35th

Annual Report

Financial Year 2017-2018



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, 2018

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 October 31, 2018, to hold 35th Annual General Meeting of the Company on December 10, 2018.

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, 2018, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended June 30, 2018 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: October 31, 2018

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Contents

01 About Orion

Orion Group	1
Landmarks	3
Strategic Business Units	5
Profile of Orion Infusion Limited	8
Corporate Information	11
Corporate Bodies	13
Profile of Directors	16
Corporate Structure	18

19 Governance

Our Approach to Governance	19
34th Annual General Meeting	24
Notice of the 35th Annual General Meeting	25
Code of Conducts & Business Ethics	26
Risk Management Systems	28

31 Strategic Report

Corporate Chronology	31
Our Structure	33
Business Strategy	34
Business Model	35
Value Chain	37
Our Stakeholders	39
Manufacturing Excellence	41
Local Distribution Network	43
International Network	44
Product Index	45
Our Flagship Products	46
New Product Introduced	47
Human Resource Development	48
Environmental Facet	52

SMART STOCK

55 Performance

Our Results in Facts & Figures 55
5 Years' Financials at a Glance 57
Graphical View of Selected Financial Indicators 58
Value Added Statement 59
Share Performance 60
Message from the Chairman 61
Bangla Message from the Chairman 62
Message from the CEO 63
Directors' Report 65
Shareholding Position 71
Compliance Statement 72
Audit Committee Report 75
Nomination & Remuneration Committee Report 78
CEO and CFO Report to the Board 79
Compliance Report on IASs & IFRSs 80
Certification on Compliance of Corporate Governance Code 81
Checklist on Compliance of Corporate Governance Code 82

93 Financials

Independent Auditors' Report 93
Statement of Financial Position as at June 30, 2018 95
Statement of Profit or Loss and Other Comprehensive Income for the Year Ended June 30, 2018 96
Statement of Changes in Equity for the Year Ended June 30, 2018 97
Statement of Cash Flows for the Year Ended June 30, 2018 98
Notes to the Financial Statements for the Year Ended June 30, 2018 99

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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, Consumer Products, Food & Restaurant Chain, Textiles & Garments, Home Appliance sectors and so on. Orion in recent times has exclusively focused in Power Generation & Energy, Consumer Products 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.

One of another most recent and prospective concerns of Orion Group is Orion Tea Company Limited (OTCL). It started its operation in June, 2017 and is now running full-fledged business operation, expanding its distribution channel throughout the country with the help of more than seven hundred (700) field forces. OTCL is enhancing its operation by marketing of Black Tea under the brand name "Jafflong Tea". By manufacturing high quality tea, the company has already been able to make a significant position in the local market with a confidence to equally compete with the other widely known tea brands. OTCL is confident about making this company one of the most profitable concerns of Orion Group as well as the most prominent tea brand of the country.

Orion also inaugurated its new Liquefied Petroleum Gas (LPG) Bottling Plant in February 2018 in Mongla, Khulna. The new venture, Orion Gas Limited (OGL) has made a remarkable step to plug the gap of fuel supply to countrywide households.

Orion Group took a big step towards the development of sports sector in Bangladesh. Orion will implement at its own cost, the country's first International Roller Skating Stadium at Bhaluka, Mymensingh. This was declared at an auspicious program in January 2018. The program followed the inauguration of the construction work of 'Orion International Roller Skating Stadium' on a ten (10) acre land at Bhaluka owned by Orion. Orion Group appreciates the fact that Bangladesh will take part in and will strive to secure a winning position in Olympic 2020 in Japan. Orion and Bangladesh Roller Skating Federation together have committed to this vision. In this regard, Orion will groom up a strong Roller Skating team on the 'Banked Track' which will be the first of its kind in Bangladesh. The Group desires to achieve a successful remark in the international ground and brighten the name of the country.

Orion 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 its 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.

Orion Group has recently developed its new vision in line with its diverse portfolios and to put footprint in global corporate platform. The Group has become more diversified followed by huge expansion in different business sectors thus its existence in the corporate world has significant impacts on the society which they can utilize to create positive changes in the society as a whole. Also in this era of globalization, the workforce has become more diversified with wide range of knowledge, skills & expertise and Orion believes that with the changing pattern of human resource management and its global impact, emphasize on human resource is an integral part to the Group's success in long run for which reason the new vision for Orion Group is adopted to align with the current globalization trend. Moreover, Orion Group is concentrating more on its Human Resource as it believes that it can bring transformation in the society by utilizing the potentials & creativity and nurturing the skills of the Group's human resource through promoting team work & integrity and providing them the platform for social development.



Considering the mission of Orion Group, it has kept it all same but made a change in the chronological order and rearranged them according to their priorities.

LANDMARKS

DELIVERING THE BEST AND MAKING A DIFFERENCE



The LONGEST 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 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 Partnership (PPP) & International Public Procurement Forum in 2016 conference titled "Ensuring Successful PPPs for Asia's Development: Governance and Law."

The FASTEST HFO power plant

Two (2) 100 MW each HFO based power plants Dutch Bangla Power & Associates Limited and Orion Power Meghnaghat Limited at Siddhirganj and Meghnaghat, Narayanganj, respectively were completed in a record time of just nine (9) months. The plants have been distributing electricity to the national grid on regular basis since 2011 and the contract with BPDB to sell electricity was renewed for five (5) more years till 2021.





The TALLEST building

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 LARGEST coal based power plant

Orion Power Dhaka Limited (OPDL) is the largest single unit coal based Ultra Super-Critical power plant in Bangladesh being implemented in Gozaria, Munshiganj under IPP basis with a net capacity of 630 MW (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 is also one of the largest IPP based single unit coal based Ultra Super-Critical power plants being implemented in Gozaria, Munshiganj with a net capacity of 635 MW (Gross 700 MW).



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The BIGGEST mushroom plant

Panbo Bangla Mushroom Limited 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 started considering 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.

The LARGEST tourism complex

Orion has been awarded to implement the first ever PPP Project in Tourism & Hospitality Sector of 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 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 facility, multiplex movie theatre, cultural show, food, beverage and retail, cultural walk promenade and a world class full-fledged Theme Park with twenty nine (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.





The BIGGEST 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 Siddhirganj, Narayanganj where a complete array of pharmaceutical facilities and solutions will be incorporated 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, biotech products, oncology, hormones drugs among others.

MAR STOCK

STRATEGIC BUSINESS UNITS

PHARMA & HEALTHCARE

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

POWER & ENERGY

- Orion Power Meghnaghat Ltd.
- Dutch-Bangla Power & Associates Ltd.
- Digital-Power & Associates Ltd.
- Orion Power Dhaka Ltd.
- Orion Power Unit-2 Dhaka Ltd.
- Orion Power Rupsha Ltd.
- Orion Power Sonargaon Ltd.
- Orion Gas Ltd.
- Orion Oil & Shipping Ltd.

INFRASTRUCTURE DEVELOPMENT

- Orion Infrastructure Ltd.
- Orion Infrastructure Development Company Ltd.

AGRO & CONSUMER PRODUCTS

- Orion Tea Company Ltd.
- Panbo Bangla Mushroom Ltd.
- Jafflong Tea Company Ltd.
- Noakhali Gold Foods Ltd.
- Pristine Consumer Products Ltd.

HOSPITALITY & TOURISM

- Orion Tourism & Entertainment Ltd.

COSMETICS & TOILETRIES

- Kohinoor Chemical Co. (Bd) Ltd.

FOOTWEAR & FOOTCARE

- Orion Footwear Ltd.

HOME APPLIANCES

- Orion Home Appliances Ltd.

REAL ESTATE

- City Centre
- Orion Properties Ltd.

FOOD & BEVERAGE

- Orion Restaurants Ltd.
- Krispy Kreme Doughnuts
- Fish & Co.
- Chaa-Yaa

TEXTILES & GARMENTS

- Orion Knit Textiles Ltd.



PROFILE OF ORION INFUSION LIMITED

PRODUCTION AREA	7,171 sm
THERAPEUTIC CLASS	9
PRESENTATION	39
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 company 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



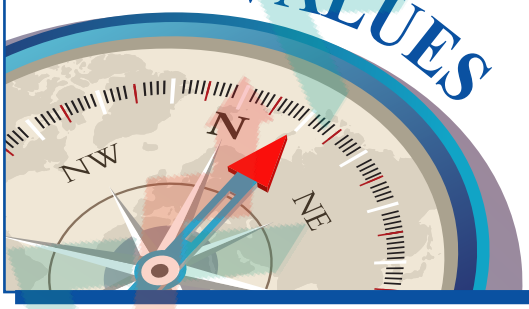
To be regarded as a world-class pharmaceutical company in the field of generic finished products.

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

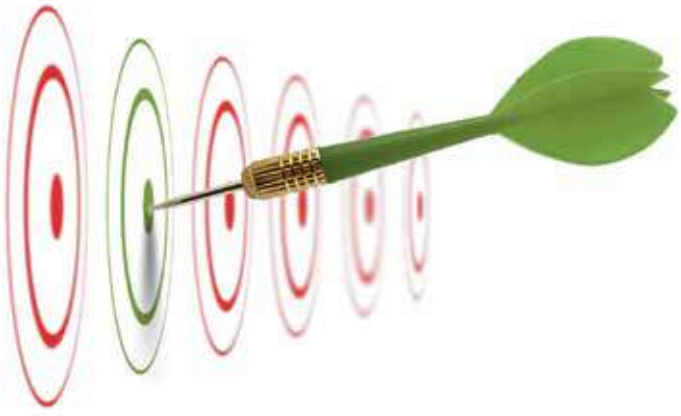
Trust and respect for each other

Work as a team

Share social responsibility

WWW.INVESTORSTOCK

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

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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
Tel: +88 02 8870133
Fax: +88 02 8870130

PRODUCTION PLANT

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

NUMBER OF EMPLOYEES

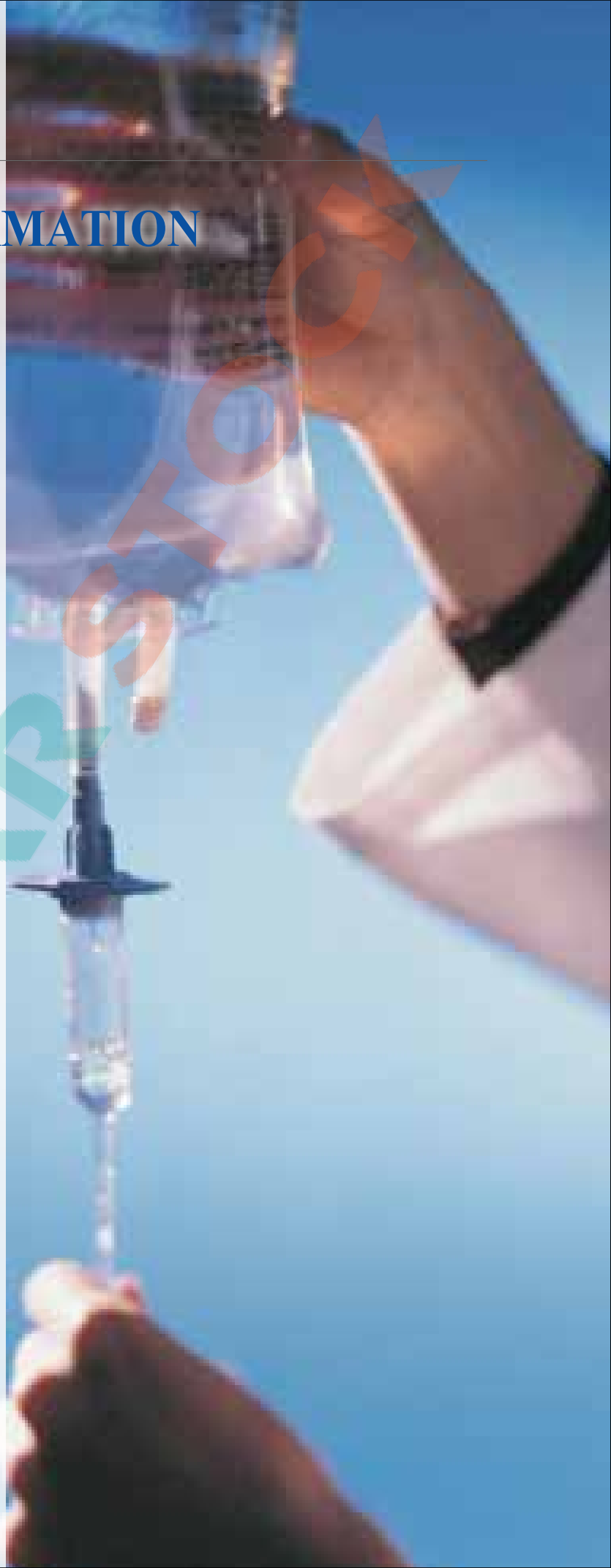
928 as on June 30, 2018

COMPANY E-MAIL

orion@orion-group.net
orion.share@orion-group.net

COMPANY WEBSITE

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





SHARE RELATED INFORMATION

Authorized Capital - BDT 1,000,000,000
Paid-up Capital - BDT 203,597,600
Number of Shareholders - 5,119
Listing Status - Listed with Dhaka Stock Exchange and Chittagong Stock Exchange

CHIEF FINANCIAL OFFICER

Mr. Samaresh Banik

COMPANY SECRETARY

Mr. Md. Ferdous Jaman

HEAD OF INTERNAL AUDIT & COMPLIANCE

Mr. Md. Abdus Salam

EXTERNAL AUDITORS

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

GOVERNANCE COMPLIANCE AUDITOR

ARTISAN
Chartered Accountants
BSEC Bhaban (Level -10),
102, Kazi Nazrul Islam Avenue,
Kawran Bazar, Dhaka-1215, 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



BOARD OF DIRECTORS

Chairman
Mr. Mohammad Obaidul Karim

Managing Director
Mr. Salman Obaidul Karim

Directors
Mrs. Arzuda Karim
Mrs. Zareen Karim

Independent Director
Mr. Md. Shafiqur Rahman



NOMINATION & REMUNERATION COMMITTEE

Chairman
Mr. Md. Shafiqur Rahman
(Independent Director)

Members
Mrs. Arzuda Karim
(Non-executive Director)
Mrs. Zareen Karim
(Non-executive Director)

AUDIT COMMITTEE

Chairman
Mr. Md. Shafiqur Rahman
(Independent Director)

Members
Mrs. Arzuda Karim
(Non-executive Director)
Mrs. Zareen Karim
(Non-executive Director)

MANAGEMENT TEAM

Mr. Salman Obaidul Karim
(Managing Director &
Chief Executive Officer)

Mr. Samaresh Banik
(Chief Financial Officer)

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

Mr. Md. Faisal R Ferdous
(Vice President- Human Resource)

Mr. Md. Harun-Or-Rashid
(Assistant Vice President- Sales)

Ms. 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 Group 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 fifty (50) individual companies was formed under his dynamic leadership and management power which have received various industrial recognitions.

Mr. Karim is the Chairman of Orion Pharma Limited, Orion Infusion Limited, Kohinoor Chemical Co. (BD) Limited, Digital Power & Associates Limited, Dutch Bangla Power & Associates Limited, Orion Power Meghnaghat Limited, Orion Power Dhaka Limited, Orion Power Unit-2 Dhaka Limited, Orion Power Sonargaon Limited, Orion Power Rupsha Limited, Orion Infrastructure Limited, Orion Infrastructure Development Company Limited, City Centre, Orion Gas Limited, Orion Oil & Shipping Limited, Orion Hospitals Limited, Orion Holdings Limited, Orion Knit Textiles Limited, Orion Footwear Limited, Noakhali Gold Foods Limited, Orion Agro Products Limited, Orion Vegetable Oil & Foods Limited, Orion Capital Limited, Orion Natural Care Limited, Orion Restaurants Limited, Orion Tea Company Limited and Orion Tourism & Entertainment Limited.

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 Mohammedan 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. 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 is the Managing Director of Orion Pharma Limited, Orion Infusion Limited, Digital Power & Associates Limited, Dutch Bangla Power & Associates Limited, Orion Power Meghnaghat Limited, Orion Power Dhaka Limited, Orion Power Unit-2 Dhaka Limited, Orion Power Sonargaon Limited, Orion Power Rupsha Limited, Orion Infrastructure Limited, Orion Infrastructure Development Company Limited, Orion Properties Limited, Orion Gas Limited, Orion Oil & Shipping Limited, Intergral Energy Limited, Orion Hospitals Limited, Orion Holdings Limited, Orion Knit Textiles Limited, Orion Footwear Limited, Jafflong Tea Co. Limited, Noakhali Gold Foods Limited, Orion Agro Products Limited, Orion Vegetable Oil & Foods Limited, Orion Natural Care Limited, Orion Restaurants Limited, Orion Tea Company Limited and Orion Tourism & Entertainment Limited.



MRS. ARZUDA KARIM
Founder Director

Born in 1955 and a Masters in Social Science from the University of Dhaka, Mrs. 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. She is acting as the member of Audit Committee and Nomination & Remuneration Committee.

Mrs. Karim is the Chairman of Jafflong Tea Co. Limited and Intergral Energy Limited and also holds the Directorship of Orion Pharma Limited, Orion Infusion Limited, Kohinoor Chemical Co. (BD) Limited, Digital Power & Associates Limited, Dutch Bangla Power & Associates Limited, Orion Power Meghnaghat Limited, Orion Power Dhaka Limited, Orion Power Unit-2 Dhaka Limited, Orion Power Sonargaon Limited, Orion Infrastructure Limited, Orion Infrastructure Development Company Limited, City Centre, Orion Gas Limited, Orion Oil & Shipping Limited, Orion Renal & General Hospital, Orion Hospitals Limited, Orion Holdings Limited, Orion Footwear Limited, Noakhali Gold Foods Limited, Orion Agro Products Limited, Orion Vegetable Oil & Foods Limited, Orion Natural Care Limited, Orion Tea Company Limited and Orion Tourism & Entertainment 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 the Director of Star Associates Limited and Zeysha Fashionwear Limited with her husband. She is acting as the member of Audit Committee and Nomination & Remuneration Committee.

Her 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 roles everyday and has proven her worth beyond any doubt.

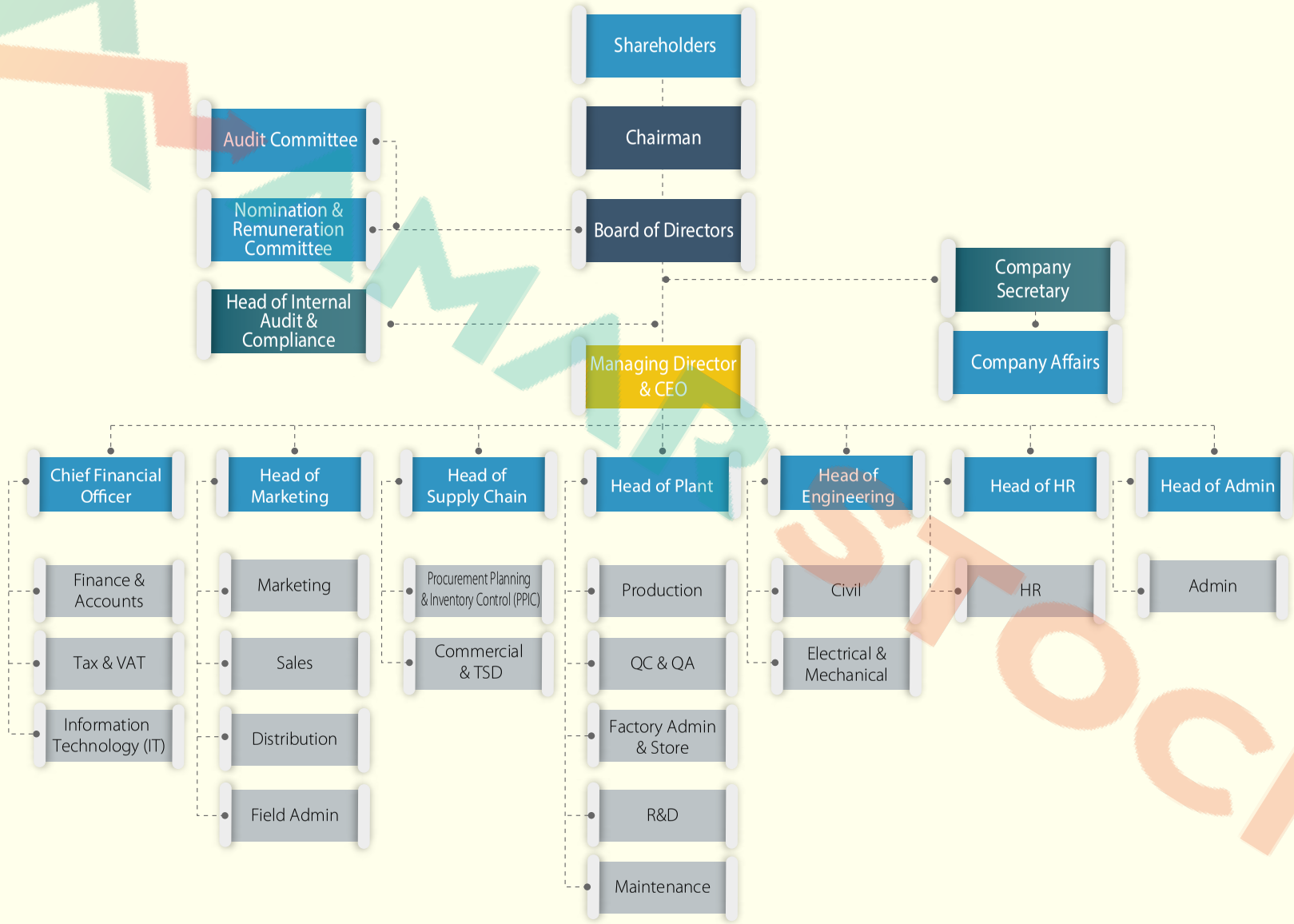


MR. MD. SHAFIQUR RAHMAN
Independent Director

Born in 1952 and a post graduate in Accounting from the University of Dhaka, Mr. Md. Shafiqur Rahman Rahman was an Advisor in Bangladesh Finance & Investment Company Limited (BD Finance Ltd.) and before that he was the Managing Director & CEO of Social Islami Bank Limited. He brings with him over forty (40) years of experience in banking profession with expertise in Investment, Trade Finance, Branch In-Charge. Mr. Rahman has undergone many national and international training sessions. Needless to say that he has acquired significant experience in the banking sector working at various positions and carrying out various assignments, for which Orion is very hopeful that Mr. Md. Shafiqur Rahman's expertise will add values to the company's future plans.

