

ANNUAL
REPORT 2017-18

Indo-Bangla Pharmaceuticals Ltd.



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COMPANY PROFILE

Incorporation	As Private Limited Company	June 18, 2014 & Reg. no. C-116665/14
Converted Public Limited Company	21-Oct-14	
Commencement of Commercial Operation	18-Jun-2014	
Factory & Registered Office	729, College Road, Barisal Sadar, Barisal-8200.	
Corporate Office	Plot No. # 183 (6th Floor), Block # B, Ahmed Akbar Sobhan Road, Bashundhara R/A, Baridhara, Dhaka-1229.	
Nature of Business	The Company is engaged in manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health). The Company appliedfor permission for production and selling of veterinary medicine also.	

SHORT SYNOPSIS

Company Name	**: Indo-Bangla Pharmaceuticals Ltd. (IBPL)**
Company Logo	:
Trade License	: 01473
TIN No.	: 681332543219
Business Identification Number	: 15101029766
Import Registration Number	: BA-2227040
BAPI Membership No.	: BASS/MD-2018/68
Present Status	: Public Limited Company
Stock Exchange Listing	: Dhaka and Chittagong Stock Exchange
Trade Code	: IBP
Authorized Capital	: BDT 1,500,000,000.00
Paid-up Capital	: BDT 730,000,000.00 (As on June 30, 2018)
Employees	: 219
Corporate Office	: Plot No. # 183 (6th Floor), Block # B, Ahmed Akbar Sobhan Road, Bashundhara R/A, Baridhara, Dhaka-1229.
Factory & Registered office	: 729, College Road, Barisal Sadar, Barisal-8200
E-mail Address	: info@indo-banglapharma.com,
Website Address	: www.indo-banglapharma.com



AMARSTOCK



Mission
Vision

Mission:

To Provide innovative and quality medicines to improve the human beings in arena of health in need for best treatments.

Vision

be on the forefront of changing healthcare environment turning innovative science towards esteemed new treatment preferences.

HISTORY OF THE COMPANY

The Pharmaceutical sector is one of the most developed among the manufacturing industries in Bangladesh although it is still small compared to other comparable sectors. The increase in awareness about healthcare, higher income and increasing government expenditure have resulted in higher demand for medicine.

From the establishment,Indo-Bangla Pharmaceuticals Limited (IBPL) has been aiming to fulfill this fundamental demand of the people of Bangladesh and is committed to reach the healthcare service to the door step of the common people and all over the world.

On June 18, 2014, the company had been registered under the company act 1994 vide registration no. C116665/14 as private limited company. Subsequently the company has been converted to public limited company.

Since the beginning Indo-Bangla Pharmaceuticals Works was committed to provide high quality health care services in Bangladesh. The company is always devoted to ensure the high quality of medicine by implementing state of art technologies and modern machineries. Now Indo-Bangla Pharmaceuticals Limited becomes a reputed pharmaceuticals company in Bangladesh with a group of expert and experienced people. Our heritage and our values are the foundation of our mission to ensure health, heartiness and happiness for mankind.

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BOARD OF DIRECTORS AND MANAGEMENT OF THE COMPANY

Aziza Yeasmin	Chairman
A F M AnowarulHuq	Managing Director
HafizaYeasmin	Director
Md. Amin-Ur-Rashid	Director
SayedaHuq	Director
Fatima Parvin	Director
Mst. ShahanazAkter	Director
Md. MizanurRahman	Director
Md. Golam Rabbani Representative of Investment Corporation of Bangladesh (ICB)	Director
S.M. Harun Or Rashid	Independent Director
Md. Monirujjaman	Independent Director
Md. Firoz Khan	Independent Director



Chief Financial Officer
Mr. Md. Faruque Hossain

Company Secretary
Mr. Mohi Uddin

Audit Committee

Mr. S.M. Harun Or Rashid Independent Director	Chairman
Mr. A F M AnowarulHuq Managing Director	Member
Md. MizanurRahman Director	Member
Md. MustafizurRahman Manager (Admin)	Member
Mr. Mohi Uddin Company Secretary	Member Secretary

AMAR STOCK



MANAGING DIRECTOR'S STATEMENT

This is a great moment for me to be here with you at the 04th Annual General Meeting of Indo-Bangla Pharmaceuticals Ltd. On behalf of the Board of Directors and myself, I express my earnestappreciations and profound gratitude to you for your enormous support and coordination. It is also my privilege to present you Company's Annual Report for the Year ended June 30, 2018 along with our business performance. We are always trying to create the value for investment of the shareholders who have pledge their trust on us over the years.

Pharmaceutical sector is one the fastest growing industry and creating the enormous scope for better economic development of the country.Whereas economic development is undoubtedly a key determinant of market growth, it is not upfront to quantify the relationship of an exogenousfactor such as GDP growth rate, with market growth because of themultitude of a variety of factors influencing performance.

Regarding the fiscal year 2017-18 we are pleased with our overall performance of pharmaceutical business. In this year we have become a public listed company of Dhaka and Chittagong Stock Exchange Ltd. With gratitude to all respect personnel related to stock exchanges, banks, auditors, issue managers, media and specially the investors of all over Bangladesh having faith and showing keen interest to have share with our company. Looking at the performance of each molecule, it is clear that theprospects of endogenous growth remain good in Bangladesh. The examples of relatively old molecules which haveexperienced growth spurts in the local market simply because of thebacking of strong and sustained promotional programs.

As we have mentioned in the last few years, achieving growth year after year in the pharmaceutical business is becoming unite a challenge due to the scarcity of new pharmaceutical productsin the world. We have also stressed that in this environment of low R&D productivity, it has become increasingly important to efficiently utilize the full potential of existing product portfolio. To this end, wehave implemented and piloted a number of ideas over the last three years. I shall elaborate on the progress of our strategic actions laterin this statement.

Indo-Bangla Pharmaceuticals Ltd. truly believes that its people are its most valuable assets. Accordingly, the Company continued its programs for development of its human resources being the key contributor to Company's success. We value the contributions of our employees to the organization and adopted policy to reward them accordingly.

Indo-Bangla Pharmaceuticals Ltd. performed very well during the year 2017-2018. We believe that our endeavors and team work have enabled the Company to maintain its profitability under competitive industry scenario.

In 2018, the Company has maintained its growth in Profit comparing to the previous year. It is anticipated that positive momentum will continue in the coming year. Based on performance and business results the Board has recommended 10% Stock dividend totaling 10% for the year 2017-2018.

At Indo-Bangla Pharmaceuticals Ltd. we are working for a better future for our stakeholders, buyers, employees and society at large. At this occasion, I would like to thank the employees, without their efforts and commitments we would not have earned such a strong business position. I would also like to extend my gratitude to the Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies and Firms, National Board of Revenue, Central Depository Bangladesh Limited and our numerous shareholders for their valuable guidance, support and cooperation at the time of our needs. Our commitment is to attain our cherished mission through execution of prudent business strategies while ensuring that we contribute positively towards the furtherance of our national economy.



OUR OFFER



Indo- Bangla Pharma currently produces more than 87 brands. Indo-Bangla Pharma's portfolio encompasses various the categories, including analgesics, respiratory, cardiovascular, central nervous system, dermatology,gastrointestinal etc. The company has sound expertise with specialized and advanced drug delivery systems that havecreated strong differentiation. Many of its brands remain consistent leaders in their respective therapeutic categories andthe company continuously reviews and expands its product portfolio in order to ensure that people have access to newer,better treatment options at affordable cost. The expanding portfolio, including high value, differentiated, and difficult tocopy products will continue to drive strong growth in the coming days.

Manufacturing Capabilities

In line of International standards, our state of the manufacturing facilities is spread across a 37.40 decimals area located near the heart of Barisal city, Barisal, which houses facilities for manufacturing tablets, capsules, intravenous fluids, liquids, suppositories, injectable as well as the bulk paracetamol production unit. There are also water purifying and liquid nitrogen generation facilities. Currently being constructing with largercapacity to provide to the emergent demand.



Research & Development

"As commitment to discovery and development of drug, IBPL has an ironic and unique pipeline that is persistently surfacing."



A part from the hundreds of different drug contenders and new technologies under our investigation in our laboratories, we significantly identify and strictly prioritize those with the greatest potential to deliver new standards of care – critical for our commitment to produce the best therapies.

We intent to develop drugs that accurately target biological processes in patients with specific disease profiles, with companion diagnostics to identify those people who will receive most benefit.

We proactively utilize external resources and specialist excellence at every stage of the R&D process – enabling us to deliver as many innovative new drugs as possible. In the drug discovery & development phase, we partner and collaborate with public and private organizations to harness complementary capabilities to medical science.

Quality Compliance

To preserve and improve patient health by consistently delivering high quality, safe and effective specialty pharmaceutical products and services, that meet or exceed customer expectations. IBPL is committed to successful deploying our company's Quality Policy to all aspects of our activities - assuring continued high quality, usefulness and effectiveness of products for our customers. Having an experienced workforce, equipped with continuing education and training in emerging Quality techniques and philosophy.

Our People

Indo- Bangla Pharmaceuticals'success and accomplishments story lies on 219 strong & skilled workforces, who have stood by the company through thick and thin. The IBPL workforce is charged with the life-force from highly skilled and dedicated professionals. People are our most valuable assets and we always recognize that they are the essence of this company and their collective resolve to excel- will propel us forward to reach new heights. We seek to provide a workplace thatinspires people to be the best they can be. Our ability to transform ourselves is driven by a strong emphasis on employeeempowerment at every level.

CORPORATE EVENTS

As our strategic commitment; corporate social responsibility (CSR) is an integral part of our company and continually guided by ethical values to operate responsibly in socio-economic context. We truly believe one can only be affluent if one generates value not just for the company but also for the society. We contribute to society by supporting thecommunities to achieve sustainability and growth by improving the health and wellbeing.

The company believes in enriching the lives of people by providing innovative high quality medicines with affordable price. We strongly believe in stirring the lives of people of employees by giving them the scope of growth and achievement, providing fair employment conditions and having a safe & health environment.

We support charitable projects in area of health-care through Rotary, support various Mosque, School and NGOs in selected programs, arrange & participate medical camps and consistently reach out beyond the boundaries of our company to touch societies in which we work. We assist and provide aid in the event of disasters and other emergency situations.

We demonstrate our commitment towards environment by following environment friendly practices across the organization and ensuring manufacturing facilities continuously reducing impact on the environment.

TRANSMITTAL LETTER

The Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Sub: Annual Report for the year ended June 30, 2018

Dear Sir/Madam (s)

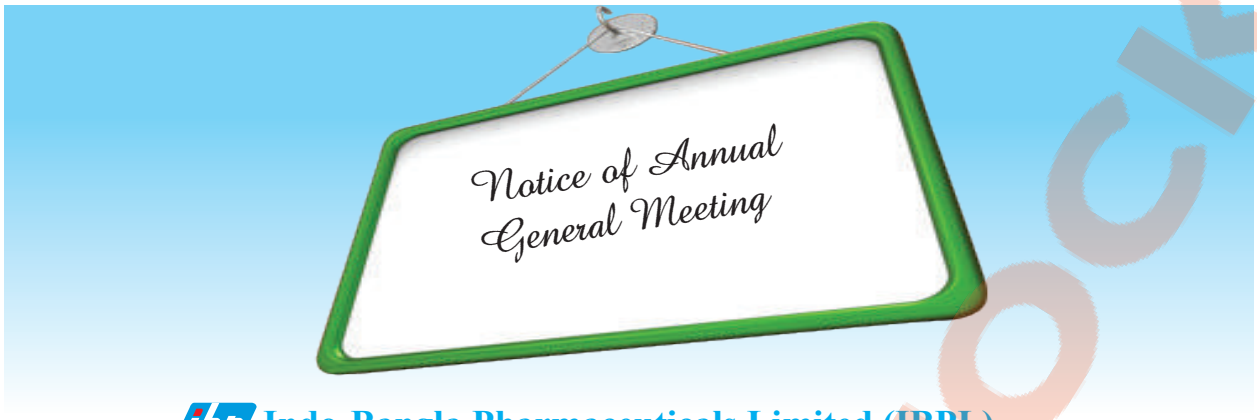
We are pleased to enclose a copy of our Annual Report and Audited Accounts including a Statement of Financial Position, a Statement of Comprehensive Income, and notes and annexes as needed for the year that ended June 30,2018.

We hope you enjoy reviewing the Report and seeing how IBPL hasgrown as a company over the past year.

Yours sincerely,

Company Secretary
Indo-Bangla Pharmaceuticals Ltd.





Indo-Bangla Pharmaceuticals Limited (IBPL)

Bashundhara R/A, Baridhara, Dhaka-1229

Notice of the 04th Annual General Meeting (AGM)

Notice is hereby given to all the Shareholders of Indo-Bangla Pharmaceuticals Limited that the 04thAnnual General Meeting (AGM) of the Company will be held on Thursday, 06thDecember 2018 at 10:00a.m. at the "Barisal Club", Barisal to transact the following business.

AGENDA

01. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2018 together with the report of the Directors' and Auditors' thereon.
02. To declare dividend as recommended by the Board of Directors.
03. To elect Directors as per Articles of Association of the Company.
04. To appoint Statutory Auditors of the Company and fix their remuneration.
05. To appoint professionals for reporting on Corporate Grovernance code of the company and fix their remuneration
06. To transact any other business with the permission of the Chair.

