LIBRA INFUSIONS LIMITED
Statement of Financial Position
As at June 30, 2017

Particulars	Notes	Amount in Taka.	
		30.06.2017	30.06.2016
ASSETS			
Non - Current Assets			
Property, Plant and Equipment -Carrying value	3	**2,816,141,077**	**2,807,706,116**
Current Assets		**1,745,508,039**	**1,748,838,125**
Inventories	4	69,430,191	74,223,621
Stores and Supplies	5	1,471,408	1,456,429
Trade Receivable	6	48,171,076	29,017,849
Other Receivable	7	1,572,058,661	1,572,058,661
Advance,Deposits and Prepayments	8	44,483,765	39,869,287
Cash and Cash Equivalents	9	9,892,938	32,212,278
TOTAL ASSETS		**4,561,649,116**	**4,556,544,241**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		**1,974,973,430**	**1,972,017,401**
Issued / Paid-up Capital	10	12,516,000	12,516,000
General Reserve		10,000,000	10,000,000
Revaluation Surplus		1,885,327,646	1,887,505,166
Retained Earnings		67,129,784	61,996,235
Non - Current Liabilities		**722,019,738**	**714,967,268**
Long Term Investment (Al- Arafah Islami Bank Ltd)	11	305,808,090	305,808,090
Long Term Loans	12	57,683,992	59,546,058
Term Investment (Al- Arafah Islami Bank Ltd)	13	277,161,631	277,161,631
Deferred Tax Liability	14	4,210,284	4,042,762
Other Liabilities	15	77,155,741	68,408,727
Current Liabilities		**1,864,655,948**	**1,869,559,572**
Short Term Investment (Al- Arafah Islami Bank Ltd.)	16	32,547,292	32,547,292
Long Term Investment- Current Portion (Al- Arafah Islami Bank Ltd.)	17	124,283,928	124,283,928
Long Term Loan - Current Portion	18	8,700,000	8,835,061
Term Investment- Current Portion (Al- Arafah Islami Bank Ltd.)	19	91,423,915	91,423,915
Term Loan - Current Portion	20	6,383,420	12,170,185
Creditors and Other Payables	21	1,591,417,374	1,592,483,356
Taxation	22	9,900,018	7,815,835
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**4,561,649,116**	**4,556,544,241**
Net Asset Value (NAV) Per Share		1,578	1,576

The annexed notes from 01 to 40 and annexure - "A" is an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
ANM Mainuddin	**Monami Alam**	**Dr. Roushon Alam**	**Ayesha Alam**
Chief Financial Officer	**Director**	**Managing Director & CEO**	**Chairperson**

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

AMAR STOCK

LIBRA INFUSIONS LIMITED
Statement of Profit or loss & Other Comprehensive Income
for the year ended June 30, 2017

Particulars	Notes	Amount in Taka.	
		2016 - 2017	2015 - 2016
Net Sales Revenue	23	**244,259,008**	**238,146,628**
Cost of Goods Sold	24	(161,442,764)	(157,748,515)
Gross Profit		**82,816,244**	**80,398,113**
Operating Expenses		**(58,958,929)**	**(53,574,310)**
Administrative Expenses	25	(11,958,137)	(11,486,772)
Selling, Marketing and Distribution Expenses	26	(47,000,793)	(42,087,538)
Profit from Operations		**23,857,314**	**26,823,803**
Other Income	27	622,543	298,790
Finance Cost	28	(15,726,287)	(16,958,877)
Net Profit Before Contribution to WPPF		**8,753,570**	**10,163,716**
Contribution to WPPF	29	(416,837)	(483,986)
Profit Before Tax		**8,336,733**	**9,679,730**
Income Tax Expenses		**(2,251,705)**	**(3,859,336)**
Current Tax	30	(2,084,183)	(2,419,933)
Deferred Tax		(167,522)	(1,439,403)
Total Comprehensive Income for the Year		**6,085,029**	**5,820,394**
Earnings Per Share (EPS) of Taka. 10.00 each	32	**4.86**	**4.65**
Number of Shares used to compute EPS		1,251,600	1,251,600

The annexed notes from 01 to 40 and annexure- "A" is an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
ANM Mainuddin	**Monami Alam**	**Dr. Roushon Alam**	**Ayesha Alam**
Chief Financial Officer	**Director**	**Managing Director & CEO**	**Chairperson**

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

LIBRA INFUSIONS LIMITED
Statement of Changes in Equity
for the year ended June 30, 2017

For: 2016 -2017

Amount In Tk.

Particulars	Share capital	Revaluation Surplus	General Reserve	Retained Earnings	Total
Balance as at June 30, 2016	12,516,000	1,887,505,166	10,000,000	61,996,235	1,972,017,401
Adjustment for Depreciation on Revaluation Assets		(2,177,520)		2,177,520	-
Total Comprehensive Income for 2016 - 2017				6,085,029	6,085,029
Cash Dividend of Previous year 2015-2016				(3,129,000)	(3,129,000)
Balance as at June 30, 2017	**12,516,000**	**1,885,327,646**	**10,000,000**	**67,129,784**	**1,974,973,430**

For: 2015 -2016

Particulars	Share capital	Revaluation Surplus	General Reserve	Retained Earnings	Total
Balance as at June 30 , 2015	12,516,000	1,889,710,250	10,000,000	56,473,957	1,968,700,207
Adjustment for Depreciation on Revaluation Assets		(2,205,084)		2,205,084	-
Total Comprehensive Income for 2015 - 2016				5,820,394	5,820,394
Cash Dividend of Previous year 2014-2015				(2,503,200)	(2,503,200)
Balance as at June 30, 2016	**12,516,000**	**1,887,505,166**	**10,000,000**	**61,996,235**	**1,972,017,401**

