

**Auditor's Report and Audited Financial Statements**

**of**

**Navana Pharmaceuticals Limited**

**125/A Islam Chamber**

**Motijheel C/A, Dhaka-1000, Bangladesh.**

**As at and for the year ended 30 June 2023**

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

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **Navana Pharmaceuticals Limited**, which comprise the statement of financial position as at 30 June 2023, 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 2023, 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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matters provided in that context.





## 01. Revenue Recognition

See note no 21.00 to The Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
<p>During this year, net sales revenue of Tk. 5,706,161,022</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"> <li>• Segregation of duties in invoice creation and modification; and</li> <li>• Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>• Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct year;</li> <li>• 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.</li> <li>• Agreeing a sample of claims and rebate accruals to supporting documentation;</li> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items;</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards;</li> <li>• Performing cut-off test by obtaining delivery challan for goods delivered during the beginning of the next accounting year and at the close of current accounting year to verify whether sales are recorded in the current accounting year; and</li> <li>• Inspecting VAT returns submitted to VAT authority to determine consistency of sales revenue recognized.</li> </ul>

## 02. Valuation of Inventory

See Note No 7.00 to the Financial Statements

<p>The Inventory of Tk. 1,104,799,039 as at 30 June 2023, 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"> <li>• evaluating the design and implementation of key inventory controls operating across the Company, including those at a sample of warehouses;</li> <li>• 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.</li> <li>• 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;</li> <li>• reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; and</li> <li>• 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.</li> </ul>
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### 03. Valuation of Property, Plant and Equipment

See Note No 3.00 to the Financial Statements

<p>The carrying value of the PPE amounted to Tk. 3,810,381,680 as at 30 June 2023. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the year during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedures: 3,810,381,680</p> <ul style="list-style-type: none"> <li>• We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>• 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.</li> <li>• We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate.</li> <li>• We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li> </ul> <p>We checked whether the depreciation of PPE items was commenced namely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.</p>
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### Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





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**MABS & J Partners**  
Chartered Accountants

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purpose of the Company's business.

**Place: Dhaka, Bangladesh**  
**Dated: 22 October 2023**

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

**Nasir Uddin Ahmed**

FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)  
Deputy Managing Partner  
**ICAB Enrollment No: 535**  
**DVC: 2310220535AS289948**



# Navana Pharmaceuticals Limited

## Statement of Financial Position

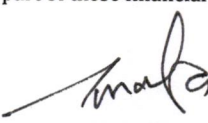
As at 30 June 2023

Particulars	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3.00	3,810,381,680	3,421,837,366
Intangible Asset	3.01	550,000	770,000
Capital Work in Progress	4.00	614,665,799	403,007,534
Right-of-Use Asset	5.00	207,108,483	204,018,989
Investment in Marketable Securities (Fair Value)	6.00	167,619,834	159,028,097
<b>Total Non-Current Assets</b>		<b>4,800,325,796</b>	<b>4,188,661,986</b>
<b>Current Assets</b>			
Inventories	7.00	1,104,799,039	1,009,145,823
Trade and Other Receivables	8.00	801,236,634	547,819,881
Advances, Deposits and Prepayments	9.00	2,126,459,774	1,204,469,458
Goods in Transit	10.00	315,992,968	67,575,600
Cash and Cash Equivalents	11.00	440,930,216	66,427,585
<b>Total Current Assets</b>		<b>4,789,418,631</b>	<b>2,895,438,347</b>
<b>Total Assets</b>		<b>9,589,744,427</b>	<b>7,084,100,333</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Paid-up Share Capital	12.00	1,074,162,170	802,301,500
Share Premium	13.00	448,170,069	-
Revaluation Reserve	14.00	1,848,295,335	1,966,271,633
Capital Reserve		605,590,148	605,590,148
Unrealized Gain/ (Loss) Reserve	6.00	(46,800,998)	(95,356,927)
Retained Earnings		443,028,348	204,242,971
<b>Total Equity</b>		<b>4,372,445,072</b>	<b>3,483,049,324</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loan from Directors	15.00	30,000,000	30,000,000
Lease Liabilities	16.00	89,596,112	100,720,006
Long Term Loan	17.02	90,627,308	141,390,720
Deferred Tax Liability	18.00	152,111,701	42,362,502
<b>Total Non-Current Liabilities</b>		<b>362,335,121</b>	<b>314,473,228</b>
<b>Current Liabilities</b>			
Short Term Loan	19.00	4,066,050,635	2,682,055,890
Lease Liabilities (Current Maturity)	16.01	34,719,611	29,254,646
Long Term Loan (Current Maturity)	17.01	18,090,344	28,125,222
Trade and Other Payables	20.00	731,095,268	547,142,023
Unclaim Dividend payable		5,008,375	-
<b>Total Current Liabilities</b>		<b>4,854,964,232</b>	<b>3,286,577,781</b>
<b>Total Liabilities</b>		<b>5,217,299,353</b>	<b>3,601,051,009</b>
<b>Total Equity and Liabilities</b>		<b>9,589,744,427</b>	<b>7,084,100,333</b>
<b>Net Asset Value (NAV) Per Share</b>	30.00	<b>40.71</b>	<b>43.41</b>

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: 22 October 2023

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


  
Nasir Uddin Ahmed  
FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)  
Deputy Managing Partner  
ICAB Enrollment No: 535  
DVC: 2310220535AS289948

**Navana Pharmaceuticals Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2023**

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Net Sales	21.00	5,706,161,022	4,758,706,524
Less: Cost of Good Sold	22.00	3,097,130,517	2,586,134,852
<b>Gross Profit</b>		<b>2,609,030,505</b>	<b>2,172,571,672</b>
<b>Less: Operating Expenses</b>			
Administrative Expenses	23.00	203,270,825	151,042,811
Selling & Marketing Expenses	24.00	1,270,897,848	1,143,937,454
Distribution Expenses	25.00	390,226,783	288,402,731
<b>Total Operating Expenses:</b>		<b>1,864,395,457</b>	<b>1,583,382,996</b>
<b>Operating Profit</b>		<b>744,635,047</b>	<b>589,188,676</b>
Less: Finance Expenses	26.00	234,887,205	200,421,168
Add: Other Income	27.00	(37,503,668)	22,607,712
<b>Profit before WPPF &amp; Tax</b>		<b>472,244,175</b>	<b>411,375,219</b>
Contribution to WPPF	20.05	23,160,551	19,589,296
<b>Profit before Tax</b>		<b>449,083,624</b>	<b>391,785,923</b>
<b>Less: Income Tax</b>		<b>92,140,409</b>	<b>117,784,385</b>
Current Tax	28.00	100,367,508	103,674,087
Deferred Tax Expense/(Income)		(8,227,099)	14,110,297
<b>Profit after Tax</b>		<b>356,943,215</b>	<b>274,001,539</b>
<b>Other Comprehensive Income</b>			
Unrealized Gain/(loss) on Marketable Securities		48,555,929	(95,356,927)
<b>Total Comprehensive Income</b>		<b>405,499,144</b>	<b>178,644,612</b>
<b>Earnings Per Share (EPS)</b>	29.00	<b>3.59</b>	<b>3.42</b>

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

  
**Company Secretary**

  
**Chief Financial Officer**  
 Signed in terms of our report of even date annexed

  
**Managing Director**

  
**Director**

**Place: Dhaka, Bangladesh**  
**Dated: 22 October 2023**

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

  
**Nasir Uddin Ahmed**  
 FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)  
 Deputy Managing Partner  
 ICAB Enrollment No: 535  
 DVC: 2310220535AS289948



**Navana Pharmaceuticals Limited**  
Statement of Changes in Equity  
For the year ended 30 June 2023

Particulars	Share Capital	Share Premium	Liability against Share Money	Revaluation Reserve	Capital Reserve	Unrealized Gain/(Loss) Reserve	Retained Earnings	Total
Balance as at 1 July 2022	802,301,500	-	-	1,966,271,633	605,590,148	(95,356,927)	204,242,971	3,483,049,325
Profit after Tax	-	-	-	-	-	-	356,943,215	356,943,215
Received from IPO Share Subscription	-	-	750,000,000	-	-	-	-	-
Allotment of Shares for IPO	271,860,670	478,139,330	(750,000,000)	-	-	-	-	750,000,000
11% Cash Dividend for year 30 June 2022	-	-	-	-	-	-	-	-
Less: Adj of IPO Expense	-	-	-	-	-	-	(118,157,839)	(118,157,839)
Deferred Tax on Revaluation	-	(29,969,261)	-	-	-	-	-	(29,969,261)
Adj. to Unrealized Gain/(Loss) on FVOCI	-	-	-	(117,976,298)	-	-	-	(117,976,298)
Balance as at 30 June 2023	1,074,162,170	448,170,069	-	1,848,295,335	605,590,148	48,555,929	443,028,348	4,372,445,072

**Navana Pharmaceuticals Limited**  
Statement of Changes in Equity  
For the year ended 30 June 2022

Particulars	Share Capital	Share Premium	Liability against Share Money	Revaluation Reserve	Capital Reserve	Unrealized Gain/(Loss) Reserve	Retained Earnings	Total
Balance as at 1 July 2021	802,301,500	-	-	1,966,271,633	-	-	535,831,580	3,304,404,713
Profit after Tax during the period	-	-	-	-	-	-	274,001,539	274,001,539
Transfer to Capital Reserve	-	-	-	-	605,590,148	-	(605,590,148)	-
Unrealized Gain/(Loss) on Marketable Securities	-	-	-	-	-	(95,356,927)	-	(95,356,927)
Balance as at 30 June 2021	802,301,500	-	-	1,966,271,633	605,590,148	(95,356,927)	204,242,971	3,483,049,325

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

  
**Company Secretary**  
**Place: Dhaka, Bangladesh**  
**Dated: 22 October 2023**

  
**Chief Financial Officer**

  
**Managing Director**

  
**Director**





# Navana Pharmaceuticals Limited


## Statement of Cash Flows For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
<b>Cash Flows from Operating Activities:</b>			
Cash Received from Customers		5,434,981,843	4,669,531,817
Cash Received from Other Income		52,792,061	30,180,900
Cash Paid to Suppliers		(2,993,934,714)	(2,546,219,181)
Cash Paid to Operational & Others		(1,103,510,786)	(892,633,744)
Cash Paid to Employees		(1,095,588,079)	(951,231,159)
Income Tax Paid		(100,997,116)	(110,269,216)
<b>Net Cash Flows from Operating Activities:</b>		<b>193,743,209</b>	<b>199,359,418</b>
<b>Cash Flows from Investing Activities:</b>			
Cash Paid for Purchase of Property, Plant & Equipment		(1,598,157,038)	(1,359,040,897)
Realized Gain/(loss) from Sale of Marketable Securities		(42,297,510)	82,902,285
Cash received from Dividend Income		2,789,556	3,264,591
Cash Received/(Paid) from Investment in Marketable Securities		39,964,192	(254,385,024)
<b>Net Cash from/(used in) Investing Activities:</b>		<b>(1,597,700,800)</b>	<b>(1,527,259,045)</b>
<b>Cash Flows from Financing Activities:</b>			
Payment against Related Party		-	(9,657,426)
Cash Received from IPO Proceed		750,000,000	-
Payment for IPO Expenses		(18,075,479)	(11,893,782)
Dividend Payment		(113,149,464)	-
Bank & Lease Interest Paid		(157,901,947)	(142,832,255)
Receipts against Short Term Borrowings		1,383,994,746	1,551,316,438
Payment against Long Term Borrowings		(60,798,290)	17,738,942
Payment against Lease Liability		(5,658,929)	(36,173,655)
<b>Net Cash from/(used in) Financing Activities</b>		<b>1,778,410,637</b>	<b>1,368,498,262</b>
<b>Change in Cash and Cash Equivalent</b>		<b>374,453,046</b>	<b>40,598,634</b>
Cash and Cash Equivalent at the Beginning of the Period		66,427,585	25,776,315
Effect of Exchange Rate Changes on Cash and Cash Equivalents		49,584	52,636
<b>Cash and Cash Equivalent at the end of the Period</b>		<b>440,930,216</b>	<b>66,427,585</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	31.00	<b>1.80</b>	<b>2.48</b>