By order of the Board

Sd/
Mohi Uddin
Company Secretary

Dated: Dhaka
November 22, 2018

Note:

01. The Shareholders whose names will appear in the Share Register of the Company or Depositary Register of CDBL as on the Record Date i.e. November 15, 2018will be eligible to attend the 04th Annual General Meeting (AGM) and qualify for the dividend.
02. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf. Proxy form must be affixed with requisite revenue stamp and must be submitted at the corporate office of the Company, not more than 48 hours before the time fixed for the meeting.
03. Admission to the meeting will be strictly depending on production of the attendance slip sent with the notice as well as verification of signature of Members/ (S) and/or Proxy holders/(s).
04. Shareholders are requested to update their BO account with ETIN in their respective Brokerage House to avoid deduction of 15% tax instead of 10% for individuals as per Section 54 of the amended Income Tax Ordinance, 1984.

    N.B: In compliance with Bangladesh Securities and Exchange Commission's Circular No. BSEC/CMRRCD/2009-193/154 dated October 24, 2013, no gift/gift coupon/food box/benefit in cash or in kind shall be distributed/paid to the Shareholders for attending the 04thAnnual General Meeting.

AMARSTOCK

DIRECTOR'S REPORT TO THE SHAREHOLDERS

Bismillahir Rahmanir Rahim

Dear Shareholders

Assalamualaikum,

On behalf of the Board of Directors of Indo-Bangla Pharmaceuticals Limited(IBPL), I welcome you all to the 04thAnnual General Meeting. It is our pleasure to appear before you the Audited Financial Statements of the Company for the year ended June 30, 2018, Auditors' Report and the Directors' Report thereon along with Company's performance and other matters in terms of Companies Act 1994, listing regulations of DSE and CSE, the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Accounting Standards and other applicable rules & regulations.

Background

Indo-Bangla Pharmaceuticals Limited (IBPL) was incorporated with the Registrar of Joint Stock Companies and Firms (RJSC) on June18, 2014 and was converted into a Public Limited Company on October 21, 2014 under the Companies Act, 1994. The Company went for Initial Public Offering of shares in 27th October 2016. The Company was listed with Dhaka Stock Exchange Limited (DSE) on 23th September 2018 and Chittagong Stock Exchanges Limited (CSE) on 30th September 2018 The Authorized capital of the company is Tk. 1,500 million and paid-up capital 730.00 million as at June 30, 2018.

Business Activities

Turnover during 2017-18 was Taka 659.97 million registering a growth of 07.01 % over last year's turnover of Taka 616.71 million. Profit after tax was Taka 98.49 million, a growth of 11.45% over last year's profit after tax of Tk. 88.37 million. Earnings per Share (EPS) stood at Taka 1.35 against Taka 1.21fromprevious year.

The operating financial results of the Company for the year 2017-2018 as compared to previous year are summarized hereunder:

Particular	2017-2018	2016-2017
Turnover	659,971,100	616,711,210
Gross Profit	260,400,732	234,910,917
Financial Expenses	-	-
Non-Operating Income	5,927,580	10,533,254
Net Profit Before Tax (NPBT)	151,529,230	135,957,956
Provision for Taxation	53,035,230	47,585,285
Net Profit After Tax (NPAT)	98,493,999	88,372,671
Gross Margin (Turnover)	39.46%	38.09%
Net Margin Before Tax	22.96%	22.05%
Net Margin After Tax	14.92%	14.33%
Earnings Per Share (EPS) BDT.	1.35	1.21
Number of Shares used to compute EPS	73,000,000	73,000,000

Industry outlook and possible future developments in the industry

The Pharmaceutical sector is one of the most developed among the manufacturing industries in Bangladesh although it is still small compared to other comparable sectors. The increase in awareness about healthcare, higher income and increasing government expenditure have resulted in higher demand for medicine.

As mentioned earlier, the Company is engaged in manufacturing, marketing and distribution of generic pharmaceuticals products which include human drugs dosages form such as tablet, capsule, syrup, oral saline, suspension etc. The products of the Company are sold in domestic market. The Company applied for permission for production and selling of veterinary medicine also. As one of the pioneer pharmaceuticals manufacturers in Bangladesh, we try to make full use of the market scope, our business potentials and dynamics to benefit the best interests of our shareholders.

The company has been operating its operation for a long time with reputation and commitment. With vast experience in pharmaceuticals manufacturing, we are confident and believe that we can hold on our reputation as a quality manufacturer. We have plans to add other items of pharmaceuticals in our product line.

Segment wise Reporting

The company operates only in one segment, which is manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health). The Company applied for permission for production and selling of veterinary medicine also.

Risk and concerns

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any insufficiency or price hike of raw materials due to change in policy in the international market might hamper the production and profitability. Changes in currency exchange rates might also affect the pricing and thereby the profitability of the Company.

The performance of the company may also be affected negatively by the political and economic instability both in Bangladesh and worldwide.

Similarly, risks factors of the industry depend on the Government polices as well. However, the industry is also exporting abroad. Currently, formulations are exported to 92 countries around the world. The major destinations for Bangladeshi medicines are Myanmar, Sri Lanka and Kenya, while nearly 50 countries import Bangladeshi medicines regularly. The growth in exports has averaged over 10% from 2010 to 2014. In 2015, the exports were over $ 41.17 million. Unless any policy change that may negatively and materially affect the industry as a whole, the business of the company is expected not to be affected in the short run.

Profit from Operation	30-June-18		30-June-17	
	Amount	Percentage	Amount	Percentage
Turnover	659,971,100	100.00	616,711,210	100.00
Cost of Goods Sold	399,570,368	60.54	381,800,293	61.91
Gross Profit	260,400,732	39.46	234,910,917	38.09
Net Profit for the year	98,493,999	14.92	88,372,671	14.33

Discussion on continuity of extraordinary gain or loss

Extraordinary gains or losses refer to irregular and infrequent gain or loss and which is not part of the Company's ordinary/day to day operations. As for the Company, there was no such gain or loss during the year under reporting.

Related party transactions

Related party transactions are presented in note no. 33 of the notes to the financial statements.

Utilization of IPO fund

We have raised Tk. 200,000,000 through IPO in the year 2018 and have been starting utilization of IPO proceeds in the financial year 2018-2019 and completed in the middle of 2020. The break-up of total IPO proceeds are as follows:

Sl.	Particulars	Amount in Tk.
1	Construction and other civil works	58,580,000
2	Machineries	124,720,000
3	IPO Expenses	16,700,000
	Total	200,000,000

Significant variance of financial statements

No significant variation occurred between quarterly and final results of the Company during the year ended June 30, 2018.

Compliance of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

Board Size
The number of members of the Board of Directors stands at 12 (including Three Independent Director) which are within the limits given by the BSEC Notification.

Company Secretary, Chief Financial Officer, Head of Internal Audit
As per corporate governance code of BSEC, the company has allocated the responsibilities of the officials as follows:

Company Secretary	: Mohi Uddin
Chief Financial Officer	: Md. Faruque Hossain
Head of Internal Audit	: Md. Abu Taleb

Audit Committee
The Audit Committee, as a sub-committee of the Board has been constituted with 1 (one) Independent Director as Chairman and 2 (two) other Directors as members. The Company Secretary acts as Secretary to the Audit Committee. This committee assists the Board of the company in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company. Audit Committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The roles and functions of the Audit Committee have been stated in the annual audit committee report and it is annexed herewith.

Nomination and Remuneration Committee (NRC)
The Nomination and Remuneration Committee (NRC), as a sub-committee of the Board of Director has been constituted with 3 (three) board of directors with 1 (one) Independent director as a chairman. The company Secretary acts as Secretary to the Committee. The Nomination and Remuneration Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive of the company. NRC is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. Since the corporate governance code has been adopted on 03 June, 2018, we have been taking necessary steps to comply with.

External Statutory Auditors
The BSEC guidelines are being strictly followed in engaging statutory Auditors.

Maintaining a website
The company has been maintaining an official website www.indo-banglapharma.com which is linked with the website of the stock exchange.

Subsidiary Company
The company has no subsidiary company.

Duties of Managing Director
The provision of BSEC regulations has been compiled in the annual report

Reporting and Compliance of Corporate Governance Code
Status of compliance with the conditions imposed by the Commission's Notification No BSEC/CMRRCD /2006-158/207/Admin/80 dated 03June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

Directors' Appointment and Re-Appointment
With regard to the appointment, retirement and re appointment of directors the company is governed by its Articles of Association, the Companies Act, 1994 and other related legislations. Accordingly the following directors of the board will retire at the Annual General Meeting.

shareholding pattern

Shareholding pattern

The shareholding of directors at the end of 30 June, 2018 is shown as bellow:

Sl/No	Name of Shareholder	Description	Number of Shares	Amount (Taka)	%
a) Parent or Subsidiary or Associated Companies and other related parties;			Nil	Nil	Nil
b) Director, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children;					
1	Aziza Yeasmin	Chairman	2,005,000	20,050,000	2.747%
2	A F M Anowarul Huq	Managing Director	12,435,000	124,350,000	17.034%
3	Hafiza Yeasmin	Director	2,005,000	20,050,000	2.747%
4	Md. Amin -Ur-Rashid	Director	2,515,000	25,150,000	3.445%
5	Fatima Parvin	Director	2,461,000	24,610,000	3.371%
6	Sayeda Huq	Director	2,001,000	20,010,000	2.741%
7	Mst. Shahnaj Akter	Director	2,051,000	20,510,000	2.810%
8	Mizanur Rahman	Director	2,051,000	20,510,000	2.810%
9	Investment Corporation of Bangladesh Represent by Md. Golam Rabbani	Director	15,000,000	150,000,000	20.548%
C) Executive (Top five salaried employees)					
10	Md. Faruque Hossain	CFO	-	-	-
11	Md. Shamem Gazi	CS	-	-	-
12	Md. Abu Taleb	HIA	-	-	-
13	Shah-E-Azam	Plant Manager	-	-	-
14	Mizanur Rahman	Manager Operation	-	-	-
d) Shareholders holding 10% or more voting interest in the company			-	-	-

Directors involved in other Companies

SL	Name	Designation in IBPL	Directorship/Ownership with Other Companies	
			Companies	Position
1	Aziza Yeasmin	Chairman	-	-
2	A F M Anowarul Huq	Managing Director	-	-
3	Hafiza Yeasmin	Director	-	-
4	Md. Amin-Ur-Rashid	Director	-	-
5	Sayeda Huq	Director	-	-
6	Fatima Parvin	Director	-	-
7	Mst. ShahanazAkter	Director	-	-
8	Md. Mizanur Rahman	Director	-	-
9	Investment Corporation of Bangladesh Represented by Md. GolamRabbani	Director	-	-
10	S.M. Harun Or Rashid	Independent Director	-	-
11	Md. Moniruj jaman	Independent Director	-	-
12	Md. Firoz Khan	Independent Director	Sabila Sea Foods Ltd.	Director

Director's Remuneration

Director's remuneration is shown in the note no. 33 (a) of the notes to the Financial Statements. There is no remuneration for Independent Directors.

Statement of Directors on Financial Reports

In accordance with the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018; the Directors are pleased to confirm the following:

a) The financial statements together with notes thereon have been drawn up in conformity with the Companies Act, 1994 and The Securities and Exchange Rules 1987. These statements present fairly the company's state of affairs, the result of its operations, cash flows and changes in equity.

b) Proper books of accounts of the company have been maintained.

c) Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

d) International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in the preparation of the financial statements.

e) Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

f) The system of internal control is sound and has been implemented and monitored effectively.

g) No bonus shares or stock dividend has been or shall be declared as interim dividend.

h) The key operating and financial data for the last four years. (Page 18)

Going Concern

While approving the financial statements, the directors have made appropriate inquiries and analyzed the significant financial, operating as well as other indicators for enabling them to understand the ability of the Company to continue its operation for a conceivable period. Directors are confident and have a reasonable expectation that the Company has adequate resources to continue its operation consistently for the predictable future. Therefore, the company adopted the going concern basis in preparing the financial statements.

Significant deviation of Operating Result
There is no significant deviation from the last year's operating result of the Company.

Board Meeting and Attendance
During the year, 10 (Ten) nos. of Board Meetings were held. The attendance record of the directors is as given below:

Name	Designation	Attendance	Amount in (BDT)
			2017-18
Mrs. Aziza Yeasmin	Chairman	10	50,000
Mr. A.F.M AnowarulHuq	Managing Director	10	50,000
Mrs. HafizaYeasmin	Director	10	50,000
Md. Amin-Ur-Rashid	Director	8	40,000
SayedaHuq	Director	8	40,000
Fatima Parvin	Director	7	35,000
Mst.ShanajAkter	Director	7	35,000
MizanurRahman	Director	7	35,000
S.M. Harun Or Rashid	Independent Director	4	20,000
Md. Monirujjaman	Independent Director	3	15,000
Md. Firoz Khan	Independent Director	3	15,000

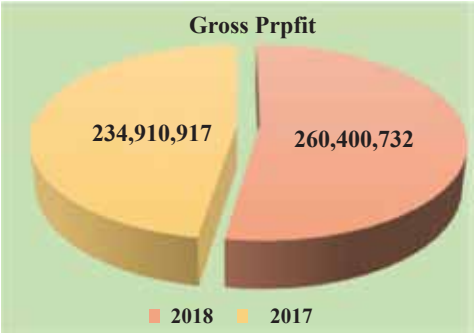
Dividend
The Board of Directors at its board meeting held on 25 October 2018 recommended 10% Stock dividend for all share-holders of the paid-up capital for the year ended 30 June 2018. This dividend is subject to final approval by the share-holders at the forthcoming Annual General Meeting (AGM) of the company.

