

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 1997**

**OF**

**ORION INFUSION LIMITED**

**কামরুল আহসান চৌধুরী এন্ড কোঃ**  
**QUAMRUL AHSAN CHOWDHURY & CO.**

*Chartered Accountants*  
Arup Bhaban (2nd Floor)  
107, Agrabad Commercial Area,  
Chittagong—4100  
Bangladesh.  
Phone : 713579

**ORION INFUSION LIMITED**

**REPORT AND ACCOUNTS  
FOR YEAR ENDED 30<sup>TH</sup> June 1997**

**AUDITORS' REPORT**  
**TO**  
**THE SHAREHOLDERS OF**  
**ORION INFUSION LIMITED**

We have audited the accompanying Balance Sheet of Orion Infusion Limited as of 30 June 1997 and the related Profit and Loss Account and the Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

**Basis of Opinion:**

We conducted our audit in accordance with the International Standards on Auditing as adopted by the Institute of Chartered Accountants of Bangladesh. We however could not physically verify stocks, spares, fixed assets and cash on hand at balance sheet date as our appointment was post-dated and also we had to rely upon the previous auditors for the Opening Balances, and the figures upto 31 March 1997. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**Opinion:**

In our opinion, the financial statements prepared in accordance with the International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh, give, subject to the contents of Schedules -3,11 and 16, a true and fair view of the Company's affairs as of 30 June 1997 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994; the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

**We also report that-**

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 Company's Balance Sheet and Profit and Loss Account 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.

Quamrul Ahsan Chowdhury & Co  
Chartered Accountants

Dated: Chittagong, 27 January 2000

*Q.A. Chowdhury*  
Q.A. Chowdhury FCA  
Proprietor

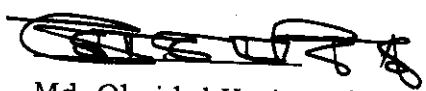
# ORION INFUSION LIMITED

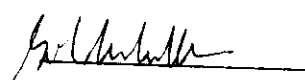
## BALANCE SHEET AS AT 30 JUNE 1997

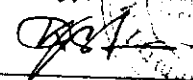
SL.NO.	<u>PARTICULARS</u>	<u>SCHEDULE</u>	1997 <u>TAKA</u>	1996 <u>TAKA</u>
1.	<b>Sources of Fund</b>			
	Shareholders' Fund			
	a) Share Capital	3	20,00,00,000	20,00,00,000
	b) Reserves and Surplus	4	41,56,589	47,68,239
			20,41,56,589	20,47,68,239
			20,41,56,589	20,47,68,239
2.	<b>Applications of Fund</b>			
2.1	<b>Fixed Assets</b>			
	a) Gross Block	5	24,66,79,115	24,63,66,031
	b) Less : Depreciation		3,64,85,751	2,56,21,606
	c) Net Block		21,01,93,364	22,07,44,425
2.2	Investments	6	19,72,73,097	18,30,98,123
			40,74,66,461	40,38,42,548
2.3	<b>Current Assets, Loans and Advances</b>			
	a) Inventories	7	6,65,48,343	8,01,91,170
	b) Sundry Debtors	8	72,72,419	90,48,402
	c) Deposits and other Receivables	9	3,14,41,497	2,40,23,342
	d) Cash and Bank Balances	10	22,38,039	45,10,490
			10,75,00,298	11,77,73,404
	<b>Less : Current Liabilities and Provisions</b>			
	a) Cash Credits - Secured	11	29,53,38,149	27,06,38,688
	b) Liabilities for Goods Supplied	12	29,37,673	30,75,084
	c) Liabilities for Expenses	13	14,69,073	9,21,438
	d) Liabilities for other Finance	14	4,95,99,936	4,96,67,776
			34,93,44,831	32,43,02,986
	<u>Net Current Assets</u>		(24,18,44,533)	(20,65,29,582)
2.4	Profit & Loss Account- Loss carried forward		3,20,11,297	-----
2.5	Miscellaneous Expenditure to the Extent Not written off or adjusted	15	65,23,364	74,55,273
2.6	Contingent Liabilities	16	-----	-----
			20,41,56,589	20,47,68,239
			20,41,56,589	20,47,68,239

AUDITORS' REPORT TO THE SHAREHOLDERS  
See annexed report

The annexed schedules form a part of  
this Balance Sheet. **LAL**

  
Md. Obaidul Karim  
Managing Director

  
Golam Mohiuddin  
Director

  
Md. Kayes Mahmud  
Company Secretary

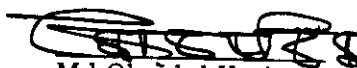
# ORION INFUSION LIMITED

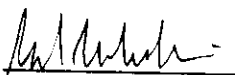
## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1997


