34th

Annual Report

Financial Year 2016-2017



ORION Infusion Ltd.

In Search of Excellence



Letter of Transmittal

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

Dear Sir/Madam (s):

ANNUAL REPORT FOR THE YEAR ENDED JUNE 30, 2017

We are pleased to inform you that the Board of Directors of Orion Infusion Ltd. has taken the decision, in its Board Meeting held on November 07, 2017, to hold 34th Annual General Meeting of the Company on December 14, 2017.

In accordance with the requirement of Bangladesh Securities and Exchange Commission, we are enclosing a copy of the Annual Report together with the Audited Financial Statements including Statement of Financial Position as at June 30, 2017, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended June 30, 2017 along with notes as well as the Directors' Report of the Company thereon for your record/necessary measures.

Yours sincerely

Sd/-

Md. Ferdous Jaman
Company Secretary
Dated: November 07, 2017

AMAR STOCK

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AMAR STOCK

ORION GROUP

ORION GROUP is a leading and continuously thriving corporation and a legendary brand name in the business arena of Bangladesh and beyond. Orion has a long history of determination, commitment towards excellence, integrity, and a firm promise to deliver value to its consumers and clients since early '80s.

Orion Group is endowed with a highly diversified portfolio of Pharma & Healthcare, Power Generation & Energy, shipping, Infrastructure Development, Real Estate & Construction, Cosmetics & Toiletries, High-tech Agro Products, Food & Restaurant Chain, Textiles & Garments and Home Appliance sectors. Apart from significant contribution in the aforesaid sectors, Orion in recent times has exclusively focused in Power Generation & Energy, Engineering & Construction and Infrastructure Development sectors. Going further to Orion's continuous success, Orion is now on the verge of exploring and developing the untapped Hospitality & Tourism sector of Bangladesh through its commitment in implementing the largest Tourism Resort and Entertainment Village in South Asia, located along the mesmerizing coastline of world's longest Sea Beach Cox's Bazar.





OUR VISION

To be regarded as a world-class corporate house through products, services and values.

OUR MISSION

- Continuous development of people competency
- Recognizing individual contribution
- Introducing new and innovative products and technologies
- Assuring quality products from advanced manufacturing facilities
- Exceeding customer satisfaction and granting trust through quality services

Orion Group has been an integral part in the steady economic growth and significantly increasing socio-economic development of Bangladesh in the past two decades through its contribution in the Trade & Commerce sector of Bangladesh, one of the Next-11 countries possessing high potential for economic growth as analyzed by Goldman Sachs. Orion has long since been consistently successful in all major investment undertakings so far and significantly contributed to the country's business environment, growth and stability through its adoption of appropriate business to business, business to government and business to consumers strategies and made an astonishing effort with a desire for excellence and creating value, be it introducing a new brand for consumers or forging a promising public private partnership with the Government of Bangladesh. Being a growth and development-oriented business entity, Orion never stepped back to forge partnership with the Government, Transnational Corporations and to involve foreign technological expertise in its multifaceted ventures as and when required.



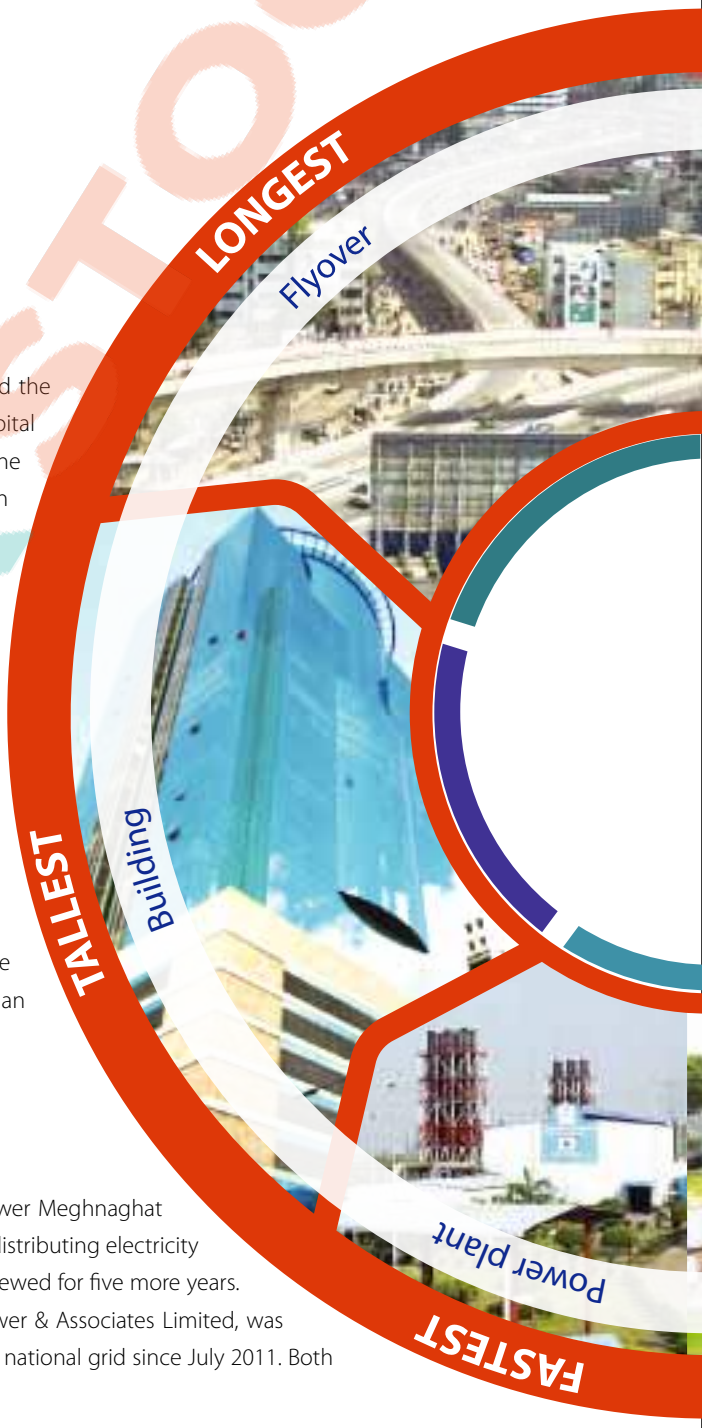


OUR VALUES

- Quality in everything we do
- Transparent and fair in all our dealings
- Take initiatives to exceed standards
- Trust and respect to each other
- Work as a team
- Share social responsibility

LANDMARKS

DELIVERING THE BEST AND MAKING A DIFFERENCE



MAYOR MOHAMMAD HANIF FLYOVER

The 11.8 km long "Mayor Mohammad Hanif Flyover" is the longest flyover and the first PPP project in the country on BOOT basis. This revolutionary and capital intensive project has been operational for traffic upon inauguration by the Hon'ble Prime Minister since October 2013. It has been cited with commendation as a reference project in the annual study paper of Asian Public Governance (APG) Forum on Public Private Partnerships (PPP) & International Public Procurement Forum in 2016 conference titled "Ensuring Successful PPPs for Asia's Development: Governance and Law."

CITY CENTRE

The 37-storied "City Centre"; the tallest building in the country, is a commercial complex cum multistoried car parking at Motijheel, Dhaka. The landmark building is equipped with the most modern firefighting equipment, automated car parking system, earthquake protection system, and necessary amenities to re-define the working space. The building is professionally managed through Building Management System (BMS). The building has its own architectural splendor, helipad on the roof top, an avant-garde business center, modern office spaces, restaurants etc

ORION POWER MEGHNAGHAT LIMITED
DUTCH BANGLA POWER & ASSOCIATES LIMITED

The 100 MW HFO based power plant in Meghnaghat, Narayanganj, Orion Power Meghnaghat Limited, was completed in a record time of just 9 months. The plant has been distributing electricity to the national grid on regular basis since May 2011 and has recently been renewed for five more years. The 100 MW HFO power plant in Siddhirganj, Narayanganj, Dutch Bangla Power & Associates Limited, was also completed in 9 months and the generated output is regularly supplied to national grid since July 2011. Both the plants were equipped with brand new European machineries.

VIVIANA STOCK



ORION POWER DHAKA LIMITED
ORION POWER UNIT- 2 DHAKA LIMITED

OPDL is the largest single unit coal based Ultra Super-Critical power plant in Bangladesh being implemented in Charbetaki, Gozaria, Munshiganj with a net capacity of 630MW (Gross 700 MW). Orion Group has adopted "Clean Coal Technology," a collection of technologies including Flue Gas Desulphurization which has been developed to mitigate the environmental impacts and ensure zero emission to the atmosphere. Similar to OPDL, ORION POWER UNIT- 2 DHAKA LIMITED (OPDL-2) is also one of the largest single unit coal based Ultra Super-Critical power plant (IPP) being implemented in Gozaria, Munshiganj with a net capacity of 635 MW (Gross 700 MW).

TOURISM RESORT & ENTERTAINMENT VILLAGE, COX'S BAZAR

Orion has been awarded to implement the first ever PPP Project in Tourism & Hospitality Sectorof Bangladesh, "Development of Tourism Resort and Entertainment Village" at Parjatan Holiday Complex, Cox's Bazar. The concept design has been executed by Forrec Ltd. of Canada. The entertainment village would be the first of its kind in the country. This mega project incorporates multiple Resorts (five-star and four-star) with diverse amenities encompassing villa resort, spa hotel, water sports, water taxies, health & fitness center, multiple sports facilities, multiplex movie theatres, cultural show, food, beverage and retail, cultural walk promenade and a world class full-fledged Theme Park with 29 water and ground based rides and entertainment activities. This Project would be the most giant leap forward in the Tourism of Bangladesh for Domestic and International tourists.

PANBO BANGLA MUSHROOM LTD.
ORION AGRO PRODUCTS LTD.

Panbo Bangla Mushroom Ltd. and orion Agro Products Ltd. is a 100% export-oriented prudent venture of Orion Group and carries out growing, processing and marketing of cultivated mushrooms. The health conscious segment of the world population has startedconsidering mushroom as one of their regular diets. The key advantage which would help to thrive in an export-oriented mushroom industry in Bangladesh is significant low labour cost. Panbo's production of Baby Button Mushroom (White Button Mushroom or Agaricous Bisporus) coupled with a rapidly growing global demand would create a unique opportunity to step in the very prospective global agro industry.

PHARMA PARK

Orion Group is implementing one of the biggest Pharma Parks of the country and so far the finest and most comprehensive pharmaceutical plant at Shiddhirganj, Narayanganj where a complete array of pharmaceutical facilities and solutions within single complex. This unique establishment has been designed to follow all latest global standards like USFDA, UK MHRA, Health Canada, and Australian TGA. In addition to conventional Pharma products, the new plant will also incorporate state of the art technologies to manufacture Cephalosporin, microbiological products including pro-biotic& hormones; anti-cancer drugs, veterinary medicines, herbal medicines among others.

STRATEGIC BUSINESS UNITS



Pharma & Healthcare

- Orion Pharma Ltd.
- ORION Infusion Ltd.
- ORION RENAL & GENERAL HOSPITAL

Power

- Orion Power Meghnaghat Ltd.
- Dutch-Bangla Power & Associates Ltd.
- Digital-Power & Associates Ltd.
- Orion Power Dhaka Ltd.
- Orion Power Khulna Ltd.
- Orion Power Chittagong Ltd.
- Orion Power Unit-2 Dhak Ltd.
- Orion Power Unit-3 Dhak Ltd.

Energy

- Orion Gas Ltd.
- Orion Oil & Shipping Ltd.

Infrastructure Development

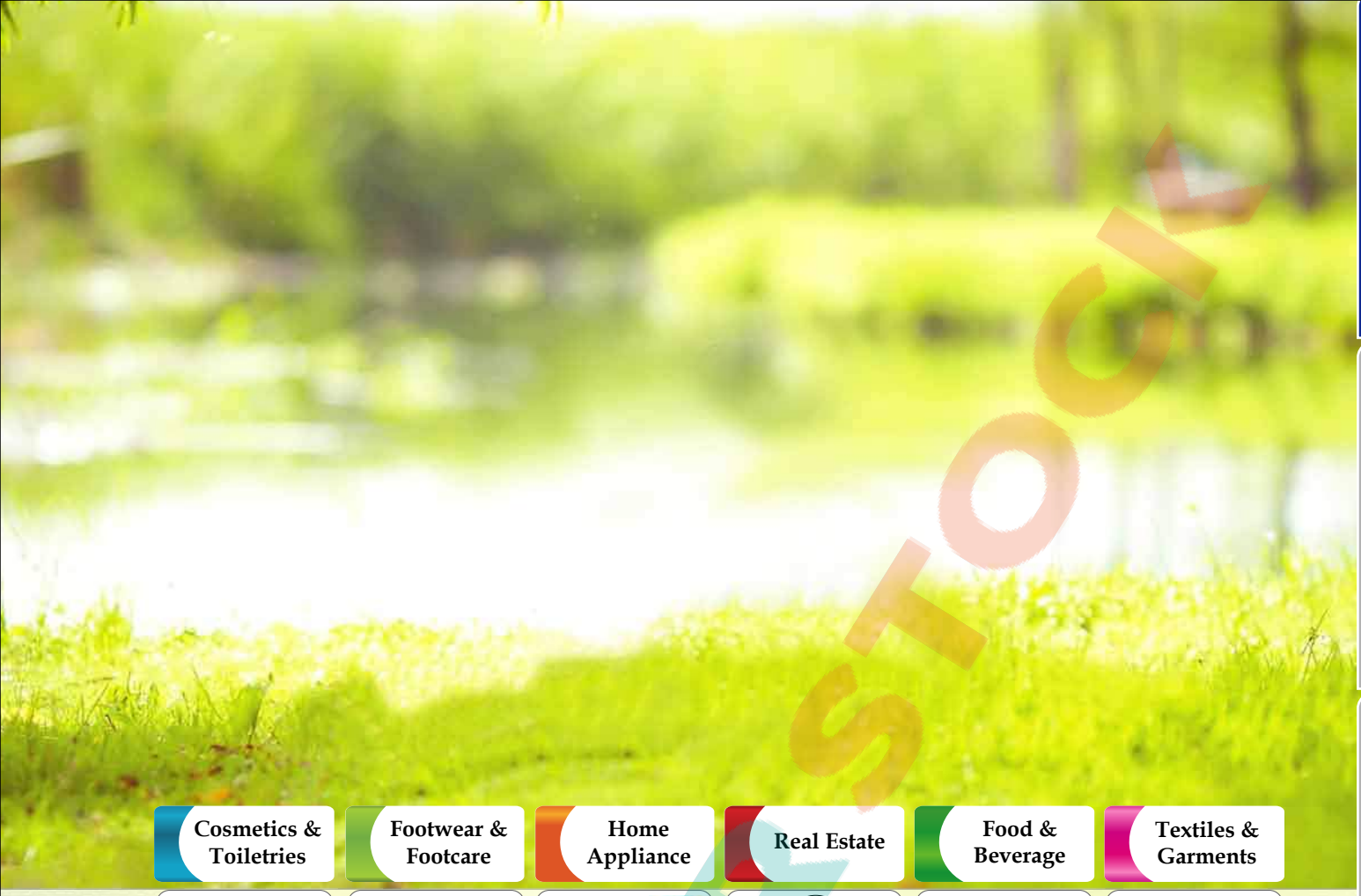
- Orion Infrastructure Ltd.

Agro Products

- Jaffong Tea Company Ltd.
- Noakhali Gold Foods Ltd.
- Orion Agro Products Ltd.
- Panbo Bangla Mushroom Ltd.
- Orion Tea Company Ltd.

Construction & Allied

- Interior Accom Consortium Ltd.



Cosmetics & Toiletries	Footwear & Footcare	Home Appliance	Real Estate	Food & Beverage	Textiles & Garments
Kohinoor Chemical Co. (Bd) Ltd	Orion Footwear Ltd.	Orion Home Appliance Ltd.	City Centre	Orion Restaurants Ltd.	Orion Knit Textiles Ltd.
			Orion Properties Ltd.	Krispy Kreme Doughnuts	



PROFILE OF ORION INFUSION LIMITED

PRODUCTION AREA	7,171 sm
THERAPEUTIC CLASS	9
PRESENTATION	38
GENERICS	24
BRANDS	24

Orion Infusion Limited (OIL) was incorporated in 1983 as a state-of-the-art Large Volume Parenterals (LVP) manufacturing company. At its inception, the company was named as "Mala Chemical & Pharmaceutical Industries Ltd," which was changed to Orion Infusion Limited in 1994. In the same year, the company also became a public limited company and was listed in Dhaka Stock Exchange. Subsequently in 1996, the company was enlisted with Chittangong Stock Exchange as well.

OIL is one of the leading pharmaceutical companies in Bangladesh with cutting edge technologies for manufacturing and marketing of IV Fluid, lifesaving intravenous and intravascular saline like Rehydration Solution, Electrolyte Solution, Antiulcerant Solution viz. Ranitidine IV, Amino Acid Solution, Antimicrobial products viz. Ciprofloxacin IV, Metronidazole IV, Ceftrixone IV & Plazma Substitute viz. Hydroxyethyl Strach Solution, ensuring commitment over quality.

With its modest start more than three decades ago with the mission to improve the health of people of Bangladesh, OIL has today burgeoned out into the leading infusion companies in Bangladesh. It has already established itself to the doctors' community, other health care professionals, chemists and patients as a provider of quality medicines and health care services.

VISION

To be regarded as a world-class pharmaceutical company in the field of generic finished products.

MISSION

To improve people's health and achieve stakeholders' satisfaction by manufacturing and marketing pharmaceutical finished products.

VALUES

Quality in everything we do

Live up to our commitment

Transparent and fair in all our dealings

Take initiative to exceed standards

Trust and respect for each other

Work as a team

Share social responsibility

AMARSTOCK

GOALS

To sustain a significant sales growth above industry average;

To develop employees' skills through continuous training and development programs;

To be established as one of the most preferred pharmaceutical companies in Bangladesh to work for;

To upgrade manufacturing facilities continuously in order to cope with changes in the business environment ;

To assure quality products from our manufacturing facility through cGMP;

To focus on total customer satisfaction.

CORPORATE INFORMATION

REGISTERED NAME
Orion Infusion Limited

LEGAL FORM
Public Limited Company incorporated in Bangladesh on May 5, 1983

BUSINESS LINE
Manufacturing and marketing of Large Volume Parenterals (LVP)

REGISTERED AND CORPORATE OFFICE
ORION HOUSE
153-154, Tejgaon Industrial Area
Dhaka-1208, Bangladesh

PRODUCTION PLANT
Maikuli, P.S.-Rupganj,
District- Narayanganj,
Bangladesh

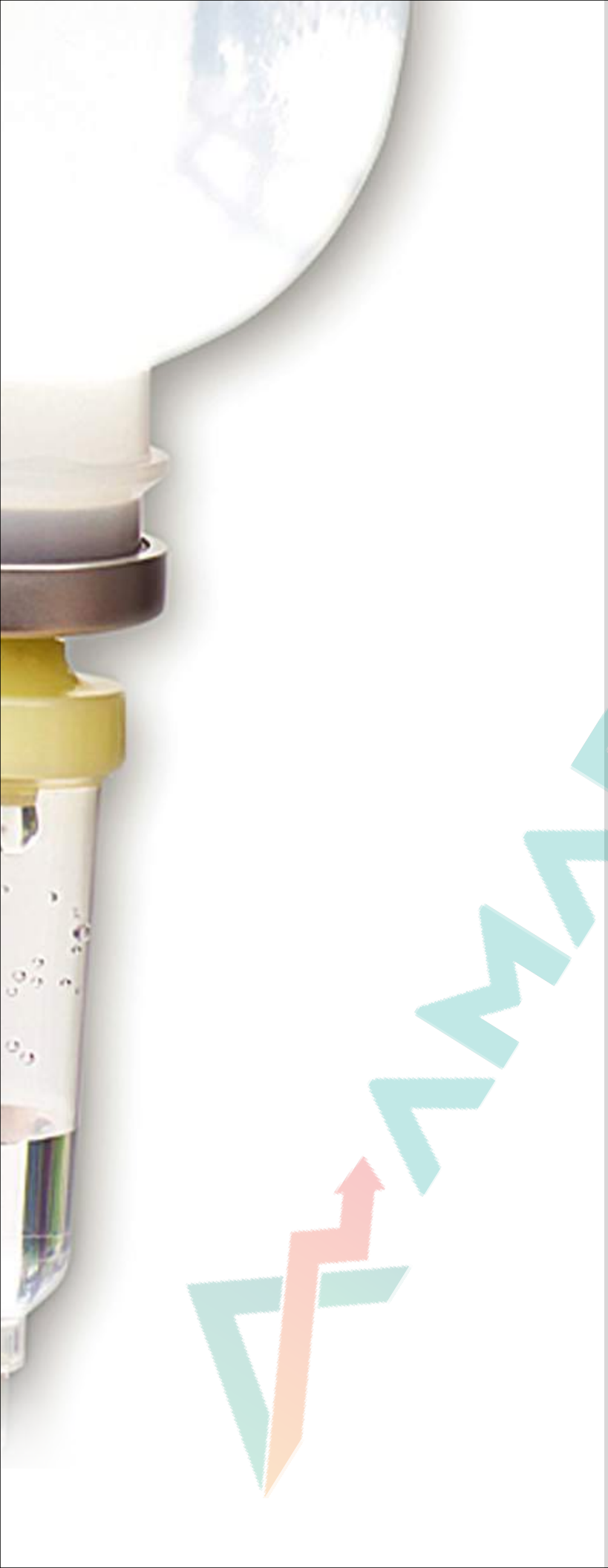
NUMBER OF EMPLOYEES
841 as on June 30, 2017

COMPANY E-MAIL
orion@orion-group.net
orion.share@orion-group.net

COMPANY WEBSITE
www.orioninfusion.com
www.orion-group.net



AMAR STOCK



SHARE RELATED INFORMATION

Authorized Capital - BDT 1,000,000,000

Paid-up Capital - BDT 203,597,600

Number of Shareholders - 5,213

Listing Status - Listed with Dhaka Stock Exchange and Chittagong Stock Exchange

CHIEF FINANCIAL OFFICER

Mr. Samaresh Banik

COMPANY SECRETARY

Mr. Md. Ferdous Jaman

CHIEF INTERNAL AUDITOR

Mr. Md. Ibrahim Khalil

EXTERNAL AUDITORS

M/S. Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Rupali Bima Bhaban,
7, Rajuk Avenue (5th Floor),
Dhaka-1000, Bangladesh

PRINCIPAL BANKERS

Agrani Bank Limited
Sonali Bank Limited
National Bank Limited
Shahjalal Islami Bank Limited
Bank Asia Limited
AB Bank Limited

INSURERS

Green Delta Insurance Company Limited
Phoenix Insurance Company Limited
Islami Commercial Insurance Co. Limited

CORPORATE BODIES

BOARD OF DIRECTORS



Chairman
Mr. Mohammad Obaidul Karim

Managing Director
Mr. Salman Obaidul Karim

Directors
Mrs. Arzuda Karim
Mrs. Zareen Karim

Independent Director
Mr. Golam Mohiuddin

AMAR STOCK

AUDIT COMMITTEE



Chairman
Mr. Golam Mohiuddin
(Independent Director)

Members
Mr. Salman Obaidul Karim
(Managing Director)

Mrs. Arzuda Karim
(Director)

AMARSTOCK

MANAGEMENT TEAM



Chairman

Mr. Salman Obaidul Karim
(Managing Director)

Members

Mr. Samaresh Banik
(Chief Financial Officer)

Mr. Binoy Krishna Barai
(Senior Vice President- Plant)

Mr. Harunor Rashid
(Assistant Vice President- Sales)

Mr. Sazed Karim
(Vice President- Administration)

Mrs. Monowara Khatoon
(Assistant Vice President- Accounts)

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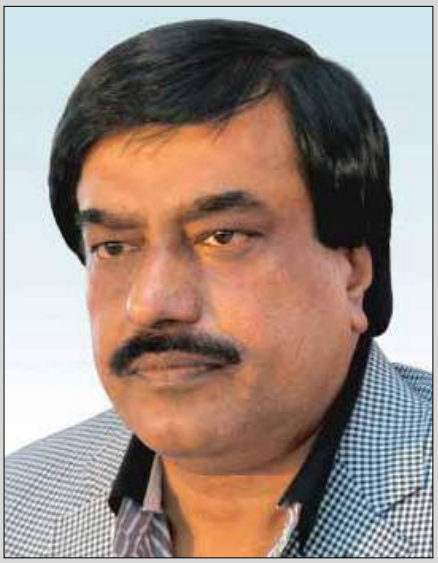
PROFILE OF DIRECTORS



MR. MOHAMMAD OBAIDUL KARIM
Chairman

Born in 1954 and a Graduate from the University of Dhaka, Mr. Mohammad Obaidul Karim is a distinguished self-achieved Industrialist & Businessman. He is the Founder Chairman of ORION GROUP and established the company into one of the largest conglomerates in Bangladesh with his futuristic attitude, determined will and a burning passion. He is an innovative, self-motivated and enterprising Bangladeshi business icon who has instrumented his success in the field of diversified business portfolios. Orion Group comprised of more than 50 individual companies was formed under his dynamic leadership and management power which have received various industrial recognitions.

Mr. Karim is the Chairman of all concerns of Orion Group which include Orion Pharma Limited, Kohinoor Chemical Co. (BD) Limited, Orion Infrastructure Limited, Orion Hospitals Limited, City Centre, Orion Power Meghnaghat Limited, Dutch Bangla Power & Associates Limited, Digital Power & Associates Limited, Orion Power Dhaka Limited, Orion Power Khulna Limited, Orion Power Unit-2 Dhaka Limited, Orion Gas Limited, Orion Agro Products Limited, Orion Footwear Limited, Orion Home Appliance Limited, Orion Restaurant Limited, Noakhali Gold Foods Limited, Orion Oil & Shipping Limited, Orion Holdings Limited, Orion Capital Limited etc.

