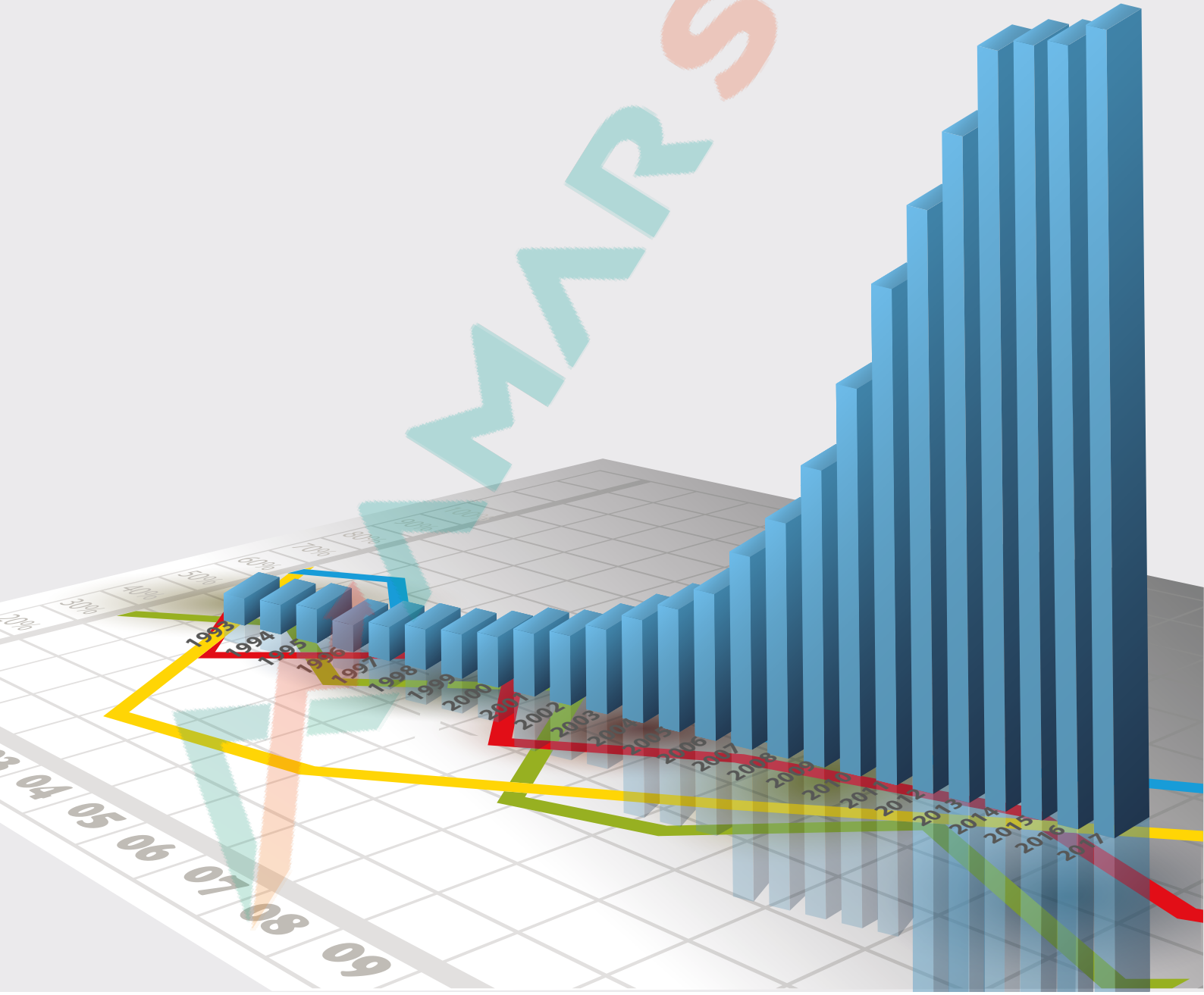
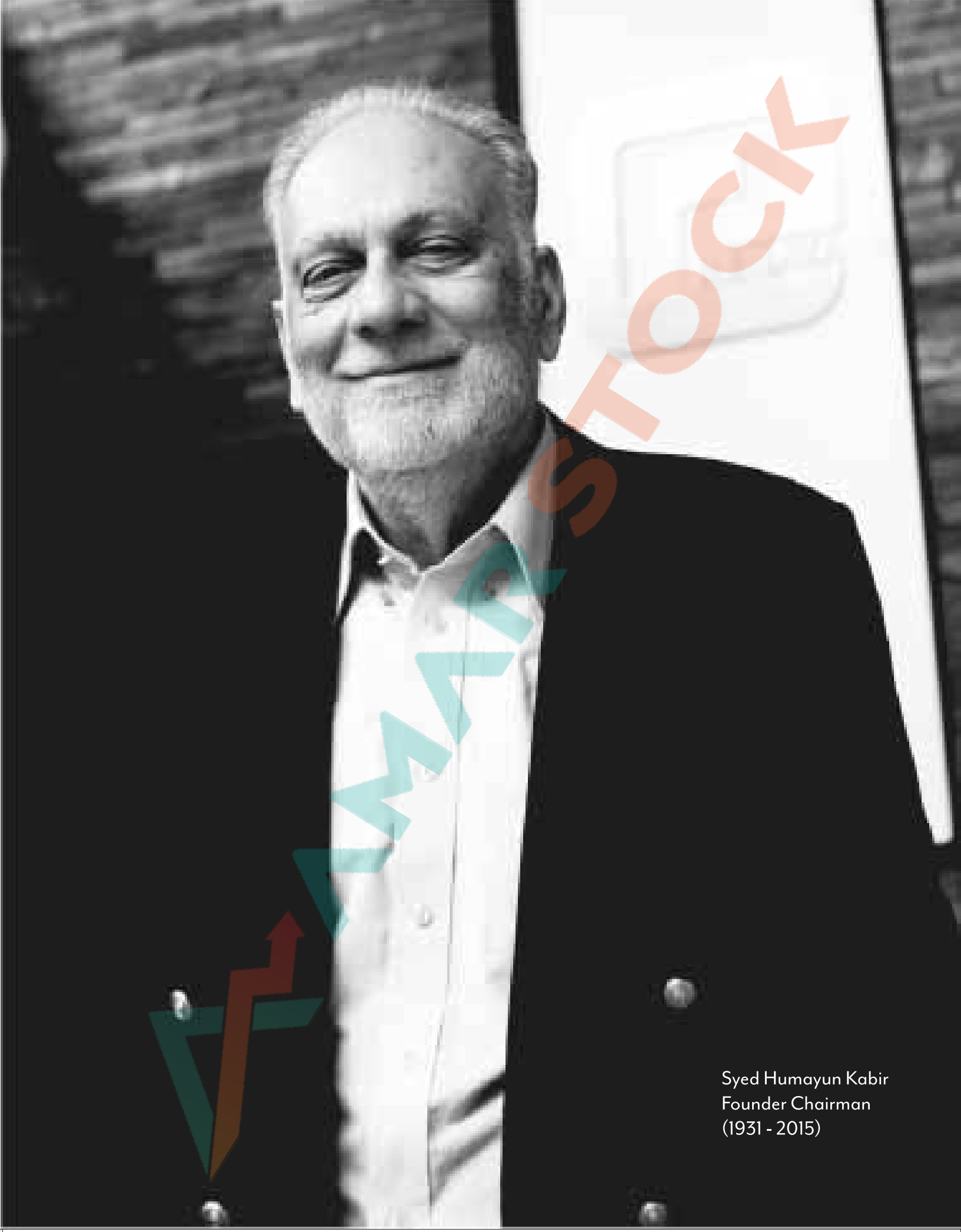
# Renata Annual Report

2017-2018




MAR STOCK



Syed Humayun Kabir
Founder Chairman
(1931 - 2015)

Renata Limited

PABX : 8001450-54
Fax : 880-2-8001446
Email : renata@renata-ltd.com
Website : www.renata-ltd.com

Corporate Headquarters: Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh

TRANSMITTAL LETTER

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

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

Dear Sir/Madam (s)

We are pleased to enclose a copy of our Annual Report and Audited Accounts including a Statement of Financial Position, a Statement of Comprehensive Income, and notes and annexes as needed for the year that ended June 30, 2018. We hope you enjoy reviewing the Report and seeing how Renata has grown as a company over the past year.

Yours sincerely,



Md. Jubayer Alam
Company Secretary
October 27, 2018

AMARSTOCK

# RENATA LIMITED

Corporate Headquarters: Plot # 1, Milk Vita Road
Section-7, Mirpur, Dhaka-1216

October 27, 2018

## NOTICE

NOTICE is hereby given that the 45th Annual General Meeting of Renata Limited will be held at Corporate Headquarters Premises, Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 on Saturday, December 15, 2018 at 11.00 a.m. to transact the following business :

## AGENDA

Agenda-1: To receive, consider, and adopt the Audited Accounts of the Company for the year ended June 30, 2018 together with Reports of the Auditors and the Directors.

Agenda-2: To declare dividend for the year which ended on June 30, 2018 (See note ii).

Agenda-3: To elect Directors, in accordance with the relevant provisions of the Articles of Association of the Company.

Agenda-4: To appoint Auditors for the year 2018-2019 and to fix their remuneration.

Agenda-5: To appoint Corporate Governance Auditors for the year 2018-2019 and to fix their remuneration.

By Order of the Board

(Md. Jubayer Alam)
Company Secretary

## NOTES:

i) The 'Record Date' (in lieu of Book Closure) is Thursday, November 15, 2018. The Shareowners whose name will appear in the Share Register of the Company and in the Depository Register on that Date will be eligible to attend the meeting and qualify for the Dividend to be declared at the AGM.

ii) The Directors have recommended @ 95% cash dividend for year 2017-2018 and stock dividend (bonus share) @ 15% for the year ended June 30, 2018.

iii) 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 completed, must be deposited at the Registered Office of the Company at Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 not later than 48 hours before the time fixed for the Meeting.

iv) Members are requested to notify change of address, if any, to the Company. For BO A/C holders, the same to be rectified through their respective Depository Participants.

v) Admission into the Meeting Room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.

vi) The Annual Report 2017-2018 is available in Company's website, www.renata-ltd.com.

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায়
কোন প্রকার উপহার/খাবার/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।

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# Annual General Meeting
## 2016-2017















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# Company Profile

**Year of Incorporation**
1972 as Pfizer Laboratories (Bangladesh) Limited,
subsidiary of Pfizer Corporation, USA

**Change of Name**
1993 Renamed as Renata Limited after divestment of
shareholdings by Pfizer Corporation, USA

**Field of Business**
Manufacturing, Marketing & Distribution of Human Pharmaceuticals,
Animal Health Medicines, Nutritionals, and Vaccines

**Contract Manufacturing**
General products for UNICEF and SMC

**MHRA Certificate**
Medicines and Healthcare products Regulatory Agency, UK
has issued a Certificate of GMP Compliance of a Manufacturer
to Renata Limited for our Potent Products Facility at section 7, Mirpur, Dhaka &
Rajendrapur General Facility, Rajendrapur, Gazipur, Bangladesh

**Marketing & Distribution Rights**
- Evans Vanodine International (UK): Animal farm disinfectants
- Zinpro Corporation (USA)
- Biomin Holding GmbH (Austria): Animal nutritional products
- Bomac (New Zealand): Animal health products
- Novus (USA): Animal health products
- Indian Herbs Overseas
- Blue Seas Life Sciences
- Dongbu Farm Hannong Co. Ltd., Korea
- Vaxxinova International BV, Netherland
- Intron Life Sciences, Thailand
- Carus Laboratories Pte. Ltd., India

**Investment in Subsidiaries**
- 99.99% Shareholding in Renata Agro Industries Limited
- 99.99% Shareholding in Purnava Limited
- 99.99% Shareholding in Renata Oncology Limited
- 100% Shareholding in Renata (UK) Limited

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## CORPORATE HEADQUARTERS

Plot # 1, Milk Vita Road, Section-7
Mirpur, Dhaka-1216, Bangladesh

## MANUFACTURING SITES

Plot # 1, Milk Vita Road, Section-7
Mirpur, Dhaka-1216, Bangladesh

Noyapara, Bhawal Mirzapur
Rajendrapur, Gazipur, Bangladesh

## BANKERS

Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited (HSBC)
Citibank, N.A.
Commercial Bank of Ceylon
Bank Asia Limited
Eastern Bank Limited
The City Bank Limited
BRAC Bank Limited
Agrani Bank Limited
Sonali Bank Limited
United Commercial Bank Limited
Prime Bank Limited

## AUDITOR

S. F. Ahmed & Co., Chartered Accountants

## LEGAL ADVISORS

Dr. M. Zahir and Associates
Vertex Chambers

AMAR STOCK

# Our Values

**Customer Focus**

Customer satisfaction is the main reason behind all our activities.