The annexed notes from 01 to 40 and annexure-"A" is an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
ANM Mainuddin	**Monami Alam**	**Dr. Roushon Alam**	**Ayesha Alam**
Chief Financial Officer	**Director**	**Managing Director & CEO**	**Chairperson**

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

LIBRA INFUSIONS LIMITED
Statement of Cash Flows
for the year ended June 30, 2017

Particulars	Amount in Taka.	
	2016 - 2017	2015 - 2016
Cash Flows from Operating Activities		
Cash Receipts from Customers & Other Income	225,716,409	257,314,551
Cash Paid to Suppliers, Employees and Others	(204,187,349)	(170,508,847)
Cash Generated from Operations	**21,529,060**	**86,805,704**
Interest Paid	(15,726,287)	(13,205,853)
Income Tax Paid	(3,607,409)	(2,891,613)
Net Cash Generated from Operating Activities	**2,195,364**	**70,708,238**
Cash Flows from Investing Activities		
Acquisition of Property, Plant and Equipment	(15,328,962)	(10,858,971)
Disposal of Property, Plant and Equipment	-	298,790
Net Cash Used in Investing Activities	**(15,328,962)**	**(10,560,181)**
Cash Flows from Financing Activities		
Net (Decrease)/Increase in Long Term Loan	(1,997,127)	(12,831,299)
Net (Decrease)/Increase in Term Loan	(5,786,765)	(14,118,108)
Net (Decrease)/Increase in Short Term Loan	-	(8,706,475)
Dividend Paid	(1,401,850)	(1,643,906)
Net Cash Generated from Financing Activities	**(9,185,742)**	**(37,299,788)**
Increase/(Decrease) in Cash and Cash Equivalents	**(22,319,340)**	**22,848,269**
Cash and Cash Equivalents at Beginning of Year	32,212,278	9,364,009
Cash and Cash Equivalents at End of Year	**9,892,938**	**32,212,278**
Net Operating Cash Flows Per Share	**1.75**	**56.49**

The annexed notes from 01 to 40 and annexure- "A" is an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
ANM Mainuddin	**Monami Alam**	**Dr. Roushon Alam**	**Ayesha Alam**
Chief Financial Officer	**Director**	**Managing Director & CEO**	**Chairperson**

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

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LIBRA INFUSIONS LIMITED
Note to the financial statements
As at and for the year ended June 30, 2017

1. General Information

1.01 Corporate Information
Company Profile

Libra Pharmaceuticals Limited was incorporated in Bangladesh as a Private Limited Company on 02 February 1976 under the Companies Act, 1913. It was converted into a Public Limited Company in 1994 when it offered its share to the Public with the permission of the Bangladesh Securities and Exchange Commission. Subsequently it was renamed as Libra Infusions Limited on 27 October 1999. The shares of the company are publicly traded on the floors of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

1.02 Head office, Factory and Depot Office

The Registered Office and Factory are situated at I/7, Mirpur Industrial Estate, Rupnagar, Section-2, Dhaka-1216. The Company is being operated through its Depot / Sales offices located at Dhaka, Mymensingh, Comilla, Sylhet, Noakhali, Chittagong, Faridpur, Barisal, Khulna, Bogra, Rangpur, Rajshahi and Kushtia.

1.03 Nature of Business

The company owns and operates modern Injectable Intravenous (I.V) Fluids (Saline), Pharmaceutical products and Mineral Water manufacturing factories and it sells life saving products of different quality / grades to Govt, Semi–Govt, Authorities Hospitals, Clinics and Licenses Pharmacies.

2. Significant Accounting Policies and basis of preparation of the Financial Statements:

2.01 Basis of Measurement of Elements of Financial Statements:
The financial statements have been prepared on the Historical Cost Basis except land and buildings revalued by the Valuer following current cost method.

2.02 Statement on Compliance with Local Laws

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, the Bangladesh Securities & Exchange Rules1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws as applicable.

2.03 Statement on Compliance of Bangladesh Accounting Standards

The financial statements have been prepared in accordance with the applicable Bangladesh Accounting Standard (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.04 Compliance of International/Bangladesh Accounting Standards - (IAS/BAS)

The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:

BAS			DESCRIPTION	NOTE REFERENCE
BAS	**1**	**:**	Presentation of Financial Statements	2.05, 2.06, 2.07, 2.33
BAS	**2**	**:**	Inventories	2.22
BAS	**7**	**:**	Cash Flows Statements	2.32
BAS	**8**	**:**	Accounting Policies, Changes in Accounting Estimates and Errors	2.08
BAS	**10**	**:**	Events after the Balance Sheet Date	2.35
BAS	**12**	**:**	Income Taxes	2.13, 2.13.1, 2.13.2
BAS	**16**	**:**	Property, Plant and Equipment	2.11, 2.11.1, 2.11.2, 2.11.3
BAS	**18**	**:**	Revenue	2.10
BAS	**19**	**:**	Employee Benefits	2.14
BAS	**21**	**:**	The effects of Changes in Foreign Exchange Rates	2.17
BAS	**24**	**:**	Related Party Disclosures	2.34
BAS	**26**		Accounting and reporting by retirement benefit plans	2.14
BAS	**33**	**:**	Earnings Per Share	2.16

2.05 Presentation of Financial Statements

According to the International Accounting Standard (IAS) -1 as adopted by ICAB as BAS–1 “Presentation of Financial Statements” the complete set of Financial Statements includes the following components -

(a) Statement of Financial Position as at June 30, 2017;
(b) Statement of profit or loss and other comprehensive Income for the year ended 30, June 2017;
(c) Statement of Changes in Equity for the year ended June 30, 2017;
(d) Statement of Cash Flows for the year ended June 30, 2017; and
(e) Notes to the Financial Statements as at and for the year ended June 30, 2017.

