

(a) Currency risk

The company is exposed to currency risk on certain purchases since the company imports materials and machineries from abroad, unfavorable volatility of currency fluctuation may affect the profitability of the company.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings.

3.11 Operating Segments

No geographical segment reporting is applicable for the Company as required by IFRS 8: "Operating Segments", as the Company operates in a single geographical area.

3.12 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS-7: Statement of Cash Flows. The cash generating from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS-7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.13 Related Party Disclosures

As per International Accounting Standards IAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note-30 in financial statements.

3.14 Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.14.1 Current Tax

Current tax expense has been recognized on the basis of the Finance Act 2019 and Income Tax Ordinance 1984.

3.14.2 Deferred Tax

Deferred tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the comprehensive income statement. A temporary difference is the difference between the tax bases of an asset or liability and its carrying amount/reported amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognized in the current period. The deferred tax asset/income or liability/expense does not create a legal recoverability/ liability to and from the income tax authority. Deferred tax also arises due to revaluation of property, plant and equipment. The resulting impact of deferred tax assets/liabilities on revaluation surplus is included in the Statement of Profit or Loss and Other Comprehensive Income.

3.15 Contingent Assets and Liabilities

3.15.1 Contingent Assets

A contingent asset is disclosed when it is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.15.2 Contingent Liabilities

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The company has no contingent assets or liabilities which require disclosures under IAS-37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent asset is disclosed as per IAS-37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

3.16 Events After the Reporting Period

As per IAS-10: 'Events after the Reporting Period', events after the reporting period that provide additional information about

the company's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the Reporting Period have been given in note-29 in the financial statements.

4.00 Risk Exposure

4.01 Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management Perception

The company maintains low debt/equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

4.02 Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management Perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate has negligible impact on profitability of the company.

4.03 Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management Perception

Management is optimistic about growth opportunity in infusion sector in Bangladesh. Furthermore there is untapped international market.

4.04 Market Risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception

Management is fully aware of the market risk and act accordingly. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

4.05 Operational Risks

Non-availabilities of materials/equipments/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent.

4.06 Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle its obligations on time or at a reasonable price.

Management Perception

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 due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/ fund to make the expected payment within due date.

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
5.00 Property, Plant and Equipment:		
A) At Historical Cost		
Opening balance (at cost)	507,662,889	500,085,327
add: addition during the year	17,674,661	7,577,562
Closing balance (At cost)	525,337,550	507,662,889
Opening balance of depreciation	371,873,355	350,559,100
Charged during the year	24,716,349	21,314,254
Accumulated depreciation	396,589,704	371,873,354
Written down value as on	128,747,847	135,789,535
B) At Revaluation		
Opening balance	166,981,322	166,981,322
Add: addition during the year	-	-
Closing balance	166,981,322	166,981,322
Less: depreciation		
Opening balance of depreciation	8,812,686	7,833,499
Charged during the year	979,187	979,187
Accumulated depreciation	9,791,874	8,812,686
Written down value as on	157,189,448	158,168,636
Total Carrying Value (A+B)	285,937,295	293,958,171

Property, Plant and Equipment are disclosed at cost/revalued amount less accumulated depreciation consistently. ATA Khan & Co. Chartered Accountants, 67 Motijheel C/A, Dhaka -1000 revalued the Land & Land Development and Building of the company as on June 30, 2009 to reflect the fair value (prevailing market price) of those classes of assets. They applied "Current Cost Method" to determine the fair value of those assets which are in compliance with IAS-16 Property, Plant and Equipment".

6.00 Investment:

Investment in non-quoted shares	Note - 06.01	16,825,396	16,825,396
Investment in marketable securities	Note - 06.02	5,094,243	5,198,528
Fixed deposit (FDR), Agrani bank, WASA branch		316,005	301,619
		22,235,643	22,325,542

The above Investments have been considered as good by Directors.

6.01 Investment in Non-quoted Shares:

ICB Islamic Bank Ltd.	16,825,396	16,825,396
	16,825,396	16,825,396

The High Court Division's verdict on the above investment is in favor of the company and this case is continuing till now in The Supreme Court.