**Integrity**

We conform to the highest ethical standards.

**Social Responsibility**

We make active efforts to improve the welfare of our community.

**Building Leaders**

Renata cannot grow without leadership in all spheres of our activities. Therefore creating leaders is a key priority.

**The Corporate Family**

We recognise that people are the cornerstone of Renata's success. We are one big family where each of us expects to be treated fairly and with dignity.

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# Our Mission

To provide maximum value to our customers, and communities where we live and work.

# Approach to Quality

The endurance of a company's reputation depends upon the quality of work it does rather than the quantity. Hence, the appreciation of quality must be instinctive, and our commitment to quality must be total.

# Our Vision

To establish Renata permanently among the best of innovative branded generic companies.


RENATA
Renata Limited
Enterprise
of the Year 2017
Bangladesh
Business
Awards
17th
Bangladesh
Business
Awards
DHL
The Daily Star
AWARDING EXCELLENCE IN BUSINESS



Dr. Sarwar Ali
Chairman

# Chairman's Statement

Welcome to the 45th Annual General Meeting of the company and the Silver Jubilee of Renata Limited.

The last 25 years has been quite a journey for this company. Pfizer (Bangladesh) Limited was the top pharmaceutical company in Bangladesh for most of its existence. However, by the time Pfizer Inc. decided to divest its interest in Bangladesh, a variety of factors had contributed to a marked decline in the fortunes of their subsidiary. So, when Renata Limited appeared on the scene, the company was in a precarious position in terms of sales, profit, costs, cash, and market-share. Fortunately, the story turns out well.

Table No. 1 shows the progress achieved by the company in 25 years. The numbers speak for themselves and hence no further explanation is required.

Table No. 1

| | Renata | |
|---|---|---|
| | 1993 | 2017-2018 |
| Sales (Taka Crores) | 33 | 1,860 |
| Net Profit (Taka Crores) | 1 | 320 |
| Size of Team | 554 | 6798 |
| Market Cap (USD Mn) | $ 1 | $ 1,000 |

We thank our long-term shareholders for being with us on this exciting journey.

Sales during the year 2017-18 grew modestly by 16%, however, due to intelligent cost-savings, net profit for the period rose by 22%.

The bulk of the cost-savings stemmed from two areas, viz., utilities and savings on interest expenditure. Since its inception, our manufacturing site at Rajendrapur operated on diesel and furnace oil generators. During the end of 2017, after much effort, we were able to connect the site to the National Grid, resulting in a considerable reduction of expenditure on electricity. We hope to achieve further cost savings in the coming years by accessing power that is generated from a wider variety of sources.

The reduction in financial costs occurred essentially due to two factors: First, our long-term borrowing is effectively zero. Second, we completely ceased using overdraft facilities, relying exclusively on UPAS for financing imports. As a result, we were unaffected by the rise in bank interest rates.

On the revenue side, we continue to perform well in our core businesses. However, as it has been mentioned over the years, the paucity of new products in the pharmaceutical business is making it difficult to maintain growth in the mid-to-high double digits. For example, in the Bangladesh pharmaceutical market, the share-of-growth (SOG) attributed to new products was just 14%. Even a decade ago, new products would have been the key driver of growth.

There also has been in a shift in the contribution of key therapeutic classes to the overall market. For example, it is well-known that the Bangladesh pharmaceutical market is driven by three disease classes, viz., gastroenterological, infection, and pain. As shown in Tables No 2(a) and 2(b), the market share and share-of-growth, related to the medicine for these three conditions, has been falling over the last five years.

Table No. 2(A)

| | Market Share | | | | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2017 | 2018 |
| Gastroenterological | 16.03% | 16.05% | 16.06% | 15.84% | 15.55% |
| Anti-Infectives | 17.58% | 16.83% | 16.49% | 14.88% | 14.17% |
| Pain | 9.63% | 9.46% | 9.27% | 9.01% | 8.86% |
| **SUBTOTAL** | **43.24%** | **42.35%** | **41.82%** | **39.73%** | **38.58%** |

Table No. 2(B)

| | Share of Growth | | | |
|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 |
| Gastroenterological | 16.21% | 16.08% | 14.74% | 11.79% |
| Anti-Infectives | 11.12% | 15.36% | 6.81% | 4.89% |
| Pain | 8.22% | 8.62% | 7.69% | 6.93% |
| **SUBTOTAL** | **35.56%** | **40.07%** | **29.23%** | **23.61%** |

In a sense, the gradual decline of this trio is not surprising. Most of the molecules here are quite old, and there has been little new development in global R&D for these conditions.

Growth in the market is now coming from a wide range of therapeutic classes, none of which dominates or drives the market as a single group. For example, the share-of-growth attributed to cardiac care products has increased from 1.8%-3.1% in the last five years. However, in terms of sales, this therapeutic class contributes just over 1% in terms of market share.

The key implication for pharmaceutical companies is that, as growth is emanating from many therapeutic classes, the sales teams must be divided into speciality groups to retain focus on promoting key brands. It goes without saying that there is no scope of reducing the size of sales teams in the foreseeable future.

Tables No 2(A) and 2(B) however do not tell the full story. While it is true that the relative importance of these three therapeutic classes is declining, there are still molecules within these groups that are dominating and driving growth in the market. Tables No 3(A) and 3(B) demonstrate this point.

Table No. 3(A)

| | Exceptional Performers | | | | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2017 | 2018 |
| **Gastroenterological** *Esomeprazole* | 4.60% | 5.09% | 5.36% | 5.71% | 6.04% |
| **Anti-Infectives** *Cefuroxime+Clauvulanic* | 0.74% | 1.10% | 1.50% | 1.57% | 1.77% |
| **Pain** *Ketorolac* | 1.12% | 1.02% | 0.89% | 0.82% | 0.80% |

Table No. 3(B)

| | Share of Growth | | | |
|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 |
| **Gastroenterological** *Esomeprazole* | 8.85% | 6.29% | 7.46% | 10.23% |
| **Anti-Infectives** *Cefuroxime+Clauvulanic* | 3.91% | 2.83% | 1.90% | 4.39% |
| **Pain** *Ketorolac* | 0.28% | 0.44% | 0.46% | 0.64% |

Contained in these therapeutic categories are single products that are among the largest in the local market. The sales of such products are greater than those of several smaller therapeutic classes put together. So, for example, Esomeprazole, a blockbuster product, even from a very large base has increased market share from 4.6% to 6.04% in the last five years. The share of growth accounted for by this product therefore has risen from 8.85% to 10.23%. Similarly, in the field of anti-infectives, Cefuroxime plus Clauvulanic Acid is the clear front-runner in terms of growth. The situation is less clear-cut in the area of pain. While the market share of Ketorolac has fallen, its share-of-growth has more than doubled in the last five years.

In essence, while the market is shifting away from its traditional areas of growth, the change is by no means seismic. Moreover, there are stalwarts within the market which continue to dominate and thrive. Thus, companies such as Renata that have a sizeable number of stalwarts in their portfolio, plus products in areas such as cardiology, diabetes, oncology, sex-hormones, etc., shall continue to dominate the market.

Unlike the pharmaceutical business, the animal health industry has a steady stream of exciting products. However, the animal health industry in Bangladesh is closely linked with the local poultry business, which exhibits extreme volatility. Towards the end of 2017, the poultry industry suffered decline in both price and volume. Data from hatcheries and feed-mills confirm the fall in volume. However, the fact that prices also fell must mean that consumers switched from chicken to other foods. The cattle and dairy business, while growing well, is not nearly as large to compensate for the drop in the poultry business. The first six months of 2018 has been nothing but a disaster for this industry.

We have stressed over the years that a company of our size cannot maintain high growth, relying solely on the local market. It is for this reason we have spent a considerable amount of time and resource in preparation of entering the largest markets in the world. I am happy to report that there are plenty of developments here. Table No. 4 shows the products that have received approval in regulated markets:

Table No. 4

| | Registrations | |
|---|---|---|
| Hydrocortisone Tablets 10mg and 20 mg | UK | Ireland |
| Colcichine Tablets 500 mcg | UK | Ireland |
| Dypiridamole 200mg Capsules | UK | Ireland |
| Glycopyrrolate Tablets 1mg and 2mg | | USA |
| Risperidone Tablets .25mg, .5mg, 1mg, 2mg, 3mg, and 4mg | | USA |
| Metoprololol Tartrate Tablets 10mg and 20mg | | USA |

Of these products Hydrocortisone has already been shipped to the UK. The business in Ireland shall begin soon. We also expect to receive approvals for six more products for UK and Ireland in the next few months. The business in US should begin in 2019. A contract-manufacturer has been identified in New Jersey, the raw-materials have been ordered, and a marketing-partner has been selected.

Product-development activities have been significantly scaled up at Renata. Apart from a growing pool of in-house talent, we have also outsourced product-development to laboratories in other countries.

I am delighted to note that akin to our Potent Product Facility in Mirpur, the Rajendrapur General Facility also passed an inspection by the Medicines and Healthcare products Regulatory Agency (MHRA) of the UK without any major observations. These two factories shall be the frontline supplier for our markets in Europe.

I now take a brief look at our constituent businesses.

**Animal Health:** The business grew by 9% compared to industry growth of 7%. However, most of this growth occurred during the last six months of 2017. During the first half of 2018, the industry actually contracted. Our performance was similarly dismal. Aside from a deep recession in the poultry market, the demand for most types of farmed fish has also fallen. The interaction of the twin recessions has no doubt made a bad situation worse. While the situation is dire at the moment, it must be remembered that these industries tend to go through business-cycles. Poor financial returns lead to farm closures, thereby creating product-shortages and a rise in prices. The increased prices in turn attract new entrants and the health of the industry rebounds. So, we are hopeful that the situation shall improve in due course of time.

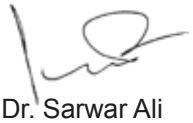
**Pharmaceutical:** Our business grew by 17.8% against the industry growth of 14.7%. While this growth is encouraging, we must bear in mind, that incremental revenue is contingent upon a disproportionately large increase in promotional expenditure. Falling returns on investment has precipitated consolidation in the industry world-wide. We are seeing signs of the same happening in Bangladesh.

Higher environmental standards have caused widespread closure of chemical-synthesis factories in China and a rise in prices of Active Pharmaceutical Ingredients (API).

Regulatory standards are being upgraded all over the world, including Bangladesh. We welcome this development not only because people need access to medicine that is safe and efficacious, but also because it puts companies such as ours at a competitive advantage.

**Contract-Manufacturing:** We continue to grow in this new area of operation. Our revenue in this segment grew by 17% supplying Oral Rehydration Salt (ORS) and birth control pills, and micronutrient powders to Social Marketing Company (SMC), UNICEF, and the Government of Bangladesh. While our business grew with SMC and UNICEF, the main tender for the Government's family planning programme was delayed by a few months leading to a short-fall from our revenue target. However, we are optimistic that a tender shall be called very soon.

**Outlook for 2018-19:** If the poultry industry does not bounce back, then our Animal Health business, which usually grows at around 15%-20% per annum, shall deliver a performance that is well below par. There might also be depreciation in the value of Taka, raising our import costs. However, we are hopeful of compensating increases in pharmaceutical and contract-manufacturing, as well as further reductions in financial and utility costs. In essence, we expect 2018-19 to be a good year.



