June 2021

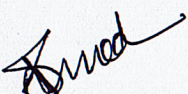
Particulars	Notes	Amount in BDT	
		30-Jun-2021	30-Jun-2020
Assets			
Non-Current Assets:			
Property, Plant and Equipment	3.00	2,970,319,683	2,693,986,180
Intangible Asset	3.01	990,000	-
Capital Work in Progress	4.00	159,035,250	-
Right-of-Use Asset	5.00	259,743,994	104,762,168
Deferred Tax Asset	6.00	20,488,185	23,760,605
Total Non-Current Assets		3,410,577,112	2,822,508,953
Current Assets:			
Inventories	7.00	802,165,574	761,100,675
Trade and Other Receivables	8.00	462,891,220	435,818,418
Advances, Deposits and Prepayments	9.00	444,485,260	357,690,627
Goods In Transit	10.00	73,799,207	19,166,763
Cash and Cash Equivalents	11.00	25,776,315	54,717,534
Total Current Assets		1,809,117,576	1,628,494,017
Total Assets		5,219,694,689	4,451,002,970
Equity And Liabilities			
Equity:			
Paid-up Share Capital	12.00	802,301,500	801,500
Revaluation Reserve	13.00	1,966,271,633	1,966,271,633
Retained Earnings		535,831,580	1,135,038,849
Total Equity:		3,304,404,714	3,102,111,982
Liabilities			
Non-Current Liabilities:			
Loan from Director and Others	14.00	30,000,000	38,727,500
Lease Liabilities	15.00	131,527,892	27,582,782
Long Term Loan	16.00	132,979,288	22,168,620
Deferred Tax Liability	17.00	48,740,390	17,301,661
Total Non-Current Liabilities		343,247,570	105,780,563
Current Liabilities:			
Short Term Loan	18.00	1,136,653,530	782,695,352
Lease Liabilities (Current Maturity)	15.00	34,620,415	24,128,875
Long Term Loan (Current Maturity)	16.00	18,797,712	36,514,324
Inter-Company Account	19.00	-	34,800,000
Trade and Other Payables	20.00	381,970,750	364,971,874
Total Current Liabilities		1,572,042,406	1,243,110,425
Total Liabilities		1,915,289,976	1,348,890,988
Total Equity and Liabilities		5,219,694,689	4,451,002,970
Net Asset Value (NAV) Per Share	31.00	41.19	387,038

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: 01 December 2021

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


Signed by: **Nasir Uddin Ahmed**, FCA, FCS, CGMA (AICPA),
ACMA (UK), FCA (ICAEW)

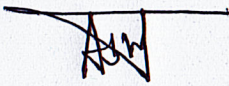
Senior Partner
ICAB Enrollment No: 535
DVC:

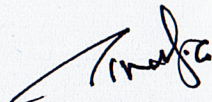
Navana Pharmaceuticals Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

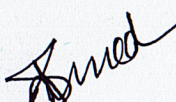
Particulars	Notes	Amount in BDT	
		2020-2021	2019-2020
Net Sales	21.00	3,606,576,486	3,149,005,151
Less: Cost of Good Sold	22.00	1,979,530,541	1,732,926,101
Gross Profit		1,627,045,945	1,416,079,050
Less: Operating Expenses			
Administrative Expenses	23.00	111,953,238	102,485,008
Selling & Marketing Expenses	24.00	894,673,593	799,290,781
Distribution Expenses	25.00	256,707,467	229,864,607
Total Operating Expenses:		1,263,334,298	1,131,640,395
Operating Profit		363,711,647	284,438,654
Less: Finance Expenses	26.00	75,184,536	91,591,129
Add: Other Income	27.00	29,006,157	36,693,402
Profit before WPPF & Tax		317,533,268	229,540,928
Contribution to WPPF	28.00	15,120,632	10,262,907
Profit before tax		302,412,637	219,278,021
Less: Income Tax		100,119,905	81,882,949
Current Tax	29.00	65,408,756	89,291,633
Deferred Tax Expense/(Income)		34,711,150	(7,408,684)
Profit after Tax		202,292,731	137,395,072
Earning Per Share (EPS)	30.00	2.52	1.71

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: 01 December 2021

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

Signed by: **Nasir Uddin Ahmed**, FCA, FCS, CGMA (AICPA),
ACMA (UK), FCA (ICAEW)

Senior Partner
ICAB Enrollment No: 535
DVC:

Navana Pharmaceuticals Limited

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

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as at 1 July 2020	801,500	1,966,271,633	1,135,038,849	3,102,111,982
Profit after Tax	-	-	202,292,731	202,292,731
Issue of bonus share	801,500,000	-	(801,500,000)	-
Balance as at 30 June 2021	802,301,500	1,966,271,633	535,831,580	3,304,404,713

Notes

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Navana Pharmaceuticals Limited

Statement of Changes in Equity For the year ended 30 June 2020

Particulars	Share Capital	Share Money	Revaluation Reserve	Retained Earnings	Total
Balance as at 1 July 2019	801,500	140,500,000	1,966,271,633	997,643,777	3,105,216,909
Profit after Tax	-	-	-	137,395,072	137,395,072
Transferred to loan from Chairman	-	(140,500,000)	-	-	(140,500,000)
Balance as at 30 June 2020	801,500	-	1,966,271,633	1,135,038,849	3,102,111,982

Notes

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

Company Secretary

Chief Financial Officer

Managing Director

Director

Place: Dhaka, Bangladesh
Dated: 01 December 2021



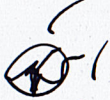
Navana Pharmaceuticals Limited

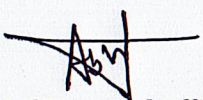
Statement of Cash Flows

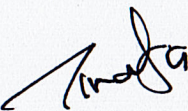
For the year ended 30 June 2021

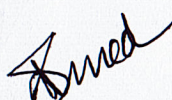
- Particulars	Notes	Amount in BDT	
		2020-2021	2019-2020
Cash Flows from Operating Activities:			
Cash received from customers	33.00	3,530,056,762	3,187,103,225
Cash received from Other income	34.00	22,658,514	6,250,864
Cash paid to Suppliers	35.00	(1,824,417,722)	(1,516,207,758)
Cash paid to operational & others	37.00	(694,225,945)	(565,702,174)
Cash paid to Employees	36.00	(823,527,277)	(758,069,094)
Income tax paid	9.10	(88,792,366)	(72,767,260)
Bank & Lease Interest Paid	38.00	(64,147,035)	(79,107,362)
Net cash flows from operating Activities:		57,604,932	201,500,440
Cash Flows from Investing Activities:			
Cash Paid for Purchase of Fixed Asset		(365,879,869)	(19,705,411)
Cash paid for CWIP		(156,049,000)	-
Cash received from sale of investment in share		53,650,000	-
Net cash from/(used in) investing activities:		(468,278,869)	(19,705,411)
Cash Flows from Financing Activities:			
Payment against related party		(43,527,500)	(75,096,470)
Receipts against Short Term Borrowings		360,658,177	(15,392,287)
Receipts against Long Term Borrowings		93,094,056	(26,623,170)
Payment against Lease Liability	15.00	(28,492,015)	(33,582,205)
Net cash from/(used in) financing activities		381,732,719	(150,694,132)
Change in Cash and Cash Equivalent		(28,941,219)	31,100,898
Cash and Cash Equivalent at the beginning of the year		54,717,534	23,616,211
Effect of exchange rate changes on Cash and Cash Equivalents		-	425
Cash and Cash Equivalent at the end of the year		25,776,315	54,717,534
Net Operating Cash Flow per Share (NOCFPS)	32.00	0.72	2.51

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


Company Secretary


Chief Financial Officer


Managing Director


Director

Place: Dhaka, Bangladesh

Dated: 01 December 2021



Navana Pharmaceuticals Limited

Notes to the financial statements

As at and for the year ended 30 June 2021

1.0 About the Company

1.01 Legal Form of the Company

Navana Pharmaceuticals Limited was incorporated in Bangladesh on 31 March 1986 vide registration No. C-15428/994 under the Companies Act-1913 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. 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 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).



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, 2021;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2021;
- (c) Statement of Changes in Equity for the year ended 30 June, 2021;
- (d) Statement of Cash Flows for the year ended 30 June, 2021; 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 to June 30 and is followed consistently.

Certain comparative amounts have been re-classified & rearranged to conform to the current year's presentation and all numerical information in the current financial statements as below:

Statements of Financial Position as of the end of the preceding financial year;

Statements of Comprehensive Income for the comparable of the preceding financial year;

Statements of Changes in Equity for the comparable of the preceding financial year;

Statement Cash Flows for the comparable of the preceding financial year;

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 Statement:

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

2.08 Functional and Presentation Currency

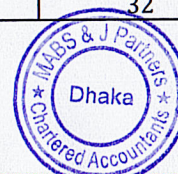
The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.09 Authorization for issue

The financial statements have been authorized for issue by the Board of Directors on 01 December 2021.