6.02 Investment in Marketable Securities:

	Market Value	Cost	Market Value
A. Southeast Bank Capital Services Ltd.			
Islami Bank Bangladesh Ltd.	2,360,000	4,528,494	2,380,000
Summit Alliance Port Ltd.	956,000	1,978,129	1,092,000
Sub -Total	3,316,000	6,506,623	3,472,000
B. Bank Asia Securities Ltd.			
Islami Bank Bangladesh Ltd.	472,000	891,286	476,000
Premier Leasing & Finance	200,655	387,419	224,700
Shahjibazar Power Co. Ltd.	493,164	818,417	468,540
AGNI System Ltd.	612,424	750,674	557,288
Sub - Total	1,778,243	2,847,796	1,726,528
Grand Total	5,094,243	9,354,419	5,198,528

The above investments in quoted shares that are held for long term investment purpose and classified as available for sale financial assets by the management. Initially these are recognized at costs which are their fair value at the transaction date and subsequently these are measured at fair value and presented as non-current asset. Any change in fair value is unrealized gain or (loss) from the above investments are recognized under other comprehensive income.

Particulars			Amount in Taka	
			30.06.2019	30.06.2018
7.00 Inventories:				
Raw materials			20,440,403	22,909,139
Packing materials			20,923,779	25,067,452
Work - in - process			2,256,232	3,792,223
Finished goods			15,189,896	13,111,877
Promotional materials			4,758,115	4,525,310
Printing & stationeries			585,318	601,118
Goods in transit			21,090,906	31,258,708
			85,244,649	101,265,827
8.00 Trade and other receivables				
Accounts receivables			138,801,045	148,275,635
Other receivables			63,728,273	54,401,051
			202,529,318	202,676,686
Receivables Movement During the year:				
Opening	Sales	Collection	30.06.2019	30.06.2018
148,275,635	810,296,226	819,770,816	138,801,045	148,275,635

This is unsecured, considered good and is falling due within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Aging of the above balance is as follows:

Below 180 days	138,801,045	148,275,635
Above 180 days	-	-

i. Accounts Receivable considered good in respect of which the company is fully secured	138,801,045	148,275,635
ii. Accounts Receivable considered good in respect of which the company holds no security other than the debtor personal security	-	-
iii. Accounts Receivable considered doubtful or bad	-	-
iv. Accounts Receivable due by any director or other officer of the company	-	-
v. Accounts Receivable due by Common Management	-	-
vi. The maximum amount of receivable due by any director or other officer of the company	-	-
Total	138,801,045	148,275,635

(i) The company did not make a provision against accounts receivable as accounts receivable are good and the amount is not a material item.

(ii) There was no amount due by the Directors (including Managing Director), Managing Agent of the company and any of them severally or jointly with any other person.

(iii) There was also no other amount due by associate undertakings.

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
9.00 Advances, Deposits & Prepayments:		
Advances		
Travel and other advances	306,943	782,618
Advance paid to suppliers	2,439,765	2,906,180
Advance for office rent	359,994	484,998
Motor cycle advance	6,016,637	6,601,157
Advance against c&f	6,924,697	5,699,971
Advance against cash purchase	611,060	563,311
Advance income tax	36,236,629	47,199,349
Note - 09.01		
Sub-Total:	52,895,725	64,237,583
Deposits		
VAT deposit	7	2,460,971
Security deposit	13,268,175	14,704,202
Bank guarantee	3,415,484	3,415,484
Earnest money	742,800	227,145
Collection & other advance	2,536,951	1,091,927
Sub-Total:	19,963,416	21,899,729
Grand Total:	72,859,142	86,137,312

All advances, deposits & prepayments are considered regular and recoverable in the normal courses of business.

9.01 Advance Income Tax:

Opening balance	47,199,349	33,001,928
Income tax paid and TDS during the year	16,113,986	14,197,421
Adjustment for income year 2016-2017	(12,879,285)	-
Adjustment for income year 2017-2018	(14,197,421)	-
Closing Balance	36,236,629	47,199,349

10.00 Cash and Cash Equivalents:

(A) Cash in hand/imprest cash	859,717	1,198,127
(B) Balance at brokerage house	248,166	165,321
(c) Cash at Bank	7,093,807	7,794,151
Current account (main)	5,045,327	2,929,947
Current account (collection)	1,519,179	3,496,162
Short term deposit account	529,301	1,368,042
Total	8,201,690	9,157,599

11.00 Share Capital:

a) Authorized Capital:

100,000,000 ordinary shares of taka 10/- each	1,000,000,000	1,000,000,000
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b) Issued, Subscribed and Paid-up Capital:

20,359,760 ordinary shares of taka 10/- each	203,597,600	203,597,600
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c) Distribution Schedule:

The detailed schedule showing the number of shareholders and their shareholding in percentage has been disclosed below as a requirement of the Regulation 37(3) of Dhaka Stock Exchange and Chittagong Stock Exchange.