Dr. Sarwar Ali
Chairman
October 27, 2018

# চেয়ারম্যানের প্রতিবেদন

কোম্পানীর ৪৫তম বার্ষিক সাধারণ সভা এবং রেনাটা লিমিটেডের রজতজয়ন্তীতে আপনাদের স্বাগতম।

গত ২৫ বছর যাবৎ কোম্পানির যাত্রাটা ছিল বেশ। ফাইজার (বাংলাদেশ) লিমিটেড তৎকালীন সময়ে বাংলাদেশের শীর্ষ স্থানীয় ফার্মাসিউটিক্যাল কোম্পানি ছিল। কিন্তু সেই সময় বিভিন্ন কারণে এর অঙ্গ-সংগঠনগুলোর ব্যবসায় মন্দা দেখা দেয়ায় ফাইজার ইনকর্পোরেটেড বাংলাদেশ থেকে কার্যক্রম গুটিয়ে নেয়ার সিদ্ধান্ত নেয়। এমতাবস্থায় রেনাটা লিমিটেড এর সূচনা হয় এক অনিশ্চিত ভবিষ্যতের মধ্যে দিয়ে যখন কোম্পানির বিক্রয়, মুনাফা, খরচ, নগদ অর্থ এবং বাজার ছিল অত্যন্ত ঝুঁকিপূর্ণ। সৌভাগ্যক্রমে গল্পের শেষটা হয়েছে চমৎকার।

টেবিল-১ কোম্পানি ২৫ বছরের অর্জন দেখানো হয়েছে। সংখ্যাই যেখানে কথা বলে, সেখানে ব্যাখ্যা নিষ্প্রয়োজন।

টেবিল নং-১

| | রেনাটা | |
|---|---|---|
| | ১৯৯৩ | ২০১৮ |
| বিক্রয় (কোটিতে) | ৩৩ | ১,৮৬০ |
| নীট মুনাফা (কোটিতে) | ১ | ৩২০ |
| জনবল | ৫৫৪ | ৬৭৯৮ |
| বাজার মূলধন (মিলিয়ন) | $ ১ | $ ১,০০০ |

আমরা ধন্যবাদ জানাই আমাদের দীর্ঘ মেয়াদি শেয়ারহোল্ডারদের এই সাফল্যমণ্ডিত যাত্রায় আমাদের সাথে থাকার জন্য।

২০১৭-১৮ সালে আমাদের বিক্রয় প্রবৃদ্ধি হয়েছে মোটামুটি ১৬%, তথাপিও বুদ্ধিদীপ্ত ব্যবস্থাপনায় ব্যয় সাশ্রয়ের কারণে আমাদের সামগ্রিক মুনাফার প্রবৃদ্ধি হয়েছে ২২%।

মূলতঃ দু'টি ক্ষেত্র থেকে বেশি ব্যয় সংকোচন সম্ভব হয়েছে, যার একটি ইউটিলিটি এবং অন্যটি হলো সুদ বাবদ ব্যয়। শুরু থেকেই রাজেন্দ্রপুর ফ্যাক্টরিগুলোকে ডিজেল ও ফার্নেস অয়েল চালিত জেনারেটর দিয়ে উৎপাদন কাজ করা হতো। ২০১৭ সালের শেষের দিকে অনেক প্রচেষ্টার পর এই ফ্যাক্টরিগুলোকে জাতীয় গ্রীডের সাথে সংযোগ করতে সক্ষম হয়েছি, ফলে বিদ্যুৎ খাতে ব্যয় যথেষ্ঠ পরিমাণে হ্রাস পেয়েছে। আমরা আশাবাদী আগামীতে বিদ্যুৎ উৎপাদনের অন্যান্য উৎসগুলোকে ব্যবহার করে এই খাতে আরও ব্যয় সংকোচন করা সম্ভব হবে। আর্থিক খাতে ব্যয় মূলতঃ দু'টি কারণে হ্রাস পেয়েছে; প্রথমতঃ আমাদের দীর্ঘ মেয়াদি ঋণ কার্যতঃ শূন্য হয়েছে। দ্বিতীয়তঃ আমরা ওভারড্রাফ্ট নেয়া বন্ধ করে UPAS পদ্ধতিতে আমদানির উপর জোর দিয়েছি। ফলে, আমরা ব্যাংক এর সুদের হার বৃদ্ধির প্রভাব থেকে রক্ষা পেয়েছি।

আয়ের দিক থেকে আমরা আমাদের মূল ব্যবসায় ধারাবাহিক ভাবে ভালো করেছি। যদিও গত কয়েক বছর যাবৎ বলে আসছি যে, ফার্মাসিউটিক্যালে নতুন প্রোডাক্ট না আসায় এই ব্যবসায় মধ্যম থেকে উচ্চ মানে দুই ডিজিটের প্রবৃদ্ধিটি অর্জন করা কঠিন হয়ে পড়েছে। উদাহরণস্বরূপঃ বাংলাদেশের ফার্মাসিউটিক্যাল মার্কেটে নতুন পণ্যের বাজার প্রবৃদ্ধির অংশীদারিত্ব ছিল মাত্র ১৪%। এমনকি এক যুগ আগেও নতুন পণ্যের প্রবৃদ্ধিই ছিল মার্কেটের মূল চালিকা শক্তি।

সামগ্রিক বাজারের উপর প্রধান থেরাপিউটিক শ্রেণিগুলোর প্রভাবে অবদানের পরিবর্তনও লক্ষনীয়। উদাহরণস্বরূপঃ বিষয়টি আমাদের সবার জানা যে, বাংলাদেশের ফার্মাসিউটিক্যালের বাজার মূলতঃ তিন শ্রেণির রোগের ওষুধের উপর নির্ভরশীল, যথা-পরিপাকতন্ত্রীয় সমস্যাজনিত রোগ, সংক্রামণজনিত রোগ এবং ব্যথাজনিত রোগ। টেবিল নং-২(এ) এবং ২(বি)তে দেখানো হয়েছে যে, বিগত পাঁচ বছরে এই তিন শ্রেণির রোগের সাথে সম্পর্কিত ওষুধের বাজারে প্রবৃদ্ধি ও অংশীদারিত্বের প্রবৃদ্ধি কমেছে।

টেবিল-২(এ) বাজার অংশীদারিত্ব

| | ২০১৪ | ২০১৫ | ২০১৬ | ২০১৭ | ২০১৮ |
|---|---|---|---|---|---|
| পরিপাকতন্ত্রীয় | ১৬.০৩% | ১৬.০৫% | ১৬.০৬% | ১৫.৮৪% | ১৫.৫৫% |
| সংক্রামণ | ১৭.৫৮% | ১৬.৮৩% | ১৬.৪৯% | ১৪.৮৮% | ১৪.১৭% |
| ব্যথা | ৯.৬৩% | ৯.৪৬% | ৯.২৭% | ৯.০১% | ৮.৮৬% |
| **উপসমষ্টি** | **৪৩.২৪%** | **৪২.৩৫%** | **৪১.৮২%** | **৩৯.৭৩%** | **৩৮.৫৮%** |

টেবিল-২ (বি) অংশীদারিত্বের প্রবৃদ্ধি

| | ২০১৫ | ২০১৬ | ২০১৭ | ২০১৮ |
|---|---|---|---|---|
| পরিপাকতন্ত্রীয় | ১৬.২১% | ১৬.০৮% | ১৪.৭৪% | ১১.৭৯% |
| সংক্রামণ | ১১.১২% | ১৫.৩৬% | ৬.৮১% | ৪.৮৯% |
| ব্যথা | ৮.২২% | ৮.৬২% | ৭.৬৯% | ৬.৯৩% |
| **উপসমষ্টি** | **৩৫.৫৬%** | **৪০.০৭%** | **২৯.২৩%** | **২৩.৬১%** |

এক অর্থে, এই তিন ওষুধের ক্রমাগত নিম্নমুখীতায় অবাক হবার কিছু নেই। এখানে অধিকাংশ মলিকিউল অনেক পুরনো এবং এগুলোর উন্নয়নে বিশ্ব ব্যাপি খুব কমই গবেষণা হয়েছে। বর্তমান বাজারে যে প্রবৃদ্ধি হয়েছে সেটা বিভিন্ন থেরাপিউটিক শ্রেণি থেকে সম্মিলিত ভাবে এসেছে এবং কোনো একক শ্রেণির ওষুধ বাজারকে প্রভাবিত করতে পারছে না। উদাহরণস্বরূপঃ গত পাঁচ বছরে হৃদরোগ নিরাময় ওষুধের প্রবৃদ্ধি ১.৮% থেকে বেড়ে হয়েছে ৩.১%। যদিও বিক্রয়ের দিক থেকে এই থেরাপিউটিক শ্রেণির অবদান ছিল মোট বাজারের ১% মাত্র।

মূলতঃ ফার্মাসিউটিক্যাল কোম্পানিগুলোর জন্য করণীয় বিষয় হলো, যেহেতু বিভিন্ন থেরাপিউটিক শ্রেণি থেকে বাজারের প্রবৃদ্ধি হচ্ছে, সেহেতু বিক্রয় বিভাগের উচিৎ তাদের দলকে বিশেষায়িত দলে বিভক্ত করে প্রধান ব্রান্ডগুলোকে প্রমোট করা। এটি বলার অপেক্ষা রাখে না যে, নিকট ভবিষ্যতে বিক্রয় বিভাগের লোকবল কমানোর কোনো সুযোগ আছে।

যদিও টেবিল নং-২(এ) এবং ২ (বি) দ্বারা সবকিছু তুলে ধরা সম্ভব নয়, তবুও এটি সত্য যে তুলনামূলক ভাবে গুরুত্বপূর্ণ এই তিনটি থেরাপিউটিক শ্রেণীর প্রবৃদ্ধি নিম্নমুখী, তারপরও এই শ্রেণির মধ্যে এমন কিছু মলিকিউলস্ আছে যা বাজারকে প্রভাবিত করছে এবং সেগুলো প্রবৃদ্ধির চালিকা শক্তিও বটে।

টেবিল নং-৩(এ) এবং ৩ (বি) তে তা দেখানো হলো।

টেবিল ন-৩(এ) ব্যতিক্রমী পারফরমারস্

| | ২০১৪ | ২০১৫ | ২০১৬ | ২০১৭ | ২০১৮ |
|---|---|---|---|---|---|
| **পরিপাকতন্ত্রীয়** *ইসোমিপ্রাজল* | ৪.৬০% | ৫.০৯% | ৫.৩৬% | ৫.৭১% | ৬.০৪% |
| **সংক্রমণ** *সেফোরক্সিম+ক্লাভোনিক এসিড* | ০.৭৪% | ১.১০% | ১.৫০% | ১.৫৭% | ১.৭৭% |
| **ব্যথা** *কিটোরোলাক* | ১.১২% | ১.০২% | ০.৮৯% | ০.৮২% | ০.৮০% |

টেবিল ন-৩(বি) অংশীদারিত্বের প্রবৃদ্ধি

| | ২০১৫ | ২০১৬ | ২০১৭ | ২০১৮ |
|---|---|---|---|---|
| **পরিপাকতন্ত্রীয়** *ইসোমিপ্রাজল* | ৮.৮৫% | ৬.২৯% | ৭.৪৬% | ১০.২৩% |
| **সংক্রমণ** *সেফোরক্সিম+ক্লাভোনিক এসিড* | ৩.৯১% | ২.৮৩% | ১.৯০% | ৪.৩৯% |
| **ব্যথা** *কিটোরোলাক* | ০.২৮% | ০.৪৪% | ০.৪৬% | ০.৬৪% |

এই থেরাপিউটিক বিভাগগুলোর মধ্যে একটি একক প্রোডাক্ট আছে যেটি বর্তমান স্থানীয় বাজারে সবচেয়ে বড়। উক্ত প্রোডাক্টের বিক্রয় অনেকগুলো ছোট ছোট থেরাপিউটিক্স শ্রেণির প্রোডাক্টস্ এর সম্মিলিত বিক্রয়ের চেয়ে বেশি। উদাহরণস্বরূপ বলা যায়, ব্লকবাস্টার প্রোডাক্ট ইসোমিপ্রাজল বাজারের বড় অংশ জুড়ে থাকা সত্বেও গত পাঁচ বছরে এর বাজার অংশীদারিত্ব বেড়েছে ৪.৬% থেকে ৬.০৪%। স্বাভাবিক ভাবেই এই প্রোডাক্টের প্রবৃদ্ধি বেড়ে ৮.৮৫% থেকে ১০.২৩% হয়েছে। একইভাবে সংক্রামক রোগ নিরোধকের ক্ষেত্রে সেফোরক্সিম প্লাস ক্লাভোনিক এসিড প্রবৃদ্ধি বিবেচনায় এগিয়ে আছে। ব্যথানাশক ওষুধের ক্ষেত্রে বাজারের প্রবৃদ্ধিটা স্পষ্ট নয়। যদিও কিটোরোলাক এর বাজার অংশীদারিত্ব কমেছে, তবে এই ক্ষেত্রে গত পাঁচ বছরে প্রবৃদ্ধিটা দিগুণ হয়েছে।

মূলতঃ বাজারের প্রবৃদ্ধি যখন তার প্রথাগত ক্ষেত্র থেকে দূরে সরে যাচ্ছে, তখন এই পরিবর্তন কোনো ভাবেই অস্বাভাবিক নয়। উপরন্তু এই বাজারেই বলিষ্ঠ প্রোডাক্ট আছে যেগুলো বাজারের প্রবৃদ্ধির ধারাকে অব্যহত রাখতে পারে। রেনাটাতেও বেশ কিছু নির্ভরযোগ্য প্রোডাক্ট আছে, যেমন- কার্ডিওলজি (হৃদরোগ), ডায়াবেটিস, ক্যান্সার, হরমোন ইত্যাদি রোগজনিত ওষুধ যেগুলো বাজারে ধারাবাহিক ভাবে প্রাধান্য বজায় রাখবে।