Besides being the Chairman or Orion Group, Mr. Karim is also the Founder Chairman of Tejgaon Industrial Owners Association. He is also the President of Dhaka Mohamedan Sporting Club Ltd., a century old legendary and most successful sporting club of the country.



MR. SALMAN OBAIDUL KARIM
Managing Director

Born in 1981 and a Graduate in Business & Computing Management from Brunel University (UK), Mr. Salman Obaidul Karim is an ingenious businessman in Bangladesh. Guided by his father Mr. Mohammad Obaidul Karim, Mr. Salman Karim has become one of the most young and successful entrepreneurs of the country. Under his leadership, Orion's sustainability efforts were given outstanding shapes through his unique business concepts and visionary leadership skills. Besides his graduation, he experienced a couple of professional trainings in the Brunel UK and Harvard USA. After completing his study in the UK he came back to Bangladesh and joined the family business Orion Group. He has been involved with Orion Group and holds directorship of most of the sister concerns of Orion Group since 2005.

Mr. Salman Obaidul Karim is the Managing Director of major concerns of Orion Group which include Orion Pharma Limited, Orion Infrastructure Limited, Orion Hospitals Limited, Orion Knit Textile Limited, Orion Power Meghnaghat Limited, Dutch Bangla Power & Associates Limited, Digital Power & Associates Limited, Orion Power Dhaka Limited, Orion Power Khulna Limited, Orion Power Unit-2 Dhaka Limited, Orion Gas Limited, Orion Agro Products Limited, Orion Footwear Limited, Orion Home Appliance Limited, Orion Restaurant Limited, Noakhali Gold Foods Limited, Orion Capital Limited, Orion Properties Limited, Orion Oil & Shipping Limited, Orion Holdings Limited and Jafflong Tea Company Limited.



MRS. ARZUDA KARIM
Founder Director

Born in 1955 and has a Masters in Social Science from the University of Dhaka, Ms. Arzuda Karim, wife of Mohammad Obaidul Karim, has been one of the most successful entrepreneurs in Bangladesh over the years. Mrs. Karim supervises production and commercial divisions of different segments of Orion Group. Her skill, knowledge and adaptability in pharmaceutical production and commercial areas are the main reasons of success in the Group.

Mrs. Karim is the Chairman of Jafflong Tea Company Limited and also the Director of Orion Pharma Limited, Kohinoor Chemical Co.(BD) Limited, Orion Infrastructure Limited, Orion Hospitals Limited, Orion Power Meghnaghat Limited, Dutch Bangla Power & Associates Limited, Digital Power & Associates Limited, Orion Power Dhaka Limited, Orion Power Khulna Limited, Orion Power Unit-2 Dhaka Limited, Orion Gas Limited, Orion Agro Products Limited, Orion Footwear Limited, Noakhali Gold Foods Limited, Orion Oil & Shipping Limited, Orion Holdings Limited and Orion Capital Limited.



MRS. ZAREEN KARIM
Director

Born in 1978 and an MBA in Marketing from the North South University, Mrs. Zareen Karim, daughter of Mr. Mohammad Obaidul Karim, is one of the successful young entrepreneurs of the country and has been involved with different business activities since her early career.

Mrs. Zareen Karim is also the Director of Orion Pharma Limited and Orion Holdings Limited. Besides being involved with Orion Group, Mrs. Zareen is also the Director of Star Associates Limited and Zeysha Fashionwear Limited with her husband.

Her hidden entrepreneurial potentials have gradually changed herself with the growing sensitivity to the role and economic status in the business society. As 'Women Entrepreneur' she accepts challenging role to meet her personal needs and become economically independent.



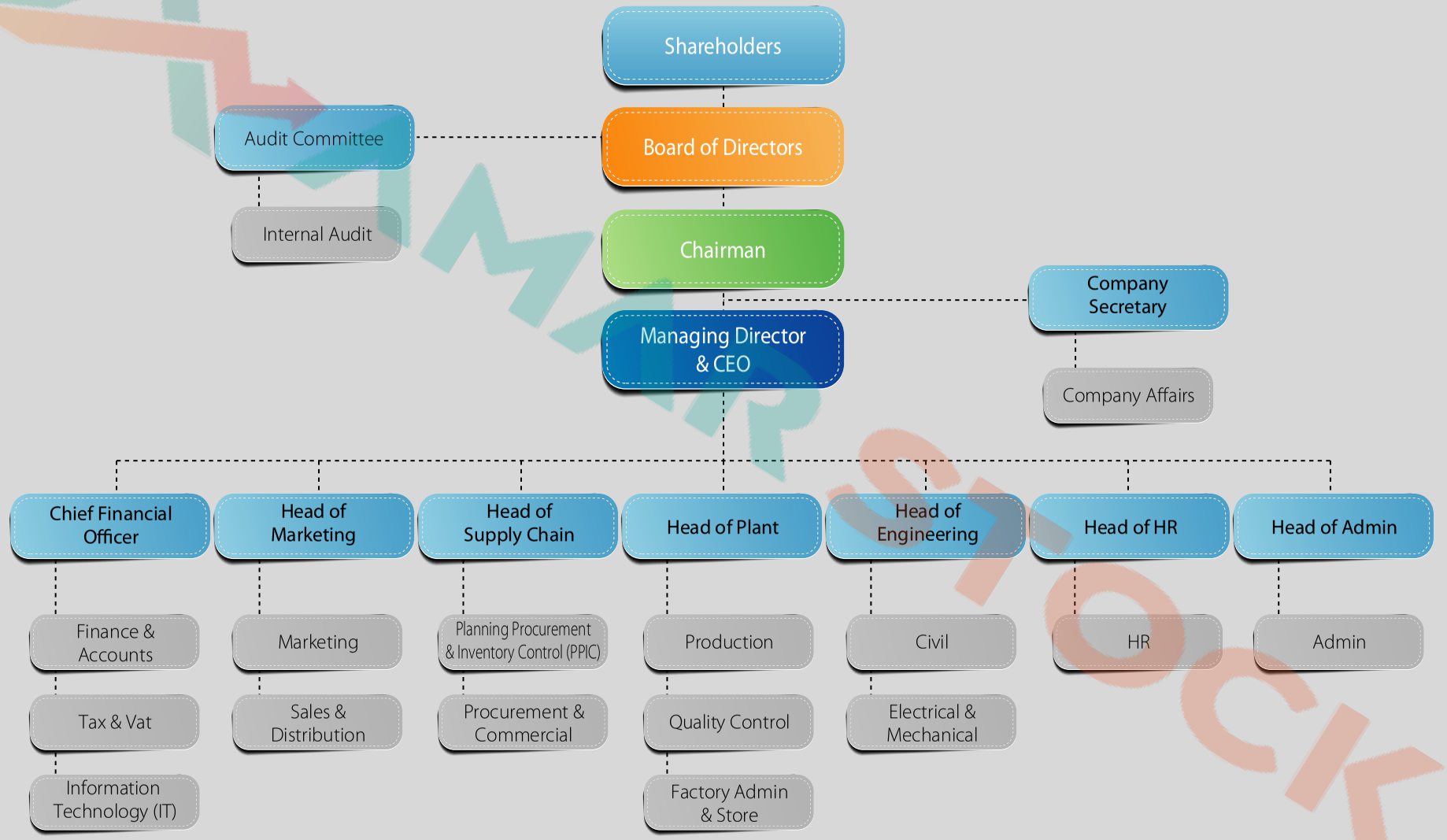
MR. GOLAM MOHIUDDIN
Independent Director

Born in 1949 and a Bachelors (Hons) in Pharmacy from the University of Dhaka, Mr. Golam Mohiuddin is also the Independent Director of Orion Pharma Limited.

Mr. Mohiuddin joined the Company in 2010 as an Independent Director. He spent more than 21 years with Orion Infusion Limited as the Technical Director of Orion Infusion Limited (as an Advisor). He has experienced a number of Pharmaceutical Manufacturing Technology trainings from India, Japan, Holland, U.K. and Italy. He spent more than 10 years working as the Operative Director of Navana Pharmaceutical limited. His experience spans over more than four decades of eventful and illustrious career in pharmaceutical manufacturing sector and he was directly responsible for setting up two large Pharmaceutical plants including Intra Venous manufacturing.

STOCK

CORPORATE STRUCTURE



ALMAS STOCK

OUR RESULTS IN FACTS AND FIGURES



Started exporting to **Somalia** and **Afghanistan** from 2016 and to **Myanmar** from 2017

Cash dividend

BDT 1.40 per share -

Proposed by the Board of Directors

6.88%

Revenue decreased

2015-16: BDT 730,126,631

5.33%

Gross Profit decreased

2015-16: BDT 288,452,645

9.00%

Operating Profit decreased

2015-16: BDT 97,248,000



Monthly appraisal system -

Adopted to ensure proper assessment of employees

Planted fruit bearing trees

With a view to turning the whole factory area green

70.92%

EPS decreased

2015-16: BDT 5.25

3.16%

NAV / share decreased

2015-16: BDT 12.98

73.23%

NOCF / share decreased

2015-16: BDT 5.15

5 YEARS FINANCIALS
at a glance

(BDT in Thousands)

	2016-17	2015-16	2014-15	2013-14	2012-13
OPERATIONAL RESULT					
Net Revenue	679,915	730,127	662,837	656,925	611,774
Gross Profit	273,071	288,453	261,151	251,077	232,690
Operating Profit	88,497	97,248	85,195	71,139	61,103
Net Operating Profit	40,335	124,461	35,830	93,214	37,963
Net Profit after Tax	31,110	106,985	28,252	74,104	25,936
FINANCIAL POSITION					
Shareholders' equity	255,831	264,189	187,465	165,997	142,538
Total Assets	682,568	707,587	719,196	716,660	703,674
Total Current Assets	349,418	324,360	259,002	289,700	288,645
Total Current Liabilities	418,585	433,569	484,599	517,386	327,596
FINANCIAL RATIOS					
Current Ratio (times)	0.83	0.75	0.53	0.56	0.88
Debt Equity Ratio (times)	1.67	1.68	2.84	3.32	3.94
Return on Equity (%)	12.16	40.50	15.07	44.64	18.20
Return on Total Assets (%)	4.56	15.12	3.93	10.34	7.12
Inventory Turnover (times)	5.75	6.16	4.74	4.34	3.93
Price Earning Ratio –DSE (times)	37.83	13.73	32.37	12.25	33.39
ORDINARY SHARES INFORMATION					
Number of Shares Outstanding	20,359,760	20,359,760	20,359,760	20,359,760	20,359,760
Dividend (Cash) (%)	14.00*	14.00	13.00	15.00	12.00
Net Asset Value per Share (BDT)	12.57	12.98	9.21	8.15	7.00
Net Operating Cash flow per Share (BDT)	1.38	5.15	3.41	3.49	2.53
Earnings per Share (BDT)	1.53	5.25	1.39	3.64	1.27
Number of Shareholders	5,213	5,032	5,261	5,488	5,581
OTHER DATA					
Number of Employees	841	794	811	761	808

* Proposed

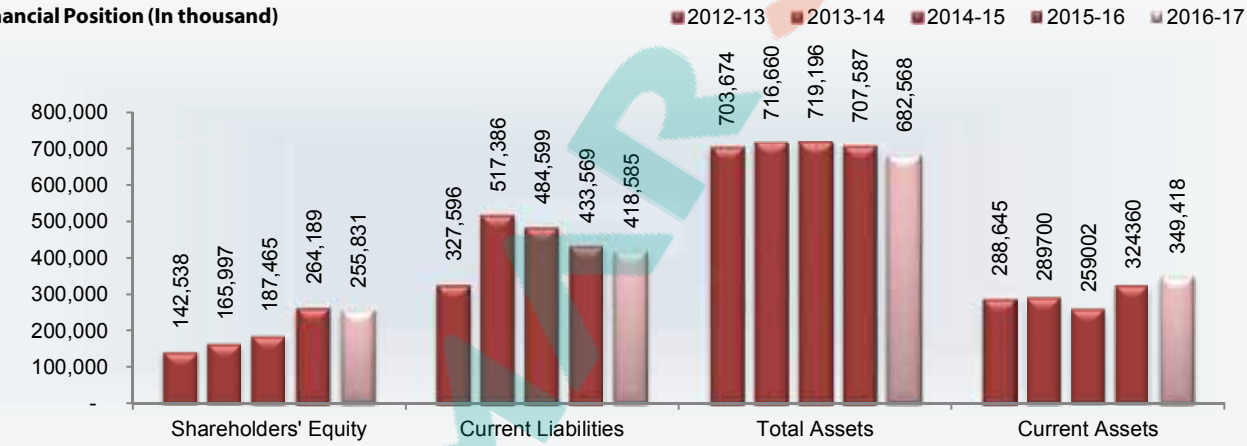
AMARSTOCK

GRAPHICAL VIEW
of selected financial indicators

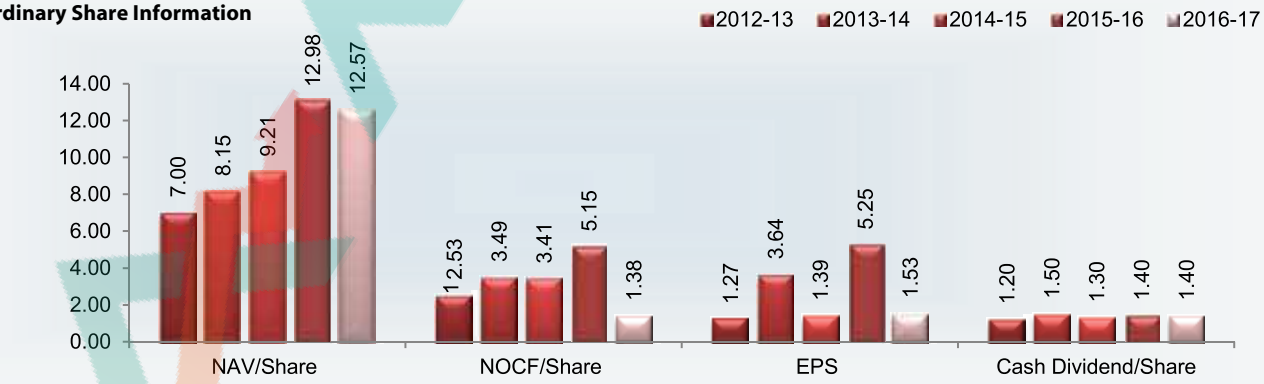
Operating Result (In thousand)



Financial Position (In thousand)



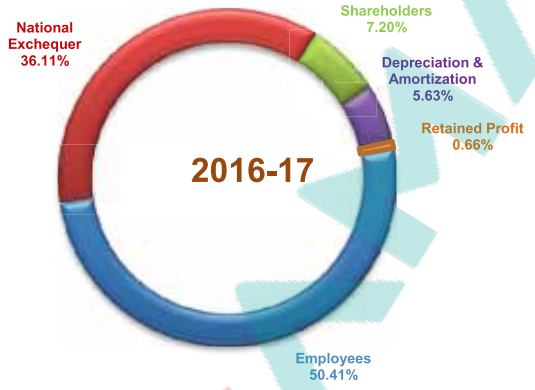
Ordinary Share Information

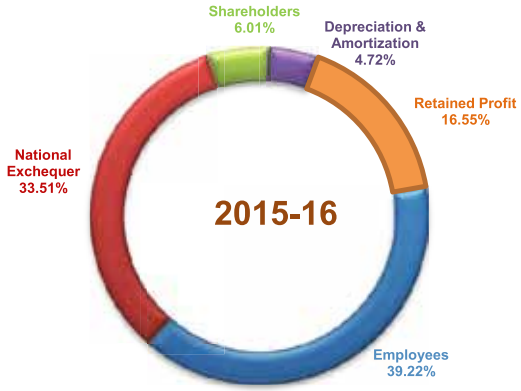


VALUE ADDED STATEMENT

Figures in thousand BDT

Particulars	2016-17		2015-16	
	Amount	%	Amount	%
Value Added:				
Gross Revenue	797,441		858,264	
Less: Bought in Materials and Services	(405,687)		(465,592)	
Add: Other income	3,892		81,633	
	395,646	100.00	474,305	100.00
Distribution of added value:				
To employees as salaries, wages and allowances	199,429	50.41	186,000	39.22
To National Exchequer	142,850	36.11	158,930	33.51
To shareholders as dividend	28,504	7.20	28,504	6.01
	370,783	93.72	373,434	78.73
Retained for reinvestment and future growth:				
Depreciation and amortization	22,257	5.63	22,390	4.72
Retained profit	2,606	0.65	78,481	16.55
	24,863	6.28	100,871	21.27
	395,646	100.00	474,305	100.00



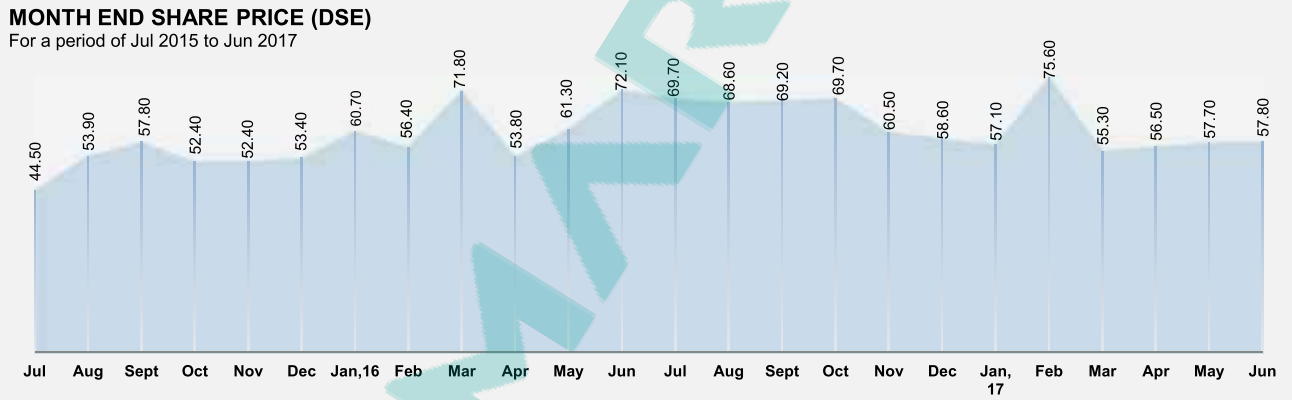


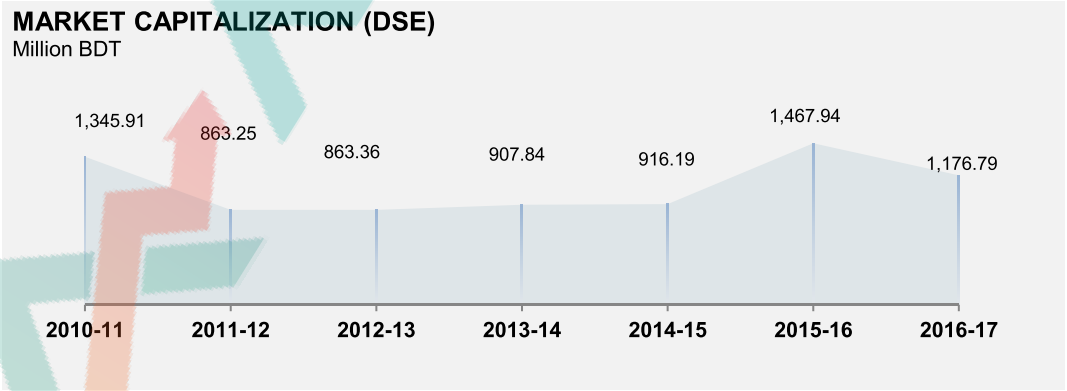
During the reporting year, 50.41% of the Company's net value addition was distributed to employees, 7.20% to shareholders, 36.11% to Government and the remaining 0.65% was retained and reinvested for future expansion and growth.

SHARE PERFORMANCE

Details	DSE	CSE
Stock Symbol	ORIONINFU	ORIONINFU
Company ID	18472	13008
Listing Year	1994	1996
Market Category	A	A
Electronic Share	Yes	Yes
Total Number of Outstanding Securities	20,359,760	20,359,760

Details	June 2017	June 2016
Market Capitalization – DSE (Million BDT)	1,176.79	1,467.94
Market Capitalization – CSE (Million BDT)	1,170.69	1,469.97
EPS (BDT)	1.53	5.25
DPS (BDT)	1.40	1.40
Payout Ratio	0.92	0.27
Share Price –DSE (BDT)	57.80	72.10
Share Price- CSE (BDT)	57.50	72.20
Weighted Average Number of Shares Outstanding	20,359,760	20,359,760





MESSAGE FROM THE CHAIRMAN

Distinguished Shareholders of Orion Infusion Family

As-salamu Alaikum

I would like to take the opportunity to welcome you all to the 34th Annual General Meeting (AGM) of Orion Infusion Limited. The last financial year saw the advent of many pharmaceutical firms in the Intravenous (IV) Fluid industry for which we had to face stiff competition. As a result, OIL saw a decrease in the Net Revenue, which ultimately had a negative impact on the Net Profit of the Company. However, we are hopeful to regain our market share in the upcoming year as we have already established ourselves to the doctors' community, other health care professionals, chemists and patients as a provider of quality medicines and health care services.

Honorable Shareholders, let me now take you to the financial details of your Company. We have attained a Net Revenue of BDT 679.915 million as against BDT 730.127 million of the previous year, registering a decrease of 6.88% compared to the previous year. During the present financial year, Gross Profit stood at BDT 273.071 million and the Net Profit reached to BDT 31.11 million. It can be mentioned here that, this fall in Net Profit was a result of reduced sales in our core business operations as well as a lower Capital Gain on Marketable Securities in comparison to last year.

My dear friends, the Earnings per Share (EPS) for the year 2016-17 is BDT 1.53 compared to previous year's EPS of BDT 5.25. The Return on Equity (ROE) is 12.16% and the Return on Asset (ROA) is 4.56%. Taking into account the financial performance of the company this year, your Board has recommended 14% Cash Dividend to be appropriated from the profits to the shareholders for the financial year 2016-17.

Every year your Company makes a significant contribution to the National Exchequer. During the financial year 2016-17, we contributed an amount of BDT 144.39 million in the form of Corporate Tax, Value Added Tax (VAT) and different other duties. This contribution is equivalent to 21.24% of the company's Net Revenue.

My friends, you will be happy to know that from this year we have also started exporting in Myanmar, and we are very hopeful that this will raise revenue in the future as there is a huge market for IV Fluids over there.

Your Company strictly follows all relevant guidelines and complies with all compliance requirements in a timely manner, in the matters involving the mandatory code of Corporate Governance for listed companies issued by Bangladesh Securities and Exchange Commission (BSEC). Disclosure in compliance with the codes has been set out in the Annual Report.

My dear fellow shareholders, your Company plays an active role in social and charity programs. We always adopt environment-friendly technology and adjust our strategies to reflect the environment in which we operate. This year we took a new initiative whereby we planted fruit trees at the beautiful plant of OIL.

Dear friends, I thank you all for your support and faith upon us & ensure you of a better performance next year. I sincerely appreciate all our valued stakeholders and all our employees, who have done their best this year despite facing such stiff competition. I end on an optimistic note, looking forward to a brighter future with you all.