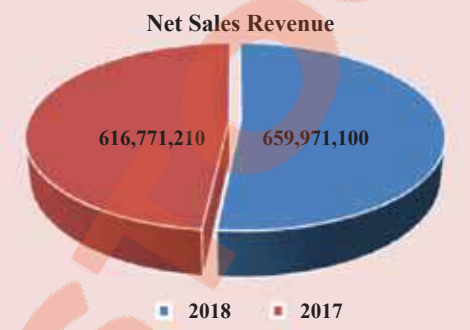
Key Operating and Financial data:
Summary of key operating and financial data for the least preceding 4 (four) years are as follows:

Financial Highlights:

Operational Result	Amount in Taka			
	30 June 2018	30 June 2017	30 June 2016	30 Dece 2015
Turnover	659,971,100	616,711,210	444,777,724	435,024,108
Gross Profit	260,400,732	234,910,917	182,248,732	177,140,449
Profit from Operation	153,178,111	132,222,600	94,497,109	92,419,984
Net Profit before tax	151,529,230	135,957,956	90,807,238	92,629,642
Net Profit after Tax	98,493,999	88,372,671	59,024,705	60,209,267
Net Operating Cash Flow per Share	1.20	1.09	0.19	7.56
Financial Position	**30 June 2018**	**30 June 2017**	**30 June 2016**	**30 Dece 2015**
Non-Current Assets	654,019,821	536,553,973	330,469,857	158,274,850
Current Assets	565,947,614	541,115,957	614,908,956	224,744,682
Shareholder's Equity	1,036,100,643	937,606,643	849,233,972	159,209,267
Current Liability	116,617,191	101,883,096	82,321,162	219,787,471
Non-Current Liability	67,249,601	38,180,191	13,823,879	4,022,794
Key Financial Ratio	**30 June 2018**	**30 June 2017**	**30 June 2016**	**30 Dece 2015**
Current Ratio	4.85	5.31	7.47	1.02
Quick Ratio	2.40	2.75	4.29	0.22
Debt to Equity Ratio	-	-	-	-
Net Income Ratio (%)	14.92%	14.33%	13.27%	13.84%
Return on Equity (%)	9.98%	9.89%	11.71%	37.82%
Earnings Per Share	1.35	1.21	2.62	6.40

Key Financial Ratio	30 June 2018	30 June 2017	30 June 2016	30 Dece 2015
Current Ratio	4.85	5.31	7.47	1.02
Quick Ratio	2.40	2.75	4.29	0.22
Debt to Equity Ratio	-	-	-	-
Net Income Ratio (%)	14.92%	14.33%	13.27%	13.84%
Return on Equity (%)	9.98%	9.89%	11.71%	37.82%
Earnings Per Share	1.35	1.21	2.62	6.40





Statutory Auditors

The Auditors of the Company, M/S Mahfel Huq & Co., Chartered Accountants, 4th Floor, BGIC Tower, 34 Topkhana Road, Dhaka-1000, Bangladesh has carried out the audit of the company for the year ended 30 June 2018. They were appointed as Statutory Auditor in 3rd AGM. As per regulation 15 (2) & (3) of DSE and CSE (listing) regulations, 2015 existing auditor is eligible for re-appointment. Accordingly the Board of Directors has recommended for re-appointment of M/S Mahfel Huq & Co., Chartered Accountants, 4th Floor, BGIC Tower34 Topkhana Road, Dhaka-1000, Bangladesh at an annual fee of Tk. 1,72,500/=(Taka One Lac Senenty two Thousand and Five hundred Only) including VAT . A proposal for re-appointment of M/S Mahfel Huq & Co., Chartered Accountants as auditor for the year 2018-2019 of the Company will be placed in the forthcoming 4th AGM for shareholder's approval and fixation of their fees.

Professionals for Compliance of Corporate Governance Code

The Board has appointed M/s. Ahmad & Akhtar Chartered Accountants, BCIC Bhaban (3rd Floor) 30-31, Dilkhusha, C/A, Dhaka-100. as professional for Report on Compliance Governance Code for the year 2018-2019 of the Company will be placed in the forthcoming 4th AGM for shareholder's approval and fixation of their fees.

Acknowledgment

The Company expresses its sincere thanks and gratitude to the respected shareholders, valued clients, Banks and well-wishers home and aboard for their wholehearted co-operation and active support.

We are thankful to the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Registrar of Joint Stock Companies & Firms (RJSCF), Government and private sector Organization and many others for extending their co-operation to our company.

I, on behalf of the Board, also put on record my deep appreciation for the services and loyalty of the executives, officers and employees of the company at all levels without which we could not have achieved this result.

Thanks are also due to all directors, all executives, officers, staffs and workers of the company for their excellent, sincere, dedicated efforts in achieving company's target during the year under review.

To ensure financial security we always welcome your suggestions and opinion to improve present and future services of the company.

I now appeal to the generousness of valued shareholders to kindly accept and approve the Auditors' Report, Annual Audited Accounts 2017-2018 and Directors' Report placed before you.

Thanking you.

On behalf of the Board of Directors

Sd/-
(Aziza Yesmin)
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL POSITION AND PERFORMANCE

For last four financial years the company generated moderate growth in sales. In 2015, sales stood Tk. 435,024,108 and now in 2018 sales stand Tk. 659,971,100 In line with sales, net profit after tax had been increased from around Tk. 60,209,267 in 2015 to Tk. 98,493,999 in 2018. In the last five financial years, net operating cash flow per share was positive. In the back drop of above scenario, it indicates the company is moving forward and it has good promise in the long run.

Accounting policy and estimation for preparing financial statements have been remained same as it was before. Hence, there is no effect in this regard.

The economic scenario of Bangladesh has been good. In last fiscal year Bangladesh enjoyed 7.86% economic growth. Per capita income has been increased to USD 1,751 in 2017-18, which was USD 1,610 in fiscal year 2016-17. We are going to be middle income country by 2027. Export is experiencing mild growth and Foreign Reserve around USD 32 billion plus. The world economy has been recovering from economic meltdown of 2008. Global growth for 2018-2019 is projected to remain steady at its 2017 level. Global growth is projected at 3.7 percent for 2018–2019.
Global importers have realized that Bangladesh is not only competitive in price but also quality full pharmaceuticals are available here. The industry is also exporting abroad. Currently, formulations are exported to 92 countries around the world. The major destinations for Bangladeshi medicines are Myanmar, Sri Lanka and Kenya, while nearly 50 countries import Bangladeshi medicines regularly. The growth in exports has averaged over 10% from 2010 to 2014. In 2015, the exports were over $ 41.17 million. Pharmaceutical companies are trying to export to regulated, unregulated and moderately regulated markets. The domestic market is highly concentrated and competitive. The local manufacturers dominate the industry capturing market share of 90%. While the multinationals cater to the remaining demand.
Indo Bangla Pharmaceuticals Ltd. have visualized exploring the opportunities and invested in this sector in order to fulfill the increasing demand of quality full medicine for Local &Global Market.

Sd/-
A F M Anowarul Huq
Managing Director

PRODUCT PORTFOLIO:

Major Products

Group	Trade Name	Generic Name
Antiulcerants & Antacids	Capsule Protobit 20mg	Omeprazole BP (Enteric Coated Pellets)
	Tablet Indostin -R 150	Ranitidine Hydrochloride USP
	Tablet Trialugel 250mg & 400 mg	Aluminium Hydroxide Dried Gel BP Magnesium Hydroxide BP
	Tablet Paramol Plus 500mg & 65 mg	Paracetamol BP Caffeine BP
	Tablet Paracetamol 500mg	Paracetamol BP
	Suspension Paramol	Paracetamol BP
Antifilariasis	Tablet Indo -Fila 100mg	Diethylcarbamazine Citrate BP
Antihistamine &Antiallergic Preparations	Elixir Arromin	Promethazine Hydrochloride BP
	Tablet I –Cet 10mg	Cetirizine Hydrochloride BP
	Syrup I –Cet	Cetirizine Hydrochloride BP
	Elixir Arromin	Promethazine Hydrochloride BP
	Tablet Indosin	Chlorpheniramine Maleate BP
	Syrup Indosin	Chlorpheniramine Maleate BP
Anti-Anaemia	Syrup Auriotone	Ferrous Sulphate BP
	Capsule I Need Z	Ferrous Sulphate, Folic Acid, Zinc Sulphate USP
	Tablet I -Fol	Ferrous Fuma rate & Folic Acid
	Tablet I -Fol Plus	Ferrous Fumarate & Folic Acid
	Syrup Auriotone	Ferrous Sulphate BP
	Capsule I Need Z	Ferrous Sulphate, Folic Acid, Zinc Sulphate USP
	Tablet I -Fol	Ferrous Fumarate & Folic Acid
Anthelmintic	Tablet Mebendox 100 mg	Mebendazole BP
	Suspension Mebendox	Mebendazole BP
	Tablet Albendox 400mg	Albendazole USP

Group	Trade Name	Generic Name
Anti-Asthmatic Preparations	Syrup Sulbumol	Salbutamol Sulphate BP
	Tablet Sulbumol 2.0mg	Salbutamol Sulphate BP
	Tablet Sulbumol Plus 4.0mg	Salbutamol Sulphate BP
	Tablet Indophylline 100mg	Aminophylline BP
Antibacterial & Antimicrobials		
Macrolides	Capsule Indozith 250mg	Azithromycin Dihydrate USP
	Tablet Indozith 500 mg	Azithromycin Dihydrate USP
	Indozith Powder fo r Suspension	Azithromycin Dihydrate USP
Quinolones	Tablet Cipro –I 750mg	Ciprofloxacin Hydrochloride USP
	Tablet Cipro –I 500mg	Ciprofloxacin Hydrochloride USP
Penicillins	Tablet Indomox 250mg	AmoxycillinTrihydrate BP
	Capsule Indom oxin 250mg	AmoxycillinTrihydrate BP
	Capsule Indomoxin 500mg	AmoxycillinTrihydrate BP
	Indomoxin Powder for Suspension	AmoxycillinTrihydrate BP
	Capsule Indoflox 250mg	Flucloxacillin Sodium BP
	Capsule Indoflox 500mg	Flucloxacillin Sodium BP
	Indoflox Powder For Suspension	Flucloxacillin Sodium BP
	Indomoxin Powder for Paediatric Drops	AmoxycillinTrihydrate BP
	Capsule I -Cillin 250mg	Ampicillin Trihydrate BP
	Capsule I -Cillin 500mg	Ampicillin Tr ihydrate BP
	I-Cillin Powder for Suspension	Ampicillin Trihydrate BP

Group	Trade Name	Generic Name
Penicillins	Tablet Indomox250mg	AmoxycillinTrihydrate BP
	Capsule Indomoxin250mg	AmoxycillinTrihydrate BP
Tetracycline Group of Drugs	Capsule Indotetra500mg	Tetracycline Hydrochloride BP
	Capsule Indox	Doxycycline Hydrochloride BP
Sulphonamides	Tablet Cotrimox400mg & 80mg	Sulphamethoxazole BP Trimethoprim BP
	Tablet Cotrimox-DS 800mg & 160mg	Sulphamethoxazole BP Trimethoprim BP
	Suspension Cotrimox	Sulphamethoxazole BP Trimethoprim BP
Cephalosporins&Cephamycins	Capsule Indocef	Cephradine Monohydrate BP
	Indocef DS Powder for Suspension	Cephradine Monohydrate BP
	IndocefPowder for Suspension	Cephradine Monohydrate BP
	IndocefPowder for Paediatric Drops	Cephradine Monohydrate BP
Gastroprokinetic & Antiemetic Preparations	Tablet I-Pedom 10mg	Domperidone Maleate BP
	Suspension I-Pedom	Domperidone BP
Antifungal (Dermatological) Preparations	Tablet Gyfusin 500 mg	Griseofulvin BP
Antiprotozoal Preparations	Tablet Metrol 200mg	Metronidazole BP
	Tablet Metrol 400 mg	Metronidazole BP
	Suspension Metrol	Metronidazole Benzoate BP
Bone Calcium Regulator	Tablet Caltab 300 mg	Calcium Lactate BP
	Tablet Indocal 1250 mg	Calcium Carbonate BP

Group	Trade Name	Generic Name
Cough Expectorant	Syrup Indocof	Dextromethorphan Hydrobromide BP Pseudoephedrine Hydrochloride BP Triprolidine Hydrochloride BP
Vitamins & Minerals	Tablet Indocal –D	Calcium C arbonate & Vitamin D 3
	Tablet Calfresh -M	Calcium Carbonate BP, Vitamin D3, Magnesium Oxide BP, Zinc Oxide BP, Cupric Oxide Ph.Gr., Manganese SulphateManahydrate BP, Boron Citrate Ph.Gr.
Urinary Anti -Infective	Tablet Naldic 500mg	Nalidixic Acid BP
Non-Hormone Sex Stimulant Drugs	Tablet Makmaul Sanagra -100mg	Sildenafil Citrate BP

AMAR STOCK

Annexure-A
[As per Condition No. 1(5)(XXV)]

INDO BANGLA PHARMACEUTICALS LIMITED

MANAGING DIRECTOR & CFO'S DECLARATION

The Board of Directors
Indo Bangla Pharmaceuticals Limited
Plot # 183, (6th Floor), Road # 4
Block # B, Ahmed Akbar Sobhan Road
Basundhara R/A, Baridhara
Dhaka 1212, Bangladesh.