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
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Sl. No.	Name of the IFRS	IFRS No.
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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 compute during the years 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 Impairment of assets

"The management of the Company takes physical stocks periodically and recognition of the assets was made accordingly considering the usable condition of the assets as follows:

- i) The valuation of Property, Plant and Equipment has been made on the basis of the useable condition of the assets as per IAS 36 Impairment of Assets.
- ii) The management of the Company has conducted physical verification of Property, Plant & Equipment on 30 June 2021.

Property, Plant and Equipment are consisting of Land and Development, Building and other Construction, Plant & Machinery, Lab Equipment, Furniture & Fixture, Office equipment's, Computer & IT Accessories, Other assets are valued at lower of cost and net realisable value as per IAS 16: Property, Plant and Equipment. Costs include expenditure incurred in acquiring the assets and other costs incurred in bringing them to their existing location and condition.

Impairment of assets are made as and when assets became obsolete or unusable for which the management of the company is giving decisions from time to time. The management of the Company reviews the carrying amounts of its assets (Balance Sheet Date) to determine whether there is any indication of impairment In accordance with IAS 36: 'Impairment of Assets'. During the year at Balance Sheet date, there was no indication of impairment of assets; as such, no adjustment was given in the Financial Statements for impairment.

2.17 Right-of-use Assets

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.

2.18 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 recognised 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 recognised in statement of profit or loss and other comprehensive income as incurred.



Amortization

Software are amortised over 5 years 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, 2021
Software	20%

2.19 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).

2.20 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.

2.21 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 year and any adjustment to tax payable in respect of previous years 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.

2.22 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.

2.23 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.

Bad Debt Policy

The provision for bad debt is determined as 0.1% of net local sales for the relevant year 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 Impairment

Financial Assets

The Company recognizes loss allowances for Expected Credit Losses, if any, NPLs on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI; and
- Contract assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets except for the following, which are measured at 12-month NPLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition."

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating NPLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



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.

2.25 Revenue from Contracts with Customers

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies performance obligation by transferring promised goods to a customer.

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).

2.26 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-41 to the accounts.

2.27 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.

2.28 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.



2.29 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 Fixed Assets

Gain arises from sale of disposed of old machineries as scrap 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.

Sales of Wastage

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

2.30 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, leave encashment, 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.

2.31 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 year.

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 year.

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 year.

2.32 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.

2.33 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.

2.34 Impact of COVID-19

The COVID-19 pandemic that began in Bangladesh since early March 2020 continued to disrupt social and economic activities of the country as with the world. The government announced countrywide lockdown from 26 March which lasted till the end of May. The healthcare and certain other essential services though 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. 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.



2.35 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.

2.36 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

2.37 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.

2.38 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"

2.39 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 the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. 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 year 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.

Particulars	Amount in BDT	
	2020-2021	2019-2020
Trade and Other Receivables	462,891,220	435,818,418
Cash and Cash Equivalents	25,776,315	54,717,534
Total	488,667,535	490,535,952
Cash at bank	20,754,978	49,006,417
Cash in Hand	5,021,337	5,711,117
Total	25,776,315	54,717,534

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 years 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 BDT	
		30-Jun-2021	30-Jun-2020
3.00 Property, Plant and Equipment: Tk. 2,970,319,683			
This is made up as follows:			
Cost			
Opening Balance as at 1 July	1,238,375,809	1,218,063,463	
Addition during the year	325,449,482	20,312,346	
Adjustment/disposal during the year	(19,391,582)	-	
Closing Balance	1,544,433,709	1,238,375,809	
Revaluation			
Opening Balance as at 1 July	1,966,271,632	1,966,271,632	
Revaluation gain on land	-	-	
Adjustment due to revaluation during the year	-	-	
Closing Balance	1,966,271,632	1,966,271,632	
Total Cost & Revaluation as at 30 June	3,510,705,342	3,204,647,442	
Depreciation			
Opening Balance as at 1 July	510,661,262	470,348,531	
Charged during the year	49,115,756	40,312,731	
Adjustment during the year	(19,391,359)	-	
Closing Balance	540,385,659	510,661,262	
Written Down Value as at 30 June	2,970,319,683	2,693,986,180	
3.01 Intangible Assets: Tk. 990,000			
This is made up as follows:			
Cost			
Opening Balance as at 1 July	-	-	
Addition during the year	1,100,000	-	
Total Cost as at 30 June	1,100,000	-	
Depreciation			
Opening Balance as at 1 July	-	-	
Charged during the year	110,000	-	
Closing Balance	110,000	-	
Written Down Value as at 30 June	990,000	-	
4.00 Capital Work In Progress: Tk. 159,035,250			
This is made up as follows:			
Opening Balance as at 1 July	-	-	
Add: Addition during the year	156,049,000	-	
	156,049,000	-	
Add: Interest Capitalized:			
Interest on Term Loan-AIBL Industrial	2,300,000	-	
Interest on Term Loan-AIBL RE	686,250	-	
Closing Balance	159,035,250	-	
Capital work in progress has been paid for Factory Refurbishment during the year.			
5.00 Right-of-Use Asset: Tk. 259,743,994			
This is made up as follows:			
Cost			
Opening Balance as at 1 July	297,023,603	274,869,751	
On Lease Vehicles	274,869,751	274,869,751	
On Rental Asset	22,153,852	-	
Addition during the year on Rental assets	-	22,153,852	
Addition during the year on Vehicles	193,139,721	-	
Closing Balance	490,163,324	297,023,603	
Depreciation			
Opening Balance as at 1 July	192,261,435	163,761,556	
On Lease Vehicles	185,983,194	163,761,556	
On Rental Asset	6,278,241	-	
Charge during the year	38,157,895	28,499,879	
Adjustment	-	-	
Closing Balance	230,419,330	192,261,435	
Written Down Value as at 30 June	259,743,994	104,762,168	



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
6.00	Deferred Tax Asset: Tk. 20,488,185		
	This is made up as follows:		
	Opening Balance as at 1 July	23,760,605	12,692,814
	Addition during the year	(3,272,421)	11,067,791
	Deferred tax on lease liability	(2,041,445)	4,246,392
	Deferred tax on Gratuity	(1,526,472)	6,211,651
	Deferred tax on Broken Damage Expired Goods	57,878	98,468
	Deferred tax on Provision for Bad Debts	237,619	511,280
	Closing Balance	20,488,185	23,760,605
	Breakup of Closing DTA:		
	Deferred tax on Lease Liability	2,204,947	4,246,392
	Deferred tax on Gratuity	15,732,067	17,258,539
	Deferred tax on Broken Damage Expired Goods	638,646	580,768
	Deferred tax on Provision for Bad Debts	1,912,525	1,674,906
	Total	20,488,185	23,760,605

7.00 Inventories: Tk. 802,165,574

This is made-up as follows:

Raw Material	252,923,665	249,828,071
Packing Material	90,015,455	104,821,977
Finished Goods	365,136,224	325,894,338
Work-In-Process	90,459,914	71,933,212
Printed & Gifted Promotional Stock	3,630,315	8,623,077
Total	802,165,574	761,100,675

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. 462,891,220

This is made-up as follows:

Receivables-Local	344,385,968	326,805,864
Receivables-Export	90,428,427	33,596,860
Export Cash Incentive Receivable	28,076,825	21,765,694
Receivables from Sale of Investment in Share (Note: 8.01)	-	53,650,000
Total	462,891,220	435,818,418

Export Receivable as at 30 June 2021 total \$ 1,066,373 has been translated @ Tk. 84.8 spot rate and resulting unrealized gain of Tk. 33,966 has been reported under 'FOREX Gain/Loss Account'.