Range of holding in number of shares	No. of Shareholders	Number of Shares held	Percentage of Shareholding 30.06.2019	Percentage of Shareholding 30.06.2018
Up to 500 shares	2,172	948,570	4.66%	5.00%
501 to 5,000 shares	2,140	2,153,680	10.58%	10.26%
5,001 to 10,000 shares	368	2,408,050	11.83%	10.46%
10,001 to 20,000 shares	115	1,486,460	7.30%	6.59%
20,001 to above	101	13,363,000	65.63%	67.68%
Total	4,896	20,359,760	100%	100%

d) Shareholding Position as on 30th June 2019 is as follows:

Composition of Shareholding	No. of Shareholders	Number of Shares held	Percentage of Shareholding 30.06.2019	Percentage of Shareholding 30.06.2018
Sponsors	4	8,268,400	40.61%	40.61%
Foreign investors	16	43,827	0.22%	0.14%
Institutional	96	6,130,000	30.11%	26.02%
General public	4,780	5,917,533	29.06%	33.23%
Total	4,896	20,359,760	100%	100%

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
12.00 Reserves:		
Revaluation surplus on PPE	142,755,329	143,489,720
Fair value changes in investment	(4,260,176)	(4,155,988)
	138,495,152	139,333,731
12.01 Revaluation surplus on Property, plant and equipment		
Opening balance	143,489,720	147,764,769
Depreciation on revalued asset	(979,187)	(979,187)
Adjustment for deferred tax on revaluation surplus	244,797	(3,295,862)
Closing Balance	142,755,329	143,489,720
12.02 Fair value changes in investment		
Opening balance	(4,155,988)	(2,162,315)
Fair value adjustment for sale of securities	37,156	250,541
Fair value gain/(loss) on marketable securities	(141,344)	(2,244,215)
Closing Balance	(4,260,176)	(4,155,988)
13.00 Long Term Loans		
Finance lease liabilities - non current portion-PFIL	5,696,543	4,692,477
	5,696,543	4,692,477
14.00 Deferred Tax Assets / Liabilities :		
Opening balance	5,298,122	4,069,947
Addition/adjustment during the year charged to income tax expenses	(2,382,331)	(2,067,687)
Adjustment with revaluation surplus on PPE	(244,797)	3,295,862
Closing Balance	2,670,994	5,298,122

Deferred Tax (Income)/ Expense:

Particulars	Accounting Base	Tax Base	Deferred Tax (Assets)/ Liabilities as on 30.06.2019	Deferred Tax (Assets)/ Liabilities as on 30.06.2018
Historical Cost				
Written Down Value on PPE	117,269,801	85,368,495	7,975,326	10,357,657
Unabsorbed depreciation	-	74,547,457	(18,636,864)	(18,636,864)
Total			(10,661,538)	(8,279,207)
Closing Deferred Tax (Asset)/ Liability			(10,661,538)	(8,279,207)
Opening Deferred Tax (Asset)/ Liability			(8,279,207)	(6,211,520)
Deferred Tax (Income)/ Expense:			(2,382,331)	(2,067,687)
Revaluation				
Land & Land Development	118,021,954	-	3,540,659	3,540,659
Building	39,167,494	-	9,791,874	10,036,670
Total			13,332,532	13,577,329
Closing Deferred Tax (Asset)/ Liability			13,332,532	13,577,329
Opening Deferred Tax (Asset)/ Liability			13,577,329	10,281,467
Deferred Tax (Income)/ Expense:			(244,797)	3,295,862

The company has unabsorbed tax depreciation balance and management believes that the company will be able to utilize this in near future.