2.06 Structure, Content and Presentation of Financial Statements

Being the general purpose of financial statements, the presentation of these financial statements is in accordance with the guidelines provided by BAS 1: “Presentation of Financial Statements”.

2.07 Reporting Period

The financial period of the Company covers one financial year from July 1, 2016 to June 30, 2017.

2.08 Accounting Principles and Policies

The accounting principles and policies in respect of material items of financial statements set out below have been applied consistently to all periods presented in these financial statements.

2.09 Use of Estimates and Judgments

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

2.10 Revenue Recognition Policy

In compliance with the requirements of BAS- 18: "Revenue", revenue receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods.

Revenue from sales is exclusive of VAT.

2.11 Property, Plant and Equipment

2.11.1 Recognition and Measurement

This has been stated at cost or revalued amount less accumulated depreciation in compliance with the requirements of IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

2.11.2 Maintenance Activities

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

2.11.3 Depreciation on Fixed Assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS -16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets.
Depreciation is provided at the following rates on reducing balance basis:

Building and Other Construction	1.25%
Plant, Machinery and Equipment	5%
Furniture and Fixtures	6%
Vehicles	10% - 20%
Books & Journal	30%

Depreciation on addition to Fixed Assets of Unit – 1 has been charged for six months averagely and No depreciation has been provided on Unit-2 on during the year 2016 - 2017.

2.12 Cash and Cash Equivalents

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

2.13 Income Tax

Income tax comprise of current and deferred tax. Income tax is recognized in statement of comprehensive income and accounted for in accordance with the requirements of BAS 12: “Income Taxes”.

2.13.1 Current Tax

Current tax is the expected tax payable for the year, and any adjustment to tax in respect of previous years. The Company qualifies as a “Publicly Traded Company” hence the applicable Tax Rate is 25.00%.

2.13.2 Deferred Tax

Deferred tax has been considered and reflected in the accounts under review. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per BAS-12 “Income Taxes”.

2.14 Employee Benefits

a) Provident Fund:
The Company has established a contributory provident fund scheme. The fund is wholly administered by a Board of Trustees. No part of the fund is included in the assets of the Company.

b) Workers Profit Participation Fund and Welfare Fund:
The Company makes a regular allocation of 5% on net profit before tax to this fund and payment is made to the workers and staffs as per provision of the company’s Profit under Labour (Amendment) Act 2013.

2.15 Proposed Dividend

Proposed dividend is accounted for after approval by the shareholders in the Annual General Meeting.

2.16 Earning Per Share (EPS)

Earning per Share (EPS) is calculated in accordance with Bangladesh Accounting Standard BAS - 33 “Earning Per Share” by dividing the basic earnings by weighted average number of ordinary shares outstanding during the year.

2.17 Foreign Currency Transactions

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

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

2.18 Approval of Financial statements

The financial statements were approved by the Board of Directors on 25 October 2017.

2.19 Reporting Currency

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

2.20 Comparative Information and Rearrangement Thereof

Comparative information has been disclosed in respect of the financial year 2015–2016 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Head of accounts and figures for the financial year 2016–2017 including narrative and descriptive information have been re-arranged and regrouped wherever considered necessary to ensure better comparability with the current year.

2.21 Risk and Uncertainty for use of Estimates and Judgments

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

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: "Accounting Policies, ental Errors and Changes in Accounting Estimates and Errors".

2.22 Inventories

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21& 25 of BAS-2. The cost is calculated on weighted average method in a consistent manner. Costs comprise of expenditure incurred in the normal course of business in bringing out such inventories to its location and conditions. Where necessary, provision is made for obsolete, slow moving and defective inventories (if any) identified at the time if physical verification of inventories. Cost of work in progress is determined at the basis of cost of materials only.

2.23 Board of Directors' & Board Meetings

There are 08 Members in the Board of Directors of the Company, 6 Board meetings were held during the year to transact various business.

2.24 Audit Fee

As per decision taken in the 38th Annual General Meeting of the Company held on 27 December 2016 the audit fee of TK. 300,000 has been provided for in the accounts. During the year under audit nothing was paid to the auditors for any other services.

2.25 Accrued Expenses and Other Payables

Liabilities for the goods and services received have been accounted for. Payables are not interest bearing and are stated at their nominal value.

2.26 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the Directors continue to adopt going concern basis in preparing the financial statements.

2.27 Financial Instrument

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

2.28 Impairment

In accordance with the provisions of BAS 36: “Impairment of Assets”, the carrying amount of non-financial assets, other than inventories is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated and impairment losses are recognized if profit and loss account. No such indication of impairment has been raised till to date.