Accounts Receivable Ageing :

0 -3 months	354,944,547	227,144,384
3 - 6 months	66,265,468	155,272,747
6-12 months	23,936,203	19,957,371
> 1 Year	17,745,002	33,443,916
Total	462,891,220	435,818,418

8.01 Receivable from Sale of Investment in Share : Tk. 0

Receivable from Bhagalpur Holding Limited	-	42,549,000.00
Receivable from Islam Brothers Properties Limited	-	7,100,000.00
Receivable from River View Limited	-	4,000,000.00
Receivable from Md. Abdur Rahim Choudhury	-	1,000.00
Total	-	53,650,000

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.	-	-
Accounts receivable considered good for which the company holds no security other than the debtor personal security.	456,516,137	430,664,859
Accounts receivable considered doubtful or bad	6,375,083	5,153,558
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	-	53,650,000
The maximum amount of receivable due by any director or other officer of the company.	-	-



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
9.00	Advances Deposits and Prepayments: Tk. 444,485,260		
	This is made-up as follows:		
	Advance for Suppliers (Others)	68,364,697	50,039,464
	Advance for Raw/Packing Purchase	55,471,888	45,902,574
	LC Margin for Raw Material	41,710,501	35,122,714
	VAT paid on Finished Goods	82,309,879	35,517,421
	Security Money	6,468,882	7,911,357
	Prepaid Insurance	1,977,112	1,859,324
	Advance against Lease for vehicles	1,888,616	3,857,499
	Advance against Rent Sales Center	1,876,400	1,464,700
	Advance against Customs Duty	436,581	1,177,026
	Advance Income Tax (Note: 9.01)	177,679,274	174,138,826
	Advance for Capital Expense	4,816,983	323,402
	LC Margin for Spare Parts/ Capital goods	1,484,448	376,320
	Total	444,485,260	357,690,627

9.01 Advance Income Tax: Tk. 177,679,274

This is made-up as follows:

Opening Balance as at 1 July	174,138,826	220,473,419
<u>Addition during this year</u>		
TDS at Import Stage (u/s 53)	46,219,442	35,134,895
Deducted at source from Export Proceed (u/s 53)	858,732	667,391
Deposited at the time of Vehicle Registration (AIT) (u/s 68B)	934,140	798,617
Deducted from Institutional sales (u/s 52)	1,637,800	970,921
Deducted from Toll Bill (u/s 52A)	-	65,621
Paid during License renewal (u/s 52K)	-	1,450
Deducted from Bank interest (u/s 53F)	2,735	2,855
Deducted from Export Cash Incentive Proceed (u/s 53F)	1,761,300	136,550
Paid for transfer of land (u/s 53H)	-	1,697,700
Advance tax paid U/s 64 for AY 2021-22 incl. Tk. 3,483,824 (AY19-20) tax refund	26,483,824	26,529,589
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 mo)	5,263,293	-
Paid for Assessment Year 2015-16 (10 mo)	8,229,401	-
Tax Deposited during the Period for NPL AY 2015-16	-	4,100,000
Tax Deposited during the Period for AY 2016-17	-	6,085,250
Tax Deposited during the Period for NPL AY 2017-18	-	3,106,011
	92,276,190	79,296,849
	(88,735,742)	(125,631,443)
Less: Adjusted during the year		
Total	177,679,274	174,138,826

For NPL AY: 2019-20: Tk. 61,357,184 and AY:2005-06: Tk. 18,500, AY: 2012-13: Tk. 2,42,023, AY 20213-14: Tk. 6,25,000, AY: 2015-2016 (12 month): Tk. 1,17,09,634, AY: 2015-2016 (10 month): Tk. 14,783,402.

For AY 2019-20 a refund was allowed by D.C.T for Tk. 3,483,824 which is added with advance tax paid of AY 2021-22

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.	444,485,260	357,690,627
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. 73,799,207

73,799,207

19,166,763

Goods in transit consists of raw material for Tk. 68,419,976/- and packing materials for Tk.5,379,230/-



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
11.00	Cash and Cash Equivalents: Tk. 25,776,315		
	This is made-up as follows:		
	Cash at Bank		
	Jamuna Bank Ltd., Rupshi Br. A/c. 1661	70,006	369,123
	Jamuna Bank Ltd., Rupshi Br. A/c No-1670	587	352,582
	Pubali Bank Ltd., Dhaka Stadium Br. A/c 473	807,249	6,417,280
	Southeast Bank Ltd., Corporate Br. ERQ A/C No.059	-	225,823
	Southeast Bank Ltd., Corporate Br. CD A/C No.648	380,794	3,789,486
	Southeast Bank Ltd., Corporate Br. CD A/C No 7614	7,776	1,291,552
	Dutch Bangla Bank Ltd., Local Office, CD A/C No.957	9,408,339	34,312,222
	Sonali Bank Ltd., Customs House Br. A/c 379	438,235	1,877,150
	Sonali Bank Ltd., Customs House Br.A/c 378	97,419	46,419
	Al Arafah Islami Bank Ltd., VIP Road Br. A./c-7189	7,254,111	-
	United Commercial Bank Ltd., Gulshan Br., A./c-0011	1,835,883	-
	United Commercial Bank Ltd., Gulshan Br. A/c-0055	49,009	-
	Dhaka Bank Ltd., Banani Br. A/c-28321	119,175	-
	Southeast Bank Ltd., Dinajpur Br.-A/c 0144	741	1,246
	Pubali Bank Ltd., Kamalpur Br., A/c-25303	887	5,575
	Southeast Bank Ltd., Corporate Br.A/c-8200	157,383	151,820
	Pubali Bank Ltd. Faridpur Br. A./c-160	108,341	4,494
	Southeast Bank Ltd., Joydevpur Br., A./c-027	2,845	5,608
	Southeast Bank Ltd., Khulna Br. A./c-925	1,241	1,086
	Southeast Bank Ltd., Jessore(SME) Br. A./c-347	859	7,716
	Pubali Bank Ltd., Maizdee Court Br. A./c-840	1,179	-
	Pubali Bank Ltd., Charpara Br., A./c-294	-	4,602
	Southeast Bank Ltd., Rajshahi Br. A./c-014	1,478	4,010
	Southeast Bank Ltd., Barisal Br. A./c-051	1,912	1,592
	Southeast Bank Ltd., Bogra Br. A./c-246	1,895	5,290
	Pubali Bank Ltd., Momin Road Br. A./c-8940	1,888	3,576
	Southeast Bank Ltd., Comilla Br. A./c-044	1,045	10,745
	Southeast Bank Ltd., Cox's Bazar Br. A./c-091	1,680	106,104
	Southeast Bank Ltd., Rangpur Br. A./c-284	42	10,275
	Pubali Bank Ltd., Dargagate Br. A./c-125	2,981	1,042
		20,754,978	49,006,417
	Cash in Hand	5,021,337	5,711,117
	Total	25,776,315	54,717,534

The Bank Balances have been reconciled where necessary and were agreed with the balance as per bank statements as on 30-06-2021 Cash in hand balance was duly certified by the management.

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

This is made-up as follows:

A. Authorised Capital:

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

2,000,000,000 50,000,000

B. Issued Subscribed & Paid up Capital:

80,230,150 Ordinary Shares of Tk. 10 each

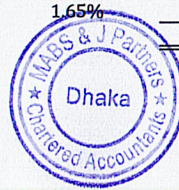
802,301,500 801,500

Total

802,301,500 801,500

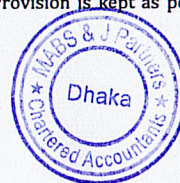
Composition of Shareholding of Ordinary Shares as on 30-06-2021

Name of Shareholder	Position	% of Share	No. of Ordinary Share	No. of Ordinary Share
Mr. Anisuzzaman Chowdhury	Chairman	5.00%	4,014,010	-
Mr. Manzurul Islam	Director	15.00%	12,032,020	6,811
Mrs. Imrana Zaman Chowdhury	Director	5.00%	4,014,010	-
Professor Dr. Md. Jonaid Shafiq	Director	9.02%	7,237,230	-
Mrs. Masuma Parvin	Director	7.44%	5,965,960	-
Dr. Zahara Rasul MD CCFP	Director	6.00%	4,814,810	-
Mr. Javed Kaiser Ally	Director	5.59%	4,484,480	-
Mrs. Tarana Ahmed	Director	5.59%	4,484,480	-
Dr. Sayeed Ahmed	Director	3.29%	2,642,640	-
Ms. Aresha Manami Shafiq	Shareholders	0.25%	200,200	-
Ms. Anissa Zaman	Shareholders	12.34%	9,899,890	-
A&P Venture Ltd.	Shareholders	1.25%	1,001,000	-
NMI Holdings Limited	Shareholders	5.24%	4,204,200	-
BEA Ltd.	Shareholders	4.99%	4,004,000	-
Stratus Holdings Limited	Shareholders	1.00%	800,800	-
Montenia Holdings limited	Shareholders	1.00%	800,800	-
Mrs. Suraiya Islam	Director	5.14%	4,124,120	412
Islam Brothers Properties Limited (rep by Md. Abdur Rahim Choudhury)	-	0.00%	-	110
Mr. Abu Luthfe Fazle Rahim Khan	-	0.00%	-	110
Mrs. Nurun Nahar Begum	-	0.00%	-	22
Mrs. Gulnazar Begum	Shareholders	0.27%	220,220	22
Mrs. Sayeda Islam	Shareholders	1.65%	1,321,320	132
Mrs. Mafida Islam Siddique	Shareholders	1.65%	1,321,320	132
Ms. Naima Islam	Shareholders	1.65%	1,321,320	132
Ms. Kaneta Islam	Shareholders	1.65%	1,321,320	132
Total			80,230,150	8,015