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

  
Company Secretary

  
Chief Financial Officer

  
Managing Director

  
Director

Place: Dhaka, Bangladesh

Dated: 22 October 2023



# Navana Pharmaceuticals Limited

## Notes to the Financial Statements For the Period 01 July 2022 to 30 June 2023

### 1.0 About the Company

#### 1.01 Legal Form of the Company

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

#### 1.02 Address of the Registered Office and Factory

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

#### 1.03 Nature of Business Activities

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

### 2.00 Basis of Preparation and Presentation of Financial Statements

#### 2.01 Preparation and Presentation of Financial Statements of the Company

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

#### 2.02 Statement of Compliance

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

#### 2.03 Regulatory Compliances

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Ordinance 1984 and the Income Tax Act 2023;
- b) The Income Tax Rules 1984 and the Income Tax Rules 2023;
- c) The Value Added Tax and Supplementary Duty Act 2012;
- d) The Value Added Tax and Supplementary Duty Rules 2016;
- e) The Customs Act, 1969;
- f) Bangladesh Labour Law, 2006 (Amended 2018);
- g) Negotiable Instrument Act, 1881; and
- h) The Securities and Exchange Rules, 2020.

#### 2.04 Basis of Measurement

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

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





## 2.05 Components of Financial Statements

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

The Financial Statements comprises of:

- (a) Statement of Financial Position as at 30 June, 2023;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the period from 01 July 2022 to 30 June 2023;
- (c) Statement of Changes in Equity for the period from 01 July 2022 to 30 June 2023;
- (d) Statement of Cash Flows for the period from 01 July 2022 to 30 June 2023; 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, 2022 to June 30, 2023

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

- Statement of Financial Position as at the end of the preceding financial period;
- Statement of Profit or loss and Other Comprehensive Income for the comparable of the preceding financial period;
- Statement of Changes in Equity for the comparable of the preceding financial period;
- Statement of Cash Flows for the comparable of the preceding financial period;

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

## 2.07 Rearrangement of Financial Statements

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

## 2.08 Functional and Presentation Currency

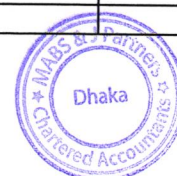
The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

## 2.09 Authorization for Issue

The financial statements have been authorized for issue by the Board of Directors on 22 October 2023.

## 2.10 Compliance with the IASs and IFRSs

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





### 2.11 Use of Estimates and Judgments

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

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

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

### 2.12 Going Concern

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

### 2.13 Significant Accounting Policies

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

### 2.14 Changes in Significant Accounting Policies

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

#### As a Lessee

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

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

### 2.15 Property, Plant and Equipment (PPE)

#### Recognition and Measurement:

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

#### Maintenance Activities

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

#### Subsequent Costs

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



### Retirements and Disposals

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

### Depreciation

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

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

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

#### Rate of Depreciation:

Particulars	Rate	Particulars	Rate
<b>Land and Land Development</b>		<b>Vehicles</b>	
Land and Land Development	Nil	Transport & Vehicles	20%
<b>Building &amp; Other Construction</b>		Motor Cycle	20%
Factory Building	10%	<b>Furniture &amp; Fixture</b>	
Office Decoration	10%	Furniture & Fixtures	10%
Pump House Construction	20%	Rack & Pallets	15%
Store Room	15%	<b>Office Equipment's</b>	
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%
<b>Plant &amp; Machinery</b>		Photocopier & Fax Machine	20%
Plant & Machinery	20%	Projector	15%
Electrical Installation	20%	Refrigerator A/H	20%
Generator	20%	Mobile	20%
Gas Line Installation	20%	<b>Computer &amp; IT Accessories</b>	
Spare Parts	20%	Computer	30%
ETP	20%	IT Accessories	30%
Electric Sub Station	20%	<b>Other Assets</b>	
<b>Lab Equipment</b>		Sundry Assets	15%
Quality Control Equipment	15%	Books	10%
Tools & Equipment's	15%	Software	20%

### 2.16 Right-of-Use Asset

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

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

#### Depreciation on Right of Use Assets

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





## 2.17 Intangible assets

### Recognition and Measurement

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

### Subsequent Costs

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

### Amortization

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

Particulars	30 June, 2023
Software	20%

## 2.18 Capital Work in Process

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

## 2.19 Inventories

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

## 2.20 Income Tax

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 Tax.

### a) Current Tax:

Current income tax expense represents the sum of the tax currently payable. Applicable Tax Rate is 22.5%. "Current tax is the expected tax payable on the taxable income for the period and any adjustment to tax payable in respect of previous periods as per the provisions of Income Tax Ordinance, 1984 and Income Tax Act, 2023.

### b) Deferred Tax:

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

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

### VAT for the Company

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

## 2.21 Financial Instruments

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





## 2.22 Financial Assets

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

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

### Cash and Cash Equivalents

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

### Trade and other Receivables

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

### Investment in Marketable Securities (Fair Value)

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

### Bad Debt Policy

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

### Advance, Deposits and Prepayments

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

### Financial Liability

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

## 2.24 Capital Reserve

As per board approval Capital Reserve has been credited from Retained Earning as on 30 June 2023.

## 2.25 Impairment

### Financial Assets

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

### Non-Financial Assets

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



## **2.26 Revenue from Contracts with Customers**

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

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

## **2.27 Related Party Transaction**

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

## **2.28 Finance Cost**

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

## **2.29 Provisions**

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

## **2.30 Other Income**

### **Export Incentives**

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

### **Gain from Disposal of Property, Plant & Equipment**

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

### **Toll Income**

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

### **Interest Income**

Interest income from savings account is recognized on accrual basis.

### **Dividend Income**

Dividend Income from marketable securities is recognized when received.

### **Realized Gain/(loss) from Sale of Marketable Securities**

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

### **Income from PF Contribution Forfeiture**

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

### **Forex Gain/(Loss)**

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

### **Sales of Wastage**

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





### 2.31 Employee Benefits

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

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

#### **Defined Contribution Plan (Provident Fund)**

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

#### **Defined Benefit Plan (Gratuity)**

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

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

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

#### **Short-Term Employee Benefits**

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

#### **Insurance Scheme**

Employees of the company are covered under group insurance schemes.

### 2.32 Earnings Per Share (EPS)

#### **Basic Earnings Per Share**

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

#### **Basic Earnings**

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

#### **Basic Earnings Per Share**

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

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

#### **Diluted Earnings Per Share (DEPS)**

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

### 2.33 Foreign Currency Transactions

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

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





#### 2.34 Statement of Cash Flows

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

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

#### 2.35 Impact of COVID-19

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

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

#### 2.36 Events After the Reporting Period

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

#### 2.37 Operating Segments

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

#### 2.38 Measurement of Fair Values

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

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

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

#### 2.39 Contingencies

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

#### 2.40 Risk Exposure

##### Risk Management Framework

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

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





**Market Risk**

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

**Interest Rate Risk**

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

**Currency Risk**

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

**Credit Risk**

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

**Liquidity Risk**

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

**Expiry of Any Revenue-Generating Contract that May Adversely Affect the Business:** The Company has no long-term contract with their customers so not in risk of expiry of any revenue-generating contract.

**External Risk Factors May Include Among Others:**

**Industry Risk:**

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

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



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>3.00 Property, Plant and Equipment: Tk. 3,810,381,680</b>			
This is made up as follows:			
<b>Cost</b>			
Opening Balance			
Addition during the year	2,101,724,213		1,544,433,709
Adjustment/Disposal during the year	549,247,630		557,290,503
<b>Closing Balance</b>	<b>2,650,971,843</b>	<b>2,101,724,213</b>	
<b>Revaluation</b>			
Opening Balance			
Adjustment due to revaluation during the year	1,966,271,632		1,966,271,632
<b>Closing Balance</b>	<b>1,966,271,632</b>	<b>1,966,271,632</b>	
<b>Total Cost &amp; Revaluation</b>	<b>4,617,243,475</b>	<b>4,067,995,846</b>	
<b>Depreciation</b>			
Opening Balance			
Charged During the year	646,158,480		540,385,659
Adjustment During the year	160,703,316		105,772,821
<b>Closing Balance</b>	<b>806,861,796</b>	<b>646,158,480</b>	
<b>Written Down Value</b>	<b>3,810,381,680</b>	<b>3,421,837,366</b>	
<b>3.01 Intangible Assets: Tk. 550,000</b>			
This is made up as follows:			
<b>Cost</b>			
Opening Balance			
<b>Total Cost</b>	<b>1,100,000</b>	<b>1,100,000</b>	
<b>Depreciation</b>			
Opening Balance			
Charged during the year	330,000		110,000
<b>Closing Balance</b>	<b>220,000</b>	<b>220,000</b>	
<b>Written Down Value</b>	<b>550,000</b>	<b>330,000</b>	
<b>4.00 Capital Work In Progress: Tk. 614,665,799</b>			
This is made up as follows:			
Opening Balance			
Add: Addition during the year	403,007,534		159,035,250
Construction of new utility and engineering building	607,689,280		755,282,533
Refurbishment of cephalosporin unit	51,459,605		-
Warehouse construction	105,232,976		-
	450,996,699		-
<b>Add: Interest Capitalized:</b>	<b>1,010,696,814</b>	<b>914,317,784</b>	
Interest on Term Loan			525,000
<b>Less: Capitalized during the year</b>			
Capitalized in Factory Building	(396,031,015)		(511,835,250)
<b>Closing Balance</b>	<b>614,665,799</b>	<b>403,007,534</b>	
<b>5.00 Right-of-Use Asset: Tk. 207,108,483</b>			
This is made up as follows:			
<b>Cost</b>			
Opening Balance			
Add: Addition during the year	493,270,381		490,163,324
Less: Adjustment during the year	52,572,411		4,601,000
<b>Closing Balance</b>	<b>545,842,791</b>	<b>493,270,381</b>	
<b>Depreciation</b>			
Opening Balance			
Charge during the year	289,251,392		230,419,330
Less: Adjustment during the year	49,482,916		60,063,527
<b>Closing Balance</b>	<b>338,734,308</b>	<b>289,251,392</b>	
<b>Written Down Value</b>	<b>207,108,483</b>	<b>204,018,989</b>	





Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022

**6.00 Investment in Marketable Securities (Fair Value): Tk. 167,619,834**

This is made-up as follows:

Total Market Value Securities	167,619,834	159,028,097
Total Cost of Marketable Securities	214,420,832	254,385,024
<b>Unrealized Gain/(Loss)</b>	<b>(46,800,998)</b>	<b>(95,356,927)</b>

During the year Total Unrealized Gain/(loss) from Sale of Marketable Securities is Tk. 46,800,998/-

**7.00 Inventories: Tk. 1,104,799,039**

This is made-up as follows:

Raw Material	378,760,941	367,866,435
Packing Material	113,570,761	148,435,283
Finished Goods	508,936,313	390,328,433
Work-in-Process	96,348,470	98,809,121
Printed & Gifted Promotional Stock	7,182,553	3,706,551
<b>Total</b>	<b>1,104,799,039</b>	<b>1,009,145,823</b>

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. 801,236,634**

This is made-up as follows:

Trade Receivables-Local Sales	717,692,440	482,282,704
Trade Receivables-Export Sales	70,456,368	37,688,728
Receivable for Export Cash Incentive	12,665,366	27,815,948
Dividend Receivable	209,960	-
Interest Receivable on FDR	212,500	32,500
<b>Total</b>	<b>801,236,634</b>	<b>547,819,881</b>

Export Receivable as at 30 June 2023 total \$ 658,471 has been translated @ Tk. 107 Average spot rate and resulting unrealized gain of Tk. 4,241,461 has been reported under 'FOREX Gain/Loss Account'.

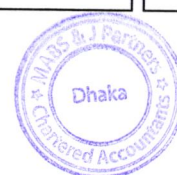
**Accounts Receivable Ageing :**

0 - 3 Months	578,153,342	435,575,697
3 - 6 Months	101,738,376	60,824,892
6-12 Months	64,032,373	26,126,810
> 1 Year	57,312,543	25,058,462
<b>Total</b>	<b>801,236,634</b>	<b>547,585,861</b>

**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.	70,456,368	37,688,728
Accounts receivable considered good for which the company holds no security other than the debtor personal security.	730,780,266	510,098,652
Accounts receivable considered doubtful or bad	-	-
Accounts receivable due by directors or other officers of the company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or a member to be separately stated	-	-
Accounts receivable due by common management	-	-
The maximum amount of receivable due by any director or other officer of the company.	-	-



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022

**9.00 Advances, Deposits and Prepayments: Tk. 2,126,459,774**

This is made-up as follows:

Advance for Suppliers (Others)	35,273,260	80,074,638
Advance for Raw/Packing Purchase	132,829,104	92,932,529
LC Margin for Raw Material	9,288,214	36,033,000
VAT paid on Finished Goods	170,143,059	131,679,055
Security Money	6,853,594	6,853,594
Prepaid Insurance	952,979	2,594,925
Pre-IPO Expenses	-	11,893,782
Advance against Lease for Vehicles	5,650,000	1,222,534
Advance against Rent Sales Center	-	6,113,460
Advance against Customs Duty	20,072,888	498,300
Advance Income Tax (Note: 9.01)	388,945,606	287,948,490
Advance for Capital Expense	1,195,276,721	382,988,255
LC Margin for Capital Goods	161,174,349	163,636,897
<b>Total</b>	<b>2,126,459,774</b>	<b>1,204,469,458</b>

**9.01 Advance Income Tax: Tk. 388,945,606**

This is made-up as follows:

Opening Balance	287,948,490	177,679,274
<b>Addition during this year:</b>	<b>100,997,116</b>	<b>110,269,216</b>
TDS at Import Stage (u/s 53)	71,020,637	66,058,521
Deducted at source from Export Proceed (u/s 53)	2,023,049	1,240,298
Deposited at the time of Vehicle Registration (AIT) (u/s 68B)	2,705,655	2,870,500
Deducted from Institutional Sales (u/s 52)	2,762,666	1,986,022
Deducted from Toll Bill (u/s 52A)	-	11,290
Deducted from Bank Interest (u/s 53F)	378,687	335,566
Deducted from Dividend Income (U/s 54)	423,414	652,816
Deducted from Export Cash Incentive Proceed (u/s 53F)	3,806,300	1,599,000
Advance Tax Paid U/s 64 for AY 2022-23	-	34,000,000
Paid for Assessment year 2023-24	15,000,000	-
Paid for Assessment year 2020-21	2,876,708	1,515,203
<b>Total</b>	<b>388,945,606</b>	<b>287,948,490</b>

**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.	2,126,459,774	1,204,469,458
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. 315,992,968**

**315,992,968** **67,575,600**

Goods in transit consist of raw materials and packing materials under shipment as on 30 June 2023.





Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>11.00</b>	<b>Cash and Cash Equivalents: Tk. 440,930,216</b>		
	This is made-up as follows:		
	<b>Cash at Bank</b>		
	Jamuna Bank Ltd., Rupshi Br. A/c. 1661	1,236,332	807,934
	Pubali Bank Ltd., Dhaka Stadium Br. A/c 473	3,783,107	7,136,884
	Southeast Bank Ltd., Corporate Br. CD A/C No.648	107,375	2,384,152
	Southeast Bank Ltd., Corporate Br. CD A/C No 7614	6,852,161	1,959,503
	Dutch Bangla Bank Ltd., Local Office, CD A/C No.957	1,737,550	4,760,908
	Sonali Bank Ltd., Customs House Br. A/c 379	5,010,804	4,110,034
	Sonali Bank Ltd., Customs House Br.A/c 378	-	92,239
	Al Arafah Islami Bank Ltd., VIP Road Br. A./c-7189	1,362,248	425,432
	Al Arafah Islami Bank Ltd., VIP Road Br. ERQ A./c-46	703,965	3,280,849
	Al Arafah Islami Bank Ltd., VIP Road Br.DAD A./c-44	8,115,183	-
	United Commercial Bank Ltd., Gulshan Br., A./c-0011	2,902,688	9,147,417
	United Commercial Bank Ltd., Gulshan Br. A/c-0055	5,295	2,041
	United Commercial Bank Ltd., SND A.C-162	3,765	45,345
	Dhaka Bank Ltd.. Banani Br. A/c-28321	2,438,618	-
	NRBC Bank Ltd., Gulshan Br. -SND 033	115,325	1,848,314
	Shimanto Bank Ltd.Corp. Br., CD-012	23,675	281,508
	Community Bank BD Ltd.-9101	10,025	31,479
	Bengal Commercial Bank, Corp Br.-1467	5,810,804	-
	One Bank, Principal Br. A/c 9942	2,355	-
	Pubali Bank Ltd. Faridpur Br. A./c-160	514,602	213,562
	Pubali Bank Ltd., Mymensingh Br.- A/c 294	653,021	110,220
	Pubali Bank Ltd., Dargagate Br. A./c-125	642,281	295,831
	Pubali Bank Ltd., Kamalpur Br., A/c-25303	784,911	1,599
	Pubali Bank Ltd., Maizdee Court Br. A./c-840	834,948	2,882
	Pubali Bank Ltd., Momin Road Br. A./c-8940	202,312	1,701,600
	Southeast Bank Ltd., Barisal Br. A./c-051	607,244	6,250
	Southeast Bank Ltd., Bogra Br. A./c-246	587,027	406,061
	Southeast Bank Ltd., Comilla Br. A./c-044	703,800	305,364
	Southeast Bank Ltd., Corporate Br.A./c-8200	1,202,961	1,090,138
	Southeast Bank Ltd., Cox's Bazar Br. A./c-091	507,252	307,391
	Southeast Bank Ltd., Dinajpur Br.-A/c 0144	505,272	403,516
	Southeast Bank Ltd., Jessore(SME) Br. A./c-347	1,050,971	496,386
	Southeast Bank Ltd., Joydevpur Br., A./c-027	514,173	1,161,740
	Southeast Bank Ltd., Khulna Br. A./c-925	601,650	1,145
	Southeast Bank Ltd., Rajshahi Br. A./c-014	603,127	1,005,178
	Southeast Bank Ltd., Rangpur Br. A./c-284	607,517	405,612
	United Commercial Bank, Tangail A/c-4138	649,934	-
	United Commercial Bank, Pabna A/c-8094	399,948	-
	United Commercial Bank, N'Ganj Ac-10079	100,908	-
	Standard Chartered Bank Ltd. Gulshan Br. Ac-28001	457,126	-
	Southeast Bank Ltd. Corporate Br. A/C-152000,00059	-	-
	United Commercial Bank Ltd., Corporate Br., A./c-00783	-	-
	United Commercial Bank Ltd., Corporate Br., A./c-00794	-	-
	United Commercial Bank Ltd., Corporate Br., A./c-00072	-	-
	Standard Bank Ltd. Principal Br. Ac CD-00518	-	-
		<b>52,952,256</b>	<b>44,228,509</b>
	FDR at IPDC AC-25213	3,000,000	3,000,000
	United Commercial Bank Ltd., IPO A/C-3209	351,370,703	-
	United Commercial Bank Ltd. Ac-1971 (11% Cash Dividend, 2023)	5,008,375	-
	<b>Cash in Hand</b>	<b>28,598,882</b>	<b>19,199,076</b>
	<b>Total</b>	<b>440,930,216</b>	<b>66,427,585</b>

The Bank Balances have been reconciled where necessary and were agreed with the balance as per bank statements as on 30-06-2023. Cash in hand balance was duly certified by the management. The balance in AIBL ERQ A/c has been translated in Tk.107.00 resulting in exchange gain of Tk. 4,241,461/- as at 30-06-2023.

a. The reconciliation of bank balance has been performed and found in order.

b. Cash in hand has been counted by the management at the period end.

c. The Bank Balances have been reconciled where necessary and were agreed with the balance as per bank statements as on 30-06-2023. Cash in hand balance was duly certified by the management.



