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ANNUAL REPORT 2016-17

Central Pharmaceuticals Ltd.

ISO 9001-2008

AMARSTOCK


CERTIFICATE
ESQR
CENTRAL PHARMACEUTICALS
ESQR's Quality Achievements Award 2015
GOLD CATEGORY

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LETTER OF TRANSMITTAL

All Valued Shareholders
Bangladesh Securities & Exchange Commission (BSEC)
Register of Joint Stock Companies & Firms of Bangladesh
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited.

Sub: Annual Report for the year ended 30 June, 2017.

Dear Sir (s),

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements including Statement of Financial Position as at 30 June, 2017, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June, 2017 along with notes thereon, Auditors' and Directors' reports for your record/necessary measures.

With best regards,

Yours faithfully,

Sd/-
(Md. Tajul Islam)
Company Secretary

AMAR STOCK

Chairman's Statement



Bismillahir Rahmanir Raheem
Respected Shareholders, Colleagues, Distinguished guests, Ladies and Gentlemen,
Assalamu Alaikum Wa Rahmatullah,

It is my pleasure to welcome you to the 37th Annual General Meeting of the Company and share with you the Annual Report containing audited Financial Statements & Report for the year ended 30 June, 2017 and the Company's performance during the year.

During the year under review, this is evident from the performance of the Company under an efficient management with full support & contribution of you and the Board of Directors that the Company is achieving a high degree of prosperity. I also would like to take this opportunity to thanks Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies & Firms, Central Depository Bangladesh Limited, Banks, Insurers, Financial Institutions & the Society at large who considered the Company as their own.

The Company increased its net turnover to Tk 45.57 crores which is 9.35% higher from the previous year. This increase has been made due to rearrangement in marketing policy. During the year, the Earnings Per Share (EPS) is Tk. 1.05. In consideration of that, the Board of Directors pleased to recommend 10% stock dividend during the year ended 30 June, 2017.

However, I would like to assure you that, our hard effort to increase the shareholders equity will continue as before. Our efficient management & skilled labor stands the main driving force of the Company. We strongly believe that the financial growth and market stability of the Company will gradually rise in future by utilizing our optimum capacity through better marketing policy.

Thanking you all with wishes of a peaceful prosperity and good health. May the Almighty bless us in all our endeavors.

Sd/-
(Morsheda Ahmed)
Chairman

Our Principal Products and Services

Central Pharmaceuticals Ltd. (CPL) is producing and marketing finished formulation products for general Peoples, Hospitals, Clinic. Govt. Organizations, NGO's, Corporations & other Non-govt. Organization, 16 Moderate Portfolio consisting of 79 medicines approved by the Drug Administration of Bangladesh that prevent, treat and cure diseases across a significant range of therapeutic areas as approved by drug Administration. Central Pharma's portfolio encompasses various therapeutic categories including Gastrointestinal, Anti-infective, Vitamins & Minerals, Allergy Cough and Cold. Analgesic and Musculoskeletal, Dermatological, Anti Diabetic (New product coming very soon), Oral Rehydration Salt etc.



The company has one of the strongest product lines for treating gastrointestinal disorders.
CYTOCID (Antacid) is a brand of non-systemic acid neutralizer used in the peptic ulcer.
NEOPEP (Ranitidine) which is a H2 blocker used In the treatment of ulcer. GERD and other hyper acidity disorders. In the segment of Proton Pump Inhibitors (PPI's), OC-20 (Omeprazole), PC-20 (Pantoprazole) is doing well.



Central Pharma is doing well in this category offering broader portfolio of antibiotics from fluoroquinolone, penicillin, cephalosporin and macrolide groups and key brands in these categories are Central Pharma's top most brand Notable among them are AZITOR (Azithromycin), ARIGRAM (Erythromycin). CEXIOXIN (Amoxicillin), CEODIN (Cephradine), CENTRLM (Co-trimoxazole), DOXICEN (Doxycycline) and ISOFLU (Flucloxacillin), NEOFLOX (Ciprofloxacin) and PENC LOX (Cloxacillin).



Central Pharma offers Vitamins & Minerals which represent another key segment for the company.
CYTAPLEX, CENTRAL GOLD, C-BZ, KARBON-5, OST. PEREX, VITA-C, FEROFOL-Z are the major brands. The company is enjoying a healthy growth in this segment. Central Pharma also offers CENET (Calcium Carbonate) and DOS (Calcium+Vitamin D3) which represent another key segment for the company.



Allergy Cough and Cold: Central Pharma has a good numbers of drugs for treating different types of allergies and cough. ANTRIN (Cetirizine), is the high for our company in this category. CENTAGAN (Chlorpheniramine) is performing very well.

Among the cough preparations M BOSS (Ambroxol), COFDIL (Guaiphenesin. Pseudoephedrine, Triprolidine) are other popular brand in this category.



Central Pharma offers CENTAMOL (Paracetamol) and CENTAMOL PLUS (Paracetamol & Caffeine) which are the growing brands for Central Pharma.
Osteoarthritis, rheumatoid arthritis, muscle spasm, pain of musculoskeletal origin limit the activities of daily life of millions of patients. The wide range of products in the musculoskeletal category are ACELON (Aceclofenac), DICLON (Diclofenac), IBEN (ibuprofen), KPR (Ketorolac) which are consistently performing well.



Central Pharma's range of products in the skin care category offers easy and convenient solution to a wide range of skin diseases Like fungal and bacterial infections, eczema, atopic dermatitis, other inflammatory skin diseases requiring corticosteroid therapy, acne, psoriasis etc.
FLUJALE (Fluconazole) and BENZALIC (Benzoic Acid & Salicylic Acid) are Central Pharma's antifungal brand. (CEDOL. Metronidazole) is Central Pharma's antiprotozoal brand.



Central Pharma offers GL-80 (Gliclazide), M-FORM (Metformin). PGT Pioglitazone) which are the anti-diabetic brands.



Recently Central Pharma introduces oral saline 'EASY ORS and EASY ORS PLUS".

Notice of the 37th Annual General Meeting

Notice is hereby given that the 37th Annual General Meeting (AGM) of the Shareholders of Central Pharmaceuticals Ltd. (CPL) will be held on Wednesday, 27 December, 2017 at 11.30 A.M. at Hall Patio, Gulshan Club Limited, House # NWJ/2/A, Bir Uttom Sultan Mahmud Road (Old 50), Gulshan-2, Dhaka-1212 to transact the following businesses:

AGENDA

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 30 June, 2017 and the Reports of the Directors' and the Auditors' thereon.
2. To declare Dividend for the year ended 30 June, 2017 as recommended by the Board of Directors.
3. To elect Directors.
4. To confirm the appointment of Independent Directors.
5. To consider appointment of Statutory Auditors for the year ended 30 June, 2018 and fix-up their remuneration.
6. To transact any other business with the permission of the Chair.

By the Order of the Board,

Sd/-
(Md. Tajul Islam)
Company Secretary
Dated: 11 December, 2017

Notes:

i. Shareholders whose names appeared at the record date i.e. 30 November, 2017 in the share register of the Company or in the Depository Register on that date will be eligible to attend and vote in the Annual General Meeting and to receive dividend as approved in the AGM.

ii. Members entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The proxy form must be affixed with requisite revenue stamp and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.

iii. Admission into the meeting venue will be allowed strictly on submission of the Attendance Slip attached with the Proxy Form.

Special Notes: As per BSEC Notification No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in cash or kind, other than in the form of cash dividend, or stock dividend, shall be paid to the holders of the equity security".

Directors' Report to the Shareholders

Dear Shareholders,
Assalamu Alaikum,

We have the pleasure to welcome you all on behalf of the Board of Directors of Central Pharmaceuticals Ltd. (CPL) to the e 37th Annual General Meeting of the Company. In line with the requirements of the compliance with section 184 of the Companies Act 1994, Stock Exchanges Regulations, 1987 and BSEC Notification dated 7th August, 2012, your Company has been presenting Directors' Report covering the financial results and other developments during the financial year ended 30 June, 2017.

Background:

Central Pharmaceuticals Ltd. was incorporated in 13 November, 1980 as a 'Private' Company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1913 vide Registration No. C-8514(353). On 20 December, 2010 the Company registered itself as a Public Limited Company under the Companies, Act 1994. The Company receipt consent for raising capital through IPO from Bangladesh Securities & Exchange Commission on 18 April, 2013. On completion of IPO compliance, the Company is listed with both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) at 22 July, 2013 and 15 July, 2013 respectively and trading of the share of the Company has been started from 14 August, 2013.

Financial Results:

The overall operating financial results of the company for the year 2016-2017 as compared to previous year are summarized as follows:

Particulars	2016-2017 Taka	2015-2016 Taka
Turnover	455,678,564	416,734,089
Cost of Goods Sold	(234,900,250)	(211,549,614)
Gross Profit/(Loss)	220,778,314	205,184,475
Operating Expenses	(53,537,769)	(61,669,583)
Administrative Expenses	(14,132,099)	(16,416,500)
Selling & Distribution Expenses	39,405,670	(45,253,083)
Operating Income	167,240,545	143,514,892
Other Income	7,375	6,186
Financial Expenses	(13,845,891)	(3,765,691)
Net Profit/(Loss) before WPPF	153,402,029	139,755,387
Contribution to WPPF	(7,304,859)	6,655,018
Net Profit/(Loss) before Tax	146,097,170	133,100,369
Income Tax Expenses	(37,010,930)	(35,311,677)
Current Tax	(36,524,293)	(33,275,092)
Deferred Tax	(486,637)	(2,036,585)
Net Profit/(Loss) after Tax	109,086,240	97,788,692
EPS	1.05	1.04

Risk & Concerns:

Pharmaceuticals industry faces many of the challenges like lack of power, labor unrest, political unrest resulting hartal causing disruption of production and cost of fund. Moreover, risks and concern of the industry solely depends on the upcoming government policy as well. Details financial risks are also explained in the note no 41 of the financial statements.

Segment-wise or product-wise performance:

Product wise sales performances are given below:

Particulars	30-06-2017		30-06-2016	
	Qty. (Box)	Amount (Tk.)	Qty. (Box)	Amount (Tk.)
Tablet	591268	177,380,366	540,735	162,220,590
Capsule	522083	182,728,754	477,463	167,111,879
Liquid	371106	89,807,903	339,390	82,132,489
Ointment	580529	5,761,541	439,461	5,269,132
Total	2064986	455,678,564	1,797,049	416,734,089

However, Product wise capacity utilization is given in note no 45(c) of the financial statements.

Industry outlook and possible future developments in the industry:

We are committed to provide sustainable solutions to the health care challenges. Our business is successfully operated and our services towards nation are smoothly run by the efficient field forces. We always stick to our belief and focused ideas and activities to make our dream true. At the same time we are equally focused on low production cost and high quality products. All of our initiatives are directed towards the value creation for our shareholders and customers.

We never compromised with the quality for last three decades. As a result Central Pharmaceuticals Ltd. won many award from Domestic & Abroad. Most recently Central Pharmaceuticals Ltd. won the International Quality Summit Award in the Gold category in New York (USA) in the presence of Leaders and representatives from 49 countries in the International Quality Summit convention. The prestigious award is presented in recognition of Quality and Excellence in New York (Marriott Marquis Hotel) USA.

We have honored to inform all of our Shareholders, Suppliers, Doctors, Chemists, End users, Bankers and all of our Well-Wisher's that Central achieved another very prestigious International Award in Quality & management spheres- "Best Enterprise". This is in recognition of our excellent business reputation, effective management & constant growth of the industry. The prestigious award presented at the Oxford Town Hall, Oxford, UK-during the Business Meeting with the representative of UK Business Elite (13-15 October 2014).

Besides this award, the Managing Director of Central Pharmaceuticals Ltd. has already achieved some other awards like "Atish Diponkar Gold Medal", "Sher-E-Bangla Gold Medal" from Sher-E-Bangla Research Institute, "Humanity award" from Asian Human Rights Institute and "Personality award" from Commitment Cultural Academy etc.

Cost of Goods Sold:

The year's cost of goods sold was Tk. 234.90 million (51.55% of sales) as compared to last year's cost of goods sold of Tk. 221.54 million (50.76% of sales).

Gross Profit:

Gross Profit earned during the year was Tk. 220.78 million as against last year's gross profit of Tk. 205.18 million. Gross profit decrease due to shortage of working capital, price hike of raw materials & power and overall economic unrest compared to last year.

Net Profit/(Loss):

The company earned net profit during the year amounting to Tk. 109.09 million as compared to last year's net profit of Tk. 97.78 million.

Extra Ordinary Gain or Loss:

During the year, there is an interest gain (other income) of Tk. 7,375 compared to last year other income Tk. 6186.

Related Party Transaction:

The company has no related party transactions as per BAS-24 except executive compensation received by Chairman as Director (Admin.) and Managing Director. Details are given in the note 36,38 & 45 of the financial statements.

Utilization of Proceeds from IPO:

Utilization of proceeds from public issues is subject to previous accounting year and it was compiled accordingly. No right share has issued or other financial instrument has existed in the accounting year.

Significant Variance between Quarterly and Annual Financial Statements:

No significant variations have occurred between quarterly and final financial results of the Company during the year under report.

Remuneration to Directors:

Name of Directors	Designation	Basic Salary	Others	Total Payment on 30-06-2017	Total Payment on 30-06-2016
Mrs. Morsheda Ahmed	Chairman	532,800	488,400	1,021,200	1,021,200
Mr. Munsur Ahamed	Managing Director	576,000	549,600	1,125,600	1,125,600
Mr. Md. Rukunuzzaman	Director	-	-	-	-
Mrs. Nasima Akhter	Director	-	-	-	-
Mr. Parvez Ahamed Bhuiyan	Director	-	-	-	-
Mr. Samir Kumar Sheel Ph.D	Independent Director	-	-	-	-
Mr. Nazmul Haque Bhuiyan	Independent Director	-	-	-	-
Total		1,108,800	1,038,000	2,146,800	2,146,800

Directors' Declaration as to Financial Statements:

The Directors are responsible for the governance of the Company and as part of preparation and presentation of the financial statements. The Directors also report that:

a) The financial statements prepared by the management of the Company present a true and fair view of Company state of affairs, result of its operation, cash flows and changes in equity;
b) Proper books of accounts as required by law have been maintained;
c) Appropriate accounting policies have been followed in formulating the financial statements and accounting estimates are reasonable and prudent;
d) The financial statements were prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs);
e) The CEO and CFO have certified to the Board that they have reviewed the financial statements and believe that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
f) The CEO and CFO have certified to the Board that they have reviewed the financial statements and believe that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;
g) The CEO and CFO have further certified to the Board that there are to the best of their knowledge and belief no transactions entered into by the Company during the year which is fraudulent, illegal or in violation of the Company's codes of conduct.