PARTICULARS	SCHEDULE	1997 Taka	1996 Taka
<b>Sales</b>			
Less : Cost Of Goods Sold	17	10,48,54,050	12,14,66,397
Gross Profit	18	6,70,70,102	7,78,90,860
		-----	-----
		3,77,83,948	4,35,75,537
<b>Less : Operating Expenses</b>			
General and Administrative Expenses	19	1,33,16,307	64,93,267
Selling and Distribution Expenses	20	1,57,23,394	87,57,519
<b>Operating Profit</b>		2,90,39,701	1,52,50,786
Less : Financial Expenses		87,44,247	2,83,24,751
Profit before Workers' Participation/Welfare Funds	21	4,13,67,194	1,12,97,311
Less : Contribution to workers' Participation/welfare Funds		(3,26,22,947)	1,70,27,440
<b>Net Profit / (Loss)</b>		-----	8,51,372
Unappropriated Profit/(Loss) brought forward		(3,26,22,947)	1,61,76,068
		6,11,650	23,06,515
<b>Profit/ (Loss) Available for appropriation</b>		-----	-----
Less : <b>Appropriation :</b>			
Tax Holiday Reserve		-----	8,70,933
Proposed Dividend		-----	1,70,00,000
<b>Profit/ (Loss) carried forward</b>		-----	1,78,70,933
Earning Per Share		(3,20,11,297)	6,11,650
		(16.31)	8.09

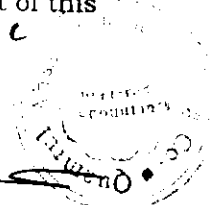
AUDITORS' REPORT TO THE SHAREHOLDERS  
See report annexed

The annexed schedules from a part of this  
Profit and Loss Account **LAC**

  
Md Obaidul Karim  
Managing Director

  
Golam Mohiuddin  
Director

  
Md Kayes Mahmud  
Company Secretary



# ORION INFUSION LIMITED

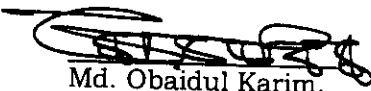
## CASH FLOWS STATEMENT

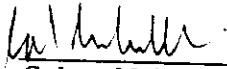
FOR THE YEAR ENDED 30 JUNE 1997

PARTICULARS	1997 Taka	1996 Taka
<b>Cash &amp; Bank Balances at the Beginning of the year</b>	45,10,490	83,04,482
<b>Cash Flows from Operating Activities :</b>		
Cash Received from Customers	10,66,30,033	12,69,86,159
Cash Paid to Suppliers & Employees	(7,01,60,369)	(4,98,61,808)
	3,64,69,664	7,71,24,351
Income Tax Deducted at Source	(1,00,329)	(3,05,629)
Interest Charged	(4,13,67,194)	(1,12,97,311)
	(49,97,859)	6,55,21,411
<b>Cash Flows from Investing Activities :</b>		
Acquisition of Fixed Assets	(3,13,084)	(1,27,29,155)
Investments Made	(1,41,74,974)	(18,30,98,123)
	(1,44,88,058)	(19,58,27,278)
<b>Cash Flows from Financing Activities :</b>		
Bank Loans Received	2,46,99,461	18,70,00,572
(Payments to) Associated Companies	(74,18,155)	(6,04,88,697)
Dividend Paid	(67,840)	----
	1,72,13,466	12,65,11,875
<b>Cash &amp; Bank Balances at the Closing of the year</b>	----- 22,38,039 =====	----- 45,10,490 =====

AUDITORS' REPORT TO THE SHAREHOLDERS  
See annexed report

The annexed schedules from a part of  
this Cash Flows Statement

  
Md. Obaidul Karim.  
Managing Director

  
Golam Mohiuddin  
Director

  
Md. Kayes Mahmud  
Company Secretary

**ORION INFUSION LIMITED**  
**SCHEDULES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1997**  
**FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**SCHEDULE-1**

**NOTES-GENERAL**

**(a) Disclosure on Orion Infusion Limited:**

This is a public limited company incorporated in Bangladesh on 5 May 1983 under the entrepreneurship of Orion Group. The other shareholders are general public including financial institutions and foreign investors.

The shares of the Company are listed both with the Dhaka and Chittagong Stock Exchange of Bangladesh.

The company owns an intravenous (I.V) fluid project for producing life saving injectables, namely intravenous(I.V) fluids and other allied products.

**(b) Components of the Financial Statements:**

- (i) Balance Sheet as on 30 June 1997;
- (ii) Profit and Loss Account for the year ended 30 June 1997;
- (iii) Cash Flows Statement for the year ended 30 June 1997.
- (iv) Schedules to the financial statements.

**(c) Reporting Currency and Level of Precision:**

The figures in the financial statements represent Bangladesh Taka, which have been rounded off to the nearest taka except where indicated otherwise.