Thank you,

Sd/-

Mohammad Obaidul Karim
Chairman

চেয়ারম্যান-এর প্রতিবেদন

আস্‌সালামু আলাইকুম

আমি আনন্দের সাথে ৩৪তম বার্ষিক সাধারণ সভায় আগত সবাইকে স্বাগতম জানাচ্ছি। গত অর্থ বছরের বেশ কয়েকটি ঔষধ প্রস্তুতকারী প্রতিষ্ঠান বাজারে আইভি ফ্লুয়েড বাজারজাত করায় কঠোর প্রতিযোগিতার সম্মুখীন হতে হয়েছে। ফলশ্রুতিতে আয়ের হার কমেছে, যা কোম্পানির নেট লাভের উপর নেতিবাচক প্রভাব ফেলেছে। যাই হোক, আমরা আসন্ন বছরের মধ্যে আমাদের বাজারের অংশ পুনরায় অর্জন করার প্রত্যাশা হিসেবে আমরা ইতোমধ্যে ডাক্তার, অন্যান্য স্বাস্থ্যসেবা পেশাদার রসায়নবিদ/কেমিষ্ট এবং রোগীদের মধ্যে গুণগত ঔষধ ও স্বাস্থ্য সেবা প্রদানকারী প্রতিষ্ঠান হিসেবে নিজেদেরকে প্রতিষ্ঠিত করতে সক্ষম হয়েছি।

সম্মানীত শেয়ারহোল্ডারবৃন্দ,
এখন আমি আপনাদের কোম্পানীর আলোচ্য অর্থ বছরের আর্থিক বিরবণী আপনাদের সামনে উপস্থাপন করছি। ২০১৬-২০১৭ অর্থ বছরে নীট বিক্রয় ৬৭৯.৯১৫ মিলিয়ন যা গত অর্থ বছরে ছিল ৭৩০.১২৭ মিলিয়ন, যা পুর্বের তুলনায় ৬.৮৮% কম। চলতি অর্থ বৎসরে মোট মুনাফা হয়েছে ২৭৩.০৭১ এবং নীট মুনাফা ৩১.১১ মিলিয়ন। উল্লেখ্য নীট মুনাফায় এই পতনের কারণ হিসেবে আমাদের মুল ব্যবসায় বিক্রয় হ্রাস পাওয়ার পাশাপাশি বাজারজাত সিকিউরিটিজ থেকে গত বছরের তুলনায় নিম্ন ক্যাপিটেল গেইন উল্লেখযোগ্য।

সম্মানীত শেয়ারহোল্ডারবৃন্দ,
২০১৬-১৭ অর্থ বছরে শেয়ার প্রতি আয় হয়েছে ১.৫৩ টাকা যা গত বছরে ছিল ৫.২৫ টাকা। Return on Equity (ROE) 12.16% এবং Return on Asset (ROA) 4.56 % । কোম্পানী চলতি বছরের আর্থিক কর্মকাণ্ড বিবেচনা করে আপনাদের পরিচালনা পর্ষদ ২০১৬-২০১৭ ইং অর্থ বছরের জন্য কোম্পানীর আয় থেকে ১৪% নগদ লভ্যাংশ শেয়ারহোল্ডারদের মধ্যে বণ্টনের প্রস্তাব দিয়েছে।

প্রত্যেক বৎসর আপনাদের কোম্পানী জাতীয় কোষাগারে উল্লেখযোগ্য পরিমান রাজস্ব প্রদান করে আসছে। আলোচ্য অর্থ বছরেও ভ্যাট, ট্যাক্স, আমদানী শুল্ক আগবারী শুল্ক ইত্যাদি বাবদ ১৪৪.৬৯ মিলিয়ন টাকা, জাতীয় কোষাগারে জমা দিয়েছে যা মোট রাজস্ব আয়ের ২১.২৪%।

সম্মানীত শেয়ারহোল্ডারবৃন্দ,
আপনারা জেনে খুশি হবেন যে, আপনাদের কোম্পানী এই বছর থেকে মায়ানমারে পন্য রপ্তানী শুরু করেছে এবং আমরা খুব আশাবাদী যে, এর ফলে ভবিষ্যতে আমাদের রাজস্ব আয় বৃদ্ধি পাবে, কারণ সেখানে আইভি ফ্লুয়েড এর বিশাল বাজার রয়েছে।

আপনাদের কোম্পানী যথাযথভাবে বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশন কর্তৃক তালিকাভুক্ত কোম্পানীর জন্য কর্পোরেট গর্ভনেন্স এর নীতিমালা সমূহ অনুসরণ করে আসছে, যা বার্ষিক প্রতিবেদনে উল্লেখ করা হয়েছে।

আপনাদের কোম্পানী বিভিন্ন সামাজিক ও দাতব্য কার্যক্রমে সক্রিয় ভূমিকা পালন করে থাকে। আমরা সর্বদা পরিবেশ সংরক্ষনে পরিবেশ বান্দব প্রযুক্তি গ্রহন করি এবং তা যথাযথভাবে পরিচালনা করে থাকি এবং আমাদের পরিবেশকে প্রতিফলিত করার জন্য আমরা কৌশলগত সামঞ্জস্য করি। এরই ধারাবাহিকতায় এই বৎসরে আমাদের কারখানা প্রাঙ্গনে প্রচুর ফল গাছের চারা রোপন করেছি।

সম্মানীত শেয়ারহোল্ডারবৃন্দ,
আমি আপনাদের প্রতি ধন্যবাদ জ্ঞাপন করছি আমাদের উপর আপনাদের সমর্থন ও বিশ্বাসের জন্য এবং আপনাদেরকে আগামী বছর সেরা কর্মদক্ষতার নিশ্চয়তা দিচ্ছি। আমি আন্তরিকভাবে আমাদের মুল্যবান স্টেকহোল্ডার এবং সকল কর্মকর্তা ও কর্মচারীদের প্রশংসা করি, যারা এই প্রতিযোগিতামূলক বাজারে তাদের সেরাটাই প্রতিষ্ঠিত করেছেন।

আমি একটি আশার বানী দিয়ে শেষ করতে চাই যে, আমরা সবাই একসঙ্গে একটি উজ্জ্বল ভবিষ্যতের দিকে এগিয়ে যাচ্ছি।

ধন্যবাদান্তে

মোহাম্মদ ওবায়দুল করিম
চেয়ারম্যান

PARENTERAL NUTRITION

ORION Infusion Ltd. *Introduces*

Intralipid™ 10%

Fat emulsion for intravenous use

from the Innovator FRESENIUS KABI



The World's Preferred Fat Emulsion

Manufactured by:
FRESENIUS KABI

AMV STOCK

DIRECTORS' REPORT



Dear Shareholders,

The Board of Directors of Orion Infusion Limited takes immense pleasure to present the 34th Annual Report of the Company to our valued shareholders. The report is composed of Auditors' Report, Directors' Report, Audited Financial Statements and several information about the Company for the year ended 30th June, 2017. The presentation aims at revealing a fair and factual position of the Company in the context of global and local scenario of the economy.

Industry Outlook

The pharmaceutical industry is one of the most dynamic and potential sectors in Bangladesh. It is technologically one of the most developed manufacturing industries and currently contributes about one percent to total GDP with great potential for expansion. Total domestic healthcare expenditures are currently approximately three percent of GDP, offering substantial opportunity for domestic pharmaceutical sales in addition to exports.

Local Market: The industry meets 98% of the demand for medication in the country while remaining 2% is imported. These very meager imported items are vaccines, insulin etc. About 278 pharmaceutical companies are now operating in the country, which are manufacturing about 1,400 generics in more than 26,948 presentations.

According to a report of the IMS, the size of Bangladesh Pharmaceuticals market is approximately BDT 18,383 crore with an annual growth rate of about 29.23%.

Export Market: Our country's pharmaceutical industry exports about 500 pharmaceutical items covering all major therapeutic classes and dosage forms, to about 125 countries.

Recently Pharma sector is receiving a lot of attention for its great potential to become a major exporter because of the decision, taken by the WTO-TRIPS Council a year ago, to grant LDCs including Bangladesh an exemption from obligations to implement or apply patents as well as data protection for pharmaceutical products until at least January 1, 2033. About 20 to 25 local manufacturers are already exporting their products using the LDC privilege.

It is obvious that there are opportunities for the pharmaceutical companies to flourish. They have got a waiver from TRIPs until 2033 by using which they can increase their annual sales both in domestic and international markets.

Highlights on Financial Results

The Board of Directors would like to present the precise report to the shareholders on the operation of the Company for the period from July 1, 2016 to June 30, 2017. Here, the Board of Directors is reporting the highlighted part of the Financial Results of the Company for the above mentioned period:

Particulars	2016-17	2015-16
Net Sales Revenue (BDT)	679,915,032	730,126,631
Cost of Goods Sold (BDT)	(406,844,237)	(441,673,986)
Gross Profit (BDT)	273,070,795	288,452,645
Operating Profit (BDT)	88,496,934	97,248,000
Net Profit (BT) (BDT)	38,413,885	118,534,510
Net Profit (AT) (BDT)	31,110,152	106,984,876
Earnings per Share	1.53	5.25



The Company recorded 6.88% reduction in Net Sales Revenue during the financial year 2016-17 over the previous year. Also Gross Profit from operations has been deteriorated by 5.33% against last year and Operating Profit by 9.00% compared to last year. The Net Profit after Tax of the company experienced 70.92% decline in growth during the year under review due to decrease in sales in our core business operations as well as dropping off non operating income.

Segment wise or Product wise Performance

No segment wise performance has been shown as the Company operates in a single industry segment.

Risks and Concerns

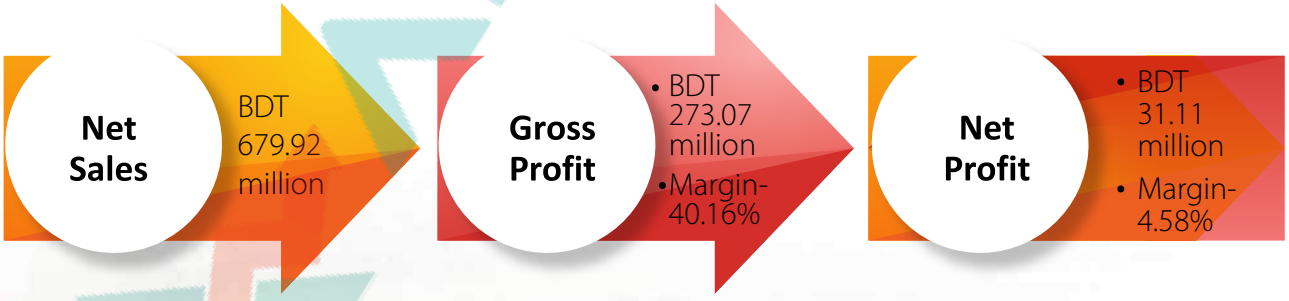
The Company's well experienced Senior management team has been applying robust and integrated Risk Management Policies to ensure that the risks and uncertainties assumed by it e.g. Industry Risks, Regulatory Risks, Market Risk, Operational Risk, Legal Risk, Interest Rate Risk, Exchange Rate Risk and potential changes in Global or National policies etc are within the defined risk appetites/limits and are properly addressed. Under the Risk Management Policies, periodic monitoring is carried out on regular basis in order to identify and measure potential risks in its activities, apprise the Board of the identified risks, assess Company's capacity to absorption potential risks and also management's recommendations to address the risks. A separate detailed Risk Management Systems report has been submitted in the Governance Chapter.

Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

The cost of goods sold compared to net turnover has also decreased slightly and reached to 59.84%% from 60.49% over last year.

Amount in BDT

COGS	Value in BDT		% of Total COGS	
	2016-17	2015-16	2016-17	2015-16
Raw Materials	88,267,354	115,527,465	21.70	26.16
Packing Materials	208,885,956	230,313,745	51.34	52.15
Factory Overhead	102,103,036	103,469,811	25.10	23.43
Manufacturing Cost	**399,256,345**	**449,311,021**	**98.13**	**101.73**
WIP (Opening-Closing)	3,107,857	(1,343,106)	0.76	(0.30)
FG (Opening-Closing)	9,152,974	(1,368,699)	2.25	(0.31)
Cost of Physician Sample	(4,672,940)	(4,925,259)	1.15	(1.12)
Cost of Goods Sold	**406,844,236**	**441,673,986**	**100.00**	**100.00**



Capital Expenditures

The outflow of fund made for the acquisition of fixed assets of Orion Infusion Limited during the year under report is as follows:

Amount in BDT

Additional Investment	2016-17	2015-16
Plant and Machinery	4,431,965	3,597,414
Furniture & Fixture	849,070	697,450
Office Equipment	1,097,499	-
Vehicles	5,816,000	-
Total	**12,194,534**	**4,294,864**

Extra-Ordinary Gain or Loss

There is no extra-ordinary gain or loss in the financial statements prepared for the financial year under report.

Related Party Transaction

The Directors and other key management personnel are very much cautious to avoid any conflicts of interest inconformity with the prevailing rules and regulations. The Company has entered into transactions with other entities that fall within the definition of related party as contained in BAS-24 "Related Party Disclosures". The Company opines that terms of related party transactions do not signigicantly differ from those that could have been obtained from third parties. All such transactions have been approved unanimously by the other Directors of the Company. A statement of all related party transactions is mentioned under notes 30.01 of the audited financial statements as per BAS/BFRS.

Utilization of Proceeds from Public Issues, Right Shares and/or through any Other Instrument

Initial Public Offering (IPO) of Orion Infusion Limited was made in 1994 and the fund raised thereby has already been utilized and reported accordingly to the regulators. No further issue of any instrument was made during the year.

Explanation if Financial Results Deteriorate after the Company Goes for IPO, RPO, Right Offer, Direct Listing

As stated above, Orion Infusion Limited went for IPO in 1994 and after that the company did not raise any fund by any sort of offerings till now. Therefore, no explanation is required in this connection.

Explanation about Significant Variance between Quarterly and Annual Financial Statements

No significant variation has occurred between the quarterly and annual financial statements of the Company during the reporting financial year.

Remuneration to Directors including Independent Directors

The Directors of Orion Infusion Limited do not receive any remuneration including any other facilities or perquisites on which a disclosure is given under notes 30.02 of the audited financial statements.

Production Capacity

The output of Intravenous Fluids and Injections from our manufacturing plant has decreased significantly by 9.93% during the year over the previous year as detailed below:

Unit in Million

Production Capacity		Actual Production	
2016-17	2015-16	2016-17	2015-16
12.00	11.14	8.75	9.23

Corporate and Financial Reporting

The Directors are pleased to conform the following:

- The Financial Statements of the Company present true and fair view of its state of affairs, the result of its operation, cash flows and changes of equity.
- Proper books of Accounts have been maintained as required by the law.
- Appropriate accounting policies have been consistently applied in formulating the financial statements and accounting estimates were based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- The system of Internal Control is sound in design and has been effectively implemented and monitored.
- Key operating and financial data of preceding five years have been included in the report.



Significant Deviation from the Operating Results of Last Year

There is a significant deviation from the operating results of last year. One of the main factors for this deviation is decrease in sales by 6.88% during the year under review. Another reason behind this is the significant reduction, by 95.23%, in non operating income which is Capital Gain on Marketable Securities. Therefore, there is a major decline in the Earning per Share (EPS) shown in the audited financial statements and it reduced to BDT 1.53 from BDT 5.25 in 2016-17.

Explanation about Significant Variance between Quarterly and Annual Financial Statements

There was no significant variance between the quarterly and annual financial performance of the company during the reporting period.

Going Concern

The Directors is of the opinion that the Company has the ability to continue its operation for a foreseeable future subsequent to the conduction of appropriate enquiries and analysis of the significant operating and financials. The Directors are satisfied that the Company has adequate resource to continue its operations without any major interruptions in the future. Therefore, all these analysis qualify the Company as a going concern and accordingly the financial statements are also prepared on the basis of going concern assumption.

Appropriations of Profit

In view of the performance of the Company and the current cash position and also the interest of the Shareholders, the Board of Directors has proposed and recommended following appropriation of profit:

Net profit for the Year (2016-17)	31,110,153	
Less: Appropriation proposed:		
Cash Dividend @ 14%	(28,503,664)	
Transfer to retained earnings		2,606,489

Directors Proposed for 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. In order to comply with the provision mentioned under Section 91(2) of the Companies Act-1994, at least one third of the Directors shall retire from the office in each Annual General Meeting.

Pursuant to the above, Mohammad Obaidul Karim, Chairman and Mrs. Zareen Karim, Director of the Company, retire by rotation from the Board, but being eligible, have offered themselves for re-election. Brief profiles of the Directors being proposed for re-appointment are given in "About Orion" chapter.

Appointment of Auditors

The Directors hereby report that as per the Companies Act 1994 and the Articles of Association of the Company the existing Auditor, M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants, who were appointed as auditors of the company in the last Annual General Meeting of the Company has carried out the audit for the year ended June 30, 2017, will retire at the conclusion of the ensuing Annual General Meeting.

However, being eligible they have offered themselves for re-appointment as auditors of the Company for the next financial year. Based on their audit performance record, the Board recommends M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants to be reappointed as the Statutory Auditor of the Company for the financial year 2017-18 subject to the approval of Shareholders in the ensuing AGM.



Board Meetings Held

The number of Board Meetings and attendance of the directors, CFO and CS during the financial year 2016-17 were as follows:

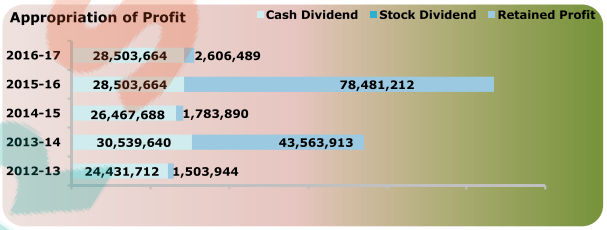
Name	Status	Meeting held	Meeting Attended
Mr. Mohammad Obaidul Karim	Chairman	5	5
Mr. Salman Obaidul Karim	Managing Director	5	5
Mrs. Arzuda Karim	Director	5	5
Mrs. Zareen Karim	Director	5	5
Mr. Golam Mohiuddin	Independent Director	5	5
Mr. Samaresh Banik	Chief Financial Officer	5	5
Mr. Md. Ferdous Jaman	Company Secretary	5	5

Shareholding Structure of the Company

The present shareholding structure of the Company is shown in the next chapter 'Annexure to the Directors' Report'.

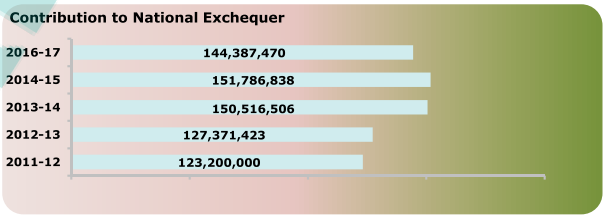
Declaration of Dividend

After approval of the above mentioned proposed cash dividend of 14% i.e BDT 1.40 per share for the year 2016-17, the Company will have a payout of BDT 28,503,664. The dividend will be applicable for the shareholders whose names will appear in the share register of the Company and/or Depository Register of CDBL as on Record Date i.e. November 29, 2017.



Contribution to National Exchequer

During the year, the Company has contributed amounting to BDT 144,387,470 including the VAT, tax, import duty, Supplementary duty and others. The contribution constitutes 21.24% of the net revenue.



Status of Compliance

Orion Infusion Limited has been committed to maintaining high standards of Corporate Governance. We have the pleasure to confirm herewith that the Company has complied with all the necessary guidelines under the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August, 2012 and Notification No. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 issued under section 2CC of the Securities and Exchange Ordinance 1969.

The compliance report along with the necessary remarks/disclosures is appended in the next chapter 'Annexure to the Directors' Report' for the year 2016-17. Further, a Certificate of Compliance required under the said Guidelines, as provided by M/S. Rahman Mostofa Alam & Co., Chartered Accountants, is also annexed to this report.

Business Outlook

The year 2016-2017 was not a very good one for Orion Infusion Limited as we were not able to achieve our expected operating results forecasted for this year. But we are confident that we can do better and make the upcoming financial years operating results positive. As we already said last year, Orion Infusion entered into the international market. A few products of OIL have already been exported to Afghanistan, Somalia and Myanmar. Some products are registered in countries like Egypt, Yemen and Sri Lanka. Some other countries are the emerging markets for Orion Infusion and soon our products will be available in these countries. Taking into account the overall scenario of the business, it can be said that the future prospects look very encouraging.

Acknowledgement

The Board of Directors deeply appreciated the gracious co-operation extended by the Customers, Creditors, Suppliers, Banks, Insurance Companies, Utilities Providers, and different Government Agencies. The Board also likes to put on record its appreciation for the services rendered by the Bangladesh Securities and Exchange Commission, Dhaka stock Exchange and Chittagong Stock Exchange. The Board expresses its deep gratitude to respected shareholders of the Company for their support and guidance.

The Directors also put on record their thanks to all the workers and employees of the Company for their excellent work, with their sincere, dedicated and whole hearted devotion and committed efforts to the challenging duties and responsibilities and hope that they will look forward to achieve better results in the coming days.

On behalf of the Board

Sd/-

Mohammad Obaidul Karim
Chairman



MARSTOCK

SHAREHOLDING POSITION
as on June 30, 2017

Name of Shareholders	Status	No. of Shares	Shareholding %
i. Parent/ Subsidiary/Associates and Other Related Parties:		-	
ii. Directors:			
Mr. Mohammad Obaidul Karim	Chairman	658,800	3.24
Orion Pharma Limited			
R/B Mr. Salman Obaidul Karim	Managing Director	4,430,000	21.76
Mrs. Arzuda Karim	Director	1,179,600	5.79
Orion Holdings Limited			
R/B Mrs. Zareen Karim	Director	2,000,000	9.82
Mr. Golam Mohiuddin	Independent Director	-	-
iii. Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Children:			
Mr. Salman Obaidul Karim	Chief Executive Officer	4,430,000	21.76
Mr. Samaresh Banik	Chief Financial Officer	-	-
Mr. Md. Ferdous Jaman	Company Secretary	-	-
Mr. Md. Ibrahim Khalil	Head of Internal Audit	-	-
iv. Executives:			
Mr. Md. Arif Hossain	SVP, Commercial	-	-
Mr. Binoy Krishna Barai	SVP, Plant	-	-
Mr. Sazed Karim	VP, Admin	-	-
Ms. Monowara Khatoon	AVP, Accounts	-	-
Mr. Harunor Rashid	AVP, Sales	-	-
v. Shareholders Holding 10% or More Voting Interest in the Company:			
Orion Pharma Limited R/B Mr. Salman Obaidul Karim	Managing Director	4,430,000	21.76

Type of Shareholders	No. of Shareholders	No. of Shares	Shareholding %
Sponsors	4	8,268,400	40.61
Foreign Investors	21	51,808	0.26
Financial Institutions	140	4,406,071	21.64
General Public	5,048	7,633,481	37.49
Total	**5,213**	**20,359,760**	**100.00**

COMPLIANCE REPORT

notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August, 2012

1. Board of Directors:

1.1 Board Size:
OIL's Board of Directors consists of 5 (five) members including 1 (one) Independent Director as on June 30, 2017 which complies with the requirements by the regulations of BSEC.

1.2 Independent Director (ID):

i In accordance with the requirements of this sub-clause the Board of Directors has nominated Mr. Golam Mohiuddin as the Independent Director of OIL.

ii All the requirements as prescribed under the sub-clause (ii) of BSEC Notification under reference have been fulfilled.

iii The appointment of Independent Director, Mr. Golam Mohiuddin has already been approved for second term by the shareholders in the Annual General Meeting (AGM).

iv The post of Independent Director was not vacant for more than 90 days.

v The Board has laid down a code of conduct of all Board members and a record of compliance of the code has been maintained.

vi Mr. Golam Mohiuddin already held the office of Independent Director for 3 (three) years and was reappointed for another 3 (three) years with the approval of Shareholders in Annual General Meeting.

1.3 Qualification of Independent Director:

i The appointed ID is a highly knowledgeable and qualified person. He is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.

ii Mr. Golam Mohiuddin, B.Pharm (Hons) from University of Dhaka (1970), has a working experience of more than four decades in pharmaceutical manufacturing sector and was directly responsible for setting up two large Pharmaceutical plants including Intra Venous manufacturing.

iii No relaxation of the qualification of ID is required.

1.4 Chairman of the Board and Chief Executive Officer (CEO):
Different individuals have been appointed for the post of the Chairman of the Board and Chief Executive Officer of the Company. Mr. Mohammad Obaidul Karim is the Chairman and Mr. Salman Obaidul Karim will act as the Managing Director as well as the CEO of the Company. Their roles and responsibilities have been defined clearly.

1.5 The Directors' Report to Shareholders:
All the requirements have been fulfilled properly.

2. Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS):

2.1 Appointment:
The following three different persons have been appointed for the post of CFO, Head of Internal Control and the CS:

Chief Financial Officer:
Mr. Samaresh Banik

Head of Internal Audit:
Mr. Md. Ibrahim Khalil

Company Secretary:
Mr. Md. Ferdous Jaman

2.2 Attendance of CFO and CS at the meeting of BOD:
The CFO and the CS attend the meeting regularly.

3. Audit Committee:

The Board has constituted an Audit Committee as a sub-committee of the Board for the Company according to the conditions of BSEC guidelines.

3.1 Constitution of the Audit Committee:
The Audit Committee comprises of 3 (three) members including 1 (one) Independent Director. All the members of the Committee are literate on financial management and are able to analyze and interpret financial statements effectively. The Company Secretary acts as the Secretary of the Committee.

3.2 Chairman of the Audit Committee:

The Independent Director has been appointed as the Chairman of the Audit Committee. He also attends the Annual General Meeting following the BSEC guidelines.

3.3 Role of Audit Committee:

The Audit Committee has performed its duties and responsibilities according to the guidelines given by BSEC.

3.4 Reporting of the Audit Committee:

The Audit Committee reports to the Board of Directors from time to time. It immediately informs Board of Directors regarding any deviation, conflict of interest and any other matters necessary to ensure the true and fair view of the financial statements.

3.5 Reporting to the Shareholders and General Investors:

The Audit Committee Report has been disclosed in the Annexure III of the Annual Report of Orion Infusion Limited.

4. External Statutory Auditors:

The Board has recommended the Statutory Auditor of OIL and the Statutory Auditor shall be appointed by the shareholders at the ensuing AGM following the BSEC guidelines strictly.

5. Subsidiary Company:

Since OIL does not have any subsidiary company, the requirements of this section are not applicable for the Company.

6. Duties of CEO & CFO:

All the requirements relating to the duties of CEO and CFO are being complied with. CEO and CFO's declaration to the board has been disclosed in the Annexure IV of the Annual Report of Orion Infusion Limited.

7. Reporting and Compliance of Corporate Governance:

The provisions of BSEC regulation have been fulfilled regarding the compliance of corporate governance. We have obtained the Certificate about compliance of conditions of Corporate Governance Guidelines from a practicing Professional Accountant, M/S. Rahman Mostofa Alam & Co., Chartered Accountants, which has been disclosed in Annexure VI of this report.



AMAR STOCK

AUDIT COMMITTEE REPORT

on its activities as on June 30, 2017

The Audit Committee feels proud to present this report, through which the Committee hopes to provide useful insight into the nature of activities performed and issues dealt with during the year. The report takes into account of the Guidance on Audit Committees by the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No 3.

Constitution and Assistance of the Audit Committee to the Board:

The audit committee of Orion Infusion Limited was constituted by the Board of Directors as a sub-committee of Board as per the terms of reference approved by the Board in accordance with the aforementioned notification of BSEC. The audit committee is formed to assist the Board of Directors in fulfilling its oversight responsibilities in areas such as the integrity of financial reporting, the effectiveness of the risk management and internal control system, implementation of the objectives, strategies and overall business plan set by the Board for effective function of the Company and other related governance and compliance matters.

During the financial year under review, the Audit Committee consisted of the following members:

The Board considers that all the current Committee members have recent and relevant financial experience as recommended by the BSEC Corporate Governance Guidelines.