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
	As per EGM dated 30-12-2020 Par value of share has been split from Tk.100 to Tk. 10 and AGM dated 31-12-2020 bonus share has been issued to existing shareholders.		
13.00	Revaluation Reserve: Tk. 1,966,271,633		
	This is made-up as follows:		
	Opening Balance as at 1 July	1,966,271,633	1,966,271,633
	Less: Adjustments	-	-
	Total	1,966,271,633	1,966,271,633
14.00	Loan from Directors and Others: Tk. 30,000,000		
	This is made-up as follows:		
	Opening Balance as at 1 July	38,727,500	-
	Add: Trf. from Share Money Deposit as per Board Approval	-	140,500,000
	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	-
		68,727,500	140,500,000
	Less: Paid to Mr. Manzurul Islam	(38,727,500)	(101,772,500)
	Balance as on 30 June	30,000,000	38,727,500
15.00	Lease Liabilities: Tk. 166,148,307		
	This is made-up as follows:		
	Opening lease balance	51,711,657	63,140,010
	Add: Addition during the year for ROUA for Vehicle	142,928,665	22,153,852
	Less: Advance paid against ROUA	-	(3,000,000)
	Less: Payment during the year	(28,492,015)	(30,582,205)
	Closing lease balance	166,148,307	51,711,657
	Total Minimum Lease Liabilities:		
15.01	Principal Payment due within one year	34,620,415	24,128,875
15.02	Principal Payment due within two to five year	131,527,892	27,582,782
	Total	166,148,307	51,711,657
16.00	Long Term Loan: Tk. 151,777,000		
	This is made-up as follows:		
	Southeast Bank Ltd., Corporate Br., Dhaka	-	58,682,944
	AIBL Term Loan (HPSM Ind), VIP Road Br., Dhaka	100,000,000	-
	AIBL Term Loan (HPSM RE) VIP Road Br., Dhaka	30,000,000	-
	AIBL Term Loan (HPSM Machine) VIP Road Br., Dhaka	21,777,000	-
	Total	151,777,000	58,682,944
16.01	Installment Payment due within one year	18,797,712	36,514,324
16.02	Installment Payment due within two to four year	132,979,288	22,168,620
	Total	151,777,000	58,682,944
17.00	Deferred Tax Liability: Tk. 48,740,390		
	This is made-up as follows:		
	Opening Balance as at 1 July	17,301,661	13,642,554
	Addition during the year:		
	Deferred tax on PPE and ROUA	31,438,729	3,659,107
	Total	48,740,390	17,301,661
18.00	Short Term Loan: Tk. 1,136,653,530		
	This is made-up as follows:		
	Southeast Bank Ltd. OD A/C-268	(973)	399,589,466
	AIBL Bai-Muajjal (OD) A/C	498,813,773	-
	Dhaka Bank OD A/C373	17,837,299	-
	AIBL LTR A/c	43,487,717	-
	Dhaka Bank LTR A/c	612,620	-
	Southeast Bank Ltd. LTR A/C	-	37,283,814
	Southeast Bank Ltd. UPAS Loan	212,461,094	338,518,068
	Dhaka Bank A/c-UPAS	2,120,000	-
	AIBL A/c-UPAS	361,322,000	-
	Southeast Bank Ltd. FDBP A/C	-	7,304,004
	Total	1,136,653,530	782,695,352

The above balances were in agreement with the balance as per respective bank statement as on 30-06-2021. Provision is kept as per matching principal. The above loan is secured against the Non-Current assets.



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
19.00 Inter Company Account: Tk. 0			
This is made-up as follows:			
Islam Brothers Properties (IBPL) Account:			
	Opening Balance as at 1 July	-	75,096,470
	Paid to IBPL	-	(75,096,470)
	Balance as at 30 June	-	-
IG Health Care Ltd. Account:			
	Balance as at 1 July	34,800,000	34,800,000
	Less: Paid during thr year	(34,800,000)	-
	Balance as at 30 June	-	34,800,000
20.00 Trade and Other Payables: Tk. 381,970,750			
This is made-up as follows:			
	Trade Payables	20,434,370	34,186,962
	Salary Payables	38,555,478	45,818,128
	VAT Payable	37,399,370	22,168,702
	Payable Audit Fee	230,000	230,000
	Payable for Other Supplies	434,432	291,881
	Payable Director Remuneration	750,000	575,000
	Payable-Sales Center Rent	727,240	842,690
	Payable for Utility	3,105,776	2,402,470
	Provision for Gratuity (Note 20.01)	52,440,223	53,103,196
	Provision for Bad Debt (Note 20.02)	6,375,083	5,153,558
	Provision for Broken, Damage & Expiry (Note 20.03)	2,128,819	1,786,979
	Provision for Income Tax (Note 20.04)	141,435,969	161,279,132
	Provision for W.P.P.F (Note 20.05)	25,378,539	23,652,468
	Interest Payable on Short Term Loan	19,407,759	12,038,812
	Interest Payable on Term Loan	304,878	444,955
	Interest Payable on Lease Liability	3,649,634	-
	Interest Payable on Other Loan	158,997	-
	Interest Payable Capitalized on Term Loan	2,986,250	-
	Withholding Tax Payable	4,678,909	-
	Loan from Others	6,700,000	-
	Payable for PPE and Lease Asset	14,689,024	996,940
	Total	381,970,750	364,971,874
20.01 Provision for Gratuity: Tk. 52,440,223			
This is made-up as follows:			
	Opening Balance as at 1 July	53,103,196	31,562,536
	Provision made during the year	35,037,026	27,584,839
	Less: Paid during the year	(35,700,000)	(6,044,178)
	Total	52,440,223	53,103,196
20.02 Provision for Bad Debt: Tk. 6,375,083			
This is made-up as follows:			
	Opening Balance as at 1 July	5,153,558	3,324,647
	Provision made during the year (0.1% of Local Sales)	3,366,312	2,997,645
	Provision made during the year for export receivable	-	443,524
	Less: Adjusted during the year	(2,144,787)	(1,612,258)
	Total	6,375,083	5,153,558
20.03 Provision for Broken, Damage & Expiry: Tk. 2,128,819			
This is made-up as follows:			
	Opening Balance as at 1 July	1,786,979	1,378,000
	Provision made during the year	1,239,381	1,158,300
	Less: Adjustment during the year	(897,541)	(749,321)
	Total	2,128,819	1,786,979
20.04 Provision for Income Tax: Tk. 141,435,969			
This is made-up as follows:			
	Opening Balance as at 1 July	161,279,132	191,089,353
	Provision made during this year	51,474,025	70,905,577
Additional provision for earlier years:			
	AY: 2005-06	18,500	-
	AY: 2012-13	242,023	-
	AY: 2013-14	625,000	-
	AY: 2015-16 (12)	4,820,143	-
	AY: 2015-16 (10)	8,801,539	-
	AY: 2019-20	(572,474)	-
	AY: 2018-19	-	3,285,919
	AY: 2017-18	-	7,296,793
	AY: 2016-17	-	7,803,344
	Total:	226,687,887	280,380,986



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
	Less: Adj. of earlier Assessment year balance upon Final Order		
	AY: 2018-19	-	(48,652,061)
	AY: 2017-18	-	(54,949,057)
	AY: 2016-17	-	(15,500,736)
	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)	(11,709,634)	-
	AY: 2015-16 (10)	(14,783,402)	-
		<u>(85,251,918)</u>	<u>(119,101,854)</u>
	Total	141,435,969	161,279,132

20.05 Provision for W.P.P.F: Tk. 25,378,539

This is made-up as follows:

Opening Balance at 1 July	23,652,468	14,019,897
Provision made during the year	15,120,632	10,930,520
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: Prior year WPPF prov. correction 2019	-	(369,835)
Less: Prior year WPPF prov. correction 2018	-	(297,779)
Less: Paid for Bank Account Opening	-	(5,000)
Less: Paid to Govt. Labour Fund for AY 2018-19	-	(625,336)
Total	25,378,539	23,652,468

21.00 Sales: Tk. 3,606,576,486

This is made-up as follows:

Local Sales Human Health Division	3,176,268,808	2,823,209,259
Export Sales	240,264,065	151,360,115
Local Sales Animal health division	711,691,777	646,136,592
Gross sales	4,128,224,650	3,620,705,966
Less: Value Added Tax (VAT)	521,648,164	471,700,815
Net sales	3,606,576,486	3,149,005,151

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	2,705,510,058	2,391,802,035
Export Sales	240,264,065	151,360,115
Local Sales Animal health division	660,802,363	605,843,001
Total	3,606,576,486	3,149,005,151

Dosage Wise Local Sales	UoM	Sales 2020-2021		Sales 2019-2020	
		Unit	Value	Unit	Value
Injection	Vial	494,680	61,353,837	582,707	72,076,111
Bolus	Pcs.	5,523,782	34,143,881	2,838,000	17,558,282
Capsule	Pcs.	147,563,601	809,386,252	102,542,582	564,358,247
Powder	Container/ Sachet	1,311,610	198,307,570	1,150,369	158,654,821
Cream	Pcs.	2,119,638	158,018,856	1,702,300	123,981,767
Premix	Bag	395,055	104,322,430	310,312	81,944,225
Liquid	Bottle	1,157,702	345,493,904	892,448	278,355,780
Nasal Drops	Dropper	155,464	4,697,780	187,358	5,849,670
Nasal Spray	Dropper	43,301	8,179,870	56,579	10,688,209
Ointment	Tube	46,102	4,962,501	59,311	6,448,234
Eye Drops	Drops	914,782	98,364,846	1,117,541	121,368,798
PFS	Bottle	1,649,792	124,013,774	2,039,332	164,074,556
Syrup	Pcs.	3,316,780	138,773,038	3,370,319	142,423,214
Tablet	Pcs.	248,797,434	1,126,360,163	252,562,400	1,154,839,034
Vaccine	Vial/Ampoule	210,811	97,834,989	178,540	83,686,920
Oral Solution	Bottle	128,073	52,098,733	27,594	11,337,168
Total		413,828,608	3,366,312,421	369,617,692	2,997,645,036