**(d) Tax Holiday:**

The Company is enjoying tax-holiday upto 28 February 2000.

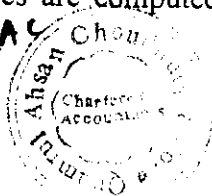
**(e) Comparative Information:**

Comparative information have been disclosed in respect of the year ended 30 June 1996 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant to an understanding of the current period's financial statements.

Figures of the year ended 30 June 1996 have been reclassified wherever considered necessary to ensure comparability with the current period.

**(f) Compliance with Local Laws:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994; Securities and Exchange Ordinance 1969; Securities and Exchange Rules, 1987; Listing Regulations of Dhaka and Chittagong Stock Exchange, and other relevant local laws as applicable. The cash flow from operating activities are computed under direct method as prescribed by the Securities and Exchange Rules, 1987.



**(g) Compliance with International Accounting Standards:**

The financial statements have been prepared in compliance with the requirements of the International Accounting Standards (IASs) approved by the International Accounting Standards Committee (IASC) and as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable.

**(h) Reporting Period:**

The financial statements of the Company cover one calendar year from 1 July to 30 June next consistently.

**SCHEDULE-2**

**STATEMENTS OF ACCOUNTING POLICIES APPLIED AND EXPLANATORY NOTES:**

**(i) Accrual Basis of Accounting:**

The financial statements have been prepared, except for cash flow information, under the accrual basis of accounting.

**(ii) Measurement Basis:**

The financial statements have been prepared using the Historical Cost basis.

**(iii) Tax Holiday Reserve:**

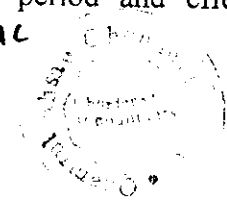
30% of the tax holiday profit has been provided to invest in the same undertaking or in any new industrial undertaking or in stocks and shares of a public company or in government bonds or securities as per Income Tax Law.

**(iv) Fixed Assets:**

Fixed assets are stated at cost less depreciation except land and land development.

Net carrying amounts (written down value) is arrived at after deduction of accumulated depreciation from gross carrying amounts (cost).

The gross carrying amounts (cost) represent cost of acquisition or construction, capitalization of pre-production expenditure including interest during construction period and effect of exchange fluctuation loss/(gain) on conversion of foreign currency loans. **EAC**





**(v) Depreciation:**

Depreciation has been charged under straight line method at the following rates:-

<u>Items</u>	<u>Rate Percentage</u>
Freehold building	2½
Leasehold building	4
Plant, machinery and equipment	5
Furniture and fixtures and office equipment	10
Vehicles	20
Books	25

**(vi) Investments:**

Investments are stated at cost.

**(vii) Inventories:**

Inventories have been valued at weighted average cost except finished products stated at trade price without VAT.

**(viii) Workers' participation/ welfare funds:**

Contribution to workers participation/welfare fund has been incorporated at 5% of the net profit before such contribution.

**(ix) Miscellaneous Expenditure:**

Share issue costs and Pre-operating expenses are stated at cost less amortisation at 10% per annum w.e.f. 1 July 1994.

**(x) Sales:**

turnover comprises the invoice value of goods supplied by the company and represents local sales less 15% VAT.

**(xi) Revenue Recognition:**

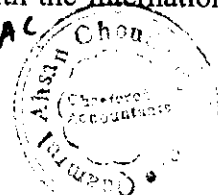
Sales is recognized at the time of delivery from godown.

**(xii) Cash and Cash Equivalents:**

Cash in hand and cash at banks have been considered as the cash and cash equivalents for the preparation of this financial statements which were held and available for use by the company without any restriction and there was insignificant risk of changes in value of these current assets.

**(xiii) Earnings per share (EPS):**

The company calculates Earnings per Share (EPS) in accordance with the International Accounting Standard (IAS)-33 "Earnings per Share" as adopted in Bangladesh. LAC



**Earnings Basic:**

This represents the earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interests and extraordinary items, the net profit after tax has been considered as fully attributable to the ordinary shareholders.

**Weighted Average Number of Ordinary shares Outstanding during the Year:**

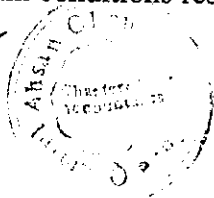
This represents the number of ordinary shares outstanding during the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighting factor.

**Earnings per Share (EPS) Basis:**

This has been calculated by dividing the earnings-basic by the weighted average number of ordinary shares outstanding during the year.