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
15.00 Short Term Loans:		
Agrani bank C.C. (Hypothecation) - 54566, WASA branch	204,503,841	205,796,006
Agrani bank (LTR), WASA branch- 4786	91,369,438	95,274,119
Finance lease liabilities - current portion (PFIL)	3,633,044	1,420,145
Bangladesh Finance & Investment Co. Ltd.	14,911,560	37,725,010
	314,417,883	340,215,281

These loans are secured by mortgage on land and building, hypothecation of plant and machinery, raw and packing materials, work-in-process, finished stocks and book debts respectively. The interest rate of C.C (Hypo) is 9%.

16.00 Trade and other payables:

Suppliers

36,615,306 41,365,511

36,615,306 **41,365,511**

17.00 Accrued Expenses :

Utilities
Salary and wages
Workers' profit participation fund
Audit fees
Provision for income tax (note 17.01)
Dividend payable
Other payables

864,412 858,591

11,583,200 13,833,321

2,479,586 2,062,817

345,000 287,500

29,323,198 36,315,007

4,132,643 6,262,356

11,176,865 9,246,987

59,904,905 **68,866,579**

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
17.01 Provision for current tax		
Opening balance	36,315,007	26,035,897
Add: provision made during the year	12,449,668	10,279,110
Less: adjustment for income year 2016-2017	(9,162,367)	-
Less: adjustment for income year 2017-2018	(10,279,110)	-
Closing Balance	29,323,198	36,315,007
18.00 Revenue from Net Sales		
Local sales	808,751,446	751,950,225
Export sales	1,527,197	1,812,499
Gain / (loss) on foreign exchange transaction	17,583	-
	810,296,226	753,762,724

In 2018-2019 sales represent 9,832,795 units consisting of 40 injectable products and 433,336 units of 35 veterinary products. Whereas in 2017-2018 sales represent 9,453,258 units consisting of 39 injectable products and 23,858 units of 32 veterinary product LVP & other injectable products.

19.00 Cost of Goods Sold:

Raw materials consumed	Note - 19.01	113,950,596	122,666,808
Packing materials consumed	Note - 19.02	227,447,417	216,171,552
		341,398,013	338,838,360
Work in process-opening		3,792,223	1,052,626
Work in process-closing		(2,256,232)	(3,792,223)
Total Consumption		342,934,004	336,098,763
Manufacturing overhead	Note - 19.03	147,892,872	123,258,294
Cost of Production		490,826,877	459,357,057
Finished goods-opening		13,111,877	8,533,725
Finished goods-closing		(15,189,896)	(13,111,877)
		488,748,858	454,778,905
Cost of physician sample		(5,342,965)	(5,044,034)
Cost of Goods Sold		483,405,892	449,734,871

19.01 Raw Materials Consumed:

Opening stock	22,909,139	17,326,439
Add : purchase	111,481,860	128,249,508
Less : closing stock	(20,440,403)	(22,909,139)
	113,950,596	122,666,808

19.02 Packing Materials Consumed:

Opening stock	25,067,452	22,435,687
Add : purchase	223,303,744	218,803,317
Less : closing stock	(20,923,779)	(25,067,452)
	227,447,417	216,171,552

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
19.03 Manufacturing Overhead:		
Wages, allowances and bonus	71,346,889	55,986,339
Spare parts	12,340,210	10,894,713
Utilities	12,104,002	11,680,969
Fuel & lubricant	1,540,827	675,835
Security guard expenses	-	161,986
Repair & maintenance	11,818,371	10,045,232
Research, test and analysis expenses	874,462	69,094
Uniform & liveries	59,733	90,288
Travelling & conveyance	936,849	855,109
Entertainment	304,336	214,575
Workers food expenses	9,137,886	8,620,647
Misc. expenses	128,664	202,882
Fees & taxes	269,190	318,607
Newspapers & periodicals	6,072	6,542
Telephone, internet & postage	657,090	614,683
Insurance premium	626,175	626,175
Carrying materials	139,759	101,460
Printing & stationeries	2,450,673	1,998,570
Depreciation	23,151,685	20,094,587
Total:	147,892,872	123,258,294
20.00 Administrative Expenses		
Salaries, allowances and bonus	24,127,754	21,657,398
Meeting attendance fees	36,750	-
Telephone, internet & postage	428,319	125,311
Printing & stationeries	177,246	132,786
Oil & fuel	376,050	87,787
Advertisement & publicity	574,583	431,217
Travelling & conveyance	401,564	338,989
Repair & maintenance	52,975	41,722
Bank charges & commission	221,786	197,188
Newspapers & periodicals	5,740	6,816
Software & it consultancy	1,251,000	1,232,300
Entertainment	74,050	52,218
Audit fee	287,500	230,000
Corporate governance audit fee	57,500	57,500
Fees & taxes	605,101	706,459
Annual listing fee	309,598	415,598
Donation & subscription	2,971,440	-
Misc. Expenses	94,670	341,880
Insurance premium	525,693	395,800
A.G.M. expenses	426,148	398,046
Uniform & liveries	63,440	52,160
Utilities	158,543	166,146
Depreciation	1,704,404	1,485,871
Total:	34,931,853	28,553,191