He is also the Independent Director of Orion Pharma Limited. He is acting as the Chairman of Audit Committee and Nomination & Remuneration Committee of Orion Infusion Limited.

CORPORATE STRUCTURE





OUR APPROCH TO GOVERNANCE

Orion Infusion Limited (OIL) firmly believes that the sustainable 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 highest standard of Corporate Governance Code enforced by the Bangladesh Securities & Exchange Commission (BSEC), to keep the company's business integrity and performance on the right track. The Board establishes corporate governance in the company along with setting strategies & guidelines for the management, keeping in mind about ensuring wealth maximization of all stakeholders and a positive impact of the entity's operations on the society as well as on the environment. The Board of Directors puts their best effort to establish an appropriate internal control system and risk management procedures; in order to make sure of the compliance, accountability and transparency at every level of its operation.

Board Composition

As on June 30, 2018, the Board of Orion Infusion Limited is comprised of five (5) Directors including the Chairman of the company. The Board of OIL consists of a wide variety of knowledge, skills and experiences which brings new thinking, insights and perspectives and assists us to move towards the achievement of our long term goals. The Board members have the proper combination and balance of business, entrepreneurial, financial and technical skills that have proved to be one of our greatest competitive edges. 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 its duties and responsibilities effectively.

The present Board composition of OIL is as follows:

Name	Status	Committee Membership
Mr. Mohammad Obaidul Karim	Chairman	-
Mr. Salman Obaidul Karim	Managing Director	-
Mrs. Arzuda Karim	Director	Member- AC*, NRC*
Mrs. Zareen Karim	Director	Member- AC, NRC
Mr. Md. Shafiqur Rahman	Independent Director	Chairman- AC, NRC

*AC- Audit Committee, NRC- Nomination and Remuneration Committee

In Compliance with the new Corporate Governance Code, Mr. Salman Obaidul Karim cannot hold the same position in any other listed company. As of now, Mr. Salman Obaidul Karim is also acting as the Managing Director / Chief Executive Officer of Orion Pharma Limited because these two companies including OIL are operating under the banner of Orion Group. However, the Board has decided to appoint different individual as the Managing Director / Chief Executive Officer of the company within December 31, 2018 as required by the Code.

In October 2018, Mr. Golam Mohiuddin, who has been holding the office of ID for consecutive two terms (six years), has retired from the Board. Therefore as per the recommendation of Board, Mr. Md. Shafiqur Rahman will be joining the Board in Mr. Golam's place, subject to the approval of the Shareholders in the upcoming AGM.

Board Charter

The Board assumes overall responsibility for the strategic direction of the company. It retains full and effective control over the company, oversees the operations and activities through appropriate delegation of authority to the management. 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, other directors and top management;
- 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 committees; and
- 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 the Independent Director were present in all meetings. The Company Secretary and the Chief Financial Officer were also present in the Board meetings. However, in order to conform to the new Corporate Governance Code imposed by BSEC, the Head of Internal Audit & Compliance will also attend the Board meeting to be held in the next financial year 2018-19.

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 its 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.

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

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.

Independent Director

The Board of Directors of OIL consists of one qualified Independent Director who ensures independence of the Board and also brings more competencies on the table. The Independent Director is Non-executive Director who has been appointed by the Board with the approval of the shareholders.

Mr. Golam Mohiuddin who held the office of ID for consecutive two terms (six years) has retired from the Board and will be replaced by Mr. Md. Shafiqur Rahman, subject to the approval of the Shareholders in the upcoming AGM.

Company Secretary

The Company Secretary, Mr. Md. Ferdous Jaman works at the centre point of the decision making process in Orion Infusion Limited. He is responsible for ensuring that the Board procedures are followed and that all applicable rules and regulations are complied with. He assists and guides the Chairman and Board of Directors acts with integrity and independence to protect the interests of the company, its shareholders and employees. In compliance with the new Corporate Governance Code, Mr. Jaman cannot hold any executive position in any other company at the same time. As of now, Mr, Jaman is also acting as the Company Secretary of Orion Pharma Limited and Kohinoor Chemical Company (Bangladesh) Limited because these three companies including OIL are operating under the banner of Orion Group. However, the Board has decided to appoint different individual for the position of the Company Secretary within December 31, 2018 as required by the Code.

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; and
- 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 Chief Financial Officer, Mr. Samaresh Banik, is one of the key members of management team and has been serving as a credible, knowledgeable and trusted resource to the CEO. In Compliance with the new Corporate Governance Code, Mr. Banik cannot hold any executive position in any other company at the same time. As of now, Mr. Banik is also acting as the Chief Financial Officer of Orion Pharma Limited because these two companies including OIL are operating under the banner of Orion Group. However, the Board has decided to appoint different individual for the position of the Chief Financial Officer within December 31, 2018 as required by the Code. However, the certification of the CFO on the financial statements is disclosed in Annexure 5.

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;
- Works 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;
- Collaborates 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; and
- Develops and promotes a framework to drive financial acumen and accountability across the organization.

Head of Internal Audit & Compliance

The Head of Internal Audit & Compliance is one of the top executives of the company responsible for performing the full audit cycle including determining internal audit scope and developing annual plans, risk management and control management over operations' effectiveness, financial reliability and compliance with all applicable directives and regulations. In Compliance with the new Corporate Governance Code, Mr. Md. Abdus Salam has been appointed as the new Company HIAC by the Board.

Major duties and responsibilities of the Company HIAC are as follows:

- Responsible for evaluating the adequacy of the system of internal controls and recommending improvements in controls;
- Assesses compliance with policies and procedures and sound business practices;
- Assesses compliance with the laws, rules, regulations, guidelines etc;
- Reviews operations/programs to ascertain whether results are

consistent with established objectives and whether the operations/programs are being carried out as planned;

- Reviews and appraises the soundness, effectiveness, and proper application of accounting process and assess the adequacy and extent of programs designed to safeguard organization assets; and
- Issues reports to the Audit Committee regarding planning of adequate internal control and financial reporting.

Separation of Work for the Chairman and the 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. The Managing Director, Mr. Salman Obaidul Karim is responsible for all day to day management decisions and for the routine business operation of the company. However, the management has taken permission from the Government (Ministry of Commerce) to appoint Mr. Salman Obaidul Karim as the common Group Managing Director.

The separation of position and role of these positions 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; and
- Represents the company as its figurehead to the relevant stakeholders.

Roles and responsibilities of the Managing Director/ 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 budget;
- Represents the company to major stakeholders; and
- Builds and maintains an effective management team.

Board Committee- Audit Committee

With a view to enabling the Board to carry out its 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. Md. Shafiqur Rahman. Other members are Mrs. Arzuda Karim, Non-executive Director and Mrs. Zareen Karim, Non-executive 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.

Board Committee- Nomination & Remuneration Committee

The newly formed Nomination and Remuneration Committee consisting of three (3) Directors has been established as a sub-committee of the Board of Orion Infusion Limited in order to assist the Board in formulating nomination policy for the Directors and top executives as well as policy for formal process of considering their remuneration. The Chairman of the committee is an Independent Director, Mr. Md. Shafiqur Rahman. Other members are Mrs. Zareen Karim, Non-executive Director and Mrs. Arzuda Karim, Non-executive Director of the company. Since the committee has recently been formed and they have just started working on their scope of works, the nomination and remuneration policy would be disclosed in next financial year's annual report.

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. The composition of Management Team is as follows:

Name	Status
Mr. Salman Obaidul Karim	Chief Executive Officer/ Managing Director
Mr. Samaresh Banik	Chief Financial Officer
Mr. Binoy Krishna Barai	SVP, Plant
Mr. Md. Faisal R Ferdous	VP, HR
Mr. Harun-Or- Rashid	AVP, Sales
Ms. Monowara Khatoon	AVP, Accounts

Independence of Board of Directors

At Orion Infusion Limited, the Board of Directors is independent of management and has no association that can interfere with their judgment or scope of work. The Nomination and Remuneration Committee (NRC) has been assigned to assist the Board to review the independence of the Directors as well as the sub-committee members. The Independent Director has submitted a signed and dated declaration to demonstrate his independence to the Board of Directors. The Board of OIL determines and declared at the end of the year that all of its members along with those of its sub-committees are independent.

Statutory (External) Audit

OIL follows the Companies Act 1994, Securities and Exchange Rules 1987 and BSEC's notification with regard to the appointment and reappointment of external auditors. Complying with the rules, the audit committee suggests Statutory Auditors' appointment or reappointment to the Board and the Board recommends the same for the approval of shareholders at the next annual general meeting. Also the remuneration of the external auditors is also approved by the shareholders. In addition to this, Orion Infusion Limited conforms to the laws that the statutory auditor can hold the office for a maximum period of three consecutive years and they act independently to provide audited financial statements. Last year Khan Wahab Shafique Rahman & Co., Chartered Accountants were the External Auditors of Orion Infusion Limited and they have been the statutory auditors of the company for last three consecutive years. Therefore, The Audit Committee has recommended M/S. Fames & R, Chartered Accountants, for appointment as the statutory /external auditors of the company for the next financial year to be end on June 30, 2019. Further to that OIL assures the potential stakeholders in respect of corporate compliance by obtaining a Compliance Certificate from a Chartered Accountants Firm, namely ARTISAN, who provides certification based on audit that we have duly complied with all regulatory requirements of Corporate Governance Code imposed by BSEC.

Communication with Shareholders and Stakeholders

The Board of Directors of the company pays great importance to its investors' community and their information requirements. With the sincere desire to stay close with investors' community, the company always tries to bridge the gap between investors' and the company.

The Company holds regularly the Annual General Meeting as per law with adequate notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes and resolutions are passed with consensus and unanimity. The purpose of the AGM is to enable the company to report on its activities during the past year to its shareholders. The Chairman and other members of the Board answer the questions of the shareholders and note the views and suggestions of them offered at the AGM with utmost seriousness.

A Price Sensitive Information (PSI) convening the date, place and time of holding the Annual General Meeting of Shareholders is published in one Bangla and one English daily-newspaper in compliance with the regulatory requirements. The Annual Reports are also sent in advance to all registered shareholders; at least two weeks before the AGM, so that they have ample of time to review the reports. When selecting the time and venue for the AGM, the convenience of maximum shareholders is given consideration by the company.

Quarterly, Half-yearly and the Annual financial statements are also posted at company's website to keep all the stakeholders informed about the company's financial results. We at OIL aim to be accountable and transparent with all our stakeholders, through proper and timely dissemination of information on the company's financial performance and major developments.

34th ANNUAL GENERAL MEETING

The 34th Annual General Meeting (AGM) for the financial year 2016-17 was held at Officers' Club, 26 Baily Road, Ramna, Dhaka on December 14, 2017. Mr. Mohammad Obaidul Karim, Hon'ble 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 Hon'ble Chairman appreciated the shareholders for their active participations, constructive suggestions and valuable advices.



The Board members including the Independent Director, the Chief Financial Officer and the Company Secretary at the 34th AGM

The Chairman giving his speech at the AGM





Shareholders at the AGM

NOTICE OF THE 35th ANNUAL GENERAL MEETING

Notice is hereby given that the 35th ANNUAL GENERAL MEETING (AGM) of the Shareholders of Orion Infusion Limited will be held on Monday, December 10, 2018, at 10.15 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 June 30, 2018 together with the Auditors' Report and Directors' Reports thereon.
2. To declare dividend for the year ended June 30, 2018.
3. To elect/re-elect Directors who will retire by rotation as per the relevant provisions of Articles of Association.
4. To consider the post-facto appointment of New Independent Director of the Company
5. To appoint External Auditors and to fix their remuneration for the financial year 2018-2019.
6. To appoint Corporate Governance Compliance Auditor and to fix their remuneration for the financial year 2018-2019.
7. To transact any other business with the permission of the Chair.

By Order of the Board

Date: November 25, 2018
Dhaka

Sd/-

Md. Ferdous Jaman
Company Secretary

Note:

1. **"Record Date" shall be November 22, 2018 (Thursday).**
   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 ensuring AGM

AMAR STOCK

STRHEGTHENING OUR CODE OF CONDUCT AND BUSINESS ETHICS

In Compliance with the new Corporate Governance Code imposed by BSEC, the existing code of conduct for the Board members including the Chairman and the Managing Director/Chief Executive Officer of the company is under review of the newly formed Nomination & Remuneration Committee to conform to the above mentioned Corporate Governance Code. After finalizing of the said code of conduct, the same shall be posted on the website of the company.

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 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 keeping in mind the well being of the society.

We value confidentiality

For a company information is essential tool which must not have public access and assumed to be confidential which includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data. We also provide access to our customers, and suppliers to share their confidential and proprietary information with us. This is our sole responsibility to properly use and safeguard business information belonging to and shared with the company.

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.

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.

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.	• 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.	• 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.

Principal Risks	Importance of risk	Mitigation process
5. Product Quality		
	Product quality fall can reduce our image and decline the quantity of sale.	• We comply with regulations including ISO, WHO in production. • Regular quality inspection. • Computerized product testing. • Well trained workers.
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.
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.

Principal Risks	Importance of risk	Mitigation process
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 CRONOLOGY



2006
Introduction of Maprocin-DS IV
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 100 ml in GB
• Exporting to Somalia and Afghanistan
2017
• Exporting to Myanmar
• Introduction of Salpac 2000 ml in PVC bag
2018
Introduction of Term Life Insurance for employees

OUR STRUCTURE



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.

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.

MARKETING & PROMOTION

Orion Infusion Limited provides quality products to uphold brand image. At OIL we evaluate and understand our business strengths, weaknesses, opportunities and threats to make informed decisions. We believe that good marketing keeps drawing our customers' attention to our products and services. Orion Infusion Limited plays by its competitive advantage of cutting edge technology to beat the competitors.

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.

STAKEHOLDER RELATIONSHIP

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. Orion Infusion Limited supports the unprivileged and disaster affected mass population in the country.

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.

FINANCIAL PRIORITY

We at OIL take a prudent approach to capital allocation to ensure long-term growth. We also manage our cash flow and achieve our short term goals taking into account both the historical analysis and future targets. We review our working capital requirements periodically. The company utilizes a combination of strategies which helps us to create more growth, opportunities and overall potential.

OPERATION MODEL

OIL uses the best technology that helps to maintain the quality of the medicines and enables the management to attain the most effective and efficient production process. We work to have the most output at the lowest cost possible. Our team also carries out reviews of operation process in a continuous basis, to find out bottlenecks, upgrade where necessary and remove unnecessary processes to save both time and cost.

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 7.58 million

Manufactured Capital

Raw and Packing materials
Plants and infrastructure
Machineries and Equipments

Production Capacity
10.38 million
Intravenous Fluids and Injections

Human Capital

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

Total employees
928

Intellectual Capital

Flagship products
Research & Development
Certification

R&D spend
BDT 0.07 million

Training spend
BDT 0.76 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

AIRSTOCK

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

EPS increased from BDT 1.53 to BDT 1.62

Cost Control
Improved inventory management
Economic growth
Improved fund allocation

Manufactured Capital

Production 9.98 million Intravenous Fluids and Injections

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

Human Capital

Term life insurance scheme for employees

Skills and expertise retention
Employee wellness
Employee development

Intellectual Capital

Five (5) Flagship products

Flagship products
Research & Development
Certification

Natural Capital

High-tech pure steam generator, effective waste management

Environment friendly operation of business

Social Capital

BDT 172.73 million payment to Govt. treasury

Dividend BDT 1.40 /Share

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

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 remuneration and compensation benefits
- Ensuring employees' health and safety issues
- Offering healthy working environment
- Nonexistence 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 58 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 field force of 409 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 complaint form
- Customer survey and seeking feedback
- Structured approach to understand the requirements of individual customers
- Fast response to customer requirement
- Expired product management

Margin

VALUE FOR SOCIETY

- Increased opportunity for serving society 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

ITMAR STOCK

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.

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

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
- Seminars and workshops

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



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

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

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



MARSTOCK



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



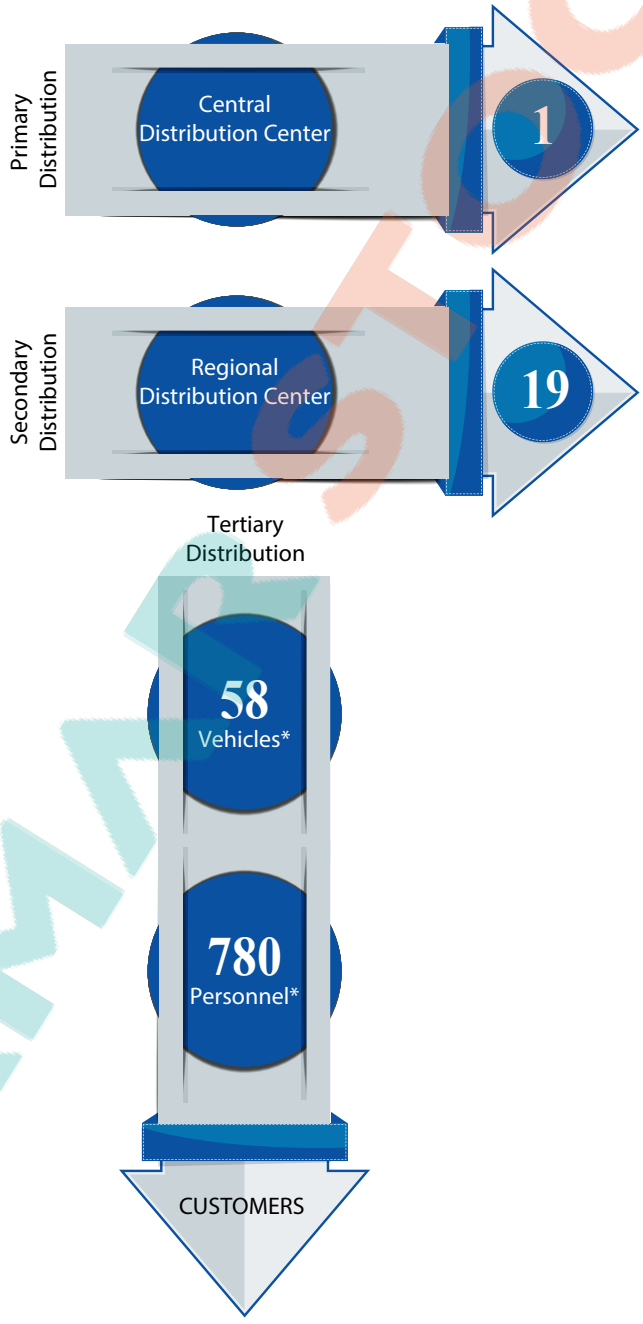
With regard to our distribution channel, we have our own distribution centers including a large number of vehicles and sales depots to ensure coverage of the whole country. 780 people are continuously dedicated to ensure the on-time delivery under the direct supervision of the Central Distribution Cell (CDC). From the CDC the products are sent to the 19 depots from where the 58 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.