2.29 Accounts Receivable

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

2.30 Provisions

A provision is recognized on the statement of financial position date if, as a result of post events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.31 Statement of Cash Flows

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

2.32 Proposed Dividend

The amount of proposed dividend has not accounted for but disclosed in the notes to the accounts along with the dividend per share in accordance with the requirements of Para 125 of BAS- 1: Presentation of Financial Statements. Also, the proposed dividend has not been considered as “Liability” in accordance with the requirements of the Para 12 & 13.

2.33 Transactions with Related Parties

The company carried out a number of transactions with related parties in the normal course of business and on arm’s length basis. The information as required by BAS – 24:” Related party Disclosures” has been disclosed in a separate note to the accounts

2.34 Events after Reporting Period

Events after the reporting period those event, favorable and unfavorable that occur between the end of the reporting period and the date when the Financial Statements are authorized for issue. Events after reporting period that are not adjusting events are disclosed in the notes when material.

2.35 Re-arrangement

Comparative information has been disclosed in respect of the financial year 2015-2016 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year financial statements.
Head of accounts and figures for the financial year 2015 -2016 including narrative and descriptive information have been re – arranged and grouped wherever considered necessary to ensure better comparability with the current year.

2.36 General:

a) Figures shown in the accounts have been rounded off to the nearest taka.
b) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

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3. Property, Plant and Equipment : **Amount In Taka.**

Sl. No.	Assets	Cost / Revaluation			Dep. Rate %	Depreciation			Written Down Value as at 30.06.2017
		Balance as at 01.07.2016	Additions during the period	Balance as at 30.06.2017		Balance as at 01.07.2016	Charged for the year	Balance as at 30.06.2017	
	Unit - 1								
1	Leasehold Land	1,385,800,000		1,385,800,000	-	-		-	1,385,800,000
2	Building and Other Construction	262,545,098	97,492	262,642,590	1.25%	47,415,379	2,689,731	50,105,110	212,537,480
3	Plant Machinery & Equipments	98,927,226	1,640,160	100,567,386	5%	68,007,403	1,586,995	69,594,398	30,972,988
4	Furniture & Fixture	12,370,208	167,894	12,538,102	6%	4,835,006	457,149	5,292,155	7,245,947
5	Vehicles	25,294,996	-	25,294,996	10%	22,040,008	325,499	22,365,507	2,929,489
6	Vehicles- Delivery Van / Pick up	18,653,306	8,007,645	26,660,951	20%	14,980,419	1,535,342	16,515,761	10,145,190
7	Books & Journal	201,280	-	201,280	30%	195,597	1,705	197,302	3,978
	Sub -Total	**1,803,792,114**	**9,913,191**	**1,813,705,305**		**157,473,812**	**6,596,421**	**164,070,234**	**1,649,635,071**
	Unit - 2								
1	Building and Other Construction	576,832,171	5,040,167	581,872,338	1.25%	-	-	-	581,872,338
2	Plant Machinery & Equipments	584,258,064	375,604	584,633,668	5%	-	-	-	584,633,668
	Sub -Total	**1,161,090,235**	**5,415,771**	**1,166,506,006**					**1,166,506,006**
	Grand Total (Unit 1+2)	**2,964,882,349**	**15,328,962**	**2,980,211,311**		**157,473,812**	**6,596,421**	**164,070,234**	**2,816,141,077**
	Asset 30.06.2016	**2,954,416,352**	**10,465,997**	**2,964,882,349**		**151,391,604**	**6,083,419**	**157,473,813**	**2,807,706,116**

Allocation of Depreciation: 6,596,421

Note : 24	5,182,373	Revaluation :	2,177,520
Note : 25	198,851	Bought :	4,418,901
Note : 26	1,215,197	**Total**	**6,596,421**
Total	**6,596,421**		

3.1 Depreciation of Unit No. 2:

Unit No. 2 of the Company has not been completed and is not usable as per BAS 16 Para 55 and as there is no comprehensive income statement of unit no. 2 for charging and showing the depreciation in the statement of profit or loss and other comprehensive income during the year 2016 -2017. Further in response to letter no. BSEC/CFD/11:20/99/part-2/98 dated 15-10-15 of BSEC, The Company have replied in its letter no-Libra/BSEC/Accounts/2013-14/30 dated 19-12-15 as under: The Property, Plant and Equipment of Unit -2 are yet to be completed and commissioned as such depreciation thereof was not charged. The Income Tax department have also not taken any step in the matter of depreciation in the matter of PPE as unit -2 is not usable in any way.

3.2 Revaluation of asset :

As to revaluation of Property, Plant and Equipment the Board of Directors considered the matter in the light of BAS 16 Para 34 and been decided that there is no scope of any change in the fair value of Property as because as because the property belongs to National Housing Govt of Bangladesh which is not further appreciable for technical reason, as the nature of Property, Plant and Equipment their shall not be any significant change in the valuation. Board of Director has examined the matter relating to revaluation PPE and has in their expert opinion is that the value shown as at 30-06-17 is the present fair value of PPE of the Company. During last six years no other External Auditors have considered the necessity for implementation of BAS -16 para -34. The Board shall discussed with experts and if needed the revaluation of PPE may be made in the next year. It is not mandatory to revalue the PPE without any reason. The Board of Directors is very much aware of the condition of their PPE and in their opinion there is no scope of any significant change in fair value of asset during last six years.