**Diluted Earnings per Share:**

No diluted EPS is required to be calculated for the year as there was no such dilutive potential ordinary shares during the year under review which include debt or equity instruments including preference shares convertible into ordinary shares, share warrants and options, shares which may be issued to employees as a part of compensation plans and shares which would be issued upon satisfaction of certain conditions resulting from contractual arrangements, i.e. purchase of a business or other assets. LAC



**SCHEDULE - 3**

**SHARE CAPITAL**

	<b><u>1997</u></b>	<b><u>1996</u></b>
	<b><u>TAKA</u></b>	<b><u>TAKA</u></b>
3.1 <b><u>Authorised</u></b>		
1,00,00,000 Ordinary Shares of Tk. 100 each.	100.00,00,000	100,00,00,000
	=====	=====
3.2 <b><u>Issued subscribed and paid – up</u></b>		
20,00,000 Ordinary Shares of Tk. 100 each.	20,00,00,000	20,00,00,000
The Company offered 10,00,000 Right Shares of Tk 100each to the existing shareholders on 23 June 1997.	=====	=====
3.3 The break-up of shareholding could not now be given by the Company.		

**SCHEDULE - 4**

**RESERVES AND SURPLUS**

Tax holiday reserve	41,56,589	41,56,589
Unappropriated profit carried forward		6,11,650
	-----	-----
	<b>41,56,589</b>	<b>47,68,239</b>
	=====	=====

**SCHEDULE - 5**

**SCHEDULE OF FIXED ASSETS AS AT 30 JUNE, 1997**

Sl. No.	Items	Cost			Depreciation			Written down value at 30 June 1997 Taka
		1 July 1996 Taka	Addition during this year Taka	At 30 June 1997 Taka	Rate %	On 1 July 1996 Taka	During this year Taka	
1.	Land & land development	94,67,829	-----	94,67,829	-----	-----	-----	94,67,829
2.	Freehold Building	5,06,88,000	1,07,687	5,07,95,687	2.5	37,31,339	12,69,443	50,00,782
3.	Leasehold Building	3,60,09,746	32,720	3,60,42,466	4	19,36,558	14,40,390	33,76,948
4.	Plant, Machinery & Equipment	14,31,51,945	95,215	14,32,47,160	5	1,84,53,081	71,59,978	2,56,13,059
5.	Furniture and Fixtures	35,71,029	62,962	36,33,991	10	5,60,805	3,57,103	9,17,908
6.	Office Equipment	5,96,050	14,500	6,10,550	10	76,008	60,330	1,36,338
7.	Vehicles	28,69,140	-----	28,69,140	20	8,60,742	5,73,828	14,34,570
8.	Books	12,292	-----	12,292	25	3,073	3,073	6,146
	<b>Total Taka</b>	<b>24,63,66,031</b>	<b>3,13,084</b>	<b>24,66,79,115</b>	-----	<b>2,56,21,606</b>	<b>1,08,64,145</b>	<b>3,64,85,751</b>
	1996 Total Taka	23,36,36,876	1,27,29,155	24,63,66,031		1,48,16,978	1,08,04,628	256,21,606

**DEPRECIATION HAS BEEN CHARGED DURING THE YEAR AS UNDER**

	1997	1996
	Taka	Taka
Cost of Goods Sold (Schedule-18)	84,29,421	83,94,040
General and Administrative Expenses (Schedule-19)	24,31,724	24,10,588
	<u>1,08,64,145</u>	<u>1,08,04,628</u>



LAC  
=====

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## SCHEDULE - 6

### INVESTMENTS

	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Orioplast Ltd.	6,00,00,000	6,00,00,000
Orion Mushroom Ltd.	13,72,73,097	12,30,98,123
	-----	-----
	19,72,73,097	18,30,98,123
	=====	=====

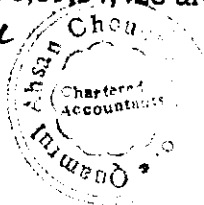
The investments have been made in associated undertakings, and are considered good, by the directors.

## SCHEDULE - 7

### INVENTORIES

	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Raw Materials (Schedule 7.1)	5,15,66,167	5,38,81,037
Packing Materials (Schedule 7.2)	92,51,934	1,59,02,886
Work-in-Process (Schedule 7.3)	27,28,722	34,54,901
Finished Products (Schedule 7.4)	18,42,606	69,52,346
Promotional Materials	3,56,970	-----
Spares & Accessories	5,26,305	-----
Stationeries	2,75,639	-----
	-----	-----
	6,65,48,343	8,01,91,170
	=====	=====

Inventories worth Tk 5,89,04,428 are lying in the bank's godowns which were not released to the Company for its utilisation. *LAL*