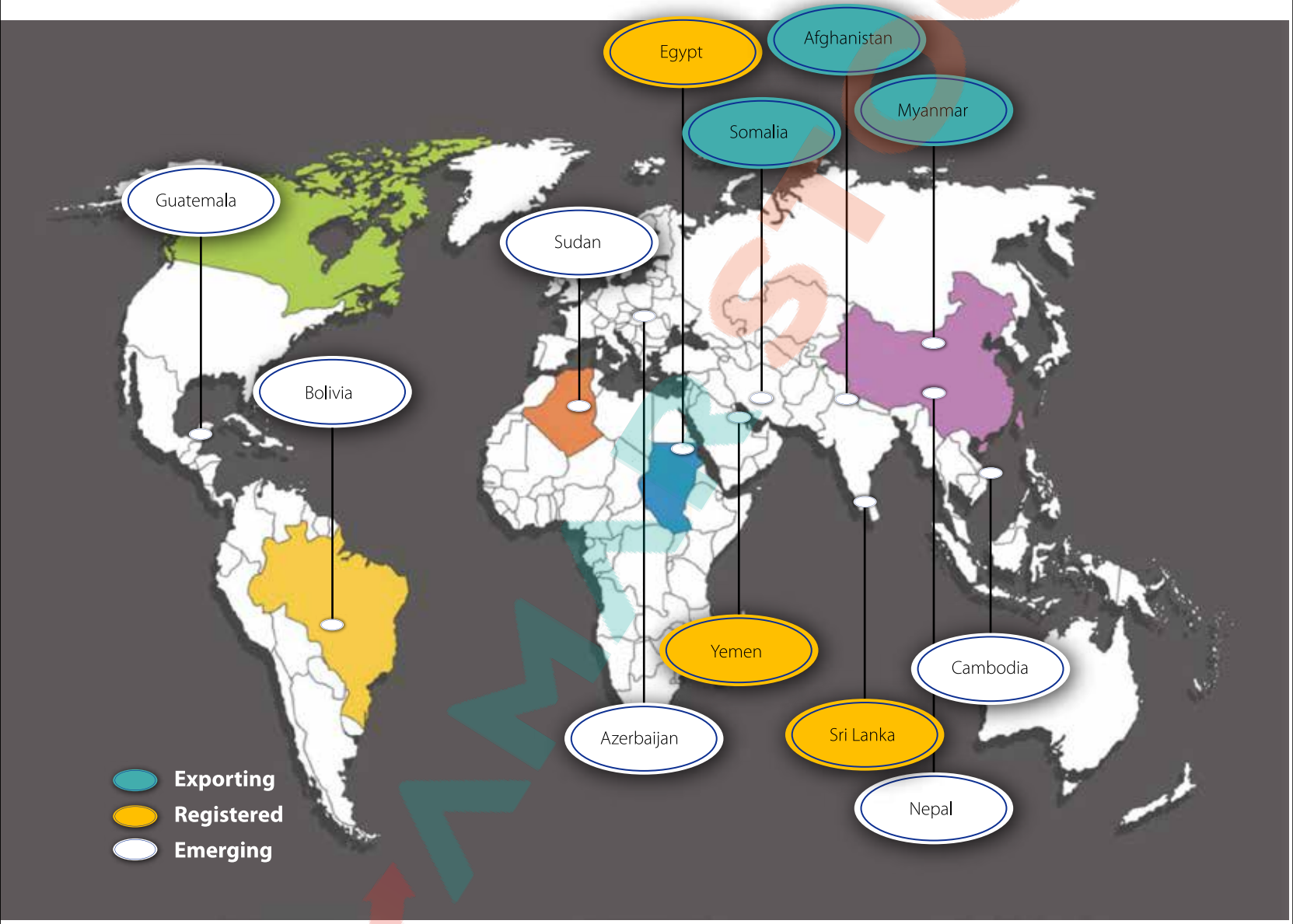
Tertiary Distribution: RDC distributes the products to the respective urban and other remote markets by the company-owned vehicles.



1. Paltan
2. Kalyanpur
3. Chattogram
4. Bogura
5. Sylhet
6. Rangpur
7. Rajshahi
8. Mymensingh
9. Cumilla
10. Chawmohoni
11. Faridpur
12. Khulna
13. Barishal
14. Dinajpur
15. Moulovibazar
16. Kushtia
17. Narayanganj
18. Tangail
19. Cox's Bazar

* 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



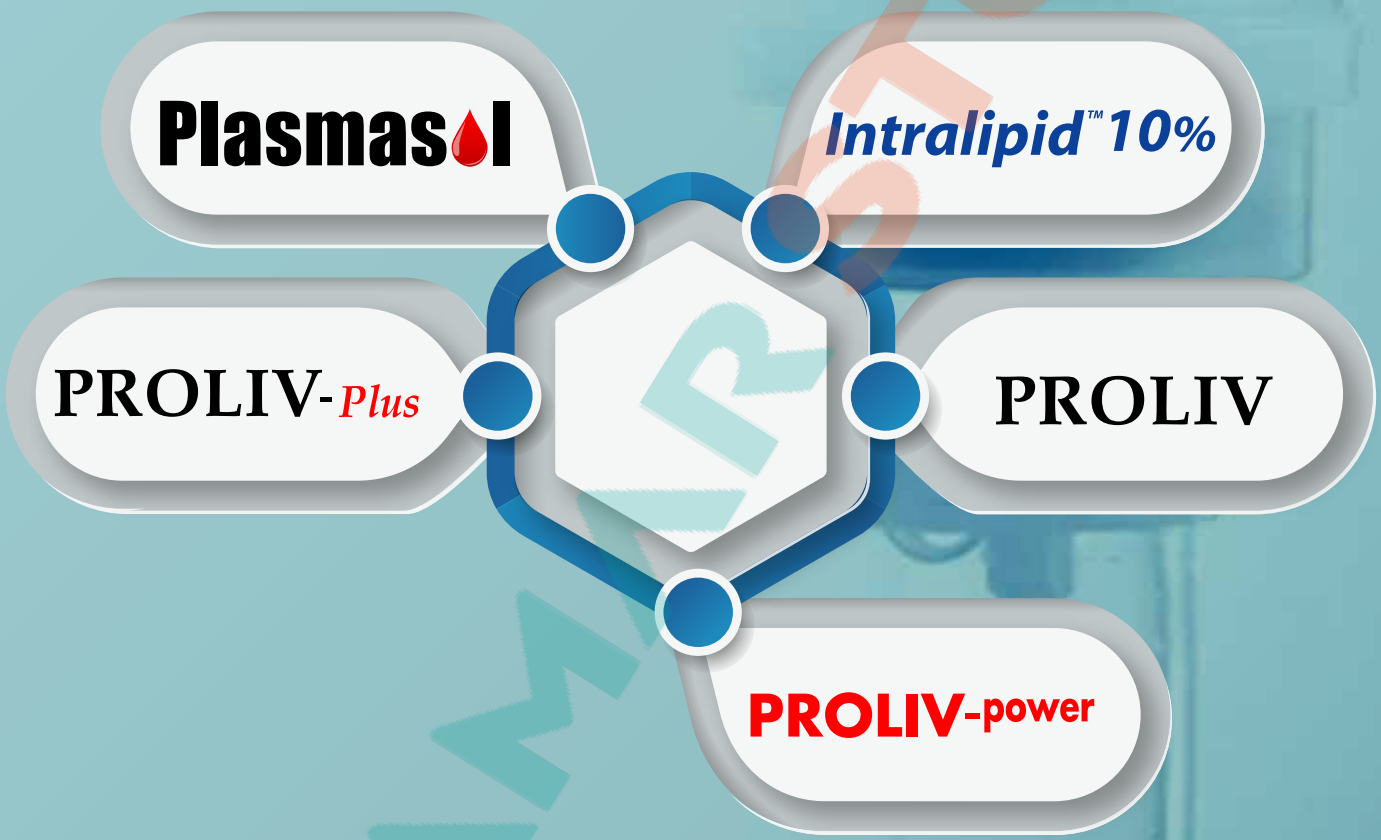
With a view to providing healthcare facility globally, Orion Infusion Limited (OIL) has decided to step forward in the overseas pharmaceutical market. Currently we have overseas marketing network in Myanmar, Somalia and Afghanistan. We started exporting in Myanmar since 2017, in Somalia and Afghanistan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

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 treatment saline	500 ml & 1000 ml in PVC Bag
	Salpac	0.9% Sodium Chloride	100 ml, 500 ml, 1000 ml and 2000 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 TM 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
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



NEW PRODUCT INTRODUCED



HUMAN RESOURCE DEVELOPMENT

Our People are Our Capital - with the notion in mind OIL ensures high standard business practices by engaging competent work force in every department of the organization. OIL 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 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:

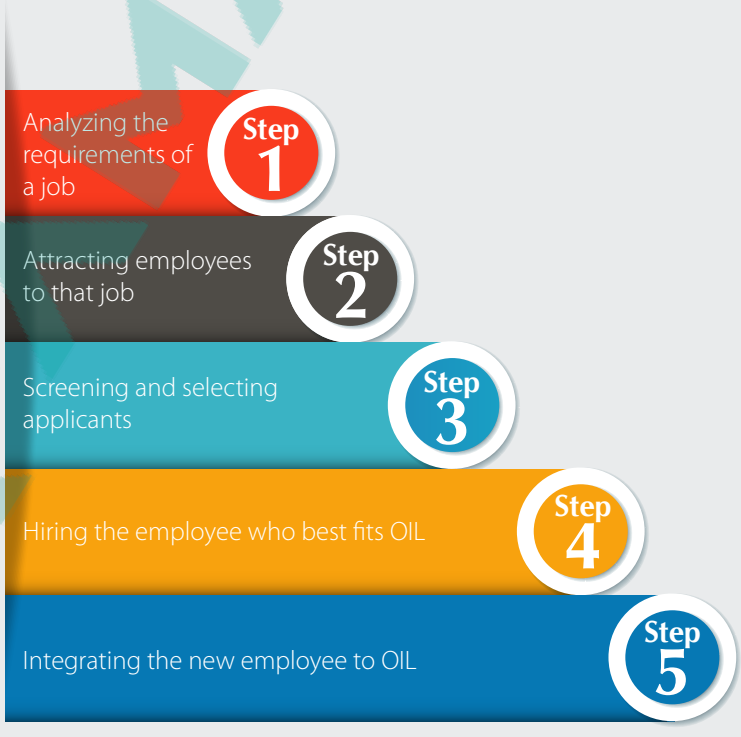
At OIL the first step for recruiting new staff is carrying out a Job Analysis, which involves determining the different aspects of a job.

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.



Human Resource Statistics

Profile according to Age

Age	2017-18	2016-17
30 years and below	310	289
31 – 40 years old	404	370
41 – 50 years old	180	153
51 – 60 years old	30	22
61 years and above	4	7
Total	**928**	**841**

Profile according to Position

Position	2017-18	2016-17
Manager and above	8	6
Assistant Manager to Deputy Manager	21	21
Officer to Senior Executive	558	440
Staff Grade	347	374
Total	**928**	**841**

Profile according to Location

Location	2017-18	2016-17
Head Office	120	118
Factory	242	224
Sales	409	333
Distribution	157	166
Total	**928**	**841**

Profile according to Job Nature

Job Nature	2017-18	2016-17
Permanent	925	835
Part time	0	1
Contractual	3	6
Total	**928***	**841***

* 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, WPPF and life insurance benefit. 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.

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. Respective 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 departmental head.

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 60 number of Medical Promotion (MPO) officers has received training as per the requirements. 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 as well as to develop leadership qualities of employees.

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. An insignificant number of employees 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

Our company recognizes that the skills and abilities of their employees are invaluable to the conduct of its business. Therefore, the company has recently introduced Group-term life insurance, a coverage under which the company provides financial benefits to employees due to death, permanent, partial & total disability.



ENVIRONMENTAL FACET



Throughout the life-cycles of Orion Infusion products, we promote ethical management of environment, health and safety. The company 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 Limited 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.

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.

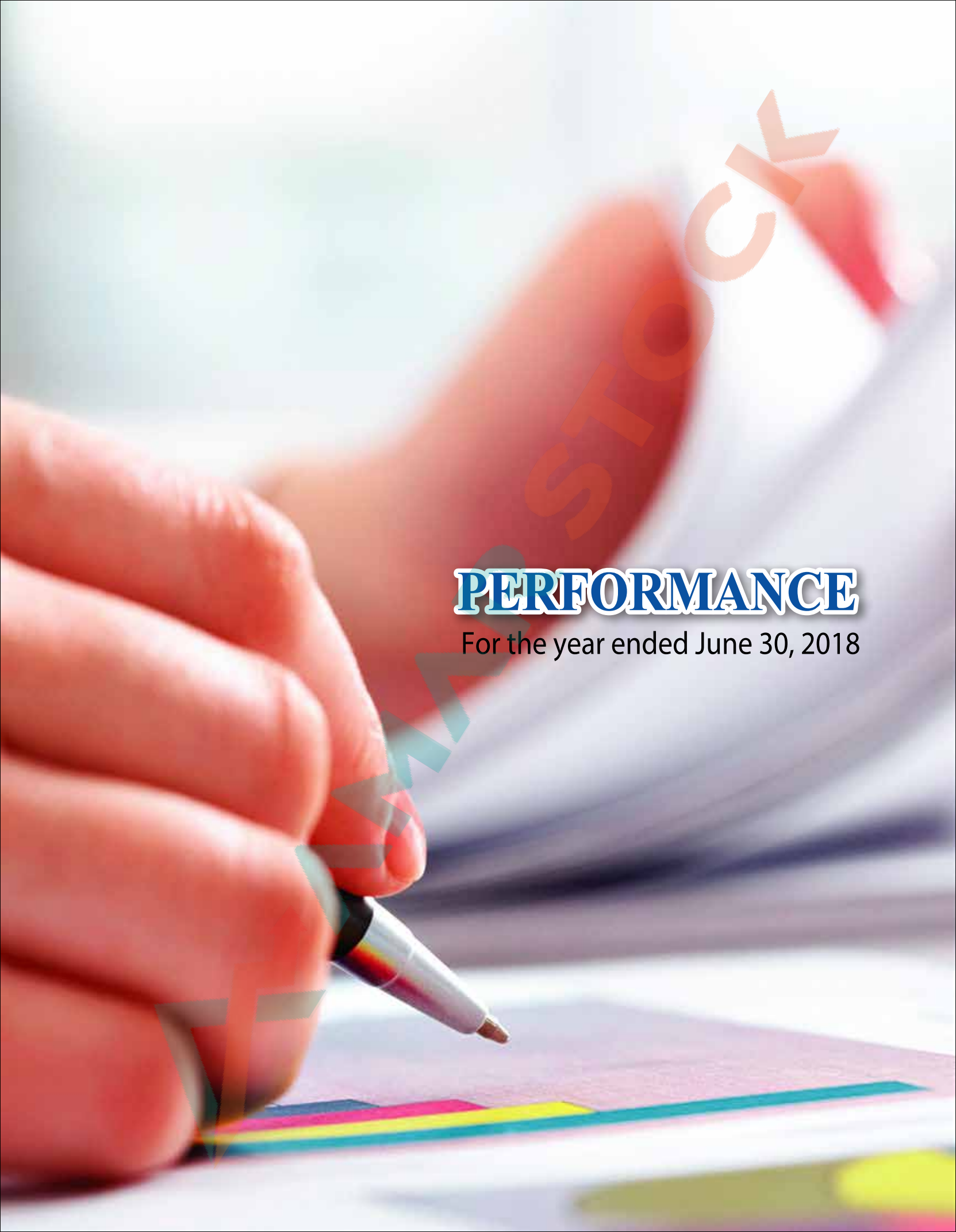
Fire Safety

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.

AMARSTOCK



PERFORMANCE

For the year ended June 30, 2018

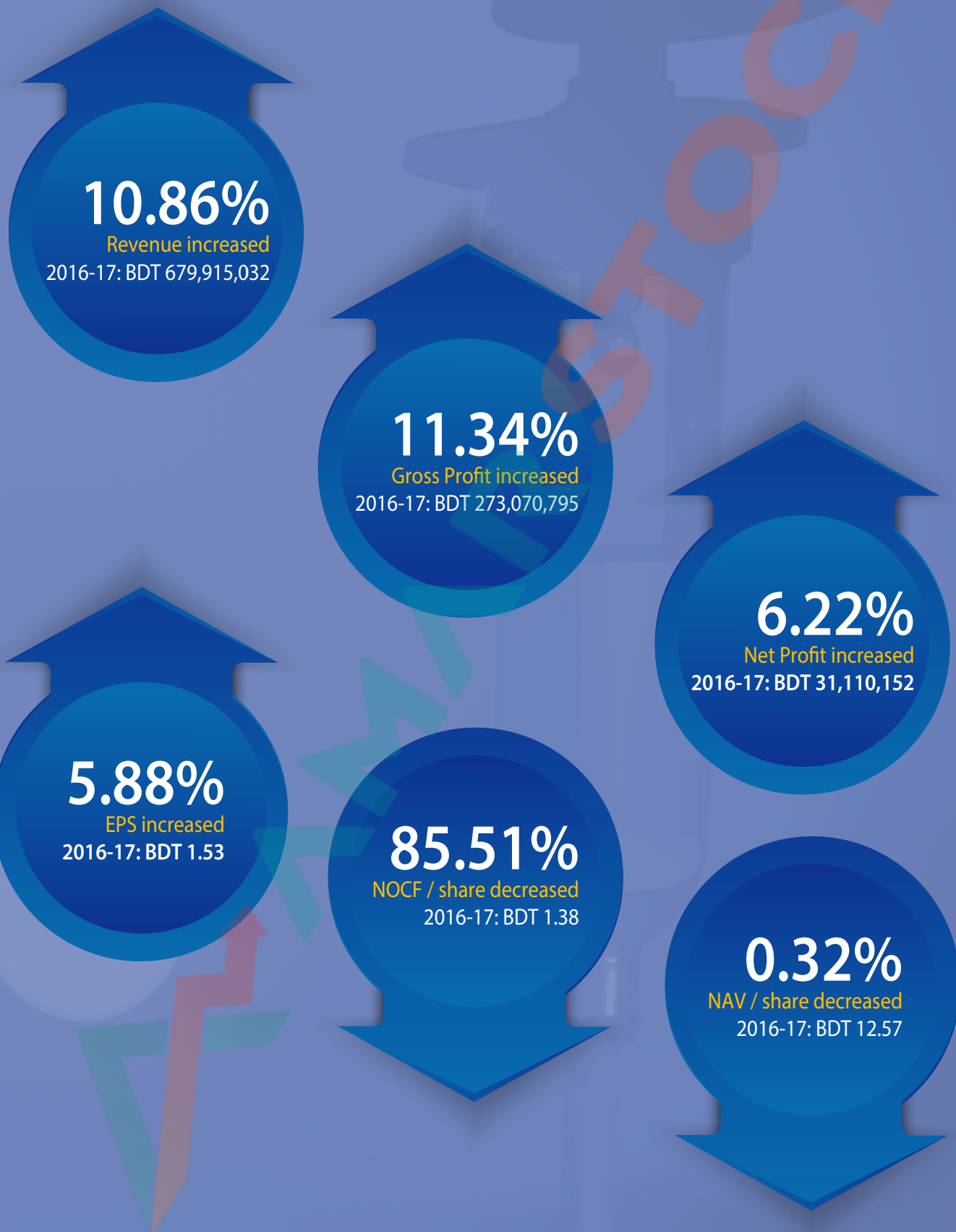
OUR RESULTS
IN FACTS AND FIGURES

Introduced **Term Life Insurance** benefit for the employees from 2018

Cash dividend
BDT 1.40 per share (14%)-
Proposed by the Board of Directors

Launched new product **Salpac 2000 ml** in PVC Bag

AMARSTOCK


10.86%
Revenue increased
2016-17: BDT 679,915,032
11.34%
Gross Profit increased
2016-17: BDT 273,070,795
6.22%
Net Profit increased
2016-17: BDT 31,110,152
5.88%
EPS increased
2016-17: BDT 1.53
85.51%
NOCF / share decreased
2016-17: BDT 1.38
0.32%
NAV / share decreased
2016-17: BDT 12.57