Notes	Particulars	Amount In Taka.	
		30.06.2017	30.06.2016

4 Inventories

This consists of as follows -	Notes		
Raw Material	24.01	12,542,362	12,213,726
Packing Material	24.02	26,561,238	27,363,549
Work -In-Process		4,097,184	6,053,248
Finished Goods		19,842,414	18,965,324
Laboratory Chemicals & Accessories		1,786,555	1,653,791
Materials In Transit		4,600,438	7,973,983
		69,430,191	**74,223,621**

5 Stores and Supplies

This consists of as follows -

Spares & Accessories	**1,471,408**	**1,456,429**
	1,471,408	**1,456,429**

6 Trade Receivable

This represents the due receivable on Credit Sale, this age analysis where of is as under :

Below 30 days	30,075,341	14,663,245
Within 30-60 days	11,178,156	4,902,824
Within 60-90 days	3,076,293	2,964,106
Above 90 days	3,841,286	6,487,674
Total	**48,171,076**	**29,017,849**

7 Other Receivable (Al Arafah Islami Bank Ltd.) **1,572,058,661** **1,572,058,661**

This represent a demand of Tk. 1,572,058,661 by the Company from Al-Arafah Islami Bank Ltd. for loss and damage incurred by the bank to the Company duly approved by the Board of Directors, Shareholders at the last AGM held on 27 December 2015. The matter is under Sub - judice in the Court of Metro Senior Special Judge, Dhaka (criminal matter) and in the Court of Joint District Judge 2nd Court, Dhaka (civil matter) and the learned Court granted Status- quo in the later case. In the meantime the Company also attended in a hearing on the matter of Tk. 1,572,058,661 before the commission presiding over by a member where the Company submitted its argument and the matter continued as it is untill now. During the last Financial year, the Company submitted accounts statements for 3 quarters showing the amount of Tk. 1,572,058,661 as other accounts receiable. The matter of Tk.1,572,058,661 is also known to Bangladesh Bank and Ministry of Finance and duly audited by the External Auditors during the year 2014-2015 and 2015 - 2016.

Notes	Particulars	Amount In Taka.	
		30.06.2017	30.06.2016

8 Advance, Deposits and Prepayments

This is unsecured and considered good which consists of as follows -

A. Advances

This is arrived at as follows -

Employees	270,151	32,860
Rent	1,221,994	852,000
Income tax	29,164,859	27,057,450
Purchase	2,588,783	3,475,731
Other expenses	3,868,837	-
Total	**37,114,624**	**31,418,041**

a. Advance rent include Taka.32,500 to Mrs.Razia Begum against office rent is still under sub - judice.

b. Advance income tax amounting of Taka.29,164,859 is adjustable with the tax payable subject to finalization of assessement.

B. Deposits

This is arrived at as follows -

Security deposit / Earnest money	3,016,669	3,093,886
Lease rental to UCL	1,475,073	1,475,073
	4,491,742	**4,568,959**

C. Prepayments

This is made - up as follows -

VAT (Value Added Tax)	2,159,220	2,391,017
Insurance Premium	718,179	1,491,270
	2,877,399	3,882,287
Grand total (A+B+C)	**44,483,765**	**39,869,287**

9 Cash and Cash Equivalents

This is made up as follows -

A. Cash in hand (Head office and Depots)	2,234,773	4,083,714
B. Cash at Bank :		
Current Account	6,531,537	27,612,564
Fixed Deposit Account (Prime Bank Ltd.)	1,126,628	516,000
	7,658,165	28,128,564
Total (A+B)	**9,892,938**	**32,212,278**

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Notes	Particulars	Amount In Taka.	
		30.06.2017	30.06.2016
11	**Long Term Loan - Al - Arafah Islami Bank Ltd.**	**305,808,090**	**305,808,090**

Long term loan of Taka.305,808,090 was secured from from Al- Arafah Islami Bank Ltd secured against Land, Building and other Assets both present & Future depositing the Title deeds of properties.

12	**Long Term Loans - Union Capital Ltd.**	**57,683,992**	**59,546,058**

Long term loan for Unit No-2 from Union Capital Ltd amounting to Taka.57,683,992 have been secured against personal property of the Directors.

13	**Term Investment (Al - Arafah Islami Bank Ltd.)**	**277,161,631**	**277,161,631**

Term loan amounting to Taka.277,161,631 was borrowed from Al Arafah Islami Bank Ltd. Secured against Finished goods, Imported Raw & Packing materials.

14 Deferred Tax Liability

This represents provision is made for deferred income tax to pay future income tax liability for temporary difference which is arrived at as follows:

Opening balance	4,042,762	2,603,359
Less : Adjustment	-	-
	4,042,762	2,603,359
Add: Provision	167,522	1,439,403
Closing balance	**4,210,284**	**4,042,762**

15 Other Liabilities

This consists of -

Unpaid Dividend	31,051,350	29,455,401
Employees Provident Fund	38,356,088	32,692,715
Workers' Profit Participation & Welfare Fund	7,748,303	6,260,611
	77,155,741	**68,408,727**

16	**Short Term Investment (Al- Arafah Islami Bank Ltd)**	**32,547,292**	**32,547,292**

Short term Loan of Taka. 32,547,292 was taken from Al - Arafah Islami Bank Ltd. against Finished goods, Raw & Packing materials which are payable currently.

Notes	Particulars	Amount In Taka.	
		30.06.2017	30.06.2016
17	**Long Term Investment - Current Portion**	**124,283,928**	**124,283,928**
	A/C : Al - Arafah Islami Bank Ltd.		

This represents current portion of long term loans from Al Arafah Islami Bank Ltd. which are repayable currently .