Directors' Election & Re-appointment:

As per the Articles of Association of the Company Mr. Munsur Ahamed shall retire in the 37th Annual General Meeting by rotation and being eligible, offer themselves for re-election.

Disclosure of Information of the Directors who seek re-appointment in the ensuing AGM:

Mrs. Nasima Akter, Director

Mrs. Nasima Akter, aged 48 years is one of the Directors of the Company. She was born in 1965 and started her professional career from 2000. She is a hard working and dynamic lady and engaged in family business since long. She is a regular contributor of many social organizations. She visited many countries in the world.

Mr. Parvez Ahamed Bhuiyan, Director

Mr. Parvez Ahamed Bhuiyan, a Director of the Company, is a Commerce graduate and an energetic young businessman started his professional career last few years. In his professional career, he visited many countries in the world.

To confirm the appointment of Independent Directors.

4th year of the the both Independent Directors namely Mr. Nazmul Haque Bhuiyan and Mr. Samir Kumar Sheel, Ph.D has been expired on 09 May and 22 May, 2016 respectively and the Board of Directors have extended their appointment for the next year as approved in the Board Meeting held on 22 May 2017 subject to the final approval at forthcoming AGM by shareholders.

Mr. Nazmul Haque Bhuiyan, aged 50 is a Commerce graduate. He possesses over 30 years of experience in business. He is currently the President of Music Industries Owners Association of Bangladesh (MIB) and Member of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI). Mr. Nazmul is the proprietor of G-Series & Agniveena Productions, Gtechnologies, Clubg.com.bd, G-Thirty Five Communications, The GAYA Properties and G Radio.
Professor Samir Kumar Sheel, Ph.D obtained his Honours and Masters degrees in Marketing from the University of Dhaka. He joined in University of Dhaka as a Lecturer in the year 1999 and completed his PhD from University of London in Marketing. Presently he is a Professor of Marketing Department under Business Studies Faculties of University of Dhaka. Professor Dr. Samir has a long 30 years of academic career with huge knowledge in Business, Commerce, Trade and Capital Market.

Independent Director:
Two Independent Directors have been performing their duties and responsibilities efficiently for the greater interest of the company according to the guidelines of the BSEC.

Other Regulatory Disclosurs :

- The Company is aware of its various risks and concerns, mainly from the policy and regulatory fronts and is prepared to meet those by systematic control;
- No transactions with related parties have been made during the year except executive compensation received by Chairman as Director (Admin.) and Managing Director;
- The company IPO was made in the year 2012-2013;
- From inception, the financial results of the Company have continued to grow as reflected in the yearly financial statements of the Company;
- As per BAS-1 presentation of financial statements, Interest income from IPO proceeds has been presented as "extraordinary gain" in the financial statements;
- No significant variations have occurred between quarterly and final financial results of the Company during the year 2016-2017;
- During the year the Company has paid no amount as Board meeting attendance fees.
- All significant deviations from the previous year in operating results of the Company have been highlighted and reasons thereof have been explained;
- The key operating and financial data for the last five years have been disclosed;
- The Company has declared dividend for the year 2016-2017;
- During the year ended 30 June, 2017 total of 8 (eight) Board meetings were held which met the regulatory requirements in this respect. The attendance records of the directors are shown in this report.
- Shareholding patterns of the Company as on 30 June, 2017 are shown in the Directors' report;
- The directors' profiles have been included in the Annual Report as per BSEC guidelines.

Internal Control:
The system of internal control is sound in design and has been effectively implemented and monitored.

Going Concern:
The Directors are of the opinion that the Company is a going concern. Therefore, the Company adopted the going concern basis in preparing these financial statements.

Environmental Role:
The Company maintains a high standard of pollution free environment as per GMP Regulations/WHO standards/Government laws.

Workers' Profit Participation Fund:

In the year under review 5% of the Company's net profit after charging such contribution but before tax contribution i.e. Tk. 7,304,859 has been transferred to the workers' profit participation fund and welfare fund as per provisions of Bangladesh Labour Act (Amendments), 2013.

CDBL Activities:

All activities are being carried out in electronic system through the CDBL mode by keeping accounts of securities, transferring the necessary instruments and all works of ownership transfer except physical document handover. Since inception, the shares of CPL are being exchanged in both the stock exchanges.
The shareholders of the Company are enjoying all facilities as per the rules set by the Bangladesh Securities and Exchange Commission (BSEC).

Dividend:

The board of directors has recommended 10% stock dividend for the shareholders out of accumulated profit for the year ended 30 June, 2017 (subject to the approval in the forthcoming AGM) whose names will appear in the share register of the Company and/or depository register of CDBL as on record date i.e. 30 November, 2017. The bonus issue will raise the paid-up capital upto Tk. 1140.95 million (paid-up capital before bonus is Tk. 1037.23 million).

Directors Meeting & Attendance:

During the year ended 30 June, 2016 the Board of Directors held 08 meetings. Directors who attended the Board meeting are shown below:

Name of Directors	Attended
Mrs. Morsheda Ahmed	08
Mr. Munsur Ahamed	08
Mr. Md. Rukunuzzaman	05
Mrs. Nasima Akter	07
Mr. Parvez Ahamed Bhuiyan	06
Mr. Nazmul Haque Bhuiyan (ID)	08
Mr. Samir Kumar Sheel, Ph.D (ID)	05

The Directors who could not attend the meetings were granted leave of absence.

Appointment of Auditors:

As per requirements of law, the current statutory auditors of Central Pharmaceutical Ltd., M/S Zoha Zaman Kabir Rashid & Co., Chartered Accountants, will retire at the 36th Annual General Meeting. They have expressed their willingness to be re-appointed for the year 2017-2018 at the same fees. Based on suggestions of the Audit committee, the Board recommends the re-appointment of M/S. Zoha Zaman Kabir Rashid & Co., Chartered Accountants, Rupayan Karim Tower, Level-7 A, 80, Kakrail, Dhaka-1000 for as the statutory auditors of the Company for the year 2016-2017 and continuation upto the next AGM at a fees of Tk. 1,50,000 (One lac fifteen thousand) only and requests to the Shareholders to approve the appointment.

Audit Committee:

As per directives of BSEC Notification NO. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 the Audit Committee formed by the Board of Directors consisting of 3 (three) members including Independent Director as Chairman of the committee with two other Directors having prominent reputation and versatile experience in the industry has been working regularly. The report of the audit committee was included in the annual report for 2016-2017. The audit committee has met four times during this year and the committee members' attendance record is disclosed below:

Name	Status	Attended
Mr. Nazmul Haque Bhuiyan	Chairman	01
Mr. Md. Rukunuzzaman	Member	03
Mr. Parvez Ahamed Bhuiyan	Member	03
Mrs. Nasima Akhter	Member	01
Mrs. Morsheda Ahmed	Member	01

The Company's Chief Financial Officer was invited to audit committee meeting at the discretion of the Committee.

Pattern of Shareholding as on 30 June, 2017:

Sl. No.	Name of the Shareholders	Status	Shares held	%
i.	Patern/Subsidiary/associated Companies and other related parties		Nil	Nil
ii.	Directors			
	Mrs. Morsheda Ahmed	Chairman	7898564	7.62
	Mr. Munsur Ahamed	Managing Director	16874734	16.27
	Mr. Md. Rukunuzzaman	Director	2074473	2.00
	Mr. Parvez Ahamed Bhuiyan	Director	2182125	2.10
	Mrs. Nasima Akter	Director	2079200	2.00
	Mr. Nazmul Haque Bhuiyan	Independent Director	Nil	Nil
	Mr. Samir Kumar Sheel, Ph.D	Independent Director	Nil	Nil
iii.	Chief Executive Officer, Chief Financial Officer, Company Secretary, Chief Internal Auditor and their Spouses and Minor Childrens			
	Mr. Munsur Ahamed	Managing Director	16874734	16.27
	Mrs. Morsheda Ahmed	Director Admin.	7898564	7.62
	Md. Nuruddind Jongi	Chief Financial Officer	Nil	Nil
	Kamal Fariduddin Ahmed	Company Secretary	Nil	Nil
	Basudeb Kumar Mollick	Chief Internal Auditor	Nil	Nil
iv.	Executives		Nil	Nil
v.	Shareholders holding 10% or more voting interest in the Company			
	Mr. Munsur Ahamed	Managing Director	16874734	16.27

Profit Appropriation:

The board of directors recommended the appropriation of profit is as follows:

Particulars	Amount in Million Taka	
Net Profit for the year ended 30 June, 2017		109.09
Profit brought forward		79.63
Profit available for appropriation		188.72
Appropriations:		
Proposed Stock Divided @ 10%	103.72	
Transferred to Retained Earning		85.00

Key Operating and Financial Data:

The summarized key operating financial data of five years annexed with the report.

Corporate Governance:

Corporate governance is the practice of good citizenship, through which the company is governed by the board, while keeping in view its accountability to shareholders. A statement in pursuance to clause 1.5, report of compliance, audit committee report as per clause 3.5, certificate from professional accountants as per clause 7 (i) and a status of compliance as per clause 7 (ii) of the BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012are disclosed.

Acknowledgement:

The Board of Directors would like to extend its gratitude and appreciation to all shareholders and other stakeholders of the Company for their wholehearted support and guidance to the Company that led to many achievements. The Board also recognizes the contributions received from banks & financial institutions, insurance companies, National Board of Revenue (NBR), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Central Depository Bangladesh Limited (CDBL), Drug Administration, various Government authorities, suppliers, vendors, healthcare professionals, customers, end users, press and media, business partners, all of our employees and lastly the individuals and agencies who have helped us accomplished what we are today.

Thank you all and with best regard for and on behalf of the Board.

Sd/-
(Munsur Ahamed)
Managing Director
Dhaka, 26 October, 2017

Five Years Operational Results

(Figures in thousand Tk.)

Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Operating Data:					
Turnover	455678	416,734	660,793	654,288	423,678
Gross Profit	220778	205,184	324,265	325,577	206,421
Operating Profit	167240	143,514	240,260	261,620	154,181
Net Profit before Tax	146097	133,100	204,791	221,150	148,313
Net Profit after Tax	109086	97,788	143,424	152,258	77,841
Statement of Financial Position Data:					
Authorized Capital	3,000,000	3,000,000	3,000,000	1,000,000	1,000,000
Paid-up Capital	1037236	942,942	819,950	713,000	620,000
Revaluation Reserve	514848	514,848	514,848	514,848	-
Reserve & Surplus	188719	173,927	199,131	198,306	139,049
Shareholders' Equity	1740804	1,631,717	1,533,929	1,426,155	759,049
Fixed Assets	1056612	1,097,285	1,136,750	1,119,632	594,454
Other Non-Current Assets	193	214	239	22,811	28,853
Total Non-Current Assets	1056805	1,097,500	1,136,989	1,142,443	623,307
Current Assets	1233641	1,031,557	862,929	691,680	6,647,806
Total Assets	2290447	2,129,057	1,999,918	1,834,124	7,271,113
Long Term Liabilities	169483	168,996	164,833	145,639	192,707
Current Liabilities	380160	328,343	301,154	262,331	6,319,358
Total Equity & Liabilities	2290447	2,129,057	1,999,918	1,834,124	7,271,113
Financial Ratios:					
Gross Profit Ratio (%)	48.45%	49.24%	49.07%	49.76%	48.72%
Operating Profit Ratio (%)	36.70%	34.44%	36.36%	39.99%	36.39%
Net Profit Ratio (%)	23.94%	23.47%	21.70%	23.27%	18.37%
Debit Equity Ratio	0.32%	0.30	0.30	0.29	0.57
Return on Equity (%)	6.27%	5.99%	9.35%	10.68%	10.26%
Current Ratio	3.25%	3.14	2.87	2.64	1.05
Other Data:					
Net Asset Value (NAV) per Share	16.78	17.30	18.71	20.00	12.24
Earnings per Share (EPS)	1.05	1.04	1.52	1.86	1.62
Dividend per Share	10% Stock	10% stock	15% stock	15% stock & 5% cash	15%
Number of Shareholders	11409	10,359	9,042	8,120	25,301
Face Value per Share	10	10	10	10	10
Number of Employees	296	359	381	352	341

Corporate Review
Management Apparatus

(a) **Board of Directors:**

Mrs. Morsheda Ahmed	: Chairman
Mr. Munsur Ahamed	: Managing Director
Mr. Md. Rukunuzzaman	: Director
Mrs. Nasima Akter	: Director
Mr. Parvez Ahamed Bhuiyan	: Director
Mr. Nazmul Haque Bhuiyan	: Independent Director
Mr. Samir Kumar Sheel, Ph.D	: ndependent Director

(b) **Audit Committee:**

Mr. Nazmul Haque Bhuiyan	: Chairman
Mr. Md. Rukunuzzaman	: Member
Mr. Parvez Ahamed Bhuiyan	: Member
Mr. Md. Tajul Isalm	: Member Secretary

(c) **Senior Corporate Officials**

Md. Tajul Isalm	: Company Secretary
Md. Mizanur Rahman	: Chief Financial Officer
Debasish Sarker	: Chief of Internal Audit

(d) **Statutory Auditors:**
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

(e) **Corporate Governance Compliance Auditors:**
Haque Shah Alam Mansur & Co.
Chartered Accountants

(f) **Bankers:**
Janata Bank Ltd.
Prime Bank Ltd.
Social Islami Bank Ltd.