5 YEARS' FINANCIALS
at a glance

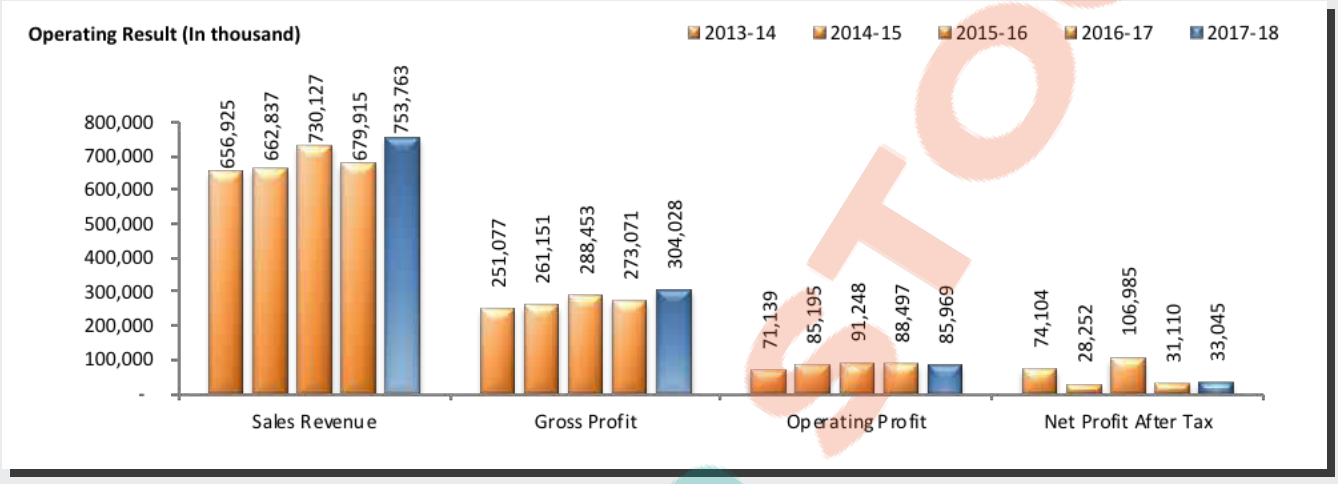
BDT in thousand

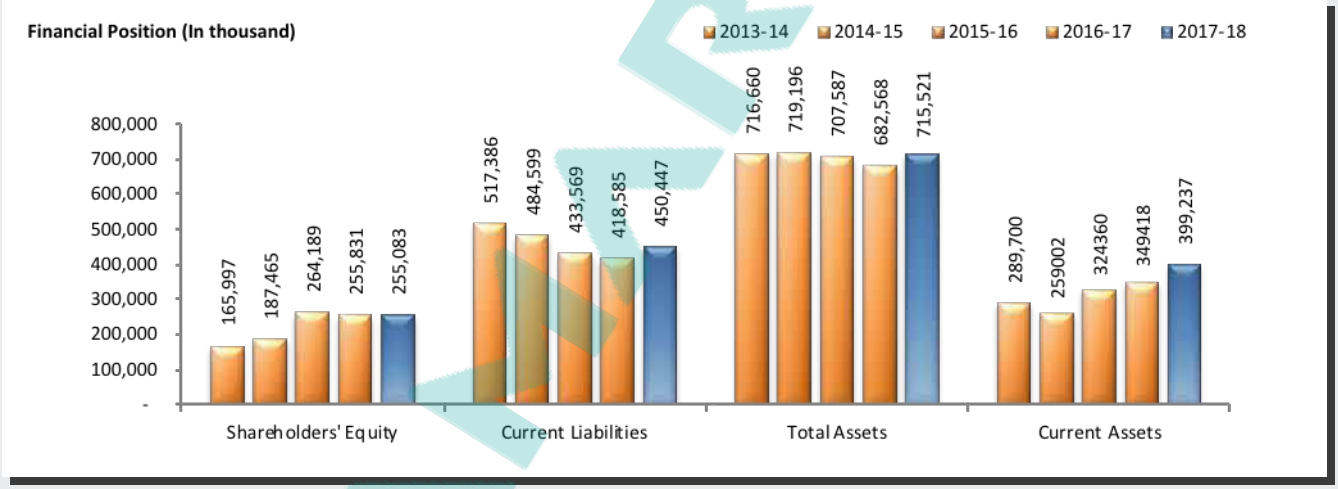
	2017-18	2016-17	2015-16	2014-15	2013-14
OPERATIONAL RESULT					
Net Revenue	753,763	679,915	730,127	662,837	656,925
Gross Profit	304,028	273,071	288,453	261,151	251,077
Operating Profit	85,969	88,497	97,248	85,195	71,139
Net Operating Profit	43,319	40,335	124,461	35,830	93,214
Net Profit after Tax	33,045	31,110	106,985	28,252	74,104
FINANCIAL POSITION					
Shareholders' equity	255,083	255,831	264,189	187,465	165,997
Total Assets	715,521	682,568	707,587	719,196	716,660
Total Current Assets	399,237	349,418	324,360	259,002	289,700
Total Current Liabilities	450,447	418,585	433,569	484,599	517,386
FINANCIAL RATIOS					
Current Ratio (times)	0.89	0.83	0.75	0.53	0.56
Debt Equity Ratio (times)	1.81	1.67	1.68	2.84	3.32
Return on Equity (%)	12.95	12.16	40.50	15.07	44.64
Return on Total Assets (%)	4.62	4.56	15.12	3.93	10.34
Inventory Turnover (times)	5.39	5.75	6.16	4.74	4.34
Price Earning Ratio –DSE (times)	36.23	37.83	13.73	32.37	12.25
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	14.00	13.00	15.00
Net Asset Value per Share (BDT)	12.53	12.57	12.98	9.21	8.15
Net Operating Cash flow per Share (BDT)	0.20	1.38	5.15	3.41	3.49
Earnings per Share (BDT)	1.62	1.53	5.25	1.39	3.64
Number of Shareholders	5,119	5,213	5,032	5,261	5,488
OTHER DATA					
Number of Employees	928	841	794	811	761

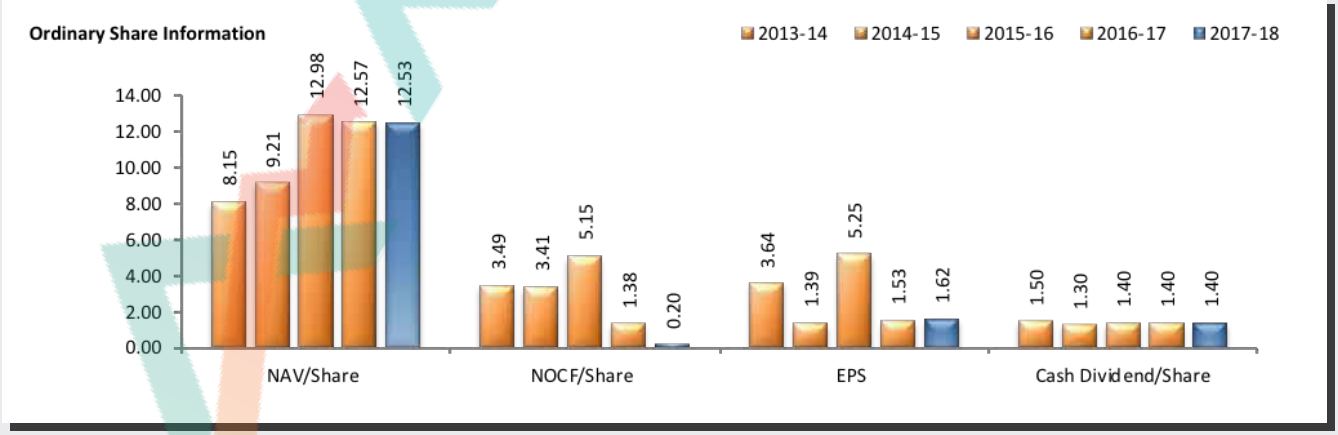
* Proposed

GRAPHICAL VIEW

of selected financial indicators





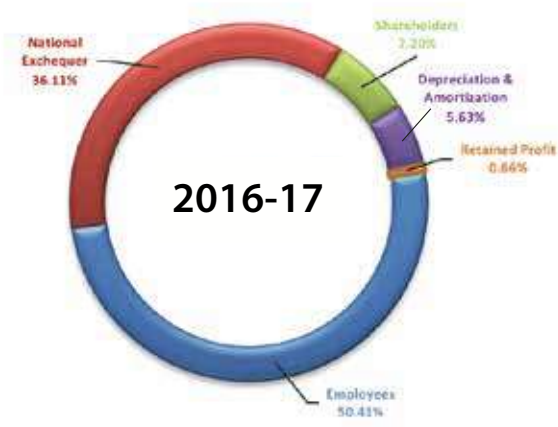


VALUE ADDED STATEMENT

BDT in thousand

Particulars	2017-18		2016-17	
	Amount	%	Amount	%
Value Added:				
Gross Revenue	883,336		797,441	
Less: Bought in Materials and Services	(418,247)		(405,687)	
Add: Other income	621		3,892	
Total value added	465,710	100.00	395,646	100.00
Distribution of added value:				
To employees as salaries, wages and allowances	237,638	51.03	199,429	50.41
To National Exchequer	172,734	37.09	142,850	36.11
To shareholders as dividend	28,504	6.12	28,504	7.20
	438,876	94.24	370,783	93.72
Retained for reinvestment and future growth				
Depreciation and amortization	22,293	4.78	22,257	5.63
Retained profit	4,541	0.98	2,606	0.65
	26,834	5.76	24,863	6.28
	465,710	100.00	395,646	100.00



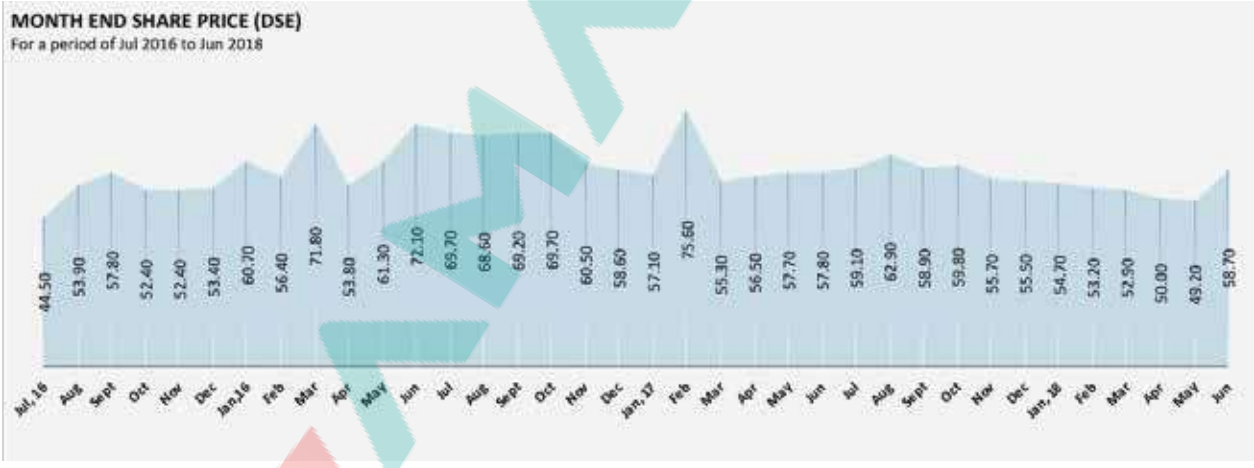


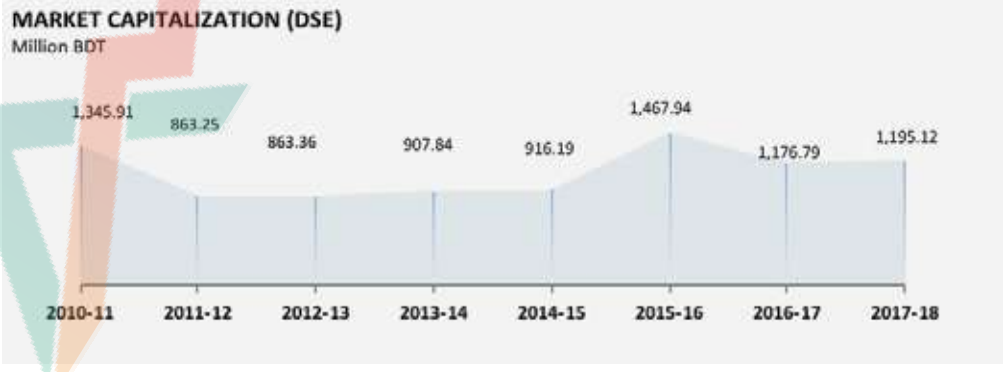
During the reporting year, 51.03% of the company's net value addition was distributed to employees, 6.12% to shareholders, 37.09% to Government and the remaining 5.76% was retained and reinvested for future expansion and growth.

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 2018	June 2017
Market Capitalization – DSE (Million BDT)	1,195.12	1,176.79
Market Capitalization – CSE (Million BDT)	1,184.94	1,170.69
EPS (BDT)	1.62	1.53
DPS (BDT)	1.40	1.40
Payout Ratio	0.86	0.92
Share Price –DSE (BDT)	58.70	57.80
Share Price- CSE (BDT)	58.20	57.50
Weighted Average Number of Shares Outstanding	20,359,760	20,359,760





MESSAGE FROM THE CHAIRMAN

Distinguished Shareholders of Orion Infusion Family,

I am pleased to present the annual report of Orion Infusion Limited for the year ended June 30, 2018 on behalf of the Board of Directors. On this 35th Annual General Meeting (AGM), with great pleasure I take this opportunity to inform you all that your company has done well this year compared to last year. You are all aware that 2016-2017 had seen the advent of many pharmaceutical firms in the IV Fluids industry for which we had to face stiff competition. However, this year with the will of Almighty, we were able to overcome this competition and have a positive effect on our sales. The affairs of the company pertaining to the financial year 2017-18 have been elaborately dealt with in the Directors' Report.

My dear Shareholders, let me take you all over the financial particulars now. You all will be delighted to know that this year your company attained a Net Revenue of BDT 753.76 million as against BDT 679.92 million of the previous year, registering a praiseworthy positive growth of 10.86% over the previous year. During the reporting financial year, Gross Profit stood at BDT 304.03 million and the Net Profit reached to BDT 33.05 million. The Earnings per Share (EPS) for this year is BDT 1.62 and 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 2017-18.

Your company makes a significant contribution to the National Exchequer in the form of Corporate Tax, Value Added Tax (VAT) and different other duties every year. This year your company has contributed an amount of BDT 172.73 million compared to BDT 144.39 million in the last year, registering 19.63% growth. This contribution is equivalent to 22.92% of the company's Net Revenue.

I am pleased to inform that we have signed a Group Term-Life Insurance Policy with Delta Life Insurance Company Limited on June 12, 2018. This agreement will ensure the employees with accidental and partial disability benefits including deaths. The introduction of this scheme will further increase motivation and productivity to the employees and will assist to achieve organizational goals successfully.

You will also be happy to know that from this year, we have also introduced another variation of Salpac in the form of 2000 ml in PVC Bag. Previously it was available in the market in the forms of 100 ml, 500 ml and 1000 ml in PVC Bag. Due to market demand, we made this variation and are hopeful that it will be able to fulfill market needs further.

My dear Shareholders, I would now like to take the opportunity over here to thank you for your never ending support and faith upon us. I am indebted to you all for the sincere co-operation, continued belief, active support and kind trust and confidence you have placed on us to manage the business among stiff competition with a high degree of excellence. I would also like to sincerely appreciate all our valued stakeholders including business partners, customers, bankers, suppliers, government agencies, regulatory authorities and everyone with whom the company interacted with in conducting its business. I am grateful to the Management as they have been very determined and focused towards their goals. They have done an admirable job in contributing to our success, and on behalf of all the shareholders, I would like to applaud all our employees for doing such a commendable job.

Thank you,

Sd/-

Mohammad Obaidul Karim
Chairman

চেয়ারম্যান-এর প্রতিবেদন

আসসালামু আলাইকুম

সম্মানীত শেয়ারহোল্ডারবৃন্দ,

পরিচালনা পর্ষদের পক্ষ থেকে আমি অত্যন্ত আনন্দের সাথে ওরিয়ন ইনফিউশন লিমিটেড এর ৩০শে জুন ২০১৮ তারিখে সমাপ্ত অর্থ বছরের বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করছি। কোম্পানীর ৩৫তম বার্ষিক সাধারণ সভায় আমি আপনাদের জানাতে চাই যে, গত বছরের তুলনায় এ বছর আপনাদের কোম্পানী বেশ সফলতার সাথে ব্যবসা পরিচালনা করেছে। আপনারা নিশ্চয়ই অবগত আছেন যে, ২০১৬-২০১৭ অর্থ বছরে আইভি ফ্লুইড শিল্পে বেশ কয়েকটি ঔষধ প্রস্তুতকারী প্রতিষ্ঠানের আবির্ভাব ঘটেছে, যার ফলে আমাদের কঠোর প্রতিযোগিতার সম্মুখীন হতে হয়েছে। যাই হোক, আল্লাহতায়ালার অশেষ মেহেরবানীতে এ বছর আমরা এই প্রতিযোগিতা কাটিয়ে উঠতে সক্ষম হয়েছি এবং যার ইতিবাচক প্রভাব আমাদের বাৎসরিক বিক্রয়ে পড়েছে। ২০১৭-২০১৮ অর্থ বছরের কোম্পানীর সার্বিক কার্যাবলী পরিচালকমণ্ডলীর প্রতিবেদন এ বিস্তারিত আলোচনা করা হয়েছে।

প্রিয় শেয়ারহোল্ডারবৃন্দ,

এখন আমি আপনাদের কোম্পানীর আলোচ্য অর্থ বছরের আর্থিক বিবরনী আপনাদের নিকট উপস্থাপন করছি। আপনারা জেনে আনন্দিত হবেন যে, ২০১৭-২০১৮ অর্থ বছরে আপনাদের কোম্পানীর বিক্রয়লব্ধ আয়ের পরিমাণ দাঁড়িয়েছে ৭৫৩.৭৬ মিলিয়ন টাকা যা ২০১৬-২০১৭ অর্থ বছরে ছিল ৬৭৯.৯২ মিলিয়ন টাকা, যা প্রশংসনীয়ভাবে গত বছরের তুলনায় ১০.৮৬% প্রবৃদ্ধি অর্জন করেছে। আলোচ্য অর্থ বছরে মোট মুনাফা অর্জিত হয়েছে ৩০৪.০৩ মিলিয়ন টাকা এবং নীট মুনাফা অর্জিত হয়েছে ৩৩.০৫ মিলিয়ন টাকা। আলোচ্য অর্থ বছরে শেয়ার প্রতি আয় দাঁড়িয়েছে ১.৬২ টাকা এবং এ বছরের আর্থিক কর্মক্ষমতা বিবেচনা করে আপনাদের কোম্পানীর পরিচালনা পর্ষদ কোম্পানীর আয় থেকে ২০১৭-২০১৮ অর্থ বছরে ১৪% নগদ লভ্যাংশ শেয়ারহোল্ডারগণের মাঝে বণ্টনের জন্য সুপারিশ করেছেন।

প্রতি বছরই আপনাদের কোম্পানী কর্পোরেট কর, ভ্যাট (মূল্য সংযোজন কর), আমদানী শুল্ক, আবগারী শুল্ক বাবদ উল্লেখযোগ্য পরিমাণ রাজস্ব জাতীয় কোষাগারে প্রদান করে আসছে। এ বছরও আপনাদের কোম্পানী ১৭২.৭৩ মিলিয়ন টাকা জাতীয় রাজস্ব খাতে প্রদান করেছে যা গত বছর ছিল ১৪৪.৩৯ মিলিয়ন টাকা। এটি কোম্পানীর নীট বিক্রয়লব্ধ আয়ের ২২.৯২% এবং প্রবৃদ্ধি ১৯.৬৩%।

আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, আমরা ১২ই জুন, ২০১৮ ইং তারিখে ডেল্টা লাইফ ইন্সুরেন্স কোম্পানী লিমিটেড এর সাথে একটি গ্রুপ টার্ম লাইফ ইন্সুরেন্স চুক্তিতে স্বাক্ষর করেছি। এই চুক্তি কোম্পানীর কর্মীদের জন্য মৃত্যুসহ দুর্ঘটনাজনিত বিভিন্ন কারণে আংশিক আর্থিক সুবিধা নিশ্চিত করবে। এই স্কীম প্রবর্তনের ফলে ভবিষ্যতে কর্মীদের প্রণোদনা ও উৎপাদনশীলতা বৃদ্ধি পাবে যা সফল ভাবে প্রতিষ্ঠানের লক্ষ্য অর্জনে সহায়ক হবে।

আপনারা জেনে আরও খুশি হবেন যে, এ বছর থেকে আমরা Salpac এর আরেকটি সংস্করণ, ২০০০ মিলি পিভিসি ব্যাগ বাজারে আনতে সক্ষম হয়েছি যা পূর্বে ১০০ মিলি, ৫০০ মিলি ও ১০০০ মিলি এর পিভিসি ব্যাগ হিসেবে বাজারে বিদ্যমান ছিল। বাজারের ক্রমবর্ধমান চাহিদার কারণে আমরা এই বৈচিত্র্য এনেছি এবং আশা করি তা বাজারের ভবিষ্যৎ চাহিদা পূরণেও সহায়ক হবে।

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আমাদের উপর আপনাদের অফুরন্ত সমর্থন ও বিশ্বাস এর জন্য আমি আপনাদের প্রতি আন্তরিক ধন্যবাদ জ্ঞাপন করছি। কঠোর প্রতিযোগিতার মধ্যেও সঠিকভাবে ব্যবসায় পরিচালনার জন্য আপনারা যেভাবে আমাদের উপর বিশ্বাস অটুট রেখে আন্তরিকভাবে সহযোগিতা করেছেন সেজন্য আমি আপনাদের প্রতি কৃতজ্ঞ।

আমি আমাদের ব্যবসায়িক অংশীদারসহ সকল সম্মানীত স্টেকহোল্ডার, গ্রাহক, ব্যাংকার, সরবরাহকারী, সরকারী সংস্থা, নিয়ন্ত্রণকারী কর্তৃপক্ষ সহ সকলের আন্তরিক ভাবে প্রশংসা করতে চাই যারা ব্যবসা পরিচালনায় আমাদের সর্বাত্মকভাবে সহযোগিতা করেছেন।

কোম্পানীর লক্ষ্য অর্জনে ম্যানেজমেন্ট এর অত্যন্ত দৃঢ় মনোভাবের কারণে আমি তাদের প্রতিও আন্তরিক কৃতজ্ঞতা প্রকাশ করছি। কর্মদক্ষতা ও কঠোর পরিশ্রমের মাধ্যমে কোম্পানীর সফলতায় ভূমিকা রাখার জন্য সকল শেয়ারহোল্ডারদের পক্ষ থেকে এবং আমার নিজের পক্ষ থেকে সকল স্তরের কর্মীদের প্রতি আমি আন্তরিক ধন্যবাদ জ্ঞাপন করছি।

ধন্যবাদান্তে

স্বা/-

মোহাম্মদ ওবায়দুল করিম
চেয়ারম্যান

MESSAGE FROM THE CEO

Dear Fellow Shareholders,

Assalamu Alaikum
I am pleased to present the Statement of the CEO of Orion Infusion Limited for the year ended June 30, 2018 on behalf of the management. In this statement, I will be covering our present performance, future outlook and our guiding principles.