Mr. Golam Mohiuddin is standing as the Chairman of the Audit Committee duly selected and approved by the Board. He also attends the General Meeting of the Company's shareholders to answer any quarries on the Committees activities. The Company Secretary, Mr. Md. Ferdous Jaman, supports the Committee as its secretary as well which ensures compliance with the Corporate Governance Guidelines issued by the BSEC. The requirements regarding the Quorum of the Committee have also been fulfilled.

Regarding the expiration of terms of service or inability to hold the office till expiration period by any Committee members, there was no such situation arose during the year under review making the number of Committee members lower than 3 (three) persons.

Sl. No.	Members	Status with the Committee	Status with the Board
1	Mr. Golam Mohiuddin	Chairman	Independent Director
2	Mr. Salman Obaidul Karim	Member	Managing Director
3	Mrs. Arzuda Karim	Member	Director

The Audit Committee of the Board conducted five (5) meetings during the financial year 2016-17. Minutes of the Audit Committee have been reported to the Board of Directors. The attendance of the members and secretary of Committee is as below:

Members	Status	Meetings attended
Mr. Golam Mohiuddin	Chairman	5/5
Mr. Salman Obaidul Karim	Member	5/5
Mrs. Arzuda Karim	Member	5/5
Mr. Md. Ferdous Jaman	Secretary	5/5

Scope of Work of Audit Committee:

The authorities, duties and responsibilities of Audit Committee, among others, include:

- Reviewing the quarterly, half yearly and annual financial statements of the Company and upon satisfaction of the review, recommend them to the Board for approval.
- Monitoring and reviewing the integrity of the financial reporting process ensuring compliance to the accounting policies and principles, internal control risk management process.
- Ensuring the adequacy of internal audit function and considering the major findings of the internal investigations and management response and where necessary, ensuring the appropriate actions are taken.
- Reviewing Management Letter and Letter of Internal Control weakness issued by the statutory auditors on the effectiveness of the systems for internal financial control, financial reporting and risk management.
- Reviewing statement of significant related party transactions submitted by management.
- Recommending to the Board the appointment, re-appointment or removal of external auditors and overseeing their performance as well.

• Ensuring the non-engagement of external auditors in any material non-audit work including appraisal or valuation service or fairness opinions, financial information systems design and implementation, book-keeping, broker-dealer services, actuarial services and internal audit services.

Reporting of the Audit Committee:

The Audit Committee reports to the Board of Directors from time to time and is responsible to inform Board of Directors about its regular activities and about any material defects in internal control, conflict of interest and any other matters necessary to ensure the true and fair view of the financial statements. Apart from reporting to the Board, it also needs to report the Regulatory Authorities regarding any issue having material financial impact if the Board and the management have unreasonably ignored such issues without making any rectification. It reports to Shareholders and other interested parties on annual basis by means of presenting a summary of its activities in the form of this report.

During 2016-17, the audit committee met five times to discharge its duties and responsibilities and accordingly forwarded their reports to the Board. Besides, there was no other issue arose in 2016-17 having significant material impact on Company's financial statements which needed to be disclosed to the Board or the Regulatory Authorities. It presented hereunder its report for the shareholders and other interested parties prepared for the financial year ended June 30, 2017.



AMAR STOCK

Report from the Audit Committee

Dated: November 09, 2017

The Board of Directors
Orion Infusion Limited
153-154, Tejgaon I/A
Dhaka-1208

Subject: Audit Committee Report for the financial year ended June 30, 2017

Dear Sirs:

In terms of the condition No.3.5 conferred by the Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued by Bangladesh Securities and Exchange Commission under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969),

I, the undersigned Independent Director and Chairman of Audit Committee on behalf of the members of Audit Committee, do hereby declare that the committee, on a quarterly basis, reviewed the financial statements of the Company and the statement of significant re-current related party transactions entered into by the Company throughout the year under report.

The committee ensures that the external auditors were not engaged in any material non-audit work of the Company.

Also the Committee is of the view that the financial reporting process, the application of accounting policies and principles, the internal control and audit functions and the risk management procedures are adequate to present a true and fair view of the activities and financial status of the Company.

Moreover, the Committee did not find any material deviation, discrepancies or any adverse findings in the areas of reporting and disclosures and did not receive any findings of management through management letter and any weakness in internal control through letter issued by statutory auditors.

M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants were the External Auditors of Orion Infusion Limited for last year. However, they expressed their willingness to carry on the office as the Statutory Auditors of the Company for the next financial year. Being eligible and as appeared most appropriate and proficient to perform the external audit, the Audit Committee will recommend M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants, to be re-appointed as the Statutory Auditors of the Company for the upcoming financial year.

On behalf of the Committee

Sd/-

Golam Mohiuddin
Chairman
Audit Committee

CEO AND CFO REPORT

to the Board of Directors

Dated: November 09, 2017

The Board of Directors
Orion Infusion Limited
153-154, Tejgaon I/A
Dhaka-1208

Subject: Certification of CEO and CFO to the Board

Dear Sirs:

In terms of the condition No. 6 conferred by the Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued by Bangladesh Securities and Exchange Commission under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969),

We, the undersigned CEO & Managing Director and the Chief Financial Officer (CFO), do hereby certify to the Board of the Company that we have reviewed the financial statements of Orion Infusion Limited for the year ended June 30, 2017 and to the best of our knowledge and belief:

(i) 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 together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

(ii) No transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Yours sincerely

Sd/-

Salman Obaidul Karim
Managing Director & CEO

Sd/-

Samaresh Banik
Chief Financial Officer

COMPLIANCE REPORT

on Bangladesh Accounting Standards (BASs) & Bangladesh Financial Reporting Standards (BFRSs)

BAS No.	BAS Title	Remarks
01	Presentation of Financial Statements	Applied
02	Inventories	Applied
07	Statement of Cash Flows	Applied
08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
10	Events after the reporting period	Applied
11	Construction Contracts	N/A
12	Income Taxes	Applied
16	Property, Plant and Equipment	Applied
17	Leases	N/A
18	Revenue	Applied
19	Employee Benefits	Applied with some departure
20	Accounting of Government Grants and Disclosure of Government Assistance	N/A
21	The Effects of Changes in Foreign Exchange Rates	Applied
23	Borrowing Costs	N/A
24	Related Party Disclosures	Applied
26	Accounting and Reporting by Retirement Benefit Plans	Applied
27	Consolidated and Separate Financial Statements	N/A
28	Investment in Associates	N/A
29	Financial Reporting in Hyperinflationary Economics	N/A
32	Financial Instruments: Presentation	Applied
33	Earnings per share	Applied
34	Interim Financial Reporting	Applied
36	Impairment of Assets	N/A
37	Provisions, Contingent Liabilities and Contingent Assets	Applied
38	Intangible Assets	N/A
39	Financial Instruments: Recognition and Measurement	Applied with some departure
40	Investment Property	N/A
41	Agriculture	N/A

BFRS No.	BFRS Title	Remarks
01	First-time Adoption of International Financial Reporting Standards	N/A
02	Share-based Payment	N/A
03	Business Combinations	N/A
04	Insurance Contracts	N/A
05	Non-current Assets Held for Sale and Discontinues Operations	N/A
06	Exploration for and Evaluation of Mineral Resources	N/A
07	Financial Instruments: Disclosures	N/A
08	Operating Segments	N/A
09	Financial Instruments	Applied
10	Consolidated Financial Statements	N/A
11	Joint Arrangements	N/A
12	Disclosure of Interests in Other Entities	N/A
13	Fair Value Measurement	Applied
14	Regulatory Deferral Accounts	N/A
15	Revenue from Contracts with Customers	N/A

CERTIFICATION

on Compliance of Corporate Governance

Rahman Mostafa Alam & Co.
Chartered Accountants

INPACT INTERNATIONAL AFFILIATE

Certificate of compliance of conditions of corporate governance guidelines to the shareholders of

Orion Infusion Limited

We have examined the compliance of conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by **Orion Infusion Limited** for the year ended on **June 30, 2017** as stipulated in clause 7(i) of the BSEC notification no SEC/CMRRECD/2006-158/134/Admin/44 dated August 07, 2012 as amended by notification no. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 of Bangladesh Securities and Exchange Commission.

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of Orion Infusion Limited. Our examination for issuing this certification was limited to the checking of procedure and implementation thereof, adopted by Orion Infusion Limited for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, as reported on the attached status of compliance statement, Orion Infusion Limited has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated August 07, 2012 as amended by notification dated July 21, 2013.

Rahman Mostafa Alam & Co.

Dated: Dhaka
November 12, 2017

Rahman Mostafa Alam & Co.
Chartered Accountants

Dhaka Office : Paramount Heights (7th Floor, D2 & C1), 65/2/1 Box Culvert Road, Purana Paltan, Dhaka- 1000. Phone : +88-02-9553449, 9551128, E-mail : rmadhaka@gmail.com
Chittagong Office : Taher Chamber (2nd Floor), 10 Agrabad C/A, Chittagong, Bangladesh. Phone : +88-031-725314, E-mail : rmactg@gmail.com

CHECKLIST

on Compliance of Corporate Governance

Condition No.			Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
				Complied	Not Complied	
1	**Board of Directors**					
1.1	**Board's Size**					
	The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)			✓		
1.2	**Independent Directors**					
1.2	(i)		At least one fifth (1/5) of the total number of directors in the company's board shall be Independent Director	✓		
1.2	(ii)	a)	"Independent Director" means a director- 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	(ii)	b)	who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company	✓		
1.2	(ii)	c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1.2	(ii)	d)	who is not a member, director or officer of any stock exchange	✓		
1.2	(ii)	e)	who is not a shareholder, director or officer of any member of stock exchange or any intermediary of the capital market	✓		
1.2	(ii)	f)	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	✓		
1.2	(ii)	g)	who shall not be an independent director in more than 3 (three) listed companies	✓		
1.2	(ii)	h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1.2	(ii)	i)	who has not been convicted for a criminal offence involving moral turpitude	✓		
1.2	(iii)		the independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2	(iv)		the post of independent director(s) can not remain vacant for more than 90 (ninety) days	✓		
1.2	(v)		the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2	(vi)		the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	✓		
1.3			**Qualification of Independent Director(ID)**			
1.3	(i)		Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		

1.3	(ii)	The person should be a Business Leader / Corporate Leader / Bureaucrat / University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences	✓		
1.3	(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission			Not applicable
1.4		**Chairman of the Board and Chief Executive Officer**			
1.4	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer		✓		
1.5	**Directors report to the Shareholders**				
1.5	(i)	Industry outlook and possible future developments in the industry	✓		
1.5	(ii)	Segment-wise or product-wise performance	✓		
1.5	(iii)	Risks and concerns	✓		
1.5	(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		
1.5	(v)	Discussion on continuity of any Extra-Ordinary gain or loss			Not applicable
1.5	(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	✓		
1.5	(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			Not applicable
1.5	(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc			Not applicable
1.5	(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	✓		
1.5	(x)	Remuneration to directors including independent directors	✓		
1.5	(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1.5	(xii)	Proper books of 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)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	✓		
1.5	(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5	(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	✓		
1.5	(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof	✓		

			should be explained			
1.5	(xviii)		Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
1.5	(xix)		If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			Not applicable
1.5	(xx)		The number of Board meetings held during the year and attendance by each director shall be disclosed	✓		
1.5	(xxi)		The Pattern of shareholding shall be reported to disclose the aggregate number of share (along with name wise details):-			
1.5	(xxi)	a)	Parent/Subsidiary/Associated Companies and other related parties (name wise Details)	✓		
1.5	(xxi)	b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	✓		
1.5	(xxi)	c)	Executives	✓		
1.5	(xxi)	d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	✓		
1.5	(xxii)	a)	A brief resume of the director	✓		
1.5	(xxii)	b)	Nature of his/her expertise in specific functional areas	✓		
1.5	(xxii)	c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
2.0			**Chief Financial Officer(CFO), Head of Internal Audit (HIA) and Company Secretary(CS)**			
2.1	**Appointment:** The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS			✓		
2.2	**Requirement to attend the Board Meetings:** The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters			✓		
3.0	**Audit Committee**					
3	(i)		The company shall have an Audit Committee as a sub-committee of the Board of Directors	✓		
3	(ii)		The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
3	(iii)		The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	✓		
3.1			**Constitution of the Audit Committee :**			
3.1	(i)		The Audit Committee shall be composed of at least 3 (three) members	✓		
3.1	(ii)		The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director	✓		
3.1	(iii)		All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management experience	✓		

3.1	(iv)		When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee			No such event occurred during the reporting period
3.1	(v)		The company secretary shall act as the secretary of the Committee	✓		
3.1	(vi)		The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓		
3.2			**Chairman of the Audit Committee**			
3.2	(i)		The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director	✓		
3.2	(ii)		Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)	✓		
3.3			**Role of the Audit Committee**			
3.3	(i)		Oversee the financial reporting process	✓		
3.3	(ii)		Monitor choice of accounting policies and principles	✓		
3.3	(iii)		Monitor Internal Control Risk management process	✓		
3.3	(iv)		Oversee hiring and performance of external auditors	✓		
3.3	(v)		Review along with the management, the annual financial statements before submission to the board for approval	✓		
3.3	(vi)		Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	✓		
3.3	(vii)		Review the adequacy of internal audit function	✓		
3.3	(viii)		Review statement of significant related party transactions submitted by the management	✓		
3.3	(ix)		Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors			Not applicable
3.3	(x)		When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/ applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus			Not applicable
3.4			**Reporting of the Audit Committee**			
3.4.1			**Reporting to the Board of Directors**			
3.4.1	(i)		The Audit Committee shall report on its activities to the Board of Directors	✓		
3.4.1	(ii)		The Audit Committee shall immediately report to the Board of Directors on the following findings, if any :			
3.4.1	(ii)	a)	Report on conflicts of interests			No such incident raised
3.4.1	(ii)	b)	Suspected or presumed fraud or irregularity or material defect in the internal control system			No such incident raised
3.4.1	(ii)	c)	Suspected infringement of Laws, including securities related Laws, Rules and Regulations.			No such incident raised
3.4.1	(ii)	d)	Any other matter which shall be disclosed to the Board of			No such incident

			Directors immediately			raised
3.4.2	**Reporting to the Authorities**					
3.4.2	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier					No such incident raised
3.5	**Reporting to the Shareholders and General Investors**					
3.5	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company			✓		
4	**External /Statutory Auditors**					
	The issuer company should not engage its external /statutory auditors to perform the following services of the company ; namely					
4	(i)		Appraisal or valuation services or fairness opinions	✓		
4	(ii)		Financial information systems design and implementation	✓		
4	(iii)		Book-keeping or other services related to the accounting records or financial statements	✓		
4	(iv)		Broker-dealer services	✓		
4	(v)		Actuarial services	✓		
4	(vi)		Internal audit services	✓		
4	(vii)		Any other service that the Audit Committee determines	✓		
4	(viii)		No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	✓		
4	(ix)		Audit/Certification services on compliance of corporate governance	✓		
5			**Subsidiary Company**			
5	(i)		Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company			Not applicable
5	(ii)		At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company			Not applicable
5	(iii)		The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			Not applicable
5	(iv)		The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also			Not applicable
5	(v)		The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			Not applicable
6			**Duties of Chief Executive officer (CEO) and Chief financial Officer (CFO)**			
			The CEO and CFO shall certify to the Board that :-			
6	(i)		They have reviewed financial statements for the year and that to the best of their knowledge and belief:			
6	(i)	a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that	✓		

			might be misleading			
6	(i)	b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	✓		
6	(ii)		There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	✓		
7			**Reporting and Compliance of Corporate Governance**			
7	(i)		The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant /Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis	✓		
7	(ii)		The directors of the company shall state, in accordance with the **Annexure** attached, in the directors' report whether the company has complied with these conditions	✓		



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OUR APPROACH TO GOVERNANCE

Orion Infusion Limited (OIL) firmly believes that the success of the company depends on the fair practice of the Corporate Governance. The Board of Directors of Orion Infusion Limited is dedicated to ensuring higher standard Corporate Governance enforced by the Bangladesh Securities & Exchange Commission (BSEC) to keep the Company's business integrity and performance on the right track. The Board of Directors put their best effort to establish an appropriate internal control system and risk management procedures to make sure the accountability, transparency at every level of its operation. Moreover, the Directors follow some principles set for them to oversee the function and set up clear guidelines for the management.

Dextrolac INFUSION

Lactated Ringer's and 5% Dextrose



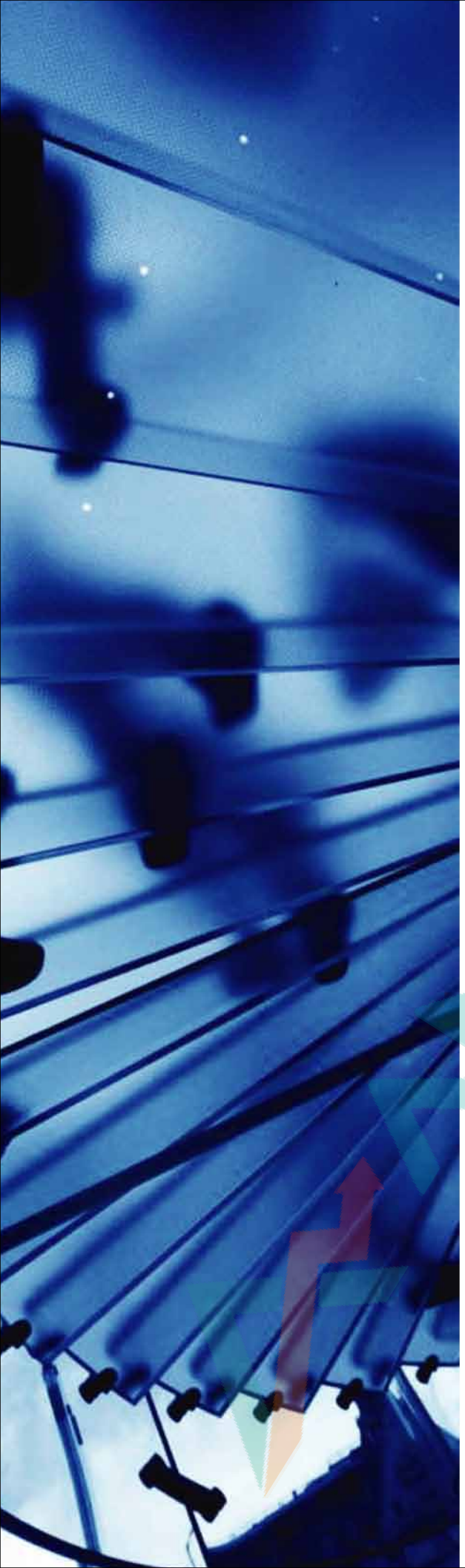
The benevolent combination

for

intravenous therapy

ORION Infusion Ltd.

In Search of Excellence



Board Composition

As on June 30, 2017, the Board of Orion Infusion Limited is comprised of five (5) Directors including the Chairman of the Company. In compliance with the Corporate Governance Guidelines issued by the Bangladesh Securities & Exchange Commission (BSEC), the board has appointed one (1) Independent Director with diversified knowledge and experience which provides a balance and ensures transparency in decision making process.

Name	Status
Mr. Mohammad Obaidul Karim	Chairman
Mr. Salman Obaidul Karim	Managing Director
Mrs. Arzuda Karim	Director
Mrs. Zareen Karim	Director
Mr. Golam Mohiuddin	Independent Director

The board composition is reviewed on a regular basis in order to ensure that the Board, collectively, has a balance of required knowledge, experience and expertise to discharge it's duties and responsibilities effectively.

Board Charter

The Board assumes overall responsibility for the strategic direction of the Company, retains full and effective control over the company, oversees the operations and activities through appropriate delegation of authority to the management and decisions in subsidiaries. The main role of the Board is to take decisions concerning certain policies, budgets, financing plan and major capital expenditures of the Company.

The board is governed by a formal board charter setting out its composition, processes and responsibilities. The primary responsibilities of the board are to:

- Retain full and effective control of the company;
- Give strategic direction to the company;
- Take decisions concerning certain policies, budgets, financing plan and major capital expenditures of the Company;
- Monitor management in implementing plans and strategies, as approved by the board;
- Appoint the CEO and other directors;
- Ensure that succession is planned;
- Identify and regularly monitor key risk areas and key performance indicators of the business;
- Endeavour that the company complies with relevant laws, regulations and codes of business practice;
- Ensure that the company communicates with shareholders and relevant stakeholders openly and promptly;

- Monitor the company's integrated performance;
- Establish a formal and transparent procedure for appointment to the board;
- Regularly review the report provided by the Audit and Risk Committee;
- Assess the performance of the board, its committees and its individual members on a regular basis.

In order to fulfill their responsibilities, directors always have unrestricted access to information including financial data, documents, and records of the company.

Board Meeting

In fulfillment of its responsibilities, the Board of Directors of OIL holds periodic meetings and takes appropriate decisions. The Board meets not only for scheduled meeting but also on other occasions to deal with urgent matters that require attention; additional meetings are convened on an ad hoc basis.

As per the provision mentioned under Section 96 of the Companies Act-1994, a meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

Pursuant to the above, The Board met five (5) times during the year under review and all the directors including both the independent directors were present in all meetings The Company Secretary and the Chief Financial Officer were also present in the Board meetings.



Board Appointment, Retirement and Rotation

The Company always strictly follows the rules and regulations of different relevant regulatory authorities including BSEC notifications and Companies Act and also it's own Articles of Associations regarding the appointment, retirement and re-appointment of directors. In terms of the Companies Act 1994, one third of the directors are required to retire by rotation at each year's AGM. The retiring directors, being eligible, may offer themselves for re-election by shareholders at the Annual General Meeting.

In addition to that as per BSEC notification, the term of an Independent Director is three years which may be prolonged for another three years. However, the appointment / re-appointment of the new Independent Director is subject to the approval by shareholders at the first AGM after their appointment after the recommendation from Board.

For the reporting financial year, Mohammad Obaidul Karim, Chairman and Mrs. Zareen Karim, Director of the Company retire by rotation and also offer themselves for reappointment at the ensuing AGM.

Company Secretary

The Company Secretary, Mr. Md. Ferdous Jaman, plays a crucial role in the governance of the company. He is responsible for providing guidance to the Chairman and Board of Directors in respect of their responsibilities, authorities and power. He is directly accountable to the Board, through the Chairman. The key responsibilities of the Company Secretary include:

- Responsible to advice on the corporate governance and other rules and regulations imposed by different regulatory authorities including RJSC, DSE, CSE, BSEC.

  Most notably, the responsibility for developing and implementing processes to promote and sustain good corporate governance has fallen largely within the remit of the company secretary;

- Facilitates the distribution of information to the concerned office or person in a timely manner like agenda items for board meetings, investor communications and any other corporate announcement including Price Sensitive Information which may have significant material impact on the performance of the Company;
- Maintains the necessary link and liaison with the internal organs like Board, Management, different divisions and department and also with the external agencies;
- Performs company secretarial and legal matters- compliance with Companies Act and Memorandum & Articles of Association; arranging and holding the Board meeting, annual generation meeting, extra ordinary meeting as well as taking correct record of proceedings; maintaining statutory books.

Chief Financial Officer

The name of the Chief Financial Officer is Mr. Samaresh Banik. He is the Executive Vice President and also the Head of Finance & Accounts of the Company. He is one of the key members of management team and has been serving as a credible, knowledgeable and trusted resource to the CEO. His certification on the financial statements is disclosed in Annexure 4. Major duties and responsibilities of the Company CFO are as follows:



- Responsible for directing the financial functions of the company in accordance with the applicable rules and regulation;
- Work with management team on the strategic vision of the organization including cultivating and fostering strategic relationships and potential alliances;
- Responsible for oversight of financial internal controls and coordination of all financial audits;
- Collaborate with the CEO and other senior leaders on operational and strategic issues as they arise; provide strategic recommendations based on financial analysis and projections, and revenue/expense analysis;
- Oversees all financial transactions, including billing, finance, accounting and reporting; and prepares and communicates monthly, quarterly, half yearly and annual financial statements;
- Develops the budget or financial forecasting for upcoming year considering the long-term budgetary planning and cost management in alignment with the strategic plan;
- Develops and promotes a framework to drive financial acumen and accountability across the organization.

Separation of work for the Chairman and Chief Executive Officer

The Chairman of the Board, Mr. Mohammad Obaidul Karim, was elected by the Board of Directors. He does not participate in the operational and regular affairs of the company. Mr. Salman Obaidul Karim is the Chief Executive Officer. He is responsible for all day to day management decisions and for the routine business operation of the Company.

The separation of this position and role from those of the Chairman ensures the compliance of corporate governance guidelines imposed by BSEC and also a balance of authority with regard to the Board's decision-making processes.

Roles and responsibilities of the Chairman include:

- Assesses whether the Board is functioning in accordance with the Memorandum and Articles of Association of the company and other applicable laws, rules and regulations;
- Acts as Chair at meeting of Shareholders (AGM), meeting of Board of Directors and reviews and signs minutes of Board meeting;
- works with the CEO to ensure that key issues are discussed by the Board in a timely manner, so that the Board has adequate support and all necessary information to make decisions;
- Provides independent advice and counsel to the CEO;
- Represents the Company as it's figurehead to the relevant stakeholders.

Roles and responsibilities of the Chief Executive Officer include:

- Formulates and successfully implements company policy;
- Develops strategic operating plans that reflect the longer-term objectives and priorities established by the Board and also directs strategy towards the profitable growth and operation of the Company.
- Maintains the operational performance of the Company and closely monitors the operating and financial results against plans and budgets.
- Represents the company to major stakeholders.
- Builds and maintains an effective management team.