Subject: Declaration on Financial Statements for year ended June 30, 2018.

Dear Sir
Pursuant to the condition no.1 (5) (XXV) imposed vide the Commission's notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 under section 2CC of the Securities & Exchange Ordinance 1969, we do hereby declare that:

1. The financial statements of Indo Bangla Pharmaceuticals Ltd. for the year ended on June 30, 2018 have been prepared in compliance with International Accounting Standards (IASs) or International financial Reporting Standards (IFRSs), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the companies state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exist no materials uncertainly related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

In this regard we also certify that:-
We have reviewed the financial statements for the year ended on June 30, 2018 and that to the best of our knowledge and belief;

(a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
(b) These statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

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 code of conduct for the company's board of directors or its members.

Sincerely yours,

Sd/-
(A F M AnowarulHuq)
Managing Director

Sd/-
(Md. FaruqueHossain)
Chief Financial Officer

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES

আহমদ এন্ড আখতার
AHMAD & AKHTAR
Chartered Accountants

3E ACCOUNTING
Independent Member
Website: http://www.3ecpa.com.sg

Report to the Shareholders of Indo-Bangla Pharmaceuticals Ltd.
on
Compliance on the Corporate Governance Code
[As per condition No. 1(5)(xxvii)]

We have examined the compliance status to the **Corporate Governance Code** by **Indo-Bangla Pharmaceuticals Ltd.** for the year ended on 30 June 2018. This Code relates to the Notification No. Compliance of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission {Except condition # 1(7)(b) and 6(5)(C) of Annexure- B};

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act 1994, the Securities Laws and other relevant Laws; and

(d) The Governance of the company is satisfactory.

Dated: 18 November 2018
Place: Dhaka

AHMAD & AKHTAR
Chartered Accountants

National Office:
BCIC Bhaban (3rd Floor)
30-31 Dilkusha C/A
Dhaka-1000, Bangladesh.
Ph: 88-02-9561269,9670299
Fax: 88-02-9564366
E-mail: aacano120@gmail.com

Dhaka Branch Office:
39, Dilkusha (4th Floor)
C/A, Dhaka-1000.
Ph: 88-02-717-4980, 9558706

web: www.aacabd.com

Chittagong Branch Office:
Isabella Tower, Level-4 I BBL
Halishahar, BoropoolChittagong-4000
(M) 01715429980

Annexure-B

Indo-Bangla Pharmaceuticals Ltd.

Status of Compliance with the Corporate Governance Guideline (CGC)

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
1	**Board of Directors**			
1(1)	**Size of the Board of Directors**			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	√		
1(2)	**Independent Directors**			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
1(2)(b)	***For the purpose of this clause 'independent director' means a director-***			
1(2)(b)(i)	Who either 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)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		

1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	√		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		Independent directors has been appointed on 30.07.2018 by the board of directors and to be placed before the shareholders for approval in the 11th AGM.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	√		
1(3)	**Qualification of Independent Director**			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1(3)(b)	**Independent Director shall have following qualifications**			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	N/A
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	√	-	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	N/A

1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;			No such issue arose
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1(4)(e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	**The Directors' Report to Shareholders:**			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act No. XVIII of 1994):-			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);			No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other 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 Share Offer, Direct Listing, etc;			No such issue arose
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;			No such matter to explain
1(5)(x)	A statement of remuneration paid to the 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 account 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) or International Financial Reporting Standards (IFRS), 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)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	There is no significant doubt 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 there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			No such matter to explain
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			The BOD declared dividend
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives; and	√		

1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	√		
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas;	√		
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		
1(5)(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	√		
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
1(6)	**Meetings of the Board of Directors:**			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		

1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.		√	Will be complied within stipulated time
2	**Governance of Board of Directors of Subsidiary Company**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	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
2(d)	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
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)**			
3(1)	**Appointment**			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3(2)	**Requirement to attend Board of Directors' Meetings:**			

	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board provided that CS, CFO and HIAC shall not attend such part of a meetings of the Board relating to their personal matter.	√		
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)	The MD or 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:	√		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	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;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3(3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee:-** For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5	**Audit Committee**			
5(1)	**Responsibility to the Board of Directors**			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board 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;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		

5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before 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 shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such Incident arose
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	**Role of Audit Committee**: The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		

5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			Utilization Proceeds not yet started
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;			No such Incident arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such Incident arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			No such Incident arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such Incident arose
5(6)(b)	**Reporting to the Authorities:**			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board 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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such reportable incident arose
5(7)	**Reporting to the Shareholders and General Investors:**			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	**Nomination and Remuneration Committee (NRC)**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		

6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2) (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such Incident arose
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such Incident arose
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such Incident arose
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.			Will attend in upcoming AGM
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		

6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;	√		
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual Report.		√	will be complied within stipulated time
7	**External or Statutory Auditors**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		

7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	√		
7(1)(ix)	any other service that creates conflict of interest.			No such incident arose
7(2)	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; his or her family members also shall not hold any shares in the said company	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (AGM or EGM) to answer the queries of the shareholders.	√		
8	**Maintaining a website by the Company**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	**Reporting and Compliance of Corporate Governance**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			Will appoint in the next AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Sd/-

Company Secretary

AUDIT COMMITTEE REPORT

Indo Bangla Pharmaceuticals Limited established an audit committee as a sub-committee of the Board of Directors. The committee supports the Board in fulfilling its oversight responsibilities.

The audit committee of Indo Bangla Pharmaceuticals Limited of the following Board members:

S.M. HarunOr Rashid (Independent Director) : Chairman
A F M AnowarulHuq (Managing Director) : Member
Md. MizanurRahman(Director) : Member
Md. MostafizurRahman(Manager, Admin) : Member
MohiUddin(Company Secretary) : Secretary of the Committee

Meeting and Attendance

During 2017-2018, under review the Audit Committee of Indo Bangla Pharmaceuticals Limited met 4 (four) times on the following date:

1. October 12, 2017
2. January 15, 2018
3. April 10, 2018
4. June 28, 2018

Audit Meeting Attended by Members

Name	Position	Meeting Attended
S.M. Harun Or Rashid Independent Director	Chairman	4
A F M AnowarulHuq Managing Director	Member	4
Md. MizanurRahman Director	Member	4
Md. MostafizurRahman Manager, Admin	Member	4

The Role and Responsibilities of the Audit Committee

The Role and Responsibilities of the Audit committee are clearly mentioned in the Compliance of Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3June 2018 condition no 5.5. The key responsibilities of the Audit committee are as follows.

(a) Oversee the financial reporting process;

(b) monitor choice of accounting policies and principles;

(c) monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;

(d) oversee hiring and performance of external auditors;

(e) hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;

(f) review along with the management, the annual financial statements before submission to the Board for approval;

(g) review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;

(h)review the adequacy of internal audit function;

(i) review the Management's Discussion and Analysis before disclosing in the Annual Report;

(j) review statement of all related party transactions submitted by the management;

(k)review Management Letters or Letter of Internal Control weakness issued by statutory auditors;

(l) oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and

(m) oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.

The Committee during the period under report met four times and its activities includes the followings:

- The financial statements of the quarterly, half yearly and the full year were reviewed by the committee and subsequently recommended to the Board for adoption consideration and circulation as per the requirement of Bangladesh Securities & Exchange Commission.
- The committee also reviewed the audited financial statements of the Company for the year ended June 30, 2018 this reviews incorporated the accounting policies and key judgments and estimates underpinning financial statements as disclosed in Notes to the Accounts.
- The committee also reviewed the work of the internal audit department and made suggestions for improvement.
- The committee reviewed the compliance with existing laws and regulation.
- Approved the internal audit plan.
- Reviewed the effectiveness and independence of the Statuary auditors and recommended re-appointment of external auditors.

Sd/-
S.M. HarunOr Rashid
Chairman
Audit Committee

Independent Auditor's Report
To the shareholders of
INDO-BANGLA PHARMACEUTICALS LTD.

Report on the Financial Statements

We have audited the accompanying Financial Statements of Indo-Bangla Pharmaceuticals Ltd.,which comprise the Statement of Financial Position as at 30 June 2018 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh, the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 International Standards on Auditing (ISA) as adopted in Bangladesh. 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 from 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 auditor's 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 prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)give a true and fair view of the financial position of the company as at 30 June 2018 and of its financial performance and its cash flows for the year then ended and comply with the requirements of the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we further report that:

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

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

c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

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

Sd/-
MAHFEL HUQ & CO.
Chartered Accountants

Dhaka
October 25, 2018

AMARSTOCK

INDO-BANGLA PHARMACEUTICALS LTD
STATEMENT OF FINANCIAL POSITION
As at 30th June, 2018

Particulars	Notes	Amounts in Taka	
		2018	2017
ASSETS:			
Non-current Assets		**654,019,821**	**536,553,973**
Property, Plant and Equipment	**3.00**	648,473,901	536,553,973
Capital Work In Progress	**4.00**	5,545,920	-
Current Assets		**565,947,614**	**541,115,957**
Inventories	**5.00**	166,752,790	151,056,806
Trade & Other Receivables	**6.00**	188,296,158	163,857,128
Advance, Deposits and Prepayments	**7.00**	119,219,047	109,389,792
Cash and Cash equivalents	**8.00**	91,679,619	116,812,231
TOTAL ASSETS		**1,219,967,435**	**1,077,669,930**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		**1,036,100,643**	**937,606,643**
Share Capital	**9.00**	730,000,000	730,000,000
Retained Earnings	**10.00**	306,100,643	207,606,643
Non-Current Liabilities		**67,249,601**	**38,180,191**
Deferred Tax Liability	**11.00**	67,249,601	38,180,191
Current Liabilities		**116,617,191**	**101,883,096**
Provision for WPPF	**12.00**	7,576,461	6,797,898
Trade & Other Payables	**13.00**	6,541,572	16,677,674
Provision for Income Tax	**14.00**	97,573,822	73,608,002
Liabilities for Expenses	**15.00**	4,925,336	4,799,522
TOTAL OWNER'S EQUITY AND LIABILITIES		**1,219,967,435**	**1,077,669,930**
Net Asset Value (NAV) Per Share	**24.00**	**14.19**	**12.84**

Annexed notes form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Chief Financial Officer	**Company Secratery**	**Director**	**Managing Director**

Signed in terms of our annexed report of even date.

Sd/-
Mahfel Huq & Co.
Chartered Accountants

Date: Dhaka
25th October, 2018

INDO-BANGLA PHARMACEUTICALS LTD
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30th June, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Net Sales Revenue	**16.00**	659,971,100	616,711,210
Less: Cost of sales	**17.00**	399,570,368	381,800,293
Gross Profit		**260,400,732**	**234,910,917**
Less: Operating Expenses		**107,222,621**	**102,688,317**
Administrative Expenses	**18.00**	30,320,291	26,575,261
Selling & Distributing Expenses	**19.00**	76,902,330	76,113,056
Profit from Operations		**153,178,111**	**132,222,600**
Add: Non Operating Income	**20.00**	5,927,580	10,533,254
Profit before Contribution to WPPF		**159,105,691**	**142,755,854**
Less: Contribution to WPPF	**12.00**	7,576,461	6,797,898
Profit before Tax		**151,529,230**	**135,957,956**
Less: Income Tax Expenses		**53,035,230**	**47,585,285**
Current Tax	**21.00**	23,965,820	18,688,411
Deferred Tax	**11.00**	29,069,410	28,896,874
Net profit for the year		**98,493,999**	**88,372,671**
Basic Earnings Per Share (EPS)	**22.00**	**1.35**	**1.21**
Diluted Earnings Per Share (EPS)	**23.00**	**1.35**	**1.21**

Annexed notes form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Chief Financial Officer	**Company Secratery**	**Director**	**Managing Director**

Signed in terms of our annexed report of even date.

Sd/-
Mahfel Huq & Co.
Chartered Accountants

Dated: Dhaka
25th October, 2018

INDO-BANGLA PHARMACEUTICALS LTD
STATEMENT OF CHANGES IN EQUITY
For the year ended 30th June, 2018

Particulars	Share Capital	Retained Earnings	Total
Balance as on 01-07-2017	730,000,000	207,606,643	937,606,643
Net Profit for the year	-	98,493,999	98,493,999
Balance as on 30-06-2018	**730,000,000**	**306,100,643**	**1,036,100,643**

STATEMENT OF CHANGES IN EQUITY
For the year ended 30th June, 2017

Particulars	**Share Capital**	**Retained Earnings**	**Total**
Balance as on 01-07-2016	730,000,000	119,233,972	849,233,972
Net Profit for the year	-	88,372,671	88,372,671
Balance as on 30-06-2017	**730,000,000**	**207,606,643**	**937,606,643**

Sd/-
Chief Financial Officer

Sd/-
Company Secratery

Sd/-
Director

Sd/-
Managing Director

Signed in terms of our annexed report of even date.