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
21.00 Selling and Distribution Expenses:		
Salary, allowances and bonus	176,116,041	157,931,089
Carrying and delivery expenses	8,844,119	8,208,926
Sales force expenses	2,780,379	2,864,476
Telephone, internet & postage	785,589	524,834
Training & conference expenses	751,169	758,451
Office rent-depots	7,602,238	7,055,775
Printing & stationeries	1,585,728	1,366,328
Product development expenses	5,686	31,494
Oil & fuel	452,352	342,292
Repair & maintenance	348,388	291,131
Travelling & conveyance	626,177	586,503
Product sample	5,342,965	5,044,034
Promotional expenses	2,422,356	2,172,307
Entertainment	447,945	315,890
Bank charges & commission	726,381	783,541
Fees & taxes	366,732	515,977
Depreciation	839,448	712,984
Total:	210,043,693	189,506,032
22.00 Financial Expenses:		
Interest on C.C. (Hypo), Agrani bank Ltd.	18,195,629	23,418,126
Interest on LTR loan Agrani bank Ltd.	8,478,531	11,545,969
Interest on lease finance-PFIL	1,219,458	608,822
Interest on BD finance loan	2,258,148	7,697,872
Total:	30,151,766	43,270,789
23.00 Non Operating Income:		
Sale of scrap	698,752	625,703
Bank interest	15,976	33,515
Interest on fdr	12,942	10,883
Capital gain/(loss) on marketable securities	(37,156)	(250,541)
Dividend income	208,704	201,750
Total:	899,218	621,310
24.00 Income Tax Expense		
Current tax on profit for the year	12,449,668	10,279,110
Deferred tax (expense)/income	(2,382,331)	(2,067,687)
	10,067,338	8,211,423

Annexure - "A"

Note - 24.01

24.01 Current Tax

Particulars	Taxable Income	Amount in Taka	
		2018-2019	2017-2018
25% tax on taxable profit	49,280,455	12,320,114	10,151,239
Half of export income @ 25%	702,511	87,814	87,521
Capital gain/ (loss) on sale of marketable securities	(37,156)	-	-
20% tax on dividend income	208,704	41,741	40,350
Total:	50,154,514	12,449,668	10,279,110

As per Sec-39 of Income Tax Ordinance (ITO) 1984 Capital Loss on sale of marketable securities amounting Tk. 37,156 has been kept separate for carrying forward to the next year where it will be set off against capital gain on sale of marketable securities.

Particulars	Amount in Taka	
	30.06.2019	30.06.2018
Minimum Tax		
Calculation of gross receipt		
Revenue:		
Local, export & veterinary	810,296,226	753,762,724
Other income		
Sale of scrap	698,752	625,703
Interest income	15,976	33,515
Interest on FDR	12,942	10,883
Dividend income	208,704	201,750
Total Gross Receipts	811,232,600	754,634,575
Minimum Tax (.60% On Total Gross Receipts)	4,867,396	4,527,807

Income tax provision is higher between tax at regular rate on income and minimum tax on gross receipts U/S 82(C) of ITO 1984. Hence tax at regular rate is accounted for as it is higher than the minimum tax.

25.00 Earning Per Share (EPS):

The computation is given below:

Basic Earning Per Share

Net profit after tax	40,087,176	33,044,911
Ordinary shares outstanding during the year	20,359,760	20,359,760
	1.97	1.62

During the year no share was issued, hence calculation of weighted average number of share was not required.