22.00 Cost of Sales: Tk. 1,979,530,541

This is made-up as follows:

Raw material Consumption (Note No: 22.01)	1,137,454,859	995,107,678
Packing material Consumption (Note No: 22.02)	600,664,006	475,108,100
Factory Expenses (Note No: 22.03)	324,245,546	290,245,966
Total Manufacturing Cost	2,062,364,411	1,760,461,744
Opening Stock Work-In-Process	71,933,212	70,288,462
Closing Stock Work-In-Process	(90,459,914)	(71,933,212)
Cost of Production	2,043,837,708	1,758,816,994
Opening Stock Finished Goods	325,894,338	321,934,543
Finished goods available for sale	2,369,732,047	2,080,751,538
Cost of Physician Sample transferred to Marketing Exp.	(19,672,225)	(17,272,675)
Cost of Bonus Product transferred to Marketing Exp.	(5,393,056)	(4,658,423)
Closing Stock Finished Goods	(365,136,224)	(325,894,338)
Cost of Goods Sold	1,979,530,541	1,732,926,101



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
22.01 Raw material Consumption: Tk. 1,137,454,859			
This is made-up as follows:			
	Opening Stock of Raw Materials	249,828,071	218,824,251
	Add: Purchase during the year	1,140,550,453	1,026,111,498
	Less: Closing Stock of Raw Materials	(252,923,665)	(249,828,071)
	Total	1,137,454,859	995,107,678
22.02 Packing material Consumption: Tk. 600,664,006			
This is made-up as follows:			
	Opening Stock of Packing Materials	104,821,977	97,057,386
	Add: Purchase during the year	585,857,484	482,872,691
	Less: Closing Stock of Packing Materials	(90,015,455)	(104,821,977)
	Total	600,664,006	475,108,100
22.03 Factory Expenses: Tk. 324,245,546			
This is made-up as follows:			
	Salary & Allowance	147,095,898	145,482,156
	Festival Bonus	11,580,376	9,411,707
	Contribution to Provident Fund	6,294,332	5,245,652
	Conveyance	77,540	69,232
	Holiday Allowance & Overtime	12,488,207	11,735,474
	Cylinder Expenses	883,631	1,036,850
	Diesel for generator	4,644,000	4,269,420
	Electricity Bill	24,403,268	22,613,145
	Entertainment	1,387,452	1,157,000
	Renewal Fees	216,164	106,900
	Fees & Forms	155,439	941,878
	Insurance Premium-Fire & Burglary	1,812,884	1,461,186
	Gas Bill	550,539	689,098
	Group Insurance Premium	273,078	56,398
	Laboratory Chemicals	9,249,338	5,909,503
	Medical Expenses	23,191	20,617
	Newspaper & Periodicals	4,559	4,160
	Repair & Maintenance	4,772,269	4,862,411
	Medical Waste Management Expense	307,547	428,323
	Sanitation Expense	1,553,157	1,941,446
	Spare Parts for machinery	19,639,122	11,992,558
	Mobile Telephone Bill	657,961	647,742
	Staff Quarter rent	1,474,413	1,401,792
	Stationery	1,225,057	718,510
	Subsidy on Canteen	5,185,561	4,226,529
	Uniform & Liveries	1,024,175	415,030
	Staff Transport Cost	2,439,649	1,926,518
	Vehicle Insurance	-	195,018
	Vehicle Petrol Oil & Lubricants	1,421,229	1,677,088
	Vehicle-Toll & Levies	226,807	223,992
	Vehicle Repair-Spare Parts	745,951	622,122
	Vehicle Tax & Renewals	111,914	75,883
	Land Revenue	311,204	447,241
	Toll Charges (Contract Manufacturing)	786,456	739,632
	Gratuity	3,059,588	2,561,397
	Broken, Damaged & Expiry Expenses	1,239,381	1,158,300
	Depreciation	56,924,208	43,774,059
	Total	324,245,546	290,245,966
23.00 Administrative Expenses: Tk. 111,953,238			
This is made-up as follows:			
	Salary and Allowances	38,391,287	34,164,715
	Festival Bonus	3,118,749	2,860,130
	Contribution to Provident Fund	2,039,580	1,861,528
	Gratuity	7,613,250	1,193,250
	Holiday Allowance & Overtime	1,216,466	732,129
	Audit Fees	230,000	230,000
	Board Meeting Fee	7,100	5,100
	Professional Fees	1,412,152	622,971
	Advertising Expenses	260,100	237,990
	Conveyance and Travelling	467,752	449,762
	Director's Remuneration	7,600,000	12,278,603
	Electricity Bill	1,799,406	1,715,834
	Internet Bill	460,133	630,643
	Gardening Expenses	50,000	29,936
	Entertainment	1,849,935	1,542,666
	Subscription Fee	504,034	167,794
	Registration Fees and Renewal Fees	1,059,192	1,038,424



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
	Foreign Tour Expenses	3,954,169	11,454,506
	Gas Bill	35,000	30,000
	Group Insurance Premium	82,534	17,045
	Insurance Premium Fire & Burglary	153,080	61,627
	Mobile Telephone Bill	697,848	508,577
	Newspapers & Periodicals	410	13,375
	Repair & Maintenance	4,114,631	706,191
	Staff Transport Cost	2,081,874	1,436,316
	Sanitation Expense	782,656	549,596
	Stationery	957,934	847,730
	Telephone	22,315	25,679
	Vehicle Insurance	-	323,327
	Vehicle repair-spare parts	1,317,940	666,578
	Vehicle-Toll & Levies	13,945	33,005
	Vehicle Tax & Renewals	99,938	90,645
	Vehicle Petrol Oil & Lubricants	1,342,064	1,087,120
	WASA	477,099	402,050
	Subsidy on Canteen	597,718	620,426
	Iftar Bill	28,781	12,210
	Bad Debt Expense	3,366,312	3,441,169
	Training Expenses	28,320	20,500
	Other Expenses	12,766	13,229
	Bank Charges	5,811,237	2,754,681
	Bank Charges-Export	2,282,061	1,642,396
	Software Services	816,133	768,005
	Security Services	601,950	2,665,871
	Depreciation on Rental Asset (Annex-ROUA)	5,953,354	6,278,241
	Depreciation Other than Rental Asset (Annex-PPE)	8,132,030	6,253,437
	Amortization on software	110,000	-
	Total	111,953,238	102,485,008

As per IFRS 16 Office rent for current year has been presented under Depreciation.

24.00 Selling & Marketing Expenses: Tk. 894,673,593

This is made-up as follows:

Salary and Allowances	455,348,501	406,983,972
Festival Bonus	35,145,461	36,117,881
Contribution to Provident Fund	19,120,320	21,804,942
Incentives	20,841,499	17,364,751
Tender Form	67,000	34,300
Gratuity	19,929,654	20,400,048
Stationery	2,197,661	1,962,197
Holiday Allowance & Overtime	31,812	27,905
Daily Expenses for Field workers	226,492,961	187,091,096
Travelling and Conveyance	2,422,017	1,997,614
Bonus On Sales	5,393,056	4,658,423
Product Expiry Replacement	10,672,923	18,322,007
Group Insurance Premium	1,169,637	241,562
Insurance Premium Export	685,344	601,663
Insurance Premium Fire & Burglary	-	25,694
Export Freight Expenses	3,553,310	3,560,022
Registration Fee	3,743,722	849,175
Scientific Seminar	536,175	649,403
Meeting	5,493,785	2,109,009
Day Celebration	118,685	1,339,102
Product Registration Fee	1,896,071	1,053,205
Entertainment	924,968	771,333
Renewal Fees	631,050	644,925
Training Expenses	761,004	2,189,656
Courier Service & Postage	517,047	344,296
Mobile Telephone Bill	21,593,602	17,406,124
Printed & Gifted Promotional Expenses (Note No: 24.01)	18,460,406	15,953,836
Sample Expenses	19,672,225	17,272,675
Campaign Expenses	1,610,781	2,282,315
Society Contribution	68,822	347,340
Advertisement & Souvenir Expense	832,440	442,500
Vehicle Insurance	154,943	421,689
Vehicles Repair-Spare Parts	632,545	752,254
Vehicle Petrol Oil & Lubricants	931,621	680,690
Vehicle-Toll & Levies	27,745	11,355
Vehicle-Tax & Renewals	261,924	184,996
Repair & Maintenance	542,440	128,538
Software Services	1,694,930	2,105,060
Iftar Bill	803,111	1,085,080
Staff Transport Cost	3,535,613	1,347,583
Subsidy on Canteen	485,915	466,231
Foreign Tour Exp.	2,418,056	3,818,169
Prescription Survey Report Fee	-	938,790
Depreciation	3,252,812	2,501,375
Total	894,673,593	799,290,781