18	**Long Term Loan - Current Portion**		
	Union Capital Ltd.	8,700,000	8,835,061
		8,700,000	**8,835,061**

This represents current portion of term loans from financial institutions which are repayable currently .

19	**Term Investment- Current Portion**		
	Al - Arafah Islami Bank Ltd.	91,423,915	91,423,915
		91,423,915	**91,423,915**

This represents current portion of long term loans from Al Arafah Islami Bank Ltd. which are repayable currently .

20	**Term Loan - Current Portion**		
	Premier Bank Ltd.	6,383,420	12,170,185
		6,383,420	**12,170,185**

This represents current portion of long term loans from Premier Bank Ltd. which are repayable currently .

21 Creditors and Other Payables

This consists of -

A. For goods

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

This is made - up as follows-

Packing materials	2,560,071	2,687,137
Promotion Material,Printing & Stationery	1,656,357	1,654,328
	4,216,428	**4,341,465**

B. For Services

These are falling due within one year and arrived at as follows-

Telephone & fax	5,781	9,316
Gas & electricity & WASA	1,304,180	3,565,433
Insurance	110,461	90,738
Audit fee	300,000	300,000
Salary and wages	3,357,857	5,344,540
Travelling expenses - field forces	2,354,612	2,226,414
C & F charges	13,636	264,324
Others	673,485	184,376
	8,120,012	**11,985,141**

Notes	Particulars	Amount In Taka.	
		30.06.2017	30.06.2016

C. For Other Finance

This is arrived at as follows -

Dividend Payable	959,855	828,654
Refund warrant Payable	2,000	2,000
Income tax payable (up to assessment year 2010 - 2011)	1,623,757	3,123,757
Other Liabilities	4,436,661	143,678
Suspense Account (Al Arafah Islami Bank Ltd.)	1,572,058,661	1,572,058,661
	1,579,080,934	1,576,156,750
Grand Total (A+B+C)	**1,591,417,374**	**1,592,483,356**

A similar amount of Tk. 1,572,058,661 has also been claimed by the Company from Al-Arafah Islami Bank Ltd. on account of loss and damages incurred by the bank to the Company duly approved by the Board of Directors, Shareholders at the last AGM held on 27 December 2015. The matter is under Sub -judice in the Court of Metro Senior Special Judge, Dhaka (criminal matter) and in the Court of Joint District Judge 2nd Court, Dhaka (civil matter) and the learned Court granted Status- quo in the later case. In the meantime the Company also attended in a hearing on the matter of Tk. 1,572,058,661 before the commission presiding over by a member where the Company submitted its argument and the matter continued as it is untill now. During the last financial year the Company submitted accounts statements for 3 quarters showing the amount of Tk. 1,572,058,661 as other finance - Demand from Al-Arafah Islami Bank Ltd. The matter of Tk.1,572,058,661 is also known to Bangladesh Bank and Ministry of Finance and duly audited by the External Auditors during the year 2014-2015 and 2015 - 2016.

22 Taxation

This is arrived at as follows -

Balance 1 July 2016	7,815,835	5,395,902
Add: Current tax	2,084,183	2,419,933
	9,900,018	7,815,835
Less: Income Tax paid / Adjustment during this year	-	-
Balance at 30 June 2017	**9,900,018**	**7,815,835**

Notes	Particulars	Amount In Taka. 2016 - 2017	2015 - 2016

23 Net Sales Revenue

This is arrived at as follows -

Sales	286,760,075	278,580,993
Less: VAT	(42,501,067)	(40,434,365)
Total	**244,259,008**	**238,146,628**

24 Cost of Goods Sold

This is made - up as follows -

	Notes		
Work in process -opening		6,053,248	6,224,859
Raw materials consumed	24.01	15,123,527	15,016,805
Packing materials consumed	24.02	109,767,783	107,047,910
Less: Work in process -closing		(4,097,184)	(6,053,248)
Direct materials consumed		**126,847,374**	**122,236,326**
Direct labour		4,176,829	4,072,307
Manufacturing overhead	24.03	28,367,072	27,456,198
Depreciation		5,182,373	5,453,932
Cost of production (Material & Manufacturing Expenses)		**164,573,648**	**159,218,764**
Finished goods opening		18,965,324	19,638,642
		183,538,972	178,857,406
Finished goods closing		(19,842,414)	(18,965,324)
		163,696,558	159,892,082
Cost of sample		(2,253,794)	(2,143,567)
Cost of Goods Sold		**161,442,764**	**157,748,515**

24.01 Raw Materials Consumed

This is made -up as follows -

Opening stock	12,213,726	12,842,567
Add: Purchase	15,452,163	14,387,964
	27,665,889	27,230,531
Less: Closing stock	(12,542,362)	(12,213,726)
Raw materials consumed	**15,123,527**	**15,016,805**

24.02 Packing Materials Consumed

This consists of as follows -

Opening stock	27,363,549	27,447,632
Add: Purchase	108,965,472	106,963,827
	136,329,021	134,411,459
Less: Closing stock	(26,561,238)	(27,363,549)
Packing materials consumed	**109,767,783**	**107,047,910**

Notes	Particulars	Amount In Taka.	
		2016 - 2017	2015 - 2016

24.03 Manufacturing Overhead

This consists of as follows -

Salary,wages and benefits	12,934,314	12,919,503
Indirect materials	679,012	769,095
Overtime	1,252,721	1,026,398
Travelling & conveyance	167,733	200,753
Printing & stationery	128,627	117,073
Repairs & maintenance	299,591	375,761
Telephone, telex & fax	177,296	177,065
Gas & electricity	9,273,018	8,581,862
Insurance	524,653	583,272
Automobile operating expenses	551,696	534,100
Canteen expenses	1,775,797	1,568,897
Municipal tax	249,346	346,408
Trade licence fee	353,268	256,011
	28,367,072	**27,456,198**