ফার্মাসিটিক্যাল ব্যবসায় না থাকলেও, পশুস্বাস্থ্য শিল্পে রেনাটার বেশ কিছু আকর্ষণীয় প্রোডাক্টস্ আছে। যদিও বাংলাদেশে পশুস্বাস্থ্য শিল্পটি স্থানীয় পোল্ট্রি ব্যবসার সাথে ঘনিষ্টভাবে জড়িত, যার ব্যবসার সম্ভাবনা সব সময় অনিশ্চয়তার মধ্যে থাকে। ২০১৭ সালের শেষের দিকে পোল্ট্রি শিল্প তার উৎপাদিত পণ্যের মূল্য ও উৎপাদনের নিম্নমুখী ধারায় রয়েছে। হ্যাচারী ও ফিড মিলগুলো থেকে প্রাপ্ত উপাত্ত উপরোক্ত বক্তব্যকে সমর্থন করে। যেহেতু পণ্যের মূল্য ও উৎপাদন উভয়ই কমেছে, তার অর্থ ভোক্তারা মুরগি ছেড়ে অন্য খাদ্যের প্রতি ঝুঁকেছে। গবাদি পশু ও দুগ্ধ ব্যবসা ভাল ভাবে বেড়ে উঠলেও তা দিয়ে পোল্ট্রি শিল্পের ক্ষতি পোষানোর জন্য যথেষ্ঠ না। ২০১৮ সালের প্রথম ছয়মাস ছিলো এই শিল্পের জন্য একটি দুর্যোগপূর্ণ সময়।

আমরা উদ্বিগ্ন ছিলাম এই ভেবে যে, রেনাটার মতো একটি কোম্পানি শুধুমাত্র স্থানীয় বাজারের উপর নির্ভর করে বছরের পর বছর উচ্চ মাত্রায় এই প্রবৃদ্ধিকে ধরে রাখতে পারবে না। তাই আমরা বিশ্বের বৃহত্তম বাজারে প্রবেশের প্রস্তুতির লক্ষ্যে যথেষ্ঠ পরিমাণ সময় ও অর্থ ব্যয় করেছি। এ ক্ষেত্রে আশানুরূপ অগ্রগতির খবর দিতে পেরে আমি আনন্দিত। টেবিল নং-৪ (এ), বৈদেশিক নিয়ন্ত্রিত বাজারে অনুমোদন পেয়েছে এমন প্রোডাক্টগুলো দেখানো হলো।

টেবিল-৪

| | নিবন্ধন |
|---|---|
| হাইড্রোকর্টিসোন ট্যাবলেট ১০ মি.গ্রাম এবং ২০ মি.গ্রাম | ইউকে আয়্যারল্যান্ড |
| কলকিসিন ট্যাবলেট ৫০০ মি.গ্রাম | ইউকে আয়্যারল্যান্ড |
| ডাইপিরিডামল ২০০ মি.গ্রাম ক্যাপসুল | ইউকে আয়্যারল্যান্ড |
| গ্লাইকোপাইরোলেট ট্যাবলেট ১ মি.গ্রাম ও ২ মি.গ্রাম | ইউএসএ |
| রিসপিরিডন ট্যাবলেট ২৫ মি.গ্রাম, .৫ মি.গ্রাম, ১ মি.গ্রাম, ৩ মি.গ্রাম এবং ৪ মি.গ্রাম | ইউএসএ |
| মেটোপ্রলল টারট্রেট ট্যাবলেট ১০ মি.গ্রাম এবং ২০ মি.গ্রাম | ইউএসএ |

এই প্রোডাক্টগুলোর মধ্যে হাইড্রোকর্ডিসোন ইতিমধ্যে যুক্তরাজ্যে রফতানি হয়েছে। আয়ারল্যান্ডের ব্যবসা শীঘ্রই শুরু হবে। আমরা আশা করছি আগামী কয়েক মাসের মধ্যেই যুক্তরাজ্য ও আয়ারল্যান্ড এর জন্য আরও ৬টি প্রোডাক্ট অনুমোদন পাবো। ২০১৯ সালে মার্কিন যুক্তরাষ্ট্রেও আমাদের ব্যবসা শুরু হবে। চুক্তিভিত্তিক উৎপাদনের জন্য নিউজার্সিতে একটি কোম্পানি পাওয়া গেছে, কাঁচামাল আমদানির অর্ডারও দেয়া হয়েছে এবং সেই প্রোডাক্ট বিপননের জন্য পার্টনারও নির্ধারণ করা হয়েছে।

রেনাটাতেও প্রোডাক্ট ডেভেলপমেন্ট এর কাজ উল্লেযোগ্য ভাবে বৃদ্ধি পেয়েছে। নিজস্ব মেধাবী সম্ভবনাময় লোকবল প্রস্তুত করার পাশাপাশি অন্যান্য দেশের ল্যাবরেটরীগুলোতেও প্রোডাক্ট ডেভেলপমেন্ট এর আউটসোর্স করছি।
আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, আমাদের মিরপুরের পোটেন্ট প্রোডাক্ট ফ্যাসিলিটি ও রাজেন্দ্রপুরের জেনারেল ফ্যাসিলিটি কোনো বড় ধরনের অবজারভেশন ছাড়াই UK-MHRA-এর পরিদর্শনে সফল ভাবে উত্তীর্ণ হয়েছে। ইউরোপে আমাদের বাজারের জন্য এই দু'টি কারখানা প্রধান সরবরাহকারী হিসাবে গণ্য হবে।

এখন আমি আমাদের মূল ব্যবসা নিয়ে আলোকপাত করবঃ

**পশুস্বাস্থ্যঃ**
এই শিল্পের ৭% প্রবৃদ্ধির তুলনায় আমাদের প্রবৃদ্ধি হয়েছে ৯%। যদিও এই প্রবৃদ্ধির বেশির ভাগই ২০১৭ সালের শেষ ছয় মাসে ঘটেছে। প্রকৃতপক্ষে ২০১৮ সালের প্রথমার্ধেই এই শিল্পের সংকোচনের শুরু এবং আমাদের অবস্থাও ছিল অনুরূপ। বাজারের গভীর মন্দার পাশাপাশি বেশির ভাগ খামারের ভিন্ন জাতের মাছের চাহিদাও কমে যায়। এই দ্বৈত মন্দার কারণে সন্দেহাতীত ভাবে পরিস্থিতি খারাপ থেকে অধিকতর খারাপ আকার ধারন করে। যদিও এই মুহূর্তে পরিস্থিতি খারাপের মধ্যে আছে, তবে আমাদের মনে রাখা দরকার যে এই শিল্প একটা ব্যবসায়ীক চক্রের মধ্যে দিয়ে যাচ্ছে, ফলে প্রোডাক্ট এর স্বল্পতা দেখা দেবে এবং মূল্যও বৃদ্ধি পাবে। মূল্য বেড়ে গেলে নতুন বিনিয়োগকারীরা আবার উৎসাহিত হবে এবং এই শিল্পটি আবার ঘুরে দাঁড়াবে। সুতারং আমরা আশাবাদী যে, একটা নির্দিষ্ট সময়ের মধ্যেই এই পরিস্থিতির উন্নতি হবে।

**ফার্মাসিউটিক্যালঃ**
এই শিল্পের ১৪.৭% প্রবৃদ্ধির বিপরীতে আমাদের প্রবৃদ্ধি হয়েছে ১৭.৮%। যদিও এই প্রবৃদ্ধি আশাব্যঞ্জক, তবে আমাদের মনে রাখতে হবে যে, এই ক্রমবর্ধমান আয়ের সাথে বিপনন ব্যয়ও বাড়তে থাকবে। বিনিয়োগ সাপেক্ষে আয় কমে যাওয়ায় বিশ্বব্যাপী এই শিল্পে একত্রিকরনের সৃষ্টি হচ্ছে। আমরা বাংলাদেশেও একই ঘটনার লক্ষণ দেখতে পাচ্ছি।

কারখানার পরিবেশগত মানদন্ড বাড়ানোর ফলে চীনে কেমিক্যাল সিনথিসিস কারখানাগুলো বন্ধ হয়ে যাচ্ছে এবং ফার্মাসিউটিক্যাল অ্যাক্টিভ (API) এর মূল্য বেড়েছে।

বাংলাদেশসহ বিশ্বে নিয়ন্ত্রক সংস্থাগুলোর মানদণ্ড উন্নত করা হচ্ছে। আমরা এই উন্নয়নকে স্বাগত জানাই, কারণ মানুষের নিরাপদ ও কার্যকরী ওষুধ সেবনের অধিকার রয়েছে। তাছাড়া এটি আমাদের মতো কোম্পানিগুলোকে টেকসই প্রতিযোগিতামূলক সুবিধা প্রদান করবে।

**চুক্তিভিত্তিক উৎপাদনঃ**
এই ক্ষেত্রে আমাদের ব্যবসা ধারাবাহিকভাবে বৃদ্ধি অব্যাহত রয়েছে। ওআরএস, জন্ম নিয়ন্ত্রণের বড়ি ও পুষ্টিকণা পাউডার এসএমসি, ইউনিসেফ ও বাংলাদেশ সরকারকে সরবরাহ করে। এই ক্ষেত্রে আমাদের আয় ১৭% বৃদ্ধি পেয়েছে। এসএমসি, ইউনিসেফের সাথে আমাদের ব্যবসা বৃদ্ধি পেয়েছে, তবে সরকারের পারিবারিক পরিকল্পনা কর্মসূচির প্রধান দরপত্র প্রকাশে কয়েক মাস বিলম্ব করায় আমাদের আয়ের লক্ষ্য মাত্রা থেকে কিছুটা কম হয়েছে। যাই হোক, আমরা আশাবাদী যে খুব শীঘ্রই একটি দরপত্র আহ্বান করা হবে।

**দৃশ্যপট ১৯১৮-১৯ঃ**
পোল্ট্রি শিল্প যদি আগের অবস্থায় ফিরে না আসে তবে আমাদের পশুস্বাস্থ্য ব্যবসা (যা সচারাচর বছরে ১৫%-২০% বৃদ্ধি পায়) আশানুরূপ বৃদ্ধি পাবে না। তবে, আমরা আশাবাদী যে, ফার্মাসিউটিক্যাল ও চুক্তি-ভিত্তিক উৎপাদনে ব্যবসা বৃদ্ধি করে এবং সেই সাথে আর্থিক ও ইউটিলিটি খাতে সাশ্রয়ের মাধ্যমে এই ক্ষতি পুষিয়ে নিতে পারবো। এই বিবেচনায় আমরা একটি সুন্দর ২০১৮-১৯ অর্থবছর প্রত্যাশা করছি।



ডা: সারওয়ার আলী
চেয়ারম্যান
অক্টোবর ২৭, ২০১৮

# The Board of Directors



### Dr. Sarwar Ali, Chairman

**Current Responsibilities**

Chairman, Board of Directors, Renata Limited
Trustee, Liberation War Museum
Executive President, Chhayanaut
Chairman, Board of Management, BIRDEM Hospital
Vice President, Bangladesh Diabetic Association

**Past Responsibilities**

Director, Renata Limited
Managing Director, Renata Limited
Medical Director, Pfizer (Bangladesh) Limited
President Bangladesh Employers' Federation
International Councilor of IPPNW
Secretary General, Bangladesh Medical Association
Member, Dhaka University Senate