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>12.00</b>	<b>Paid-up Share Capital: Tk. 1,074,162,170</b>		
	This is made-up as follows:		
	<b>A. Authorized Capital:</b>		
	200,000,000 Ordinary Shares of Tk. 10 each	2,000,000,000	2,000,000,000
	<b>B. Issued Subscribed &amp; Paid up Capital:</b>		
	80,230,150 Ordinary Shares of Tk. 10 each	1,074,162,170	802,301,500
	<b>Total</b>	<b>1,074,162,170</b>	<b>802,301,500</b>
	<b>Capital Structure of the Company</b>	<b>Percentage %</b>	<b>As at 30 June 2023</b>
	<b>Name</b>	<b>Designation</b>	<b>Share Nos</b>
	Mr. Anisuzzaman Chowdhury	Chairman	4,014,010
	Professor Dr. Md. Jonaid Shafiq	Managing Director	7,237,230
	Mrs. Imrana Zaman Chowdhury	Director	4,014,010
	Mrs. Masuma Parvin	Director	7,894,891
	Dr. Zahara Rasul MD, CCFP	Director	4,814,810
	Mr. Javed Kaiser Ally	Director	2,500,000
	Mrs. Tarana Ahmed	Director	2,500,000
	Dr. Sayeed Ahmed	Director	2,642,640
	Mr. Manzurul Islam	Sponsor Director	2,500,000
	General Shareholders	N/A	69,298,626
	<b>Total</b>	<b>100%</b>	<b>107,416,217</b>
	<b>Shareholding Pattern of the Company</b>	<b>30-Jun-23</b>	<b>30-Jun-22</b>
	<b>Category of Shareholders</b>	<b>Ordinary Shares No.</b>	<b>Ordinary Shares No.</b>
	Director and Sponsor	35.49%	47.51%
	Local Institute	12.04%	5.05%
	Foreign Institute	27.73%	24.78%
	General Shareholders	24.74%	10.32%
	Non-Resident Bangladeshi		12.34%
	<b>Total</b>	<b>100%</b>	<b>100%</b>
	<b>Share Premium Tk. 448,170,069</b>	<b>107,416,217</b>	<b>80,230,150</b>
	Opening Balance		
	Addition during the period	478,139,330	-
	Less: Adjustment for IPO Expenses	(29,969,261)	-
	<b>Total</b>	<b>448,170,069</b>	<b>-</b>
	The Company has issued 27,186,067 nos. of ordinary shares through IPO for aggregating Tk. 750,000,000, out of which 9,753,441 nos. of ordinary shares issued for Eligible Investors (Elis) and Employee & Others at the cut-off price Tk. 34 and remaining 17,432,626 nos. of ordinary shares at discounted price Tk. 24 from the cut-off price i.e. Tk. 34 per share for General Public (GP) including NRBs.		
<b>14.00</b>	<b>Revaluation Reserve: Tk. 1,848,295,335</b>		
	This is made-up as follows:		
	Opening Balance	1,966,271,633	1,966,271,633
	Less: Deferred Tax on Revaluation	(117,976,298)	-
	<b>Closing Balance</b>	<b>1,848,295,335</b>	<b>1,966,271,633</b>
<b>15.00</b>	<b>Loan from Directors: Tk. 30,000,000</b>		
	This is made-up as follows:		
	Opening Balance	30,000,000	30,000,000
	<b>Closing Balance</b>	<b>30,000,000</b>	<b>30,000,000</b>
<b>16.00</b>	<b>Lease Liabilities: Tk. 124,315,723</b>		
	This is made-up as follows:		
	Opening Balance	129,974,652	166,148,307
	Add: Addition during the year for ROUA for vehicle	52,572,411	4,601,000
	Less: Payment during the year	(58,231,340)	(40,774,655)
	<b>Closing Balance</b>	<b>124,315,723</b>	<b>129,974,652</b>
<b>16.01</b>	<b>Principal Payment due within one year</b>	<b>34,719,611</b>	<b>29,254,646</b>
<b>16.02</b>	<b>Principal Payment due within two to five year</b>	<b>89,596,112</b>	<b>100,720,006</b>
	<b>Total</b>	<b>124,315,723</b>	<b>129,974,652</b>





Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>17.00</b>	<b>Long Term Loan: Tk. 108,717,652</b>		
	This is made-up as follows:		
	AIBL Term Loan (HPSM Ind), VIP Road Br., Dhaka	-	86,908,171
	AIBL Term Loan (HPSM RE) VIP Road Br., Dhaka	-	45,642,807
	AIBL Term Loan (HPSM Machine) VIP Road Br., Dhaka	65,050,145	14,156,036
	IPDC Term Loan, Gulshan Br., Dhaka	18,877,507	22,808,929
	Prime Bank Term Const	19,770,000	-
	Prime Bank Term Loan-Procurement	5,020,000	-
	<b>Total</b>	<b>108,717,652</b>	<b>169,515,942</b>
<b>17.01</b>	Payment due within one year	18,090,344	28,125,222
<b>17.02</b>	Payment due within two to four year	90,627,308	141,390,720
	<b>Total</b>	<b>108,717,652</b>	<b>169,515,942</b>
<b>18.00</b>	<b>Deferred Tax Liability: Tk. 169,640,474</b>		
	This is made-up as follows:		
	Opening Balance	59,415,004	48,740,390
	<b>Addition during the year:</b>		
	Deferred Tax on PPE and ROUA	(7,750,829)	10,674,614
	Deferred Tax on Revaluation	117,976,298	-
	<b>Closing Balance</b>	<b>169,640,474</b>	<b>59,415,004</b>
	<b>Less: Deferred Tax Asset (Note 18.01)</b>	<b>17,528,773</b>	<b>17,052,502</b>
	<b>Net Deferred Tax Liability Balance</b>	<b>152,111,701</b>	<b>42,362,502</b>
<b>18.01</b>	<b>Deferred Tax Asset: Tk. 17,528,773</b>		
	This is made up as follows:		
	Opening Balance	17,052,502	20,488,185
	<b>Addition/(Adj) during the year</b>	<b>476,271</b>	<b>(3,435,683)</b>
	Deferred Tax on Lease Liability	(203,521)	(1,458,702)
	Deferred Tax on Gratuity	(3,659,504)	(2,105,711)
	Deferred Tax on Broken Damage Expired Goods	(44,795)	121,494
	Deferred Tax on FVOCI	4,680,100	-
	Deferred Tax on Provision for Bad Debts	(296,009)	7,236
	<b>Closing Balance</b>	<b>17,528,773</b>	<b>17,052,502</b>
	<b>Breakup of Closing DTA:</b>		
	Deferred Tax on Lease Liability	542,724	746,245
	Deferred Tax on Gratuity	9,966,851	13,626,355
	Deferred Tax on Broken Damage Expired Goods	715,345	760,140
	Deferred Tax on FVOCI	4,680,100	-
	Deferred Tax on Provision for Bad Debts	1,623,753	1,919,761
	<b>Total</b>	<b>17,528,773</b>	<b>17,052,502</b>
<b>19.00</b>	<b>Short Term Loan: Tk. 4,066,050,635</b>		
	This is made-up as follows:		
	Bank Overdraft	1,826,941,462	1,244,527,127
	LTR, UPAS Loan	1,356,348,238	864,904,419
	Time Loan	764,284,263	264,500,000
	Margin Loan for Investment in Securities	118,476,671	108,124,344
	<b>Total</b>	<b>4,066,050,635</b>	<b>2,482,055,890</b>

The above balances were in agreement with the balance as per respective bank statement as on 30-06-2023. Provision is kept as per matching principal.



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>20.00 Trade and Other Payables: Tk. 731,095,268</b>			
This is made-up as follows:			
Trade & Other Payables		44,462,827	42,653,518
Salary Payables		12,879,083	32,623,081
VAT Payable		51,000,909	58,614,557
Payable Audit Fee		287,500	230,000
Payable for Other Supplies		686,960	600,490
Payable Director Remuneration		795,000	750,000
Payable-Sales Center Rent		789,103	860,827
Payable for Utility		2,706,289	3,261,065
Provision for Gratuity (Note: 20.01)		49,834,257	49,550,383
Provision for Bad Debt (Note: 20.02)		8,118,763	6,980,950
Provision for Broken, Damage & Expiry (Note: 20.03)		3,576,725	2,764,146
Provision for Income Tax (Note: 20.04)		345,477,564	245,110,056
Provision for W.P.P.F (Note: 20.05)		22,487,937	18,916,683
Interest Payable on Short Term Loan (Note: 20.06)		155,604,381	76,553,448
Interest Payable on Term Loan		1,936,131	1,002,173
Interest Payable on Lease Liability		-	2,999,634
Withholding Tax Payable		1,878,851	245,211
Payable for Capital Expense		28,572,988	3,425,802
<b>Total</b>		<b>731,095,268</b>	<b>547,142,023</b>
<b>20.01 Provision for Gratuity: Tk. 49,834,257</b>			
This is made-up as follows:			
Opening Balance		49,550,383	52,440,223
Provision made during the Period		12,883,873	24,886,161
Less: Paid during the period		(12,600,000)	(27,776,000)
<b>Total</b>		<b>49,834,257</b>	<b>49,550,383</b>
<b>20.02 Provision for Bad Debt: Tk. 8,118,763</b>			
This is made-up as follows:			
Opening Balance		6,980,950	6,375,083
Provision made during the year (0.1% of Local Sales)		5,472,129	4,582,302
Less: Adjusted during the year		(4,334,315)	(3,976,436)
<b>Total</b>		<b>8,118,763</b>	<b>6,980,950</b>
<b>20.03 Provision for Broken, Damage &amp; Expiry: Tk. 3,576,725</b>			
This is made-up as follows:			
Opening Balance		2,764,146	2,128,819
Provision made during the period		1,815,124	1,653,138
Less: Adjustment during the period		(1,002,544)	(1,017,811)
<b>Total</b>		<b>3,576,725</b>	<b>2,764,146</b>
<b>20.04 Provision for Income Tax: Tk. 345,477,564</b>			
This is made-up as follows:			
Opening Balance		245,110,056	141,435,969
Provision made during this period (Annex-C)		100,367,508	103,674,087
<b>Total</b>		<b>345,477,564</b>	<b>245,110,056</b>
<b>20.05 Provision for W.P.P.F: Tk. 22,487,937</b>			
This is made-up as follows:			
Opening Balance		18,916,683	25,378,539
Add: Provision made Previous year		672,614	-
Add: Provision made during the year		22,487,937	19,589,296
Less: Paid to WPPF a.c for AY 2020-21 to Labour Welfare Fund		-	(1,093,052)
Less: Paid to WPPF a.c for AY 2021-22 to Labour Welfare Fund		-	(1,512,063)
Less: Paid to WPPF a.c for AY 2020-21 to WPPF		-	(9,837,468)
Less: Paid to WPPF a.c for AY 2020-21 to WPPF		-	(13,608,569)
Less: Paid to WPPF a.c for AY 2022-23 to WPPF		(19,589,297)	-
<b>Total</b>		<b>22,487,937</b>	<b>18,916,683</b>





Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
20.06	Interest Payable on Short Term Loan (Note 20.06)	155,604,381	76,553,448
20.07	Interest Payable on Term Loan	1,936,131	1,002,173
	<b>AIBL-HPSM Machine</b>		
	Opening Balance	1,002,173	304,878
	Add: Charge during the year	2,537,499	1,614,685
	Less : Payment during the year	(1,603,541)	(917,390)
	<b>Closing Balance</b>	<b>1,936,131</b>	<b>1,002,173</b>
20.08	Interest Capitalized Payable on Term loan	-	6,995,778
	<b>AIBL-HPSM Industrial</b>		
	Opening Balance	4,639,872	2,300,000
	Add: Charge during the period	1,891,410	9,433,685
	Less : Payment during the period	(6,531,282)	(7,093,813)
	<b>Closing Balance</b>	<b>-</b>	<b>4,639,872</b>
	<b>AIBL-HPSM RE</b>		
	Opening Balance	2,355,906	686,250
	Add: Charge during the Period	993,347	3,571,073
	Less : Payment during the Period	(3,349,253)	(1,901,417)
	<b>Closing Balance</b>	<b>-</b>	<b>2,355,906</b>
20.09	Interest Payable on Lease Liability	-	136,322
	<b>IPDC</b>		
	Opening Balance	136,322	-
	Add: Charge during the period	2,095,555	3,125,963
	Less : Payment during the period	(2,231,877)	(2,989,641)
	<b>Closing Balance</b>	<b>-</b>	<b>136,322</b>
	<b>IDLC</b>		
	Opening Balance	-	-
	Add: Charge during the period	1,500,000	-
	Less : Payment during the period	(1,500,000)	-
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>
	<b>AIBL-Transport</b>		
	Opening Balance	2,863,312	-
	Add: Charge during the period	3,513,312	3,513,312
	Less : Payment during the period	(6,376,624)	(650,000)
	<b>Closing Balance</b>	<b>-</b>	<b>2,863,312</b>
	<b>Lease Liability on ROUA (Rental agreement)</b>		
	Opening Balance	-	-
	Add: Charge during the period	133,815	943,956
	Less : Payment during the period	(133,815)	(943,956)
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>
21.00	<b>Sales: Tk. 5,706,161,022</b>		
	This is made-up as follows:		
	Local Sales Human Health	5,154,359,051	4,376,138,837
	Export Sales	234,032,380	176,404,474
	Local Sales Animal Health	1,269,919,975	1,029,949,813
	<b>Gross sales</b>	<b>6,658,311,406</b>	<b>5,582,493,124</b>
	Less: Value Added Tax (VAT)	952,150,384	823,786,600
	<b>Net sales</b>	<b>5,706,161,022</b>	<b>4,758,706,524</b>
	a. Sales figure is presented on net of VAT in the statement of profit or loss and other comprehensive income.		
	b. Sales has increased due to strong branding, marketing and improved economic condition.		
	<b>Breakup of Net Turnover</b>		
	Local Sales Human Health Division	4,390,425,086	3,596,176,805
	Export Sales	234,032,380	176,404,474
	Local Sales Animal Health Division	1,081,703,556	986,125,244
	<b>Total</b>	<b>5,706,161,022</b>	<b>4,758,706,524</b>

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



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>22.00 Cost of Sales: Tk. 3,097,130,517</b>			
This is made-up as follows:			
Raw Material Consumption (Note No: 22.01)		2,000,096,427	1,614,976,476
Packing Material Consumption (Note No: 22.02)		789,207,436	672,609,153
Factory Expenses (Note No: 22.03)		475,075,834	402,739,043
<b>Total Manufacturing Cost</b>		<b>3,264,379,697</b>	<b>2,690,324,672</b>
Opening Stock Work-In-Process		98,809,121	90,459,914
Closing Stock Work-In-Process		(96,348,470)	(98,809,121)
<b>Cost of Production</b>		<b>3,266,840,348</b>	<b>2,681,975,465</b>
Opening Stock Finished Goods		390,328,433	365,136,224
<b>Finished goods available for sale</b>		<b>3,657,168,781</b>	<b>3,047,111,690</b>
Cost of Physician Sample transferred to Marketing Exp.		(29,960,189)	(50,317,662)
Cost of Bonus Product transferred to Marketing Exp.		(21,141,761)	(20,330,744)
Closing Stock Finished Goods		(508,936,313)	(390,328,433)
<b>Cost of Goods Sold</b>		<b>3,097,130,517</b>	<b>2,586,134,852</b>
<b>22.01 Raw Material Consumption: Tk. 2,000,096,427</b>			
This is made-up as follows:			
Opening Stock of Raw Materials		367,866,435	252,923,665
Add: Purchase during the year		2,010,990,933	1,729,919,246
Less: Closing Stock of Raw Materials		(378,760,941)	(367,866,435)
<b>Total</b>		<b>2,000,096,427</b>	<b>1,614,976,476</b>
<b>22.02 Packing Material Consumption: Tk. 789,207,436</b>			
This is made-up as follows:			
Opening Stock of Packing Materials		148,435,283	90,015,455
Add: Purchase during the year		754,342,915	731,028,981
Less: Closing Stock of Packing Materials		(113,570,761)	(148,435,283)
<b>Total</b>		<b>789,207,436</b>	<b>672,609,153</b>
<b>22.03 Factory Expenses: Tk. 475,075,834</b>			
This is made-up as follows:			
Salary & Allowance		173,563,239	165,447,647
Festival Bonus		21,172,661	13,020,963
Contribution to Provident Fund		8,003,741	7,700,171
Holiday Allowance & Overtime		15,603,772	14,687,165
Cylinder Expenses		2,203,799	647,255
Diesel for generator		8,994,934	3,876,390
Electricity Bill		29,957,461	28,179,056
Entertainment		2,803,351	1,542,855
Renewal Fees		200,753	142,168
Fees & Forms		660,910	198,744
Insurance Premium-Fire & Burglary		2,527,750	1,866,686
Gas Bill		787,607	613,395
Group Insurance Premium		543,221	281,518
Laboratory Chemicals		13,583,143	9,724,071
Medical Expenses		373,824	25,412
Newspaper & Periodicals		1,675	4,878
Repair & Maintenance		15,351,000	7,217,435
Medical Waste Management Expense		1,520,452	640,550
Sanitation Expense		4,305,417	1,928,163
Spare Parts for machinery		21,131,109	9,551,245
Depreciation on PPE & ROUA		115,804,691	81,112,247
Mobile Telephone Bill		812,984	780,805
Staff Quarter rent		1,376,844	1,354,215
Rent for Depot		333,222	971,458
Stationery		1,461,827	1,249,558
Subsidy on Canteen		10,350,786	6,300,626
Conveyance		193,612	140,233
Uniform & Liveries		636,250	666,345
Staff Transport Cost		3,609,913	3,844,094



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
	Vehicle Petrol Oil & Lubricants	2,344,870	2,017,943
	Vehicle-Toll & Levies	200,668	219,782
	Vehicle Repair-Spare Parts	1,030,167	783,040
	Vehicle Tax & Renewals	125,877	104,633
	Land Revenue	301,950	340,350
	Toll Charges (Contract Manufacturing)	6,700,231	28,993,892
	Gratuity	4,686,998	4,910,917
	Broken, Damaged & Expiry Expenses	1,815,124	1,653,138
	<b>Total</b>	<b>475,075,834</b>	<b>402,739,043</b>

**23.00 Administrative Expenses: Tk. 203,270,825**

This is made-up as follows:

Salary and Allowances	59,471,297	52,597,300
Festival Bonus	8,105,590	5,026,221
Contribution to Provident Fund	3,195,065	2,514,012
Gratuity	2,021,383	8,823,757
Audit Fees	287,500	230,000
Board Meeting Fee	649,000	655,500
Audit Committee & NRC Meeting Fee	148,500	120,750
Professional Fees	2,730,312	586,444
Advertising Expenses	1,430,544	199,944
Director's Remuneration	10,803,600	9,837,313
Electricity Bill	2,251,239	2,696,038
Registration Fees and Renewal Fees	1,799,270	510,530
Foreign Tour Expenses	20,970,142	4,488,246
Depreciation on Rental Asset (Annex-ROUA)	8,681,137	12,429,319
Depreciation Other than Rental Asset (Annex-PPE)	15,623,186	10,513,008
Amortization on software	220,000	220,000
Newspapers & Periodicals	6,787	21,004
Repair & Maintenance	1,452,124	2,709,674
Staff Transport Cost	1,637,881	1,625,902
Sanitation Expense	1,061,155	1,105,511
Stationery	3,104,514	1,149,521
Internet Bill	520,243	422,505
Gardening Expenses	141,987	360,695
Conveyance and Travelling	1,474,996	402,980
Holiday Allowance & Overtime	1,707,047	1,370,505
Entertainment	3,737,802	2,057,141
Gas Bill	52,020	49,210
Subscription Fee	357,855	277,122
Group Insurance Premium	85,085	85,085
Insurance Premium Fire & Burglary	162,310	162,756
Mobile Telephone Bill	1,193,973	649,572
Telephone	16,214	21,490
Vehicle Repair-Spare Parts	1,326,202	969,108
Vehicle-Toll & Levies	139,825	47,404
Vehicle Tax & Renewals	276,541	500,700
Vehicle Petrol Oil & Lubricants	3,319,832	3,319,832
Iftar Bill	28,350	18,900
WASA	517,776	563,705
Subsidy on Canteen	959,827	891,426
Bad Debt Expense	5,472,129	4,582,302
Training Expenses	27,330	35,698
Other Expenses	8,843	14,559
Bank Charges	8,919,724	4,960,582
Bank Charges-Export	3,961,552	2,022,271
BO Charges, Interest on Margin Loan	21,363,581	8,290,153
Software Services	127,349	271,626
AGM & Related Costs	379,184	-
Security Services	1,343,024	635,491
<b>Total</b>	<b>203,270,825</b>	<b>151,042,811</b>

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



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>24.00</b>	<b>Selling &amp; Marketing Expenses: Tk. 1,270,897,848</b>		
	This is made-up as follows:		
	Salary and Allowances	561,404,907	529,084,030
	Festival Bonus	73,939,197	41,648,649
	Contribution to Provident Fund	29,396,459	28,986,577
	Incentives	42,202,709	61,186,025
	Gratuity	3,761,931	6,909,412
	Stationery	4,233,113	4,008,318
	Daily Expenses for Field workers	327,942,212	227,099,471
	Travelling and Conveyance	12,126,152	3,120,817
	Bonus On Sales	21,141,761	20,330,744
	Printed & Gifted Promotional Expenses	29,207,213	78,357,630
	Sample Expenses	29,960,189	50,317,662
	Depreciation on PPE & ROUA	10,544,199	9,219,330
	Product Expiry Replacement	25,173,930	19,028,522
	Brand Development & New Product	17,454,146	-
	Export Freight Expenses	4,466,745	3,384,990
	Scientific Seminar	4,390,628	4,192,290
	Meeting	14,115,377	8,703,185
	Monthly Regional Conference	4,616,016	2,804,000
	Courier Service & Postage	739,122	507,127
	Mobile Telephone Bill	17,447,874	15,149,579
	Group Insurance Premium	1,217,787	1,205,787
	Insurance Premium Export	730,911	888,932
	Registration Fee	1,750,170	2,042,945
	Holiday Allowance & Overtime	67,147	74,910
	Tender Form	51,600	64,250
	Day Celebration	1,833,697	1,257,423
	Product Registration Fee	3,836,034	1,330,582
	Entertainment	1,868,901	1,028,570
	Renewal Fees	454,400	143,750
	Training Expenses	1,567,528	1,261,641
	Campaign Expenses	1,444,661	2,123,220
	CSR & Society Contribution	450,000	304,503
	Advertisement & Souvenir Expense	2,495,294	2,302,327
	Vehicles Repair-Spare Parts	2,181,984	880,888
	Vehicle Petrol Oil & Lubricants	1,169,454	1,061,598
	Vehicle-Toll & Levies	25,905	54,320
	Vehicle-Tax & Renewals	179,858	458,237
	Iftar Bill	-	48,988
	Repair & Maintenance	935,050	651,254
	Software Services	1,516,525	1,437,012
	Staff Transport Cost	1,910,637	1,834,628
	Subsidy on Canteen	806,382	751,716
	Foreign Tour Exp.	6,990,047	5,829,415
	Prescription Survey Report Fee	3,150,000	2,862,201
	<b>Total</b>	<b>1,270,897,848</b>	<b>1,143,937,454</b>