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
24.01	Movement of Printed & Gifted Promotional Material: Tk. 3,630,315		
	This is made-up as follows:		
	Opening stock	8,623,077	20,482,367
	Add: Purchase during the year	13,467,645	4,094,546
	Less: Consumption during the year	18,460,406	15,953,836
	Closing Stock	3,630,315	8,623,077
25.00	Distribution Expenses: Tk. 256,707,467		
	This is made-up as follows:		
	Salary and Allowances	93,851,780	86,565,353
	Festival Bonus	8,389,496	8,101,512
	Contribution to Provident Fund	4,997,410	4,697,330
	Repair & Maintenance	1,161,390	679,726
	Stationery	4,983,168	4,950,603
	Daily Expenses for Field workers	64,267,191	55,887,543
	Holiday Allowance & Overtime	2,174,494	3,117,759
	Insurance Premium Fire & Burglary	436,277	193,920
	Group Insurance Premium	337,508	69,704
	Sales Centre Rent	11,984,928	11,314,080
	Travelling and Conveyance	385,334	418,387
	Entertainment	462,484	385,667
	Telephone Bill	17,426	13,264
	Security Services	384,000	351,648
	Electricity	2,290,266	1,933,393
	Land Revenue	21,786	21,786
	Gratuity	4,434,533	3,430,143
	Driver Allowance	1,884,750	1,724,080
	Re-packing Expenses	3,217,935	2,384,678
	Internet Bill	198,438	169,285
	Gas Bill	173,100	169,404
	Wasa Bill	492,636	478,686
	Courier Service & Postage	4,163,010	6,195,780
	Consumables & Supplies	760,174	867,779
	Mobile Telephone Bill	1,188,302	2,667,028
	Renewal Fees	387,893	343,693
	Vehicle Insurance	206,709	574,077
	Vehicle-Toll & Levies	2,455,683	2,286,531
	Vehicle-Tax & Renewals	410,512	295,935
	Vehicles Repair-Spare Parts	5,531,641	4,439,109
	Vehicle Petrol Oil & Lubricants	22,012,970	15,110,769
	Transfer & Other Charges	32,994	20,455
	Depreciation	13,011,248	10,005,499
	Total	256,707,467	229,864,607
26.00	Finance Expenses: Tk. 75,184,536		
	This is made-up as follows:		
	Interest charged on Short term loan	62,246,915	76,667,572
	Interest charged on Long term loan	4,526,125	8,218,786
	Interest charged on Lease Liability	8,252,499	6,704,771
	Interest on Other loan	158,997	-
	Total	75,184,536	91,591,129
27.00	Other Income/ (Loss): Tk. 29,006,157		
	This is made-up as follows:		
	Cash incentive	22,750,936	13,568,670
	Bank interest	29,445	40,416
	Sale of wastage	3,621,460	4,072,014
	Toll income	887,755	3,525,214
	FOREX Gain/(loss)	(2,521,206)	(5,112,170)
	Gain on disposal on Share	-	19,675,000
	Gain on disposal of old machinery (Note 27.01)	1,023,000	-
	Income from PF Contribution Forfeiture	3,214,767	924,258
	Total	29,006,157	36,693,402
27.01	Gain on disposal of old machinery: Tk. 1,023,000		
	Sale proceed from old machine disposed	1,023,223	-
	Less: Written down value of old machine	223	-
	Total	1,023,000	-
28.00	Contribution to WPPF: Tk. 15,120,632		
	Current year contribution	15,120,632	10,930,520
	Adjustment for prior year over charge		
	Accounting Year 2018-2019	-	(369,835)
	Accounting Year 2017-2018	-	(297,779)
	Total	15,120,632	10,262,907



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
29.00	Income Tax: Tk. 100,119,904		
	This is made-up as follows:		
	Current year Tax	51,474,025	70,905,577
	Prior year tax provision shortfall	13,934,731	18,386,056
	Deferred Tax Expense/ (Income)	34,711,150	(7,408,684)
	Total	100,119,904	81,882,947
30.00	Earnings Per Share (EPS)		
	Earnings attributable to the Ordinary Shareholders	202,292,731	137,395,073
	Number of Ordinary Shares	80,230,150	80,230,150
	Earnings Per Share (EPS) (Restated)	2.52	1.71
	The EPS has increased due to net profit growth by 47.23% where as sales increased by 14.53%.		
31.00	Net Asset Value (NAV) Per Share		
	Total Assets	5,219,694,689	4,451,002,970
	Less Total Liabilities	1,915,289,976	1,348,890,988
	Net Assets	3,304,404,712	3,102,111,981
	Number of Ordinary Shares	80,230,150	8,015
	Net Asset Value (NAV) Per Share	41.19	387,038
	Due to increase of ordinary shares NAV Per share decreased.		
32.00	Net Operating Cash Flow Per Share (NOCFPS)		
	Net Cash Generated from Operating Activities	57,604,932	201,500,440
	Number of Ordinary Shares	80,230,150	80,230,150
	Net Operating Cash Flow Per Share (NOCFPS) (Restated)	0.72	2.51
	To meet business growth, payment for operational expenses and supplier payment increased resulting in lower NOCFPS.		
33.00	Cash Receipts from Customers		
	Opening Trade Receivable(book value)	360,405,492	400,115,825
	Sales	3,606,576,486	3,149,005,151
	Bad Debt	(2,144,787)	(1,612,258)
	Closing Trade Receivables	(434,780,429)	(360,405,492)
	Total	3,530,056,762	3,187,103,225
34.00	Cash Received from Other Income: Tk. 22,658,514		
	Opening Balance of Receivable for FX gain/(loss)	(2,344)	67,788
	Other income including FX gain/loss	(2,521,631)	(5,112,170)
	Less: Closing Receivable for FX gain/(loss)	(33,966)	2,344
	Opening other Receivable	21,765,694	10,928,024
	Other income	31,527,586	22,130,572
	Less: Closing other Receivable	(28,076,825)	(21,765,694)
	Total	22,658,514	6,250,864
35.00	Cash paid to Suppliers: Tk. 1,824,417,719		
	Opening Trade Payable	34,186,962	30,221,814
	Closing Advance to Supplier for Raw materials	55,471,888	45,902,574
	Closing goods in transit	73,799,207	19,166,763
	Closing LC margin for material	41,710,501	35,122,714
	Purchase	1,726,407,937	1,508,984,189
	Printed & Gifted Promotional Purchase	13,467,645	4,094,546
	Less:		
	Closing Trade Pay	(20,434,370)	(34,186,962)
	Opening Advance to Supplier for Raw materials	(45,902,574)	(39,712,018)
	Opening goods in transit	(19,166,763)	(16,937,418)
	Opening LC margin	(35,122,714)	(36,448,443)
	Total	1,824,417,719	1,516,207,758
36.00	Cash paid to Employees: Tk. 823,527,277		
	Opening Salary payable and Director Remuneration	46,393,128	46,877,826
	Director Remuneration	7,600,000	12,278,603
	Salary and Allowances	734,687,466	673,196,196
	Festival bonus and Overtime	74,145,061	72,104,497
	Board Meeting	7,100	5,100
	Less: Closing Salary payable and Director Remuneration	(39,305,478)	(46,393,128)
	Total	823,527,277	758,069,094
37.00	Cash paid for Operational Expenses: Tk. 694,225,945		
	Opening Payables for operational Expenses	104,478,386	50,295,592
	Closing Advance for operational Expenses	161,433,551	101,826,792
	Factory Expenses	324,245,546	290,245,966
	Administrative Expenses	108,586,926	99,043,838
	Selling & Marketing Expenses	851,147,906	761,405,846
	Distribution Expenses	256,707,467	229,864,607
	WPPF	15,120,632	10,262,907
	Less:		
	Adjustment for Salary and Related exp.	(816,439,627)	(757,584,396)
	Closing Payables for operational Expenses	(121,844,399)	(104,478,386)
	Opening Advance for operational Expenses	(101,826,792)	(46,367,980)
	Depreciation and Amortization	(87,383,651)	(68,812,611)
	Total	694,225,945	565,702,174