**Education**

MBBS, Dhaka Medical College

### Kaiser Kabir, CEO & Managing Director

**Current Responsibilities**

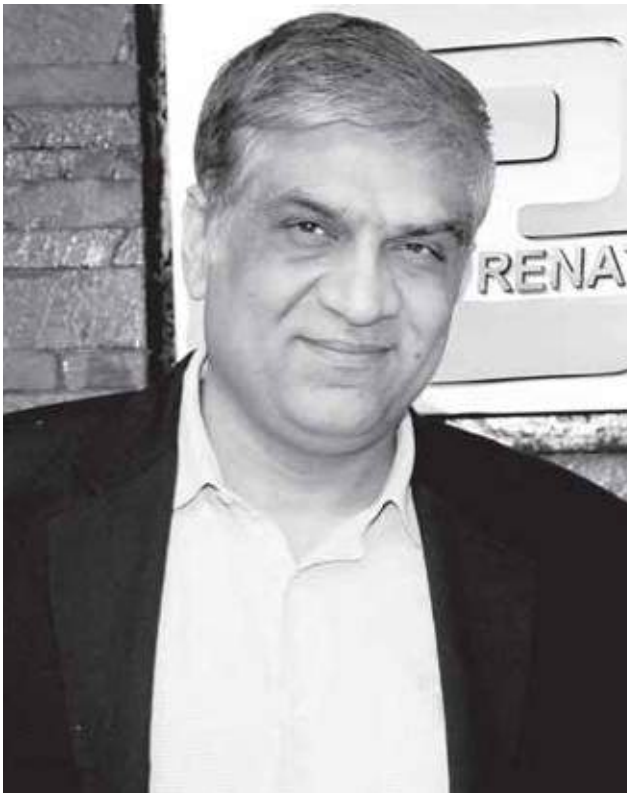
CEO & Managing Director, Renata Limited
Chairman, Renata Agro Industries Limited
Chairman, Purnava Limited
Chairman, Renata Oncology Limited
Board Member, Sajida Foundation
Board Member, BRAC
Director, BRAC Bank Limited
Vice President, Bangladesh Association of Pharmaceutical Industries

**Past Responsibilities**

Board of Directors, GAIN
Member, Finance & Audit Committee
Member, Nominations Committee
Managing Director, BRAC-Renata Agro Industries Limited
Executive Director, Sajida Foundation
National Macroeconomist, Financial Sector Reform Project
Consultant, The World Bank, RMB
Research Officer, Institute of Economics & Statistics, University of Oxford

**Education**

MPhil in Economics, University of Oxford, UK
Postgraduate Diploma in Economics with Distinction, University of East Anglia, UK
Bachelor of Arts in Economics and International Relations, Claremont McKenna College, USA




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## A. Hasanat Khan, Director

**Current Responsibilities**
Director, Renata Limited
Senior Consultant, Eshna Consulting Team Ltd
**Past Responsibilities**
MD, BOC Bangladesh Ltd
President, Foreign Investors Chamber of Commerce & Industries
Committee Member, MCCI
Committee Member, Employers Federation
Chief, Productivity Services Wing, ILO
President, Rotary Club of Dhaka
Engineering Consultant, IFC-SEDF
CEO, Consortium for Industrial & Engineering Services
Director, System Engineering Ltd
**Education**
M.Sc. Tech (UK)
C. Eng. M. I. Mech. E. (UK)
Life Member ASME (USA)



## Zahida Fizza Kabir, Director

**Current Responsibilities**
Director, Renata Limited
Executive Director, Sajida Foundation
Board Member, Action Aid Bangladesh
**Past Responsibilities**
Director of Programs, Sajida Foundation
Senior Program Officer, Sajida Foundation
**Education**
Masters Degree in International and Intercultural Management, School for International Training, Vermont, USA
Bachelor's Degree in Social Work, University of the Philippines
Post graduate diploma on "Organizational leadership", Said Business School, University of Oxford

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## Sajeda Farisa Kabir, Director

**Current Responsibilities**

Director, Renata Limited
Associate Director, Human Rights and Legal Services Program, BRAC
Founding Partner, Vertex Chambers, Dhaka, Bangladesh

**Past Responsibilities**

Counsel Barrister, Temple Court Chambers Dhaka Annexe, Dhaka, Bangladesh
Senior Regional Manager, Human Rights and Legal Services Program, BRAC

**Education**

Post Graduate Diploma in Professional Legal Skills, City University, London, UK
LLB (Honours), Cardiff Law School, University of Wales, UK

Professional Qualifications
Barrister (of Lincoln's Inn)
Advocate, Supreme Court of Bangladesh
Lawyer (New South Wales), Australia

## Manzoor Hasan, OBE, Independent Director

**Current Responsibilities**

Director, Renata Limited
Executive Director, Centre for Peace and Justice, BRAC University
Chair, Action Aid International Bangladesh

**Past Responsibilities**

Director, Institute of Governance Studies, BRAC University
Regional Director, Asia-Pacific, Transparency International, Germany
Executive Director, Transparency International Bangladesh
Barrister, Dr. Kamal Hossain and Associates, Bangladesh
Barrister, 6 King's Bench Walk, Temple, London, England

**Education**

The Honourable Society of Lincoln's Inn, England
London School of Economics, England

**Honours**

Her Majesty Queen Elizabeth II awarded Manzoor Hasan with the Officer of the Order of the British Empire (OBE) on 14th June, 2003 for the service given to Transparency International Bangladesh



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## Kazi Sanaul Hoq, Director

**Current Responsibilities**

Director, Renata Limited (From September 06, 2017)
Managing Director, Investment Corporation of Bangladesh
Chairman, ICB Capital Management Ltd.
Director of British American Tobacco Bangladesh Co. Ltd. (BATBC), Linde Bangladesh Limited, GlaxoSmithKline Bangladesh Ltd. (GSK), Bangladesh Krishi Gobeshona Endowment Trust (BKGET), Heidelberg Cement Bangladesh Limited, Credit Rating Information and Services Ltd. (CRISL), Standard Bank Limited, National Tea Company Limited, Apex Tanary Limited, Central Depository Bangladesh Ltd. (CDBL) and some other.

**Past Responsibilities**

Managing Director, Rajshahi Krishi Unnayan Bank (RAKUB)
Managing Director (Current Charge), Agrani Bank Ltd.
Deputy Managing Director, Agrani Bank Ltd.
General Manager, Bangladesh Development Bank Limited (BDBL)
General Manager, Rajshahi Krishi Unnayan Bank (RAKUB)
CEO, ICB Securities Trading Company Ltd.

**Education**

B.Com (Honors) Accounting, University of Dhaka
M.Com (Accounting), University of Dhaka

## Tanya Tazeen Karim, Independent Director

**Current Responsibilities**

Director, Renata Limited
Architect Partner, Tanya Karim NR Khan & Associates
Board Member: Bangladesh Womens' Chamber of Commerce & Industry(BWCCI)
Director: Vantage Engineering & Construction Ltd.
MD: Urban Bangla Ltd.
Visiting Lecturer: Adjunct Faculty,University of Asia Pacific.
Member: Women Architects, Engineers,Planners Association(WAEPA)

**Past Responsibilities & Achievements**

EC Member: Women Architects, Engineers,Planners Association(WAEPA)
Board Member & Member of Development Committee of Presidency University Foundation.
Founder Member: UW2SDA (Urban Water, Wastelands Society & Design Alliance), presently ISUS (Institute for Sustainable Urban Studies)also attached to the 'Swaraswati Program' for exchange program of Environmental Expertise among selected universities of USA, India and Bangladesh.

**Education**

B. Arch from Bangladesh University of Engineering & Technology(BUET) Management Course for Women Entrepreneurs from IBA





## Md. Jubayer Alam, Company Secretary

**Current Responsibilities**
Company Secretary, Renata Limited
**Past Responsibilities**
Human Resources Manager, Renata Limited
Training Manager, Renata Limited
Regional Sales Manager, Novartis (BD) Limited
**Education**
LLB from Atish Dipankar University of Science and Technology
MBA (Major in HRM) from Stamford University
MBA (Major in Marketing) from Stamford University
Masters in Psychology from University of Dhaka

**THE AUDIT COMMITTEE**

Mr. Manzoor Hasan - Independent Director • Chairman, Audit Committee
Mr. Kaiser Kabir - CEO & Managing Director • Member
Mrs.Tanya Tazeen Karim - Independent Director • Member

# Management Team

## Chief Executive Officer & Managing Director

- Director, Pharmaceutical Sales
- Director, Manufacturing
- General Manager, Marketing, Pharmaceutical
- General Manager, Animal Health
- General Manager, International Regulatory Affairs
- General Manager, Projects
- General Manager, International Business
- Heads of Quality Assurance
- Head of Finance
- Head of Information Technology
- Head of Human Resources Division

# Corporate Governance

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# Directors' Report

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# TO THE MEMBERS

The Directors of Renata Limited are pleased to present their Annual Report along with the Audited Financial Statements of the Company for the year which ended on June 30, 2018.

# BUSINESS ACTIVITIES

Turnover during 2017-18 was Taka 18,603.7 million registering a growth of 16.0% over last year's turnover of Taka 16,043.4 million. Profit after tax was Taka 3,200.5 million – a growth of 21.9%. Earnings per Share (EPS) stood at Taka 45.65 against Taka 37.30 of 2016-17.

# NEW PHARMACEUTICAL PRODUCTS

Renata introduced 17 new formulations during the year 2017-18

| Sl. | Brand Name | Generic | Division | Developed by |
|---|---|---|---|---|
| 1 | Neogest Tablet | Dienogest 2mg | Pharmaceutical | Renata |
| 2 | Preroid 5mg Tablet | Ulipristal Acetate INN 5mg | Pharmaceutical | Renata |
| 3 | Tigover 5mg Tablet | Flunarizine | Pharmaceutical | Renata |
| 4 | Tigover 10mg Tablet | Flunarizine | Pharmaceutical | Renata |
| 5 | Renaspirin 100gm Powder | Carbasalate calcium & Ascorbic acid | Animal Health | Renata |
| 6 | Cal-D-Mag 500ml Injection | Calcium, Phosphorus, Magnesium, Dextrose & boric acid | Animal Health | Renata |
| 7 | Melocam 10ml Injection | Meloxicam | Animal Health | Renata |
| 8 | Fevenil 10ml Injection | Tolfenamic acid | Animal Health | Renata |
| 9 | Genta-Col 100gm Powder | Gentamicin & Colistin | Animal Health | Renata |
| 10 | Renaflox 10% Solution | Ciprofloxacin | Animal Health | Renata |
| 11 | Renasol AD3E 100ml Injection | Vitamin A, D & E | Animal Health | Renata |
| 12 | Micronid 10gm Powder | Erythromycin, Sulphadiazine & Trimethoprim | Animal Health | Renata |
| 13 | Kol Suspension | Activated Charcoal | Animal Health | Carus Laboratories Pte. Ltd., India |
| 14 | Cal-Boost gel | Ionic Calcium & Magnesium | Animal Health | Carus Laboratories Pte. Ltd., India |
| 15 | DCAD Minus | Magnesium & Aluminum sulphate | Animal Health | Carus Laboratories Pte. Ltd., India |
| 16 | ORT-Calf | Oral Saline | Animal Health | Carus Laboratories Pte. Ltd., India |
| 17 | Heparen | Levocarnitine & Choline Chloride | Animal Health | Carus Laboratories Pte. Ltd., India |

# CAPITAL EXPENDITURE

The following capital expenditure made by the Company during the year amounted to Taka 1,202.3 million.

| | Taka in millions |
|---|---|
| | **2017-18** |
| Freehold Land | 16.00 |
| Building | 223.20 |
| Plant and Machinery | 844.10 |
| Automobile | 39.40 |
| Office Equipment | 70.60 |
| Furniture & Fixtures and others | 9.00 |
| **Total** | **1,202.30** |

The investments were funded from internally generated cash and bank loans.

# DIVIDEND

While there is reasonable profit available for distribution, the investment pipeline is also rich. Hence the Directors deem it necessary to retain adequate funds to finance the capital expenditures for capacity building to sustain the growth of the company.

The Board of Directors is pleased to recommend a cash dividend of Taka 9.50 per ordinary share of Taka 10 each. This dividend will entail a payment of Taka 665,294,709 The Board of Directors also recommend for declaration of Stock Dividend (Bonus Shares) in the ratio of one Bonus Share for every 6.67 shares held for which an amount of Taka 105,046,533 will have to be transferred to Share Capital Account.

# CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review Renata paid Taka 4,300 million to the National Exchequer in the form of Corporate Income Tax, Import Duties and Value Added Tax (VAT)

# DIRECTORS

The Directors retiring by rotation under Articles 109, 115 and 116 of the Articles of Association of the Company Dr. Sarwar Ali and Mrs. Sajeda Farisa Kabir who, being eligible, offer themselves for re-election.