Board Committee- Audit Committee

With a view to enabling the Board to carry out it's responsibilities and duties effectively, Audit Committee was established as a sub-committee of the Board by delegating certain of Board's responsibilities to this Board committee.

This committee is consisting of three (3) Directors chaired by an Independent Director, Mr. Golam Mohiuddin. Other members are Mr. Salman Obaidul Karim, Managing Director and Mrs. Arzuda Karim, Director.

The Audit Committee assists the Board with respect to internal control, financial reporting, risks management, auditing matters, monitoring process, related party transactions etc. The Committee has also the responsibility to make sure that all the rules and regulations issued by the regulatory authorities have been complied with and are directly responsible to the Board.

Management Team

The Management team of Orion Infusion Limited is involved in managing and running the affairs of the Company. The team is in full control of the Company's affair and is also accountable to the Board of Directors. It builds the confidence of the Board by ensuring that all the activities carried out by them are consistent with high ethical standards.

Name	Status
Mr. Salman Obaidul Karim	Chief Executive Officer
Mr. Samaresh Banik	EVP, Finance & Accounts
Mr. Binoy Krishna Barai	SVP, Plant
Mr. Harunor Rashid	AVP, Sales
Mr. Sazed Karim	VP, Admin
Mrs. Monowara Khatoon	AVP, Accounts

33rd ANNUAL GENERAL MEETING

The 33rd Annual General Meeting (AGM) for the financial year 2015-16 was held at Officers Club, 26 Baily Road, Ramna, Dhaka on December 20, 2016. Mr. Mohammad Obaidul Karim, Honorable Chairman of the Company, presided over the meeting and warmly welcomed all the shareholders for attending the AGM. In this meeting, shareholders were informed about the performance and future prospect of the Company. .

The shareholders also expressed their views and gave valuable suggestions in the meeting. The Honorable Chairman appreciated the shareholders for their active participations, constructive suggestions and valuable advices.



The Board members, the Chief Financial Officer and the Company Secretary at the 33rd AGM



The Chairman giving his speech at the AGM



Shareholders at the AGM

34th ANNUAL GENERAL MEETING NOTICE

Notice is hereby given that the **34th ANNUAL GENERAL MEETING (AGM)** of the Shareholders of **Orion Infusion Limited** will be held on **Thursday, December 14, 2017, at 11.00 a.m. at Officers Club, 26, Baily Road, Ramna, Dhaka-1000, Bangladesh,** to transact the following businesses:-

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on June 30, 2017 together with the Auditors' Report and Directors' Reports thereon.
2. To declare dividend for the year ended June 30, 2017.
3. To elect/re-elect Directors who will retire by rotation as per the relevant provisions of Articles of Association.
4. To appoint External Auditors and to fix their remuneration for the financial year 2017-2018.
5. To transact any other business with the permission of the Chair.

By Order of the Board

Sd/-
Md. Ferdous Jaman
Company Secretary

Date: November 07, 2017
Dhaka

Note:

1. "Record Date" shall be November 29, 2017 (Wednesday).

Shareholders whose names appeared in the Depository/Members Register on the Record Date will be eligible to attend the meeting and will qualify for Dividend.

2. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form, duly stamped (BDT. 20.00), must be deposited at the Company's Corporate Office not later than 48 hours before the time fixed for the meeting and in default, Form of Proxy will not be treated as valid.

3. Annual Report, Attendance Slip and Proxy Form along with the notice are being sent to all the members through post/courier service. The members may collect the Annual Report or the Proxy Form from the registered office of the Company. Admission into the venue of the AGM will be allowed on the production of the Attendance Slip/Proxy Form sent with the Annual Report.

4. Members are requested to notify change of address if any, to the Company.

Attention : As per BSEC Guidelines, the Shareholders shall not be entertained with any gift/food item in the ensuing AGM.

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STRHEGTHENING OUR CODE OF CONDUCT AND BUSINESS ETHICS



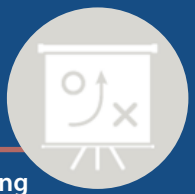
We keep and show accurate data

The business information that we work with is vital to our success. We keep the data in a well organized and easily accessible manner so that it can give us important knowledge for prudent business decisions, playing a crucial role in business growth strategies and financial reporting. We must use all of this information wisely and carefully to get the best value from it.

We are committed in protection of data and assets

Information is vital asset of a company. Information and data which is not in the public domain is considered confidential and proprietary information. Again our customers, suppliers and others also may share their confidential and proprietary information with us. We have the duty to properly use and safeguard business information belonging to and shared with the company. Again we are conscious and committed about other assets of our company to protect these from misappropriation, loss and destruction.





We follow the best sales and marketing practices

We believe in fair competition and avoid unhealthy rivalry with competitors which might lead to any unethical conduct. We disclose accurate and true information of our products. Marketing and promotion are carried out for the well being of the society.

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We comply with laws, regulations and social norms

Complying with the prevailing laws, rules and regulations and being in conformity with social norms are the basics of our business. Nationally and internationally where ever we do business we obey the relevant laws and regulations and avoid any action that can discredit the company.

We conduct our business with integrity and honesty

Integrity and honesty are playing key roles to building a strong, solid and successful business. We act in truthful manner both in our communication and conduct. We demonstrate these in our every step and avoid taking any action that maybe questionable.



We respect people and uphold their interest

People are the greatest asset if can be utilized properly. They provide new ideas and concept that can be given practical form. So we maintain our workplace a comfort zone where employees feel valued and respected. We do not engage in any conduct that could be considered as disrespectful, harassing, intimidating and aggressive.

We are accountable and responsible

We take full responsibility for all our business decisions, actions and conduct and we are accountable to the stakeholders. Our accountability and responsibility show the most effective way to achieve high standards.

COMPLIANCE STATEMENT

Financial and Reporting

Securities and Exchange Ordinance, 1969
Securities and Exchange Rules, 1987
Companies Act, 1994
Income Tax Ordinance, 1984
Income Tax Rules, 1984
Value Added Tax (VAT) Act, 1991
Value Added Tax (VAT) Rules, 1991
Statutory Regulatory Order (SRO) of Tax and VAT
Money Laundering Prevention (Amendment) Act, 2015
Registrar of Joint Stock Companies
Bangladesh Financial Reporting Standards (BFRSs)

Production & Plant

Bangladesh Environment Protection Act, 1995
Bangladesh Environment Conservation Act, 2010
Environment Conservation Rules, 1997

Product

Bangladesh Food & Drugs Authority
World Health Organization (WHO) on GMP

Health & Safety

Labor Law, 2013 (Amended)

Child Labor Elimination

National Child Labor Elimination Policy, 2010

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RISK MANAGEMENT SYSTEMS

Orion Infusion Limited assures the stakeholders that it is operating its business smoothly not only with the help of forecasts and projections but also by focusing more on identifying risks and addressing them to ensure that the negative effect of these risks are reduced to the maximum. The responsibility of assessing each risk and determining which of them have significant impact on the business are vested with the Audit Committee.

OIL's risk management systems encompass the factors like identification of emerging risks, determination of the significance of each risk, come up with strategies to ensure the safeguarding against these risks, execution of these strategies to minimize the negative impact of these risks. Below is a list of risks having significant impact on the operation of OIL and also the procedures to mitigate or control those risks.

Principal Risks	Importance of risk	Mitigation process
1. People and Talent		
	Human resources are keys to our success. Risks can come from failure of attracting and retaining sufficient number of quality staff. Again lack of right person in the right place at right time can cause huge loss and fail to achieve the planned growth.	• Strong Human Resources Team development. • Fair and transparent recruitment process. • Arrangement of succession planning. • Regular training and development programs. • Development in employee leadership and employee engagement. • Remuneration and salary structure based on the industry analysis.
2. Political Instability		
	Instability and turbulence of the political condition severely disrupt the operation and cause downturn of sales of the business. Political risks cannot be avoided but these can be managed. Sales decreased, production hampered due to strike are some risks arised from political instability.	• Strong Company Affairs Division to stay on top of political risks such as keep up to date information about volatile political climate, macro and micro political risk environment, change in government, new laws and regulations etc. Careful analysis and evaluations of the situations can save the business from business downturn. • Active participation in key policy development and review.
3. Supply Disruption		
	Disruption of input materials due to machinery breakdown, fire and explosion, faulty design and manufacturing, operating error, interruption of power of suppliers can cause material shortages and production can be hampered at great extent.	• Strong supply chain department. • Inventory management plan development. • Plan to have alternative supply of crucial materials. • Planning meetings are held regularly. • Development of contingency plan.
4. Liquidity Crisis		
	If we have inability to meet our obligations and expense in time, it will threaten our financial position and our strong existence.	• We mitigate the risk by developing strategies and taking appropriate actions designed to ensure that necessary funds and collateral are available when needed. • We have integrated our risk management processes for it.
5. Product Quality		
	Product quality fall can reduce our image and decline the quantity of sale.	• We comply with significant regulations including ISO, WHO in production. • Regular quality inspection. • Computerized product testing. • Well trained workers.

Principal Risks	Importance of risk	Mitigation process
6. Market Demand and Competition		
	Presence of significant number of pharmaceutical companies and also the availability of same generic products from different companies results in tough competition that we are already facing.	• Improving on time delivery. • Improving product quality. • Promoting brand generic through right channel • Adopting effective and efficient marketing strategies. • Community Engagement.
7. Information Technology		
	OIL is mostly IT based in its activity. So if these are collapsed, OIL will face operational disruption, loss of data, financial loss and damage to corporate image.	• We have developed a strong access security to the server. • Well trained IT department taking care of the security and access over time. • Highly secured software and mailing system. • Awareness campaign.
8. Health and Safety		
	OIL products are manufactured with sensitive pharmaceutical materials. If the safety and health care is not ensured, it will cause devastating impact to OIL.	• Compliance with ISO, WHO, Bangladesh Food & Drugs Authority and government regulations. • Precautionary equipment to keep things safe. • Training of workers and employees so that they can take care of health and safety.
9. Stakeholder Relationship		
	Stakeholder relationship is vital for OIL. If it is not maintained well, OIL will lose its trust and the market also. The stakeholders may not step forward if proper relationship is missing.	• We ensure that each and every potential stakeholder gets proper significance. • We maintain regular communication to related stakeholders. • Provide them necessary data and fulfill their legitimate needs to maintain smooth and reliable relation.
10. Compliance Issues		
	OIL may lose its market, face damage to corporate image and financial penalty if it does not conform to relevant compliances issues.	• We ensure the compliance in every aspect of health and safety, financial and reporting, quality of product, production and plant, international business and so on. • A statement of compliance is provided here in this report.
11. Financial Issues		
	Financial risks relates to the interest rate risk and exchange rate risk. Unfavorable movements in the interest rate occur mainly due to Government's monetary policy. Also, unfavorable volatility or currency fluctuation may affect the profitability of the Company in case of foreign transaction.	• We try to maintain low debt/equity ratio so that adverse impact of interest rate fluctuation is insignificant. • We purchase major portion of raw materials in USD and also export our products in USD. Therefore exchange rate risks are covered by balancing costs and prices of the products.
12. Corporate Reputation		
	If the reputation falls, it will be difficult for OIL to recover it.	• We comply with every standard and regulation. • We have world class manufacturing plant • We properly disclose necessary data for govt., customers and other stakeholders. • We maintain a true and transparent process in every step for our business.
13. Environmental Consideration		
	Failure to make positive contribution to the environmental dimension of sustainability reporting will damage our corporate image.	• Maintaining effective waste management. • Adopting air pollution control mechanism.

CORPORATE CHRONOLOGY

1983
Formation of the Company

1992
- Commencement of Production
- Introduction of Dextropac, Dextrosal

1993
Introduction of Salpac, Dianak, Dextrosal-mini, Dextrosal-baby, NidazyIV, Dextropac-10, Hartman

1994
- Name Changed to Orion Infusion Limited
- Conversion to Public Limited Company
- Listing in DSE

1995
Introduction of Maprocin IV

1996
Listing in CSE

2001
Introduction of Dextrosal-ISO

2003
Introduction of Ortac IV, Fructose-10

2004
Introduction of Dextropac-25, Manisol

2005
Introduction of Proliv

2006
Introduction of Maprocin-DS IV

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2007
Introduction of Orlev IV

2008
Introduction of Dextrolac, Electrodex-10, Proliv 100 ml

2009
- Introduction of Proliv-Plus, Plasmasol
- Share trading transferred to OTC Market

2011
- Recommencement of trading in main market of DSE
- Dematerialization of physical share certificate

2012
Introduction of Salpac 100 ml

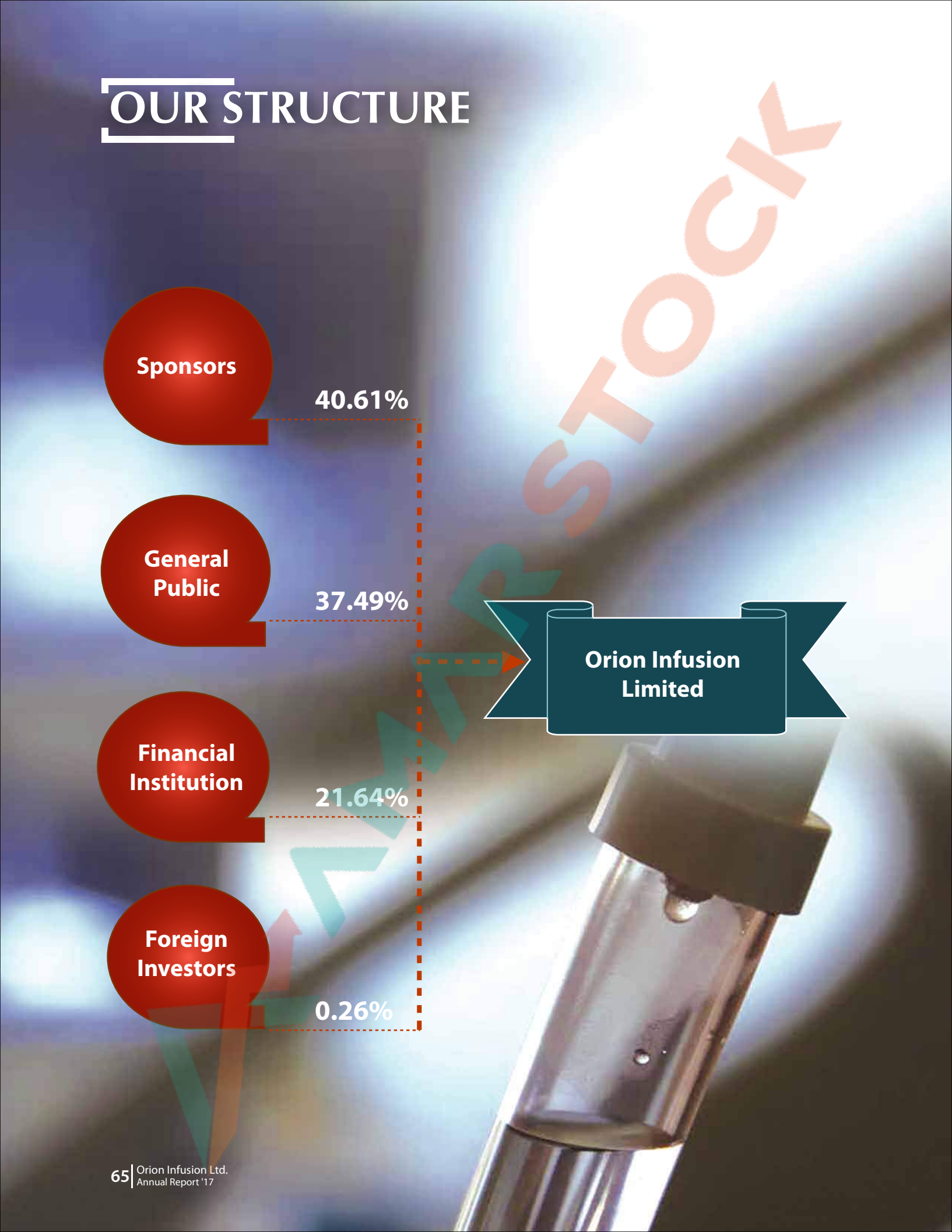
2015
Introduction of Intralipid 10% 500 ml

2016
- Introduction of Proliv Power, Salpac
- Exporting to Somalia and Afghanistan

2017
Exporting to Myanmar

AMARSTOCK

OUR STRUCTURE



AMARSTOCK

BUSINESS STRATEGY

Orion Infusion Limited formulates strategies and implements them to achieve the organization's objectives in the best possible way, by prioritizing objectives and deploying resources in the most efficient manner.



1 PRODUCT QUALITY

One of Orion Infusion Limited's key strategies is to focus upon the production of LVP & other life saving IV fluids. The overall organization is guided by the principal of providing the best to the customers. Quality is one way to help consumers to appreciate and believe in what we have to offer. The Company believes that quality has to be given the most prominence because it refers to the ability of a product or service to consistently meet or exceed customer requirements or expectations. Our goals of quality control are largely driven by consumer concerns and preferences and we focus on total production systems for achieving quality at minimum cost.



2 MARKETING & PROMOTION

Orion Infusion Limited provides quality products to uphold brand image. Extensive support is given to the unprivileged and disaster affected mass population in the country. At OIL we evaluate and understand our business' strengths, weaknesses, opportunities and threats to make informed decisions and deliver our marketing effectively. We believe that good marketing keeps drawing our customers' attention to our products and services.



3 EMPLOYEE MOTIVATION & RETENTION

Orion Infusion Limited puts emphasis on future direction of the organization by always motivating the employees, as it believes that people provide the framework for the future growth and development. We believe that focusing on developing a positive relationship with employees also brings success to the overall organization. At OIL we have successfully established a series of values as the basis for culture such as honesty, excellence, attitude, respect, and teamwork to instill a positive culture in order to motivate the employees.



4 DIFFERENT STAKEHOLDER PRIORITY

All the courses of action of Orion Infusion Limited are undertaken keeping the relevant stakeholders in mind. Every business takes a different approach to stakeholders. The roles of stakeholders differ between businesses, dependent on the rules and responsibilities laid out at the founding of your company or as your business evolved over the years. We believe that influence and perception of a stakeholder can affect the success or failure of an initiative. The Company strives to work in a way that ensures that the wealth of the shareholders is maximized along with complying with other relevant rules.



5 ENVIRONMENT PROTECTION

Orion Infusion Limited adopts environment friendly product plans and all other courses of actions are taken in a way so as to implement those plans. OIL realizes that the environment of our planet is degrading at an alarming rate because of non-sustainable urbanization, industrialization and agriculture. We at OIL educate ourselves to educate others and create awareness among all. Staff practices are undertaken in a way so as to reduce waste and consumption in the first place.

BUSINESS MODEL

Our business model is aimed at creation of values for our stakeholders. It defines how we are operating our business (operations) using different kinds of capital (inflow) and what are the outcomes (output/value creation) we achieve and offer to all of our stakeholders.

Inflows

Financial Capital

Owners' Equity
Debt funding
Exchange rate fluctuation
Government regulation

Capital expenditure BDT 12.19 million

Manufactured Capital

Raw and Packing materials
Plants and infrastructure
Machineries and Equipments

Production Capacity 12.00 million Intravenous Fluids and Injections

Human Capital

Skills and expertise of employees
Employee culture
Succession planning
Training and development

Total employees 841

Intellectual Capital

Flagship products
Research & Development
Certification

Training spend BDT 0.75 million

R & D spend BDT 0.075 million

Natural Capital

Water, energy, gas consumption
Waste Management
Environmental consideration

Conservative use of natural resources

Social Capital

Relationship with internal and external stakeholders

Respective departments are in charge of maintaining effective stakeholder relationship

Operations

BUSINESS SUPPORT FUNCTIONS

- Governance
- Legal and regulatory issues
- Code of Conducts, ethics and compliances
- Financial Management
- Corporate Affairs
- Risk Managements
- Internal Audit
- Supply Chain Management
- IT Support
- Accounts Management
- Sales and Marketing Strategies



Operations

MANUFACTURING PROCESS

- Mixing raw materials and water of injection into mixing tank
- Filteration
- Transfer to buffer tank
- Filling, Stoppering
- Visual inspection and sterilization
- Visual inspection and labelling and packaging
- Finished products

OUTPUT

- Dextrolac
- Dextropac
- Dextropac-10
- Dextropac-25
- Dextrosal
- Dextrosal-Baby
- Dextrosal-ISO
- Dextrosal-Mini
- Dianak
- ElectroDex-10
- FRUCTOSE-10
- Hartman
- Intralipid™10%
- Manisol
- Maprocin IV
- Maprocin-DS
- Nidazyl
- Orlev IV
- Ortac IV
- Plasmasol
- PROLIV
- PROLIV-Plus
- PROLIV-power
- SALPAC

OUTCOME

Financial Capital

Cost Control
Improved inventory management
Economic growth
Improved fund allocation

Reduced inventory days from 62.60 to 58.99

Manufactured Capital

The latest concept of cross-contamination, air-circulation and air handling, clean room, HVAC, process flow, absolute filtration, hygiene and safety

Production 9.23 million Intravenous Fluids and Injections

Human Capital

Skills and expertise retention
Employee wellness
Employee development

Decreased employee turnover rate

Intellectual Capital

Flagship products
Research & Development
Certification

Five Flagship products

Natural Capital

Environment friendly operation of business

High-tech pure steam generator, ETP

Social Capital

Annual General Meeting
Payment to Government treasury
Quality products to customers
Sound supplier relation

cash dividend @ 14.00%



VALUE CHAIN

Orion Infusion Limited is creating value by procuring raw materials and using them to manufacture pharmaceutical finished products. The more value it will create, the more profitable it will likely to be. Providing more value to our stakeholders helps us to build competitive advantage. The company is using Porter's Value Chain Analysis in order to understand how the company is creating value, and looking for ways to add more value.

SUPPORT ACTIVITIES

Firm Infrastructure:

- The design of the building and factory is good and reflects modern concept
- Prevalence of good governance
- Practice of strong code of business conduct
- Structured departments and hierarchical system
- Improved communication between different departments through the intranet
- Better accounting and financial management practices

Human Resource Management:

- Strong HR team to recruit, train and motivate employees
- Excellent corporate culture for team work and leadership development
- Competitive salary package and compensation benefits
- Ensuring employees' health and safety issues
- Offering healthy working environment
- Non existence of gender discrimination

Technology Development:

- Highly competitive IT department who supports both IT infrastructure and software
- Automated Central Distribution Centre, distribution channels and depots
- Real time access to sales records from all depots
- Strong IT department is continuously developing many customized software
- Efficient R&D departments continuously engaged with developing new products or upgrading existing one

Procurement:

- Direct contact with suppliers.
- Good cross border relationship.
- IT based procurement planning and inventory management system.
- Practice of strong code of business conduct.
- Structured departments.

Profit

PRIMARY ACTIVITIES

Inbound Logistics:

- Good relationship with suppliers.
- Sourcing supplies of high quality materials
- Efficient storage facilities- easy storage and retrieval.
- Inventories are dealt with swiftness and efficiently.
- Hired and owned vehicle fleet.
- Supply schedules are matched with production.

Operation:

- Automated manufacturing processes
- Comply with compliance in every aspect of the production.
- Quality control and inspection.
- Order fulfillment on time.
- Real time inventory and sales tracking system

Outbound Logistics:

- On time delivery through 63 customized vehicles
- Inventory management
- Efficient dispatch and delivery system
- Emergency resupply
- Emergency shipment
- 10 Regional Sales Offices and 19 depots all over the country
- 1 Central Distribution Cell

Sales and Marketing:

- Efficient sales force of 333 number of employees
- Regular training of the sales team through sales training department
- Customer management
- Entering new and emerging markets
- Sales analysis
- Market research
- Branding and promotion of products

Service:

- Product complain form
- Customer survey and seeking feedback
- Structured approach to understand the requirements of individual customers
- Fast response to customer requirement
- Expired product replacement

Margin

VALUE FOR SOCIETY

- Increased opportunity for local investment and accelerating economic growth
- Creating employment opportunities for local community
- Increased income results in improved yields
- Less consumption of natural resources
- Serving the society by providing high quality medicines that consumer needs
- Participating in the national development process by contributing to national exchequer

OUR STAKEHOLDERS

We believe that our strategy impacts our stakeholders in different ways and we will only succeed in implementing our strategy by taking into consideration the totality of stakeholders' interests. Orion Infusion Limited has always been focusing on identifying who are the major stakeholders having significant influence on the operation of the Company, analyzing what actually matters to them, and finally deciding how we can serve their interest.

SHAREHOLDERS, FINANCIAL INSTITUTIONS & ANALYSTS

Their Importance
- Invest for the betterment and growth of the company.
- Accountable to them as they seek return on their investment.