**25.00 Distribution Expenses: Tk. 390,226,783**

This is made-up as follows:

Salary and Allowances	126,851,765	99,371,710
Festival Bonus	17,005,982	8,683,870
Contribution to Provident Fund	6,656,015	4,978,288
Repair & Maintenance	1,041,241	1,024,763
Stationery	5,902,831	4,586,773
Daily Expenses for Field workers	67,969,665	41,482,845
Holiday Allowance & Overtime	4,723,209	3,672,229
Insurance Premium Fire & Burglary	686,623	454,715
Group Insurance Premium	275,125	347,939
Depreciation on PPE & ROUA	59,533,019	52,562,443
Sales Centre Rent	19,843,346	14,508,586
Travelling and Conveyance	693,691	270,384
Entertainment	934,450	514,285





Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
	Telephone Bill	7,306	10,108
	Security Services	382,710	378,177
	Electricity	6,124,290	3,054,724
	Land Revenue	-	21,786
	Gratuity	2,413,561	4,242,075
	Driver Allowance	2,836,015	2,182,288
	Re-packing Expenses	7,149,020	6,891,276
	Internet Bill	268,860	232,589
	Gas Bill	185,609	142,900
	Wasa Bill	500,992	291,080
	Courier Service & Postage	4,984,352	4,154,504
	Consumables & Supplies	902,030	654,696
	Mobile Telephone Bill	1,267,994	1,387,238
	Rent-A-Car	8,742,386	-
	Renewal Fees	402,948	1,005,785
	Vehicle-Toll & Levies	6,060,748	3,655,984
	Vehicle-Tax & Renewals	644,809	1,833,539
	Vehicles Repair-Spare Parts	5,627,277	6,182,107
	Vehicle Petrol Oil & Lubricants	29,551,400	19,482,613
	Transfer & Other Charges	57,515	140,432
	<b>Total</b>	<b>390,226,783</b>	<b>288,402,731</b>

**26.00 Finance Expenses: Tk. 234,887,205**

This is made-up as follows:

Interest charged on Short term loan

Interest on Term Loan

Interest on Lease Finance (trf. T.Loan Int to TL Head)

**Total**

216,876,758	170,411,244
5,422,256	18,315,690
12,588,191	11,694,234
<b>234,887,205</b>	<b>200,421,168</b>

**27.00 Other Income/ (Loss): Tk. -37,503,668**

This is made-up as follows:

Cash Incentive

Bank Interest

Interest on FDR

Dividend Income

Sale of Wastage

Toll Income

FOREX Gain/(loss)

Gain on disposal of FA (Note 27.01)

Realized Gain/(loss) from Sale of Marketable Securities

Income from PF Contribution Forfeiture

**Total**

20,872,421	15,854,889
2,865,916	2,280,376
180,000	32,500
2,789,555	3,264,591
4,890,158	5,058,678
198,485	924,362
(33,379,891)	(93,979,209)
-	467,522
(42,297,510)	82,902,285
6,377,198	5,801,719
<b>(37,503,668)</b>	<b>22,607,712</b>

**27.01 Gain on disposal of FA**

This is made-up as follows:

Sale proceed from FA disposed

Less: Written Down Value

**Total**

-	730,000
-	262,478
<b>-</b>	<b>467,522</b>

**28.00 Income Tax: Tk. 92,140,408**

This is made-up as follows:

Current year Tax

Deferred Tax Expense/ (Income)

**Total**

100,367,508	103,674,087
(8,227,099)	14,110,297
<b>92,140,408</b>	<b>117,784,384</b>

Details calculation of current tax are shown in Annexute-C



Notes	Particulars	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>29.00 Earnings Per Share (EPS)</b>			
Earnings attributable to the Ordinary Shareholders		356,943,215	274,001,538
Number of Ordinary Shares		99,413,855	80,230,150
<b>Earnings Per Share (EPS)</b>		<b>3.59</b>	<b>3.42</b>

**Reasons for Deviation:** Increase in 20% Sales Revenue and Net Profit 30% resulted in the increment of Earnings Per Share as well.

**Weighted Average Number of Ordinary Shares Outstanding:** The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighted factor. The time-weighted factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year (considering 180 days in a period).

Weighted Average Number of Ordinary Shares Outstanding during the year:

Date of Allotment	Ordinary Shares Nos	Weighted no. days	Calculation	Weighted no. Shares
OS Shares as on 1st July, 2022	80,230,150	100%		80,230,150
16/10/2022	23,201,750	258	(23,201,750*258/365)	16,400,141
19/10/2022	3,984,317	255	(3,984,317*255/365)	2,783,564
Closing Balance as on 30-06-2023	107,416,217			99,413,855

**29.01 Dilution of Earnings Per Share:** No diluted earnings per share is required to be calculated for the period presented as there was no item issued by the company, as such no scope for dilution of shares during the period.

### 30.00 Net Asset Value (NAV) Per Share

Total Assets	9,589,744,427	7,084,100,333
Less Total Liabilities	5,217,299,353	3,601,051,009
<b>Net Assets</b>	<b>4,372,445,074</b>	<b>3,483,049,324</b>
Number of Ordinary Shares	107,416,217	80,230,150
<b>Net Asset Value (NAV) Per Share</b>	<b>40.71</b>	<b>43.41</b>

**Reasons for Deviation:** NAV is decreased, due to increase of number of ordinary shares during the year.

### 31.00 Net Operating Cash Flow Per Share (NOCFPS)

Net Cash Generated from Operating Activities	193,743,209	199,359,417
Number of Ordinary Shares	107,416,217	80,230,150
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>1.80</b>	<b>2.48</b>

**Reasons for Deviation:** Despite increase of business volume NOCFPS is decreased due to increase a payment of outstanding supplier bills and increase number of share issue.





### 32.00 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 2022	Transaction July'22-June'23	Balance as at 30 June 2023
Aftab Hatchery Ltd.	Common Board	Sales	322,703	-	90,000
Aftab Feed Products Ltd.	Common Board	Sales	9,080,519	-	35,270,790
Meghna Insurance Co. Ltd.	Common Board	Insurance Premium	893,811	690,182	1,583,993
Janata Insurance Co. Ltd.	Common Board	Insurance Premium	582,175	103,863	686,038
Md. Jonaid Shafiq	Director	Remuneration	300,000	2,767,500	322,500
Mr. Javed Kaiser Ally	Director	Remuneration	200,000	1,854,000	218,000
Dr. Sayeed Ahmed	Director	Remuneration	250,000	2,317,500	272,500
Mr. Anisuzzaman Chowdhury	Chairman	Board Fee	-	66,000	-
Professor Dr. Md. Jonaid Shafiq	Director	Board Fee	-	66,000	-
Ms. Imrana Zaman Chowdhury	Director	Board Fee	-	66,000	-
Mrs. Masuma Parvin	Director	Board Fee	-	66,000	-
Dr. Zahara Rasul MD CCFP	Director	Board Fee	-	66,000	-
Mr. Javed Kaiser Ally	Director	Board Fee	-	66,000	-
Mrs. Tarana Ahmed	Director	Board Fee	-	66,000	-
Dr. Sayeed Ahmed	Director	Board Fee	-	66,000	-
Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	Board Fee	-	66,000	-
Mr. Mohammad Bul Hassan FCS	Independent Director	Board Fee	-	33,000	-
Mr. Mohammad Arife Billah	Independent Director	Board Fee	-	22,000	-
Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	Audit Comm. Fee	-	22,000	-
Ms. Imrana Zaman Chowdhury	Independent Director	Audit Comm. Fee	-	22,000	-
Mrs. Masuma Parvin	Director	Audit Comm. Fee	-	22,000	-
Dr. Zahara Rasul MD CCFP	Director	Audit Comm. Fee	-	22,000	-
Mrs. Tarana Ahmed	Director	Audit Comm. Fee	-	22,000	-
Mr. Mohammad Arife Billah	Independent Director	Audit Comm. Fee	-	11,000	-

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 30-06-2023
Name					
Professor Dr. Jonaid Shafiq		Managing Director	Director Remuneration	2,767,500	322,500
Dr. Sayeed Ahmed		Director	Director Remuneration	2,317,500	272,500
Mr. Javed Kaiser Ally		Director	Director Remuneration	1,854,000	218,000

**Board Meeting Fee:** During the period from 01-07-2022 to 30-06-2023, there were 12 no's board meeting held. The attendance status of all the meeting is as follows:

Name of Director's	Designation	No's of Meeting	Taka	No's of Meeting	Taka
Mr. Anisuzzaman Chowdhury	Chairman	12	5,500	12	66,000
Professor Dr. Md. Jonaid Shafiq	Managing Director	12	5,500	12	66,000
Ms. Imrana Zaman Chowdhury	Director	12	5,500	12	66,000
Mrs. Masuma Parvin	Director	12	5,500	12	66,000
Dr. Zahara Rasul MD CCFP	Director	12	5,500	12	66,000
Mr. Javed Kaiser Ally	Director	12	5,500	12	66,000
Mrs. Tarana Ahmed	Director	12	5,500	12	66,000
Dr. Sayeed Ahmed	Director	12	5,500	12	66,000
Mr. Khondaker Sabbir	Independent Director	12	5,500	12	66,000
Mr. Mohammad Bul Hassan FCS	Independent Director	12	5,500	6	33,000
Mr. Mohammad Arife Billah (Bar)	Independent Director	12	5,500	4	22,000
<b>Total</b>					<b>649,000</b>

**Audit Committee Meeting Fee:** During the period from 01-07-2022 to 30-06-2023, there were 4 no's Audit Committee Meeting held. The attendance status of all the meeting is as follows

Name of Director's	Designation	No's of Meeting	Taka	No's of Meeting	Taka
Mr. Khondaker Sabbir	Chairman	4	5,500	4	22,000
Ms. Imrana Zaman Chowdhury	Member	4	5,500	4	22,000
Mrs. Masuma Parvin	Member	4	5,500	4	22,000
Dr. Zahara Rasul MD CCFP	Member	4	5,500	4	22,000
Mrs. Tarana Ahmed	Member	4	5,500	4	22,000
Mr. Mohammad Arife Billah (Bar)	Member	4	5,500	2	11,000
<b>Total</b>					<b>121,000</b>

**Nomination and Remuneration Committee Fee:** During the period from 01-07-2022 to 30-06-2023, there were 1 no's Nomination and Remuneration Committee meeting held.