(g) **Insurers:**
Northern General Insurance Co. Ltd.

(h) **Listing:**
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

(i) **Registered & Share Office:**
2A/1, South-West Darus Salam Road, (2nd Floor) Mirpur-1, Dhaka-1216.

(j) **Factory:**
2A/1, South-West Darus Salam Road, Mirpur-1, Dhaka-1216.

Corporate History

Date of Incorporation	: 13 November, 1980
Date of Commencement of Production	: 01 December, 1980
Date of Conversion to Public Ltd. Company	: 20 December, 2010
Year of Initial Public Offering (IPO)	: 2013
Listing date with DSE	: 22 July, 2013
Listing date with CSE	: 15 July, 2013
Trading date with Stock Exchanges	: 14 August, 2013 (DSE & CSE)
Authorized Capital	: Tk. 3,000 Million
Paid-up Capital	: Tk. 103.62 Million
Numbers of Employees (30 June, 21017)	: 296

AMAR STOCK

CEO & CFO'S DECLARATION TO THE BOARD

The Board of Directors
Central Pharmaceuticals Ltd.
2A/1, South-West Darus Salam Road (2nd Floor),
Mirpur-1, Dhaka-1216.

Subject: CEO & CFO's Declaration to the Board of Directors.

Dear Sir (s),

Compliance with the condition no. 6 imposed by Bangladesh Securities & Exchange Commission's notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

We do hereby certify to the Board that:

i) We have reviewed financial statements for the year ended 30 June, 2017 and that to the best of our knowledge and belief:

   a) The financial records of the Company for the financial year have been properly maintained in accordance with section 181 of the Companies Act, 1994.

   b) The financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   c) The financial statements and the accompanying notes of the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;

   d) The expenditure incurred was for the purposes of the Company's business.

ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the company's code of conduct. We also give our assurance that, in accordance with BSEC Corporate Governance Principle, the declaration above is found on a sound system of risk management and internal control which implements policies adopted by the Board and Company's risk management and internal compliance control system is operating efficiently and effectively in all material respects in relation to business and financial reporting risks.

Sincerely yours,

Sd/-
(Munsur Ahamed)
Managing Director

Sd/-
(Md. Mizanur Rahman)
Chief Financial Officer

AMARSTOCK

AUDIT COMMITTEE REPORT
FOR THE YEAR ENDED 30 JUNE, 2017

The Audit Committee of Central Pharmaceuticals Ltd. (CPL) comprises of the following persons:

Mr. Nazmul Haque Bhuiyan, Independent Director	- Chairman
Mr. Md. Rukunuzzaman, Director	- Member
Mr. Parvez Ahamed Bhuiyan, Director	- Member
Mr. Md. Tajul Islam, Company Secretary	- Member Secretary

The Audit Committee met four times during the year. All the members were present in all the meetings of the committee. Besides, Company Secretary who supported the committee as its secretary as well, permanent invitees to the meetings were the CFO and Head of Internal Audit. Relevant heads of the other functions and representative(s) of External Audit were also invited as required.

The scope of Audit Committee

As provided in clause 3.3 of the Securities and Exchange Commission Notification dated August 07, 2012.

Activities during the year ended 30 June, 2017:

a) a) Overseeing the financial reporting process;

b) b) Monitored Internal Control Risk Management Process. A separate Internal Control Team is in place to insure effective performance of Internal Control activities;

c) c) Committee recommended Zoha Zaman Kabir Rashid & Co, Chartered Accountants for re-appointment of the external auditors of the Company for the year ended 30 June, 2018;

d) d) Reviewed the financial statements of the Company for the year ended 30 June, 2017 and being satisfied the critical accounting policies, significant judgments and practices used by the Company are complaint with the required laws and regulations, also confirmed by the external auditor in their independent report, recommended to the Board for adoption;

e) e) Reviewed and recommended to the Board of Directors to approve the annual, half -yearly and quarterly financial statements;

f) f) Reviewed the related party transactions entered into by the Company for the year ended 30 June, 2017;

g) g) Reviewed the Management Letters issued to the Company from the external auditors for the year ended 30 June, 2017 together with management response to the findings;

h) h) Reviewed utilization of fund raised through IPO by the Company (if any).

i) i) Where appropriate, reported the findings on the following:

i. Conflict of interests;
ii. Suspected or presumed fraud or irregularity or material defect in the internal control system;
iii. Suspected infringement of laws, including securities related laws, rules and regulations; and
iv. Any other matters which should be disclosed to the Board of Directors immediately.

j) Approved audit plan and resource allocation for the Internal Audit Services.

k) Reviewed and adequacy of Internal Audit activities carried out during the year

l) Reviewed the Internal Audit Reports and monitored implementation of Audit Action Plans to improve Internal Control Systems.

Sd/-
(Nazmul Haque Bhuiyan)
Chairman, Audit Committee

HAQUE SHAH ALAM MANSUR & CO.
CHARTERED ACCOUNTANTS
27, Bijoy Nagar, Shaj Bhaban (6th floor), B-11, Dhaka-1000
Phone: 9362649, 9358787, 48311197

Reference: Date : 05-11-2017

Certificate on Compliance
on
Corporate Governance Guidelines
to the Shareholders of
Central Pharmaceuticals Ltd.

We have examined the compliance status of Corporate Governance Guidelines by **Central Pharmaceuticals Ltd.** for the year ended 30 June, 2017 as set by Bangladesh Securities and Exchange Commission (BSEC) by Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 and subsequently amended through their notification no. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 issued under section 2CC of The Securities and Exchange Ordinance, 1969.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated above mentioned guidelines issued by Bangladesh Securities and Exchange Commission (BSEC).

(Syed Mansur Ahmed FCA)
Partner
HAQUE SHAH ALAM MANSUR & CO.
Chartered Accountants.

Status of compliance with the Corporate Governance Guidelines (CGC) of Central Pharmaceuticals Ltd. for the period from 01 July, 2016 to 30 June, 2017

Status of compliance with the conditions of Corporate Governance Guidelines as set by Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 and subsequently amended through their notification no. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 issued under section 2CC of The Securities and Exchange Ordinance, 1969.

(Report under Condition No.7.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.00	**Board of Directors:**			
1.1	**Board's Size:**			
	The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty).	√		The CPL Board is comprised of 5 Directors.
1.2	**Independent Directors:**			
1.2 (i)	At least one fifth (1/5) of the total number of Directors in the Company's Board shall be Independent Directors.	√		There are two Independent Directors in the CPL Board, namely Mr. Nazmul Haque Bhuiyan and Samir Kumar Sheel, Ph.D.
1.2 (ii) a)	The Independent Director does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company.	√		
1.2 (ii) b)	The Independent Director is not a Sponsor of the Company and is not connected with the Company's any Sponsor or Director or Shareholder who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the Company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		
1.2 (ii) c)	The Independent Director does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associated Companies.	√		
1.2 (ii) d)	The Independent Director is not a Member, Director or Officer of any stock exchange.	√		
1.2 (ii) e)	The Independent Director is not a Shareholder, Director or Officer of any Member of stock exchange or an intermediary of the capital market.	√		
1.2 (ii) g)	The Independent Director shall not be an Independent Director in more than 3 (three) listed Companies.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.2 (ii) h)	The Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBFI).	√		
1.2 (ii) i)	The Independent Director has not been convicted for a criminal offence involving moral turpitude.	√		
1.2 (iii)	The Independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	The Board shall lay down, a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	**Qualification of Independent Director (ID):**			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financials, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants and Chartered Secretaries. The Independent Director must have a least 12 (twelve) years of corporate management /professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	-	-	N/A
1.4	**Chairman of the Board and Chief Executive Officer:**			
	The positions of the Chairman of the Board and the Chief Executive Officer of the Companies shall be filled by different individuals. The Chairman of the Company shall be elected from among the Directors of the Company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	**The Director's Report to Shareholders:**			
	The Directors of the Companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risks and concerns.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the Annual Report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Offer, Direct Listing etc.	-	-	N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to Directors including Independent Directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of accounts of the issuer Company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer Company's ability to continue as a going concern. If the issuer Company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof should be explained.	√		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer Company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	-	-	N/A
1.5 (xx)	The number of Board Meetings held during the year and attendance by each Director shall be disclosed.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (xxi)	**The pattern of shareholding shall be reported to disclosed the aggregate number of shares (along with name wise details where stated below):**			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	√		
1.5 (xxi) c)	Executives.	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name wise details).	√		
1.5 (xxii)	**In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:**			
1.5 (xxii) a)	a brief resume of the Director.	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxii) c)	Names of Companies in which the person also holds the Directorship and the Membership of committees of the Board.	√		
2.00	**Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS):**			
2.1	**Appointment:**			
	The Company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO , the Head of internal Audit and the CS.	√		The Company has appointed CFO, CS and Chief of Internal Audit. There are clearly defined roles, responsibilities and duties which have been approved by Board as per requirement of BSEC notification
2.2	**Requirement to attend the Board Meetings:**			
	The CFO and the Company Secretary of the Companies shall attend the meetings of the Board of Directors provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	√		
3.00	**Audit Committee:**			
3 (i)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.1	**Constitution of the Audit Committee:**			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be Directors of the Company and shall include at least 1 (one) Independent Director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(i.e.) immediately or not later than 1 (one) month from the date of vacancy(i.e.) in the Committee to ensure continuity of the performance of work of the Audit Committee.	√		
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	√		
3.2	**Chairman of the Audit Committee:**			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director.	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	**Role of Audit Committee shall include the following:**			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the Board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half-yearly financial statements before submission to the Board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3 (ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the Company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis and annual basis.	√		
3.4	**Reporting to the Audit Committee:**			
3.4.1	**Reporting to the Board of Directors:**			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1 (ii)	**The Audit Committee shall immediately report to the Board of Directors on the followings, if any:**			
3.4.1 (ii) a)	Report on conflicts of interests;	√		There was no reportable case of conflict of interest.
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	√		There was no such case in this period.
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations; and	√		Do
3.4.1 (ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately.	√		Do
3.4.2	**Reporting to the Authorities:**			
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of the period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	√		Do
3.5	**Reporting to the Shareholders and General Investors:**			
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1(ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer Company.	√		
4.0	**External/Statutory Auditors:**			
4 (i)	Non-engagement in Appraisal or valuation services or fairness opinions.	√		
4 (ii)	Non-engagement in designing and implementation of Financial Information System.	√		
4 (iii)	Non-engagement Book-keeping or accounting.	√		
4 (iv)	Non-engagement Broker-dealer services.	√		
4 (v)	Non-engagement in Actuarial services.	√		
4 (vi)	Non-engagement in Internal audit services.	√		
4 (vii)	Non-engagement in any other service determined by the Audit Committee.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7.	√		
5.00	**Subsidiary Company:**			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the Subsidiary Company.	-	-	N/A
5 (ii)	At least 1 (one) Independent Director on the Board of Directors of the holding Company shall be a Director on the Board of Directors of the Subsidiary Company.	-	-	N/A
5 (iii)	The minutes of the Board Meeting of the Subsidiary Company shall be placed for review at the following Board meeting of the Holding Company.	-	-	N/A
5 (iv)	The minutes of the respective Board Meeting of the Holding Company shall state that they have reviewed the affairs of the Subsidiary Company also.	-	-	N/A
5 (v)	The Audit Committee of the Holding Company shall also review the financial statements, in particular the investments made by the Subsidiary Company.	-	-	N/A
6.00	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO):**			
6 (i)	The CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief.	√		
6 (i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
6 (i) b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7.00	**Reporting and Compliance of Corporate Governance:**			
7 (i)	The Company shall obtain a certificate from a practicing Professional Accountant / Secretary (Chartered Accountant / Cost and Management Accountant / Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7 (ii)	The Directors of the Company shall state, in accordance with the **Annexure** attached, in the Directors' Report whether the Company has complied with these conditions.	√		

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CENTRAL PHARMACEUTICALS LTD.

We have audited the accompanying Financial Statements of Central Pharmaceuticals Ltd. which comprise Statement of Financial Position as at 30 June, 2017 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and a summary of significant accounting policies and relevant explanatory notes 01 to 45 for the year ended 30 June, 2017.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the Financial Statements present fairly, in all material respect, the Financial Position of Central Pharmaceuticals Ltd. as at 30 June, 2017 and the results of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the applicable sections of Companies Act, 1994, the Securities & Exchange Rules, 1987 and other applicable laws and regulations.

Further to our opinion in the above paragraph, we state that:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

(b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

(c) the company's 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;

(d) the expenditure was incurred for the purpose of the company's business.

October 26, 2017
Rupayan Karim Tower
Level-7, Suite # 7A
80, Kakrail, Dhaka-1000

Sd/-
ZOHA ZAMAN KABIR RASHID & CO.
Chartered Accountants

msi Global Alliance

CENTRAL PHARMACEUTICALS LTD.
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2017

Particulars	Note	2016-2017 Taka	2015-2016 Taka
ASSETS			
Non-Current Assets		**1,056,805,602**	**1,097,500,049**
Property, Plant & Equipment	3.00	1,056,612,218	1,097,285,177
Intangible Assets	4.00	193,384	214,872
Current Assets		**1,233,641,390**	**1,031,557,506**
Inventories	5.00	434,212,783	389,201,629
Spare Parts & Supplies	6.00	41,211,177	27,569,583
Advances, Deposits & Pre-payments	7.00	254,953,295	217,469,219
Accounts Receivable	8.00	494,605,483	387,387,401
Cash & Cash Equivalents	9.00	8,658,653	9,929,674
Total		**2,290,446,992**	**2,129,057,555**
EQUITY & LIABILITY			
Shareholders' Equity		**1,740,804,182**	**1,631,717,942**
Share Capital	10.00	1,037,236,750	942,942,500
Revaluation Reserve	11.00	514,848,089	514,848,089
Retained Earnings	12.00	188,719,343	173,927,353
Non-Current Liabilities		**169,482,920**	**168,996,283**
Long Term Loan	13.00	106,232,789	106,232,789
Deferred Tax Liabilities	14.00	63,250,131	62,763,494
Current Liabilities		**380,159,890**	**328,343,330**
Short Term Loan	15.00	104,152,185	104,152,185
Current Portion of Project Loan	16.00	-	-
Sundry Creditors	17.00	4,665,427	4,080,654
Liabilities for Expenses	18.00	14,416,735	359,082
Others Payable	19.00	6,582,325	6,582,325
Provision for Tax Liabilities	20.00	243,038,359	206,514,066
Workers' Profit Participation Fund	21.00	7,304,859	6,655,018
Total		**2,290,446,992**	**2,129,057,555**
Net Asset Value (NAV) per Share	31.00	**16.78**	**17.30**

The accounting policies and other notes 1 to 45 form an integral part of the financial statements.