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020
38.00	Bank & Lease Interest Paid: Tk. 64,147,035		
	Opening Interest Payable	12,483,767	-
	Interest Expenses	75,184,536	91,591,129
	Less: Closing Interest payable	(23,521,268)	(444,955)
	Total	64,147,035	91,146,174
39.00	Payment for Purchase of Fixed Assets: Tk. 365,879,869		
	Opening Payables for Capital expenditure	996,940	426,073
	Closing Advance for Capital expenditure,	8,190,047	699,722
	Assets addition PPE	326,549,482	20,312,346
	Payment of Company part for leased Vehicle	50,211,056	-
	Less:		
	Closing Payables Capital expenditure	(19,367,933)	(996,940)
	Opening Advance other than Capital expenditure	(699,722)	(735,790)
	Total	365,879,869	19,705,411
40.00	Receipts from Receivable for Investment in Share: Tk. 53,650,000		
	Opening Rec. for disposal of investment	53,650,000	-
	Add: Gain on disposal	-	53,650,000
	Less: Closing Receivable for Sale of investment in shares	-	(53,650,000)
	Total	53,650,000	-

41.00 Related Party Disclosure

The name of the related parties nature of transaction and their respective period 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:

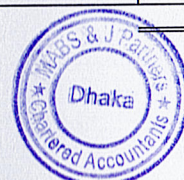
Name of the Related Party	Relationship	Nature of Transaction	Balance as at 1 July 2020	Transaction F.Y 2020-21	Balance as at 30 June 2021
Aftab Hatchery Nordan Ltd.	Common Board Member	Sales	481,900	(481,900)	-
Aftab Hatchery Ltd.	Common Board Member	Sales	2,163,700	(2,156,400)	7,300
Aftab Feed Mills Ltd.	Common Board Member	Sales	1,600,000	(1,600,000)	-
Aftab Feed Products Ltd.	Common Board Member	Sales	3,278,475	(1,356,419)	1,922,056
IG Health Care Ltd.	Common Board Member	Interco Loan	34,800,000	(34,800,000)	-
Mr. Manzurul Islam	Chairman	Director Loan	(38,727,500)	38,727,500	-
Bhagalpur Holding Ltd.	Receivable for Share	Share Transfer	42,549,000	(42,549,000)	-
Islam Brothers Properties Ltd.	Receivable for Share	Share Transfer	7,100,000	(7,100,000)	-
River View Ltd.	Receivable for Share	Share Transfer	4,000,000	(4,000,000)	-
Md. Abdur Rahim Choudhury	Receivable for Share	Share Transfer	1,000	(1,000)	-

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

(a) Short-term Employee Benefits	Designation	Particulars	Transaction during the period	Outstanding as on 30-06-2021	Outstanding as on 30-06-2020
Name					
Professor Dr. Jonaid Shafiq	Managing Director	Director Remuneration	2,400,000	300,000	-
Dr. Sayeed Ahmed	Director	Director Remuneration	2,000,000	250,000	-
Mr. Javed Kaiser Ally	Director	Director Remuneration	1,400,000	200,000	-
Mr. Manzurul Islam	Director	Director Remuneration	1,800,000	-	375,000
Mrs. Suraiya Islam	Director		-	-	200,000

Board Meeting Fee: During the period from 01-07-2020 to 30-06-2021, there were 12 nos board meeting held. The attendance status of all the meeting is as follows

Name of Director	Designation	Nos of Meeting	2020-2021	Nos of Meeting	2019-2020
Mr. Manzurul Islam	Director	5	500	17	1,700
Mr. Abu Luthfe Fazle Rahim Khan	Director	4	400	17	1,700
Mr. Md. Abdur Rahim Choudhury (Rep of Islam Brothers Properties Ltd.)	Director	4	400	17	1,700
Mr. Anisuzzaman Chowdhury	Chairman	6	600	-	-
Ms. Imrana Zaman Chowdhury	Director	8	800	-	-
Professor Dr. Md. Jonaid Shafiq	Managing Director	8	800	-	-
Mrs. Masuma Parvin	Director	4	400	-	-
Dr. Zahara Rasul MD CCFP	Director	8	800	-	-
Mr. Javed Kaiser Ally	Director	8	800	-	-
Mrs. Tarana Ahmed	Director	8	800	-	-
Dr. Sayeed Ahmed	Director	8	800	-	-
Total			7,100		5,100



Notes	Particulars	Amount in BDT	
		30-Jun-2021	30-Jun-2020

Two directors naming Mr. Abu Luthfe Fazle Rahim Khan & Mr. Md. Abdur Rahim Choudhury Resigned from the post of directorship on 25-11-2020

- (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

42.00 Contingent Assets

There was no contingent assets as at 30 June 2021

43.00 Contingent Liability

137,334,101

137,334,101

43.01 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 27-08-2022.
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 26-09-2022.
4. VDS Demand of Tk. 26,357,255 incl 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 Rupgonj. It is expected to be favorable.

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

1. Southeast Bank Limited Corp. Branch- Tk. 3,046,000/-
2. Al-Arafah Islami Bank Limited VIP Road Branch-Tk. 20,000,000/- (additional Tk. 218,270,112 has been guaranteed by AIBL for SEBL LC takeover)

44.00 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. Biological	Manufacturing marketing and selling of pharmaceutical products in home and abroad.
2. Non - Biological	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:

Particulars	For the year ended 30 June 2021	
	Biological	Non Biological
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	34,874,573

Particulars	For the year ended 30 June 2020	
	Biological	Non Biological
External revenue	2,974,569,374	646,136,592
Intra-Segment revenue	-	-
Segment Revenue	2,974,569,374	646,136,592
Depreciation & amortization	58,490,719	10,321,892
Operating expense	929,175,405	202,464,990
Finance costs/ (income) & WPPF	45,075,819	9,821,908
Segment Profit/(loss) before tax	202,270,717	17,007,304
Income tax expense	(67,233,038)	(14,649,911)
Profit after Tax	135,037,679	2,357,393



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

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

Particulars	30-Jun-2021	30-Jun-2020
Salary/Wages Per Month, Below Tk. 3000	Nil	Nil
Salary/Wages Per Month, Above Tk. 3000	4,006	3,325
Total No. of Employees	4,006	3,325

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

Particulars	30-Jun-2021	30-Jun-2020
Directors Remuneration	7,600,000	12,278,603
Wages, Salaries and Allowances	147,095,898	145,482,156
Salaries and allowances (Admin, Marketing & Selling)	587,591,568	527,714,040
	742,287,466	685,474,799

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

Particulars	30-Jun-2021	30-Jun-2020
Turnover in BDT	3,606,576,486	3,149,005,151
Turnover in Quantity (Pcs/Tube/Bottle)	470,629,031	405,508,286

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

Particulars	30-Jun-2021	30-Jun-2020
Raw Material (Value in BDT.)	1,137,454,859	995,107,678
Raw Material Quantities (Pcs, kg and ltrs)	341,373,007	330,345,939

46.04 Disclosure as per requirement of Schedule XI, part II, para 3 (d) (ii) : Finished goods:

Particulars	30-Jun-2021	30-Jun-2020
Opening Quantity (Pcs/Bottle/Tube)	77,776,503	74,167,201
Production Quantity (Pcs/Bottle/Tube)	498,102,198	428,188,108
Closing Quantity (Pcs/Bottle/Tube)	83,453,774	77,776,503

47.00 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	2020-21	2019-2020
(a)	Managerial remuneration paid or payable during the financial year to the directors, including managing directors, a managing agent or manager	7,600,000	12,278,603
(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



47.01 Disclosure of Schedule XI, part-II, Para 7:

The production capacity and utilization is as follows:			2020-2021		2019-2020		
Dosage Form	UoM	Utilization	Installed Capacity	Production Output	Installed Capacity	Production Output	Utilization
			Yearly	Yearly	Yearly	Yearly	
Bolus	Pcs.	82%	9,793,107	8,004,323	3,793,107	2,964,795	78%
Capsule	Pcs.	88%	180,952,796	158,630,289	160,452,796	132,063,528	82%
Cream	Pcs.	91%	3,795,503	3,442,037	2,295,503	1,602,431	70%
Eye Drops	Dropper	84%	2,508,977	2,113,874	2,508,977	1,270,161	51%
Injection	Vial	95%	2,593,865	2,451,241	658,886	175,901	27%
Liquid	Bottle	97%	2,245,804	2,182,719	1,245,804	806,254	65%
Nasal Drops	Dropper	28%	396,985	112,567	296,985	209,691	71%
Nasal Spray	Dropper	78%	1,493,738	1,160,677	493,738	325,574	66%
Ointment	Tube	18%	203,474	36,642	203,474	67,778	33%
Oral Solution	Bottle	10%	1,138,832	117,319	138,832	121,580	88%
PFS	Bottle	98%	3,002,222	2,943,454	2,952,222	4,152,441	141%
Powder	Container/ Sachet	67%	3,414,330	2,275,672	3,364,330	2,225,408	66%
Premix	Bag	23%	2,444,421	573,992	1,444,421	393,877	27%
Syrup	Pcs.	41%	7,024,130	2,865,564	7,024,130	4,110,060	59%
Tablet	Pcs.	82%	378,777,513	311,084,413	361,848,475	277,676,201	77%
Vaccine	Vial/Ampoule	32%	337,433	107,415	237,433	22,426	9%
			600,123,130	498,102,198	548,959,113	428,188,108	