26.00 Disclosures as per BSEC NOTIFICATION No. BSEC/CMRRCD/2006-158/208/ADMIN/81 Dated. 20 June 2018

Reconciliation of net profit with cash flows from operating activities

Particulars	Amount in Taka	
	2018-2019	2017-2018
Net profit before tax	50,154,514	41,256,333
Interest & other income	(899,218)	(621,309)
Financial expenses	30,151,766	43,270,789
Depreciation	25,695,537	22,293,441
Increase in accounts receivables	147,367	(2,575,708)
Increase in inventory	16,021,178	(35,511,602)
Increase in trade payable	(4,750,205)	9,492,220
Decrease in accrued expenses	(1,310,109)	(3,961,416)
Decrease in advance deposit & prepayments	2,315,451	(12,757,147)
Cash generated from operating activities	117,526,282	60,885,601
Investment income	899,218	621,309
Finance cost paid	(30,151,766)	(43,270,789)
Income taxes paid	(16,113,986)	(14,197,421)
Net cash flows from operating activities	72,159,747	4,038,700
27.00 Calculation of Net operating cash flow per share (NOCFPS)		
Net cash flow from operating activities	72,159,747	4,038,700
No. of shares	20,359,760	20,359,760
Net operating cash flow per share (NOCFPS)	3.54	0.20

28.00 Production Capacity, Yearly Production in 2018-2019 and Reason of Excess / (Shortfall):

Quantity in Million

Item	Production Capacity		Yearly Production		Capacity Utilized	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Intravenous Fluids and Injections	10.74	10.38	10.39	9.98	96.74%	96.15%

29.00 Events After Reporting Period:**29.01 Board Meeting**

The Board of Directors recommended 14% cash dividend (i.e. Tk. 1.40 per share) for the year ended 30 June 2019. The said proposed dividend is subject to final approval by the shareholders at the forthcoming 36th Annual General Meeting of the Company.

29.02 Tax Assessment

Tax assessment of the company for the Income Year 2016-2017 & 2017-2018 was completed till the report issuing date.

30.00 Related Party Transactions:**30.01 Transactions with Other Concerns of the Group**

The Company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures". The Company opines that terms of related party transactions do not significantly differ from those that could have been obtained from third parties. Total transactions of the significant related parties as at 30 June 2019 were as follows:

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.07.2018	Addition during the year	Adjustment during the year	Closing Balance as on 30.06.2019
Orion Pharma Limited	Common Director/ Shareholder	Trade Debtor	54,399,940	-	9,328,333	63,728,273
Kohinoor Chemical Co. (BD) Ltd.	Common Director/ Shareholder	Trade Creditor	(1,235,592)	899,712	(128,758)	(464,638)
Total:			53,164,348	899,712	9,328,333	63,263,635

30.02 Payments/Perquisites to Managers and above

Payments and perquisites given to the Managers and above during the year are disclosed below:

Particulars	Amount in Taka	
	2018-2019	2017-2018
Basic salary	4,477,655	3,298,430
House rent	2,238,843	1,648,224
Medical allowance	541,000	450,000
Conveyance	413,000	348,000
Other allowance	1,008,525	816,600
Bonus	712,980	536,280
Profit participation fund	331,790	261,090
Contribution to provident fund (employer)	440,560	329,652
Interest from provident fund	723,276	598,536
Leave Fair Assistance	334,045	259,802
Total	11,221,674	8,546,614

i) During the year board meeting attendance fees were paid to the directors.

ii) No amount was paid to the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary during the year because they work as common employee in the group and are paid from the other concerns of the Group.

31.00 General:**31.01 Capital Expenditure Commitment:**

There was no capital expenditure contracted but not incurred or provided as on 30.06.2019

There is no material capital expenditure authorized by the board but not contracted for as on 30.06.2019

31.02 Claims not Acknowledged:

There is no claim against the Company not acknowledged as debt as on 30.06.2019

31.03 Credit Facilities not Availed:

There is no credit facilities available to the Company but not availed as on 30.06.2019 under any contract, other than trade credit available in the ordinary course of business.

30.04 Commission, Brokerage or Discount Agents Sales:

No commission, brokerage or discount was incurred or paid by the Company against sales during the period from 1 July 2018 to 30 June 2019.