Company Secretary **Director** **Managing Director**

This is the Statement of Financial Position referred to in our report of even date.

Dated: Dhaka
26 October, 2017

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CENTRAL PHARMACEUTICALS LTD.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Note	2016-2017 Taka	2015-2016 Taka
Turnover	22.00	**455,678,564**	**416,734,089**
Cost of Goods Sold	23.00	**(234,900,250)**	**(211,549,614)**
Gross Profit/(Loss)		**220,778,314**	**205,184,475**
Operating Expenses		**(53,537,769)**	**(61,669,583)**
Administrative Expenses	24.00	(14,132,099)	(16,416,500)
Selling & Distribution Expenses	25.00	(39,405,670)	(45,253,083)
Operating Income		**167,240,545**	**143,514,892**
Other Income	26.00	7,375	6,186
Financial Expenses	27.00	(13,845,891)	(3,765,691)
Net Profit/(Loss) before WPPF		**153,402,029**	**139,755,387**
Contribution to Workers' Profit Participation Fund	28.00	(7,304,859)	(6,655,018)
Net Profit/(Loss) before Tax		**146,097,170**	**133,100,369**
Income Tax Expenses	29.00	**(37,010,930)**	**(35,311,677)**
Current Tax		(36,524,293)	(33,275,092)
Deferred Tax		(486,637)	(2,036,585)
Net Profit/(Loss) after Tax		**109,086,240**	**97,788,692**
Earnings per Share (EPS)	30.00	**1.05**	**1.04**

The accounting policies and other notes 1 to 45 form an integral part of the financial statements.

Company Secretary **Director** **Managing Director**

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our report of even date.

Dated: Dhaka
26 October, 2017

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CENTRAL PHARMACEUTICALS LTD.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as on 01-07-2015	819,950,000	514,848,089	199,131,161	1,533,929,250
Addition of Bonus Share during the year	122,992,500	-	(122,992,500)	-
Addition during the year	-	-	97,788,692	97,788,692
Balance as on 30-06-2016	**942,942,500**	**514,848,089**	**173,927,353**	**1,631,717,942**

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as on 01-07-2016	942,942,500	514,848,089	173,927,353	1,631,717,942
Addition of Bonus Share during the year	94,294,250	-	(94,294,250)	-
Dividend paid during the year	-	-	-	-
Addition during the year	-	-	109,086,240	109,086,240
Balance as on 30-06-2017	**1,037,236,750**	**514,848,089**	**188,719,343**	**1,740,804,182**

The accounting policies and other notes 1 to 45 form an integral part of the financial statements.

Company Secretary **Director** **Managing Director**

This is the Statement of Changes in Equity referred to in our report of even date.

Dated: Dhaka
26 October, 2017

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CENTRAL PHARMACEUTICALS LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	2016-2017 Taka	2015-2016 Taka
Cash Flows from Operating Activities		
Collection from Customers	348,467,857	281,976,326
Payment to Supplier & Employees	(291,124,594)	(251,414,548)
Income Tax Paid	(37,367,980)	(31,576,890)
Net Cash Generated from Operating Activities	**19,975,283**	**(1,015,112)**
Cash Flows from Investing Activities		
Acquisition of Property Plant & Equipment	(7,400,413)	(13,953,065)
Net Cash used in Investing Activities	**(7,400,413)**	**(13,953,065)**
Cash Flows from Financing Activities		
Collection from IPO Proceeds	-	(13,423)
Long Term Loan from/(Repayment)	-	2,125,719
Short Term Loan from/(Repayment)	-	(1,385,000)
Bank Interest & Charges Paid	(13,845,891)	(3,765,691)
Net Cash Generated from Financing Activities	**(13,845,891)**	**(3,038,395)**
Net Cash Increase in Cash & Cash Equivalents	**(1,271,021)**	**(18,006,572)**
Cash & Cash Equivalents at the Beginning of the year	**9,929,674**	**27,936,245**
Cash & Cash Equivalents at the End of the year	**8,658,653**	**9,929,674**
Net Operating Cash Flows per Share (NOCFPS)	**0.19**	**(0.01)**

The accounting policies and other notes 1 to 45 form an integral part of the financial statements.

Company Secretary **Director** **Managing Director**

This is the Statement of Cash Flows referred to in our report of even date.

Dated: Dhaka
26 October, 2017

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

AMAR STOCK

Central Pharmaceuticals Ltd.
Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information for the year ended 30 June, 2017

1.00 The Company & It's Operations:

1.01 Legal form of the Company:
The Company was incorporated in 13 November, 1980 as a 'Private' Company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1913 vide Registration No. C-8514(353). On 20 December, 2010 the Company registered itself as a Public Limited Company under the Companies, Act 1994.

The Company is listed with both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) at 22 July, 2013 and 15 July, 2013 respectively and trading of the share of the Company has been started from 14 August, 2013.

1.02 Address of the Registered & Corporate Office:
The registered, corporate office and its factory is situated in its own premises at 2A/1, South-West Darus Salam Road, Mirpur-1, Dhaka-1216.

1.03 Nature of Business Activities:
The principal activities of the Company throughout the year continued to be manufacturing and marketing of quality medicine.

2.00 Summary of Significant Accounting & Valuation Principles:

2.01 Basis of Preparation & Presentation of the Financial Statements:
The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994 and IAS and IFRS adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS). The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to BAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows according to BAS-7 "Statement Cash Flows".

2.02 Accounting Convention & Assumption:
The financial statements are prepared under the historical cost convention.

2.03 Principal Accounting Policies:
The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the Framework for preparation and presentation of the financial statements. Financial statements have been prepared and presented in compliance with BAS-1 "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per BAS-1.

2.03.1 Legal Compliance:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) and IASs adopted by the ICAB. On the basis of these regulations, Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS) were applied with the applicable standards at the Statement of Financial Position date.

2.03.2 Critical Accounting Estimates, Assumptions & Judgments:

The preparation of the financial statements are in conformity with BFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

2.04 Going Concern:

The Company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of existing business.

2.05 Off Setting:

"In compliance to BAS-1 and BAS-32, offsetting is done for a particular vendor or customer when the following conditions are met:

- Each of the two parties owes the other determinable amounts;
- The entity has the right to set off against the amount owed by other party;
- The entity intends to offset;
- The right of setoff is legally enforceable."

2.06 Components of the Financial Statements:

According to the Bangladesh Accounting Standards (BAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- Statement of Financial Position as at 30 June, 2017;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2017;
- Statement of Changes in Equity for the year ended 30 June, 2017;
- Statement of Cash Flows for the year ended 30 June, 2017 &
- Accounting Policies and Explanatory Notes.

2.07 Application of Standards:

The following BASs are applicable for the financial statements for the year under review:

BAS-1 Presentation of Financial Statements;
BAS-2 Inventories;
BAS-7 Cash Flow Statements;
BAS-8 Accounting Policies, Changes in Accounting Estimates and Errors;
BAS-10 Events after the Balance Sheet Date;
BAS-12 Income Taxes;
BAS-16 Property, Plant & Equipment;
BAS-18 Revenue;
BAS-23 Borrowing Costs;
BAS-24 Related Parties Disclosure;
BAS-33 Earnings per Share;
BAS-34 Interim Financial Reporting;
BAS-36 Impairment of Assets;
BAS-37 Provisions, Contingent Liabilities and Contingent Assets;
BAS-38 Intangible Assets.

2.08 Property, Plant & Equipment:

a. Recognition and Measurement:

In compliance with BAS-16 (Property, Plant & Equipment) items of Property, Plant & Equipment (PPE), excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

b. Capitalization of Borrowing Cost:

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with BAS-23: Borrowing Cost, allowed alternative treatment.

c. Subsequent Costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day to day maintaining cost on PPE are recognized in the Statement of Comprehensive Income as incurred.

d. Depreciation:

No depreciation is charged on land and land development.

Consistently, depreciation is provided on diminishing balance method based on written down value at which the asset is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Each item of PPE is depreciated from the date in which the asset comes into use or capitalized. In case of disposals, no depreciation is charged in the month of disposal.

The depreciation/amortization rate(s) are as follows:

Category of Fixed Assets	Rate %
Land & Land Development	-
Factory Buildings	10
Plant & Machinery	10
Generator	10
Office Decoration	10
Office Equipment	15
Furniture & Fixtures	10
Motor Vehicle	20
Books	-
Laboratory Test Equipment	15

e. Retirements and Disposals:

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain and loss from disposal of asset under other income in the Statement of Comprehensive Income.

2.09 Intangible Assets:

Intangible assets includes IT software which is used to maintain Company's accounts. It also includes Share Management Software and Website.

a. Recognition and Measurement:

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. It is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the assets can be measured reliably as required by BAS-38: Intangible assets. The cost of the Intangible assets comprises its purchase price and any costs directly attributable to the assets.

b. 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 the Statement of Comprehensive Income when incurred.

c. Amortization:
Amortization is recognized in the Statement of Comprehensive Income on diminishing balance method based on written down value at which the asset is carried in the books of account. Amortization continues to be provided until such time as the written down value is reduced to Taka one.

2.10 Impairment of Assets:
All assets have been reviewed according to BAS-36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

2.11 Inventories:
Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 21 and 25 of BAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

Category of Inventories	Basis of Valuation
Raw & Packing Materials	At Weighted Average Cost
Work-in-Progress	At Standard Cost
Finished Goods	At Standard Cost

Standard cost comprises value of materials, standard activity cost and overheads.

2.12 Cash & Cash Equivalents:
Cash & cash equivalents include cash in hand, cash at banks, term deposits which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

2.13 Creditors & Accrued Expenses:

2.13.1 Trade & Other Payables:
Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

2.13.2 Provision:
The preparation of financial statements are in conformity with Bangladesh Accounting Standards, BAS-37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

2.14 Employees' Benefit:
Employees of the Company are entitled to get the following benefits from the Company:

a. Festival Bonus:
The Company gives 02 festival bonuses to its permanent employees in a year.

b. Workers' Profit Participation Fund:
This represents 5% of the net profit after charging such contribution but before tax contribution by the Company as per provisions of Bangladesh Labour Act (Amendments), 2013 and is payable to the workers as define in the said Law.

2.15 Authorization date for issuing Financial Statements:
The financial statements were authorized by the Board of Directors on 26 October, 2017 for issue after completion of review.

2.16 Income Tax:

2.16.1 Current Tax:
Provision for taxation has been made as per rates prescribed in the Finance Act and the Income Tax Ordinance, 1984 on profit made by the company. As per Bas-12 Income Tax provision has been made during the year as the company earned taxable income.

2.16.2 Deferred Tax:
Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position as liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. CPL recognized deferred tax liabilities for all taxable temporary differences.

2.17 Contingent Liabilities & Assets:
Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with BAS-37 Provision, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

2.18 Revenue Recognition:
In compliance with the requirements of BAS-18 "Revenue", revenue is recognized only when:
" The products are invoiced and dispatched to the customers; and
" Interest income is recognized on accrual basis.
Revenue from sales is exclusive of VAT.

2.19 Borrowing Costs:
In compliance with the requirements of BAS-23 "Borrowing Costs", borrowing costs of operational period on long term loan and short term loan facilities from commercial banks was charged off as revenue expenditure as they incurred.

2.20 Foreign Currency Translation:
Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rates prevailing at the Statement of Financial Position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction.

2.21 Statements of Cash Flows:
Statement of Cash Flows is prepared principally in accordance with BAS-7: Cash Flow Statements and the cash flows from operating activities have been presented under direct method.

2.22 Statement of Changes in Equity:
The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

2.23 Earnings per Share:
The Company calculates Earnings per Share (EPS) in accordance with BAS-33: "Earning per Share", which has been shown on the face of Statement of Comprehensive Income, and the computation of EPS is stated in the note. Earnings per Share is the basic earnings dividing by average weighted ordinary shares outstanding during the period and retrospective effect has been given for calculation of previous year earning as well.

2.24 Comparative:
Financial statements are presented as BAS-1 "Presentation of Financial Statements" and previous year's figures have been restated due to changes in some accounting policies as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.25 Reporting Period:
The financial statements cover one year from 01July, 2016 to 30 June, 2017.

2.26 Segment Reporting:
No segmental reporting is applicable for the company as required by BAS-14: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

2.27 Related Party Transactions:
The objective of BAS-24 'Related Party Disclosures' 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: [BAS-24] 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 Company transacts with related parties and recognize as per BAS-24 'Related Party Disclosures'. Related party transactions have been disclosed under Note - 34.

2.28 Interest paid and other Expenses:
Interest paid and other expenses are recognized on accrual basis. But, the bank charged no interest during the period for rescheduling process.

2.29 Repair upkeep and Maintenance Charges:
There are usually absorbed as revenue charges as and when incurred.

2.30 General:
Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison; Figures appearing in the financial statements have been rounded off to the nearest Taka.

	2016-2017 Taka	2015-2016 Taka
3.00 Property, Plant & Equipment: Tk. 1,056,612,218		
Cost:		
Opening Balance	1,435,007,203	1,421,054,138
Add: Addition during the year	7,400,413	13,953,065
Closing Balance	**1,442,407,616**	**1,435,007,203**
Depreciation:		
Opening Balance	337,722,026	284,303,776
Add: Addition during the year	48,073,372	53,418,250
Closing Balance	**385,795,398**	**337,722,026**
Written down value	**1,056,612,218**	**1,097,285,177**

Details are given in Annexure-A with the report.