Dated: Dhaka
25th October, 2018

Sd/-
Mahfel Huq & Co.
Chartered Accountants

INDO-BANGLA PHARMACEUTICALS LTD
STATEMENT OF CASH FLOWS
For the year ended 30th June, 2018

Particulars	Notes	Amounts in Taka	
		2018	2017
(A) Cash Flow From Operating Activities :			
Cash receipts from customers	26.00	635,487,960	564,635,675
Cash receipts from others income	27.00	5,971,690	11,017,980
Cash payment to suppliers	28.00	(401,861,730)	(339,163,994)
Cash payment to employees		(60,827,019)	(64,622,901)
Cash payment to others		(70,469,121)	(65,899,370)
Cash generate from operation		**108,301,780**	**105,967,390**
Cash payment against income Tax		(20,848,700)	(26,598,351)
Net Cash From Operating Activities		**87,453,080**	**79,369,039**
(B) Cash Flow from Investing Activities :			
Acquisition of property, plant and equipment	29.00	(70,453,822)	(144,784,648)
Paid for Work In Progress	30.00	(5,545,920)	-
Advance paid for L/C Margin Machinary	31.00	(36,585,950)	(58,567,465)
Net Cash used in Investing Activities		**(112,585,692)**	**(203,352,113)**
(C) Cash Flow From Financing Activities :			
Proceeds from issue of share capital		-	-
Net Cash From Financing Activities		**-**	**-**
Net increase/decrease in cash & cash equivalents (A+B+C)		**(25,132,612)**	**(123,983,074)**
Cash & cash equivalents at beginning of the year		116,812,231	240,795,305
Cash and Cash Equivalents at end of the year		**91,679,619**	**116,812,231**
Net Operating Cash Flows Per Share (NOCFPS)	**25.00**	**1.20**	**1.09**

Annexed notes form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Chief Financial Officer	**Company Secratery**	**Director**	**Managing Director**

Signed in terms of our annexed report of even date.

Sd/-
Mahfel Huq & Co.
Chartered Accountants

Dated: Dhaka
25th October, 2018

INDO-BANGLA PHARMACEUTICALS LTD.

Notes to the Financial Statements and other explanatory information.
For the year ended June 30, 2018

1.00 REPORTING ENTITY

1.01 Background of the Company

Indo-Bangla Pharmaceuticals Limited was incorporated as a private Limited Company under the Companies Act-1994 on 18 June 2014 vides registration no.C-116665/14 through takeover of M/S. Indo-Bangla Pharmaceutical Works, a proprietorship business since pre-liberation period.The company has been converted into public limited company on 21-10-2014. Registered office of the company and Factory is at Aziz Bhaban,College Road,Barisal. Authorized capital of the company is Tk.1,500,000,000 divided into 150,000,000 ordinary shares of Tk.10 each. Paid up capital of the company was Tk.99,000,000 divided into 9,900,000 ordinary shares of Tk.10 each. The Company raised its paid up capital from tk. 99,000,000 to tk. 199,000,000 with the consent of Bangladesh Securities and Exchange Commission (BSEC) dated 06 August, 2015. The Paid up capital of the Company has been increased further from Tk.199,000,000 to Tk. 730,000,000 through allotment of 53,100,000 ordinary shares of Tk.10 each to the existing shareholders in cash consideration through by allotment dated 06-06-2016 with due permission from BSEC.

1.02 Registered Office of the Company

The registered office of the Companyand the Factory is located at 729, College Road, Barisal Sadar, Barisal and having its Corporate office at Polt-183 (6th floor) Block-B, Road-4, Ahmed Akbar Sobhan Road, Basundhara R/A, Baridhara, Dhaka-1229.

1.03 Nature of the business

The Company is engaged in manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health) with due approval of Drug Administration Authority. The company applied for permission for production and selling of veterinary medicine also.

2.00 IASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.01 Presentation of Financial Statements

The Financial Statements of the Company are prepared on a going concern IASs under historical cost convention and in accordance with the International Accounting Standards (IAS),International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other laws & regulation in Bangladesh applicable to the Company.

2.02 Going Concern

The company has adequate resources to continue its operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. As such, the directors intended to adopt the going concern IASs in preparing the financial statements.

2.03 Accrual IASs

The financial statements have been prepared, except Statements of Cash Flows, using the accrual IASs of accounting.

2.04 Components of the Financial Statements

According to IFRS-1 "presentation of the Financial Statements" the complete set of financial statement includes the following components;

a) Statement of Financial Position as at June 30, 2018;
b) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2018;
c) Statement of Changes in Equity for the year ended June 30, 2018;
d) Statement of Cash Flows for the year ended June 30, 2018; and
e) Notes, summary of significant accounting policies and other explanatory information.

2.05 Accounting Policies & Estimates

The preparation of these financial statements is in conformity with IASs and IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing IASs and used for accounting of certain terms such as provision for expenses and depreciation.

2.06 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of "the Framework for the preparation and Presentation of Financial Statements" issued by the International Accounting Standards (IAS) and Bangladesh Securities and Exchange Commission (BSEC) guideline.

2.07 Statement of Cash flows

Statement of Cash flows have been prepared in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS-7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method".

2.08 Applicable accounting standards

The following IAS and IFRS are applicable for the financial statements for the year under review:

IASs:

IAS -1	Presentation of Financial Statements
IAS -2	Inventories
IAS -7	Statements of Cash flows
IAS -8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property,Plant and Equipment
IAS- 18	Revenue
IAS -19	Employee Benefits
IAS-24	Related Party Disclosures
IAS- 32	Financial Instruments Presentation
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS- 37	Provisions, Contingent Liabilities and Contingent Assets
IAS-39	Financial Instruments: Recognition and Measurement

IFRSs:

IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers

2.09 Property, Plant and Equipment

2.09.1 Recognition and Measurement

All Property, Plant and Equipment are stated at cost less accumulated depreciation as per IAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non- refundable taxes.

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 costs can be measured reliably. The cost of the day to day maintaining cost on PPE is recognized in the Statements of Profit or Loss and other Comprehensive Income as incurred.

2.09.2 Depreciation

Depreciation on Property, Plant and Equipment other than Land has been computed during the year using the reducing balance method. Depreciation has been charged on addition when the related Property, Plant and Equipment are available for use as per management intention. Depreciation has been charged at following rates:

Name of Assets	Rate 2018	Rate 2017
Land	0%	0%
Building	2.50%	2.50%
Machineries & Equipment	3%	3%
Micro biological Lab	3%	-
Factory Air Condition	10%	-
Generator	3%	3%
Furniture & Fixture	10%	10%
Office Equipment	10%	10%
SEP Decoration	10%	-
Office Decoration	10%	10%
Computer	10%	10%
Air Condition	10%	10%
Transport	10%	10%
Water Plant	10%	10%
ETP Plant	10%	10%

2.09.3 Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss 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 assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

2.09.4 Impairment

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the period and for this reason no provision has been made for Impairment of assetsas per IAS 36.

2.10 Revenue Recognition

As per IFRS-15: "Revenue from Contracts form Customers" an entity shall account for a contract with a customer only when all of the following criteria are met:

(a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices)and are committed to perform their respective obligations;
(b) The entity can identify each party 's rights regarding the goods or services to be transferred ;
(c) The entity can identify the payment terms for the goods or services to be transferred
(d) The contract has commercial substance (i.e. the risk , timing or amount of the entity `s future cash flows is expected to change as a result of the contract); and
(e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

2.11 Valuation of Current Assets

Trade and Other Receivable

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount has been provided for as bad debt in the current year's account.

Inventories

In compliance with the requirements of IAS-2 "Inventories", the inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous period's practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further cost expected to be incurred to make the sale.

2.12 Provisions:

A provision is recognized when

a) the company has an obligation (legal or constructive) as a result of past events;
b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
c) Reliable estimates can be made of the amount of the obligation.

2.13 Employees' Benefit

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

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

a) Short Term Employee Benefit

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

b) Contribution to Workers' Profit Participation and Welfare Funds

This represents 5% of net profit before tax but after chargingsuch expenses by the company as per provisions of the Bangladesh Labor Act, 2006,& Bangladesh Labor (amendment) Act, 2013.

2.14 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc.

2.15 Functional and Presentational Currency:

The financial statements are prepared in Bangladeshi Taka which is the Company's functional currency.

2.16 Income Tax

Provision for taxation is calculated on the basis of applicable current tax rate incompliance with Finance Act. 2018. Any adjustment to tax payable in respect of previous yearshas been made.

Deferred Tax

The company recognized deferred tax as per IAS 12 "Income Taxes". Deferred tax is recognized for all temporary timing difference arising between the carrying value of assets and liabilities and its tax base values during the year. The tax rate prevailing at the Financial Position date is used to determine the deferred tax.

2.17 Earnings Per Share

The company calculates Earnings Per Share (EPS) in accordance with IAS-33 "Earnings Per Share" which has been shown on the face of the Profit or Loss and other Comprehensive Income.

Basic Earnings

This represents profit or loss at the end of the period attributable to ordinary shareholders of the entity.

BasicEarnings Per Share

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share

Diluted EPS is determined by the adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares during the year ended 30 June 2018.

2.18 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IAS-39 "Financial Instruments Recognition and Measurement."

Financial Assets

Financial assets of the company include cash and cash equivalents, Trade receivables and other receivables. The company initially recognizes a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

Financial Liabilities

Financial liabilities of the company include trade payables and liabilities for expenses.The company initially recognizes a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

2.19 Cash and Cash Equivalents

According to IAS-7 'Statement of Cash Flows', cash comprises cash in hand, short term deposit and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

2.20 Events after the Reporting Period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events are those that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting Events are those that are indicative of conditions that arose after the reporting period.

2.21 Authorization date for issuing Financial Statements

The financial statements were authorized by the Board of Directors on October 25, 2018.

2.22 Comparative Information

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

2.23 Segmental Reporting

As required by IFRS-8 "Operating Segments", if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available

a) that engages in business activities that may earn revenues or incur expenses;
b) whose operating results are regularly reviewed by the entity's chief operating decision maker to made a decisions about researches to be allocated to the segment and assess its performance;and
c) forwhich discrete financial information is available.

The company considers the operation on aggregate basis and manages the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

2.24 Related Party Disclosure

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS-24: Related Party Disclosures has been disclosed in a separate note to the financial statements.

2.25 General

i) The figure has been rounded off to the nearest taka.
ii) The financial Statements have been prepared covering one year from July 01, 2017 to June 30, 2018.

INDO-BANGLA PHARMACEUTICALS LTD
Notes to the Financial Statements
For the year ended 30th June,2018

		Amount in Taka	
3.00	**Property, Plant and Equipment**	**30th June,2018**	**30th June,2017**
	These have arrived at as under		
	(A) At Cost		
	Opening balance	557,442,914	220,571,894
	Add: Addition during the year	129,021,287	336,871,020
	Total	**686,464,201**	**557,442,914**
	(B) Accumulated Depreciation		
	Opening balance	20,888,941	9,171,408
	Add: Depreciation Charged for the year	17,101,359	11,717,533
	Total	**37,990,300**	**20,888,941**
	WDV as on 30.06.2018 (A-B)	**648,473,901**	**536,553,973**

Property, Plant & Equipment's details are shown in **"Annexure-A"**

4.00	**Capital Work in Progress**		
	These have arrived at as under		
	A. Construction of Building		
	Opening balance	-	41,542,227
	Add: Addition during the year	-	23,654,121
	Less: Transfer to Fixed Assets of Building	-	(65,196,348)
	Closing Construction of Building	**-**	**-**
	B. Plant & Machinery		
	Opening balance	-	77,527,144
	Add: Addition during the year (Machinery)	94,597,147	137,392,515
	Add: Addition Installation & other cost	1,245,850	3,663,295
	Less: Transfer to Fixed Assets of Plant & Machinery	(95,842,997)	(218,582,954)
	Closing Plant & Machinery	**-**	**-**
	C. Land Development:		
	Opening balance	-	-
	Earth fill-up	5,545,920	-
		5,545,920	**-**
	Total (A+B+C)	**5,545,920**	**-**

5.00	**Inventories**			
	This consists of the following			
	Raw Material	Note : 17.01	78,512,350	61,350,480
	Finished Goods	Note: 17.00	45,215,650	47,296,100
	Work-in-Process	Note: 17.00	20,123,650	19,565,430
	Spare Parts & Consumable Items	Note: 17.02.1	8,025,460	8,256,980
	Packing Materials	Note: 17.03.1	14,875,680	14,587,816
			166,752,790	**151,056,806**

Inventories in hand have been valued at lower of cost or net realizable value as per IAS-2 and have been certified by management.