## SCHEDULE - 7.2

<u>Packing Materials</u>	1997		1996	
	<u>Quantity</u>	<u>Taka</u>	<u>Quantity</u>	<u>Taka</u>
PVC Bag 100 ml.	3,25,391 pcs	20,68,365	3,33,915 pcs	21,61,659
PVC Bag 500 ml.	1,51,616 pcs	14,60,045	3,53,489 pcs	31,91,832
PVC Bag 1000 ml.	2,10,361 pcs	22,47,129	1,07,315 pcs	11,08,480
Outer Bag	2,88,702 pcs	1,80,523	32,467 pcs	19,480
Stopper	28,938 pcs	84,998	8,11,464 pcs	17,96,906
Layflat Tube	3,379 kg	5,59,200	27,949 kg	50,75,689
Pyrogen free Medical Tube	2,531 kg	3,57,860	3,859 kg	5,45,628
Colour roll for I.V. Fluid	110 roll	1,58,399	362 roll	3,27,630
Outer Label	23,913 pcs	12,108	32,796 pcs	20,200
Infusion Set	415 ctn	16,15,925	376 ctn	12,93,625
Cartoon	13,568 pcs	4,47,742	10,112 pcs	3,28,029
Others (25 Items)		59,640		33,728
		----- <b>92,51,934</b> =====		----- <b>1,59,02,886</b> =====

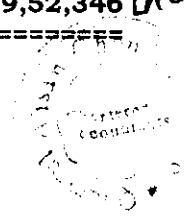


### SCHEDULE - 7.3

<u>Work - in - Process</u>	<u>1997</u>		<u>1996</u>	
	<u>Quantity</u>	<u>Taka</u>	<u>Quantity</u>	<u>Taka</u>
Dextropac 500 ml.	4,577	1,92,234	9,121	3,83,082
Dextropac 1000 ml.	3,906	2,15,401	7,875	4,46,355
Dextrosal 500ml.	2,313	99,146	10,015	4,20,630
Dextrosal 1000 ml.	6,645	3,81,423	11,400	6,54,360
Dianak 500 ml.	4,393	1,73,942	----	----
Dianak 1000 ml.	5,697	3,37,783	----	----
Dextropac 10 - 500 ml.	8,772	4,03,513	9,599	4,41,554
Dextropac 10 - 1000 ml.	7,906	4,50,642	10,342	5,89,494
Dextrosal Baby 500ml	2,269	86,222	2,288	86,944
Dextrosal Mini . 500ml	1,305	54,810	2,294	96,348
Hartman 500 ml.	2,266	89,954	2,655	1,05,430
Hartman 1000 ml.	5,315	2,43,652	5036	2,30,704
		<u>27,28,722</u> =====		<u>34,54,901</u> <b>AL</b> =====

**SCHEDULE - 7.4**

<b><u>Finished Products</u></b>	1997		1996	
	<u>Quantity</u>	<u>Taka</u>	<u>Quantity</u>	<u>Taka</u>
Dextropac 500 ml.	10,074	4,23,108	12,067	5,06,814
Dextropac 1000 ml.	10,906	6,01,388	9,659	5,47,472
Dextrosal 500ml.	6,478	2,72,076	21,634	9,08,628
Dextrosal 1000 ml.	613	35,204	1,265	72,611
Dextropac 10 - 500 ml.	2,216	1,01,936	6,974	3,20,804
Dextropac 10 - 1000 ml.	1,080	61,560	18,761	10,69,377
Dextrosal Baby 500ml	135	5,130	4,732	1,79,816
Dextrosal Mini 500ml	103	4,326	3,638	1,52,796
Hartman 500 ml.	----	----	2,387	94,788
Hartman 1000 ml.	13	596	17	779
Dianak 500 ml.	----	----	16,011	6,08,418
Dianak 1000 ml.	5,163	3,06,127	19,459	9,72,950
Nidazol 100 ml.	992	30,018	1,946	58,886
Salpac 500 ml.	9	297	3,868	1,27,644
Salpac 1000 ml.	----	----	1,521	65,403
Maprocin 100ml	14	840	21,084	12,65,160
		<b>18,42,606</b>		<b>69,52,346</b> <i>LC</i>
		=====		=====





## SCHEDULE - 8

### SUNDRY DEBTORS

	<u>1997</u>		<u>1996</u>	
	<u>Nos</u>	<u>TAKA</u>	<u>Nos</u>	<u>TAKA</u>
Pharmacies	426	58,67,579	421	74,47,987
Hospitals	36	3,01,278	15	11,65,531
Clinics	<u>103</u>	11,03,562	<u>60</u>	4,34,884
	<u>565</u>	----- 72,72,419 =====	<u>496</u>	----- 90,48,402 =====

These are unsecured but considered good by the directors.