Economic scenario of the world and the country:
Let us start with a few words regarding the economic conditions in which our business is operating. The outlook for the global economy remains positive despite signs that economic growth in some key parts of the world economy has slowed since growth reached a peak in the second half of 2017. Global economic growth will remain robust at 3.1% in 2018 before slowing gradually over the next two years, as advanced-economy growth decelerates and the recovery in major commodity-exporting emerging market and developing levels off.

After the world scenario, we may take a look at the condition of our country. Bangladesh has become eligible to graduate to a middle income country from the least developed one as it has met all the three criteria, Gross National Index (GNI), Human Asset Index (HAI) and Economic Vulnerability Index (EVI). We have all witnessed that Bangladesh has emerged as an aspiring "tiger" economy in the South Asian region. I am very happy to say that we have become one of Asia's most remarkable and unexpected success stories in recent years. As per HSBC Global Research, Bangladesh is likely to be the biggest mover in the global GDP rankings in 2030, becoming the 26th largest economy in the world from 42nd now which is a great feat for us. We are very hopeful that the progress of the country will also be reflected upon the performance of the company.

The pharmaceutical industry is one of the most technologically advanced sectors currently in existence in Bangladesh. It has grown in the last two decades at a considerable rate. The skills and knowledge of the professionals and innovative ideas of the people involved in this industry are the key factors for these developments. Only 3% of the drugs are imported, the remaining 97% come from local companies. Positive developments in the pharmaceutical sector have enabled Bangladesh to export medicine to global markets.

Guiding Principles:
Dear Shareholders, the preparation and presentation of the Financial Statements and the relevant disclosures therein have been made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Stock Exchanges as applicable and International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to the company.

During the financial year under review, no remarkable changes were found that make judgment to estimates and assumptions that affect the application of accounting policies and would have required reported amounts of assets, liabilities, income and expenses.

It can also be mentioned here that in order to comply with the Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued by Bangladesh Securities and Exchange Commission under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), we have been working towards redefining the Corporate Governance Framework of our company.

Company Performance:
Dear Shareholders, please allow me to take you all through the comparative analysis of the financial performance and financial position of our company for the last five years. If we consider 2013-2014 to be the base year for the sake of our comparative breakdown, we can see that overall the company has been going through a moderately fine trend in the case of both the financial performance and financial position. If we consider the Net Sales Revenue, in 2013-2014 it was BDT 656.93 Million and it has been increasing positively and in 2017-2018 it was BDT 753.76 Million. The Gross Profit was BDT 251.08 Million in 2013-2014 and this has also been increasing positively and in 2017-2018 it was BDT 304.03 Million. The Net Profit was BDT 74.10 Million in 2013-2014 and in 2017-2018 it was BDT 33.05 Million.

If we also take a look at the financial ratios, we will see that Current Ratio which was 0.56 times in 2013-2014 rose to 0.89 times in 2017-2018. Debt Equity Ratio too has a positive trend and was 3.32 times in 2013-2014 which later turned to 1.81 times in 2017-2018. The Net Asset Value was BDT 8.15 in 2013-2014 which later turned to BDT 12.53 in 2017-2018.

Now let us take a look at the peer industry scenario and have a comparison with them in regards to our performance. If we look at the industry, we will find that there are many pharmaceutical companies but only one listed company is operating in purely Infusion-category. Therefore, we have selected nine of the listed companies which have some medicines in the Infusion-category as well for the sake of comparisons, from which we have determined the industry average. Now, if we look at the five year's trend of ratios with the industry average, we can get an idea about our position:

Year	2016-17		2015-16		2014-15		2013-14		2012-13	
FINANCIAL RATIOS	OIL	Benchmark	OIL	Benchmark	OIL	Benchmark	OIL	Benchmark	OIL	Benchmark
Current Ratio (times)	0.83	1.75	0.75	1.57	0.53	1.63	0.56	1.19	0.88	1.19
Debt Equity Ratio (times)	1.67	0.71	1.68	0.72	2.84	0.63	3.32	0.76	3.94	0.74
Return on Equity (%)	12.16	13.94	40.50	16.88	15.07	15.55	44.64	13.62	18.20	11.40
Net Asset Value per Share (BDT)	12.57	60.07	12.98	57.08	9.21	37.43	8.15	55.48	7.00	46.86
Net Operating Cash flow per Share (BDT)	1.38	6.49	5.15	8.21	3.41	6.50	3.49	6.08	2.53	9.08
Earnings per Share (BDT)	1.53	9.06	5.25	7.52	1.39	7.93	3.64	5.65	1.27	4.08

Let me now take you all over to the risks we face. The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to Credit risk, Liquidity risk, Market risk, Currency risk, Interest-rate risk etc. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

Future Plan:

Your company is now set to enhance operational excellence by installing modern and sophisticated technologies which will certainly rich its core competence. We are now also focused in the trading of veterinary products.

Your company is also determined to position itselve better in the local market as well as the export-market. We have formed new strategies to explore new markets and generate revenue from there.

The management is also focused about not letting the next financial year; i.e. 2018-19's political turmoil due to the national election, upset the business of our company. The management is taking proactive measures so that the political instability does not have any negative impact on the performance of the company.

Thank you,

Sd/-

Salman Obaidul Karim
Chief Executive Officer

DIRECTORS' REPORT

For the year ended June 30, 2018

Dear Shareholders,

The Board of Directors of Orion Infusion Limited takes immense pleasure to present the 35th Annual Report of the company to our valued shareholders. The report is composed of Auditors' Report, Directors' Report, Audited Financial Statements & Auditors' Report and several information about the company for the year ended June 30, 2018. 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

In Bangladesh Pharmaceutical sector is one of the most developed hi-tech sector which is contributing in the country's economy. The professional knowledge, thoughts and innovative ideas of the professionals working in this sector are the key factors for this development. Due to recent development of this sector Bangladesh is exporting medicines to global market including European market. This sector is also providing 97% of the total medicine requirement of the local market.

Bangladesh Pharmaceutical Industry is now heading towards self-sufficiency in meeting the local demand. There are about 3,534 generics registered in Bangladesh. During the last two decades the pharmaceutical industry of Bangladesh has been taken a newer height. Besides meeting the need of local demand Bangladesh has exported the medicines to 107 countries during 2016-17.

Last five years market scenario of the pharmaceutical industry of Bangladesh is as follows:

Year	Market Size (BDT in millon)	Growth (%)
2014	111,160	10.67 %
2015	121,900	9.67 %
2016	168,580	38.29 %
2017	183,830	29.23%
2018	198,610	8.04%

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, 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.

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, 2017 to June 30, 2018. Here, the Board of Directors is reporting the highlighted part of the financial results of the company for the above mentioned period:

Ammount in BDT

Particulars	2017-18	2016-17
Net Sales Revenue	753,762,724	679,915,032
Cost of Goods Sold	(449,734,871)	(406,844,237)
Gross Profit	304,027,853	273,070,795
Operating Profit	85,968,630	88,496,934
Net Profit (BT)	41,256,333	38,413,885
Net Profit (AT)	33,044,911	31,110,152
Earnings per Share	1.62	1.53

The company recorded 10.86% addition in Net Sales Revenue during the financial year 2017-18 over the previous year. Also Gross Profit has been increased by 11.34% against last year and Operating Profit decreased by 2.86% compared to last year. The Net Profit after Tax of the company experienced 6.22% improvement in growth during the year over the previous year.

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 decreased slightly to 59.67% from 59.84% over last year. Details on cost of goods sold is discussed below:

COGS	Amount in BDT		% of Total COGS	
	2017-18	2016-17	2017-18	2016-17
Raw Materials	122,666,808	88,267,354	27.27	21.70
Packing Materials	216,171,552	208,885,956	48.07	51.34
Factory Overhead	123,258,294	102,103,035	27.41	25.10
Manufacturing Cost	**462,096,654**	**399,256,345**	**102.75**	**98.13**
WIP (Opening-Closing)	(2,739,597)	3,107,857	(0.61)	0.76
FG (Opening-Closing)	(4,578,152)	9,152,974	(1.02)	2.25
Cost of Physician Sample	(5,044,034)	(4,672,940)	(1.12)	(1.15)
Cost of Goods Sold	**449,734,871**	**406,844,237**	**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	2017-18	2016-17
Building	87,800	-
Plant and Machinery	3,502,487	4,431,965
Furniture & Fixture	230,000	849,070
Office Equipment	1,746,526	1,097,499
Vehicles	2,010,750	5,816,000
Total	**7,577,562**	**12,194,534**

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. Related party transactions, when undertaken, are carried out on an arm's length basis without any special benefit to the related party. 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 of the audited financial statements as per IAS/IFRS.

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.

Production Capacity

The output of Intravenous Fluids and Injections from our manufacturing plant has increased significantly by 14.06% during the year over the previous year as detailed below:

Unit in Million

Production Capacity		Actual Production	
2017-18	2016-17	2017-18	2016-17
10.38	12.00	9.98	8.75

Explanation about Significant Variance between Quarterly and Annual Financial Statements

Significant variation has occurred between the quarterly and annual financial statements of the company during the reporting financial year. The reason behind this variance is the increase of sales - export sales and introduction of trading of veterinary products in last quarter.

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.

Corporate and Financial Reporting

The Directors are pleased to conform to 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.
- Books of accounts have been maintained properly as required by the law.
- Appropriate accounting policies have been consistently applied in formulating the financial statements and accounting estimates were reasonable and prudent.
- The financial statements were prepared in accordance with International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), as applicable in Bangladesh.
- Internal control system is sound in design and implemented and monitored effectively.

- Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- Key operating and financial data of preceding five years have been included in the report.
- No Bonus share or stock dividend has been or shall be declared as interim dividend.

Significant Deviation from the Operating Results of Last Year

There is no significant deviation from the operating results of last year.

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.

Directors Proposed for appointment and Re-appointment

With regard to the appointment, retirement and re-appointment of Directors, the company is governed by its Articles of Association, the companies Act 1994 and other related legislations. 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, **Mr. Mohammad Obaidul Karim, Chairman and Mrs. Arzuda 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.

This is further to inform here that Mr. Golam Mohiuddin, the Independent Director, has completed his second tenure in the year 2018 with great success and now, among the shortlisted candidates considering their qualification, skills, experience, expertise, positive attributes, the Board of Directors has recommended to appoint **Mr. Md. Shafiqur Rahman,** in compliance with the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 imposed by BSEC, subject to the approval of the shareholders in this AGM.

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, 2018, will retire at the conclusion of the ensuing Annual General Meeting.

Based on condition 2(2)(3) of BSEC Notification No.SEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018, an audit firm cannot be engaged for more than three consecutive years as statutory auditors of the same company. M/S Khan Wahab Shafique Rahman & Co. has been holding the office of statutory auditors of the company for last three consecutive financial years.

In compliance with said BSEC Notification, the company requires to appoint new statutory auditors for the upcoming financial year. After scrutinizing the firms' profile and necessary expertise, the Board has recommended **M/S Fames & R, Chartered Accountants,** to be appointed as statutory auditors of OIL for the year 2018-2019 and to continue till the next AGM, subject to the approval of the shareholders in the upcoming AGM.

Appointment of Compliance Auditors

In compliance with the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, a listed company requires to appoint Compliance Auditors on the newly published Corporate Governance Code and collect the Compliance Report thereon, who shall be appointed by the shareholders in the AGM. However, ARTISAN, Chartered Accountants, has been appointed as the Compliance Auditors for the financial year under report and their report has been published in 'Annexure to the Directors' Report' in details. Considering the conditions imposed by the Code and necessary expertise, the Board has recommended to appoint **ARTISAN, Chartered Accountants,** as the Corporate Governance Compliance Auditors for the financial year to be ended on June 30, 2019, subject to the approval of the 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 2017-18 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 till October 31, 2018	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'

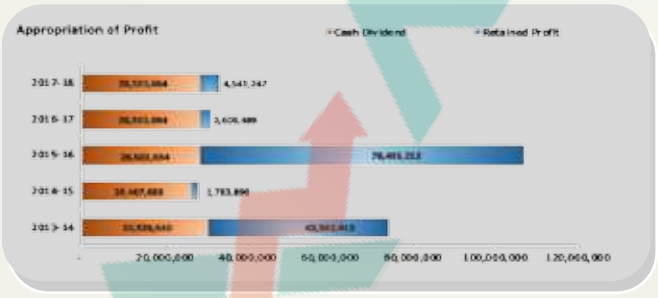
Appropriations of Profit

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 (2017-18)	33,044,911
Less: Appropriation proposed:	
Cash Dividend @ 14%	(28,503,664)
Transfer to retained earnings	4,541,247

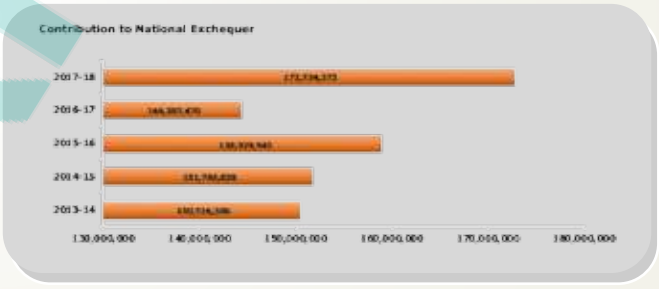
Declaration of Dividend

After approval of the above mentioned proposed cash dividend of 14% i.e BDT 1.40 per share for the year 2017-18, 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 22, 2018.



Contribution to National Exchequer

During the year, the company has contributed amounting to BDT 172,734,373 including the VAT, tax, import duty, Supplementary duty and others compared to BDT 144,387,470 in previous year. The contribution constitutes 22.92% of the net revenue.



Status of Compliance

Orion Infusion Limited has been committed to maintain 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/2006-158/207/Admin/80 dated June 03, 2018 and Notification No. 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 2017-18. Further, a Certificate of Compliance required under the said Guidelines, as provided by ARTISAN, Chartered Accountants, is also annexed to this report.

Business Outlook

The year 2017-2018 was relatively a good one compared to the previous financial year for Orion Infusion Limited as we were 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 higher than previous one. As we already said, 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 Limited 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

Annexure - I

SHAREHOLDING POSITION

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 till October 31, 2018	-	-
iii. Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and Compliance and their Spouses and Minor Children:			
Orion Pharma Limited			
R/B 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. Abdus Salam	Head of Internal Audit & Compliance	-	-
iv. Executives:			
Mr. Md. Arif Hossain	SVP, Marketing Operations & Commercial	-	-
Mr. Binoy Krishna Barai	SVP, Plant	-	-
Mr. Md. Faisal R Ferdous	VP, HR	-	-
Mr. Md. Harun- Or- Rashid	AVP, Sales	-	-
Ms. Monowara Khatoon	AVP, Accounts	-	-
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	13	28,500	0.14
Institutional	176	5,297,660	26.02
General Public	4,926	6,765,200	33.23
Total	**5,119**	**20,359,760**	**100.00**

Annexure - II

COMPLIANCE REPORT

Notification No.BSEC/CMRRCD/2006 158/207/Admin/80 dated June 03, 2018

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 reporting date which complies with the requirements by the regulations of BSEC.

1.2 Independent Director (ID):

i. In order to conform to the condition of the minimum number of Independent Director which is at least one fifth of the total number of Directors, the Board of Directors, as empowered by the Regulations, recommeded Mr. Md. Shafiqur Rahman as the new Independent Director of OIL.

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

iii. The appointment of proposed Independent Director, Mr. Md. Shafiqur Rahman will be approved by the shareholders in the ensuing Annual General Meeting (AGM).

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

v. The Board of OIL has proposed the appointment of Mr. Md. Shafiqur Rahman as new Independent Director for 3 (three) years with subject to the approval of Shareholders in the upcoming Annual General Meeting.

1.3 Qualification of Independent Director:

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

ii. The requirements for the qualification of ID as prescribed under the sub clause (b) of BSEC Notification under reference have been fulfilled.

iii. The Independent Director has more than ten years of experience in his field.

iv. No relaxation of the qualification of ID is required.

1.4 Chairman of the Board and Chief Executive Officer (CEO):

The positions of the Chairman and the Managing Director of the company are filled by different individuals. Mr. Mohammad Obaidul Karim, non-executive director, is the Chairman and Mr. Salman Obaidul Karim is the Managing Director as well as the Chief Executive Officer of the company. Mr. Salman Obaidul Karim is also the Managing Director of another listed company, Orion Pharma Limited. In this regard, the management has taken permission from the Government (Ministry of Commerce) to appoint Mr. Salman Obaidul Karim as the common Managing Director of various concerns of Orion Group including Orion pharma Limited and Orion Infusion Limited. However, their roles and responsibilities have been defined clearly. In addition to this the Chairman was not absent from any board meeting held during the year under review.

1.5 The Directors' Report to Shareholders:

All the requirements have been fulfilled and disclosed properly.

1.6 Meetings of the Board of Directors:

Regarding the conduct of board meeting and the maintenance of record of the minutes of meetings, BSEC's requirements under this section have been properly complied with.

1.7 Code of Conduct for the Chairman, other Board Members and Chief Executive Officer:

In Compliance with the new Corporate Governance Code imposed by BSEC, the existing code of conduct for the Board members including the Chairman and the Managing Director/Chief Executive Officer of the company is under review of the newly formed Nomination & Remuneration Committee to conform to the above mentioned Corporate Governance Code. After finalizing of the said code of conduct, the same shall be posted on the website of the company.

2. Governance of Board of Directors of Subsidiary Company:

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

3. Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):

3.1 Appointment:

The following four different persons have been appointed for the post of MD, CFO, HIAC and CS:

Managing Director or Chief Executive Officer:
Mr. Salman Obaidul Karim

Chief Financial Officer:
Mr. Samaresh Banik

Head of Internal Audit and Compliance:
Mr. Md. Abdus Salam

Company Secretary:
Mr. Md. Ferdous Jaman

Note: In compliance with the new Corporate Governance Code imposed by BSEC, Mr. Md. Ferdous Jaman and Mr. Samaresh Banik will be replaced by new individuals in the position of Company Secretary and Chief Financial Officer respectively within December 31, 2018 as they are holding the same position in another listed company.

Their roles and responsibilities have been defined clearly. Regarding their removal from their respective position, appropriate actions will be taken as per the requirements of Corporate Governance Code.

3.2 Attendance at the Meeting of BOD:

The MD or CEO, CFO and CS regularly attended the Board meeting held during the reporting financial year. However, the HIAC will attend the Board meeting to be held in the next financial year as required by the new Corporate Governance Code.