Name of Director's	Designation	No's of Meeting	Taka	No's of Meeting	Taka
Mr. Mohammad Bul Hassan FCS	Chairman	1	5,500	1	5,500
Ms. Imrana Zaman Chowdhury	Member	1	5,500	1	5,500
Mrs. Masuma Parvin	Member	1	5,500	1	5,500
Dr. Zahara Rasul MD CCFP	Member	1	5,500	1	5,500
Mrs. Tarana Ahmed	Member	1	5,500	1	5,500
<b>Total</b>					<b>27,500</b>

- (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

### 33.00 Contingent Assets

There was no contingent assets as at 30 June 2023.





**34.00 Contingent Liability****85,464,581****137,334,101****35.00 Litigation Pending**

1. For Non-payment of VAT which the legal experts estimated cost is Tk. 40,000,000/-. It has been stayed by High Court till 27-08-2023. It has been processing for time extension.
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 30-08-2023. It has been processing for time extension.
4. Interest of Tk. 4,815,237.68 has been accrued due to the untimely payment of VDS Demand by Navana Pharmaceuticals Ltd. to LTU VAT from July 2017 to June 2019. Processing for final settlement.
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 Narayanganj for reclaiming 30 decimal land opposite of Factory at Rupshi Rupgonj. It is expected to be favorable.

**Operating segments**

(i) Basis for segmentation

The Group has the following

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

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

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

Particulars	For the year ended 30 June 2023	
	Human Health	Veterinary
External revenue	5,388,391,431	1,269,919,975
Intra-Segment revenue	-	-
<b>Segment Revenue</b>	<b>5,388,391,431</b>	<b>1,269,919,975</b>
Depreciation & amortization	170,276,076	39,977,184
Operating expense	1,508,804,845	354,235,137
Finance costs/ (income) & WPPF	178,480,369	41,903,377
<b>Segment Profit/(loss) before tax</b>	<b>363,431,237</b>	<b>85,325,889</b>
Income tax expense	74,566,742	17,506,678
<b>Profit after Tax</b>	<b>288,864,495</b>	<b>67,819,211</b>

Particulars	For the year ended 30 June 2022	
	Human Health	Veterinary
External revenue	4,552,543,311	1,029,949,813
Intra-Segment revenue	-	-
<b>Segment Revenue</b>	<b>4,552,543,311</b>	<b>1,029,949,813</b>
Depreciation & amortization	134,895,394	30,518,213
Operating expense	1,291,254,554	292,128,442
Finance costs/ (income) & WPPF	197,856,000	44,762,177
<b>Segment Profit/(loss) before tax</b>	<b>319,502,836</b>	<b>72,283,087</b>
Income tax expense	96,053,591	21,730,793
<b>Profit after Tax</b>	<b>223,449,245</b>	<b>50,552,294</b>

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

1. Al-Arafah Islami Bank Limited VIP Road Branch-Tk. 7,520,086/-

**36.00 The disclosure relating to Schedule XI, Part II, Para 3, 4 & 7 of the Companies Act, 1994****36.01 Disclosure as per requirement of Schedule XI, part II, Note-5 of para 3:**

Particulars	2022-2023	2021-2022
Salary/Wages Per Month, Below Tk. 8000	Nil	Nil
Salary/Wages Per Month, Above Tk. 8000	4,143	3,978
<b>Total No. of Employees</b>	<b>4,143</b>	<b>3,978</b>

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

Particulars	2022-2023	2021-2022
Directors Remuneration	10,803,600	9,837,313
Wages, Salaries and Allowances (Factory)	173,563,239	165,447,647
Salaries and allowances (Admin, Marketing & Selling)	747,727,969	681,053,040
<b>Total</b>	<b>932,094,808</b>	<b>856,338,000</b>

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

Particulars	2022-2023	2021-2022
Turnover in BDT	6,658,311,406	5,582,493,124

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

Particulars	2022-2023	2021-2022
Raw Material (Value in BDT.)	2,000,096,427	1,614,976,476





### 36.05 Production Capacity and Utilization

Item Name	UoM (Mill)	Production Capacity		Actual Production		Capacity Utilization	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Tablet, Capsule, Syrup, Bolus	Pcs.	18,219,978	6,736,858	17,775,311	6,292,191	98%	93%
Liquid, PFS, Oral Solution	Bottle	5,858,751	5,858,751	3,077,637	3,077,637	53%	53%
Powder	Container/ Sachet	6,289,701	4,399,701	5,546,538	3,656,538	88%	83%
Nasal Drops, Nasal Spray, Eye Drops	Dropper	582,023,048	580,343,048	551,050,220	549,370,220	95%	95%
Ointment, Cream	Tube	205,974	205,974	42,871	42,871	21%	21%
Injection	Vial	3,051,298	2,931,298	2,755,416	2,635,416	90%	90%
		<b>615,648,750</b>	<b>600,475,630</b>	<b>580,247,993</b>	<b>565,074,873</b>	<b>94%</b>	<b>94%</b>

### 37.00 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

No.	Particulars	2022-2023	2021-2022
(a)	Managerial remuneration paid or payable during the financial year to the directors, including managing directors, a managing agent or manager	10,803,600	9,837,313
(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

### 38.00 Reconciliation of Cash Flows from Operating Activities

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

	30-Jun-2023	30-Jun-2022
<b>Net Profit before tax</b>	<b>449,083,624</b>	<b>391,785,923</b>
<b>Adjustment to reconcile net income to net cash provided by operating activities:</b>		
Depreciation and Amortization	210,406,232	166,056,347
Unrealized Gain/(loss) on Marketable Securities	46,800,998	(82,902,285)
Dividend Income	(2,789,555)	(3,264,591)
Disposal of ROUA (Vehicle)	-	(467,522)
Pre-IPO Expenses	(11,893,781)	-
Bank & Lease Interest	157,901,948	142,832,255
Income Tax Expenses	(100,367,508)	(110,269,216)
<b>Increase/Decrease in Current Assets:</b>		
Inventory and Goods in transit (Increase)	(344,070,585)	(200,756,642)
Accounts Receivable (Increase)	(253,416,753)	(84,928,660)
Advance Deposit & Prepayment (Increase)	(110,129,683)	(98,163,561)
<b>Increase/Decrease in current Liabilities:</b>		
Trade and Other Payables (Increase)	152,218,271	79,437,370
<b>Net Cash Generated by Operating Activities</b>	<b>193,743,209</b>	<b>199,359,418</b>

### 39.00 Events after reporting date

**39.01** The Board in its meeting dated 22 October 2023 recommended that 13 % cash dividend i.e. Tk. 1.13 per share to be paid for the year 2022-2023. The dividend proposal is subject to shareholders' approval at the forthcoming annual general meeting.

**39.02** Foreign exchange loss includes loss arising from the translation of foreign currency short term loan-UPAS. Under IAS 21, closing rate has to be used to convert foreign currency assets and liabilities. Consistent with past practice, the BC selling rate of Tk.108.84 /USD as on 30 June 2023 has been used as the closing rate. Subsequently, up to the 30-06-2023 the average rate with different banks was Tk. 108.84 /USD. Had this rate been used for the translation of the total foreign loans the impact in currency loss would have been even higher.

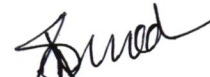
### 40.00 Difference in accounting year

Accounting year of the company is ended on 30.06.2023 under the reporting period where accounting year of NPL Employee Provident Fund, Gratuity fund is ended on December 2022. So there is separate reconciliation is prepared to match with the expenses presented here.