Their Interest
- Return of investment
- Sustainability and going concern issues
- Effective corporate governance
- Strategic objectives
- Social contribution

How we serve their purpose
- Annual General Meeting
- Annual Report
- Regular repayment of debt and declaration of dividend
- Website
- Regular communication

CUSTOMERS

Their Importance
- Main part of our market
- Source of revenue
- Information provider
- Ensure sustainability

Their Interest
- Certification
- Quality products
- Price
- Diversification
- On time delivery
- After sales service

How we serve their purpose
- Complaint form and Customer satisfaction survey
- Maintenance of enhanced and superior communication

CONSUMERS

Their Importance
- Ultimate users
- Eventual market
- Final revenue source
- Main source of sustainability of the business

Their Interest
- Product quality
- Price
- Diversified products as per needs
- Social contribution
- Product information
- Compliance

How we serve their purpose
- Market Survey
- Website
- Annual Report
- Launching new products

EMPLOYEES

Their Importance
- Competent employees to attain objectives
- Our image holder and contributor to profit

Their Interest
- Job security
- Periodic salary review in view of adjusting the cost of living
- Transparent recruitment process
- Healthy working environment
- Training & development
- Career growth

How we serve their purpose
- Adjusted salary package
- Pick and drop facilities
- Training opportunities
- Performance reviews and appraisal
- Health & safety facilities
- Employee meeting
- Employee engagement





GOVERNMENT AND REGULATORY AUTHORITY

Their Importance
- Control and develop policy
- Provide license and certificates
- Control export import

Their Interest
- Legislative compliance
- Corporate governance
- Environmental and social credentials
- Timely reporting and VAT, Tax payment
- Pricing
- Product quality

How we serve their purpose
- Discussion, seminar and dialogue
- Contribution to national exchequer
- Conform to relevant laws and regulations and reporting to Government and regulatory bodies

COMMUNITIES

Their Importance
- Sustainability of business
- Brand growth

Their Interest
- Ethical stance
- Social value creation
- Employment
- Environmental preservation
- Health and safety measures

How we serve their purpose
- Annual Report
- Website
- Social awareness

MEDIA

Their Importance
- Public perception
- Brand image

Their Interest
- Corporate and industrial insight
- Value creation and International Trade

How we serve their purpose
- Annual Report
- Website
- Business interview

SUPPLIERS AND CONTRACTORS

Their Importance
- Supply production materials and operational facilities
- On time delivery
- Quality of supplied products

Their Interest
- Fair and smooth transaction
- Sustainable growth of the company
- Fair payment

How we serve their purpose
- Regular interaction
- Timely payment to vendors

STOCK

Manufacturing Excellence ensuring quality products

With the most advanced technologies, machineries and equipment procedure from Europe, Australia and America, Orion Infusion Limited (OIL) has established the state of art manufacturing plant. To ensure sterile manufacturing environment, the design and construction of OIL plant was adopting the latest concept of cross-contamination, air-circulation and air handling, clean room, HVAC, process flow, absolute filtration, hygiene and safety.

The IV fluids are manufactured under controlled environment leaving no chances for infiltration microbial or entry of pyrogen or other contaminants into the products that ensures products of maximum quality.

OIL is now manufacturing IV fluids by installing high-tech pure steam generator from Europe to produce pure steam during autoclave instead of black steam fulfilling the cGMP requirements.

Sophisticated machineries have been installed by OIL which is fully automated and computer controlled.



QUALITY POLICY

Orion Infusion Limited is dedicated to serving its valued customers with products of excellent quality, through continuous improvement in process & technology, complying with the guidelines of Good Manufacturing Practices (GMP).

A GMP is a system for ensuring that products are consistently produced and controlled according to quality standards. Orion Infusion Limited is committed to fulfill the requirement of GMP to produce high quality of Product. To ensure the implementation of GMP, OIL conducts Internal Audit program (Self Inspection) & take necessary corrective action for any deviations.

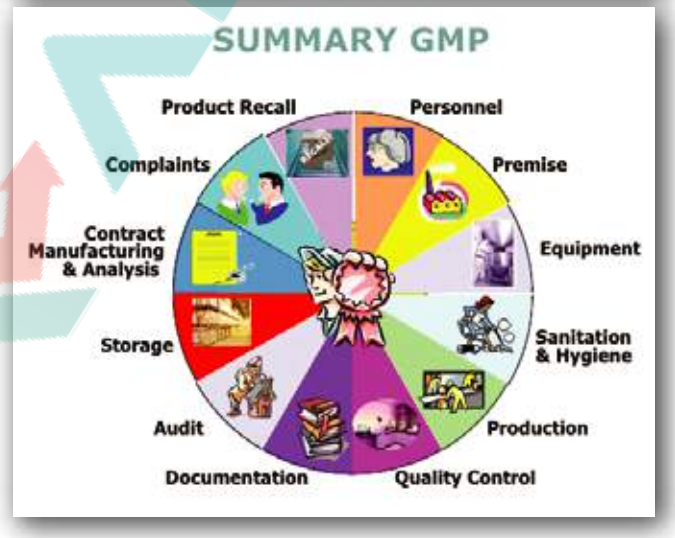
TRAINING PROGRAM

Pharmaceutical companies require continuous training for personnel development. The Quality Assurance Department prepare a Training Plan to ensure that all the employees of the factory receive the training on:

- Safety, health and environment aspects.
- Basic and current good manufacturing practices.
- Based on the job description, they receive the training on.
- Process and the operations carried out in the department.
- Any other areas of operation as identified by the department manager.

Training is conducted by qualified expert staff. The trainers are the experts in the areas of safety, occupational health, quality assurance, engineering, commercial, information technology and other relevant areas.





LOCAL DISTRIBUTION NETWORK

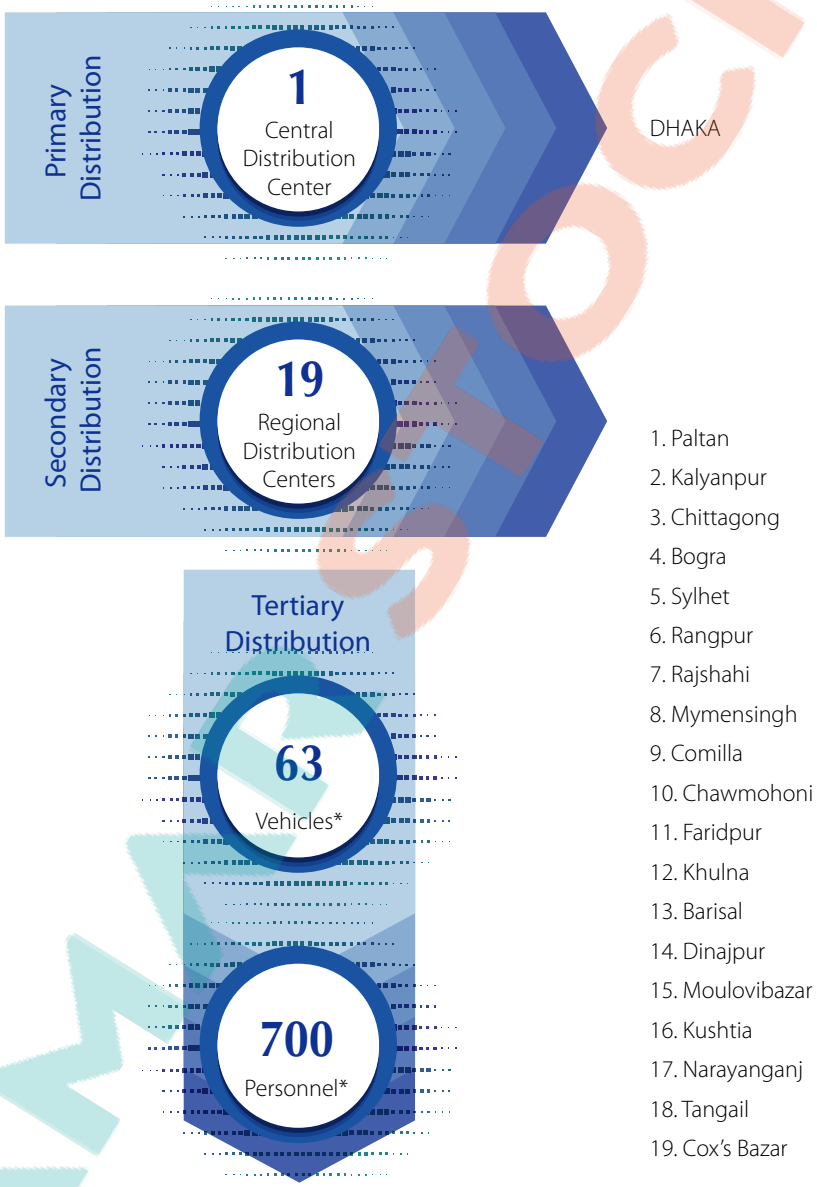
With regard to our distribution channel, we have our own distribution centers including a large number of vehicles and sales depots to ensure coverage of the whole country. 700 people are continuously dedicated to ensure the on-time delivery under the direct supervision of the Central Distribution Cell (CDC). From the CDC the products are sent to the 19 depots from where the 63 customized vehicles help them to reach the end customers.

The distribution channel strengthens our network to meet the need of the community. The width of the distribution network of OIL is very extensive and its channel of distribution takes place through the following consecutive chain.

Primary Distribution: From the finished inventory store, the products are taken to the Central Distribution Cell (CDC) in Dhaka for extensive distribution across the country.

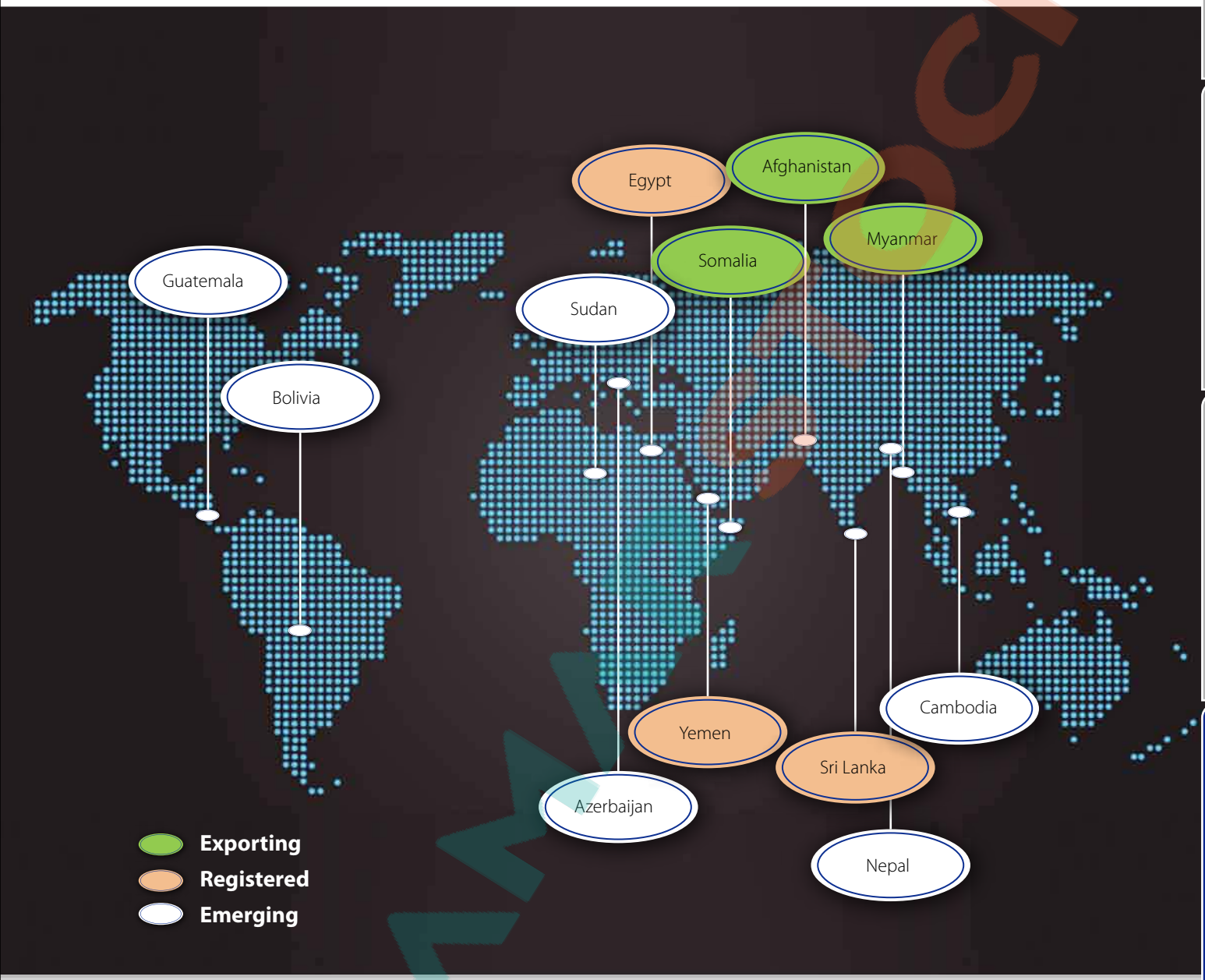
Secondary Distribution: In accordance with the requirements, CDC distributes our products to the 'Regional Distribution Center' (RDC), also known as Depots.

Tertiary Distribution: RDC distributes the products to the respective urban and other remote markets by the company-owned vehicles.



* Given that Orion Pharma Limited and Orion Infusion Limited are two pharmaceutical companies of Orion Group, the distribution network of both these two companies are commonly used by each company as and when required. Therefore, we have mentioned the number of vehicles and number of personnel in consideration of this fact.

INTERNATIONAL NETWORK



With a view to providing healthcare facility globally, Orion Infusion Limited (OIL) has decided to step forward in the overseas pharmaceutical market. Currently we have overseas marketing network in Myanmar, Somalia and Afghanistan. We started exporting in Myanmar since 2017, in Somalia and Afghanistan since 2016.

OIL has obtained Registration in Egypt, Yemen and Sri Lanka. We are also in the process of registering our products and exploring business opportunity in Sudan, Azerbaijan, Cambodia, Nepal, Bolivia and Guatemala. We believe that once the company starts exporting in these countries too, it will be a good addition to our revenue income.

PRODUCT INDEX

Therapeutic Class	Trade Name	Generic with Strength	Presentation
Fluid & Nutrient	Dextropac	5% Dextrose	500 ml & 1000 ml in PVC Bag
	Dextropac-10	10% Dextrose	500 ml & 1000 ml in PVC Bag
	Dextropac-25	25% Dextrose	100 ml & 250 ml in PVC Bag
	Fructose-10	10% Fructose	500 ml & 1000 ml in PVC Bag
Fluid & Electrolyte	Dianak	Diarrhoea/Cholera tratment saline	500 ml & 1000 ml in PVC Bag
	Salpac	0.9% Sodium Chloride	100 ml, 500 ml & 1000 ml in PVC Bag
	Salpac	0.9% Sodium Chloride	100 ml Glass Bottle
	Hartman	Hartmann's solution	500 ml & 1000 ml in PVC Bag
Fat Emulsion for IV Use	Intralipid ™ 10%	Intravenous fat emulsion 10%	500 ml in Glass Bottle
Fluid, Nutrient & Electrolyte	Dextrosal	5% Dextrose + 0.9% NaC1	500 ml & 1000 ml in PVC Bag
	Dextrosal-Mini	5% Dextrose + 0.45% NaC1	500 ml in PVC Bag
	Dextrosal-Baby	5% Dextrose + 0.225% NaC1	500 ml in PVC Bag
	Dextrosal- ISO	4.3% Dextrose + 0.18% NaC1	500 ml & 1000 ml in PVC Bag
	Dextrolac	Lactated Ronger's Solution + 5% Dextrose	500 ml & 1000 ml in PVC Bag
	Electrodex-10	10% Dextrose + 0.225% Sodium Chloride Solution	500 ml & 1000 ml in PVC Bag
Ideal Plasma Substitute	Plasmasol	6% Hydroxyethyl Starch in Isotonic Sodium Chloride Solution	500 ml in Glass Bottle
Antimicrobial	Nidazyl IV	Metronidazole 500 mg/100 ml	100 ml in PVC Bag
	Maprocin IV	Ciprofloxacin 200 mg/ 100 ml	100 ml in PVC Bag
	Maprocin-DS IV	Ciprofloxacin 400 mg/ 100 ml	100 ml in PVC Bag
	Orlev IV	Levofloxacin 500 mg/ 100 ml	100 ml in PVC Bag
Antiulcerant	Ortac IV	Ranitidine USP 50 mg / 100 ml	100 ml in PVC Bag
Osmotic Diuretic	Manisol	20% Mannitol	500 ml in PVC Bag
Amino Acid Solution	Proliv	5% Composite Amino Acid Solution with D-Sorbitol	500 ml and 100 ml in Glass Bottle
	Proliv-Plus	7% Amino Acid Solution with 10% Glucose & Electrolytes	500 ml in Glass Bottle
	Proliv-Power	8.14% Essential Amino Acid with 5% D-Sorbitol & Electrolytes IV Infusion	500 ml in Glass Bottle



OUR FLAGSHIP PRODUCTS

PROLIV

Plasmasol

PROLIV-power

PROLIV-Plus

Intralipid™ 10%

Plasmasol

6% Hydroxyethyl Starch in Isotonic Sodium Chloride Solution



An Ideal Plasma Volume Substitute

HUMAN RESOURCE DEVELOPMENT

Our People are Our Capital - with the notion in mind Orion ensures high standard business practices by engaging competent work force in every department of the organization. Orion considers human resources as the source of creativities and innovations in continuing and/or upgrading organizational overviews towards excellence, the ultimate objective of Orion Infusion Limited. Employees over here have the proper attitude, ability, talent, skills, knowledge & potential.

With the view to retain competencies in every department, Management always ponders for effective Human Resources Management, which is mostly responsible for grouping qualified professionals like pharmacists, chemists, microbiologists, doctors, engineers and others for steady progress of the Company.

Employee Recruitment

The key to successful recruiting of new employees is the development of a systematic process for developing job descriptions, generating a pool of candidates and selecting the right candidate. The recruitment process of OIL includes the following steps:

At OIL the first step for recruiting new staff is carrying out a Job Analysis, which involves determining the different aspects of a job. A Job Description is prepared which mentions the tasks that are required for the job. The next part is preparation of a Job Specification, which describes the requirements that a person needs to do that job.

The next step over here involves several strategies to attract or identify candidates. We carry out the sourcing by both internal and external advertisement. Usually advertisements are posted in local newspapers and various job-portals.

The next step involves screening and selecting the applicants who have applied for the job by assessing their CVs and conducting interviews. This assessment helps us to understand the relevant skills, knowledge, aptitude, qualifications, and educational or job-related experience of potential employees.

After screening and selection, the best candidate is selected at OIL. The person who best fits the job profile is brought on board.



Step 1	Step 2	Step 3	Step 4	Step 5
Analyzing the requirements of a job	Attracting employees to that job	Screening and selecting applicants	Hiring the employee who best fits OIL	Integrating the new employee to OIL

Human Resource Statistics

Profile according to Age

Age	2016-17	2015-16
30 years and below	289	289
31 – 40 years old	370	353
41 – 50 years old	153	118
51 – 60 years old	22	20
61 years and above	7	14
Total	**841**	**794**

Profile according to Position

Position	2016-17	2015-16
Manager and above	6	3
Assistant Manager to Deputy Manager	21	13
Officer to Senior Executive	440	418
Staff Grade	374	360
Total	**841**	**794**

Profile according to Location

Location	2016-17	2015-16
Head Office	118	110
Factory	224	225
Sales	333	309
Distribution	166	150
Total	**841**	**794**

Profile according to Job Nature

Job Nature	2016-17	2015-16
Permanent	835	789
Part time	1	1
Contractual	6	5
Total	**841***	**794***

* Exclusive of part time employee

Employee Remuneration

OIL makes the appropriate compensation to the employees for the service they provide to the company. As we emphasize on sustainability, the remuneration system focuses on attracting and retaining them. The remuneration system is designed and reviewed time to time so that it stands a motivating factor for them.

The employees receive guaranteed pay or the fixed pay, which is the main part of the remuneration. The amount includes regular benefits, long term benefits and periodical or timed benefits. Regular benefit is the employee's salary. Long term benefits are provident fund, gratuity and WPPF. Periodical Benefits include Festival bonus, performance bonus and leave encashment. Other than this they receive The Variable pay, which depends on the circumstances including the job nature and performance of employees. It includes Increment, Night Stay allowance, Mobile allowance etc. We also provide lunch facilities, tea and snacks to all the employees every day.

Employee Motivation & other benefits

OIL understands the link between employee motivation and performance. We know that a company can achieve its full potential only by making use of all the financial, physical, and human resources that it has. Motivation can facilitate a worker reaching his/her personal goals, and can facilitate the self-development of an individual. Employee motivation and engagement are what make employees want to perform their best. Without being motivated, employees fail to see how their contributions matter to company priorities.

At OIL employees are always motivated through various intrinsic and extrinsic rewards which make them feel as a part of the team. The competitive compensation & benefits package have a positive impact on the overall well-being of the employees.

One of the major ways employees are motivated at Orion Infusion is by arranging a picnic annually. The picnic includes sports (Football, Cricket, and Volleyball) & cultural program (Recitation, Song, Raffle draw etc.) for refreshing of mind. It can also be mentioned here that employees in OIL play Volleyball and Badminton into the factory playground during the winter season.

Employee Training

Pharmaceutical companies require continuous training for personnel development by the qualified expert staff. The Quality Assurance Department prepare a Training Plan to ensure that all the employees of the factory.

Training is provided on:

- Safety, health and environment aspects.
- Basic and current good manufacturing practices.
- Based on the job description, they receive the training on.
- Process and the operations carried out in the department.
- Any other areas of operation as identified by the department manager.

Moreover, we have our own training department which is entrusted with the responsibility of identifying and determining the training needs of field force, mainly recognizing who needs what training. During the reporting year, total 102 number of Medical Promotion (MPO) officer has received training and the training was provided to fulfil the field force. In addition to this, different types of Executive and managerial trainings are also offered in terms of the employees' the specific skills and knowledge required for particular tasks and positions.

Employee Rights

OIL fully complies with its legal responsibility to make sure that everyone who works for them is treated fairly and with respect. We continuously pursue for the wellness of our employees to make relationship smooth and flexible.

OIL strongly opposes child labor and obeys the National Child Labor Elimination Policy. All our employees work willingly and regular surveys are made on job satisfaction. There were only 12 employees who left the job during the reporting year implying that the employee turnover rate has decreased at a significant rate.

Employee Health & Wellness

OIL is promised to be an organization where health of the customers, employees and society members are given the top priority. Zero tolerance is shown to unhealthy practices in both inside and outside the Company.

OIL believes that taking care of the wellness of staff can increase the productivity. Health and safety is such a thing that has direct link with the growth, reputation and productivity. We are always careful that all the health and safety criteria are fulfilled and staffs are provided with enough safety, physical and mental wellness. As a result there was only one work related injury during the year.

Orion Infusion limited also takes prime consideration about the health & hygiene of the employees. A certified doctor is appointed for regular health check of all the employees. Regular health check programs are done for the employees working in factory.

Health examinations include:

- Before and during employment
- Periodic eye examinations for those who do visual inspections





ENVIRONMENTAL FACET

Throughout the life-cycles of Orion Infusion products, we promote ethical management of environment, health and safety. This group develops, implements and supports key programs in occupational hygiene, process safety and environmental controls to ensure adequate protection of people, property and the environment.

We develop and communicate environment, health and safety information for Orion Infusion materials and products. The information serves as the foundation to protect the environment and the health and safety, of everyone involved in developing, manufacturing, distributing, dispensing or disposing of our products safety and environmental controls to ensure adequate protection of people, property and environment.

The Company places utmost importance to eco-friendly technologies for the greater interest of the society. OIL has installed modern facilities in its manufacturing plant for the treatment of the effluents formed out of the manufacturing processes to maintain a pollution free and friendly working environment.

OIL is always focused on its endeavors to minimize any negative impacts that it might have on the environment through its operation. Keeping our environment safe and pollution free remains OIL's utmost priority.

Waste Management System

Waste Collection System:
Solid wastes are collected and stored in separate place designated as Industrial Waste Salvage area every day after production. Liquid wastes are collected through Industrial Drainage System. Effluent of production area, central washing and water treatment plant area storage at 500 liter storage tank and it is outside of the production building which is directly connected to ETP through pipeline.

Waste Treatment System:
Solid Wastes like cartoons, PVC bags, Stoppers glass bottles, rubber closures are collected in separate area and it is outside of the production building. Then this wastage is sold to third party for recycling. Other solid wastes need to be incinerated and buried underground.

After final treatment of waste water with the help of ETP, the company complies with the Waste Water Characteristics Guideline of Bangladesh Environmental Regulation. Then it is discharged to the local central drainage network. Everyday routine test is carried out in the Laboratory to ensure the compliance with the waste water regulations.

Implementation of 5S in Factory

The Japanese system 5S stands on 5 pillars like Seiri, Seiton, Seiso, Seiketsu, Shitsuke. The system has been introduced in Orion Infusion Ltd. factory in 2012. Impacts of 5S implementations are:

- To increase productivity
- To improve quality of products
- To decrease expenditure
- To improve safety of factory personnel
- To increase discipline within factory
- For better relationship among employees etc.

Fire Safety

Orion Infusion Ltd has appropriate number of Fire Extinguishers in different position into the factory. Fire fighting team is formed among the employees & trained yearly by Bangladesh Fire Service & Civil defense.

Pest Control

Pest control is one of the important programs that is done by a third party professional pest control people in order to avoid insects in the site. Rodent trap is installed at all the warehouse and Insect Electrocutes are being used on the entrance points of each production building. Appropriate written procedure is maintained with regular interval.





In the present era environment has become a very decisive matter not only for our personal life but also in our business life. Orion Infusion greatly accents on the improvement of environment quality. In business, industries cannot ignore environmental issues. Increasing government regulation and stronger public mandates for environmental accountability have brought these issues at strategic planning agendas. Hence, our company is willingly striving towards achieving its environmental goals by going green. Planting trees is an incredible initiative taken by Orion infusion as it believes that plantations can minimize the pollutants in the industrial zones and can also beautify the natural surroundings. During this reporting year, twenty fruit trees were planted inside the factory's huge area. This is a great ulitization of the area as well as an enhancement in the company's environmental concern. Our honorable director, Mrs. Arzuda Karim, was present during the plantations of these trees accompanied by a few employees, which turned the event more delightful. The tree plantation will motivate the employees working there by creating a green, pollution free and eco friendly environment so that they get to work in a healthy industrial atmosphere as well as to generate awareness against the factory pollutions. Employees can also enjoy the benefit of having freshly picked fruits from the trees planted inside the factory at free of cost which can be counted as a major privilege for being the employee of Orion Infusion Limited.