3.3 Duties of MD or CEO and 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 V of this Annual Report.

4. Board's Committee:

The Board has established Audit Committee and Nomination & Remuneration Committee as the sub-committees of the Board for maintaining better governance in the company.

5. 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.

5.1 Responsibility to the BOD:

The Board has constituted an Audit Committee as a sub-committee of the Board in order to assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs and in ensuring a good monitoring system within the business. They are accountable to the board for their duties and responsibilities.

5.2 Constitution of the Audit Committee:

The Audit Committee comprises of 3 (three) members (Non-executive Director) 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. Also the quorum of the committee did not constitute without at least one Independent Director.

5.3 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.

5.4 Meeting of the Audit Committee:

The quorum of the Audit Committee meeting is constituted in presence of either two members or two third of the members of the committee, whichever is higher, where presence of an Independent Director is must. During the reporting period, the committee met five times in order to carry out its duties and responsibilities.

5.5 Role of Audit Committee:

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

5.6 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.

5.7 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.

6. Nomination and Remuneration Committee:

6.1 Responsibility to the BOD:

The Board has recently constituted a Nomination and Remuneration Committee as a sub-committee of the Board in order to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives as well as a policy for formal process of considering their remuneration.

6.2 Constitution of the NRC:

The Committee comprises of 3 (three) members, non-executive directors, including 1 (one) Independent Director. The Company Secretary acts as the Secretary of the committee.

Also the quorum of the committee does not constitute without attendance of at least one Independent Director. The members of the committee are not entitled to receive any remuneration for any advisory or consultancy role.

AMARSTOCK

6.3 Chairman of the NRC:

Mr. Md. Shafiqur Rahman, Independent Director of the company, has been appointed as the Chairman of the NRC. He will also attend the Annual General Meeting following the BSEC guidelines.

6.4 Meeting of the NRC:

The quorum of the NRC meeting is constituted in presence of either two members or two third of the members of the committee, whichever is higher, where presence of an Independent Directors is must. No meeting was held during the reporting period since the committee has been formed after the end of financial year.

6.5 Role of NRC:

The committee is accountable to the Board and to the shareholders for its activities and has the responsibilities according to the guidelines given by BSEC.

7. External Statutory Auditors:

The Board has recommended the Statutory Auditors of OIL and the Statutory Auditors has been appointed by the shareholders at the AGM following the BSEC guidelines strictly. The statutory auditors were not involved in the services mentioned under clause 7 of the Corporate Governance Code imposed by BSEC. Furthermore, no partner or employees or their family members does not hold any shares in the company particularly during the tenure of their audit assignment and representative of the external auditors will be present in the AGM to answer the queries of the shareholders.

8. Maintaining a Website by the Company:

The company has its official website linked with the website of both the stock exchanges. It is the responsibility of the company to keep the website up to date and functional and make available the detailed disclosures as required under the listing regulations.

9. 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 which has been disclosed in Annexure VII of this report. Approval for the appointment of the professional to provide compliance certificate on corporate governance code for the financial year 2018-19 will be obtained in the ensuing AGM.



Annexure - III

AUDIT COMMITTEE REPORT

on its activities

Dear Shareholders,

It is a pleasure on the part of the Audit Committee to introduce this report, which the committee hopes to be a useful insight into the work of the Audit Committee and the issues it considered 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/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No 5.

Constitution and Assistance of the Audit Committee to the Board:

The Audit Committee of Orion Infusion Limited was formed as a sub-committee of Board as per the terms of reference approved by the Board in accordance with the notification of BSEC. The Audit Committee's function is to support and assist the board in fulfilling its oversight responsibilities in areas such as the integrity of financial reporting, the effectiveness of the risk management and internal control system and related governance and compliance matters. The Audit Committee consisted of the following members:

Secretary: Mr. Md. Ferdous Jaman

Sl. No.	Members	Status with the Committee	Status with the Board
1	Mr. Md. Shafiqur Rahman	Chairman since October 31 2018	Independent Director since October 31 2018
	Mr. Golam Mohiuddin	Chairman till October 31 2018	Independent Director till October 31 2018
2	Mrs. Zareen Karim	Member since August 29, 2018	Director
	Mr. Salman Obaidul Karim	Member till August 29, 2018	Managing Director
3	Mrs. Arzuda Karim	Member	Director

The committee was reconstituted due to the compliance issues with the revised Corporate Governance Guidelines. As per the new guidelines, all the members of the committee need to be the Non-Executive Directors. As Mr. Salman Obaidul Karim, the Managing Director, is the Executive Director of the company, he was replaced by Mrs. Zareen Karim., one of the Non-Executive Directors of Orion Infusion Limited. The Board at its meeting held on August 29, 2018 has approved this change. Since Mrs. Zareen Karim has become the member of Audit Committee after the reporting financial year, she did not attend any meeting held during the year 2017-18.

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

Mr. Md. Shafiqur Rahman stood as the Chairman of the Audit Committee. He will attend 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.

The Audit Committee met five (5) times during the financial year 2017-18 and the attendance of the members and secretary of committee is as below:

Members	Status	Meetings attended
Mr. Golam Mohiuddin	Chairman till October 31, 2018	5/5
Mr. Salman Obaidul Karim	Member till August 29, 2018	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:

1. Reviewing the quarterly, half yearly and annual financial statements of the company and upon satisfaction of the review, recommending them to the Board for approval.
2. Monitoring and reviewing the integrity of the financial reporting process ensuring compliance to the accounting policies and principles, internal control risk management process.

3. Ensuring the adequacy of internal audit and compliance function and considering the major findings of the internal audit and compliance report.
4. 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.
5. Reviewing statement of significant related party transactions submitted by management.
6. Recommending to the Board the appointment, re-appointment or removal of external auditors and overseeing their performance as well.
7. Holding meeting with external auditors for review of the annual financial statements before submission to the Board for approval.
8. Reviewing the management's discussion and analysis before disclosing in the annual report.
9. Monitoring and overseeing the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit.

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 2017-18, 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 2017-18 having significant material impact on company's financial statements which needed to be disclosed to the Board or the Regulatory Authorities. It presented here in its report for the shareholders and other interested parties prepared for the financial year ended June 30, 2018.

Report from the Audit Committee

Dated: November 04, 2018

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, 2018.

Dear Sirs:

In terms of the condition No. 5.7 conferred by the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 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 did not find any statement of significant re-current related party transactions entered into by the company throughout the year under report.

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.

The committee also monitored the hiring, determination of audit fees and performance of the external auditors as well as held meeting with external auditors for review of the annual financial statements before submitting to the Board.

M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants were the External Auditors of Orion Infusion Limited for last three years and as per BSEC order, an audit firm cannot be engaged for more than three consecutive years as statutory auditors of the same company. Considering the Situation, the Audit Committee has reviewed a number of Expression of Interest (EOI) of audit firms. Considering the experience and eligibility as appeared most appropriate and proficient to perform the external audit, the Audit Committee has recommended M/S Fames & R., Chartered Accountants, to be appointed as the new Statutory Auditors of the company for the upcoming financial year.

On behalf of the Committee

Sd/-
Md. Shafiqur Rahman
Chairman

Annexure - IV

NOMINATION & REMUNERATION COMMITTEE REPORT

on its activities

Dear Shareholders,

It is a pleasure on the part of the Nomination and Remuneration Committee to introduce this report by taking into account of the Guidance on Nomination and Remuneration Committee by the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No 6.

Constitution and Assistance of the Audit Committee to the Board:

The Nomination and Remuneration Committee of Orion Infusion Limited has recently been formed as a sub-committee of Board as per the terms of reference approved by the Board in accordance with the notification of BSEC. The committee's function is to support and assist the board in fulfilling its oversight responsibilities in areas such as formulating nomination and remuneration criteria for directors and top level executives. The NRC Committee consisted of the following members:

Sl. No.	Members	Status with the Committee	Status with the Board
1	Mr. Md. Shafiqur Rahman	Chairman	Independent Director
2	Mr. Zareen Karim	Member	Director
3	Mrs. Arzuda Karim	Member	Director

Secretary: Mr. Md. Ferdous Jaman

The committee was constituted as per the new Corporate Governance code. As per the new guidelines, all the members of the committee need to be the Non-Executive Directors. Therefore Mr. Md. Shafiqur Rahman , Mrs. Arzuda Karim and Mrs. Zareen Karim have been appointed as the members of this committee. The Board at its meeting held on August 29, 2018 has approved this committee.

Mr. Md. Shafiqur Rahman stood as the Chairman of the committee. The committee has been formed after the end of the reporting financial year. However, the Chairman of NRC will attend the ensuing 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 NRC Committee has been established after the end of the reporting financial year. As a result, no meeting was held during the financial year 2017-18.

Scope of Work of NRC:

The committee is entrusted with the responsibility to oversee, among others, the following matters and make report with recommendation to the Board:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
   - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
   - the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   - remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
2. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
3. Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
4. Formulating the criteria for evaluation of performance of independent directors and the Board;
5. Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
6. Developing, recommending and reviewing annually the company's human resources and training policies.

The committee has already started working on the formulation of nomination and remuneration criteria for the directors and the top level executives. In addition, the committee is currently involved in setting criteria for the selection, transfer, replacement, promotion and the development of human resources at various levels. Therefore, the nomination and remuneration policy will be disclosed after finalizing the policies in the next financial year's annual report.

Annexure - V

CEO AND CFO REPORT

to the board

Orion Infusion Limited
Declaration by CEO and CFO

Date: November 04, 2018

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

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

Dear Sirs:

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

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

In this regard, we also certify that: -

(i) We have reviewed the financial statements for the year ended June 30, 2018 and that to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(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 in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Sd/-
Salman Obaidul Karim
Chief Executive Officer (CEO)

Sd/-
Samaresh Banik
Chief Financial Officer (CFO)

AMARSTOCK

Annexure - VI

COMPLIANCE REPORT

on International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs)

IAS No.	IAS 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	Applied
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 with some departure
23	Borrowing Costs	N/A
24	Related Party Disclosures	Applied
26	Accounting and Reporting by Retirement Benefit Plans	Applied with some departure
27	Separate Financial Statements	N/A
28	Investment in Associates & Joint Ventures	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	Applied
37	Provisions, Contingent Liabilities and Contingent Assets	Applied
38	Intangible Assets	N/A
39	Financial Instruments: Recognition and Measurement	Applied
40	Investment Property	N/A
41	Agriculture	N/A

IFRS No.	IFRS 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	Applied with some departure
08	Operating Segments	N/A
09	Financial Instruments	N/A
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
16	Lease	N/A
17	Insurance Contracts	N/A

AMAR STOCK

Annexure - VII

CERTIFICATION

ON COMPLIANCE OF CORPORATE GOVERNANCE CODE

ARTISAN
Chartered Accountants

Ref: *Date :* .....

REPORT TO THE SHAREHOLDERS
OF
ORION INFUSION LIMITED
ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code **ORION INFUSION LIMITED** for the year ended on 80th June, 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except the condition No 3(1)(c) excluding the position of the Head of Internal Audit and Compliance (HIAC) of the company.
b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
d) The Governance of the company is satisfactory.

Place: Dhaka
Dated: 12th November, 2018

Md. Selim Reza FCA FCS
Partner
ARTISAN-Chartered Accountants

ARTISAN Dhaka Chartered Accountants

BSEC Bhaban (Level 10), 102, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215.
Phone : 8189883-7, 8180183-6, Fax : 8180187, E-mail : info@artisan-ca.com, Web: www.artisan-ca.com

Annexure - VIII

CHECKLIST

ON COMPLIANCE OF CORPORATE GOVERNANCE CODE

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1.	**BOARD OF DIRECTORS (BOD):**			
1.1	**Board's Size:** [The total number of members of a Company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)].	√		The Board of Orion Infusion Limited is comprised of 5 (Five) Directors.
1.2	**Independent Directors:**			
1.2(a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	√		Orion Infusion Limited. Board comprised of 05 (Five) Directors out of them 01 (One) is Independent Director.
1.2(b)	Independent Director means a director			The Independent Director has declared his compliances.
1.2(b) (i)	Who either does not hold any share in the Company or holds not less than one percent (1%) shares of the total paid-up shares of the Company	√		
1.2(b) (ii)	Who is not a sponsor of the Company 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(b) (iii)	Who has not been executive of the Company in immediately preceding 2 (two) financial years.	√		
1.2(b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associated companies	√		
1.2(b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate)holder director or officer of any stock exchange	√		
1.2(b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	√		
1.2(b) (vii)	Who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code	√		
1.2(b) (viii)	Who shall not independent director in more than 5 (Five) listed companies	√		
1.2(b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or advance to a bank or Non-Bank Financial Institution (NBFI)	√		
1.2(b) (x)	Who has not been convicted for a criminal offence involving moral turpitude	√		
1.2 (c)	Independent Director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM)	√		Mr.Md. Shafiqur Rahman was appointed by the Board on 31.10.2018 which will be approved in the next AGM.
1.2 (d)	The post of Independent director(s) cannot remain vacant for more than 90 (ninety) days	√		There was no vacancy in the position of Independent Director during the period.

1.2 (e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:	√		The BOD has recommended Mr. Md. Shafiqur Rahman to be appointed as the new Independent Director as Mr. Golam Mohiuddin is going to complete his tenure of consecutive 2 terms (6 years) successfully in the upcoming AGM.
1.3	**Qualification of Independent Director (ID)**			
1.3(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws regulatory requirements and corporate laws and can make meaningful contribution to business.	√		The qualification and background of Independent Director justify his ability as such.
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted Company having minimum paid-up capital of Tk.100.00 million or any listed Company or a member of any national or international chamber of commerce or business association.		N/A	
1.3(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Chief Financial Officer or Head of Finance Or Accounts or Company Secretary or Head of internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid up capital of TK 100.00 million or of a listed Company.	√		The Independent Director is a Corporate Leader and have knowledge on Business, economics, finance etc. possessing more than 40 (Forty) years of experience.
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, Who has at least educational background of bachelor degree in economics or commerce or business or Law.	N/A		N/A
1.3(b)(iv)	University teacher who has educational background in Economics or Commerce or Business Studies or Law.	N/A		N/A
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	N/A		N/A
1.3(c)	The independent director shall have at least 10 (ten) years of experience in any filed mentioned in clause (b)	√		Do
1.3(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the Commission.	N/A		No such situation has occurred
1.4	**Duality of Chairperson of the Board of Directors and Managing Directors or Chief Executive Officer :-**			
1.4(a)	The position of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the Company shall be filled by different individuals.	√		Chairperson of the Board and CEO are different individuals.
1.4(b)	The managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company.	√		Attained permission of Ministry of Commerce for common Group MD.
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company.	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and /or Chief Executive Officer.	√		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive	√		Do

	directors as Chairperson for that particular Boards meeting the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			
1.5	**The Directors' Report to Shareholders**			
1.5(i)	Industry outlook & possible future development in the industry	√		The Directors' Report complies with the guidelines.
1.5(ii)	Segment- wise or product- wise performance	√		Do
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any.	√		Do
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit and Net Profit Margin and Net profit Margin, Where applicable	√		Do
1.5(v)	Discussion on continuity of any Extra-Ordinary activities and their implication (gain or loss)	√		Do
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Do
1.5(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	N/A		N/A
1.5(viii)	An explanation if the financial results deteriorate after the Company goes for IPO, RPO, Rights offer, Direct listing etc.	N/A		N/A
1.5(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		DO
1.5(x)	A statement of Remuneration paid to directors including independent directors	√		DO
1.5(xi)	A statement that The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		Do
1.5(xii)	Proper books of accounts have been maintained	√		Do
1.5(xiii)	A statement that 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	√		Do
1.5(xiv)	IAS/IFRS, as applicable in Bangladesh, have been followed and adequate disclosure for any departure	√		Do
1.5(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√		Do
1.5(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		Do
1.5(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		Do
1.5(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	√		Do
1.5(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		Do
1.5(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year	N/A		14% cash dividend has been recommended by the BOD
1.5(xxi)	Board's statement to the effect that no bonus share or stock	N/A		N/A

	dividend has been or shall be declared as interim dividend			
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	√		05 (Five) meetings held during the year
1.5(xxiii)	**Pattern of shareholding and name wise details (disclosing aggregate number of shares):**			
1.5(xxiii) (a)	Parent/Subsidiary/Associated Companies and other related parties (Name wise details)	√		Annexure-I
1.5(xxiii) (b)	Directors, Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and their spouses and minor children (Name wise details)	√		Do
1.5(xxiii) (c)	Executives	√		Do
1.5(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the Company (Name wise details)	√		Orion Pharma Limited is holding 21.76% or more voting interest represented by Mr. Salman Obaidul Karim
1.5 (xxiv)	**In case of appointment/re-appointment of a Director, disclose:**			
1.5(xxiv)(a)	A brief resume of the Director	√		
1.5(xxiv)(b)	Nature of his /her expertise in specific functional areas	√		
1.5(xxiv)(c)	Name of companies in which the person also holds the directorship and the membership of committees of that Board.	√		
1.5(xxv)	**Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	**N/A**		
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company	√		
1.5(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof i.e., actual position shall be explained to the shareholders in the next AGM	√		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per **Annexure-A**	√		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per **Annexure-B** and **Annexure-C**.	√		
1.6	**Meetings of the Board of Directors.** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		

1.7	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1.7(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the Company	√		Under review of NRC
1.7(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		The Code of Conduct for the BOD is under review of the NRC which will be published in the website after necessary review and approval.
2	**Governance of Board of Directors of Subsidiary Company.**			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company	N/A		Orion Infusion Limited does not have any subsidiary Company
2(b)	At least 1 (one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company	N/A		Do
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company	N/A		Do
2(d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also.	N/A		Do
2 (e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.	N/A		Do
3.	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).**			
3.1	**Appointment**			
3.1(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		In Practice
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		In Practice
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time	√		In progress
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		In Practice
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√		In Practice
3.2	**Requirement to attend Board of Directors' Meetings**			
3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3.3(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief.	√		
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
3.3(a)(ii)	These statements together present a true and fair view of the	√		

	Company's affairs and are in compliance with existing accounting standards and applicable laws			
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	√		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee.**			
4.i	Audit Committee	√		In Practice
4.ii	Nomination and Remuneration Committee.	√		In Practice
5	**AUDIT COMMITTEE:**			
5(i)	Responsibility to the Board of Directors	√		In Practice
5.1(a)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors	√		In Practice
5.1(b)	The Audit Committee shall assist the BOD 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	√		In Practice
5.1(c)	The Audit Committee shall responsible to the BOD. The duties of the Audit Committee shall be clearly set forth in writing	√		In Practice
5.2	**Constitution of the Audit Committee**	√		
5.2(a)	The Audit Committee shall be composed of at least 3 (three) members	√		The Audit Committee is composed with 3 (Three) members.
5.2(b)	The BOD shall appoint members of the Audit Committee who shall be directors of the Company and shall include at least 1 (one) independent director.	√		The members of the Audit Committee are appointed by the Board who are Directors and which includes 1 (one) Independent Director.
5.2(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	√		
5.2(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	N/A		No such situation has occurred during this financial year
5.2(e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		In Practice
5.2(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	√		In Practice
5.3	**Chairperson of the Audit Committee**			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	√		Mr. Md. Shafiqur Rahman, Independent Director, is the Chairman of the Audit Committee.
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under	√		No such situation has occurred during this financial year

	condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes			
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		In Practice
5.4	**Meeting of the Audit Committee**			
5.4(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		In Practice
5.4(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	√		In Practice
5.5	**Role of Audit Committee**			
5.5(a)	Oversee the financial reporting process	√		In Practice
5.5(b)	Monitor choice of accounting policies and principles	√		In Practice
5.5(c)	Monitor Internal Control Risk management process	√		In Practice
5.5(d)	Oversee hiring and performance of external auditors	√		In Practice
5.5(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		In Practice
5.5(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		In Practice
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		In Practice
5.5(h)	Review the adequacy of internal audit function;	√		In Practice
5.5(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		In Practice
5.5(j)	Review statement of all related party transactions submitted by the management;	√		In Practice
5.5(k)	Review Management Letters or Letter of Internal Control Weakness issued by statutory auditors.	√		In Practice
5.5(L)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		In Practice
5.5(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	N/A		
5.6	**Reporting of the Audit Committee**	√		In Practice
5.6.(a)	**Reporting to the Board of Directors**	√		In Practice
5.6 (a) (i)	The Audit Committee shall report on its activities to the Board	√		In Practice
5.6 (a) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any	√		In Practice
5.6 (a) (ii)(a)	Report on conflicts of interests	√		In Practice
5.6 (a) (ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements	**N/A**		No such event occurred during the reporting period