  
Company Secretary

  
Chief Financial Officer

  
Managing Director

  
Director

Place: Dhaka, Bangladesh  
Date: 22 October 2023





**Navana Pharmaceuticals Limited**  
Schedule of Property, Plant and Equipment  
As at 30 June 2023

Sl No.	Particulars	Balance as on 01 July 2022				C O S T				Dep. Rate	DEPRECIATION				Written Down Value as on 30 June 2022	Written Down Value as on 30 June 2023
		Cost	Revaluation Reserve	Total	Addition	Cost	Revaluation Reserve	Total	Adjustment		Balance as on 30 June 2023	Charged during the year	Adjustment	Balance as on 30 June 2023		
1	Land and Land Development	516,631,355	1,966,271,633	2,482,902,988	-	-	-	-	516,631,355	1,966,271,633	2,482,902,988	0%	-	-	2,482,902,988	2,482,902,988
2	Land and Land Development	516,631,355	1,966,271,633	2,482,902,988	-	-	-	-	516,631,355	1,966,271,633	2,482,902,988	0%	-	-	2,482,902,988	2,482,902,988
3	Building & Other Construction	745,817,130	-	745,817,130	396,031,015	-	-	396,031,015	-	1,141,848,145	1,141,848,145	10%	159,407,096	79,446,293	238,853,391	902,994,755
	Factory Building	663,775,905	-	663,775,905	396,031,015	-	-	396,031,015	-	1,059,806,920	1,059,806,920	10%	132,075,327	73,974,683	206,050,010	853,756,910
	Office Decoration	17,328,480	-	17,328,480	-	-	-	-	17,328,480	17,328,480	10%	8,355,748	897,273	9,253,021	8,075,459	
	Pump House Construction	3,970	-	3,970	-	-	-	-	3,970	3,970	20%	3,970	(0)	3,970	(0)	
	Store Room	27,480	-	27,480	-	-	-	-	27,480	27,153	49	27,153	27,202	278	327	
	Office Room Extension	829,201	-	829,201	-	-	-	-	829,201	704,203	10%	704,203	12,500	716,703	112,498	
	Factory Decoration (BMRE)	48,150,595	-	48,150,595	-	-	-	-	48,150,595	6,522,933	10%	6,522,933	4,162,766	10,685,699	37,464,896	
	Factory Wall	3,177,143	-	3,177,143	-	-	-	-	3,177,143	2,267,327	10%	2,267,327	90,982	2,358,308	818,835	
	Pre Fabrication Building	12,445,429	-	12,445,429	-	-	-	-	12,445,429	9,384,488	10%	9,384,488	306,094	9,690,582	2,754,847	
	Solvent Store	78,928	-	78,928	-	-	-	-	78,928	65,949	15%	65,949	1,947	67,896	67,896	
4	Plant & Machinery	572,173,517	100,583,517	572,173,517	100,583,517	-	-	100,583,517	-	672,757,034	672,757,034	20%	337,124,177	58,905,821	396,029,998	276,727,036
	Plant & Machinery	526,869,558	100,583,517	526,869,558	100,583,517	-	-	100,583,517	-	627,453,075	627,453,075	20%	301,614,898	56,880,912	358,495,810	268,957,265
	Electrical Installation	21,785,456	-	21,785,456	-	-	-	-	21,785,456	20%	17,080,226	1,007,019	18,087,244	3,698,212	4,705,230	3,217,543
	Generator	14,375,046	-	14,375,046	-	-	-	-	14,375,046	20%	11,157,503	643,509	11,801,012	2,574,034	3,217,543	2,574,034
	Gas Line Installation	3,101,333	-	3,101,333	-	-	-	-	3,101,333	20%	1,703,827	279,501	1,983,328	1,118,005	1,397,506	1,397,506
	Spare Parts	1,501,405	-	1,501,405	-	-	-	-	1,501,405	20%	1,311,975	37,886	1,349,861	151,544	189,430	189,430
	ETP	660,080	-	660,080	-	-	-	-	660,080	20%	458,114	40,393	498,507	161,573	201,966	201,966
	Electric Sub Station	3,880,639	-	3,880,639	-	-	-	-	3,880,639	20%	3,797,636	16,601	66,403	83,003	83,003	83,003
	Lab Equipment	111,389,382	-	111,389,382	5,907,928	-	-	5,907,928	-	55,647,732	8,899,722	16,001,912	358,495,810	268,957,265	225,254,661	225,254,661
	Quality Control Equipment	108,028,222	-	108,028,222	5,907,928	-	-	5,907,928	-	52,744,962	8,830,963	1,007,019	11,801,012	2,574,034	3,217,543	3,217,543
5	Tools & Equipment's	3,361,160	-	3,361,160	-	-	-	-	3,361,160	15%	2,902,770	68,759	18,087,244	3,698,212	4,705,230	3,217,543
	Furniture & Fixture	37,102,527	-	37,102,527	3,282,279	-	-	3,282,279	-	40,384,806	40,384,806	10%	22,122,569	1,872,836	23,995,406	16,389,406
	Furniture & Fixtures	27,309,860	-	27,309,860	2,783,379	-	-	2,783,379	-	30,093,239	30,093,239	10%	15,595,664	1,341,137	16,936,801	13,156,438
	Rack & Pallets	9,792,667	-	9,792,667	498,900	-	-	498,900	-	10,291,567	10,291,567	15%	6,526,905	531,699	7,058,604	3,262,762
	Office Equipment's	38,850,360	4,249,416	38,850,360	4,249,416	-	-	4,249,416	-	43,099,776	43,099,776	15%	27,965,193	2,422,988	30,388,183	12,711,594
	Fire Extinguishers	1,074,615	-	1,074,615	-	-	-	-	1,074,615	15%	895,938	26,802	922,739	151,876	178,677	178,677
	Office Equipment's	17,418,684	-	17,418,684	401,500	-	-	401,500	-	17,820,184	17,820,184	15%	12,194,019	833,761	13,027,780	4,792,405
	Air Cooler	14,011,205	-	14,011,205	3,847,916	-	-	3,847,916	-	17,859,121	17,859,121	20%	9,401,050	1,415,305	10,816,355	7,042,766
	Cookeries & Outeries	416,096	-	416,096	-	-	-	-	416,096	10%	320,020	9,608	329,628	86,468	96,076	96,076
	Telephone Line Installation	1,077,479	-	1,077,479	-	-	-	-	1,077,479	15%	973,179	15,645	988,824	88,655	104,300	104,300
6	Photocopier & Fax Machine	441,300	-	441,300	-	-	-	-	441,300	20%	385,205	11,219	396,424	44,876	56,095	56,095
	Projector	770,500	-	770,500	-	-	-	-	770,500	15%	522,692	37,171	559,864	210,636	247,008	247,008
	Refrigerator A/H	1,703,275	-	1,703,275	-	-	-	-	1,703,275	20%	1,386,119	63,431	1,449,551	253,724	317,156	317,156
	Mobile	1,937,206	-	1,937,206	-	-	-	-	1,937,206	20%	1,886,971	10,047	1,897,018	50,235	50,235	50,235
	Transport	23,000,000	-	23,000,000	34,500,000	-	-	34,500,000	-	57,500,000	57,500,000	20%	642,740	4,471,452	52,385,808	22,357,260
	Motor cycle (300 MC)	23,000,000	-	23,000,000	34,500,000	-	-	34,500,000	-	57,500,000	57,500,000	20%	642,740	4,471,452	52,385,808	22,357,260
	Computer & IT Accessories	49,292,597	-	49,292,597	4,693,475	-	-	4,693,475	-	53,986,072	53,986,072	20%	37,624,888	4,405,496	42,030,383	11,955,689
	Computer	39,538,886	-	39,538,886	4,693,475	-	-	4,693,475	-	44,232,361	44,232,361	30%	28,783,961	4,131,661	32,915,622	11,316,739
	Hardware & Networking Installation	9,753,711	-	9,753,711	-	-	-	-	9,753,711	30%	8,840,927	273,835	9,114,762	638,949	912,784	912,784
	Other Assets	7,467,341	-	7,467,341	-	-	-	-	7,467,341	25%	5,624,082	278,706,15	5,902,788	1,564,553	1,843,259	1,843,259
7	Sundry Assets	6,540,654	-	6,540,654	-	-	-	-	6,540,654	15%	4,773,736	271,072	5,044,808	1,495,846	7,66,918	7,66,918
	Books	926,687	-	926,687	-	-	-	-	926,687	10%	850,346	7,634	857,980	68,707	76,341	76,341
	TOTAL	2,101,724,211	1,966,271,633	4,067,995,844	549,247,630	-	-	549,247,630	-	2,650,971,840	1,966,271,633	646,158,480	160,703,316	3,810,381,680	3,421,837,366	3,421,837,366
	Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Software	1,100,000	-	1,100,000	-	-	-	-	1,100,000	20%	330,000	220,000	550,000	990,000	990,000	990,000

Allocation of depreciation:				
Particulars	Total	Admin	Factory	Sales & Mkt
PPE excl Vehicle	156,231,864	15,623,186	109,362,305	Dist.
Vehicle	4,471,452	-	-	4,471,452





# Navana Pharmaceuticals Limited

## Schedule of Right-of-Use Asset

As at 30 June 2023

Annexure-B

Sl No.	Particulars	Cost			Dep. Rate	Depreciation			Written Down Value as on 30 June 2023	Written Down Value as on 30 June 2022
		Balance as on 1 July 2022	Addition	Adjustment		Balance as on 30 June 2022	Charged during the year	Adjustment		
		Cost	Cost						Balance as on 30 June 2023	
1	Rental Asset	22,153,852	21,746,641	-		22,153,850	6,533,675	-	28,687,525	9,922,257
	Rental Asset	22,153,852	21,746,641	-	33%	22,153,850	6,533,675	-	28,687,525	9,922,257
2	Vehicles	471,116,529	30,825,770	-		267,097,542	42,949,241	-	310,046,783	249,821,737
	Transport and Vehicles	290,847,505	30,825,770		20%	171,671,460	25,980,653	-	197,652,113	143,768,059
	Motor Cycle	180,269,024	-	-	20%	95,426,082	16,968,588	-	112,394,670	106,053,678
	<b>Total</b>	<b>493,270,381</b>	<b>52,572,411</b>	<b>-</b>		<b>289,251,392</b>	<b>49,482,916</b>	<b>-</b>	<b>338,734,308</b>	<b>259,743,994</b>

Allocation of Depreciation:				
Total		Admin	Factory	Sales & Mkt
On Vehicles		2,147,462	6,442,386	4,294,924
On Rent HO		6,533,675	-	-
				30,064,469



COMPUTATION OF TOTAL INCOME AND TAX LIABILITY  
Assessment Year 2022-2023  
Income Year ended 30 June 2023

	Amounts in Taka	
<b>NET PROFIT, BEFORE TAXATION</b>		
- As per Profit and Loss Statement		44,97,58,737
<u>Less: Non-operating income -</u>		<u>-4,301,278</u>
		45,40,60,015
<b>ADDITIONS FOR SUBSEQUENT/ SEPERATE CONSIDERATIONS</b>		
<u>Add:</u> Accounting depreciation	20,38,72,557	
- Depreciation on ROUA	6,533,675	
- Entertainment	93,44,505	
- Incentive	4,22,02,709	
- Sample expenses	2,99,60,189	
- Gratuity provision	1,28,83,873	
- Broken/ damaged provision	18,15,124	
- Promotional Expense	2,92,07,213	
- Bad debt provision	54,72,129	
- Foreign tour	2,79,60,189	
		<u>36,92,52,164</u>
		82,33,12,179
<b>ADJUSTMENTS FOR STATUTORY DISALLOWANCES</b>		
<u>Less:</u> Depreciation as per Income Tax Ordinance 2023		<u>230,925,908</u>
<u>Less:</u> Rent of ROUA		<u>6,533,675</u>
		58,58,52,596
<u>Less:</u> Sample expenses		
<b>Allowable</b>	<b>29,530,805</b>	<b>2,95,30,805</b>
		55,63,21,791
<u>Less:</u> Gratuity paid	1,26,00,000	
Bad debt written off	43,34,315	
Incentive @10% of Profit	4,49,75,874	
Promotional Expense @0.5% of Turnover	2,85,30,805	
Foreign tour @ 0.5% of disclosed turnover u/s 30(k) of ITO 1984 or the actual expenditure, whichever is less.	2,79,60,189	
		<u>11,84,01,183</u>
		43,79,20,608
<u>Less:</u> Entertainment allowance permissible as per rule 65 of Income Tax Rules 1984		<u>93,44,505</u>
		42,85,76,103
<u>Less:</u>		
Export sale @4.10% based on Total Sales		<u>1,75,77,612</u>
<b>INCOME FROM LOCAL BUSINESS</b>		<b>41,09,98,491</b>
<b>INCOME FROM EXPORT BUSINESS</b>		<b>1,75,77,612</b>
	<b>Total</b>	<b>42,85,76,103</b>
<u>Add:</u> Non-operating Income		<u>-4,301,278</u>
<b>TOTAL INCOME</b>		<b>42,42,74,825</b>
<b>Calculation of Tax Liabilities</b>		
<u>Calculation of tax on Income as regular rate (Minimum Tax)</u>		
(i) (a) On business income @ 22.5%.....	9,24,74,660	
(b) On other income excluding Capital Gain @ 22.5% Other income rate confirm	<u>25,35,155</u>	9,50,09,815
(ii) On turnover of Taka 314,90,05,151 @ 0.60%		3,42,36,966
Minimum tax -- higher of (i) and (ii)		9,50,09,815
<u>Calculation of tax on export income</u>		
Rebate @ 50% (under paragraph 28 of Part A of the Sixth Schedule)	19,77,481	
(ii) Tax deducted at source	20,23,049	
Minimum tax -- higher of (i) and (ii)		<u>20,23,049</u>
<u>Calculation tax on Cash Incentive:</u>		
Cash Incentive tax thereon 10%	2,087,242	20,87,242
<u>Calculation tax on Bank Interest:</u>		
Bank Interest tax thereon 22.5%	644,831	6,44,831
<u>Calculation tax on Dividend:</u>		
Dividend tax thereon 20%	557,911	5,57,911
<u>Calculation tax on Toll Income</u>		
Tax thereon 22.5%	44,659	44,659
<b>Total Tax Liability</b>		<b>10,03,67,508</b>