## SCHEDULE - 9

### DEPOSITS AND OTHERS RECEIVABLES

	<u>1997</u>	<u>1996</u>
	<u>TAKA</u>	<u>TAKA</u>
<b><u>Advance</u></b>		
Advance Income Tax	10,18,605	9,18,276
Tour Advance	33,030	25,893
Security Service Advance	<u>9,200</u>	<u>9,200</u>
	10,60,835	953,369
<b><u>Deposit</u></b>		
VAT Deposit	2,00,672	3,639
Lease Deposit	25,94,080	-----
Security Deposits	14,45,774	14,86,946
Earnest Money	2,51,765	3,67,050
Protirakhya Sanchyapatra	1,00,000	1,00,000
L/C Margin Deposit	<u>15,01,918</u>	<u>10,11,882</u>
	60,94,209	29,69,517
Dues from Orion Laboratories Ltd. (an associated undertaking)	2,42,86,453	2,01,00,456
	----- 3,14,41,497 =====	----- 2,40,23,342 =====

The receivables are unsecured but considered good. LA-6

## SCHEDULE - 10

### CASH AND BANK BALANCES

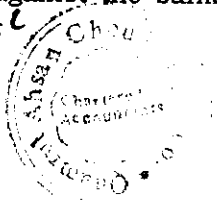
	1997 TAKA	1996 TAKA
Agrani Bank, WASA Branch, A/C no 1006	14,35,618	39,85,717
Agrani Bank, WASA Branch, A/C no 9933-3	1,17,720	1,17,720
Agrani Bank, WASA Branch, A/C no 6618	1,62,320	-----
Janata Bank, Corporate Branch	1,14,698	3,52,840
Pubali Bank Ltd, Tejgaon Branch	92,624	14,434
Bangladesh Shilpa Bank, Dhaka	65	65
Dhaka Bank Ltd, Banani Branch	14,466	-----
National Bank Ltd, Imamgonj Branch	580	680
National Bank Ltd, A/C 8769, Mohakhali Branch	3,371	-----
	19,41,462	44,71,456
Cash in Hand	2,96,577	39,034
	-----	-----
	22,38,039	45,10,490
	=====	=====

## SCHEDULE - 11

### BANK LOANS

	1997 TAKA	1996 TAKA
Agrani Bank, WASA Branch, C.C. (P)-5	53,69,496	1,55,47,653
Agrani Bank, WASA Branch, C.C (H)-14	23,14,52,816	19,93,60,119
Agrani Bank, WASA Branch, LIM	16,26,960	59,75,538
	23,84,49,272	22,08,83,310
Janata Bank, Corporate Branch, C.C. (P)-12	5,68,88,877	4,97,55,378
	-----	-----
	29,53,38,149	27,06,38,688
	=====	=====

The tenure of these facilities have expired. The banks have not renewed the facilities. The Company has filed suits against the banks for non-renewal of the facilities, with the Session Court which are still pending. LAC



## SCHEDULE - 12

### LIABILITIES FOR GOODS SUPPLIED

<u>Supplier</u>	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Adfame	17,900	47,300
Fahad enterprise	32,295	1,06,680
Pioneer Scientific Stores	7,562	9,850
Nazmu Electric Co.	2,129	2,129
Shapla Enterprise	1,07,463	2,04,903
Superior Plastic Industries	1,69,459	4,37,174
Select	3,21,384	3,51,885
Interflag Trading Agency	1,01,273	1,57,825
Sajan Enterpries	10,348	31,576
Trade International	14,075	42,600
Ploy Chemicals	47,495	24,675
Pigment	75,881	3,15,626
St. Martin Commodities	4,974	16,835
Firoj Traders	4,03,799	6,63,771
Elit Printing	1,12,500	-----
Toshufa Enterprise	33,809	-----
Popular Advertising	21,197	53,558
Bangladesh Accessory	1,63,729	-----
Prism	3,63,348	-----
Reliance Enterprise	6,99,120	-----
A. B. Traders	43,550	-----
Hope Packaging Ltd.	13,640	-----
Others	1,70,743	6,08,697
	-----	-----
	29,37,673	30,75,084
	=====	=====

These are unsecured. **LAL**



**SCHEDULE - 13**  
**LIABILITIES FOR EXPENSES**

	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Gas and Electricity	1,80,660	1,63,931
Salary, Wages and Allowances	12,38,413	7,07,507
Audit Fee	50,000	50,000
	-----	-----
	14,69,073	9,21,438
	=====	=====

**SCHEDULE - 14**  
**LIABILITIES FOR OTHER FINANCE**

	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Workers' Participation/Welfare Funds	26,67,776	26,67,776
Dividend Payable	4,69,32,160	-----
Proposed Dividend	-----	4,70,00,000
	-----	-----
	4,95,99,936	4,96,67,776
	=====	=====