48.00 Cash Flows from Operating Activities

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

	2020-2021	2019-2020
Net Profit before tax	302,412,637	219,278,021
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	87,383,651	68,812,611
Contribution to WPPF	-	-
Tax Paid	(88,792,366)	(72,767,260)
Unrealized Foreign Exchange Gain/(Loss)	(33,966)	2,344
Disposal of land	223	-
Gain on disposal of share	-	(19,675,000)
Increase/Decrease in Current Assets:		
Inventory and Goods in transit (Increase)	(95,697,343)	(34,743,010)
Accounts Receivable (Increase)	(74,341,396)	28,940,450
Advance Deposit & Prepayment (Increase)	(82,111,302)	(60,323,639)
Increase/Decrease in current Liabilities:		
Accounts Payable (Decrease)	(13,752,593)	3,965,148
Provision and Accruals (Decrease)	22,537,387	68,010,775
Net Cash Generated by Operating Activities	57,604,932	201,500,440

Company Secretary

Chief Financial Officer

Managing Director

Director



Navana Pharmaceuticals Limited
Schedule of Property, Plant and Equipment
As at 30 June 2021

Sl. No.	Particulars	COST						DEPRECIATION									
		Balance as on 01 July 2020			Addition			Balance as on 30 June 2021			Depreciation						
		Cost	Revaluation Reserve	Total	Cost	Revaluation Reserve	Total	Adjustment	Cost	Revaluation Reserve	Total	Dep. Rate	Balance as on 01 July 2020	Charged during the year	Adjustment	Balance 30 June 2021	Written Down Value 30 June 2021
1	Land and Land Development	507,265,355	1,966,271,633	2,473,536,988	9,366,000	-	-	516,631,355	1,966,271,633	2,482,902,988	See the Policy Notes	122,416,484	7,037,230	-	-	129,453,715	2,482,902,988
2	Building & Other Construction	185,083,407	-	185,083,407	46,818,388	-	-	231,901,794	-	231,901,794	See the Policy Notes	267,395,442	30,700,267	19,391,359	-	278,704,351	102,448,080
3	Plant & Machinery	368,560,578	-	368,560,578	219,777,082	-	19,391,582	568,946,078	-	568,946,078	See the Policy Notes	41,014,728	5,189,462	-	-	46,204,190	290,241,720
4	Lab Equipment	63,720,527	-	63,720,527	43,732,785	-	-	107,453,312	-	107,453,312	See the Policy Notes	18,514,164	1,842,950	-	-	20,357,114	61,249,122
5	Furniture & Fixture	34,866,162	-	34,866,162	403,751	-	-	35,269,913	-	35,269,913	See the Policy Notes	24,127,338	1,827,501	-	-	25,954,839	9,926,451
6	Office Equipment's	34,477,614	-	34,477,614	1,403,676	-	-	35,881,290	-	35,881,290	See the Policy Notes	31,987,603	2,358,781	-	-	34,346,384	7,131,240
7	Computer & IT Accessories	38,315,225	-	38,315,225	3,162,399	-	-	41,477,624	-	41,477,624	See the Policy Notes	5,205,501	159,563	-	-	5,365,064	1,507,277
8	Other Assets	6,086,941	-	6,086,941	785,400	-	-	6,872,341	-	6,872,341	See the Policy Notes	510,661,262	49,115,756	19,391,359	-	540,385,658	2,970,319,683
TOTAL 2021:		1,238,375,809	1,966,271,634	3,204,647,442	325,449,482	-	19,391,582	1,544,433,709	1,966,271,634	3,510,705,342							
9	Intangible Assets	-	-	-	1,100,000	-	-	1,100,000	-	1,100,000		-	110,000	-	-	110,000	990,000
Software		-	-	-	1,100,000	-	-	1,100,000	-	1,100,000		-	110,000	-	-	110,000	990,000

Allocation of depreciation:

Particulars	Total	Admin (10%)	Factory (70%)	Sales & Mkt (4%)	Disc. (16%)
PPE	49,115,756	4,911,576	34,381,029	1,964,630	7,858,521

Sl. No.	Particulars	Cost						Depreciation						Written Down Value 30 June 2020		
		Balance as on 01 July 2019			Balance as on 30 June 2020			Dep. Rate	Balance as on 01 July 2019	Charged during the year	Adjustment					
		Cost	Revaluation Reserve	Total	Cost	Revaluation Reserve	Total									
1	Land and Land Development	507,265,355	1,966,271,632	2,473,536,988	-	-	-	507,265,355	1,966,271,633	2,473,536,988	See the Policy Notes	115,452,289	6,964,195	-	122,416,484	2,473,536,988
2	Building & Other Construction	185,083,407	-	185,083,407	16,299,765	-	-	185,083,407	-	185,083,407	See the Policy Notes	244,634,018	22,761,424	-	267,395,442	62,666,922
3	Plant & Machinery	352,260,813	-	352,260,813	2,061,053	-	-	368,560,578	-	368,560,578	See the Policy Notes	37,146,837	3,867,891	-	41,014,728	101,165,136
4	Lab Equipment	61,659,474	-	61,659,474	87,350	-	-	63,720,527	-	63,720,527	See the Policy Notes	16,448,939	2,065,224	-	18,514,164	22,705,799
6	Furniture & Fixture	34,778,812	-	34,778,812	510,000	-	-	34,477,614	-	34,477,614	See the Policy Notes	22,081,518	2,045,820	-	24,127,338	18,351,998
7	Office Equipments	33,967,614	-	33,967,614	1,354,178	-	-	38,315,225	-	38,315,225	See the Policy Notes	29,528,816	2,458,787	-	31,987,603	10,350,276
8	Computer, Accessories & Software	36,961,047	-	36,961,047	-	-	-	-	-	-	See the Policy Notes	5,056,113	149,388	-	5,205,501	881,440
9	Other Assets	6,086,941	-	6,086,941	-	-	-	6,086,941	-	6,086,941	See the Policy Notes	470,348,531	40,312,731	-	510,661,261	2,693,986,182
TOTAL 2020:		1,218,063,463	1,966,271,632	3,184,335,095	20,312,346	-	-	1,238,375,808	1,966,271,633	3,204,647,441						



Navana Pharmaceuticals Limited

Schedule of Right-of-Use Asset

As at 30 June 2021

SL No.	Particulars	Cost				Depreciation				Written Down Value as on 30 June 2021	
		Balance as on 1 July 2020	Addition	Adjustment	Balance as on 30 June 2021	Dep. Rate	Balance as on 1 July 2020	Charged during the year	Adjustment		Balance as on 30 June 2021
1	Rental Asset	22,153,852			22,153,852		6,278,241	5,953,354	-	12,231,595	9,922,257
	Rental Asset for Banani HO	22,153,852	-	-	22,153,852	33%	6,278,241	5,953,354	-	12,231,595	9,922,257
2	Vehicles	274,869,751	193,139,721	-	468,009,472		185,983,194	32,204,541	-	218,187,735	249,821,737
	Transport & Vehicles	170,676,276	117,064,172		287,740,448	20%	123,267,348	20,705,040		143,972,389	143,768,059
	Motor Cycle	104,193,475	76,075,549		180,269,024	20%	62,715,846	11,499,501		74,215,346	106,053,678
	TOTAL 2021:	297,023,603	193,139,721	-	490,163,324		192,261,435	38,157,895	-	230,419,330	259,743,994

Allocation of depreciation:

Total	Admin (10%)	Factory (70%)	Sales & Mkt (4%)	Dist. (16%)
32,204,541	3,220,454	22,543,179	1,288,182	5,152,727
5,953,354	5,953,354	-	-	-

On Vehicles
On Rent HO

Navana Pharmaceuticals Limited

Schedule of Right-of-Use Asset

As at 30 June 2020

SL No.	PARTICULARS	C O S T				Dep. Rate	DEPRECIATION			Written Down Value as on 30 June 2020	
		Balance as on 1 July 2019	Addition	Adjustment	Balance as on 30 June 2020 Total		Balance as on 1 July 2019	Charged during the year	Adjustment		Balance as on 30 June 2020
1	Rental Asset	-	22,153,852	-	22,153,852		-	6,278,241	-	6,278,241	15,875,611
	Rental Asset for Banani HO	-	22,153,852	-	22,153,852	33%	-	6,278,241	-	6,278,241	15,875,611
2	Vehicles	274,869,751	-	-	274,869,751		163,761,555	22,221,639	-	185,983,194	88,886,557
	Transport & Vehicles	170,676,276			170,676,276	20%	111,415,116	11,852,232		123,267,348	47,408,928
	Motor Cycle	104,193,475			104,193,475	20%	52,346,439	10,369,407		62,715,846	41,477,629
	TOTAL 2020:	274,869,750	22,153,852	-	297,023,602		163,761,554	28,499,879	-	192,261,434	104,762,167