30.05 Directors Responsibility Statements:

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

30.06 Employee Details:

i) During the year there were 917 employees employed for the full year and 85 employees less than the full year at a remuneration of Taka 3,000 per month and above.

ii) At the end of the year, there were 917 employees in the company.

30.07 Rounding off:

Amounts appearing in these financial statements have been rounded off to the nearest Taka and, wherever considered necessary.

32.00 Contingent Liability:

There was disclosure in previous year's Financial Statement on contingent liability Tk. 37,798,752/- against demand by the VAT authority and for which the Company filed a writ Appeal to the High Court Division. The honorable High Court Division has given verdict in favour of the Company as the VAT authority claim was unlawful. As such neither any liability arises nor contingent liability exist in this regard. The High Court Division has issued certified copy of judgement on 11.09.2017 but The Company has received the said copy during the year under audit. Since the matter is settled, Contingent Liability has been ommitted from financial statements in the financial year 2018-19.

Sd/-

Managing Director

Sd/-

Director

Sd/-

Chief Financial Officer

Sd/-

Company Secretary

Orion Infusion Limited
Schedule of Non Current Assets
As at 30 June 2019

Property, Plant & Equipment:		Particulars	Cost		Rate of Dep.	Depreciation		Written Down Value As On 30.06.2019
			Balance as on 01.07.2018	Addition during the year		Balance as on 01.07.2018	Charged during the year	
Sl. No.								
At Historical Cost								
1.	Land & Land Development		11,478,046	-	-	-	-	11,478,046
2.	Building		129,787,638	-	2%	67,228,009	2,595,753	59,963,876
3.	Plant & Machinery		311,770,159	11,546,076	5%	263,306,294	15,904,094	44,105,847
4.	PVC Bag Manufacturing Machine		14,476,134	-	5%	10,857,103	723,807	2,895,225
5.	Furniture & Fixture		11,464,715	128,797	10%	10,578,459	218,068	796,985
6.	Office Equipment		12,375,446	1,048,620	10%	9,026,064	1,308,218	3,089,784
7.	Vehicles		16,310,751	4,951,167	20%	10,877,425	3,966,409	6,418,084
A. Sub - Total:			507,662,889	17,674,661		371,873,355	24,716,349	128,747,847
At Revaluation								
1.	Land & Land Development		118,021,954	-	-	-	-	118,021,954
2.	Building		48,959,368	-	2%	8,812,686	979,187	39,167,494
B. Sub - Total:			166,981,322	-		8,812,686	979,187	157,189,448
Total: As on 30-06-2019			674,644,211	17,674,661		380,686,041	25,695,536	285,937,295
Total: As on 30-06-2018			667,066,649	7,577,562		358,392,599	22,293,441	293,958,171

Allocation of depreciation charge for the year has been made in the accounts as follows:

Asets	Manufacturing	Admin.	Selling	Total
1. Building	3,574,940	-	-	3,574,940
2. Plant & Machinery	15,904,094	-	-	15,904,094
3. PVC Bag Manufacturing Machine	723,807	-	-	723,807
4. Furniture & Fixture	109,034	54,517	54,517	218,068
5. Office Equipments	261,644	261,644	784,931	1,308,218
6. Vehicles	2,578,166	1,388,243	-	3,966,409
Total	23,151,685	1,704,404	839,448	25,695,536

Orion Infusion Limited
Schedule of Cash at Bank
For the year ended 30 June 2019

Annexure - "B"