**SCHEDULE - 15**  
**MISCELLANEOUS EXPENDITURE**

	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Share Issue Expenses	54,88,849	62,72,970
Pre-operating Expenses	10,34,515	11,82,303
	-----	-----
	65,23,364	74,55,273
	=====	=====
<u>Share Issue Expenses</u>		
Opening Balance	62,72,970	70,57,091
Less Written of at 10%	<u>7,84,121</u>	<u>7,84,121</u>
Closing Balance:	54,88,849	62,72,970
	=====	=====
<u>Pre-operating Expenses</u>		
Opening Balance	11,82,303	13,30,091
Less Written of at 10%	<u>1,47,788</u>	<u>1,47,788</u>
Closing Balance	10,34,515	11,82,303
	=====	=====



**SCHEDULE - 16**  
**CONTINGENT LIABILITIES**

Claim raised by the VAT Authority against the Company for value added tax aggregating Tk 3,77,98,752.  
The Company has filed appeal against such claim to the VAT Appellate Authority.

**SCHEDULE-17**

**SALES**

	1997		1996	
	<u>Quantity</u>	<u>Taka</u>	<u>Quantity</u>	<u>Taka</u>
Dextropac 500ml	2,99,728	1,25,88,576	4,03,957	1,69,66,194
Dextropac 1000ml	2,27,441	1,28,91,356	2,53,679	1,43,78,526
Descosal 500ml	1,91,370	80,17,540	2,25,784	94,82,928
Dextrosal 1000ml	1,78,306	1,02,34,764	1,99,745	1,14,65,363
Dextropac 10 - 500ml	2,01,995	92,91,770	2,30,957	1,06,24,022
Dextropac 10 - 1000ml	1,71,023	97,48,311	1,95,621	1,11,50,397
Dianak 500ml	1,43,792	54,64,096	1,79,315	68,13,970
Dianak 1000ml	1,80,692	90,34,600	2,39,747	1,19,87,350
Salpac 500ml	52,015	17,16,495	52,423	17,29,959
Salpac100ml	42,932	18,46,076	43,142	18,55,106
Hartman 500ml	1,56,265	62,05,287	1,71,033	67,91,720
Hartman 1000ml	45,634	20,90,950	37,535	17,19,854
Dextrosal baby 500ml	64,043	24,33,634	59,105	22,45,990
Dextrosal mini 500ml	1,64,423	69,05,766	2,09,053	87,80,226
Nidazyl 100ml	1,24,112	37,55,629	1,65,352	50,03,552
Maprocin 100ml	43,820	26,29,200	7,854	4,71,240
		-----		-----
		10,48,54,050		12,14,66,397
		=====		=====



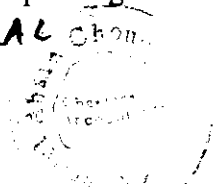
**SCHEDULE - 18**  
**COST OF GOODS SOLD**

	1997 <u>TAKA</u>	1996 <u>TAKA</u>
Raw Materials Consumed	39,33,612	46,09,623
Packing Materials Consumed	4,35,04,820	4,80,20,349
Wages, Allowances and Bonus	32,83,300	28,82,695
Gas	5,01,611	6,19,050
Electricity	4,86,282	6,95,519
Fuel and Lubricant	47,815	-----
Research, Test and Analysis Expenses	93,579	35,605
Factory Overhead Expenses	9,53,742	1,67,736
Work-in-process Differential	7,26,179	1,44,31,245
Finished products Inventory Differential	51,09,741	(19,65,002)
Depreciation (Schedule 5)	84,29,421	83,94,040
	-----	-----
	6,70,70,102	7,78,90,860
	=====	=====

The break-up of Wages, Allowances and Bonus is as below:

	<u>1997</u>		<u>1996</u>	
	<u>Number</u>	<u>Taka</u>	<u>Number</u>	<u>Taka</u>
Employees drawing Tk 3000 per month or above	10	6,02,433	09	6,34,420
Employees drawing less than Tk 3000 per month	<u>93</u>	<u>26,80,867</u>	<u>88</u>	<u>22,48,275</u>
	<u>103</u>	<u>32,83,300</u>	<u>97</u>	<u>28,82,695</u>

The item-wise break-up of raw and packing materials consumed could not be given by the Company as it did not maintain records in that way. *LAL Chon.*