6.00 Trade & Others Receivable

These have arrived at as under

A. Trade Receivable			
Opening balance		163,732,470	111,656,935
Add: Sales during the year		659,971,100	616,711,210
Total		823,703,570	728,368,145
Less: Received during the year		635,487,960	564,635,675
Total trade receivables	**"Annexure-B"**	**188,215,610**	**163,732,470**
B. Other Receivable (Interest on FDR)		80,548	124,658
Total (A+B)		**188,296,158**	**163,857,128**
Ageing of Trade Receivable			
More than six months		-	-
Less than six months		188,215,610	163,732,470
		188,215,610	**163,732,470**

The classification of receivables as required as Para 4, Schedule XI, Part-I of the Companies Act, 1994. are given below:

Receivable considered good in respect of which the company is fully secured.	-	-
Receivable considered good in respect of which the company holds no security other than the debtor personal security.	188,215,610	163,732,470
Receivables considered doubtful bad.	-	-
Receivable due by directors or others or other offers of the company or any of them either severely or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
Receivables due by common under the same management.	-	-
The maximum amount of receivable due by any director or other officer of the company at any time during the year.	-	-
Total	**188,215,610**	**163,732,470**

7.00 Advance, Deposit and Prepayments

This consists of the following

Advance			
Advance Income Tax	**Note-7.01**	62,799,447	41,950,748
Advance to Employees		2,513,250	1,905,600
Advance to Others	**Note-7.02**	53,906,350	65,253,448
Prepayment (Insurance)		-	279,996
		119,219,047	**109,389,792**

7.01 Advance Income Tax

Opening balance	41,950,748	15,352,397
Advance Tax paid during the year	20,603,700	25,518,663
Advance Tax paid during the year on interest income from FDR	245,000	1,079,688
	62,799,447	**41,950,748**

7.02 Advance to Others

Goods and services	3,568,750	4,256,320
Tour	520,150	2,012,650
Office Rent	288,000	400,000
L/C Margin for Raw-materials	12,025,650	-
L/C Margin for Machinery	36,585,950	58,567,465
IPO Expenses	800,000	-
VAT current account	117,850	17,013
	53,906,350	**65,253,448**

8.00 Cash and Cash Equivalents

These have arrived at as under:			
Cash in Hand		3,386,835	6,970,609
Cash at Bank	**Note-8.01**	58,292,784	59,841,622
Short Term FDR		30,000,000	50,000,000
		91,679,619	**116,812,231**

8.01 Cash at Bank

Pubali Bank Ltd. Barishal Sadar Branch A/C 54490	761,013	6,726,939
Sonali Bank Ltd.Barishal Corporate Branch A/C. 3953	66,367	320,483
Islami Bank Bangladesh Ltd. Barishal Branch A/C no.10807	51,395,609	50,589,876
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.01405	188,944	184,931
Islami Bank Bangladesh Ltd.Bhanga Branch A/C no.01506	81,759	80,464
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.79513	747,029	79,080
One Bank Ltd. Barisal Branch A/C no.02579	5,296	738,945
Mercantile Bank ltd A/C: 117213118856998	4,609,591	792,088
Dutch-Bangla Bank Ltd. Barisal Branch A/C 1271100014683	437,177	328,817
	58,292,784	59,841,622

Cash balance was certified by the management. Bank balances were agreed with banks Statements certified by the respective banks.

9.00 Share Capital :

Authorized Capital	**1,500,000,000**	**1,000,000,000**
150,000,000 Ordinary Shares of Tk. 10 each.		
Issued, Subscribed & Paid-up Capital:	**730,000,000**	**730,000,000**
73,000,000 Ordinary Shares of Tk. 10 each fully paid up.		

9.01 A distribution schedule of the above shares is given below;

Name	30-06-2018	% of Holding Position	30-06-2017	% of Holding Position
	Share Holding		Share Holding	
Aziza Yeasmin	2,005,000	2.747%	2,005,000	2.747%
A F M Anowarul Huq	12,435,000	17.034%	12,435,000	17.034%
Hafiza Yeasmin	2,005,000	2.747%	2,005,000	2.747%
Md. Amin-Ur-Rashid	2,515,000	3.445%	2,515,000	3.445%
Fatima Parvin	2,461,000	3.371%	2,461,000	3.371%
Sayeda Huq	2,001,000	2.741%	2,001,000	2.741%
Mst. Shahnaj Akter	2,051,000	2.810%	2,051,000	2.810%
Mizanur Rahman	2,051,000	2.810%	2,051,000	2.810%
Ayesha Siddika	2,005,000	2.747%	2,005,000	2.747%
Md. Bellal Khan	3,140,000	4.301%	3,140,000	4.301%
Investment Corporation of Bangladesh	15,000,000	20.548%	15,000,000	20.548%
ICB Capital Management Limited	1,000,000	1.370%	1,000,000	1.370%
Bangladesh Fund	6,000,000	8.219%	6,000,000	8.219%
FAS Capital Management Limited	450,000	0.616%	450,000	0.616%
Continental Insurance Limited	250,000	0.342%	250,000	0.342%
Saiful Islam Kamruz	100,000	0.137%	100,000	0.137%
Md. Siddiqur Rahman	150,000	0.205%	150,000	0.205%
Sayed Sakib Naimuddin	100,000	0.137%	100,000	0.137%
Mr. Hazi Abdul Kader Mia	1,000	0.001%	1,000	0.001%
Mr. Ayub Hossain Khan	1,000	0.001%	1,000	0.001%
Mr. S.M. Ashfaqur Rahman	101,000	0.138%	101,000	0.138%
Mr.Md. Mustafizur Rahman	105,000	0.144%	105,000	0.144%
Md. Mostafijur Rahman	50,000	0.068%	-	0.000%
Shamima Akhter	30,000	0.041%	30,000	0.041%
Md. Abul Kalam Azad	51,000	0.070%	51,000	0.070%
Akram Hossain Md. Feroj	2,800,000	3.836%	1,000,000	1.370%
A.T.M. Shafiqul Hasan	120,000	0.164%	120,000	0.164%
Rajib Kumar Saha	20,000	0.027%	20,000	0.027%
Zillur Rahman Zilu	20,000	0.027%	20,000	0.027%
Md. Abdullah al Mamun	20,000	0.027%	20,000	0.027%
Shamima Nasrin	50,000	0.068%	50,000	0.068%
Kazi Mahbubul Haque	50,000	0.068%	50,000	0.068%
Eng. Mahmudul Hasan	110,000	0.151%	110,000	0.151%
BMSL Invesment Ltd.	10,000	0.014%	10,000	0.014%
Abaci Investment Ltd (MDA)	10,000	0.014%	10,000	0.014%
Md. Khairul Islam	20,000	0.027%	20,000	0.027%
Partho Kumar Bagchi	50,000	0.068%	50,000	0.068%
H. A. Mamun	101,000	0.138%	101,000	0.138%
Satyendra Nath Roy	48,000	0.066%	48,000	0.066%
Eurodesh Consumer Products Ltd	1,000	0.001%	1,000	0.001%
Sonamoni Saha	1,000	0.001%	1,000	0.001%
Most. Afroza Akter	1,000	0.001%	1,000	0.001%

Lubna Nishat Mim	42,000	0.058%	2,251,000	3.084%
Jannatul Marzan	2,251,000	3.084%	2,251,000	3.084%
Nazmun Nahar	1,301,000	1.782%	1,801,000	2.467%
Md. Abdus Sabur Khan	1,651,000	2.262%	1,651,000	2.262%
Md. Abdur Rashid	201,000	0.275%	201,000	0.275%
Masuda Islam Sharnali	501,000	0.686%	501,000	0.686%
Shakil Mahmud	751,000	1.029%	501,000	0.686%
Md. Towhidul Islam	801,000	1.097%	801,000	1.097%
Md. Faysal Ahmed	501,000	0.686%	501,000	0.686%
Md. Abdul Kaiwm Sikder	751,000	1.029%	501,000	0.686%
Safia Begum	901,000	1.234%	901,000	1.234%
Soneya Akter	701,000	0.960%	701,000	0.960%
Tania Rashid	751,000	1.029%	751,000	1.029%
Md. Alauddin	651,000	0.892%	651,000	0.892%
Tahmina Nupur	151,000	0.207%	151,000	0.207%
Md. Masum Billah	1,000	0.001%	1,000	0.001%
Md. Khalid Hossain	1,000	0.001%	1,000	0.001%
Mushfiq Ul Quayoom	1,000	0.001%	1,000	0.001%
Neaz Rahman Shaqib	1,000	0.001%	1,000	0.001%
Md. Ziaul Hossain	300,000	0.411%	-	0.000%
Md. Emdadul Hoque	300,000	0.411%	-	0.000%
Md. Obaidul Islam Khan	50,000	0.068%	-	0.000%
Md. Farid Ahmed	700,000	0.959%	-	0.000%
Jubaida Nasrin	50,000	0.068%	-	0.000%
Md. Humayan Kabir	100,000	0.137%	-	0.000%
Iqbal Ahmed	50,000	0.068%	1,241,000	1.700%
Mst.Nurun Nahar Parvin	50,000	0.068%	-	0.000%
Total	**73,000,000**	**100%**	**73,000,000**	**100%**

		Amount in Taka	
		30th June,2018	30th June,2017
10.00	**Retained Earnings**		
	This amount consists of as follows		
	Opening balance	207,606,643	119,233,972
	Add :Net Profit for the year	98,493,999	88,372,671
		306,100,643	**207,606,643**
11.00	**Deferred Tax Liability**		
	This amount consists as follows		
	Carrying Value of Property, Plant & Equipment **(Annexure-A)**	648,473,901	536,553,973
	As Tax Base	456,332,184	427,467,713
	Temporary Difference	**192,141,717**	**109,086,260**
	Deferred Tax Liabilities @35%	67,249,601	38,180,191
	Opening Deferred Tax Liability	38,180,191	9,283,317
	Deferred Tax Expenses	**29,069,410**	**28,896,874**
12.00	**Provision for WPPF**		
	Opening balance	6,797,898	4,540,362
	Add: Addition during the year	7,576,461	6,797,898
	Less: Transfer to WPPF Fund	(6,797,898)	(4,540,362)
	Total:	**7,576,461**	**6,797,898**
	Profit before Contribution to WPPF	159,105,691	142,755,854
	Provision for contribution @5% Profit After WPPF	**7,576,461**	**6,797,898**
13.00	**Trade & Other Payables**		
	Opening balance	16,677,674	15,911,787
	Add: Purchase during the year	380,387,548	347,579,667
	Total	397,065,222	363,491,454
	Less: Paid during the year	390,523,650	346,813,780
	Closing balance (Details are in **"Annexure -C"**)	**6,541,572**	**16,677,674**
14.00	**Provision for Income Tax**		
	Opening balance	73,608,002	54,919,591
	Add : Provision for the year	23,965,820	18,688,411
		97,573,822	**73,608,002**
15.00	**Liabilities for Expenses**		
	Telephone Bill	298	184
	Electricity Bill	152,805	103,066
	Directors Remuneration	150,000	150,000
	Salary & Wages	4,259,143	4,200,000
	Repairs and Maintenance	165,230	158,350
	Audit Fees with VAT	172,500	172,500
	Others	25,360	15,422
		4,925,336	**4,799,522**
16.00	**Net Sales Revenue**		
	Gross Sales	758,966,765	709,217,891
	Less: VAT @ 15%	98,995,665	92,506,681
	Net Sales (Net off VAT) (Details are in **"Annexure-D"**)	**659,971,100**	**616,711,210**

			Amount in Taka	
			30th June,2018	30th June,2017
17.00	**Cost of Sales:**			
	This has been arrived as under;			
	Raw Material Consumed	**Notes #17.01**	268,872,485	262,070,969
	Add: Work in process (Opening)		19,565,430	18,013,355
	Less: Work in Process (Closing)		20,123,650	19,565,430
	Total Consumption		**268,314,265**	**260,518,894**
	Add: Manufacturing Overhead	**Notes #17.02**	53,919,676	45,730,451
	Add: Direct expenses	**Notes #17.03**	78,524,947	80,943,707
	Cost of Production		**400,758,888**	**387,193,052**
	Add: Finished Goods (Opening balance)		47,296,100	45,053,550
	Finished Goods Available		**448,054,988**	**432,246,602**
	Less: Finished Goods (Closing) (Details are in **"Annexure-E"**)		45,215,650	47,296,100
	Less: Sample Costs		3,268,970	3,150,209
	Cost of Sales:		**399,570,368**	**381,800,293**
17.01	**Raw Material Consumed**			
	Opening balance		61,350,480	69,555,407
	Add: Material Purchased		**286,034,355**	**253,866,042**
	Import		219,211,365	182,172,422
	Local		66,822,990	71,693,620
	Less: Closing Raw Material		78,512,350	61,350,480
	Total		**268,872,485**	**262,070,969**
17.02	**Manufacturing Overhead**			
	Salary , Wages & allowance		6,283,900	5,607,121
	Cork & Cap		2,310,450	2,298,098
	Carton & Label		3,118,740	3,115,222
	Hand Glove, Tape, Gum Etc.		198,520	194,204
	Quality Control Expenses		761,535	752,348
	Accessories		2,675,415	2,649,796
	Apron & Uniform		578,465	570,650
	Carriage Inward		1,245,350	1,236,334
	Water bill		6,580	7,130
	Washing Expenses		2,820	2,745
	Spare Parts & Consumable Items	**Notes #17.02.01**	17,721,363	15,762,360
	Electricity Bill Factory		1,731,276	1,378,937
	Maintenance of Factory Building		1,489,650	1,485,924
	Insurance expense		186,664	15,525
	Depreciation **(Annexure-A)**		15,608,948	10,654,057
			53,919,676	**45,730,451**
17.02.01	**Spare Parts & Consumable Items**			
	Opening balance		8,256,980	8,083,723
	Purchase during the year		17,489,843	15,935,617
	Less: Closing balance		8,025,460	8,256,980
	Consumption		**17,721,363**	**15,762,360**