		Annexure		
Sl. No.	Name of the Bank & Branch	Account No.	Amount in Taka	
			30 June 2019	30 June 2018
Current Account (Main)				
1	Agrani Bank, WASA Branch	A/C 10067/797459	3,227,921	1,334,274
2	National Bank, Mohakhali Branch	A/C 8769/534039	759,845	355,801
3	Rupali Bank, TCB Bhaban Branch	A/C 707	66,281	66,281
4	Sonali Bank, Farmgate Branch	A/C 10902	320,477	763,275
5	Sonali Bank, Tejgaon Branch	A/C 2769	82,408	82,408
6	Social Islami Bank Ltd. Principle Branch	A/C 39415	28,337	29,487
7	Rupali Bank, Vulta branch	A/C 130	4,480	4,480
8	First Security Islami Bank, Gulshan Br.	A/C 1160	187,475	187,475
9	AB Bank Ltd., Principal Branch	A/C 753584-000	368,103	106,466
			5,045,327	2,929,947
Current Account (Collection)				
10	Agrani Bank, Chittagong Branch	A/C 621	3,150	3,150
11	Agrani Bank, Bogra Branch	A/C 1234	1,277	1,277
12	Agrani Bank, Barisal Branch	A/c 1803	249	249
13	Agrani Bank, Rangpur Branch	A/C 4406	877	877
14	Agrani Bank, Cumilla Branch	A/C 53032	70	(45)
15	Agrani Bank, Faridpur Branch	A/C 00184023	8,287	104,768
16	National Bank, Bogra Branch	A/C 1511566	184,619	496,945
17	National Bank, Barisal Branch	A/C 1450381	150,126	281,020
18	National Bank, Sylhet Branch	A/C 0067191	185,805	207,472
19	National Bank, Mymensingh Branch	A/C 1162958	6,574	167,548
20	National Bank, Rangpur Branch	A/C 1156654	18,223	101,140
21	National Bank, Faridpur Branch	A/C 1233	869	869
22	Agrani Bank, Chaumuhani Branch	A/C 679075	18,443	113,869
23	Agrani Bank, Khulna Branch	A/C 5266084	166,182	399,207
24	National Bank, Dinajpur Branch	A/C 1153677	533,461	342,923
25	National Bank, Tangail Br.	A/C 662606	2,841	123,306
26	National Bank Moulvibazar Br.	A/C 247152	97,831	196,742
27	Agrani Bank Kustia Br.	A/C 5828100	79,423	204,369
28	Agrani Bank N.Gonj Br.	A/C 651647	47,972	118,044
29	National Bank Cox's Bazar Br.	A/C 523480	2,912	58,053
30	Agrani Bank, BSCIR Br. Cumilla	A/C 4596634	2,394	253,826
31	National Bank,CDA Avenue Br.Chittagong	A/C 96172	5,000	50,527
32	National Bank , Sylhet Br.	A/C 2339905	-	1,783
33	Sonali Bank Rajshahi Branch	A/C 1449	2,594	268,244
			1,519,179	3,496,162
Short Term Deposit Account				
34	Agrani Bank, WASA Branch	A/C 798900	47,592	1,008,554
35	Shahjalal Bank Ltd. Main Branch. Dilkusha Br.	A/C 00821	12,605	60,651
36	National Bank	A/C 727/728/729	15,000	15,000
37	Bank Asia	A/C 0039	271,508	161,306
38	AB Bank Ltd (194-430),Pr. Branch	A/C 194-430	48,516	13,321
39	Bank Asia (00189) Mohakhali Branch	A/C 000189	134,080	109,210
			529,301	1,368,042
Total:			7,093,807	7,794,151



ORION INFUSION LIMITED

153-154, Tejgaon Industrial Area, Dhaka-1208.

PROXY FORM

I/We _____ of _____ being a member of Orion Infusion Limited hereby appoint Mr./Mrs. _____ of _____ as my proxy to attend and vote for me/us on my/our behalf at the 36th Annual General Meeting of the Company to be held on Sunday, the December 15, 2019 at 10:15 a.m. at Officers' Club, 26, Baily Road, Ramna, Dhaka. and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2019 signed by the said in presence of _____

(Signature of the Proxy)

Revenue
Stamp
Tk. 20.00/-

Signature of Witness

Signature of the Shareholder(s)
Register Folio/BO No. _____
Dated _____

Note:

A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature Verified

Authorised Signatory



ORION INFUSION LIMITED

Shareholders' Attendance Slip

I/We hereby record my attendance at the 36th Annual General Meeting of the Company to be held on Sunday, the December 15, 2019 at 10:15 a.m. at Officers' Club, 26 Baily Road, Ramna, Dhaka.

Name of Member(s) _____ Register Folio / BO No. _____
holding of _____ ordinary Shares of Orion Infusion Limited.

(Signature of the Proxy)

Signature of the Shareholder(s)

N.B.

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception Desk.



Notes

[illegible]



ORION
Infusion Ltd.
In Search of Excellence



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