5.6 (a) (ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	**N/A**		No such event occurred during the reporting period
5.6 (a) (ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	√		In Practice
5.6.(b)	**Reporting to the Authorities**	√		In Practice
5.7	**Reporting to the Shareholders and General Investors**	√		In Practice
6	**Nomination and Remuneration Committee (NRC)**			
6.a	**Responsibility to the Board of Directors**	√		In Practice
6.1(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		In Practice
6.1(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive	√		In Practice
6.1(c)	The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		In Practice
6.2	**Constitution of the NRC**	√		In Practice
6.2(a)	The Committee shall comprise of at least three members including an independent director	√		The NRC is composed with 3 (Three) members.
6.2(b)	All members of the Committee shall be non-executive directors	√		All members of the NRC are non-executive Director.
6.2(c)	Members of the Committee shall be nominated and appointed by the Board	√		The members of the NRC are appointed by the Board who are Directors and which includes 1 (one) Independent Director.
6.2(d)	The Board shall have authority to remove and appoint any member of the Committee	√		In Practice
6.2(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee	√		No such situation has occurred during this financial year
6.2(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee	√		In Practice
6.2(g)	The Company Secretary shall act as the secretary of the Committee	√		In Practice
6.2(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	√		No such situation has occurred during this financial year
6.2(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company	√		Do
6.3	**Chairperson of the NRC**			
6.3(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	√		Mr.Md. Shafiqur Rahman, Independent Director is the Chairman of the NRC Committee.
6.3(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that	√		In Practice

	particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes			
6.3(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	√		The Chairperson of the NRC shall attend the upcoming Annual General Meeting (AGM)
6.4	**Meeting of the NRC**			
6.4(a)	The NRC shall conduct at least one meeting in a financial year	√		NRC was formed after the reporting Financial Year and hence, no such meeting held during the reporting year
6.4(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	√		No such event occurred
6.4(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h)	√		In Practice
6.4(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	√		In Practice
6.5	**Role of the NRC**			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	√		
6.5(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	√		NRC was formed after the reporting Financial Year and now working on its scope of work.
6.5(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following	√		Do
6.5(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully			Do
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	√		Do
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals			Do
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	√		Do
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board			Do
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board			Do
6.5(b)(v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria			Do
6.5(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies	√		Do
6.5(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report			Do
7.	**EXTERNAL / STATUTORY AUDITORS:**			
7.1	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company,	√		

	namely			
7.1(i)	Appraisal or valuation services or fairness opinions	√		
7.1(ii)	Financial information systems design and implementation	√		
7.1(iii)	Book-keeping or other services related to the accounting records or financial statements	√		
7.1(iv)	Broker-dealer services	√		
7.1(v)	Actuarial services	√		
7.1(vi)	Internal audit services or special audit services	√		
7.1(vii)	Any service that the Audit Committee determines	√		
7.1(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	√		
7.1(ix)	Any other service that creates conflict of interest	√		
7.2	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members	√		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		
8.	**Maintaining a website by the Company**			
8.1	The Company shall have an official website linked with the website of the stock exchange	√		www.orioninfusion.com linked with DSE and CSE
8.2	The Company shall keep the website functional from the date of listing	√		In Practice
8.3	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		In Practice
9.	**REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:**			
9.1	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		Certificate has been obtained from ARTISAN-Chartered Accountants for the year ended on 30 June 2018 which is published in annual Report.
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		In Practice
9.3	The directors of the Company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	√		In Practice

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for

intravenous therapy

ORION Infusion Ltd.

In Search of Excellence



AUDITORS' REPORT

For the year ended June 30, 2018

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, 2018 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 International Financial Reporting Standards (IFRS), 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 International Standards on Auditing (ISA). 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 give a true and fair view of the financial position of "ORION INFUSION LTD." as at 30th June, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the companies Act, 1994 and The Securities and Exchange 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, 31 October, 2018

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

ORION INFUSION LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

Particulars	Notes	Amount in Taka	
		30.06.2018	30.06.2017
ASSETS			
Non-Current Assets:		**316,283,713**	**333,150,222**
Property, Plant & Equipment	05	293,958,171	308,674,049
Investments	06	22,325,542	24,476,173
Current Assets:		**399,237,424**	**349,417,727**
Inventories	07	101,265,827	65,754,225
Trade and other receivables	08	202,676,686	218,041,545
Advances, Deposits & Prepayments	09	86,137,312	59,182,744
Cash and Cash Equivalents	10	9,157,599	6,439,214
TOTAL ASSETS		**715,521,137**	**682,567,950**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity:		**255,083,168**	**255,831,458**
Share Capital	11	203,597,600	203,597,600
Retained Earnings		(87,848,163)	(93,368,597)
Reserves	12	139,333,731	145,602,454
Non-Current Liabilities:		**9,990,599**	**8,151,617**
Liabilities for lease and other finance	13	4,692,477	4,081,670
Deferred Tax Liabilities	14	5,298,122	4,069,947
Current Liabilities:		**450,447,371**	**418,584,875**
Provision for Current tax	15	36,315,007	26,035,897
Short Term Borrowings	16	340,215,281	323,886,049
Trade and other payables	17	41,365,511	31,873,291
Accrued Expenses	18	32,551,572	36,789,638
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**715,521,137**	**682,567,950**
Net Asset Value (NAV) Per Share of Tk. 10 Each		**12.53**	**12.57**
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.

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

Signed in terms of our report of even date annexed.

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

Date: Dhaka
31 October, 2018

ORION INFUSION LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

Particulars	Notes	Amounts in Taka	
		30.06.2018	30.06.2017
Revenue	20	**753,762,724**	**679,915,032**
Cost of Goods Sold	21	(449,734,871)	(406,844,237)
Gross Profit		**304,027,853**	**273,070,795**
Operating Expenses		**(218,059,223)**	**(184,573,861)**
Administrative Expenses	22	(28,553,191)	(26,062,097)
Selling & Distribution Expenses	23	(189,506,032)	(158,511,764)
Profit from Operation		**85,968,630**	**88,496,934**
Financial Expenses	24	(43,270,789)	(52,055,424)
Non Operating Income	25	621,310	3,893,069
Net Profit from Operation		**43,319,150**	**40,334,579**
Workers' Profit Participation Fund		(2,062,817)	(1,920,694)
Net Profit Before Tax		**41,256,333**	**38,413,885**
Income Tax Expense		**(8,211,423)**	**(7,303,733)**
Current tax	26	(10,279,110)	(9,162,367)
Deferred Tax (Expenses) / Income	14	2,067,687	1,858,634
Net Profit After Tax		**33,044,911**	**31,110,152**
Add: Other Comprehensive Income		**(5,540,077)**	**7,087,720**
Fair value adjustment of marketable securities		(2,244,215)	7,087,720
Deferred Tax income/(expense) on revaluation surplus on PPE	14	(3,295,862)	-
Total Comprehensive Income		**27,504,834**	**38,197,872**
Basic Earning Per Share (EPS)	27	**1.62**	**1.53**

Annexed notes from 1 to 31 an integral part of these financial statements.

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

Signed in terms of our report of even date annexed.

Date: Dhaka
31 October, 2018

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

ORION INFUSION LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE, 2018

Amount in Taka

Particulars	Ordinary Share Capital	Retained Earnings	Reserves	Total
Balance at July 01, 2017	**203,597,600**	**(93,368,597)**	**145,602,454**	**255,831,457**
Fair value adjustment for Sale of marketable securities	-	-	(250,541)	**(250,541)**
Net Profit during the Year	-	33,044,911	-	**33,044,911**
Cash Dividend for the year (2016 -2017)	-	(28,503,664)	-	**(28,503,664)**
Transfer from Reserve to Retained Earnings of excess depreciation on Revaluations.	-	979,187	(979,187)	-
Fair Value Gain/(Loss) on Marketable Securities	-	-	(2,244,215)	**(2,244,215)**
Adjustment for deferred tax on Revaluation Surplus	-	-	(3,295,862)	**(3,295,862)**
Balance at June 30, 2018	**203,597,600**	**(87,848,163)**	**139,333,731**	**255,083,168**

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 July 01, 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 Revaluations.	-	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**
Adjustment for assessment year 2015-2016	-	(6,670,085)	-	**(6,670,085)**
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**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our report of even date annexed.

Date: Dhaka
31 October, 2018

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

ORION INFUSION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE, 2018

Particulars	Amount in Taka	
	2017-2018	2016-2017
Cash Flows from Operating Activities :		
RECEIPTS		
Cash received from Customers	751,187,016	658,075,926
Other Income	621,310	3,893,069
	751,808,326	**661,968,995**
PAYMENTS:		
Cash paid to Suppliers	(455,659,667)	(374,273,416)
Cash paid for Operating Expenses	(234,641,748)	(194,710,008)
Cash paid for Financial Expenses	(43,270,789)	(52,055,424)
Income Tax paid and Deducted at Source	(14,197,421)	(12,879,285)
	(747,769,626)	**(633,918,133)**
Net Cash Received by/(Used in) Operating Activities	**4,038,700**	**28,050,862**
Cash Flows from Investing Activities :		
Acquisition of Property, Plant & Equipments & Other Assets	(7,577,562)	(12,194,534)
Investment	156,958	44,247,886
Net Cash Received by/(Used in) Investment Activities	**(7,420,605)**	**32,053,352**
Cash Flows from Financing Activities :		
Received/(Paid) against Liability for Other Finance	18,551,374	(30,144,938)
Dividend Paid	(28,780,314)	(27,615,929)
Bank Loans Received/(Repaid)	16,329,232	(6,680,307)
Net Cash Received by/(Used in) Financing Activities	**6,100,291**	**(64,441,174)**
Net Increase /(Decrease) in Cash & Cash Equivalents	**2,718,387**	**(4,336,959)**
Cash & Cash Equivalents at the beginning of the year	6,439,214	10,776,173
Cash & Cash Equivalents at the End of the Year	**9,157,599**	**6,439,214**
Net Operating Cash Flow Per Share of Tk. 10 Each	**0.20**	**1.38**
Number of Shares used to compute NOCFPS	**20,359,760**	**20,359,760**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our report of even date annexed.

Date: Dhaka
31 October, 2018

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

ORION INFUSION LIMITED

Notes, comprising a summary of significant accounting policies
And other explanatory information
As at and for the year ended 30 June 2018

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- Narayngani, Bangladesh.

The Company was listed with Dhaka Stock Exchange Limited (DSE) on 05 October 1994 and Chittagong Stock Exchange Limited (CSE) on 22 September 1996.

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 was introduced by Orion Infusion Ltd., which was the first ever manufactured in Bangladesh and this has given 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 International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), 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 IAS-1 "Presentation of Financial Statements", the complete set of financial statements includes the following components-

i. Statement of Financial Position as at 30 June 2018;

ii. Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2018;

iii. Statement of Changes in Equity for the Year Ended 30 June 2018;

iv. Statement of Cash Flows for the Year Ended 30 June 2018; and

v. Notes, comprising a summary of significant accounting policies and other explanatory information for the Year Ended 30 June 2018.

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 the year 2016-2017 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.

Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.06 Reporting Period

The Financial period of the company covers one year from 1 July 2017 to 30 June 2018.

2.07 Use of Estimates and Judgments

The preparation of financial statements in conformity with International 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 IAS 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 IAS-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 31st October, 2018 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 International Accounting Standards (IASs).

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 IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, 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 IAS 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 June 2018 was not materially differed than that of the carrying amount of these assets.

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 IAS 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 IAS-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 IAS 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 International Accounting Standard IAS–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 (IAS) 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 are translated 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. There was no gain/(loss) due to changes in foreign currency rates during the period.

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 Labor 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 Associates.	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.

Risks Associated with Financial Instruments

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short term financing. Again it is in the position to negotiate with banks for facilities such as-Cash Credit Hypo, Loan against Trust Receipt, Bank Overdraft etc. Already the company has been availing some of the facilities mentioned above.

Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables.

The company has basic ways to lower the risk of not getting money-

1. Thoroughly check a new customer's credit record

2. Establish credit limits

3. Develop a standard process for handling and monitoring overdue accounts on an ongoing basis.

Goods are sold mostly to Government Institutions on credit. Moreover the company has strong credit recovery team. They constantly monitor the credit and the recovery rate is almost hundred percent with few exceptions.

As at 30 June 2018 all of the trade receivables are due for less than 180 days and subject to insignificant credit risk. Risk exposures from other financial assets i.e. cash at bank and other external receivables are nominal.

Market Risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters. The company is exposed to these as it has no hedging facility against these sorts of risks.

(a) Currency risk

The company is exposed to currency risk on certain purchases since the company imports materials and machineries from abroad, unfavorable volatility of currency fluctuation may affect the profitability of the company.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings.

3.11 Operating Segments

No geographical segment reporting is applicable for the Company as required by IFRS 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 IAS-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 IAS-7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.13 Related Party Disclosures

As per International Accounting Standards IAS-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 Note-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.

3.14.1 Current Tax

Current tax expense has been recognized on the basis of the Finance Act 2018 and Income Tax Ordinance 1984.

3.14.2 Deferred 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 bases 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 does 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

3.15.1 Contingent 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 IAS-37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent asset is disclosed as per IAS-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 IAS-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 have been given in note-29 in the financial statements.

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.

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 has negligible 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.

AMARSTOCK

		Amount in Taka	
		30.06.2018	30.06.2017
05.00	**Property, Plant and Equipment :**		
	A) At Historical Cost		
	Opening Balance (At Cost)	500,085,327	487,890,793
	Add: Addition during the year	7,577,562	12,194,534
	Closing balance (At cost)	**507,662,889**	**500,085,327**
	Less: Depreciation		
	Opening Balance of Depreciation	350,559,100	329,280,827
	Charged during the year	21,314,254	21,278,273
	Accumulated depreciation	**371,873,354**	**350,559,100**
	Written down value as on	**135,789,535**	**149,526,226**
	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	7,833,499	6,854,312
	Charged during the year	979,187	979,187
	Accumulated depreciation	**8,812,686**	**7,833,499**
	Written down value as on	158,168,636	159,147,823
	Total Carrying Value (A+B)	**293,958,171**	**308,674,049**

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 IAS-16 Property, Plant and Equipment".

06.00	**Investment :**			
	Investment in Non-quoted Shares	**Note - 06.01**	16,825,396	16,825,396
	Investment in Marketable Securities	**Note - 06.02**	5,198,528	7,359,915
	Fixed Deposit (FDR), Agrani Bank, WASA Branch		301,619	290,863
			22,325,542	**24,476,173**

The above Investments have been considered as good by Directors.

06.01	**Investment in Non-quoted Shares**		
	ICB Islamic Bank Ltd.	16,825,396	16,825,396
		16,825,396	**16,825,396**

		30.06.2018	
06.02	**Investment in Marketable Securities:**	**Market Value**	**Cost**
	A. Southeast Bank Capital Services Ltd.		
	Islami Bank Bangladesh Ltd.	2,380,000	4,528,494
	Summit Alliance Port Ltd.	1,092,000	1,978,129
	Sub -Total:	**3,472,000**	**6,506,624**

	30.06.2018	
	Market Value	**Cost**
B. Bank Asia Securities Ltd.		
Islami Bank Bangladesh Ltd.	476,000	891,286
Premier Leasing & Finance	224,700	387,450
Shahjibazar Power Co. Ltd.	468,540	818,406
AGNI System Ltd.	557,288	750,750
Sub - Total:	**1,726,528**	**2,847,892**
Grand Total:	**5,198,528**	**9,354,516**

The above investments 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 costs which are their fair value at the transaction date and subsequently these are measured at fair value and presented as non-current asset. Any change in fair value is unrealized gain or (loss) from the above investments are recognized under other comprehensive income.

		Amount in Taka	
		30.06.2018	30.06.2017
07.00	**Inventories:**		
	Raw Materials	22,909,139	17,326,439
	Packing Materials	25,067,452	22,435,687
	Work - in - process	3,792,223	1,052,626
	Finished Goods	13,111,877	8,533,725
	Promotional Materials	4,525,310	3,847,452
	Printing & Stationeries	601,118	822,417
	Goods in Transit	31,258,708	11,735,879
		101,265,827	**65,754,225**
08.00	**Trade and other receivables**		
	Accounts Receivables	148,275,635	145,699,927
	Other Receivables	54,401,051	72,341,618
		202,676,686	**218,041,545**

Receivables Movement During the year:

Opening	Sales	Collection	Closing	Closing
145,699,927	753,762,724	751,187,016	**148,275,635**	**145,699,927**

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	148,275,635	145,699,927
Above 180 days	-	-
	148,275,635	**145,699,927**

I. Accounts Receivable considered good in respect of which the company is fully secured	148,275,635	145,699,927
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	**148,275,635**	**145,699,927**

(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.

			Amount in Taka	
			30.06.2018	30.06.2017
09.00	**Advances, Deposits & Prepayments :**			
	Advances :			
	Travel and Other Advances		782,618	361,404
	Advance paid to Suppliers		2,906,180	1,276,392
	Advance for Office Rent		484,998	161,500
	Motor Cycle Advance		6,601,157	4,465,488
	Advance against C&F		5,699,971	-
	Advance Against Cash Purchase		563,311	569,201
	Advance Income Tax	**Note - 09.01**	47,199,349	33,001,928
		Sub-Total:	**64,237,583**	**39,835,913**
	Deposits :			
	VAT Deposit		2,460,971	895,663
	Security Deposit		14,704,202	13,761,839
	Bank Guarantee		3,415,484	-
	Earnest Money		227,145	167,145
	Collection & Other Advance		1,091,927	4,522,185
		Sub-Total:	**21,899,729**	**19,346,832**
		Grand Total:	**86,137,312**	**59,182,744**

All advances, deposits & prepayments are considered regular and recoverable in the normal courses of business.

09.01	**Advance Income Tax :**		
	Opening Balance	33,001,928	50,063,323
	Income tax paid and TDS during the year	14,197,421	12,879,285
	Adjustment for assessment year 2015-2016	-	(15,006,841)
	Adjustment for assessment year 2016-2017	-	(14,933,839)
	Closing Balance	**47,199,349**	**33,001,928**

10.00	**Cash and Cash Equivalents:**			
	(a) Cash in Hand/Imprest Cash		1,198,127	1,722,425
	(b) Balance at Brokerage House		165,321	20,064
	(c) Cash at Bank	**Annexure - "B"**	**7,794,151**	**4,696,725**
	Current Account (Main)		2,929,947	1,923,703
	Current Account (Collection)		3,496,162	1,974,807
	Short Term Deposit Account		1,368,042	798,215
	Total		**9,157,599**	**6,439,214**

	Amount in Taka	
	30.06.2018	30.06.2017

11.00 Share Capital :

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 30.06.2018	Percentage of Shareholding 30.06.2017
Up to 500 shares	2,398	1,018,760	5.00%	5.48%
501 to 5,000 shares	2,187	2,089,500	10.26%	10.42%
5,001 to 10,000 shares	324	2,129,300	10.46%	10.03%
10,001 to 20,000 shares	103	1,342,000	6.59%	7.22%
20,001 to above	107	13,780,200	67.68%	66.85%
Total	**5,119**	**20,359,760**	**100%**	**100%**

d) Shareholding Position as on 30 June 2018 is as follows:

Composition of Shareholding	No. of Shareholders	Number of Shares held	Percentage of Shareholding 30.06.2018	Percentage of Shareholding 30.06.2017
Sponsors	4	8,268,400	40.61%	40.61%
Foreign Investors	13	28,500	0.14%	0.25%
Institutional	176	5,297,660	26.02%	21.64%
General Public	4,926	6,765,200	33.23%	37.49%
Total	**5,119**	**20,359,760**	**100%**	**100%**

			Amount in Taka	
			30.06.2018	30.06.2017
12.00	**Reserves:**			
	Revaluation surplus on PPE	**Note: 12.01**	143,489,720	147,764,769
	Fair value changes in investment	**Note: 12.02**	(4,155,988)	(2,162,315)
			139,333,732	**145,602,454**
12.01	**Revaluation surplus on Property, plant and equipment**			
	Opening Balance		147,764,769	148,499,160
	Depreciation on revalued asset		(979,187)	(979,187)
	Adjustment for deferred tax on Revaluation Surplus		(3,295,862)	244,797
	Closing Balance		**143,489,720**	**147,764,769**
12.02	**Fair value changes in investment**			
	Opening Balance		(2,162,315)	(6,396,277)
	Fair Value adjustment for sale of Securities		250,541	(2,853,758)
	Fair Value Gain/(Loss) on Marketable Securities		(2,244,215)	7,087,720
	Closing Balance		**(4,155,988)**	**(2,162,315)**
13.00	**Liabilities for lease and other finnance:**			
	Finance Lease Liabilities - Non Current Portion-PFIL		4,692,477	4,081,670
			4,692,477	**4,081,670**
14.00	**Deferred Tax Assets / Liabilities :**			
	Opening Balance		4,069,947	6,173,378
	Addition/Adjustment during the year charged to Income tax expenses		(2,067,687)	(1,858,634)
	Adjustment with revaluation Surplus on PPE		3,295,862	(244,797)
	Closing Balance		**5,298,122**	**4,069,947**
	Allocation of deferred tax between Income Tax Expenses & Other Comprehensive Income:			
	Income Tax Expenses:			
	Opening Balance		(6,211,520)	(4,352,886)
	Closing Balance		(8,279,207)	(6,211,520)
	Deferred Tax Income/(Expense)		**2,067,687**	**1,858,634**
	Other Comprehensive Income:			
	Opening Balance		10,281,467	-
	Closing Balance		13,577,329	-
	Deferred Tax Income/(Expense)		**(3,295,862)**	**-**

	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (Deductible) temporary difference
	Taka	Taka	Taka
As at 30 June 2018			
At Historical Cost			
Property, plant and equipment	124,311,489	82,880,861	41,430,628
Unabsorbed depreciation	-	74,547,457	(74,547,457)
Net taxable temporary difference			(33,116,829)
Deferred tax liabilities/(asset) @ 25%			**(8,279,207)**

	Carrying amount on the date of statement of financial position	Tax base	Taxable/ (Deductible) temporary difference
	Taka	Taka	Taka
At Revaluation			
Property, plant and equipment	40,146,682	-	40,146,682
Land	118,021,954	-	118,021,954
Net taxable temporary difference			158,168,636
Deferred tax liabilities/(asset)			**13,577,329**
			5,298,122

	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

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	
			30.06.2018	30.06.2017
15.00	**Provision for current tax**			
	Opening Balance		26,035,897	38,903,779
	Add: Provision made during the year	**Note - 26.01**	10,279,110	9,162,367
	Less: Adjustment for assessment year 2015-2016		-	(8,530,648)
	Less: Adjustment for assessment year 2016-2017		-	(13,499,601)
	Closing Balance		**36,315,007**	**26,035,897**
16.00	**Short Term Borrowings (Secured) :**			
	Agrani Bank C.C. (Hypothecation) - 54566, WASA Branch		205,796,006	206,048,068
	Agrani Bank (LTR), WASA Branch- 4786		95,274,119	42,077,000
	Finance Lease Liabilities - Current Portion (PFIL)		1,420,145	999,163
	Bangladesh Finance & Investment Co. Ltd.		37,725,010	74,761,818
			340,215,281	**323,886,049**

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%.