25 Administrative Expenses

This consists of as follows -

Salary and allowances	5,023,848	5,164,385
Directors remuneration	1,861,500	1,861,500
Directors fees	290,000	270,000
Office rent	240,000	240,000
Repairs and maintenance	376,430	358,800
Travelling & conveyance	209,791	182,944
Bank Charges	244,273	222,268
Office expenses	156,986	181,077
Fooding expenses	658,461	557,319
Automobile Operating expenses	253,831	240,440
Printing, stationery	291,337	264,817
Postage, Phone, Fax and Internet	248,200	224,001
Electricity, gas and water	344,855	317,768
Insurance	248,438	218,799
Legal, professional & other service charge	392,013	364,100
Membership fee	233,382	163,000
Audit fee	300,000	300,000
AGM expenses	385,941	195,615
Depreciation	198,851	159,939
Total	**11,958,137**	**11,486,772**

a. Audit fee represents Auditos' remuneration for auditing the accounts of the Company for the year ending 30 June 2017.

b. Break up of AGM expenses are as follows-

Report and dividend warrant printing	180,193	80,550
Report and dividend warrant despatched	7,028	4,025
AGM notice and others (advertisement in newspaper)	166,080	77,855
Decoration and others	32,640	33,185
	385,941	**195,615**

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Notes	Particulars	Amount In Taka.	
		2016 - 2017	2015 - 2016

24.03 Manufacturing Overhead

This consists of as follows -

Salary,wages and benefits	12,934,314	12,919,503
Indirect materials	679,012	769,095
Overtime	1,252,721	1,026,398
Travelling & conveyance	167,733	200,753
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Repairs & maintenance	299,591	375,761
Telephone, telex & fax	177,296	177,065
Gas & electricity	9,273,018	8,581,862
Insurance	524,653	583,272
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Trade licence fee	353,268	256,011
	28,367,072	**27,456,198**

25 Administrative Expenses

This consists of as follows -

Salary and allowances	5,023,848	5,164,385
Directors remuneration	1,861,500	1,861,500
Directors fees	290,000	270,000
Office rent	240,000	240,000
Repairs and maintenance	376,430	358,800
Travelling & conveyance	209,791	182,944
Bank Charges	244,273	222,268
Office expenses	156,986	181,077
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Automobile Operating expenses	253,831	240,440
Printing, stationery	291,337	264,817
Postage, Phone, Fax and Internet	248,200	224,001
Electricity, gas and water	344,855	317,768
Insurance	248,438	218,799
Legal, professional & other service charge	392,013	364,100
Membership fee	233,382	163,000
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AGM expenses	385,941	195,615
Depreciation	198,851	159,939
Total	**11,958,137**	**11,486,772**

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Decoration and others	32,640	33,185
	385,941	**195,615**

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Notes	Particulars	Amount In Taka.	
		2016 - 2017	2015 - 2016

26 Selling, Marketing and Distribution Expenses

This consists of as follows -

Salary,allowances and benefits	23,106,032	21,527,536
Office rent	2,298,000	2,140,800
Repairs and maintenance	355,699	333,303
Travelling & conveyance	5,747,966	5,414,241
Casual wages	542,018	486,300
Office expenses	427,118	599,278
Printing & stationery	344,611	442,208
Postage, phone, Fax and Internet	436,859	436,966
Electricity, gas and water	464,508	450,745
Insurance	455,006	631,133
Training & conference	145,600	110,000
Promotional materials expenses	2,567,118	1,531,039
Other promotional expenses	942,730	847,032
Sample expenses	2,253,794	2,143,567
Distribution expenses	4,997,525	3,826,642
Automobile operating expenses	701,012	697,200
Depreciation	1,215,197	469,548
Total	**47,000,793**	**42,087,538**

27 Other Income

A.	Interest Income on FDR	622,543	-
B.	Business Gain (Sale of Micro bus)	-	298,790
	Total	**622,543**	**298,790**

Notes	Particulars	Amount In Taka.	
		2016 - 2017	2015 - 2016

28 Finance Cost

This is made - up as follows -

Interest on Short Term Loan	1,966,235	2,301,628
Interest on Cash Credit	-	-
Interest on Long Term (UCL)	9,571,157	10,904,225
Interest on loan from P.F and Welfare Fund	4,188,895	3,753,024
Total	**15,726,287**	**16,958,877**

The Company is paying interest @ 11.50% on the balance of Workers' Profit Participation & Welfare Fund and @ 10.50% on Provident Fund for utilizing the amount.