PROLIV-power

8.14% Essential Amino Acid with 5% D-Sorbitol & Electrolytes IV Infusion

The Essential Power

1st time in Bangladesh

Unique Selling Proposition (USP)

- Ensures highest essential amino acids among the available preparations
- Ensures highest nitrogen content
- Free from non-essential amino acids

Essential Amino Acids
L-Histidine
L-Isoleucine
L-Leucine
L-Lysine
L-Methionine
L-Phenylalanine
L-Threonine
L-Tryptophan
L-Valine

Conditionally Essential Amino Acids
L-Arginine
Glycine

Carbohydrate
D-Sorbitol

Electrolytes
Sodium
Chloride



ORION
In Search of Excellence

ORION
Infusion Ltd.

MARKSTOCK

AUDITORS' REPORT & FINANCIALS



AUDITORS' REPORT
to the shareholders

We have audited the accompanying financial statements of "ORION INFUSION LTD.", which comprise the statement of financial position as at June 30, 2017, and the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period 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 Bangladesh Financial Reporting Standards (BFRS), the Securities and Exchange Rules 1987, the Companies Act 1994 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in circumstances.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). 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 our 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 managements, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

In our opinion, the financial statements present fairly in all material respect, the financial position of Orion Infusion Ltd. as at 30th June, 2017 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the applicable sections of the Companies Act 1994, Bangladesh Securities & Exchange Commission Rules 1987 and other applicable laws and regulations.

We also report that:

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

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

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

(d) The expenditure incurred and payments made was for the purposes of the company's business.

Sd/-

Dhaka, November 07, 2017

Khan Wahab Shafique Rahman & Co.
Chartered Accountants

ORION INFUSION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2017

Particulars	Notes	Amount in Taka	
		30.06.2017	30.06.2016
ASSETS			
Non-Current Assets:		**333,150,222**	**383,227,073**
Property, Plant & Equipment	05	308,674,049	318,736,976
Investments	06	24,476,173	64,490,097
Current Assets:		**349,417,728**	**324,359,487**
Inventories	07	65,754,225	75,744,809
Accounts Receivables & Others	08	218,041,545	165,630,852
Advances, Deposits & Prepayments	09	59,182,744	72,207,654
Cash and Cash Equivalents	10	6,439,214	10,776,173
TOTAL ASSETS		**682,567,950**	**707,586,561**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity:		**255,831,458**	**264,189,273**
Share Capital	11	203,597,600	203,597,600
Retained Earnings		(93,368,597)	(81,511,211)
Reserves	12	145,602,454	142,102,884
Non-Current Liabilities:		**8,151,617**	**9,828,400**
Liabilities for other Finance	13	4,081,670	3,655,021
Deferred Tax Liabilities	14	4,069,947	6,173,378
Current Liabilities:		**418,584,875**	**433,568,889**
Provision for Current tax	15	26,035,897	38,903,779
Short Term Borrowings	16	323,886,049	330,566,356
Trade Creditors	17	31,873,291	29,376,503
Accrued Expenses	18	36,789,638	34,722,250
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**682,567,950**	**707,586,561**
Net Asset Value (NAV) Per Share of Tk. 10 Each		**12.57**	**12.98**
Number of Shares used to compute NAV		**20,359,760**	**20,359,760**
Off Balance Sheet Item			
Contingent Liabilities	19	37,798,752	37,798,752

Annexed notes from 1 to 31 an integral part of these financial statements.
Signed in terms of our report of even date annexed.

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

Sd/-
Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Date: Dhaka
November 07, 2017

ORION INFUSION LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Notes	Amount in Taka	
		2016-2017	2015-2016
Revenue	20	**679,915,032**	**730,126,631**
Cost of Goods Sold	21	(406,844,237)	(441,673,986)
Gross Profit		**273,070,795**	**288,452,645**
Operating Expenses		**(184,573,861)**	**(191,204,645)**
Administrative Expenses	22	(26,062,097)	(27,872,767)
Selling & Distribution Expenses	23	(158,511,764)	(163,331,878)
Profit from Operation		**88,496,934**	**97,248,000**
Financial Expenses	24	(52,055,424)	(54,419,682)
Non Operating Income	25	3,893,069	81,632,918
Net Profit from Operation		**40,334,579**	**124,461,235**
Workers' Profit Participation Fund		(1,920,694)	(5,926,725)
Net Profit Before Tax		**38,413,885**	**118,534,510**
Income Tax Expense	26	**(7,303,733)**	**(11,549,634)**
Current tax		(9,162,367)	(13,499,601)
Deferred Tax (Expenses) / Income		1,858,634	1,949,968
Net Profit After Tax		**31,110,152**	**106,984,876**
Add: Other Comprehensive Income			
Fair value adjustment of marketable securities		7,087,720	4,619,140
Total Comprehensive Income		**38,197,872**	**111,604,016**
Basic Earning Per Share (EPS)	27	**1.53**	**5.25**

Annexed notes from 1 to 31 an integral part of these financial statements.
Signed in terms of our report of even date annexed.

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

Sd/-
Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Date: Dhaka
November 07, 2017

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

Amount in Taka

Particulars	Ordinary Share Capital	Retained Earnings	Reserves	Total
Balance at 1st July, 2015	**203,597,600**	**(163,107,936)**	**146,975,415**	**187,465,079**
Fair value adjustment for Sale of marketable securities	-	-	(8,757,281)	**(8,757,281)**
Net Profit during the Year	-	106,984,876	-	**106,984,876**
Cash Dividend for the year (2014 - 2015)	-	(26,467,688)	-	**(26,467,688)**
Transfer from Reserve to Retained Earnings of excess depreciation on Revaluation	-	979,187	(979,187)	-
Fair Value Gain/(Loss) on Marketable Securities	-	-	4,619,140	**4,619,140**
Prior year adjustment for deferred tax	-	100,350	-	**100,350**
Adjustment for deferred tax on Revaluation Surplus	-	-	244,797	**244,797**
Balance at June 30, 2016	**203,597,600**	**(81,511,211)**	**142,102,884**	**264,189,273**
Balance at 1st July, 2016	**203,597,600**	**(81,511,211)**	**142,102,884**	**264,189,273**
Fair value adjustment for Sale of marketable securities	-	-	(2,853,758)	**(2,853,758)**
Net Profit during the Year	-	31,110,152	-	**31,110,152**
Cash Dividend for the year (2015-2016)	-	(28,503,664)	-	**(28,503,664)**
Transfer from Reserve to Retained Earnings of excess depreciation on Revaluation	-	979,187	(979,187)	-
Fair Value Gain/(Loss) on Marketable Securities	-	-	7,087,720	**7,087,720**
Adjustment for deferred tax on Revaluation Surplus	-	-	244,797	**244,797**
Prior year adjustment for assessment year 2015-2016	-	(6,670,085)	-	**(6,670,085)**
Prior year adjustment for assessment year 2016-2017	-	(8,772,976)	-	**(8,772,976)**
Balance at June 30, 2017	**203,597,600**	**(93,368,597)**	**145,602,454**	**255,831,458**

Annexed notes from 1 to 31 an integral part of these financial statements.
Signed in terms of our report of even date annexed.

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

ORION INFUSION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Amount in Taka	
	2016-2017	2015-2016
Cash Flows from Operating Activities :		
RECEIPTS		
Cash received from Customers	658,075,926	720,826,949
Other Income	3,893,069	81,632,918
	661,968,995	**802,459,867**
PAYMENTS:		
Cash paid to Suppliers	(374,273,416)	(428,725,071)
Cash paid for Operating Expenses	(194,710,008)	(199,612,045)
Cash paid for Financial Expenses	(52,055,424)	(54,419,682)
Income Tax paid and Deducted at Source	(12,879,285)	(14,933,839)
	(633,918,133)	**(697,690,637)**
Net Cash provided by Operating Activities	**28,050,862**	**104,769,230**
Cash Flows from Investing Activities :		
Acquisition of Property, Plant & Equipments & Other Assets	(12,194,534)	(4,294,864)
Investment	44,247,886	54,734,787
Net Cash Provided/Used in Investing Activities	**32,053,352**	**50,439,922**
Cash Flows from Financing Activities :		
Received/(Paid) against Liability for Other Finance	(30,144,938)	(76,779,008)
Dividend Paid	(27,615,929)	(38,040,343)
Bank Loans Received / (Repaid)	(6,680,307)	(36,621,076)
Net Cash Provided/(Used) in Financing Activities	**(64,441,174)**	**(151,440,428)**
Net Increase /(Decrease) in Cash & Cash Equivalents	**(4,336,959)**	**3,768,724**
Cash & Cash Equivalents at the beginning of the year	10,776,173	7,007,449
Cash & Cash Equivalents at the End of the Year	**6,439,214**	**10,776,173**
Net Operating Cash Flow Per Share of Tk. 10 Each	**1.38**	**5.15**
Number of Shares used to compute NOCFPS	**20,359,760**	**20,359,760**

Annexed notes from 1 to 31 an integral part of these financial statements.
Signed in terms of our report of even date annexed.

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

ORION INFUSION LIMITED

Notes, comprising a summary of significant accounting policies
And other explanatory information
For the year ended 30 June 2017

1.00 Reporting Entity

1.01 Background of the Entity

Orion Infusion Limited is a public limited company incorporated in Bangladesh on 05 May 1983 and is now operating under the banner of Orion Group. The Company was converted into a public limited company on 05 October 1994. The registered office of the company "Orion House" is situated at 153-154 Tejgaon Industrial Area, Dhaka-1208, Bangladesh. Production Plant of the company is situated at Maikuli, P.S.-Rupganj, and District- Naraynganj, Bangladesh.

The Company is listed both with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as on 05 October 1994.

1.02 Nature of Business

Orion Infusion Limited is devoted in producing Large Volume Parenteral (LVP) & other lifesaving injectable products. The company has the manufacturing facilities for the production of I.V. Rehydration Solutions, Electrolyte Solutions, and Solution for Acidosis, Ranitidine I.V. infusion, Anti-Microbial products viz. Ciprofloxacin I.V., Metronidazole I.V. etc. To meet the tremendous increment of the demand of its products, Orion Infusion Ltd. is now set to expand its production capacity further by installing modern and sophisticated technologies which will certainly rich its core competence. The company is now producing pure steam generated fluids, required by GMP instead of Black steam generated fluids. Innovative product like Amino acids solution is introduced by Orion Infusion Ltd., which is the first ever manufactured in Bangladesh and this will give Orion Infusion Ltd. a competitive advantage over others. Orion Infusion Ltd. Quality Manual describes the quality policies & company wide control structure of the quality management system (QMS), which is leading towards achieving its corporate vision and mission.

2.00 Basis of Preparation and Presentation of Financial Statements

2.01 Statement of Compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs), the Companies Act 1994, Securities and Exchange Rules 1987 and other relevant local laws as applicable.

2.02 Components of the Financial Statements

According to BAS-1 "Presentation of Financial Statements", the complete set of financial statements includes the following components-

i. Statement of Financial Position as at 30 June 2017;

ii. Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2017;

iii. Statement of Changes in Equity for the Year Ended 30 June 2017;

iv. Statement of Cash Flows for the Year Ended 30 June 2017; and

v. Notes, comprising a summary of significant accounting policies and other explanatory information for the Year Ended 30 June 2017.

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

2.04 Functional and Presentation Currency

The financial statements are prepared and presented in Bangladesh Taka/Tk./BDT, which is the company's functional currency. The Company earns its major revenues in BDT and all other incomes/expenses and transactions are in BDT. Further, the entire funds from financing activities are generated in BDT.

2.05 Comparative Information

Comparative information has been disclosed in respect of 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.

2.06 Reporting Period

The Financial period of the company covers one year from 1 July 2016 to 30 June 2017.

2.07 Use of Estimates and Judgments

The preparation of financial statements in conformity with Bangladesh Financial Reporting 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. Revisions 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, Changes in Accounting Estimates and Errors".

2.08 Materiality, Aggregation and Off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of any asset or liability as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.09 Going Concern Review

As per BAS-1, a company is required to make assessment at the end of each year to make assessment of its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the directors continue to adopt going concern assumption while preparing the financial statements.

2.10 Date of Authorization

The financial statements were authorized for issue by the Board of Directors in its meeting held on 07 November, 2017 for publication.

3.00 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in this financial statement.

3.01 Revenue

3.02 Property, Plant and Equipment

3.03 Borrowing Costs

3.04 Inventories

3.05 Cash and Cash Equivalents

3.06 Earnings Per Share (EPS)

3.07 Foreign Currency Transactions

3.08 Employee Benefits Provision

3.09 Provision, Accrued Expenses and Other Payables

3.10 Financial Instruments

3.11 Operating Segments

3.12 Statement of Cash Flows

3.13 Related Party Disclosures

3.14 Income Tax

3.15 Contingent Assets and Liabilities

3.16 Events After the Reporting Period

3.01 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties. The company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements have pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest Income
For all financial instruments measured at amortized cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in other income in the Statement of Profit or Loss and Other Comprehensive Income.

Dividends
Revenue is recognized when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income
Other Income recognized on accrual basis as per Bangladesh Accounting Standards (BASs).

3.02 Property, Plant and Equipment

Initial Recognition and Measurement
Property, Plant and Equipment are capitalized at cost of acquisition and subsequently stated at cost or revaluation less accumulated depreciation in compliance with the requirements of BAS 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, non-refundable taxes and un-allocated expenditures etc.

Subsequent costs
The cost of replacing part of an item of property, plant and equipments is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as "Repair & Maintenance" when it is incurred.

Subsequent Measurement
Property, Plant and Equipment are disclosed at cost/revalued amount less accumulated depreciation consistently. ATA Khan & Co. Chartered Accountants, 67 Motijheel C/A, Dhaka -1000 revalued the Land & Land Development and Building of the company as on June 30, 2009 to reflect the fair value (prevailing market price) of those classes of assets. They applied "Current Cost Method" to determine the fair value of those assets which are in compliance with BAS-16 Property, Plant and Equipment".

Depreciation
Depreciation is provided to amortize the cost or valuation 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 of an asset begins when it is available for use. Depreciation is charged on all fixed assets except land and land developments on straight-line method at the following rates:

Particular of Assets	Rate of Depreciation
Building	2%
Plant & Machinery	5%
PVC bag Manufacturing	5%
Furniture and Fixture	10%
Office Equipment	10%
Vehicles	20%

The Gain or losses on disposal or retirement of assets are included in profit or loss when the item is disposed off/derecognized. The fair value of the property plant and equipment on 30.06.2017 is not materially differing with the carrying amount.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each Statement of Financial Position to determine whether there is any indication of impairment loss as per BAS 36: Impairment of Assets. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

Disposal of Property, Plant and Equipment

An item of property, plant and equipment is removed from the statement of financial position when it is disposed of or when no future economic benefit is expected from its use or disposal. The gain or loss on the disposal of an item of property, plant and equipment is included in the Statement of Profit or Loss and Other Comprehensive Income of the year in which de-recognition occurs.

Property, plant and equipment under construction/acquisition have been accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.03 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.04 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 of physical verification of inventories. Cost of work in progress is determined at the basis of cost of materials only.

Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale effective.

3.05 Cash and Cash Equivalents

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

3.06 Earnings Per Share (EPS)

The company calculates Earning Per Share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income and the computation of EPS is stated in Note - 27 of the financial statements.

Basic Earnings per Share

Earnings per share (EPS) are calculated in accordance with Bangladesh Accounting Standard BAS–33: "Earnings per Share" by dividing the profit or loss attributable to ordinary equity holders of the entity by the number of ordinary shares outstanding during the year.

Diluted Earnings per Share

For the purpose of calculating diluted earnings per shares, an entity adjust profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. As the company has no dilutive potential ordinary shares, so diluted earnings per shares was not calculated.

3.07 Foreign Currency Transactions

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of (BAS) 21: The Effects of Changes in Foreign Exchange Rates.

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency istranslated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in Statement of Profit or Loss and Other Comprehensive Income in the period in which they arise.

3.08 Employee Benefits Provision

Confirmed employees of the company are entitled to get provident fund where both the employee's and employer's contribution is respectively 10% which is recognized.

The company provides 5% of its profit before tax after charging contribution to WPPF in accordance with the Bangladesh Labour Act 2006 as amended in 2013.

3.09 Provisions, Accrued Expenses and Other Payables

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

Other Payables are not interest bearing and are stated at their nominal value.

3.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets include available for sale assets, held to maturity assets, assets held for trading, loans and receivable and cash and cash equivalent.

Financial liabilities include borrowings, others financing and bank loan and accounts payables.

Recognition

An entity recognizes financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument.

Subsequent Measurement

Asset Category	Description	Measurement after Initial Recognition	Recognition
Available for sale Fixed Assets: 1. Investment in marketable securities 2. Investment in Associate	Financial assets that are either effectively designated into the category or do not fall into any other category	Fair Value	i) Realized gain-loss/Dividend Income/Interest income to Statement of Profit or Loss and Other Comprehensive income ii) Unrealized gain-loss to Statement of Profit or Loss and Other Comprehensive Income
Held to maturity of FDR	Financial assets with fixed maturities are classified as held to maturity	Amortized cost using the EIR	Realized gain-loss/Interest Income to Statement of Profit or Loss and Other Comprehensive Income
Loans and receivables: 1.Trade Receivable 2.Other Receivable	Unquoted financial assets with fixed or determinable payments	Amortized cost/cost	Realized gain-loss/Interest Income foreign currency gain loss to Statement of Profit or Loss and Other Comprehensive Income
Financial liabilities at cost/amortized cost: 1. Short term loan 2. Trade creditors 3. Others payables	All financial liabilities other than those at fair value through profit and loss	Amortized cost	Realized gain-loss/Interest Income foreign currency gain loss to Statement of Profit or Loss and Other Comprehensive Income

3.11 Operating Segments

No geographical segment reporting is applicable for the Company as required by BFRS 8: "Operating Segments", as the Company operates in a single geographical area.

3.12 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS-7: Statement of Cash Flows. 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.

3.13 Related Party Disclosures

As per Bangladesh Accounting Standards BAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Notes-30 in financial statements.

3.14 Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.14.1Current Tax

Current tax expense has been recognized on the basis of the Finance Act 2017 and Income Tax Ordinance 1984.

3.14.2Deferred Tax

Deferred tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the comprehensive income statement. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount / reported amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal recoverability / liability to and from the income tax authority. Deferred tax also arises due to revaluation of property, plant and equipment. The resulting impact of deferred tax assets / liabilities on revaluation surplus is included in the Statement of Profit or Loss and Other Comprehensive Income.

3.15 Contingent Assets and Liabilities

3.15.1Contingent Assets

A contingent asset is disclosed when it is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.15.2 Contingent Liabilities

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The company has no contingent assets or liabilities which require disclosures under BAS-37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent assets is disclosed as per BAS-37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

3.16 Events After the Reporting Period

As per BAS-10: 'Events after the Reporting Period', events after the reporting period that provide additional information about the company's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

4.00 Risk Exposure

4.01 Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

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Management Perception

The company maintains low debt/equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

4.02 Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management Perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate will have no impact on profitability of the company.

4.03 Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management Perception

Management is optimistic about growth opportunity in infusion sector in Bangladesh. Furthermore there is untapped international market.

4.04 Market Risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception

Management is fully aware of the market risk and act accordingly. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

4.05 Operational Risks

Non-availabilities of materials/equipments/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The company hedges such risks in costs and prices and also takes preventive measures therefore.

4.06 Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle its obligations on time or at a reasonable price.

Management Perception

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/ fund to make the expected payment within due date.

		Amount in Taka	
		30.06.2017	30.06.2016
05.00 Property, Plant and Equipment			
This is arrived at as follows			
A. At Historical Cost			
Opening balance (At Cost)		487,890,793	483,595,929
Add: Addition during the year		12,194,534	4,294,864
Closing balance (At Cost)		**500,085,327**	**487,890,793**
Less: Depreciation			
Opening Balance of Depreciation		329,280,827	307,870,444
Charged during the year		21,278,273	21,410,383
Accumulated Depreciation		**350,559,100**	**329,280,827**
Written Down Value (WDV) as on 30.06.2017		**149,526,226**	**158,609,966**
B. At Revaluation			
Opening balance		166,981,322	166,981,322
Add: Addition during the year		-	-
Closing balance		**166,981,322**	**166,981,322**
Less: Depreciation			
Opening Balance of Depreciation		6,854,312	5,875,124
Charged during the year		979,187	979,187
Accumulated Depreciation		**7,833,499**	**6,854,312**
Written Down Value (WDV) as on 30.06.2017		**159,147,823**	**160,127,010**
Total Carrying Value (A+B)		**308,674,049**	**318,736,976**

Details have been presented in Annexure - A

Property, Plant and Equipment are disclosed at cost/revalued amount less accumulated depreciation consistently. ATA Khan & Co. Chartered Accountants, 67 Motijheel C/A, Dhaka -1000 revalued the "Land & Land Development" and "Building" of the company as on June 30, 2009 to reflect the fair value (prevailing market price) of those classes of assets. They applied "Current Cost Method" to determine the fair value of those assets which are in compliance with BAS-16 "Property, Plant and Equipment". Vehicles includes taka 5,816,000.00 under lease facility.

06.00 Investments			
This is arrived at as follows			
Investment in Non-quoted Shares	Note 06.01	16,825,396	16,825,396
Investment in Marketable Securities	Note 06.02	7,359,915	47,383,926
Fixed Deposit (FDR), Agrani Bank, WASA Branch		290,863	280,775
		24,476,173	**64,490,097**

The above Investments are considered good by Directors.

06.01 Investment in Non-quoted Shares			
This is arrived at as follows			
ICB Islamic Bank Ltd.		16,825,396	16,825,396
		16,825,396	**16,825,396**

	Amount in Taka	
	30.06.2017	30.06.2016

06.02 Investment in Marketable Securities	30.06.2017	
	Market Value	Cost
This is arrived at as follows		
A. Southeast Bank Capital Services Ltd.		
Islami Bank Bangladesh Ltd.	3,220,000	4,528,494
Summit Alliance Port Ltd.	1,644,000	1,978,129
Sub -Total:	**4,864,000**	**6,506,623**
B. Bank Asia Securities Ltd.		
Central Pharma Ltd.	98,475	102,428
Summit Alliance Port Ltd.	267,150	335,989
Islami Bank Bangladesh Ltd.	644,000	891,286
Shahjibazar power Co. Ltd.	1,486,290	1,685,904
Sub - Total:	**2,495,915**	**3,015,607**
Grand Total:	**7,359,915**	**9,522,230**

The above investment in quoted shares that are held for long term investment purpose and classified as available for sale financial assets by the management. Initially these are recognized at cost which are their fair value at the transaction date and subsequently these are measured at fair value and presented as non-current asset. Any changes in fair value are unrealized gain/(loss) from the above investments are recognized under other comprehensive income.

	Amount in Taka	
	30.06.2017	30.06.2016
07.00 Inventories		
This is arrived at as follows		
Raw Materials	17,326,439	10,793,832
Packing Materials	22,435,687	19,044,162
Work - in - process	1,052,626	4,160,483
Finished Goods	8,533,725	17,686,699
Promotional Materials	3,847,452	3,840,306
Printing & Stationery	822,417	660,258
Goods in transit	11,735,879	19,559,069
	65,754,225	**75,744,809**
08.00 Accounts Receivables & Others		
This is arrived at as follows		
Accounts Receivables	145,699,927	123,860,821
Other Receivables	72,341,618	41,770,031
	218,041,545	**165,630,852**

This is unsecured, considered good and is falling due within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Aging of the above balance is as follows:		
Below 180 days	145,699,927	123,860,821
Above 180 days	-	-
	145,699,927	**123,860,821**

	Amount in Taka	
	30.06.2017	30.06.2016
I. Accounts Receivable considered good in respect of which the company is fully secured	145,699,927	123,860,821
II. Accounts Receivable considered good in respect of which the company holds no security other than the debtor personal security	-	-
III. Accounts Receivable considered doubtful or bad	-	-
IV. Accounts Receivable due by any director or other officer of the company	-	-
V. Accounts Receivable due by Common management	-	-
VI. The maximum amount of receivable due by any director or other officer of the company	-	-
Total	**145,699,927**	**123,860,821**

(i) The company did not make a provision against accounts receivable as accounts receivable are good and the amount is not a material item.
(ii) There was no amount due by the Directors (including Managing Director), Managing Agent of the company and any of them severally or jointly with any other person.
(iii) There was also no other amount due by associate undertakings.

09.00 Advances, Deposits & Prepayments

This is arrived at as follows

Advances			
Travel and Other Advances		522,904	175,553
Advance paid to Suppliers		1,276,392	1,535,237
Motor Cycle Advance		4,465,488	4,640,449
Advance Against Cash Purchase		569,201	877,771
Advance Income Tax	Note 09.01	33,001,928	50,063,323
		39,835,913	**57,292,333**
Deposits			
VAT Deposit		895,663	481,163
Security Deposit		13,761,839	6,024,023
Earnest Money		167,145	1,070,125
Collection & Other Advance		4,522,185	7,340,010
		19,346,832	**14,915,321**
		59,182,744	**72,207,654**

The receivables are unsecured but considered good. No amount was due by the Directors, Managing Agent, Managers and any other officers of the company and any of them severally or jointly liable with any other person except Motor cycle advance, travel and other advance.