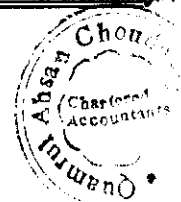
**SCHEDULE - 19**  
**ADMINISTRATIVE AND GENERAL EXPENSES**

	<u>1997</u>	<u>1996</u>
Salary, Allowances and Bonus	21,28,755	12,48,515
Director Remuneration & Allowances	3,98,000	3,98,000
Postage, Telephone and Telegram	2,25,313	1,94,322
Printing and Stationery	83,840	42,670
Repairs and Maintenance	97,699	76,514
Share Issue Expenses written off (Schedule 15)	1,47,788	1,47,788
Pre-Operating Expenses written off (Schedule 15)	7,84,121	7,84,121
Advertisement and publication	72,042	4,23,060
Travelling and Conveyance	1,92,296	1,33,695
Security & Guard Expenses	1,29,250	1,29,250
Bank Charges & Commission	1,56,159	1,17,676
News Papers and Periodicals	1,983	5,623
Legal & Professional Expenses	43,600	30,000
Entertainment	27,742	75,409
Audit Fee	50,000	50,000
Lease Rent	53,20,690	-----
Rent, Rates and Taxes	47,280	20,080
Misc. Expenses	1,54,149	2,05,956
AGM Expenses	8,20,876	-----
Depreciation (Schedule 5)	24,34,724	24,10,588
	-----	-----
	1,33,16,307	64,93,267
	=====	=====

Other than audit fee, no fee was paid to the auditors.

The break-up of Salary, Allowances and Bonus is as below:

	<u>1997</u>		<u>1996</u>	
	<u>Number</u>	<u>Taka</u>	<u>Number</u>	<u>Taka</u>
Employees drawing Tk 3000 per month or above	26	19,61,492	17	11,44,618
Employees drawing less than Tk 3000 per month	<u>06</u>	<u>1,67,263</u>	<u>18</u>	<u>5,01,897</u>
	<u>32</u>	<u>21,28,755</u>	<u>35</u>	<u>16,46,515</u>



**SCHEDULE - 20**  
**SELLING AND DISTRIBUTION EXPENSES**

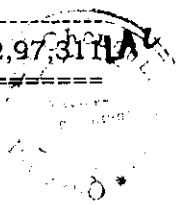
	<u>1997</u> <u>Taka</u>	<u>1996</u> <u>Taka</u>
Salary, Allowances and Bonus	8,93,058	8,20,033
Carrying and Delivery Expenses	17,13,516	16,65,900
Sales Force Expenses	95,89,784	57,73,047
Postage, Telephone and Telegram	2,48,815	1,49,096
Cost of Tender Schedule	4,800	15,875
Conference Expenses	28,664	48,866
Other Selling Expenses	32,44,757	2,84,702
	----- 1,57,23,394 =====	----- 87,57,519 =====

The break-up of Salary, Allowances and Bonus is as below:

	<u>1997</u>		<u>1996</u>	
	<u>Number</u>	<u>Taka</u>	<u>Number</u>	<u>Taka</u>
Employees drawing Tk 3000 per month or above	06	8,46,810	07	7,89,225
Employees drawing less than Tk 3000 per month	<u>02</u> <u>08</u>	<u>46,248</u> <u>8,93,058</u>	<u>02</u> <u>09</u>	<u>30,808</u> <u>8,20,033</u>

**SCHEDULE - 21**  
**FINANCIAL EXPENSES**

	<u>1997</u>	<u>1996</u>
Interest on Cash Credits	4,13,67,194	1,12,97,311
	----- 4,13,67,194 =====	----- 1,12,97,311 =====





## SCHEDULE-22

### GENERAL

22.1 The capacity and actual production of the Company for the year are as below:

Item	Capacity	Actual Production	Percentage	Reasons for under-capacity utilization.
Intravenous fluid and Injectables	42,00,000	22,40,160	53.33%	Market demand

22.2 There was no capital expenditure contracted but not incurred or provided for; or authorised by the Board of Directors of the Company but not contracted, at balance sheet date.

22.3 There was no claim against the Company not acknowledged as debt or no contingent liability other than those disclosed in Schedule-16 or provided for, on balance sheet date.

22.4 There was no credit facilities available to the Company but not availed of other than those disclosed as in Schedule 11.

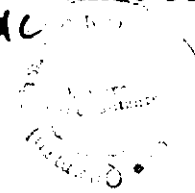
22.5 No compensation was allowed to the Managing Director, no fee was paid to any directors or no amount was paid to any directors for any special services other than those disclosed in Schedule-19.


22.6 No amount is due to or from any director or associated Company other than those disclosed in Schedules-6 and 9.

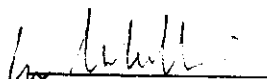
22.7 No commission, brokerage or discount was paid against sales other than that in the ordinary course of business.


22.8 There was neither any earning in foreign exchange against sales or services, nor any disbursement in foreign exchange for royalty or services.

22.9 The Company had 7 foreign shareholders having 77,400 shares on 30 June 1997. No dividend was remitted to foreign shareholders during the year. *LAC*



  
Md. Obaidul Karim  
Managing Director

  
Golam Mohiuddin  
Director

  
Md. Kayes Mahmud  
Company Secretary