4.00 Intangible Assets: Tk. 193,384		
Cost:		
Opening Balance	327,500	327,500
Add: Addition during the year	-	-
Closing Balance	**327,500**	**327,500**
Depreciation:		
Opening Balance	112,628	88,753
Add: Addition during the year	21,488	23,875
Closing Balance	**134,116**	**112,628**
Written down value	**193,384**	**214,872**

Details are given in Annexure-B with the report.

5.00 Inventories: Tk. 434,212,783		
Finished Goods	92,044,768	84,861,329
Raw Materials	312,689,546	275,685,643
Packing Materials	24,790,564	25,376,094
Work-in-Process	4,687,905	3,278,563
Total	**434,212,783**	**389,201,629**

At the end of the year physical verification of Inventories was carried out

The basis of valuation is stated in Note-2.11.
Details are given in Annexure-C with the report.

6.00 Spare Parts & Supplies: Tk. 41,211,177		
Spare Parts	30,584,126	21,591,131
Promotional & Literature Items	10,627,051	5,978,452
Total	**41,211,177**	**27,569,583**

Details are given in Annexure-D with the report.

7.00 Advances, Deposits & Pre-payments: Tk. 254,953,295

Advance against Salary	1,576,500	1,265,734
Advance Office Rent	-	405,000
Advance Income Tax	227,976,980	190,609,000
Advance against VAT	801,141	533,033
Advance to Raw Materials Suppliers	15,309,674	15,367,452
Advance to Packing Materials Suppliers	-	-
Advance to Promotional Materials Suppliers	-	-
Advance to Repair & Maintenance Suppliers	-	-
Deposits:		
Security Deposit-Electricity	24,000	24,000
Security Deposit-WASA (Deep Tube well)	55,000	55,000
Security Deposit-Office & Deport	9,210,000	9,210,000
Total	**254,953,295**	**217,469,219**

Advance: These advances are un-secured but good and subsequently realized and/or adjusted.
Deposits: These balances represent security deposits made by the Company for electric connection, WASA, Office & Deport. rent etc.
In the opinion of the Directors, all current assets, investments, loans and advances are on realization in the ordinary course of business, a value at least equal to the amounts at which they are stated in the Statement of Financial Position.
There is no claim against the Company, which can be acknowledged as debt.
No amount was due by the Directors (including Managing Director) and managing agents of the Company and any of them severally or jointly with any other person.

8.00 Accounts Receivable: Tk. 494,605,483

Receivables against sales comprises followings:

Dhaka Sales Center	82,450,734	67,792,796
Chittagong Sales Center	63,754,647	40,675,677
Comilla Sales Center	44,465,033	21,306,307
Noakhali Sales Center	62,369,751	44,549,551
Bogra Sales Center	32,396,659	32,927,929
Mymensingh Sales Center	39,469,518	46,486,488
Khulna Sales Center	31,357,988	44,549,551
Barisal Sales Center	51,043,286	23,243,244
Madaripur Sales Center	48,817,560	27,117,118
Rajshahi Sales Center	38,480,307	38,738,740
Total	**494,605,483**	**387,387,401**

The above amounts are unsecured but good and have been subsequently realized. No provision was made for bad debt during the year under review.
No amount was due by the Directors (including Managing Director) or any other official of the Company.

Aging of the above receivables is given below:

Particulars	up to 1 month	1-3 months	3 to above	Total
Accounts Receivable	18,547,706	34,622,384	441,435,393	494,605,483
Total	**18,547,706**	**34,622,384**	**441,435,393**	**494,605,483**

9.00 Cash & Bank Balances: Tk. 8,658,653

Cash in Hand (including all Depots)	7,587,904	8,365,749
Cash at Bank		
Janata Bank Ltd., Local Office Br., Dhaka A/C No.-C.D 33058862	512,705	514,340
Janata Bank Ltd., Local Office Br., Dhaka A/C No.-STD 010236002108	19,459	20,399
Janata Bank Ltd., Local Office Br., Dhaka A/C No.-STD 010236002173 (IPO)	127,795	124,819
Janata Bank Ltd., Local Office Br., Dhaka A/C No.-USD 010242139298 (IPO)	351,831	348,428
Janata Bank Ltd., Local Office Br., Dhaka A/C No.-BP 010244002594 (IPO)	9,431	9,405
Prime Bank Ltd. Motijheel Br. Dhaka A/C No. C.D 10411090062596	30,602	30,602
Social Islami Bank Ltd., Principal Br. A/C No. 0021330449918	18,926	515,931
Total	**8,658,653**	**9,929,674**

The bank balances have been confirmed and reconciled with respective bank statements.
Cash in hand has been verified by the Management at the close of the year and a cash custody certificate was furnished to the Auditors.

	2016-2017 Taka	2015-2016 Taka
10.00 Share Capital: Tk. 1.037,236,750		
Authorized Capital:		
300,000,000 Ordinary Shares of Tk. 10.00 each	3,000,000,000	3,000,000,000
Issued, Subscribed and Paid-up:		
94,294,250 Ordinary Shares of Tk. 10.00 each fully paid-up		942,942,500
103,723,675 Ordinary Shares of Tk. 10.00 each fully paid-up	1,037,236,750	

Split of Face Value of Share:
A special resolution is passed and duly certified from RJSC dated 24 December, 2009 to adopt a new Articles of Association. By the said special resolution, the Company's face value of share is reduced from Tk. 100 to Tk. 10.

Shareholding Position is as follows:

Sl. No.	Name of shareholders	Percentage of		Number of Shares	
		30-06-2017	30-06-2016	30-06-2017	30-06-2016
1	Directors/Sponsors	29.99	33.41	31,109,096	31,499,115
2	Financial Institutions	13.36	16.73	13,852,563	15,779,365
3	General Public	56.65	49.86	58,762,016	47,015,770
Total		**100.00**	**100.00**	**103,723,675**	**94,294,250**

Details of the Shareholding is given below:
The distribution schedule showing the number of Shareholders and their shareholding in percentage has been disclosed below as the requirement of the "Listing Regulation" of Dhaka and Chittagong Stock Exchange Limited.

Range of holdings in number of Shares	No. of Shareholders		Holding %	
	30-06-2017	30-06-2016	30-06-2017	30-06-2016
Less than 500 shares	2,440	2,670	0.35	0.48
500 to 5,000 shares	4,984	5,715	9.15	10.39
5,001 to 10,000 shares	928	918	6.92	7.12
10,001 to 20,000 shares	538	533	7.54	8.10
20,001 to 30,000 shares	207	185	5.07	4.94
30,001 to 40,000 shares	83	84	2.84	3.13
40,001 to 50,000 shares	71	66	3.16	3.25
50,001 to 100,000 shares	127	105	9.08	8.30
100,001 to 1,000,000 shares	99	75	23.69	18.74
1,000,001 to 10,000,000 shares	7	7	15.93	19.28
10,000,001 to above shares	1	1	16.27	16.27
Total	**9,485**	**10,359**	**100.00**	**100.00**

Option on Un-Issued Shares:

There is no option regarding the authorized capital not yet issued but can be used to increase the paid-up capital through the issuance of new shares against cash contribution and bonus.

Market Price:

The shares of the Company are listed with both the Dhaka and Chittagong Stock Exchange and quoted at Tk. 30.70 per share and Tk. 30.30 per share in the Dhaka and Chittagong Stock Exchange respectively on 30 June, 2017.

	2016-2017 Taka	2015-2016 Taka

11.00 Revaluation Reserve: Tk. 514,848,089

The company revalued it's land and land development on 31 March, 2014 by Malek Siddiqui Wali, Chartered Accountants to reflect the up to date value of land and land development in the financial statements as at 30 June, 2014. Details of the revaluation of land and land development is given below:

Particulars	Net Book Value Taka	Revalued Amount in Taka	Value increase due to Revaluation
Land & Land Development	60,939,411	575,787,500	514,848,089
Total	**60,939,411**	**575,787,500**	**514,848,089**

12.00 Retained Earnings: Tk. 188,719,343

Opening Balance	173,927,353	199,131,161
Add: Profit during the year	109,086,240	97,788,692
Less: Transferred to Share Capital	(94,294,250)	(122,992,500)
Closing Balance	**188,719,343**	**173,927,353**

13.00 Long Term Loan: Tk. 106,232,789

Janata Bank Ltd., Local Office Br., Dhaka A/C No. 010235035752	106,232,789	106,232,789
Total	**106,232,789**	**106,232,789**

The details of the loan is as under:
Nature: Long Term Project Loan (BMRE)
Sanction Limit: 159,688,000
Expiry Date: 31-12-2017
Interest Rate: 13.00%
Security: 34.30 katha land at 2A/1, South-West Darus Salam Road, Mirpur-1, Dhaka-1216.
The grace period of this syndication loan is of 24 months from the first drawdown date. The term loan facility shall be repaid in equal 24 quarterly installments on repayment dates commencing from the immediate quarter-end upon the expiry of the grace period.

14.00 Deferred Tax Liabilities: Tk. 63,250,131

Balance as on 01 July	62,763,494	60,726,909
Add: (Reduction)/addition during the year	486,637	2,036,585
Total	**63,250,131**	**62,763,494**

15.00 Short Term Loan: Tk. 104,152,185

Janata Bank Ltd., Local Office Br., Dhaka ICD Hypo-C.C 37004805	104,152,185	104,152,185
Total	**104,152,185**	**104,152,185**

The details of the loan is as under:
Nature: CC Hypo (Working Capital)
Sanction Limit: 100,000,000
Expiry Date: 31-05-2014
Interest Rate: 13.00% (Variable)
Renewal Status: Renewed
Security: 34.30 katha land at 2A/1, South-West Darus Salam Road, Mirpur-1, Dhaka-1216 and personal guarantee of every Director.

16.00 Current Portion of Project Loan: Tk. Nil

he amount represents current maturity of Project Loan obtained from Janata Bank Ltd., Local Office Br., Dhaka which are payable within next 12 (twelve) months from the date of Statement of Financial Position. During the year, no current portion of Project Loan has been disclosed due to the Company applied for re-scheduling the loan and the application is under consideration of bank management.

17.00 Sundry Creditors: Tk. 4,665,427

ACI Limited	60,000	100,000
A R Printing	38,407	-
Art Steel	175,000	195,370
Bright International	963,700	-
Brothers Trading	224,335	-
Exotic Foils	313,210	368,820
Gonoshasthaya	369,000	394,000
Hanif Bottle	30,000	90,000
Metro Foil Ltd.	674,481	540,445
Nahar Packaging		-
Novo Healthcare	57,650	63,292
Oishee International	427,000	467,690
Padma Cap.	89,222	89,222
Prime Chemicals	200,000	252,555
Refat Aluminum	146,517	186,748
Reliable Printers	-	168,615
Roto Smart	19,000	408,079
SK+F	342,144	181,593
Solid Plastic	108,280	19,770
Spectrum	286,231	191,880
Vertex Chemical	141,250	362,575
Total	**4,665,427**	**4,080,654**

This represents amount payable to suppliers of raw materials, packing materials etc. All suppliers were paid on a regular basis.

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18.00 Liabilities for Expenses: Tk. 14,416,735

Gas Bill-Factory	147,941	39,723
Electricity-Factory	145,682	129,299
WASA Bill-Factory	168,360	21,140
Telephone-Factory	8,511	433
Electricity Bill-Head Office	-	34,288
Telephone-Head Office	-	7,257
WASA Bill- Head Office	-	10,195
Gas Bill-Head Office	-	1,300
Utility Bill (Depot)	20,978	35,447
Audit Fees	100,000	80,000
Interest Payable	13,825,263	-
Total	**14,416,735**	**359,082**

Most of the outstanding liabilities have subsequently been paid;
No liabilities in the Statement of Financial Position are at a value less than the amount at which it is repayable at the date of the Statement of Financial Position.
Due to re-scheduling process and block account interest on Project Loan has been charged on closing balance @13%.

19.00 Others Payable: Tk. 6,582,325

Payable for IPO Proceeds	5,967,694	5,967,694
Payable for Cash Dividend	614,631	614,631
Total	**6,582,325**	**6,582,325**

Payable for IPO proceeds consists of subscription money of 1,198 applicants and payable for cash dividend represents un-claimed dividend of 596 shareholders.

20.00 Provision for Tax Liabilities: Tk. 243,038,359

Balance as on 01 July	206,514,066	173,238,974
Add: Addition during the year	36,524,293	33,275,092
Total	**243,038,359**	**206,514,066**

21.00 Workers' Profit Participation Fund: Tk. 7,304,859

Opening Balance	6,655,018	10,239,571
Add: Addition during the year	7,304,859	6,655,018
	13,959,877	16,894,589
Less: Paid during the year	6,655,018	10,239,571
Closing Balance	**7,304,859**	**6,655,018**

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	2016-2017 Taka	2015-2016 Taka
22.00 Turnover: Tk. 455,678,564		
Local Sales (Net)	455,678,564	416,734,089
Total	**455,678,564**	**416,734,089**

The above sales represents the following:

Category	Unit	Opening Stock	Production	Sales	Closing Stock
Tablet	Pcs	1,145,810	13,492,412	12,673,420	1,964,802
Capsule	Pcs	776,985	13,383,014	13,057,342	1,102,657
Liquid	Bottle	243,006	1,390,643	1,307,904	325,745
Ointment	Pcs	144,777	1,290,827	1,132,895	302,709
Value in Taka		**84,861,329**	**234,900,250**	**455,678,564**	**92,044,768**

23.00 Cost of Goods Sold: Tk. 234,900,250		
Opening Work-in-Process	3,278,563	3,809,671
Raw Material Consumed (Note-23.01)	120,581,740	119,040,491
Packing Material Consumed (Note-23.02)	60,973,435	48,400,715
Direct Expenses (Note-23.03)	13,333,497	11,959,699
Manufacturing Overhead (Note-23.04)	48,604,359	52,671,246
	246,771,594	235,881,822
Less: Closing Work-in-Process	4,687,905	3,278,563
	242,083,689	232,603,259
Opening Finished Goods	84,861,329	63,807,684
Finished Goods available for Sale	326,945,018	296,410,943
Less: Closing Finished Goods	92,044,768	84,861,329
Total	**234,900,250**	**211,549,614**

23.01 Raw Material Consumed: Tk. 120,581,740		
Opening Stock of Raw Materials	275,685,643	255,378,452
Add: Purchase of Raw Materials	157,585,643	139,347,682
	433,271,286	394,726,134
Less: Closing Stock of Raw Materials	312,689,546	275,685,643
Consumption	**120,581,740**	**119,040,491**

Summarized Quantity and Total Value of Raw Materials Consumed:

Category	Unit	Opening Stock	Purchase/ Imports	Issues/ Consumption	Closing Stock
Active Materials	Kg.	42,450	69,325	60,896	50,879
Excipients	Kg.	30,123	66,066	53,532	42,657
Cap-Shell	Pcs	4,841,074	7,343,774	6,807,954	5,376,894
Colour	Kg.	57	1,069	1,064	62
Flavour	Kg.	125	252	287	90
Sugar	Kg.	82,327	285,425	268,967	98,785
Sorbitol	Kg.	29,569	53,321	45,327	37,563
Dextrose	Kg.	530	1,247	1,254	523
Lactose	Kg.	7,087	11,952	10,574	8,465
Value in Taka		**275,685,643**	**157,585,643**	**120,581,740**	**312,689,546**

Raw materials consist of 228 items of which 14.17% (in value) are imported.