## Financial Results

The Directors take pleasure in reporting the following financial results of the Company for the year 2017-18

| | 2017-18 Taka | 2016-17 Taka |
|---|---|---|
| Profit before tax | 4,333,061,344 | 3,691,714,958 |
| Less: Provision for tax | 1,136,110,811 | 1,079,572,544 |
| Net Profit after tax | 3,196,950,533 | 2,612,142,414 |
| Add/(Less) Other comprehensive income | 3,588,029 | 13,368,239 |
| Total Comprehensive income | 3,200,538,562 | 2,625,510,653 |
| Add: Unappropriated profit brought forward | 11,070,871,580 | 9,327,724,886 |
| Add: Depreciation of revaluation surplus | 635,885 | 635,885 |
| | **14,272,046,027** | **11,953,871,424** |
| APPROPRIATION RECOMMENDED | | |
| Dividend proposed: | | |
| a) Cash dividend @ 9.50 Taka per share | 665,294,709 | 791,655,033 |
| b) Stock dividend (Bonus Share) in the ratio of one bonus share for every 6.67 shares held ( 6.67 :1B) | 105,046,533 | 91,344,811 |
| | 770,341,242 | 882,999,844 |
| Balance of unappropriated profit carried forward | 13,501,704,785 | 11,070,871,580 |
| | **14,272,046,027** | **11,953,871,424** |

# AUDITORS

The Company's Auditor Messrs S. F. Ahmed & Co., Chartered Accountants retire at the 45th Annual General Meeting and being eligible may offer themselves for reappointment as auditor for the year 2018-19 with re-fixation of their remuneration.

# CONSOLIDATION OF ACCOUNTS

The Company is consistently following the Code of International Accounting Standard as adopted by the Institute of Chartered Accountants of Bangladesh. According to Bangladesh Accounting Standard-27, (BAS-27) the Company has presented all the relevant consolidated financial statements with those of its subsidiaries.

# ADDITIONAL STATEMENT

The Directors are pleased to make the following additional statements in respect of the Report prepared under section 184 of the Companies Act 1994.

We report,

a) The financial statements prepared by the management for the year 2017-18 give a true and fair view of the state of company about the results of its operations, cash flows and changes in equity.

b) Proper books of accounts have been maintained by the company as required by applicable Laws, Rules and Standard.

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

d) In preparation of the financial statement, the International Accounting Standard, as applicable in Bangladesh has been followed and there has been no departure from the policies.

e) The system of internal control and internal check are in effect and monitored properly.

f) The company has sound and strong operational strengths and ability to continue as a going concern. As such, there is no doubt of its continuity.

g) There is no significant deviation from last year in operating results.

h) The key operating and financial data for preceding five years have been shown in the Financial Highlights.

i) A statement that minority shareholders have been protected from abuse actions by, or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress.

j) A statement where key operating and financial data at least preceding 5 (Five) years shall summarized in ANNEXURE-E

k) The Directors, have recommended cash dividend of Taka 9.50 per share of Taka 10 each and Stock dividend (bonus share) in the ratio of one share for every 6.67 shares are held.

l) During the year five board meeting were held and the attendance by each Director are given below:

| | | |
|---|---|---|
| 1. | Dr. Sarwar Ali<br>Chairman of the Board | 5 times |
| 2. | Mr. Syed S. Kaiser Kabir<br>Managing Director | 5 times |
| 3. | Mrs. Zahida Fizza Kabir<br>Director | 3 times |
| 4. | Mrs. Sajeda Farisa Kabir<br>Director | 3 times |
| 5. | Mr. A. Hasanat Khan<br>Director | 5 times |
| 6. | Mr. Md. Ifttikhar-Uz- Zaman(up to 6.09.17)<br>Director | 1 time |
| 7. | Mr. Kazi Sanaul Hoq ( From 06.09.17)<br>Director | 4 times |
| 8. | Mr. Manzoor Hasan<br>Independent Director | 4 times |
| 9. | Mrs. Tanya Tazeen Karim<br>Independent Director | 4 times |

All non-executive Directors including independent Director's shall receive Tk. 10,000 to attend the Board meeting and other sub-committee meeting as attended fees.

m) The pattern of Shareholding

(i) Parent/ Subsidiary / Associated companies:

The Shareholding information as on 30th June 2018 and other related information are set out in note- 7.

| | **Directors Name** | **No. of Shares** |
|---|---|---|
| (ii) | Dr. Sarwar Ali | 3,872 |
| | Mr. Syed S. Kaiser Kabir | 83,389 |
| | Mrs. Zahida Fizza Kabir | 20,333 |
| | Mrs. Sajeda Farisa Kabir | 10,185 |
| | Mr. A. Hasanat Khan | - |
| | Mr. Kazi Sanaul Hoq | - |
| | Mr. Manzoor Hasan | - |
| | Mrs. Tanya Tazeen Karim | - |
| (iii) | **Company Secretary** | |
| | Mr. Jubayer Alam | 1,076 |
| (iv) | **Chief Financial Officer (CFO)** | |
| | Mr. Khokan Chandra Das | - |
| (v) | **Head of Internal Audit** | |
| | Mr. ATM Muniruzzaman | 212 |
| (vi) | **Executives:** | |
| | Mr. Khalil Musaddeq | 4,844 |
| | Dr. Sayma Ali | 9,580 |
| | Mr. Monowarul Islam | - |
| | Mr. Sirajul Hoque | 4849 |
| | Mr. S.M. Anisur Rahman | - |

(vii) **Shareholders holding 10% or more voting interest:**

| | |
|---|---|
| Sajida Foundation | 35,715,518 |
| Business Research International Corp. | 15,227,512 |

# STATUS OF COMPLIANCE

Compliance status of the condition imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities Exchange Ordinance, 1969 is shown in Annexure-C.

# PERSONNEL

The Directors record their appreciation for the contribution made by the employees for their efforts.

# ACKNOWLEDGEMENT

The Board wishes to thank the Shareholders, Officials of the Drug Administration and other Government officials, Doctors, Chemists, Medical Institutions, Bankers, the Securities and Exchange Commission, the Dhaka Stock Exchange Limited and all our well-wishers for their continued support.

On behalf of the Board of Directors

Dr. Sarwar Ali
Chairman
October 27, 2018

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ANNEXURE-A
[(As per condition No. 1(5)(xxvi)]

Renata Limited
PABX : 8001450-54
Fax : (880)-2-8001446
E-mail : renata@renata-ltd.com
Website : www.renata-ltd.com
Corporate Headquarters: Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, GPO Box No. 303, Bangladesh

# The CEO and CFO's certification to the Board

October 27, 2018

The Board of Directors
Renata Limited

**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. BSEC/CMRRCD/2006-158/207/Admin/80 Dated June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Renata Limited for the year ended on 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 on June 30, 2018 and that to the best of our knowledge and belief:

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

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

(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,

Syed S. Kaiser Kabir
CEO & Managing Director

Khokan Chandra Das
Chief Financial Officer

## ANNEXURE-B

[(Certificate as per condition No. 1(5)(xxvii)]

KMHCO. SINCE1984

কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants

Hometown Apartments (7th, 8th & 9th Floor)
87, New Eskaton Road, Dhaka-1000
Phone : 9351457, 9351564,8358817
Fax : 88-02-9345792
E-mail : kmh_co@yahoo.com
website: www.kmhasan.com

McMillan Woods International
Professionalism at the forefront

### Report to the Shareholders of Renata Limited

### on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Renata Limited for the year ended on 30 June 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 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 conditions 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 those mentioned in the Statement of Compliance Status;

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;

d) The governance of the company is satisfactory.

For K. M. HASAN & Co.
Chartered Accountants

Md. Amirul Islam FCA, FCS
Senior Partner

Place: Dhaka
Dated: 05 November 2018

ANNEXURE-C

[(As per condition No. 1(5)(xxvii)]

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

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

(Report under Condition No. 9.00)

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1 | **Board of Directors** | | | |
| 1(1) | Size of the Board of Directors | | | |
| | The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty). | √ | - | - |
| 1(2) | **Independent Directors** | | | |
| 1(2)(a) | At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s); | √ | - | - |
| 1(2)(b)(i) | Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company; | √ | - | - |
| 1(2)(b)(ii) | Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its asscoiates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: | √ | - | - |
| 1(2)(b)(iii) | Who has not been an executive of the company in immediately preceding 2 (two) financial years; | √ | - | - |
| 1(2)(b)(iv) | Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies; | √ | - | - |
| 1(2)(b)(v) | Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange; | √ | - | - |
| 1(2)(b)(vi) | Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | √ | - | - |
| 1(2)(b)(vii) | Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code; | √ | - | - |
| 1(2)(b)(viii) | Who is not an independent director in more than 5 (five) listed companies; | √ | - | - |
| 1(2)(b)(ix) | Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); | √ | - | - |
| 1(2)(b)(x) | Who has not been convicted for a criminal offence involving moral turpitude. | √ | - | - |
| 1(2)(c) | The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM). | √ | - | - |
| 1(2)(d) | The post of independent director(s) cannot remain vacant for more than 90(ninety) days. | √ | - | - |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only. | √ | - | No such event occured |
| 1(3) | **Qualification of Independent Director** | | | |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(3)(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business. | √ | - | - |
| 1(3)(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 bussiness 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 Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; | √ | - | - |
| 1(3)(b)(iii) | Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least eductional background of bachelor's degree in economics or commerce or bussiness or law; | - | - | N/A |
| 1(3)(b)(iv) | University Teacher who has eductional background in Economics or Commerce or Business Studies or Law; | √ | - | - |
| 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; | √ | - | - |
| 1(3)(c) | The independent director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | √ | - | - |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | √ | - | No such event occured |
| **1(4)** | **Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer** | | | |
| 1(4)(a) | The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals; | √ | - | - |
| 1(4)(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | √ | - | - |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company; | √ | - | - |
| 1(4)(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer; | √ | - | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | - | - | No such event occured |
| **1(5)** | **The Directors' Report to the Shareholders** | | | |
| 1(5)(i) | An industry outlook and possible future developments in the industry; | √ | - | - |
| 1(5)(ii) | The Segment-wise or product-wise performance; | √ | - | - |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | √ | - | - |
| 1(5)(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | - | √ | - |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(5)(v) | A discussion on continuity of any extraordinary activities and their impliacations (gain or loss); | - | - | No such event occured |
| 1(5)(vi) | A detiled discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | √ | - | - |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and/ or through any other instruments; | - | - | N/A |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc; | - | - | N/A |
| 1(5)(ix) | An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements; | - | - | N/A |
| 1(5)(x) | A statement of remuneration paid to the directors including independent directors; | √ | - | - |
| 1(5)(xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | - | - |
| 1(5)(xii) | A statement that proper books of account of the issuer company have been maintained; | √ | - | - |
| 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; | √ | - | - |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS)or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followedin preparation of the financial statements and any departure there from has been adequately disclosed; | √ | - | - |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | √ | - | - |
| 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; | √ | - | - |
| 1(5)(xvii) | A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed; | √ | - | - |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the resons thereof shall be explained; | - | - | No such event occured |
| 1(5)(xix) | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized; | √ | - | - |
| 1(5)(xx) | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year; | - | - | Declared Dividend |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | - | - | N/A |
| 1(5)(xxii) | The total number of Board meetings held during the year and attendance by each director; | √ | - | - |
| **1(5)(xxiii)** | **A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-** | | | |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name -wise details); | √ | - | - |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details); | √ | - | - |
| 1(5)(xxiii)(c) | Executives; | √ | - | - |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details). | √ | - | - |
| **1(5)(xxiv)** | **In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -** | | | |
| 1(5)(xxiv)(a) | a brief resume of the director | √ | - | - |
| 1(5)(xxiv) (b) | nature of his/her expertise in specific functional areas; | √ | - | - |
| 1(5)(xxiv) (c) | Names of companies in which the person also holds the directorship and the membership of committees of the board. | √ | - | - |
| **1(5)(xxv)** | **A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief disscission of changes in financial statements, among others, focusing on:** | | | |
| 1(5)(xxv)(a) | Accounting policies and estimation for preparation of financial statements; | √ | - | - |
| 1(5)(xxv)(b) | Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | √ | - | - |
| 1(5)(xxv)(c) | Comparative analysis (including effects of inflation) of fianacial performance or results and financial position as well as cash flows for current financial year with immediately 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; | - | - | To be complied with |
| 1(5)(xxv)(e) | briefly explain the financial and economic scenario of the country and the globe; | - | - | To be complied with |
| 1(5)(xxv)(f) | risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | - | - | To be complied with |
| 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; | - | - | To be complied with |
| 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; and | √ | - | - |
| 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), for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | √ | - | Under process of complience |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company | - | - | To be complied with |
| **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; | √ | - | - |
| 2(b) | At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company; | √ | - | - |
| 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. | √ | - | - |
| 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; | √ | - | - |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary 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)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC); | √ | - | - |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuais; | √ | - | - |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time; | √ | - | - |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | - | - |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | - | - | No such event occured |
| **3(2)** | **Requirement to attend Board of Director's Meetings** | | | |
| | The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: | √ | - | - |
| **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 violation of the code of conduct for the company's Board or its member; | √ | - | - |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | √ | - | - |
| **4** | **Board of Director's Committee.For ensuring good governance in the company, the Board shall have at least following sub-committees:** | | | |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 4(i) | Audit Committee; | √ | - | - |
| 4(ii) | Nomination and Remuneration Committee | √ | - | - |
| **5** | **Audit Committee** | | | |
| **5(1)** | **Responsibility to the Board of Directors** | | | |
| 5(1)(a) | The company shall have an Audit Committee as a sub-committee of the Board; | √ | - | - |
| 5(1)(b) | The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business; | √ | - | - |
| 5(1)(c) | The Audit Committee shall be responsible to the Board;the duties of the Audit Committee shall be clearly set forth in writing. | √ | - | - |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members; | √ | - | - |
| 5(2)(b) | The Board shall appoint members of the audit committee who shall benon-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director; | √ | - | - |
| 5(2)(c) | All members of the audit committee should be "financially literate" and at least I (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 members 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; | - | - | No such event occured |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee. | √ | - | - |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | √ | - | - |
| 5(3)(a) | The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director; | √ | - | - |
| 5(3)(b) | In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constittuting a quorum as required under condition No.5(4)(b) and the reson of absence of the regular chairperson shall be duly recorded in the minutes. | √ | - | - |
| 5(3)(c) | Chairperson of the Audit Committee shall remin present in the Annual General Meeting (AGM): | - | √ | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year. Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; | - | √ | - |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | - | - |
| **5(5)** | **The Audit Committee shall:** | | | |
| 5(5)(a) | Oversee the financial reporting process; | √ | - | - |
| 5(5)(b) | Monitor choice of accounting policies and principles; | √ | - | - |