17.03	**Direct expenses**			
	Delivery Charges		641,250	637,480
	Packing Materials	**Notes #17.03.01**	76,575,486	79,005,517
	Medical Bag Expenses		405,325	402,850
	Cost of Literature		401,236	397,880
	Remission Settlement		501,650	499,980
	Total		**78,524,947**	**80,943,707**
17.03.1	**Packing Materials**			
	Opening balance		14,587,816	15,815,325
	Purchase during the year		76,863,350	77,778,008
	Less: Packing Materials(Closing balance)		14,875,680	14,587,816
	Packing Materials Consumption		**76,575,486**	**79,005,517**
18.00	**Administrative Expenses**			
	Salary & allowance		11,247,672	10,872,584
	Director Remuneration		1,800,000	1,800,000
	Board Meeting Fee		385,000	450,000
	Travelling & Conveyance		2,510,235	2,508,205
	Entertainment		1,912,560	1,989,698
	Office Rent		591,100	381,750
	Printing & Stationery		2,012,564	2,094,151
	News Paper & Magazine		61,250	61,005
	Post & Telegram		441,285	428,355
	Insurance Premium		93,332	177,772
	License & Legal Fee		4,271,750	1,210,479
	Telephone & Mobile Bill		65,230	72,523
	Internet Bill		31,200	19,260
	Audit Fees		172,500	172,500
	Electricity Bill		138,287	112,041
	Maintenance of Transport		1,636,250	1,636,354
	Securities service		672,540	670,510
	Bank Charge		99,365	290,290
	Others expenses		685,760	564,308
	Depreciation **(Annexure-A)**		1,492,411	1,063,476
	Total		**30,320,291**	**26,575,261**
19.00	**Selling & Distributing Expenses**			
	Salary & allowance		37,837,290	37,602,367
	Incentive Bonus		2,724,650	2,720,800
	TA & DA of Field Staff		3,157,565	3,265,786
	Carriage Outward		2,412,450	2,407,600
	Packing Materials-Selling & Distribution		3,512,485	3,407,682
	Sales Promotion		3,512,470	3,890,030
	Training & seminar Expenses		4,825,890	4,742,870
	Entertainment for Conference		2,212,535	2,248,255
	Gift & Presentation(Promotional Materials)		2,412,395	2,406,822
	Sample expense		3,268,970	3,150,209
	Travelling & Conveyance		11,025,630	10,270,635
			76,902,330	**76,113,056**

AMARSTOCK

20.00 Non Operating Income

Misc. Sales	3,521,690	221,105
Interest on FDR	2,405,890	10,312,149
	5,927,580	**10,533,254**

21.00 Current Tax

Profit before tax as per account	151,529,230	135,957,956
Add: Accounting depreciation	17,101,359	11,717,533
Less: Tax base depreciation	100,156,816	94,280,030
Current year Taxable profit	68,473,773	53,395,459
Current Tax @ 35%	**23,965,820**	**18,688,411**

22.00 Basic Earnings Per Share (EPS)

This has been calculated in compliance with the requirements of IAS 33: Earnings Per Share, is the basic earning dividing by the weighted average number of ordinary shares outstanding the end of the The composition of earnings per shares (EPS) is given below:

Net profit for the year	98,493,999	88,372,671
Number of ordinary shares outstanding	73,000,000	73,000,000
Earnings Per Share (EPS)	**1.35**	**1.21**

23.00 Diluted Earnings Per Share (EPS)

Net profit for the year	98,493,999	88,372,671
Weighted Average number of ordinary shares outstanding	73,000,000	73,000,000
Earnings Per Share (EPS)	**1.35**	**1.21**

Weighted Average Number of Shares	Weight	
73,000,000 Shares	73,000,000	73,000,000
Weighted Average Number of Shares	**73,000,000**	**73,000,000**

24.00 Net Asset Value (NAV) Per Share

The composition of net assets value per share is given below:

Total Assets	1,219,967,435	1,077,669,930
Less: Non-Current Liabilities+Current Liabilities	183,866,792	140,063,287
Net Assets Value	1,036,100,643	937,606,643
Number of ordinary shares outstanding	73,000,000	73,000,000
	14.19	**12.84**

25.00 Net Operating Cash Flows Per Share (NOCFPS)

Net Cash from Operating Activities	87,453,080	79,369,039
Weighted Average Number of Shares	73,000,000	73,000,000
	1.20	**1.09**

26.00	**Cash receipts from customers**		
	Opening receivable	163,732,470	111,656,935
	Add: Sales during the year	659,971,100	616,711,210
	Less: Closing receivable	(635,487,960)	(564,635,675)
		188,215,610	**163,732,470**
27.00	**Cash receipts from others income**		
	Misc. Sales	3,521,690	221,105
	Bank Interest	2,450,000	10,796,875
		5,971,690	**11,017,980**
28.00	**Cash payment to suppliers**		
	Purchase (RM,spare,packing)	380,387,548	347,579,667
	Opening Accounts Payable	16,677,674	15,911,787
	Closing Accounts Payable	(6,541,572)	(16,677,674)
	Opening Advance goods &	(4,256,320)	(11,906,106)
	Closing Advance goods	15,594,400	4,256,320
		401,861,730	**339,163,994**
29.00	**Acquisition of property, plant and equipment**		
	Property, Plant & Equipment addition during the year	129,021,287	336,871,020
	Less: Adjustment:	58,567,465	192,086,372
	Advance L/C Margin for Machinery	58,567,465	30,568,200
	Opening WIP Constraction	-	41,542,227
	Opening WIP Machinery	-	77,527,144
	Opening Advance Constraction	-	22,448,801
	Opening Advance for Land	-	20,000,000
		70,453,822	**144,784,648**
30.00	**Paid for Work In Progress**	**5,545,920**	**-**
31.00	**Advance paid for L/C Margin Machinary**	**36,585,950**	**58,567,465**
32.00	**Reconciliation of Net Profit with cash flows from Operating Activities:**		
	Profit before Tax	151,529,230	135,957,956
	Add: Depreciation on property, plant and equipment	17,101,359	11,717,533
		168,630,589	**147,675,489**
	Less: Increase in Trade & Other Receivables	(24,439,030)	(51,590,809)
	Less: Increase in Inventories	(15,695,984)	5,464,554
	Less: Decrease in Trade Payables	(10,136,102)	765,887
	Add: Increase in Liabilities for Expenses	125,814	(6,690,262)
	Add: Increase in Liability for contribution to W.P.P.F	778,564	2,257,536
	Less: Increase in Advance, Deposit & Prepayments	(10,962,071)	8,084,995
	Less: Income Tax Paid	(20,848,700)	(26,598,351)
		87,453,080	**79,369,039**

33.00 Related parties Transactions:

The company carried out a number of transactions with related parties. The following are the related parties transactions of the Indo-Bangla Pharmaceuticals Ltd has been disclosed as required by IAS 24 Related Party Disclosures.

(a) Remuneration

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2017-18	2016-17
Mr. A.F.M Anowarul Huq	Managing Director	Remuneration	1,800,000	1,800,000

(b) Board meeting fee

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2017-18	2016-17
Mrs. Aziza Yeasmin	Chairman	Board Meeting fee	50,000	60,000
Mr. A.F.M Anowarul Huq	Managing Director		50,000	60,000
Mrs. Hafiza Yeasmin	Director		50,000	60,000
Md. Amin-Ur-Rashid	Director		40,000	60,000
Sayeda Huq	Director		40,000	60,000
Fatima Parvin	Director		35,000	55,000
Mst.Shanaj Akter	Director		35,000	30,000
Mizanur Rahman	Director		35,000	30,000
S.M. Harun Or Rashid	Independent Director		20,000	20,000
Md. Monirujjaman	Independent Director		15,000	10,000
Md. Firoz Khan	Independent Director		15,000	5,000

34.00 Production Capacity and Utilization

Item	Unit	Production Capacity		Actual Production		Capacity Utilization	
		2018	2017	2018	2017	2018	2017
Tablet	Million Pcs	1500	1350	1208	1196	81%	89%
Capsule	Million Pcs	435	435	281	274.7	65%	63%
Liquid/Phs	Million ML	350	350	320	314	91%	90%

35.00 The requirements of schedule XI,Part II, note-5 Para 3, of the company Act.1994.

Employees	2018	2017
Number of employees whose salary was below Tk. 3,000	-	-
Number of employees whose salary was above Tk. 3,000	219	211

36.00 Value of import on CIF basis as per Para 8, Schedule XI, Part-II of the Companies Act 1994 is required:

During the period 1st July 2017 to 30th June 2018 total Value of import in respect of raw materials stands equivalent USD 2,908,578 on CIF basis. Details are as follows:

Particulars	Amount In USD	
	2018	2017
Import of raw Materials	2,744,258	2,347,885
Import of Packing Materials	164,320	131,505
Total:	**2,908,578**	**2,479,390**

37.00 Events after the Reporting Period

Bangladesh Securities and Exchange Commission (BSEC) accorded approval to the company vide letter no.বিএসইসি/মুখপত্র/(২য় খন্ড)/২০১১/২৪৬৯ তাং: ০৩ অক্টোবর ২০১৭ to raise share capital of Tk. 200,000,000 (Twenty core) by issuing 2 core of ordinary shares of Tk. 10 each through Initial Public Offer (IPO).The lottery for IPO took place on 11 September, 2018, shares of the company is listed with DSE & CSE and trading started from 18 October, 2018.

The Board of Directors at its board meeting held on 25 October 2018 recommended 10% Stock dividend for all shareholders of the paid-up capital for the year ended 30 June 2018. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

38.00 Financial Risk Management

The management of company has overall 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 risk for its use of financial instruments.

Credit Risk
Liquidity Risk
Market 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 monitored on an ongoing basis. As at 30th June 2018 substantial part of the receivables are those from its related company and subject to insignificant credit risk. 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 be able to meet its financial obligations as thy 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 liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligation 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. In extreme stressed conditions the company may get support from the related company in the form of short term financing.

Market Risk

Market risk is the risk that any changes 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 market risk management is to manage and control market risk exposures within acceptable parameters.

(a) 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,machinaries and equipment from abroad.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. The foreign currency loan is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rate risk . The company has not entire into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Sd/-	Sd/-	Sd/-	Sd/-
Chief Financial Officer	**Company Secretary**	**Director**	**Managing Director**

INDO-BANGLA PHARMACEUTICALS LTD
Schedule of Property Plant & Equipment
As at 30th June,2018

Annexure-A

Particulars	COST			Rate	DEPRECIATION			Written Down Value as on 30.06.2018
	Balance as on 01.07.2017	Addition during the year	Total Cost as at 30.06.2018		Balance as on 01.07.2017	Charge during the year	Total as at 30.06.2018	
Land	45,487,485	-	45,487,485	0%	-	-	-	45,487,485
Building	151,494,762	2,545,865	154,040,627	2.5%	4,270,352	3,685,914	7,956,266	146,084,361
Machineries & Equipment	337,372,089	95,842,997	433,215,086	3%	13,108,919	11,313,302	24,422,221	408,792,865
Micro biological Lab	-	8,652,165	8,652,165	3%	-	21,630	21,630	8,630,535
Factory Air Condition	-	6,525,480	6,525,480	10%	-	108,758	108,758	6,416,722
Generator	4,352,879	-	4,352,879	3%	259,103	122,813	381,916	3,970,963
Furniture & Fixture	7,602,194	172,500	7,774,694	10%	1,153,300	659,264	1,812,564	5,962,130
Office Equipment	3,885,886	1,076,260	4,962,146	10%	653,430	359,993	1,013,424	3,948,722
SEP Decoration	-	12,054,850	12,054,850	10%	-	200,914	200,914	11,853,936
Office Decoration	135,650	1,970,850	2,106,500	10%	12,435	50,194	62,629	2,043,871
Computer	399,490		399,490	10%	12,044	38,745	50,788	348,702
Air Condition	173,850	180,320	354,170	10%	14,488	26,455	40,942	313,228
Transport	2,080,294	-	2,080,294	10%	511,837	156,846	668,683	1,411,611
Water Plant	2,512,960	-	2,512,960	10%	528,350	198,461	726,811	1,786,149
ETP Plant	1,945,375	-	1,945,375	10%	364,683	158,069	522,753	1,422,622
Balance as on 30 June,2018	**557,442,914**	**129,021,287**	**686,464,201**		**20,888,941**	**17,101,359**	**37,990,300**	**648,473,901**
Balance as on 30 June,2017	**220,571,894**	**336,871,020**	**557,442,914**		**9,171,408**	**11,717,533**	**20,888,941**	**536,553,973**

Allocation of Depreciation

Factory	**15,608,948**
Administration	**1,492,411**
	17,101,359

INDO-BANGLA PHARMACEUTICALS LTD.