23.02 Packing Materials Consumed: Tk. 60,973,435

Opening Stock of Packing Materials	25,376,094	20,956,248
Add: Purchase of Packing Materials	60,387,905	52,820,561
	85,763,999	73,776,809
Less: Closing Stock of Packing Materials	24,790,564	25,376,094
Consumption	**60,973,435**	**48,400,715**

Summarized Quantity and Total Value of Packing Materials Consumed:

Category	Unit	Opening Stock	Purchase/ Imports	Issues/ Consumption	Closing Stock
Aluminum Foil	Kg.	10,840	70,381	65,453	15,768
Aluminum Tube	Pcs	76,981	1,161,362	1,169,783	68,560
Bottle	Pcs	110,587	268,652	188,564	190,675
Container	Pcs	89,369	116,245	105,940	99,674
Carton	Pcs	943,132	2,163,385	2,055,843	1,050,674
Label	Pcs	1,532,870	608,004	574,532	1,566,342
PVC-Film	Kg.	2,775	6,446	5,867	3,354
PP Cap & Others	Pcs	298,791	208,828	201,746	305,873
Value in Taka		**25,376,094**	**60,387,905**	**60,973,435**	**24,790,564**

Packing materials consist of 168 items of which 10.31% (in value) are imported.

23.03 Direct Expenses: Tk. 13,333,497

Wages & Salary	12,086,754	10,862,957
Bonus	1,246,743	1,096,742
Total	**13,333,497**	**11,959,699**

23.04 Manufacturing Overhead: Tk. 48,604,359

WASA Bill	262,368	206,026
Gas Bill	232,499	232,499
Electricity Bill	904,446	658,967
Telephone	12,334	2,935
Factory Maintenance	603,425	574,893
Machinery Maintenance	1,007,005	376,845
Insurance Premium	200,000	200,000
Carriage Inward	20,856	25,463
Depreciation	45,361,426	50,393,618
Total	**48,604,359**	**52,671,246**

	2016-2017 Taka	2015-2016 Taka
24.00 Administrative Expenses: Tk. 14,132,099		
Salary & Allowances	8,088,750	8,088,750
Bonus	805,500	855,620
Office Rent	-	1,620,000
Traveling & Conveyance	147,980	156,745
Stationery	576,895	488,798
Telephone Bill	-	47,850
Mobile Bill	105,745	88,673
Renewal & Registration	560,895	720,557
Postage & Telegram	15,870	12,549
Stamp & Taxes	50,217	42,673
Car Fuel	155,745	134,673
Newspaper	8,905	7,862
Office Maintenance	143,759	198,067
Entertainment	276,894	208,451
Repairs & Maintenance	205,742	190,893
Audit Fees	100,000	80,000
Electricity	-	189,672
WASA	-	60,437
Gas	-	5,400
Miscellaneous Expenses	35,768	55,323
Legal Expenses	120,000	115,000
Depreciation	2,711,946	3,024,632
Amortization of Intangible Assets	21,488	23,875
Total	**14,132,099**	**16,416,500**
25.00 Selling & Distribution Expenses: Tk. 39,405,670		
Salary & Allowances	25,890,563	30,567,850
Sales Deport Rent	2,158,500	2,062,565
Sales Promotion & Business Development	5,078,053	6,285,675
Bonus	2,254,720	2,588,580
Carriage Outward	155,879	198,783
Mobile Bill	805,320	798,673
Postage	22,849	24,872
Motorcycle Maintenance	365,904	256,342
TA/DA	2,587,902	2,378,942
Utility	85,980	90,801
Total	**39,405,670**	**45,253,083**

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26.00 Other Income: Tk. 7,375

Interest received from STD A/C with Janata Bank Ltd.	-	897
Interest received from STD A/C with Janata Bank Ltd. (IPO)	7,375	5,289
Total	**7,375**	**6,186**

27.00 Financial Expenses: Tk. 13,845,891

Janata Bank Ltd., Local Office Br.,Dhaka A/C No.010235035752	13,825,263	3,724,719
Janata Bank Ltd., Local Office Br., Dhaka ICD Hypo-C.C 37004805	15,000	-
Bank Charges & Commission	5,628	40,972
Total	**13,845,891**	**3,765,691**

28.00 Contribution to Workers' Profit Participation Fund: Tk. 7,304,859

This represents 5% of the net profit after charging such contribution but before tax contribution by the Company as per provisions of Bangladesh Labour Act (Amendments), 2013.

29.00 Income Tax Expenses: Tk. 37,010,930

Current Tax (Note-2.16.1)	36,524,293	33,275,092
Deferred Tax (Note-2.16.2)	486,637	2,036,585
Total	**37,010,930**	**35,311,677**

30.00 Earning per Share (EPS): Tk. 1.05

The Computation of EPS is given below:		
Earning attributable to the Shareholders (net profit after tax)	109,086,240	97,788,692
Weighted average number of Shares	103,723,675	94,294,250
Adjusted/Basic Earnings per Share (EPS) (Per value Tk. 10)	**1.05**	**1.04**

31.00 Net Asset Value (NAV) per Share: Tk. 16.78

The Computation of NAV is given below:		
Net Assets	1,740,804,182	1,631,717,942
Number of Shares outstanding during the year	103,723,675	94,294,250
Net Asset Value (NAV) per Share	**16.78**	**17.30**

32.00 Commission, Brokerage or Discount:

No brokerage and discount against sales was paid during the year.

33.00 Payment made in Foreign Currency:

No expenses including Royalty, Technical Experts & Professional Advisory Fees and Interest etc. were incurred or paid in foreign currencies during the financial year.

34.00 Finance Lease Commitment:

As at 30-06-2017, there was no lease commitment under finance lease.

35.00 Claim not Acknowledged as debt:

There was no claim against the company acknowledged as debt as on 30 June, 2017.

36.00 Related Party Transactions:

The company has no related party transactions as per BAS-24 "Related Party Disclosures" except executive compensation received by Chairman as Director (Admin.) and Managing Director for the year ended 30 June, 2017.

Name of the Directors	Designation	Basic Salary	Others	Total
Mr. Munsur Ahamed	Managing Director	576,000	549,600	1,125,600
Mrs. Morsheda Ahmed	Director (Admin.)	532,800	488,400	1,021,200
Total		**1,108,800**	**1,038,000**	**2,146,800**

37.00 Attendance Status of Board Meeting of Directors

During the year ended 30 June, 2017 there were eight Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Designation	Meeting held	Attendance
Mrs. Morsheda Ahmed	Chairman	08	08
Mr. Munsur Ahamed	Managing Director	08	08
Mr. Md. Rukunuzzaman	Director	08	05
Mrs. Nasima Akhter	Director	08	07
Mr. Parvez Ahamed Bhuiyan	Director	08	06
Mr. Samir Kumar Sheel Ph.D	Independent Director	08	05
Mr. Nazmul Haque Bhuiyan	Independent Director	08	08

38.00 Payment/Perquisites to Directors:

During the year no other compensation was allowed by the company to the Directors except executive compensation received by Chairman as Director (Admin.) and Managing Director

No amount of money was expended by the company for compensating any member of the board special services rendered other than the above.

No board meeting attendance fees was paid ti the Directors of the Company.

39.00 Audit Fees:

Auditors remuneration comprises annual audit fees only.

40.00 Un-availed Credit Facilities:

There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Statement of Financial Position date .

41.00 Contingent Liabilities:

The company has a contingent liability aggregating Tk. 7,382,136 and Tk. 17,864,965 claimed by VAT Authority on differential amount of sales against production during the year May, 2005 to June, 2008 and October, 2014 to January, 2017 respectively. The Company has made deposition several times to concern VAT Authority with proper grounds protesting the claim. As such the Company has filed petition to the High Court which is Subjudice.

Commissioner, Customs Excise & VAT, Dhaka-West Dhaka issued a show cause notice demanding VAT on dispute matters like value addition and legal point. Therefore, the company has submitted a writ petition before the Supreme Court of Bangladesh in High Court Division. Honorable High Court heard on the matter about show cause notice and issued a rule and stay order on the above mentioned show cause notice. Government submitted a writ petition before the Supreme Court for stay order allow on the rule. The Supreme Court also directed the Honorable High Court Division for hearing on the matter as early as possible. Now it is under High Court Division for hearing.

42.00 General:

All the figures in the financial statements represent Bangladeshi taka currency (BDT) rounded off to the nearest figure.

The comparative information has been disclosed of 2015-2016 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current years financial statements.

To facilitate comparison, certain relevance balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

43.00 Events after reporting period:

The board of the directors of the company in their meeting held on 26 October, 2017 has proposed 10% stock dividend for the year ended 30 June, 2017. Dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

44.00 Financial Risk Measurement:

The management of Company has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks for its use of financial instruments.

-Credit risk;
-Liquidity risk;
-Market risk;
- Currency risk.

Credit risk:

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. cash at bank and other external receivables are nominal.

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 (cash and cash equivalents) is to ensure as far as possible, that it will always have sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Market risk:

Market is the risk that any change in market prices such as foreign exchange rates and interest will affect the Company's income or the value of its holdings financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk:

The Company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw materials, machineries and equipment. Majority of the Company's foreign currency transactions are denominated in USD and relate to procurement of raw materials, machineries and equipment from abroad.

45.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

A. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3:

Employee position of the company as at 30 June, 2017:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Below Tk. 3,000/-	-	-	-	-
Above Tk. 3,000/-	18	206	72	296
for the year ended 30-06-2017	**18**	**206**	**72**	296
for the year ended 30-06-2016	**22**	**262**	**75**	**359**

B. Disclosure as per requirement of Schedule XI, Part II, Para 4:

Name of Directors	Designation	Basic Salary	Others	Total payment on 30-06-2016	Total payment on 30-06-2015
Mrs. Morsheda Ahmed	Chairman	532,800	488,400	1,021,200	1,021,200
Mr. Munsur Ahamed	Managing Director	576,000	549,600	1,125,600	1,125,600
Mr. Md. Rukunuzzaman	Director	-	-	-	-
Mrs. Nasima Akhter	Director	-	-	-	-
Mr. Parvez Ahamed Bhuiyan	Director	-	-	-	-
Mr. Samir Kumar Sheel Ph.D	Independent Director	-	-	-	-
Mr. Nazmul Haque Bhuiyan	Independent Director	-	-	-	-
Total		**1,108,800**	**1,038,000**	**2,146,800**	**2,146,800**

Period of payment to Directors is from 01 July, 2016 to 30 June, 2017.
The above Directors of the company did not take any benefit from the Company and the follows:
a. Expenses reimbursed to the managing agent - Nil
b. Commission or other remuneration payable separately to a managing agent or his associate -Nil
c. 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 such concerns with the company-Nil
d. The money value of the contracts for the sale or purchase of goods and materials or supply of services, enter into by the company with the managing agent or his associate during the financial year-Nil
e. Any other perquisites or benefits in cash or in kind stating-Nil
f. Other allowances and commission including guarantee commission-Nil
Pensions, etc.-
1) Pensions-Nil
2) Gratuities-Nil
3) Payment from Provident Fund-Nil
4) Compensation for loss of office-Nil
5) Consideration in connection with retirement from office-Nil

C. Disclosure as per requirement of Schedule XI, Part II, Para 7:

Details of production capacity utilization:

Item	Unit	Production Capacity	Actual Production	Capacity Utilization
Tablet & Capsule	Million Pcs	800.00	292.88	36.61%
Liquid & Ointment	Million Pcs	12.20	5.64	46.23%

D. Disclosure as per requirement of Schedule XI, Part II, Para 8:

Raw materials, spare parts, packing materials and capital machinery:

Items	Total Purchase (BDT)	Consumption (BDT)	% of consumption of
Raw materials	157,585,643	120,581,740	76.52%
Spare parts	10,000,000	1,007,005	-
Packing materials	60,387,905	60,973,435	100.97%
Total	**227,973,548**	**182,562,180**	

Value of export:

Particulars	In foreign currencies (US$)	In BDT
Export	-	-
Total	**-**	**-**

i) The company has not incurred any expenditure in foreign currencies for the period from 01 July, 2016 to 30 June, 2017 on account of royalty, know-how, professional fees, consultancy fees and interest;
ii) The company has not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees and interest;
iii) The value of export represents for the period from 01 July, 2016 to 30 June, 2017.