RENATA STOCK

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5(5)(c) | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report; | √ | - | - |
| 5(5)(d) | Oversee hiring and performance of external auditors. | √ | - | - |
| 5(5)(e) | Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | √ | - | - |
| 5(5)(f) | Review along with the management, the annual financial statements before submission to the board for approval; | √ | - | - |
| 5.5(g) | Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval; | √ | - | - |
| 5.5(h) | Review the adequacy of internal audit function; | √ | - | - |
| 5(5)(i) | Review the Management's Discussion and Analysis before disclosing in the Annual Report; | √ | - | - |
| 5(5)(j) | Review statement of all related party transactions submitted by the management; | √ | - | - |
| 5(5)(k) | Review Management Letters or Letter of Internal Control weakness issued by statutory auditors. | √ | - | - |
| 5(5)(l) | Oversee the determination of audit fees based on scope and magnitude, level of experise deployed and time required for effective audit and evalute the performance of external auditors; | √ | - | - |
| 5(5)(m) | Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering (RPO) or Rights Share offer have brrn utilized as per the purpose stated in relevent offer document or prospectus approved by the Commission: | - | - | N/A |
| **5(6)(a)** | **Reporting of the Audit Committee** | | | |
| **5(6)** | **Reporting to the Board of Directors** | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | √ | - | - |
| **5(6)(a)(ii)** | **The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -** | | | |
| 5(6)(a)(ii)(a) | report on conflicts of interests; | - | - | - |
| 5(6)(a)(ii)(b) | suspected or presumed fraud or irregularity or material defect identified in the internal internal audit and compliance process or in the financial statements; control system; | - | - | No such event occured |
| 5(6)(a)(ii)(c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; | - | - | No such event occured |
| 5(6)(a)(ii)(d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | √ | - | - |
| **5(6)(b)** | **Reporting to the Authorities: -** | | | |
| | If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | - | - | No such event occured |
| **5(7)** | **Reporting to the Shareholders and General Investors** | | | |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| | Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | √ | - | - |
| **6** | **Nomination and remuneration Committee (NRC).** | | | |
| **6(1)** | **Responsibility to the Board of Directors** | | | |
| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | √ | - | NRC Committee reconstituted on 27th October, 2018 |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | - | - | - |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b). | √ | - | - |
| **6(2)** | **Constitution of the NRC** | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | √ | - | - |
| 6(2)(b) | All member of the Committee shall be non-executive directors; | √ | - | - |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | √ | - | - |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | - | - | - |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | - | - | N/A |
| 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 form such external expert and/or member(s) of staff shall be required or valuable for the Committee; | - | - | Noted |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee; | √ | - | - |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | - | |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | - | - |
| **6(3)** | **Chairperson of the NRC** | | | |
| 6(3)(a) | The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | - | - |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | - | - | To be complied |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: | - | - | To be complied |
| **6(4)** | **Meeting of the NRC** | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | - | - | Noted |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | - | - | Noted |
| 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); | √ | - | To be complied |
| 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. | √ | - | To be complied |
| **6(5)** | **Role of the NRC** | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | - | Noted |
| 6(5)(b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | √ | - | Noted |
| 6(5)(b)(i) | Formulating the ceiteria for determining qualifications, positive atteibutes 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: | - | - | To be complied |
| 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; | - | - | To be complied |
| 6(5)(b)(i)(b) | The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | - | - | To be complied |
| 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; | - | - | To be complied |
| 6(5)(b)(ii) | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | - | - | To be complied |
| 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 ceiteria laid down, and recommend their appointment and removal to the Board; | - | - | Noted |
| 6(5)(b)(iv) | Formulating the criteria for evaluation of performance of independent directors and the Board; | - | - | To be complied |
| 6(5)(b)(v) | Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; | - | - | To be complied |
| 6(5)(b)(vi) | Developing, recommending and reviewing annually the company's human resources and training policies; | - | - | To be complied |
| 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. | - | - | To be complied |
| **7** | **External or Statutory Auditors** | | | |
| 7(1) | The issuer shall not engage its external or statutory auditors to perform the following servicesof the company, namely:-- | | | |
| 7(1) (i) | Appraisal or valuation services or fairness opinions; | √ | - | - |
| 7 (1) (ii) | Financial information system design and implementation; | √ | - | - |
| 7 (1) (iii) | Book-keeping or other services related to the accounting records or financial statement; | √ | - | - |
| 7 (1) (iv) | Broker –dealer services; | √ | - | - |
| 7 (1) (iii) | Book-keeping or other services related to the accounting records or financial statement; | √ | - | - |
| 7 (1) (iv) | Broker –dealer services; | √ | - | - |

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 7 (1) (v) | Actuarial services; | √ | - | - |
| 7 (1) (vi) | Internal audit services or special audit services; | √ | - | - |
| 7 (1) (vii) | Any services that the Audit Committee determines. | √ | - | - |
| 7 (1) (viii) | Audit or certifiaction 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 tenureof their audit assignment of that company; his or her family members also shall not hold ant shares in the said company: | √ | - | - |
| 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. | √ | - | - |
| 8(2) | The company shall keep the website functional from the date of listing. | √ | - | - |
| 8(3) | The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s) | √ | - | - |
| **9** | **Reporting and Compliance of Corporate Governance** | | | |
| 9(1) | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | - | - |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting. | - | - | To be complied |
| 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. | √ | - | - |

CEO & Managing Director

ANNEXURE-D

## AUDIT COMMITTEE REPORT FOR THE YEAR ENDED JUNE 30, 2018

The Audit Committee consists of the following members:

| | | |
|---|---|---|
| Mr. Manzoor Hasan | Independent Director | Chairman, Audit Committee |
| Mr. Syed S. Kaiser Kabir | CEO & Managing Director | Member |
| Mrs. Tanya Tazeen Karim | Independent Director | Member |

The scope of Audit Committee was defined as under:

a) To review the quarterly, half yearly and the audited financial statements and management letter if any;

b) To recommend to the Board of Directors the quarterly, half yearly and the audited financial statements for approval;

c) To review the internal audit findings and monitor the progress of potential issues;

d) To review the statement of all related party, transactions submitted by the management; and

e) To recommend the appointment of M/S S.F. Ahmed & Co., Chartered Accountants as external Auditors of the Company for the year 2018-2019.

Activities carried out during the period

The committee reviewed the internal audit reports, financial statements and the external audit report. The committee didn't find any material deviation, discrepancy or any adverse finding/observation in the area of reporting.

M. Hasan.

Manzoor Hasan
Chairman
Audit Committee

AMR STOCK

ANNEXURE-E

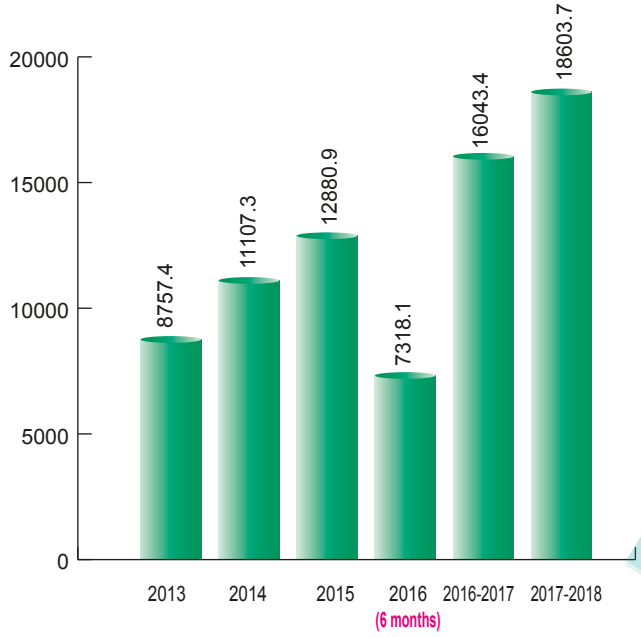
# RENATA LIMITED FINANCIAL HIGHLIGHTS

Figures in Taka (Thousands)

| Particulars | 2017-2018 | 2016-2017 | 2016 (6 months) | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|
| **Balance Sheet** | | | | | | |
| **Shareholder's Equity** | | | | | | |
| Share capital | 700,310 | 608,965 | 529,535 | 529,535 | 441,279 | 353,023 |
| Proposed stock dividend | 105,047 | 91,345 | - | 79,430 | 88,256 | 88,256 |
| Proposed cash dividend | 665,295 | 791,655 | - | 450,105 | 353,023 | 264,767 |
| Revaluation surplus | 154,808 | 155,285 | 156,282 | 156,520 | 156,999 | 157,477 |
| Tax holiday reserve | - | - | - | 315,027 | 296,337 | 249,497 |
| Unappropriated profit | 13,501,704 | 10,827,285 | 9,857,260 | 7,875,242 | 6,414,819 | 5,182,094 |
| Shareholder's fund | 15,127,164 | 12,474,535 | 10,543,077 | 9,405,859 | 7,750,713 | 6,295,114 |
| Long term & deferred liabilities | 1,209,209 | 1,233,238 | 1,196,986 | 1,084,703 | 1,528,677 | 1,153,678 |
| **Total** | **16,336,373** | **13,707,773** | **11,740,063** | **10,490,562** | **9,279,390** | **7,448,792** |
| **Application of Funds** | | | | | | |
| Property, plant & equipment-WDV | 10,746,707 | 10,245,093 | 9,672,963 | 9,419,128 | 8,964,172 | 8,374,267 |
| Investment & non-current assets | 143,069 | 143,069 | 251,263 | 235,464 | 233,027 | 199,433 |
| Current assets | 9,921,903 | 7,736,183 | 6,836,121 | 6,483,183 | 5,296,370 | 4,208,713 |
| Current liabilities | (4,475,306) | (4,416,572) | (5,020,284) | (5,647,213) | (5,214,179) | (5,333,621) |
| **Total** | **16,336,373** | **13,707,773** | **11,740,063** | **10,490,562** | **9,279,390** | **7,448,792** |
| **Financial Results** | | | | | | |
| Turnover (Gross) | 21,339,459 | 18,335,157 | 8,394,975 | 14,735,200 | 12,674,236 | 10,034,450 |
| Turnover (Net) | 18,603,709 | 16,043,431 | 7,318,104 | 12,880,957 | 11,107,281 | 8,757,406 |
| Gross profit | 9,346,470 | 8,102,926 | 3,779,587 | 6,545,154 | 5,688,310 | 4,670,630 |
| EBITDA | 5,239,795 | 4,523,432 | 2,285,037 | 3,542,645 | 3,200,601 | 3,146,433 |
| Profit before taxation | 4,333,061 | 3,691,715 | 1,887,698 | 2,731,512 | 2,330,923 | 1,885,359 |
| Profit after taxation | 3,196,951 | 2,612,142 | 1,143,353 | 2,006,641 | 1,710,863 | 1,390,164 |
| Total comprehensive income | 3,200,539 | 2,625,511 | 1,137,138 | 2,008,012 | 1,720,209 | 1,393,928 |
| Dividend | 770,342 | 883,000 | - | 529,535 | 441,279 | 353,023 |
| **Financial Performance** | | | | | | |
| Number of shares | 70,031,022 | 60,896,541 | 52,953,514 | 52,953,514 | 44,127,929 | 35,302,343 |
| Earning per share (Taka) | 45.65 | 37.30 | 16.33 | 28.65 | 24.43 | 19.85 |
| Dividend per share (Taka) | 11.00 | 14.50 | - | 10.00 | 10.00 | 10.00 |
| Dividend payout % | 24.10% | 33.80% | - | 26.39% | 25.79% | 25.39% |
| Effective dividend rate % | 0.85% | 1.25% | - | 0.81% | 1.02% | 1.39% |
| Price earnings ratio (PER) | 28.40 | 31.02 | 72.59 | 43.03 | 40.28 | 36.37 |
| Market price per share on 30 June | 1,296.50 | 1,157.10 | 1,185.20 | 1,233.00 | 984.00 | 722.00 |
| Price/Equity ratio (Times) | 129.65 | 115.71 | 118.52 | 123.30 | 98.40 | 72.20 |
| Return on shareholder's fund % | 21.13% | 20.94% | 10.84% | 21.33% | 22.07% | 22.08% |
| Current ratio (Times) | 2.22 | 1.75 | 1.36 | 1.15 | 1.02 | 0.79 |
| Net operating cash flow per share (Taka) | 37.54 | 50.25 | 20.54 | 28.43 | 24.51 | 13.09 |
| Net asset value per share (Taka) | 216.01 | 178.13 | 150.55 | 134.31 | 110.68 | 89.89 |
| **Number of employees** | **6,798** | **6,087** | **5,965** | **5,473** | **5,002** | **4,334** |