Al- Arafah Islami Bank can not charge any profit (Interest) to the company on the following grounds-

i) Al-Arafah Islami Bank Ltd. has tried to convince our Company that Islamic Shariah Banking is benificial for this world and here after and their activities is based on get the nation rid of Usury (interest). Furthermore the bank declared in their Memorandum of Association clause 3.1, 3.2, 3.3, 3.5 & 3.6 specifically stating that the Bank shall not enter into any transaction of any kind including any investment which involves interest directly or indirectly. But in the speech in the Parliament Finance Minister has declared the activities of Islami Banks are based on frauds which the Company has also experienced. The bank have also committed to the principle of rendering banking services of all kinds on interest free and profit and loss sharing basis in accordance with the Islamic Shariah. On this condition the Company agreed to take investment from the Bank, Eventually its is proved otherwise.

ii) The Company claimed a demand for a sum of Tk. 157.20 crore on account of loss and damage to the Company which is under Sub judice. The bank is calming a sum of Tk. 83.12 crore which is not acceptable to the Company.
iii) The aforesaid amount of Tk. 83.12 crore is disputed which included a profit (Interest) of Tk. 45.92 crore which is illegal as per Islamic Shariah Principle. This is also under Sub Judice.
iv)The Bank is entitle to share of Profit and Loss which acrues on the finalization of Profit and Loss of the Company at the end of the year.
v) Once the Company wins the case it will be impossible for the Company to realized a sum of Tk.120.00 crore (157.20-83.12+diputed interest of Tk.45.92=120.00 crore) from the Bank.
vi) The Company as per experts opinion, has not apportioned the profit (Interest) of the bank during the year 2015-2016 as the accounts are yet to be finalized.
vii) The quarterly accounts has also been submitted to the BSEC, DSE and CSE without charging interest for the aforesaid ground.
viii) As on the date of 27/10/2016 the company shall get a sum of Tk.120 crore as above from the bank question of provision/charging of profit (interest) cannot arise in any way at all as because it will be total violation of Islamic Shariah law.

Notes	Particulars	Amount In Taka.	
		2016 - 2017	2015 - 2016

29 Contribution to Workers' Profit Participation & Welfare Fund

This represents 5% of operating profit before tax after charging the contribution provided as per provision of the labour Act 2006.

30 Current Tax

This represents estimated Income Tax Liability as follows:

25 % Income Tax on Taxable Profit of Taka 7,714,190	1,928,548	2,345,235
25 % Income Tax on Taxable Profit of Taka 622,543	155,636	74,698
	2,084,183	**2,419,933**

31 Appropriation During the Year

In accordance with BAS -1 " Presentation of Financial Statements", the appropriations for the year have been reflected in the "Statement of Changes in Equity"

Dividend - Proposed

The proposed dividend @ 25% i.e, Taka. 2.50 per share of Taka. 10 each has been recommended by the Board of Directors subject to approval of shareholders.

During the year under review, a part of the balance of net profit though carried forward in the Statement of Financial Position will be applied for payment of this year's cash dividend proposed by the Board of Directors @ Taka. 2.50 per share and will be recognised as liability in the accounts as and when approved by the shareholders in the Annual General Meeting.Total amount of proposed cash dividend for the year 2016- 2017 shareholders in the Annual General Meeting.Total amount of proposed cash dividend for the year 2016- 2017 is calculated to Taka.31,29,000.00

32 Earnings Per Share (EPS)

Earning per share and its components have been defined in notes 2.16 The computation of EPS is given below -

a.Earning attributable during the year to ordinary shareholder	6,085,029	5,820,394
b. Number of ordinary shares outstanding during the year	1,251,600	1,251,600
c. Earnings per share	**4.86**	**4.65**

33 Payment / Perquisites to Directors / Managers

The aggregate amounts paid to / provided for the officers of the company as defined in the Securities and Exchange Rules 1987 are disclosed below :

Managing Director	631,500	631,500
Directors Remuneration	1,230,000	1,230,000
Managers :		
Salary	2,452,418	2,344,170
Other benefits:		
Bonus	188,543	176,642
House rent	1,532,497	1,442,896
Utilities & others	842,318	751,490
Total	**6,877,276**	**6,576,698**

a. No compensation was allowed to the Managing Director of the Company except as stated above.

b. No money was spent by the Company for compensating any member of the Board for special services rendered.

Notes	Particulars	Amount In Taka.	
		2016 - 2017	2015 - 2016

34 Production Capacity and Utilisation

[Quantity in million, unit of Bag]

Year	Products	Installed Capacity	Actual Production	Capacity Utilised
2016-2017	I.V. Fluid (Bags)	10.00	3.91	39.10%
2015-2016	I.V. Fluid (Bags)	10.00	3.48	34.86%

35 Capital Expenditure Commitment

a. There was no capital expenditure contracted but not incurred or provided for at June 30, 2017.

b. There was no material capital expenditure authorised by the Board but not contracted for at June 30 , 2017.

36 Claim not Acknowledged as Debt.

There was no claim against the Company not acknowledged as debt as on June 30, 2017.

37 Contingent Liabilities

There was no sums for which the Company is contingently liable at June 30, 2017.

38 Dividend Paid to the Shareholders

During the year under review cash dividend amounting to Taka. 1,401,850 has been paid to the shareholders.

39 Credit Facilities

There was no credit facility available to the company under the contract but not availed of as on June 30, 2017 other than bank credit facility and trade credit available in the ordinary course of business.

40 Demand sum of Tax Tk. 6.15 Crore

As per direction of Local and revenue Audit Directorate under Comptroller and Auditor general issued an illegal order assessing a sum of Tk.6,15,29,540 under section -120 basing on total income and adding back all the total expenditure of the Company and imposed unilaterally aforesaid illegal Tax for the assessment year 2011 - 2012. The matter is under Sub Judice and liable to be rejected.

ANM Mainuddin	**Monami Alam**	**Dr. Roushon Alam**	**Ayesha Alam**
Chief Financial Officer	**Director**	**Managing Director & CEO**	**Chairperson**

Dated, Dhaka:
October 25, 2017

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