E. Disclosure as per requirement of Schedule XI, Part II, Para 3:

Requirements under Condition No.	Compliance status of disclosure of Schedule XI, Part II, Para 3
3(i)(a) The turnover.	Complied
3 (i)(b) Commission paid to the selling agent.	Not Applicable
3(i)(c) Brokerage and discount on sales, other than the usual trade discount	Not Applicable
3(i)(d)(i) The value of the raw materials consumed, giving item wise as possible.	Complied
3(i)(d)(ii) The opening and closing stocks of goods produced.	Complied
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks.	Complied
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied.	Not Applicable
3(i)(g) Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading.	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period.	Complied
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets.	Complied
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager.	Not Applicable
3(i)(l) Charge of income tax and other taxation on profits.	Complied
3(i)(m) Revised for repayment of share capital and repayment of loans.	Complied
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	Not Applicable
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Not Applicable
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.	Not Applicable
3(i)(p) Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonous (2) Contribution to provident and other funds (3) Worksmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	Complied

F. Disclosure of Advances, Deposits and Pre-payments of Schedule XI of the Companies Act, 1994:

The details break-up of Advances, Deposits and Pre-payments as per requirement of Schedule XI of the Companies Act, 1994 as stated below:

Particulars	30-06-2017	30-06-2016
Advances, Deposits and Pre-payments exceeding 6 months	218,581,990	184,109,555
Advances, Deposits and Pre-payments not exceeding 6 months	36,371,305	33,359,664
Other Advances, Deposits & Pre-payments less provision	Nil	Nil
Advances, Deposits and Pre-payments considered good and secured	Nil	Nil
Advances, Deposits and Pre-payments considered goods without security	Nil	Nil
Advances, Deposits and Pre-payments considered doubtful or bad	Nil	Nil
Advances, Deposits and Pre-payments due by Directors	Nil	Nil
Advances, Deposits and Pre-payments due by other officers (against salary)	1,576,500	1,265,734
Advances, Deposits and Pre-payments due from companies under same management	-	-
Maximum Advances, Deposits & Pre-payments due by Directors	Nil	Nil
Maximum Advances, Deposits & Pre-payments due by Officers at any time	Nil	Nil

These financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 26 October, 2017 and were signed on its behalf by :

Company Secretary **Director** **Managing Director**

Schedule of Property, Plant & Equipment
for the year ended 30 June, 2017

Annexure-A

Particulars	Cost				Rate %	Depreciation			Written down value as at 30 June, 2017
	Balance as at 01 July, 2016	Addition during the year	Revaluation Reserve	Balance as at 30 June, 2017		Balance as at 01 July, 2016	Charged during the year	Balance as at 30 June, 2017	
Land & Land Development	624,047,164	4,365,709	514,848,089	1,143,260,962	-	-	-	-	1,143,260,962
Factory Building	182,263,414	1,079,052	-	183,342,466	10	61,518,646	12,092,461	73,611,107	109,731,359
Plant & Machinery	564,536,543	1,287,905	-	565,824,448	10	246,597,988	31,815,321	278,413,309	287,411,139
Generator	3,635,360	-	-	3,635,360	10	1,703,380	193,198	1,896,578	1,738,782
Office Decoration	17,121,813	560,894	-	17,682,707	10	5,724,240	1,149,105	6,873,345	10,809,362
Office Equipment	9,381,223	-	-	9,381,223	15	5,054,230	649,049	5,703,279	3,677,944
Furniture & Fixture	11,837,846	106,853	-	11,944,699	10	4,284,405	757,125	5,041,530	6,903,169
Motor Vehicle	4,537,506	-	-	4,537,506	20	3,754,173	156,667	3,910,840	626,666
Books	158,399	-	-	158,399	-	-	-	-	158,399
Laboratory Test Equipment	17,487,935	-	-	17,487,935	15	9,084,964	1,260,446	10,345,410	7,142,525
as at 30-06-2017	**1,435,007,203**	**7,400,413**	**514,848,089**	**1,957,255,705**		**337,722,026**	**48,073,372**	**385,795,398**	**1,571,460,307**
as at 30-06-2016	**906,206,049**	**13,953,065**	**514,848,089**	**1,435,007,203**		**284,303,776**	**53,418,250**	**337,722,026**	**1,097,285,177**

Allocation of Depreciation:	**2016-2017**	**2015-2016**
	Taka	**Taka**
Manufacturing A/c	45,361,426	50,393,618
Profit & Loss A/c	2,711,946	3,024,632
Total	**48,073,372**	**53,418,250**

Schedule of Intangible Assets
for the year ended 30 June, 2017

Annexure-B

Particulars	Cost				Rate %	Depreciation			Written down value as at 30 June, 2017
	Balance as at 01 July, 2016	Addition during the year	Revaluation Reserve	Balance as at 30 June, 2017		Balance as at 01 July, 2016	Charged during the year	Balance as at 30 June, 2017	
IT Software-Accounting Software	75,000	-	-	75,000	10	25,793	4,921	30,714	44,286
Share Management Software	200,000	-	-	200,000	10	68,780	13,122	81,902	118,098
Website Development	52,500	-	-	52,500	10	18,055	3,445	21,500	31,000
as at 30-06-2017	**327,500**	**-**	**-**	**327,500**		**112,628**	**21,488**	**134,116**	**193,384**
as at 30-06-2016	**327,500**	**-**	**-**	**327,500**		**88,753**	**23,875**	**112,628**	**214,872**

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Schedule of Inventories
for the year ended 30 June, 2017

Finished Goods: **Annexure-C**

A. Finished Goods at Factory:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
01	Centrim DS Tablet	16,726	402,240
02	Centrim Tablet	7,168	103,425
03	Centrim Suspension	778	23,717
04	Cedol 400 mg Tablet 400 mg	5,695	136,950
05	Cedol Suspension	2,170	66,150
06	Cytocid Tablet	3,897	93,713
07	Cytocid Suspension	2,408	73,425
08	Albazole DS Tablet 400 mg	15,323	368,480
09	Centamol Tablet 500 mg	10,480	252,000
10	Centamol Suspension	1,812	55,250
11	Cytaplex Capsule	4,584	275,058
12	Cytaplex 200 ml Syrup	7,164	218,400
13	Cytaplex 100 ml Syrup	1,227	37,412
14	Vita-C Tablet 250 mg	66,136	1,590,400
15	Cofdil Syrup	12,093	368,704
16	Ventol Syrup	12,093	33,128
17	Centagan Syrup	17,775	541,864
18	Neopep- 150	52,396	1,260,000
19	Neoflox 500 mg	110,329	1,591,884
20	Diclon-50	6,076	146,108
21	Benzalic Ointment	143,570	81,506
22	Antrin	32,602	784,000
23	Ferofol-Z	65,463	1,571,108
24	Perex	5,823	140,018
25	Cytaplex M Tablet	6,860	164,983
26	Cytaplex M Drops	394	11,997
27	Iben Tab- 400 mg	9,527	229,100
28	Cenet Tab- 500 mg.	19,257	463,092
29	Azitor Tab.	32,806	788,900
30	Neoflox Powder for Sus.	5,401	164,640
31	OC-20 Cap.	1,709,506	8,547,529
32	Acelon Tab	70,246	1,689,275
33	Diclon SR Tab	17,046	409,920
34	DP Done Tab	9,012	216,720

AMAR STOCK

Sl. No.	Product Name	Quantity in Pcs	Stock Value
35	DP Done Sus	2,576	78,540
36	C-Zinc Syrup	2,672	81,480
37	Arigram Sus.	8,385	255,840
38	DOS	11,144	267,995
39	KPR	27,857	669,900
40	OST	20,653	496,650
41	Ventol- 60 ml	745	22,995
42	Ventol- 4 mg Tab.	4,966	104,701
43	Centagan Syrup	8,310	23,787
44	Theoglate	972	28,059
45	Azitor Dry Powder	8,100	231,000
46	Centamol Plus Tablet	20,958	504,000
47	Central Gold Tablet	24,000	1,182,720
48	C-BZ Syrup-100 ml	25,000	106,400
49	Easy ORS Saline	25,000	176,400
50	Easy ORS Plus Saline	30,500	1,659,924
51	Flujale Capsule	22,680	887,292
52	GL-80 Tablet	16,883	406,000
53	Karbon-5 Capsule	38,411	1,045,040
54	M BOSS Syrup-100 ml	2,041	55,500
55	M-Form Tablet	58,450	1,405,600
56	PC-20 Tablet	4,179	100,500
57	PGT-15 Tablet	29,450	708,200
Sub-Total			**33,399,416**

B. Finished Goods at Depots:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
01	Centrim DS Tablet	46,826	1,126,048
02	Centrim Tablet	20,079	289,713
03	Centrim Suspension	2,851	66,407
04	Cedol 400 mg Tablet 400 mg	15,945	383,460
05	Cedol Suspension	7,695	237,650
06	Cytocid Tablet	10,110	243,132
07	Cytocid Suspension	6,820	205,321
08	Albazole DS Tablet 400 mg	48,634	1,169,532
09	Centamol Tablet 500 mg	26,198	630,000
10	Centamol Suspension	6,330	154,578
11	Cytaplex Capsule	723,125	5,785,700
12	Cytaplex 200 ml Syrup	10,951	324,600
13	Cytaplex 100 ml Syrup	3,645	53,445
14	Vita-C Tablet 250 mg	64,430	1,549,400
15	Cofdil Syrup	9,843	278,160
16	Ventol Syrup	2,851	47,325

Sl. No.	Product Name	Quantity in Pcs	Stock Value
17	Centagan Syrup	28,512	56,600
18	Neopep- 150	75,683	1,820,000
19	Neoflox 500 mg	157,599	2,273,940
20	Diclon-50	8,681	208,763
21	Benzalic Ointment	159,139	116,438
22	Antrin	46,574	1,120,000
23	Ferofol-Z	93,509	2,244,220
24	Perex	8,319	200,063
25	Cytaplex M Tablet	9,803	235,725
26	Cytaplex M Drops	15,206	17,128
27	Iben Tab- 400 mg	13,607	327,233
28	Cenet Tab- 500 mg.	17,465	420,000
29	Azitor Tab.	104,931	2,523,353
30	Neoflox Powder for Sus.	9,072	253,092
31	OC-20 Cap.	2,460,000	12,330,000
32	Acelon Tab	116,435	2,800,000
33	Diclon SR Tab	34,092	819,840
34	DP Done Tab	10,480	252,000
35	DP Done Sus	46,084	104,682
36	C-Zinc Syrup	3,690	84,000
37	Arigram Sus.	2,050	31,267
38	DOS	14,822	356,440
39	KPR	34,931	840,000
40	OST	19,212	462,000
41	Ventol- 60 ml	1,107	31,143
42	Ventol- 4 mg Tab.	4,279	102,900
43	Centagan Syrup	1,230	20,020
44	Theoglate	13,284	28,875
45	Azitor Dry Powder	21,025	711,480
46	Centamol Plus Tablet	26,641	635,040
47	Central Gold Tablet	44,050	1,050,000
48	C-BZ Syrup-100 ml	10,250	179,200
49	Easy ORS Saline	25,000	196,000
50	Easy ORS Plus Saline	15,600	1,008,000
51	Flujale Capsule	453,120	5,437,443
52	GL-80 Tablet	98,952	2,170,000
53	Karbon-5 Capsule	24,436	537,600
54	M BOSS Syrup-100 ml	3,820	92,400
55	M-Form Tablet	125,029	3,416,000
56	PC-20 Tablet	9,315	224,000
57	PGT-15 Tablet	12,040	364,000
Sub-Total			**58,645,352**
Grand-total (A + B)			**92,044,768**

Raw Materials:

A. Active Materials:

Sl. No.	Product Name	Quantity	Stock Value
01	Ranitidine Hcl	1,918	4,039,200
02	Roboflavine	573	3,168,320
03	Riboflavine 5 Phosphate	376	2,444,200
04	Sulphamethoxa Zole	417	1,468,160
05	Salbutamol Sulphate	214	3,783,000
06	Sod Ascorbate	1,302	1,309,000
07	Salicylic Acid	326	1,046,300
08	Theophylene Clycinate	260	1,042,280
09	Trimethoprim	650	1,114,344
10	Thiamine Hcl	930	3,640,000
11	Al Hyd. Compressed Gel	1,516	345,755
12	Ascorbic Acid Normal	800	397,320
13	Ascorbic Acid Coated	547	536,844
14	Albendazole	360	2,062,000
15	Betacarotine	419	9,672,500
16	Benzolic Acid	659	876,428
17	Chloapheniramine Maleate	419	4,150,000
18	Cetirzine Di Hcl	233	1,925,000
19	Cupric Sulphate	419	283,500
20	Calcium Pantothenate	225	968,000
21	Cyanocobalamine	279	2,890,000
22	Diclofenec Sod.	781	2,411,200
23	Ferrous Sulphate (Normal)	729	886,592
24	Ferrous Sulphate (Dried)	84	10,080
25	Zinc Sulphate	182	137,200
26	Folic Acid	28	260,400
27	Ferous+ Folic+ ZincTR- Pellets	781	2,646,400
28	Guaiphenisin	547	2,111,320
29	Mag Hydroxide powder	930	983,000
30	Mag Hydroxide Paste	3,560	1,535,200
31	Metronidazole	885	2,599,360
32	B. Metronidazole	547	1,087,840
33	Manganese Sulphate	541	456,288
34	Nicotinamide	547	952,760
35	Paracetamol	1,250	698,880
36	Paracetamol Micro	521	291,200
37	Pseudoephedrine Hcl	52	982,800
38	Pyridoxine Hcl	121	845,000
39	Potasium Iodide	365	2,783,600
40	Potasium sulphate	698	882,750