Trade Receivables

As at 30th June, 2018

Annexure-B

Sl No	Name of Party	Address	Amount in (TAKA)	
			2018	2017
1	Barendra distribution	181/A,Upo shohor, Newmarket, Rajshahi.	9,542,150	8,256,240
2	Saimun drug, Khulna	17/3, Durgabari Road, Maymansing.	8,265,980	8,565,470
3	Shafi Medicall Hall	25, BCDS Market, Maik Potti, Jessore	7,548,630	7,258,960
4	Mannan Pharmacy	BRTC Bus Station, 87,Shamoli Para, Ulla Para	7,145,650	6,545,875
5	Shaha pharmacy	Ranjit Shaha, Taramoni Medical Hall, 12,College Mor, Sherpur	5,590,250	7,052,354
6	Rakib medical hall	Rakibul Hasan,65, Hatirkumrul, Oil Pump, Sirajgong	5,124,630	4,896,580
7	khokon medical hall	75,Sarder Super Market, Satkhira, Khulna	6,587,450	7,698,734
8	Rafiq medical hall	85,Kadamtala Bazer, Nator.	5,296,320	6,254,870
9	Deep medical hall	60,Hisan Medicine Market, Rangpur.	7,242,150	7,147,850
10	Iqbal medical hall	27,Sadar Road, Kishoregong.	5,236,580	4,586,936
11	City pharmacy	Bishnu podo Shaha,12, Thana More Golachipa.	6,020,130	4,982,546
12	Badal pharmacy	Sumit Sikder,67, Natun Bazar, Gopalgonj.	4,236,920	4,156,983
13	Kanai Lal Pharma	Kanai Lal Das,102, Laheri Para, Faridpur.	5,012,625	4,985,764
14	Rumman Medical	110,Nodi Bangla Market, 2nd floor, Shatmata, Bogura.	3,125,980	3,254,168
15	Ali Medical	Soroware Hossain, 115,Sadar Road, Kishoregonj.	3,012,950	2,586,356
16	Shahin Medical Hall	76,Nurpur Market, Babubazar, Dhaka	2,436,520	2,369,850
17	Sundorban Pharmacy	Tofazzel Hossen, 24,Station Road, Comilla.	4,625,140	3,562,478
18	Jannat Medical	Kayser Ahmed, 45,Station Road, Natore.	2,714,685	2,652,478
19	Bangladesh Medical Hall	17,Durgabari Road, Moymonsing.	2,235,960	1,452,635
20	City Medical Hall	33,Datta Building, Infornt of Town Hall, Magura.	3,569,870	3,256,890
21	Tanvir Medical Hall	Golam Soroware Hossain, 21,Station Road, Hatia.	3,325,140	3,254,890
22	Asha Drug	Mr. Azad, 42/A Heraj Market, Khulna.	2,436,985	2,156,368
23	Shams pharmacy	167, Bijoy Bitan, Hali Shohor, Hazari Lane, Chittagong.	3,245,620	3,125,462
24	Aroga Niketon	Monorangon Pal,12,Sadar Road,Dohar,Dhaka.	2,012,450	1,852,410
25	Basin Medical Hall	M.A Mannan, 55,Madhabpur,Narshingdi.	3,456,985	3,546,358
26	Lovely Enterprise, Feni	Mr. Bimal, 34,Station Road,Feni.	1,535,970	1,670,197
27	Janata Medical Hall	15,Hazi Super Market, Rangpur.	3,925,460	3,896,530
28	Rup Saj Corner	Mr. Arif, 27, Bazar Road, Sayedpur.	5,021,430	4,854,780
29	Helal Drug	Md. Issa,55, Laxmipur Mor, Rajshahi.	3,487,560	2,546,890
30	Utsab Meidcal	Deb Dulal Shaha, 15, Sadar Road, Kishoregong.	3,923,341	3,254,698
31	Taramoni Medical Hall	Biplob Das, 7,Khoda Box Road, Faridpur.	5,632,980	5,546,890
32	Prodip Medical Store	Md. Rakibul Islam, 18, M.K Road, Jessore.	6,524,780	6,152,650
33	Tanzila Medical Hall	19, Merina Nodi Bangla Market, Bogura.C25	5,578,960	5,856,930
34	Badhan Pharmacy	28,Bangabandhu Sarak, Jhinaidah.	4,215,630	4,154,680
35	Lia Aroggo Niketon	G.C Market, 170 Hazari Lane, Chittagong.	4,789,250	4,686,360
36	Kanai Lal Medical Hall	Rajon Lal Das, 11Bhanga Bazar,Bhanga Faridpur.	3,230,170	2,452,360
37	Shah Medical hall	320,Chandina bazar,Comilla	650,200	452,460
38	Dottho Farma	120,Fai bazar, Chandina, Comilla	325,800	324,680
39	Johir Farma	Rammohon bazar,25 Pan potti, Borora,Comilla	660,100	320,465
40	Shades Pharma	135,Chatkhil,Noakhali	341,580	235,480
41	Sheto Medical hall	75,Jatrabari, Dhaka.	520,140	632,520
42	Bayewan Medical hall	118,Shonir Akhra, Jatrabari, Dhaka	525,800	321,540
43	Alia Pharma	54, Aziz supermarket,Khulna	225,630	212,850
44	Nazmul Pharma	120,Laksam bazar, Comilla	480,450	214,525
45	Mayer Doa Medical hall	135, Kadamtala Bazer, Nator	152,400	85,420
46	Asif pharma	120, Durgabari Road, Moymonsing.	135,450	140,230
47	Priya Medical hall	25, Nurpur Market, Babubazar, Dhaka	220,480	85,630
48	Alif Medical hall	120, Merina Nodi Bangla Market, Bogura.	185,200	174,200
49	Billal Pharma	Alikamura Bazar, Chandina, Comilla	295,780	-
50	Rayhan Medical hall	Batagashi Bazar, Chandina, Comilla	102,685	-

INDO-BANGLA PHARMACEUTICALS LTD.

Trade Receivables

As at 30th June, 2018

Annexure-B

Sl No	Name of Party	Address	Amount in (TAKA)	
			2018	2017
51	Monjur Pharma	129 Akborsha, Khalshe, Chittagong	145,300	-
52	Shapla Medical hall	Konapara, Paradogar,Jatrabari,Dhaka	295,850	
53	Tabassume Medical hall	Rarikandi,Matlab,Chandpur	136,950	
54	Onanna Pharma	Changarchor, Matlab, Chandpur	250,360	-
55	New Opposom pharmachy	DurgaBari Road, Moymonshing	2,956,225	-
56	Ishan Medical Hall	Market Holl, Rongpur	2,556,225	-
57	Shah Medical hall	College Road, Sherpur	3,544,588	-
58	Sagor Pharmacy	Shehikh Hat, Shylet	3,597,570	-
58	Ma Moni Medical Holl	BazarRoad coxbazer	2,997,566	-
Total:			**188,215,610**	**163,732,470**

AMAR STOCK

INDO-BANGLA PHARMACEUTICALS LTD.
Trade Paybles
As at 30th June, 2017

Annexure-C

Sl. No	Name of the Medical Hall	Address	Amount in Tk (2018)	Amount in Tk (2017)
1	Pirojpur Printing & Packing	185, Fakirapul, Motijhil, Dhaka.	484,677	1,235,680
2	S.T.S Foil Corporation	Fakirapul, Motijhil, Dhaka.	1,119,748	2,854,786
3	M.K.Printers	103, Arambag, Motijhil, Dhaka.	492,997	1,256,890
4	Jass Corporation	Asulia, Savar.	1,667,639	4,251,630
5	Oni Printers	240/3, Fakirapul Motijhil,	1,399,872	3,568,960
6	Nahid Perfumary & Chemical	47/C, Midford, Dhaka.	214,510	546,890
7	Riya Perfumary	Midford, Dhaka.	177,353	452,160
8	Brothers Hood Chemical	Agrabad, Chittagong.	206,171	525,630
9	Desh Foil Limited	Sabujbag, Dhaka.	155,368	396,108
10	Banik Stors	Bazar Road, Barisal.	167,026	425,830
11	Padma Cap	Opsonin Mor, Barisal.	139,189	354,860
12	Global Capsul	Rupatoli, Barisal.	317,022	347,850
13	Rouf Medical Hall	Babu Bazar, Dhaka	-	254,760
14	Rabby Cartoon	Barisal	-	205,640
	Total Taka		**6,541,572**	**16,677,674**

AMARSTOCK

INDO-BANGLA PHARMACEUTICALS LIMITED
Net Sales Statement
As at 30th June, 2018

Annexure-D

Sl. No	Name of the Product	Quantity (Box)	Amount in Tk (2018)	Quantity (Box)	Amount in Tk (2017)
1	Tab.Dextrin	519,518	18,183,147	485,465	16,991,275
2	Indomoxin PFS	1,201,282	24,025,636	1,122,540	22,450,800
3	Indofenac 500 mg	1,286,797	21,875,552	1,202,450	20,441,650
4	Indostin R New	734,003	33,030,113	685,890	30,865,050
5	Tab.Indocal-D	634,147	12,682,944	592,580	11,851,600
6	Tab.I-Cet NN	2,153,616	36,611,464	2,012,450	34,211,650
7	Tab.I-pedom(New)	675,546	13,510,916	631,265	12,625,300
8	Cap.Protobit (10*10)	933,328	73,732,906	872,150	68,899,850
9	Cipro-I	76,781	3,071,234	71,748	2,869,920
10	I-B Oral Saline	566,054	25,472,420	528,950	23,802,750
11	Indoprox Mix	410,161	40,195,809	383,276	37,561,048
12	Tab. Metrol 400mg	401,754	19,685,958	375,420	18,395,580
13	Cap.Indotetra-250mg	584,161	30,376,354	545,870	28,385,240
14	Inket (New)	712,600	15,677,191	665,890	14,649,580
15	Tab. Relise (New)	976,455	29,293,644	912,450	27,373,500
16	Tab. Riboflavin	471,206	24,973,900	440,319	23,336,907
17	Zins Syrup	348,290	4,876,057	325,460	4,556,440
18	Indoplex 200mg	334,062	6,681,243	312,165	6,243,300
19	Seplon	482,015	7,712,243	450,420	7,206,720
20	D/S. Indoflox PFS	1,119,030	33,570,911	1,045,680	31,370,400
21	Tab. Indocal	711,992	7,119,917	665,322	6,653,220
22	Tab. Indomol Plus	914,836	48,486,298	854,870	45,308,110
23	Tab.Trilugel	263,063	15,783,799	245,820	14,749,200
24	Fixim PFS	21,563	1,401,624	20,150	1,309,750
25	Cap.Indofenac TR	1,391,704	77,935,402	1,300,480	72,826,880
26	Tab. Neostin-R New	175,729	14,409,753	164,210	13,465,220
27	Indocal Luse	2,175,768	478,669	2,033,150	447,293
28	Tasty Salt Saline	128,685	7,077,679	120,250	6,613,750
29	Tab. P	133,362	4,400,933	124,620	4,112,460
30	N-X	16,480	708,651	15,400	662,200
31	Indozith 15 PFS	81,727	2,124,905	76,370	1,985,620
32	Indozith 30 PFS	56,205	2,810,256	52,521	2,626,049
33	Indozith 500 mg	37,615	1,993,572	35,149	1,862,897
Total Taka			**659,971,100**		**616,711,210**

INDO-BANGLA PHARMACEUTICALS LIMITED
FINISHED GOODS
As at 30th June, 2018

Annexure-E

Sl. No	Name of the Product	Quantity (Box)	Taka (30/06/2018)	Quantity (Box)	Taka (30/06/2017)
1	Tab. Dextrin	8,402	294,452	8,800	308,000
2	Indomoxin PFS	9,014	180,686	9,450	189,000
3	Indoplex 100 mg	14,309	201,030	15,020	210,280
4	Indostin R New	36,472	1,641,234	38,150	1,716,750
5	Tab. Indocal	80,003	800,182	83,700	837,000
6	Tab. Indocal-D	65,287	1,309,737	68,500	1,370,000
7	Tab. I-Cet NN	196,141	3,339,504	205,480	3,493,160
8	Tab. I-pedom	148,020	2,964,403	155,040	3,100,800
9	Tab. Protobit (10*10)	24,178	1,925,887	25,500	2,014,500
10	D/S. Indoflox PFS	37,582	1,133,448	39,520	1,185,600
11	I-B Oral Saline	56,405	2,538,212	59,000	2,655,000
12	Indoprox Mix	94,072	9,219,017	98,400	9,643,200
13	Inket New	92,542	2,035,924	96,800	2,129,600
14	Tab. Relise New	299,519	8,985,559	313,300	9,399,000
15	Tab. Indomol Plus	31,147	1,650,785	32,580	1,726,740
16	N-X	50,402	2,175,874	52,930	2,275,990
17	Cap.Indotetra-250mg	76,510	3,988,941	80,240	4,172,480
18	Tasty salt saline	15,005	830,775	15,800	869,000
Total Taka			**45,215,650**		**47,296,100**

Indo-Bangla Pharmaceuticals Limited (IBPL

Bashundhara R/A, Baridhara, Dhaka-1229

PROXY FORM

I/We……of ……being a shareholders of Indo-Bangla Pharmaceuticals Limited and entitle to vote, hereby appoint Mr./Mrs./Miss…… ……as my/our proxy to attend and vote for me/us and on my/our behalf at the04thAnnual General Meeting of the Company to be held on Thursday, 6thDecember, 2018 at 04:00p.m at the Barisal Club, Barisalor at any adjournment thereof or at any ballot to be taken in consequence hereof.

Revenue Stamp Tk. 20.00

(Signature of the Shareholder) (Signature of Proxy)

BO ID No. | | | | | | | | | | | | | | | | |

No. of Shares held ..... Dated.....

Note:

1) This form of proxy, duly completed and signed must be deposited at least 48 hours before the meeting at the Company's corporate office. Proxy is invalid if not signed and stamped as explained above.
2) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company.

Indo-Bangla Pharmaceuticals Limited (IBPL

Bashundhara R/A, Baridhara, Dhaka-1229

ATTENDANCE SLIP

I hereby record my attendance at 04th Annual General Meeting of the Company being held on Thursday, 06thDecember, 2018 at 04.00 p.m. at the Barisal Club, Barisal.

Name of the Member/Proxy……

BO ID No. | | | | | | | | | | | | | | | | |

No. of Shares held ..... Dated.....

(Signature of Proxy) (Signature of the Shareholder)

Date .....

N.B. Shareholder attending meeting in person or by Proxy are requested to completed the Attendance slip and deposit same at the entrance of the meeting.

SMARTSTOCK



Corporate Office: Plot#183 (6th Floor) Block#B Road#4, Ahmed Akbar Sobhan Road, Basundhara R/A, Baridhara, Dhaka-1229. Phone- 09678777995.
E-mail : info@indo-banglapharma.com
Web : www.indo-banglapharma.com
Factory : College Road, Barisal, Phone: 0431-61028, 0431-2174977.