09.01 Advance Income Tax

This is arrived at as follows

Opening Balance	50,063,323	49,953,901
Income tax paid and deducted at source during the year	12,879,285	14,933,839
Adjustment for assessment year 2015-2016	(15,006,841)	(14,824,417)
Adjustment for assessment year 2016-2017	(14,933,839)	-
Closing Balance	**33,001,928**	**50,063,323**

		Amount in Taka	
		30.06.2017	30.06.2016
10.00	**Cash and Cash Equivalents**		
	This is arrived at as follows		
	(a) Cash in Hand	1,722,425	987,237
	(b) Balance at Brokerage House	20,064	29,776
	(c) Cash at Bank (Annexure - "B")	4,696,725	9,759,159
	Current Account (Main)	1,923,703	2,973,531
	Current Account (Collection)	1,974,807	1,132,298
	Short Term Deposit Account	798,215	5,653,330
		6,439,214	**10,776,173**
11.00	**Share Capital**		
	This is arrived at as follows		
	a) Authorized Capital		
	100,000,000 Ordinary Shares of Taka 10/- each	**1,000,000,000**	**1,000,000,000**
	b) Issued, Subscribed and Paid-up Capital		
	20,359,760 Ordinary Shares of Taka 10/- each	**203,597,600**	**203,597,600**

c) Distribution Schedule

The detailed schedule showing the number of shareholders and their shareholding in percentage has been disclosed below as a requirement of the Regulation 37(3) of Dhaka Stock Exchange and Chittagong Stock Exchange.

Range of holding in number of shares	No. of Shareholders	Number of Shares held	Percentage of Shareholding 30.06.2017	Percentage of Shareholding 30.06.2016
Up to 500 shares	2472	1,115,660	5.48%	4.99%
501 to 5,000 shares	2214	2,121,400	10.42%	7.97%
5,001 to 10,000 shares	317	2,041,700	10.03%	7.01%
10,001 to 20,000 shares	96	1,470,200	7.22%	10.12%
20,001 to above	114	13,610,800	66.85%	69.91%
Total	**5213**	**20,359,760**	**100.00%**	**100.00%**

d) Shareholding Position as on 30 June 2017 is as follows:

Composition of Shareholding	No. of Shareholders	Number of Shares held	Percentage of Shareholding 30.06.2017	Percentage of Shareholding 30.06.2016
Sponsors	4	8,268,400	40.61%	40.61%
Foreign Investors	21	51,808	0.26%	3.65%
Institutional	140	4,406,071	21.64%	32.47%
General Public	5,048	7,633,481	37.49%	23.27%
Total	**5,213**	**20,359,760**	**100.00%**	**100.00%**

12.00	**Reserves**			
	This is arrived at as follows			
	Revaluation surplus on Property, Plant and Equipment	Note 12.01	147,764,769	148,499,160
	Fair value changes in investment	Note 12.02	(2,162,316)	(6,396,277)
			145,602,454	**142,102,884**

		Amount in Taka	
		30.06.2017	30.06.2016
12.01	**Revaluation surplus on Property, plant and equipment**		
	Opening Balance	148,499,160	149,233,550
	Depreciation on revalued asset	(979,187)	(979,187)
	Adjustment for deferred tax on Revaluation Surplus	244,797	244,797
	Closing Balance	**147,764,769**	**148,499,160**
12.02	**Fair value changes in investment**		
	Opening Balance	(6,396,277)	(2,258,136)
	Fair Value adjustment for sale of Securities	(2,853,758)	(8,757,281)
	Fair Value Gain/(Loss) on Marketable Securities	7,087,720	4,619,140
	Closing Balance	**(2,162,315)**	**(6,396,277)**
13.00	**Liabilities for Other Finance**		
	Kohinoor Chemical Company (BD) Ltd.	-	3,655,021
	Finance Lease Liabilities - Non Current Portion	4,081,670	-
		4,081,670	**3,655,021**
14.00	**Deferred Tax Liabilities**		
	Opening Balance	6,173,378	8,468,493
	Prior year adjustment	-	(100,350)
	Restated Opening Balance	6,173,378	8,368,143
	Addition / Adjustment during the year	(1,858,634)	(1,949,968)
	Adjustment with revalution Surplus on PPE	(244,797)	(244,797)
	Closing Balance	**4,069,947**	**6,173,378**

Reconciliation of Deferred tax liabilities/(assets):

	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (Deductible) temporary difference
	Taka	Taka	Taka
As at 30 June 2017			
At Historical Cost			
Property, plant and equipment	138,048,180	88,346,804	49,701,376
Unabsorbed depreciation	-	74,547,457	(74,547,457)
Net taxable temporary difference			(24,846,081)
Deferred tax liabilities/(asset) @ 25%			**(6,211,520)**

At Revaluation			
Property, plant and equipment	41,125,869	-	41,125,869
Net taxable temporary difference			41,125,869
Deferred tax liabilities/(asset) @ 25%			**10,281,467**
			4,069,947

	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (Deductible) temporary difference
	Taka	Taka	Taka
As at 30 June 2016			
At Historical Cost			
Property, plant and equipment	147,131,920	89,996,006	57,135,914
Unabsorbed depreciation	-	74,547,457	(74,547,457)
Net taxable temporary difference			(17,411,543)
Deferred tax liabilities/(asset) @ 25%			**(4,352,886)**
At Revaluation			
Property, plant and equipment	42,105,056	-	42,105,056
Net taxable temporary difference			42,105,056
Deferred tax liabilities/(asset) @ 25%			**10,526,264**
			6,173,378

The deferred tax liability includes deferred tax implications on revaluation surplus of Non Current Assets. The company has unabsorbed tax depreciation balances and the management believes that the company will be able to utilize these in near future.

			Amount in Taka	
15.00	**Provision for current tax**		**30.06.2017**	**30.06.2016**
	Opening Balance		38,903,779	41,297,084
	Add: Provision made during the year	**Note - 26.01**	9,162,367	13,499,601
	Less: Adjustment for assessment year 2015-2016		(8,530,648)	(15,892,906)
	Less: Adjustment for assessment year 2016-2017		(13,499,601)	-
	Closing Balance		**26,035,897**	**38,903,779**

The management of the entity intends to settle the amount on a net basis and the amount of the taxes originates from the same authority which is in compliance with BAS-12 "Income taxes".

	Amount in Taka	
	30.06.2017	30.06.2016
16.00 Short Term Borrowings		
This is arrived at as follows		
Agrani Bank C.C. (Hypothecation) - 54566, WASA Branch	206,048,068	168,013,240
Agrani Bank (LTR), WASA Branch- 4786	42,077,000	57,372,000
Finance Lease Liabilities - Current Portion	999,163	-
Bangladesh Finance & Investment Co. Ltd.	74,761,818	105,181,116
	323,886,049	**330,566,356**

These loans are secured by mortgage on land and building, hypothecation of plant and machinery, raw and packing materials, work-in-process, finished stocks and book debts respectively. The interest rate of C.C (Hypo) is 15%.

17.00 Trade Creditors		
This is arrived at as follows		
Suppliers	31,873,291	29,376,503
	31,873,291	**29,376,503**
18.00 Accrued Expenses		
This is arrived at as follows		
Utilities	864,897	1,031,435
Salary and Wages	14,453,765	15,235,775
Workers' Profit Participation Fund	1,920,694	5,926,725
Audit Fee	241,500	172,500
Dividend Payable	6,539,006	5,651,271
Others Payable	12,769,776	6,704,544
	36,789,638	**34,722,251**
19.00 Contingent Liabilities	37,798,752	37,798,752
	37,798,752	**37,798,752**

The balance is as per last Financial Statements. The claim was raised by the VAT authority against the company for Value Added Tax (VAT) amounting Tk. 37,798,752. In this respect the Company filed a Writ Appeal against the said claim to the High Court Division to reach a final decision.

		Amount in Taka	
		2016-2017	2015-2016
20.00 Revenue			
This is arrived at as follows			
Gross Sales		797,440,722	858,263,809
Less: VAT Payment		(117,525,690)	(128,137,178)
Net Sales		**679,915,032**	**730,126,631**

This represents sale of 8,394,069 units consisting of 39 products in 2016-2017, as against 8,658,409 units in 2015-2016 of 36 products.

21.00 Cost of Goods Sold			
This is arrived at as follows			
Raw Materials Consumed	Note 21.01	88,267,354	115,527,465
Packing Materials Consumed	Note 21.02	208,885,956	230,313,745
		297,153,310	**345,841,210**
Work in process-Opening		4,160,483	2,817,377
Work in process-Closing		(1,052,626)	(4,160,483)
Total Consumption		**300,261,167**	**344,498,104**
Manufacturing Overhead	Note 21.03	102,103,036	103,469,811
Cost of Production		**402,364,203**	**447,967,914**
Finished Goods-Opening		17,686,699	16,318,030
Finished Goods-Closing		(8,533,725)	(17,686,699)
		411,517,177	**446,599,245**
Cost of Physician Sample		(4,672,940)	(4,925,259)
Cost of Goods Sold		**406,844,237**	**441,673,986**

21.01 Raw Materials Consumed		
This is arrived at as follows		
Opening Stock	10,793,832	12,037,514
Add : Purchase	94,799,961	114,283,783
Less : Closing Stock	(17,326,439)	(10,793,832)
	88,267,354	**115,527,465**

21.02 Packing Materials Consumed		
This is arrived at as follows		
Opening Stock	19,044,162	18,548,916
Add : Purchase	212,277,481	230,808,991
Less : Closing Stock	(22,435,687)	(19,044,162)
	208,885,956	**230,313,745**

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		Amount in Taka	
		2016-2017	2015-2016
21.03 Manufacturing Overhead			
This is arrived at as follows			
Wages, Allowances and Bonus		47,123,538	39,665,275
Contributory Provident Fund		1,326,974	1,140,197
Spare parts		613,990	1,849,577
Gas		7,966,620	7,401,780
Electricity		593,903	511,774
Fuel and Lubricant		552,828	746,581
Security Guard Expenses		376,163	592,422
Repair & Maintenance		9,917,159	11,422,551
Research, Test and Analysis Expenses		49,070	36,889
Uniform & Liveries		79,530	475,006
Nitrogen Gas		1,259,872	1,989,500
Travelling & Conveyance		783,315	2,034,092
Entertainment		188,396	1,036,999
Workers Food Expenses		7,445,888	7,672,798
Misc. Expenses		352,917	745,466
Fees & Taxes		202,137	159,049
Newspaper & Periodicals		6,324	6,468
Telephone, Postage & Courier		520,346	463,788
Insurance Premium		626,175	626,175
Carriage Inwards		237,550	528,947
Printing & Stationery		1,796,891	2,558,618
Reagent and QC Chemical		-	1,607,173
Depreciation	Annexure - "A"	20,083,450	20,198,687
		102,103,036	**103,469,811**
22.00 Administrative Expenses			
This is arrived at as follows			
Salaries, Allowances and Bonus		18,951,640	17,397,329
Contributory Provident Fund		802,381	627,011
Postage, Telephone and Telegram		112,377	101,445
Printing & Stationery		172,755	198,922
Fuel & Vehicle Maintenance		70,093	108,930
Advertisement & Publicity		405,036	1,438,884
Travelling & Conveyance		310,383	1,214,418
Repair & Maintenance		36,176	24,126
Bank Charges & Commission		190,621	202,875
News Paper & Periodicals		6,305	6,180
Software & IT Consultancy		1,128,600	1,836,750
Entertainment		46,153	771,824
Audit Fee		184,000	115,000
Corporate governance audit fees		57,500	57,500
Rent, Rates and Taxes		729,600	1,025,735
Sundry Expenses		341,880	341,880
Insurance Premium		445,115	334,066
A.G.M. Expenses		404,956	1,414,853
Uniform & Liveries		43,315	46,320
Gas bill		160,295	147,958
Renewal and registration		6,889	10,491
Depreciation	Annexure - "A"	1,456,027	450,269
		26,062,097	**27,872,767**

		Amount in Taka	
		2016-2017	2015-2016
23.00 Selling and Distribution Expenses			
This is arrived at as follows			
Salary, Allowances and Bonus		125,540,113	117,945,613
Contributory Provident Fund & Gratuity		3,763,621	3,298,698
Carrying and Delivery Expenses		7,548,120	11,564,845
Sales Force Expenses		2,826,880	4,704,489
Postage, Telephone and Telegram		498,356	549,413
Training & Conference Expenses		747,633	1,949,224
Office Rent - Depot		6,512,420	5,552,549
Printing & Stationery		1,205,760	2,343,222
Product Development Expenses		25,580	23,589
Fuel & Vehicle Maintenance		580,742	1,030,115
Travelling & Conveyance		577,265	2,010,550
Product Sample		4,672,940	4,925,259
Promotional Expenses (Pad & Literature)		1,925,126	3,354,360
Entertainment		290,254	767,413
Bank Charges & Commission		764,059	1,207,630
Renewal and registration		314,911	364,294
Depreciation	Annexure - "A"	717,984	1,740,614
		158,511,764	**163,331,878**
24.00 Financial Expenses			
This is arrived at as follows			
CC (Hypo) Agrani Bank Ltd. (WASA Corpt. Branch)		25,731,945	29,374,685
CC (Pledge), Agrani Bank Ltd. (WASA Corpt. Branch)		-	336,213
Interest on LTR Loan Agrani Bank Ltd.		10,699,198	6,758,957
Interest on lease finance		464,992	-
Interest on BD Finance Loan		15,159,289	17,949,827
		52,055,424	**54,419,682**
25.00 Non Operating Income			
This is arrived at as follows			
Sale of Scrap		794,559	558,704
Bank Interest		72,177	68,121
Interest on FDR		11,765	16,177
Capital Gain/(Loss) on Marketable Securities		2,853,758	80,496,869
Dividend Income		160,810	493,047
		3,893,069	**81,632,918**
26.00 Income tax expense			
This is arrived at as follows			
Current Tax	Note 26.01	(9,162,367)	(13,499,601)
Deferred tax		1,858,634	1,949,968
		(7,303,733)	**(11,549,634)**

		Amount in Taka	
		2016-2017	2015-2016
26.01 Current TAX			
This is arrived at as follows			
25% tax on taxable profit	35,399,318	8,849,830	9,386,149
10% on gain on sale of marketable securities	2,853,758	285,376	4,024,843
20% tax on dividend income	160,810	27,162	88,609
	38,413,887	**9,162,367**	**13,499,601**
Minimum tax			
Calculation of gross receipt			
Revenue:			
Local		679,915,032	730,126,631
Other income			
Sale of Scrap		794,559	558,704
Interest income		72,177	68,121
Interest on FDR		11,765	16,177
Capital Gain/(Loss) on Marketable Securities		2,853,758	80,496,869
Dividend Income		160,810	493,047
Total Gross Receipts		**683,808,101**	**811,759,549**
Minimum Tax (.60% On Total Gross Receipts)		**4,102,849**	**4,870,557**

Income tax provision to be higher between tax at regular rate on income and minimum tax on gross receipts (U/S 82C of ITO 1984). Hence tax at regular rate has accounted for as it is higher than the minimum tax.

27.00 Basic Earning Per Share (EPS)			
This is arrived at as follows			
Basic Earning Per Share			
Net Profit After Tax		31,110,153	106,984,876
Ordinary shares outstanding during the year		20,359,760	20,359,760
		1.53	**5.25**

During the year no share was issued, hence calculation of weighted average number of share was not required.

28.00 Production Capacity, Yearly Production in 2016-2017

Quantity in million

Item	Production Capacity		Yearly Production		Capacity Utilized	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
Intravenous Fluids and Injections	12.00	11.14	8.75	9.23	72.92%	82.85%

29.00 Events after the Reporting Period

29.01 Board Meeting

The Board of Directors Meeting held on 07 November 2017 had recommended dividend 14% cash for the year ended 30 June 2017 for placement before the shareholders for approval at 34th AGM of the company.

29.02 Tax Assessment

Tax assessment of the company from Income Tax Authority for the Income Year 2015-2016 (Assessment Year 2016-2017) was completed on 16 July 2017. It has been considered as an adjusting event after the reporting period as it has a material impact in the financial statements for the income year 2016-2017.

Except the facts above, there was no material event after the reporting date that is adjusting/ non adjusting event came to management attention which may be needful for the stakeholders.

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30.00 Related Party Transactions

30.01 Transactions with other concerns of the group

The Company has entered into transactions with other entities that fall within the definition of related party as contained in **BAS-24 "Related Party Disclosures".** The Company opines that terms of related party transactions do not signigicantly differ from those that could have been obtained from third parties. Total transactions of the significant related parties as at 30 June 2017 were as follows:

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.07.2016	Addition during the year	Adjustment during the year	Closing Balance as on 30.06.2017
Orion Pharma Limited	Common Director/ Shareholder	Inter company (Payable)/ Receivable	41,770,031	30,571,587	-	72,341,618
Kohinoor Chemical Co. (BD) Ltd.	Common Director/ Shareholder	Inter company loan	(3,655,021)	-	3,655,021	-
Total:			**38,115,010**	**30,571,587**	**3,655,021**	**72,341,618**

30.02 Payments / Perquisites to Managers and above

Payments and perquisites given to the Managers and above during the year are disclosed below:

	Amount in Taka
Remuneration/ Basic Salary	2,995,930
House rent	1,497,976
Medical Allowance	466,000
Conveyance	356,000
Other Allowance	771,000
Bonus	494,225
Profit Participation Fund	212,955
Contribution to provident fund (Employer)	284,436
Interest from provident fund	497,672
Leave Encashment	218,964
	7,795,158

i) During the year no amount was paid to any member of the board.

ii) During the year no board meeting attendance fee was paid to the directors.

iii) No amount was paid to the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary during the year because they work as common employee in the group and are paid from the other concerns of the Group.

31.00 General

31.01 Capital Expenditure Commitment

There was no capital expenditure contracted but not incurred or provided as on 30.06.2017.
There is no material capital expenditure authorized by the board but not contracted for as on 30.06.2017.

31.02 Claims not Acknowledged

There is no claim against the Company not acknowledged as debt as on 30.06.2017.

31.03 Credit Facilities not Availed

There is no credit facilities available to the Company but not availed as on 30.06.2017 under any contract, other than trade credit available in the ordinary course of business.

31.04 Commission, Brokerage or Discount Agents Sales

No commission, brokerage or discount was incurred or paid by the Company against sales during the period from 1 July 2016 to 30 June 2017.

31.05 Directors Responsibility Statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

31.06 Employee Details

i) During the year there were 636 employees employed for the full year and 192 employees less than the full year at a remuneration of Taka 3,000 per month and above.

ii) At the end of the year, there were 796 employees in the company.

31.07 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest Taka and wherever considered necessary.

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

ORION INFUSION LIMITED

SCHEDULE OF NON CURRENT ASSETS

As at 30 June, 2017

Annexure - "A"

Property, Plant & Equipment :

Sl. No.	Particulars	COST			Rate of Dep.	DEPRECIATION			Written Down Value As On 30.06.2017
		Balance as on 01.07.2016	Addition during the year	Total as on 30.06.2017		Balance as on 01.07.2016	Charged during the year	Accumulated Dep. as on 30.06.2017	
	At Historical Cost								
1	Land & Land Development	11,478,046	-	11,478,046	-	-	-	-	11,478,046
2	Building	129,699,839	-	129,699,839	2%	62,039,137	2,593,997	64,633,134	65,066,705
3	Plant & Machinery	303,835,708	4,431,965	308,267,672	5%	232,378,815	15,413,384	247,792,199	60,475,473
4	PVC Bag Manufacturing Machine	14,476,134	-	14,476,134	5%	9,409,488	723,807	10,133,296	4,342,838
5	Furniture & Fixture	10,385,645	849,070	11,234,715	10%	10,149,558	320,994	10,470,552	764,163
6	Office Equipment	9,531,421	1,097,499	10,628,920	10%	6,819,827	1,062,892	7,882,719	2,746,201
7	Vehicles	8,484,001	5,816,000	14,300,001	20%	8,484,000	1,163,200	9,647,200	4,652,801
	A. Sub - Total:	**487,890,793**	**12,194,534**	**500,085,327**		**329,280,827**	**21,278,273**	**350,559,100**	**149,526,226**
	At Revaluation								
1	Land & Land Development	118,021,954	-	118,021,954	-	-	-	-	118,021,954
2	Building	48,959,368	-	48,959,368	2%	6,854,312	979,187	7,833,499	41,125,869
	B. Sub - Total:	**166,981,322**	**-**	**166,981,322**		**6,854,312**	**979,187**	**7,833,499**	**159,147,823**
	Total: As on 30-06-17	**654,872,115**	**12,194,534**	**667,066,649**		**336,135,138**	**22,257,460**	**358,392,599**	**308,674,049**
	Total: As on 30-06-16	**650,577,251**	**4,294,864**	**654,872,115**		**313,745,568**	**22,389,570**	**336,135,138**	**318,736,976**

Allocation of depreciation charge for the year has been made in the accounts as follows:

Asets	Manufacturing	Admin.	Selling	Total
1. Building	3,573,184	-	-	3,573,184
2. Plant & Machinery	15,413,384	-	-	15,413,384
3. PVC Bag Manufacturing	723,807	-	-	723,807
4. Furniture & Fixture	160,497	80,249	80,249	320,994
5. Office Equipments	212,578	212,578	637,735	1,062,892
6. Vehicles	-	1,163,200	-	1,163,200
	20,083,450	**1,456,027**	**717,984**	**22,257,460**

ORION INFUSION LIMITED
SCHEDULE OF CASH AT BANK
For the Year Ended 30 June 2017

Annexure - "B"

Sl. No.	Name of the Bank & Branch	Account No.	Amount in Taka	
			30.06.2017	30.06.2016
	Current Account (Main)			
1	Agrani Bank, WASA Branch	A/C 10067/797459	4,734	1,161,457
2	National Bank, Mohakhali Branch	A/C 8769	1,407,190	20,382
3	Rupali Bank, TCB Bhaban Branch	A/C 10-707-6/7073	67,431	68,731
4	Sonali Bank, Farmgate Branch	A/C 10902	42,710	1,414,361
5	Sonali Bank, Tejgaon Branch	A/C 2765/69	82,408	82,408
6	Social Islami Bank Ltd. Principle Branch	A/C 39415	30,637	31,937
7	Rupali Bank, Vulta branch	A/C 130	5,630	6,780
8	First Security Islami Bank, Gulshan Br.	A/C 1160	187,475	187,475
9	AB Bank Ltd., Principal Branch	A/C 4005-753584-000	95,488	-
			1,923,702	**2,973,531**
	Current Account (Collection)			
10	Agrani Bank, Chittagong Branch	A/C 621	3,150	3,150
11	Agrani Bank, Bogra Branch	A/C 1234	1,277	1,277
12	Agrani Bank, Barisal Branch	A/c 1803	249	249
13	Agrani Bank, Rangpur Branch	A/C 4406	877	877
14	Agrani Bank, Comilla Branch	A/C 53032	70	70
15	Agrani Bank, Faridpur Branch	A/C 00184023	4,751	73,767
16	National Bank, Bogra Branch	A/C 443/1566	427,934	163,659
17	National Bank, Barisal Branch	A/C 28582/0381	98,824	26,049
18	National Bank, Sylhet Branch	A/C 0067191	3,289	22,222
19	National Bank, Mymensingh Branch	A/C 2994/2958	354,070	142,387
20	National Bank, Rangpur Branch	A/C 39455/6654	5,577	95,051
21	National Bank, Faridpur Branch	A/C 1233	869	869
22	Agrani Bank, Chaumuhani Branch	A/C 679075	57,658	133,456
23	Agrani Bank, Khulna Branch	A/C 3229/0684	60,230	1,347
24	National Bank, Dinajpur Branch	A/C 8725/3677	187,549	94,358
25	National Bank, Tangail	A/C 3241/2606	572,659	29,018
26	National Bank Moulvibazar	A/C 247152/1748	5,999	79,629
27	Agrani Bank Kustia	A/C 2982 (1179)	14,489	4,202
28	Agrani Bank N.Gonj	A/C 6747 (1647)	6,442	41,637
29	National Bank Cox's Bazar	A/C 3979/23480	2,853	82,323
30	Agrani Bank, BSCIR Br. Comilla	A/C 4596634	4,322	11,614
31	National Bnk,CDA Avenue Br.Chittagong	A/C 96172	153,440	53,847
32	Sonali Bank Rajshahi Branch	A/C 1449	8,229	71,241
			1,974,806	**1,132,298**
	Short Term Deposit Account			
33	Agrani Bank, WASA Branch	A/C 798900	493,741	5,420,260
34	Shahjalal Bank Ltd.Main Branch. Dilkusha Br.	A/C 00821	66,770	67,464
35	National Bank	A/C 727/728/729	15,000	15,000
36	Bank Asia	A/C 0039	222,704	150,606
			798,216	**5,653,330**
	Total:		**4,696,724**	**9,759,159**

ORION INFUSION LIMITED

153-154, Tejgaon Industrial Area, Dhaka-1208.

PROXY FORM

I/We _____of _____being a member of Orion Infusion Limited hereby appoint Mr./Mrs._____ of _____as my proxy to attend and vote for me/us on my/our behalf at the 34th Annual General Meeting of the Company to be held on Thursday, the 14th December, 2017 at 11:00 a.m. at Officers Club, 26, Baily Road, Ramna, Dhaka. and at any adjournment thereof.

As witness my/our hand this_____ day of _____2017 signed by the said in presence of _____

_____
(Signature of the Proxy)

Revenue Stamp Tk. 20.00/-

_____
Signature of the Shareholder(s)
Register Folio/BO No. _____
Dated _____

_____
Signature of Witness

Note:

A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature Verified

_____
Authorised Signatory

ORION INFUSION LIMITED

SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my attendance at the 34th Annual General Meeting of the Company to be held on Thursday, the 14th December, 2017 at 11:00 a.m. at Officers Club, 26 Baily Road, Ramna, Dhaka.

Name of Member(s)_____ Register Folio / BO No._____

holding of _____ ordinary Shares of Orion Infusion Limited.

_____
(Signature of the Proxy)

_____
Signature of the Shareholder(s)

N.B.

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception Desk.

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Orion Infusion Ltd.

Notes

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