AMAR STOCK

Sl. No.	Product Name	Quantity in Pcs	Stock Value
41	Ciprofloxacin Hcl	1,068	7,223,400
42	Al Hyd. Dried Gel	522	2,079,236
43	Triprolidin Hcl	32	4,157,161
44	Vitamin A Acetate	755	5,325,140
45	Vitamin A palmitad (liquid)	391	4,586,400
46	Dry vitamin D3	667	2,796,300
47	Vitamin D3 (Liquid)	234	4,584,600
48	Vitamin E Acetate	932	12,374,700
49	Calcium Carbonate	1,562	2,985,640
50	Ibuprofen	772	3,549,560
51	Cephradine Com.	1,325	15,561,000
52	Cephradine Mic.	1,860	21,840,000
53	Azithromycin	1,414	31,122,000
54	Omeprazole	3,739	9,306,300
55	Aceclofenac	1,744	6,398,438
56	Diclofenec Pellets	2,409	5,066,000
57	Domperidom Maliate	1,484	25,428,320
58	Domperidom	1,767	20,748,000
59	Zinc Sulphate	777	3,539,874
60	Erythromycin Ethyl Suc.	1,667	22,014,720
Sub-Total			280,410,810

B. Excepients & Others:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
01	Aerosil- 200	1,313	912,000
02	Alcohol (Ethanal)	438	1,260,000
03	Avecel 101	2,063	788,400
04	Avecel- 591	1,075	710,400
05	Chloroform	70	5,376
06	Cetyl Alcohol	1,225	524,160
07	Citric Acid (Normal)	350	33,600
08	Citric Acid (Anhydrous)	490	141,120
09	C.M.C Sod	385	221,760
10	Di Sodium E.D. T.A	1,099	1,392,336
11	Formalin	950	182,400
12	Glycerin	2,836	367,578
13	Gum Accacia	350	254,800
14	Hydrochloric Acid	125	6,500
15	Magnesium Stearate	144	18,525
16	Mannitol	499	155,610
17	Menthol	2,188	7,098,000
18	Methyl Paraben Sodium	320	68,796
19	Propylparaben Sodium	803	613,431
20	Povidone K-30	911	895,577

Sl. No.	Product Name	Quantity in Pcs	Stock Value
21	Paraffin Hard	461	55,166
22	Paraffin Soft	280	33,488
23	Paraffin Liquid	318	37,674
24	Sodium Ben zoate	315	14,490
25	Sodium chlaride	1,915	30,300
26	Sodium Citrate (Normal)	814	87,210
27	Sodium Citrate (Anhydrous)	1,003	262,680
28	Sodium Hydroxide	1,890	89,100
29	Sodium Saceharin	706	140,700
30	Eudragit L-100	1,562	5,670,000
31	H. P. M C	1,449	1,323,000
32	Isopropyl Alcohol	3,156	601,200
33	Methylene Chliride	4,906	700,920
34	Propyleane Glycol	2,177	583,200
35	Titaniun Di oxide	617	178,650
36	Starch	2,158	128,100
37	Sodium Starch Glycolate	503	189,000
38	Talc powder	277	33,600
39	Tween -80	189	63,000
40	Carnauba Wax	328	378,000
Sub-Total			26,249,846

Cap-Shell:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
41	Cytaplex Cap Empty Shell	357,731	625,780
42	Ferofol -Z Cap. Empty Shell	469,811	653,712
43	OC-20 Cap. Empty Shell	1,723,114	2,401,827
Sub-Total			3,681,319

Color:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
44	Erythrosin Lake Colour	5	52,200
45	Green Lake Colour	9	86,625
46	Raspbary Red Colour	6	30,870
47	F.D.C Red No.-40	16	264,600
48	Lemon Yellow colour	15	59,850
49	Orange Red Colour	11	166,058
Sub-Total			660,203

Flavour:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
50	Banana Flavor Dry	3	24,255
51	Clove Oil	2	26,775
52	Lemon Essence	3	17,325
53	Mango Flavour Dry	35	147,735
54	Orange Essence	6	34,650
55	Orange Flavour Dry	2	15,435
56	Sweet Orange Oil	5	15,300
57	Pepperment Oil	2	9,450
58	Pineapple Flavour dry	2	15,289
59	Lemon Flavour Dry	16	238,140
60	Raspbary essence	6	34,650
61	Icecream Powder	8	44,100
Sub-Total			**623,104**

Sugar:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
62	Sugar	98,785	251,910
Sub-Total			**251,910**

Sorbitol:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
63	Sorbitol	37,563	298,125
Sub-Total			**298,125**

Dextrose:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
64	Dextrose	523	46,229
Sub-Total			**46,229**

Lactose:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
64	Lactose	8,465	468,000
Sub-Total			**468,000**
Total			**32,278,736**

Grand-total (A + B)	**312,689,546**

Packing Materials:

Sl. No.	Product Name	Quantity in Pcs	Stock Value
01	Aluminum Foil	15,768	13,237,234
02	Aluminum Tube	68,560	342,800
03	Bottle	190,675	1,491,861
04	Container	99,674	797,392
05	Carton	1,050,674	3,262,361
06	Lebel	1,566,342	508,600
07	PVC-Flim	3,354	645,000
08	PP Cap & Others	305,873	4,505,316
Total			24,790,564

Work-in-Process:

Sl. No.	Product Name	Qty in Pcs/kg	Value
01	Acelon Tablet	900	153,379
02	Antrin Tablet	2,250	690,205
03	Azitor-500 mg Tablet	760	129,520
04	Cenet-500 mgTablet	2,934	750,070
05	Centamol Plus Tablet	1,280	327,208
06	Central Gold Tablet	1,799	183,968
07	Diclon-SR Capsule	560	43,710
08	DOS Tablet	1,280	11,452
09	Easy ORS Saline	2,294	488,595
10	KPR-10mg Tablet	2,849	194,232
11	Neoflox-500 mg Tablet	1,264	258,433
12	Neopep-150 mg Tablet	1,075	183,203
13	OC-20 Capsule	1,025	26,202
14	PC-20 Tablet	875	29,824
15	Azitor Dry Powder	850	27,233
16	Centamol Suspension 60 ml	1,156	49,252
17	Cytaplex Syrup -200 ml	2,698	344,853
18	C-BZ Syrup-100 ml	513	61,145
19	C-Zinc Syrup-100 ml	629	7,504
20	M BOSS Syrup-100 ml	3,513	568,706
21	Ventol Syrup 60 ml	915	152,053
22	Benzalic-20 gm Ointment	525	7,158
Total			4,687,905

Schedule of Spare Parts & Supplies for the year ended 30 June, 2017

Annexure-D

Sl. No.	Machine name and parts	No. of Parts	Value	Total Value
A	HoongA 1			
01	Guid Real			
02	Forming Plate			
03	Sealing Plate	8 Set	109,000	872,000
04	Cooling plate			
05	Air Plate			
06	Cuter	4 Set	290,950	1,163,800
B	Fluid Bed dryer 60 kg			
01	Trolley drying Pan	7 Set	125,000	875,000
02	Finger Print	7 Set	30,000	210,000
C	Fluid bed dryer 30 kg			
01	Trolley drying Pan	7 Set	125,000	875,000
02	Finger Print	6 Set	30,000	180,000
D	Hand Capsule Machine			
01	Casing Plate	2 Set	15,000	30,000
02	Loader Plate	3 Set	6,375	19,126
E	Liquid Filling machine			
01	Star Wheel	7 Set	25,000	175,000
02	Channel	4 Set	12,500	50,000
F	Hoong A 2 (Alu-Alu set)			
01	Guid Real			
02	Forming Plate			
03	Sealing Plate	6 Set	310,550	1,863,300
04	Cooling plate			
05	Air Plate			
06	Cuter	7 Set	290,950	2,036,650
G	Strip Machine 1			
01	Hopper	2 Set	55,000	110,000
02	Bowl	1 Set	30,000	30,000
03	Channel Chute	2 Set	25,000	50,000
04	Sealing Roller	3 Set	30,000	90,000
H	Strip Machine 2			
01	Hopper	1 Set	55,000	55,000
02	Bowl	2 Set	30,000	60,000
03	Channel Chute	3 Set	25,000	75,000
04	Sealing Roller	1 Set	30,000	30,000
I	HoongA 3 (Alu-Alu set)			
01	Guid Real			
02	Forming Plate			
03	Sealing Plate	5 Set	310,550	1,552,750
04	Cooling plate			
05	Air Plate			
06	Cuter	8 Set	290,950	2,327,600

Sl. No.	Machine name and parts	No. of Parts	Value	Total Value
J	Strip Machine 4			
01	Hopper	5 Set	55,000	275,000
02	Bowl	2 Set	30,000	60,000
03	Channel Chute	3 Set	25,000	75,000
04	Sealing Roller	2 Set	30,000	60,000
K	Tablet Compression Machine (Taiwan)			
01	Punch	6 Set	243,500	1,461,000
02	Hopper	2 Set	35,000	70,000
03	Channel	2 Set	12,500	25,000
04	Feed Frame	1 Set	23,500	23,500
L	Strip Machine 3			
01	Hopper	3 Set	55,000	165,000
02	Bowl	2 Set	30,000	60,000
03	Channel Chute	1 Set	25,000	25,000
04	Sealing Roller	2 Set	30,000	60,000
M	Coating Machine 1 (China)			
01	Pump	5 Set	250,000	1,250,000
02	Spray Gun	2 Set	75,000	150,000
N	Tablet Compression Machine (Clit)			
01	Punch	7 Set	243,500	1,704,500
02	Hopper	3 Set	35,000	105,000
03	Channel	2 Set	12,500	25,000
04	Feed Frame	2 Set	23,500	47,000
O	Tablet Compression Machine (Manesty)			
01	Punch	7 Set	243,500	1,704,500
02	Hopper	4 Set	35,000	140,000
03	Channel	1 Set	5,900	5,900
04	Feed Frame	1 Set	23,500	23,500
P	Coating Machine 2 (China)			
01	Pump	5 Set	250,000	1,250,000
02	Spray Gun	3 Set	75,000	225,000
Q	Tablet Compression Machine (Jaguar)			
01	Punch	8 Set	243,500	1,948,000
02	Hopper	3 Set	30,000	90,000
03	Channel	1 Set	12,500	12,500
04	Feed Frame	1 Set	23,500	23,500
05	Dust Collector	5 Set	480,000	2,400,000
06	Polish machine	2 Set	170,000	340,000
R	Auto Capsule Filling Machine (2 Pcs)			
01	0 size	7 Set	225,000	1,575,000
02	1 size	5 Set	215,000	1,075,000
03	2 size	7 Set	200,000	1,400,000
Total				30,584,126

Sl. No.	Machine name and parts	No. of Parts	Value	Total Value
01	Tissue Box (Azitor-500)			
02	Tissue Box (OC-20)	10,500 Pcs	150	1,575,000
03	Tissue Box (Neoflox-500)	10,800 Pcs	150	1,620,000
04	Chemist Azitor Pad Small	10,300 Pcs	150	1,545,000
05	Chemist Azitor Pad Large	30,000 Pcs	10	300,000
06	Chemist OC-20 Pad Small	30,000 Pcs	13	390,000
07	Chemist OC-20 Pad Large	55,000 Pcs	10	550,000
08	Pen (Azitor-500)	20,200 Pcs	13	262,600
09	Pen (OC-20)	12,000 Pcs	9	108,000
10	Pen (Neoflox-500)	12,000 Pcs	9	108,000
11	Pen (GL-80)	12,000 Pcs	9	108,000
12	Product Card	12,001 Pcs	9	108,009
13	Literature	95,000 Pcs	3.5	332,500
14	Vita-C & Neoflox Shopping Bag	38,400 Pcs	5	192,000
15	Neopep & Cytocid Paper Bag	15,000 Pcs	23	345,000
16	Wall Clock	30,467 Pcs	1.75	53,317
17	Diary	15,000 Pcs	315	4,725,000
18	Card Holder	6,000 Pcs	350	2,100,000
		12,595 Pcs	75	944,625
Total				10,627,051

Grand Total	41,211,177

Shareholder's Note:

AMAR STOCK

CENTRAL PHARMACEUTICALS LTD.

Registered office: 2A/1, South-West Darus Salam Road, Mirpur-1, Dhaka-1216.

PROXY FORM

I/We.....
of.....
being a member of Central Pharmaceuticals Limited do heredy appoint.

Mr./Mrs/Miss ..... of
..... as my proxy to attend and vote for me/us and on my/our behalf at the 37th Annual General Meeting of the company, to be held on the Wednesday, 27 December, 2017 at 11.30 A.M. at Hall Patio, Gulshan Club Limited, House # NWJ/2/A, Bir Uttom Sultan Mahmud Road (Old 50), Gulshan-2, Dhaka-1212 or at any adjournment there of.

As witness my / our hand this ..... Day of December, 2016.

AFFIX
10 TK
STAMP

(Signature of the proxy)

Dated: .....

(Signature of the Shareholder)
Rcg. Folio/BOID #

Dated: .....

NOTE:

1) A member entitled to attend and vote at the 37th Annual General Meeting may appoinr at Proxy to attend and vote in his/her stead.
2) The Proxy Form, duly completed, stamped and signed must be deposited at least 48 hours before the meeting at the company's Registered Office.

CENTRAL PHARMACEUTICALS LTD.

Registered office: 2A/1, South-West Darus Salam Road, Mirpur-1, Dhaka-1216.

ATTENDANCE SLIP

I/ do herby record my attendance at the 37th Annual General Meeting being held on Wednesday, 27 December, 2017 at 11.30 A.M. at Hall Patio, Gulshan Club Limited, House # NWJ/2/A, Bir Uttom Sultan Mahmud Road (Old 50), Gulshan-2, Dhaka-1212.

Name of Member/Proxy .....

Folio/BO No | | | | | | | | | | | | | | | |

Signature
Dated: .....

Note:

(i) Shere holders attending the meeting in person or by Proxy are requested to complete the attendance Slip.
(ii) Signature of shareholder should confirm to the specimen signature recorded with the company.
(iii) Please bring this attendance slip with you. Admission into the meeting room will not be allowed without it

AMARSTOCK


Certificate
Best Enterprise
CENTRAL PHARMACEUTICALS LTD



Central Pharmaceuticals Ltd.

Corporate office
2-A/1, South West Darus Salam Road, (2nd Floor), Mirpur-1, Dhaka-1216
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E-mail: info@centralphl.com, www.centralphl.com
Factory
2-A/1, South West Darus Salam Road, Mirpur-1, Dhaka-1216
E-mail: cpl.factory@gmail.com