		Amount in Taka	
		30.06.2018	30.06.2017
17.00	**Trade and other payables:**		
	Suppliers	41,365,511	31,873,291
		41,365,511	**31,873,291**
18.00	**Accrued Expenses :**		
	Utilities	858,591	864,897
	Salary and Wages	13,833,321	14,453,765
	Workers' Profit Participation Fund	2,062,817	1,920,694
	Audit Fees	287,500	241,500
	Dividend Payable	6,262,356	6,539,006
	Other Payables	9,246,987	12,769,776
		32,551,572	**36,789,638**
19.00	**Contingent Liabilities :**	**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	
			2017-2018	2016-2017
20.00	**Revenue :**			
	Gross Sales		**883,335,945**	**797,440,722**
	Less: VAT Payment		(129,573,221)	(117,525,690)
	Net Sales		753,762,724	679,915,032
	This net sales comprise -			
	Export Sales		1,812,499	-
	Local Sales		751,950,225	679,915,032

In 2017-2018 sales represent 9,453,258 units consisting of 39 injectable products and 23,858 units of 32 veterinary products . Whereas in 2016-2017 sales represented 8,3943069 units of 39 8394069 units of 39 LVP & other injectable products.

21.00	**Cost of Goods Sold :**			
	Raw Materials Consumed	**Note - 21.01**	122,666,808	88,267,354
	Packing Materials Consumed	**Note - 21.02**	216,171,552	208,885,956
			338,838,360	**297,153,310**
	Work in process-Opening		1,052,626	4,160,483
	Work in process-Closing		(3,792,223)	(1,052,626)
	Total Consumption		**336,098,763**	**300,261,167**
	Manufacturing Overhead	**Note - 21.03**	123,258,294	102,103,036
	Cost of Production		**459,357,057**	**402,364,203**
	Finished Goods-Opening		8,533,725	17,686,699
	Finished Goods-Closing		(13,111,877)	(8,533,725)
			454,778,905	**411,517,177**
	Cost of Physician Sample		(5,044,034)	(4,672,940)
	Cost of Goods Sold		**449,734,871**	**406,844,237**

21.01	**Raw Materials Consumed :**		
	Opening Stock	17,326,439	10,793,832
	Add : Purchase	128,249,508	94,799,961
	Less : Closing Stock	(22,909,139)	(17,326,439)
		122,666,808	**88,267,354**

21.02	**Packing Materials Consumed :**		
	Opening Stock	22,435,687	19,044,162
	Add : Purchase	218,803,317	212,277,481
	Less : Closing Stock	(25,067,452)	(22,435,687)
		216,171,552	**208,885,956**

			Amount in Taka	
			2017-2018	2016-2017
21.03	**Manufacturing Overhead :**			
	Wages, Allowances and Bonus		55,986,339	48,450,512
	Spare parts		10,894,713	613,990
	Utilities		11,680,969	9,820,395
	Fuel and Lubricant		675,835	552,828
	Security Guard Expenses		161,986	376,163
	Repair & Maintenance		10,045,232	9,917,159
	Research, Test and Analysis Expenses		69,094	49,070
	Uniform & Liveries		90,288	79,530
	Travelling & Conveyance		855,109	783,315
	Entertainment		214,575	188,396
	Workers Food Expenses		8,620,647	7,445,888
	Misc. Expenses		202,882	352,917
	Fees & Taxes		318,607	202,137
	Newspapers & Periodicals		6,542	6,324
	Telephone, Internet & Postage		614,683	520,346
	Insurance Premium		626,175	626,175
	Carrying Materials		101,460	237,550
	Printing & Stationeries		1,998,570	1,796,891
	Depreciation	**Annexure - "A"**	20,094,587	20,083,450
		Total:	**123,258,294**	**102,103,036**
22.00	**Administrative Expenses :**			
	Salaries, Allowances and Bonus		21,657,398	19,754,021
	Telephone, Internet & Postage		125,311	112,377
	Printing & Stationeries		132,786	172,755
	Fuel & Vehicle Maintenance		87,787	70,093
	Advertisement & Publicity		431,217	405,036
	Travelling & Conveyance		338,989	310,383
	Repair & Maintenance		41,722	36,176
	Bank Charges & Commission		197,188	190,621
	Newspapers & Periodicals		6,816	6,305
	Software & IT Consultancy		1,232,300	1,128,600
	Entertainment		52,218	46,153
	Audit Fee		230,000	184,000
	Corporate Governance Audit Fee		57,500	57,500
	Fees & Taxes		706,459	634,690
	Annual Listing Fee		415,598	101,799
	Misc. Expenses		341,880	341,880
	Insurance Premium		395,800	445,115
	A.G.M. Expenses		398,046	404,956
	Uniform & Liveries		52,160	43,315
	Utilities		166,146	160,295
	Depreciation	**Annexure - "A"**	1,485,871	1,456,027
		Total:	**28,553,191**	**26,062,097**

			Amount in Taka	
			2017-2018	2016-2017
23.00	**Selling and Distribution Expenses :**			
	Salary, Allowances and Bonus		157,931,089	129,303,734
	Carrying and Delivery Expenses		8,208,926	7,548,120
	Sales Force Expenses		2,864,476	2,826,880
	Telephone, Internet & Postage		524,834	498,356
	Training & Conference Expenses		758,451	747,633
	Office Rent-Depots		7,055,775	6,512,420
	Printing & Stationeries		1,366,328	1,205,760
	Product Development Expenses		31,494	25,580
	Fuel & Vehicle Maintenance		342,292	295,092
	Repair & Maintenance		291,131	285,650
	Travelling & Conveyance		586,503	577,265
	Product Sample		5,044,034	4,672,940
	Promotional Expenses		2,172,307	1,925,126
	Entertainment		315,890	290,254
	Bank Charges & Commission		783,541	764,059
	Fees & Taxes		515,977	314,911
	Depreciation	**Annexure - "A"**	712,984	717,984
			189,506,032	**158,511,764**
24.00	**Financial Expenses :**			
	Cash Credit (H)-147, Agrani Bank Ltd. (WASA Corpt. Branch, Dhaka)		23,418,126	25,731,945
	Interest on LTR Loan Agrani Bank Ltd.		11,545,969	10,699,198
	Interest on Lease Finance-PFIL		608,822	464,992
	Interest on BD Finance Loan		7,697,872	15,159,289
	Total:		**43,270,789**	**52,055,424**
25.00	**Non Operating Income :**			
	Sale of Scrap		625,703	794,559
	Bank Interest		33,515	72,177
	Interest on FDR		10,883	11,765
	Capital Gain/(Loss) on Marketable Securities		(250,541)	2,853,758
	Dividend Income		201,750	160,810
	Total:		**621,310**	**3,893,069**
26.00	**Income Tax Expense**			
	Current Tax on profit for the year	**Note - 26.01**	(10,279,110)	(9,162,367)
	Deferred tax (expense)/income		2,067,687	1,858,634
			(8,211,423)	**(7,303,733)**

				Amount in Taka	
				2017-2018	2016-2017
26.01	**Current Tax**				
	25% tax on taxable profit	40,604,954		10,151,239	8,849,829
	Half of Export income @ 25%	700,170		87,521	-
	Capital Gain/ (Loss) on sale of marketable securities	(250,541)		-	285,376
	20% tax on dividend income	201,750		40,350	27,162
	Total:	**41,256,333**		**10,279,110**	**9,162,367**

As per Sec-39 of Income Tax Ordinance (ITO) 1984 Capital Loss on sale of marketable securities amounting Tk. 204,033 has been kept separate for carrying forward to the next year where it will be set off against capital gain on sale of marketable securities.

Minimum Tax

Calculation of gross receipt		
Revenue:		
Local, Export & Veterinary	753,762,724	679,915,032
Other income		
Sale of Scrap	625,703	794,559
Interest income	33,515	72,177
Interest on FDR	10,883	11,765
Capital gain/(loss) on Marketable Securities	-	2,853,758
Dividend Income	201,750	160,810
Total Gross Receipts	**754,634,575**	**683,808,101**
Minimum Tax (.60% On Total Gross Receipts)	**4,527,807**	**4,102,849**

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

	Amount in Taka	
	2017-2018	**2016-2017**
27.00 Earning Per Share (EPS):		
The computation is given below:		
Basic Earning Per Share		
Net Profit After Tax	33,044,911	31,110,152
Ordinary shares outstanding during the year	20,359,760	20,359,760
	1.62	**1.53**

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

27.01 Disclosures as per BSEC NOTIFICATION No. BSEC/CMRRCD/2006-158/208/ADMIN/81 Dated 20 June, 2018

Reconciliation of net profit with cash flows from operating activities

Net profit after tax	**33,044,910**
Income tax expenses	8,211,423
Workers profit participation fund	2,062,817
Interest & other income	(621,309)
Financial expenses	43,270,789
Depreciation	22,293,441
Increase in accounts receivables	(2,575,708)
Increase in Inventory	(35,511,602)
Increase in trade payable	9,492,220
Decrease in accrued expenses	(4,103,539)
Increase in employee benefit	(1,920,694)
Decrease in Advance Deposit & Prepayments	(12,757,147)
Cash generated from operating activities	**60,885,601**
Investment Income	621,309
Finance Cost paid	(43,270,789)
Income taxes paid	(14,197,421)
Net cash flows from operating activities	**4,038,700**

27.02 Calculation of Net operating cash flow per share (NOCFPS)

Net Cash flow from operating activities	4,038,700
No. of Share	20,359,760
Net operating cash flow per share (NOCFPS)	**0.20**

28.00 Production Capacity, Yearly Production in 2017-2018 and Reason of Excess / (Shortfall) :

Quantity in Million

Item	Production Capacity		Yearly Production		Capacity Utilized	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Intravenous Fluids and Injections	10.38	12.00	9.98	8.75	96.15%	72.92%

29.00 Events After Reporting Period:

29.01 Board Meeting

The Board of Directors Meeting held on 31st October, 2018 had recommended dividend 14 % cash for the year ended 30 June 2018 for placement before the shareholder for approval at 35th AGM of the company.

29.02 Tax Assessment

Tax assessment of the company from Income Tax Authority for the Income Year 2016-2017 (Assessment Year 2017-2018) was not completed till the report issuing date.

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 IAS-24 "Related Party Disclosures". The Company opines that terms of related party transactions do not significantly differ from those that could have been obtained from third parties. Total transactions of the significant related parties as at 30 June 2018 were as follows:

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.07.2017	Addition during the year	Adjustment during the year	Closing Balance as on 30.06.2018
Orion Pharma Limited	Common Director/ Shareholder	Trade Debtor	72,341,618		(17,941,678)	54,399,940
Kohinoor Chemical Co. (BD) Ltd.	Common Director/ Shareholder	Trade Creditor	-	(1,235,592)	-	(1,235,592)
Total:			**72,341,618**	**(1,235,592)**	**(17,941,678)**	**53,164,348**

30.02 Payments/Perquisites to Managers and above

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

Particulars	Amount in Taka
Basic Salary	3,298,430
House Rent	1,648,224
Medical Allowance	450,000
Conveyance	348,000
Other Allowance	816,600
Bonus	536,280
Profit Participation Fund	261,090
Contribution to provident fund (Employer)	329,652
Interest from provident fund	598,536
Leave Encashment	259,802
	8,546,614

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

ii) During the year no board meeting attendance fees 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 30.06.2018
There is no material capital expenditure authorized by the board but not contracted for as on 30.06.2018

31.02 Claims not Acknowledged:

There is no claim against the Company not acknowledged as debt as on 30.06.2018

31.03 Credit Facilities not Availed:

There is no credit facilities available to the Company but not availed as on 30.06.2018 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 2017 to 30 June 2018.

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 915 employees employed for the full year and 150 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 928 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, 2018

Property, Plant & Equipment : **Annexure - "A"**

Sl. No.	Particulars	COST			Rate of Dep.	DEPRECIATION			Written Down Value As On 30.06.2018
		Balance as on 01.07.2017	Addition during the year	Total as on 30.06.2018		Balance as on 01.07.2017	Charged during the year	Accumulated Dep. as on 30.06.2018	
	At Historical Cost								
1	Land & Land Development	11,478,046	-	11,478,046	-	-	-	-	11,478,046
2	Building	129,699,839	87,800	129,787,638	2%	64,633,134	2,594,875	67,228,009	62,559,629
3	Plant & Machinery	308,267,672	3,502,487	311,770,159	5%	247,792,199	15,514,095	263,306,294	48,463,865
4	PVC Bag Manufacturing Machine	14,476,134	-	14,476,134	5%	10,133,296	723,807	10,857,103	3,619,032
5	Furniture & Fixture	11,234,715	230,000	11,464,715	10%	10,470,552	107,907	10,578,459	886,256
6	Office Equipment	10,628,920	1,746,526	12,375,446	10%	7,882,719	1,143,345	9,026,064	3,349,382
7	Vehicles	14,300,001	2,010,750	16,310,751	20%	9,647,200	1,230,225	10,877,425	5,433,326
	A Sub - Total:	**500,085,327**	**7,577,562**	**507,662,889**		**350,559,100**	**21,314,254**	**371,873,355**	**135,789,535**
	At Revaluation								
1	Land & Land Development	118,021,954	-	118,021,954	-	-	-	-	118,021,954
2	Building	48,959,368	-	48,959,368	2%	7,833,499	979,187	8,812,686	40,146,682
	B. Sub - Total:	**166,981,322**	**-**	**166,981,322**		**7,833,499**	**979,187**	**8,812,686**	**158,168,636**
	Total: As on 30-06-18	**667,066,649**	**7,577,562**	**674,644,211**		**358,392,599**	**22,293,441**	**380,686,041**	**293,958,171**
	Total: As on 30-06-17	**654,872,115**	**12,194,534**	**667,066,649**		**336,135,138**	**22,257,460**	**358,392,598**	**308,674,049**

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

Asets	Manufacturing	Admin.	Selling	Total
1. Building	3,574,062	-	-	3,574,062
2. Plant & Machinery	15,514,095	-	-	15,514,095
3. PVC Bag Manufacturing Machine	723,807	-	-	723,807
4. Furniture & Fixture	53,954	26,977	26,977	107,907
5. Office Equipments	228,669	228,669	686,007	1,143,345
6. Vehicles	-	1,230,225	-	1,230,225
Total:	**20,094,587**	**1,485,871**	**712,984**	**22,293,441**

ORION INFUSION LIMITED

SCHEDULE OF CASH AT BANK

FOR THE YEAR ENDED 30 JUNE 2018

Annexure - "B"

Sl. No.	Name of the Bank & Branch	Account No.	Amount in Taka	
			30.06.2018	30.06.2017
	Current Account (Main)			
1	Agrani Bank, WASA Branch	A/C 10067/797459	1,334,274	4,734
2	National Bank, Mohakhali Branch	A/C 8769/534039	355,801	1,407,190
3	Rupali Bank, TCB Bhaban Branch	A/C 10-707-6/7073	66,281	67,431
4	Sonali Bank, Farmgate Branch	A/C 10902	763,275	42,710
5	Sonali Bank, Tejgaon Branch	A/C 2765/69	82,408	82,408
6	Social Islami Bank Ltd. Principle Branch	A/C 39415	29,487	30,637
7	Rupali Bank, Vulta branch	A/C 130	4,480	5,630
8	First Security Bank, Gulshan Br.	A/C 1160	187,475	187,475
9	AB Bank Ltd., Principal Branch	A/C 4005-753584-000	106,466	95,488
			2,929,947	**1,923,703**
	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	(45)	70
15	Agrani Bank, Faridpur Branch	A/C 00184023	104,768	4,751
16	National Bank, Bogra Branch	A/C 443/1566	496,945	427,934
17	National Bank, Barisal Branch	A/C 28582/0381	281,020	98,824
18	National Bank, Sylhet Branch	A/C 0067191	207,472	3,289
19	National Bank, Mymensingh Branch	A/C 2994/2958	167,548	354,070
20	National Bank, Rangpur Branch	A/C 39455/6654	101,140	5,577
21	National Bank, Faridpur Branch	A/C 1233	869	869
22	Agrani Bank, Chaumuhani Branch	A/C 679075	113,869	57,658
23	Agrani Bank, Khulna Branch	A/C 3229/6084	399,207	60,230
24	National Bank, Dinajpur Branch	A/C 8725/3677	342,923	187,549
25	National Bank, Tangail Br.	A/C 3241/2606	123,306	572,659
26	National Bank Moulvibazar Br.	A/C 247152/1748	196,742	5,999
27	Agrani Bank Kustia Br.	A/C 2982 (1179)/28100	204,369	14,489
28	Agrani Bank N.Gonj Br.	A/C 6747 (1647)	118,044	6,442
29	National Bank Cox's Bazar Br.	A/C 3979/23480	58,053	2,853
30	Agrani Bank, BSCIR Br. Comilla	A/C 4596634	253,826	4,322
31	National Bnk,CDA Avenue Br.Chittagong	A/C 96172	50,527	153,440
32	National Bank , Sylhet Br.	A/C 2339905	1,783	
33	Sonali Bank Rajshahi Branch	A/C 1449	268,244	8,229
			3,496,162	**1,974,807**
	Short Term Deposit Account			
34	Agrani Bank, WASA Branch	A/C 798900	1,008,554	493,741
35	Shahjalal Bank Ltd. Main Branch. Dilkusha Br.	A/C 00821	60,651	66,770
36	National Bank	A/C 727/728/729	15,000	15,000
37	Bank Asia	A/C 0039	161,306	222,704
38	AB Bank Ltd (194-430),Pr. Branch	A/C 188-430	13,321	-
39	Bank Asia (00189) Mohakhali Branch	A/C 000189	109,210	-
			1,368,042	**798,215**
	Total:		**7,794,151**	**4,696,726**

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 35th Annual General Meeting of the Company to be held on Monday, the 10th December, 2018 at 10:15 a.m. at Officers' Club, 26, Baily Road, Ramna, Dhaka. and at any adjournment thereof.

As witness my/our hand this_____ day of ---_____2018 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 35th Annual General Meeting of the Company to be held on Monday, the 10th December, 2018 at 10:15 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.

AMARSTOCK

Orion Infusion Ltd.

Notes

AMAR STOCK

ORION
Infusion Ltd.
In Search of Excellence



ORION HOUSE
153-154 Tejgaon, Industrial Area, Dhaka-1208, Bangladesh
Tel : PABX : +88-02-8870133
Fax : +88-02-8870130, E-mail : orion@orion-group.net
web : www.orion-group.net www.orioninfusion.com

STOCK