# Financial Trend

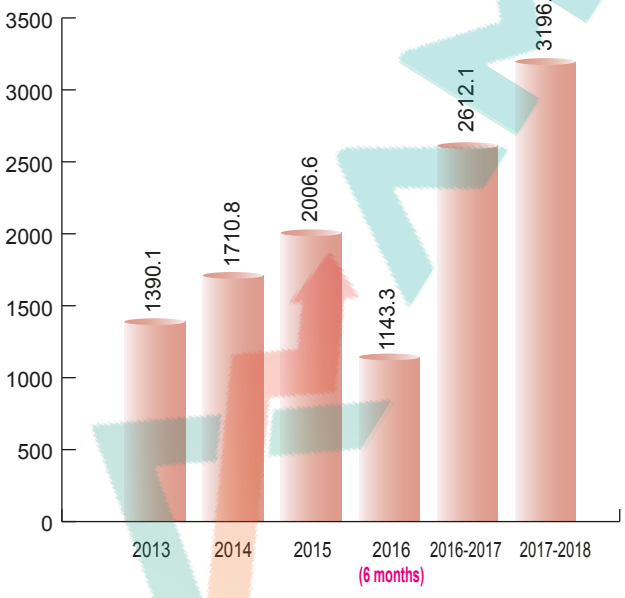
TAKA (MILLIONS)



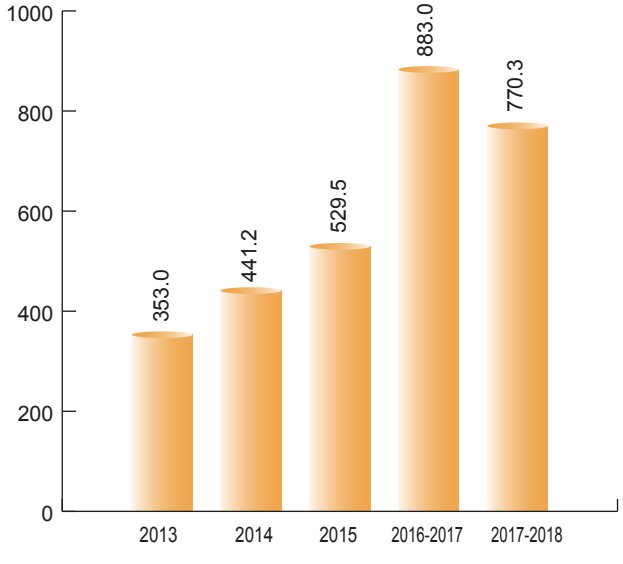

TURNOVER (NET)




GROSS PROFIT




NET PROFIT

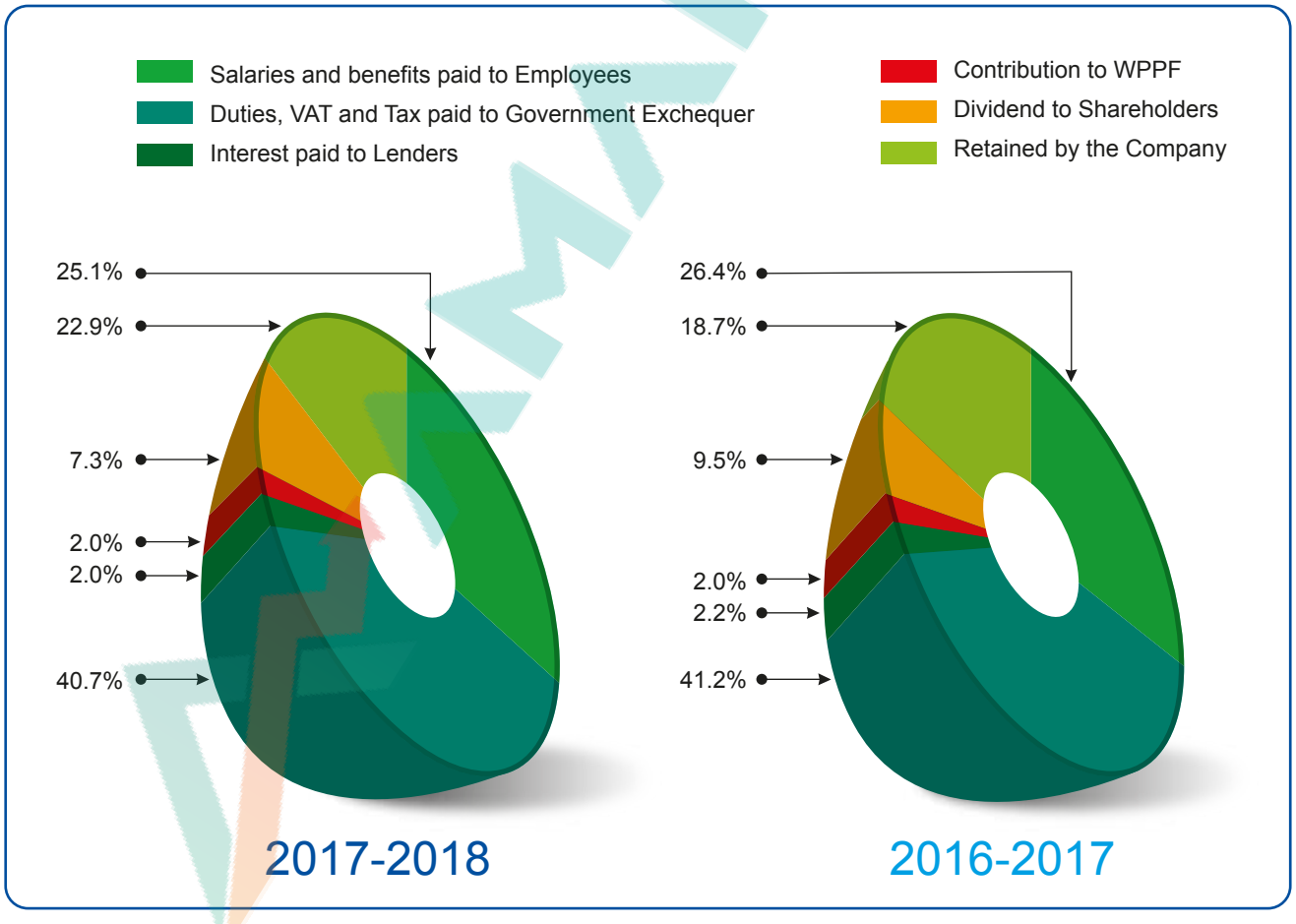



DIVIDEND

HAMAR STOCK

# Statement of Value Addition

| | 2017-18 Taka | % | 2016-17 Taka | % |
|---|---|---|---|---|
| Turnover and other income | 18,736,717,319 | | 16,079,390,589 | |
| Less: Materials cost & Expenses | 8,159,130,443 | | 6,824,904,595 | |
| **Value Added** | **10,577,586,876** | | **9,254,485,994** | |
| | | | | |
| **Application:** | | | | |
| Salaries and benefits paid to employees | 2,656,611,564 | 25.1% | 2,442,438,833 | 26.4% |
| Duties, VAT and Tax paid to Government Exchequer | 4,300,175,653 | 40.7% | 3,816,161,101 | 41.2% |
| Interest paid to Lenders | 207,196,059 | 2.0% | 199,157,898 | 2.2% |
| Contribution to WPPF | 216,653,067 | 2.0% | 184,585,748 | 2.0% |
| Dividend to Shareholders | 770,341,242 | 7.3% | 882,999,844 | 9.5% |
| Retained by the Company | 2,426,609,291 | 22.9% | 1,729,142,570 | 18.7% |
| **Total** | **10,577,586,876** | **100.0** | **9,254,485,994** | **100.0** |




AMARSTOCK

# Corporate Social Responsibility

At Renata, corporate social responsibility means caring for our employees, assisting disadvantaged members of our society, and building a sustainable environment. Details of our various initiatives can be found below:

## HEALTHCARE FOR EMPLOYEES AND THEIR FAMILIES

The Renata health program covers all permanent employees, their spouses, and children. This comprehensive program includes surgery, hospitalization, as well as routine doctor visits.

Expenditure during 2017-18

| Type of care | Taka |
|---|---|
| General | 24,479,545 |
| Gynecology | 13,532,585 |
| Accident | 10,055,148 |
| Oncology | 9,357,764 |
| Cardiovascular | 6,934,926 |
| Pediatrics | 6,585,581 |
| Dentistry | 1,544,227 |
| Gastroentology | 840,227 |
| Skin & Dermatology | 732,682 |
| Others | 6,227,987 |
| **Total** | **80,290,672** |

## SUPPORT TO CHARITABLE ORGANIZATIONS

**BRAC,** an international development organization based in Bangladesh, is the largest non-governmental development organization in the world, in terms of number of employees as of September 2016. Established by Sir Fazle Hasan Abed in 1972 after the independence of Bangladesh, BRAC is present in all 64 districts of Bangladesh as well as 13 other countries in Asia, Africa, and the Americas. The objective of the BRAC was economic development, education, public health and disaster relief. BRAC Health has reached the under-privileged and deprived community through its frontline community health workers (CHWs); adopting a door to door service delivery approach. BRAC's international operations replicated the models used in Bangladesh to provide healthcare services to the community people..

Expenditure during the year 2017-18
**Taka 3,000,000**

**HOPES (Helping Organization for Promising and Energetic Students)** runs a scholarship program for meritorious students. Renata Limited sponsored students for studying Medicine under the aegis of this programme.

Expenditure during 2017-18
**Taka 100,000**

**Poverty Fighter Foundation (PFF)** is a dedicated non-profit organization working to reduce poverty in Bangladesh. Renata support their program aiming to empower children through education.

Expenditure during the year 2017-18
**Taka 100,000**

**Centre for Cancer Prevention and Research (CCPR)** is a voluntary organization working in Bangladesh for cancer prevention and control.

Expenditure during 2017-18
**Taka 100,000**

Combined Military Hospital (CMH) to open an In-vitro fertilization center aiming to offer a comprehensive range of fertility treatment.

Expenditure during 2017-18
**Taka 200,000**

Dr. Faria Faisal Memorial Foundation for free medical camp.

Expenditure during 2017-18
**Taka 50,000**

| Title/Organization | Taka |
|---|---|
| BRAC | 3,000,000 |
| Helping Organization for Promising and Energetic Students | 100,000 |
| Poverty Fighter Foundation (PFF) | 100,000 |
| Centre for Cancer Prevention and Research | 100,000 |
| Combined Medical Hospital | 200,000 |
| Dr. Faria Faisal Memorial Foundation | 50,000 |
| **Total** | **3,550,000** |

## FINANCIAL ASSISTANCE TO EX-EMPLOYEES AND THEIR CHILDREN

From time to time Renata Limited provided financial assistance to ex-employees and their children.

Expenditure during 2017-18
**Taka 700,000**

**TOTAL CSR EXPENDITURE**

**Taka 84,540,672**
**2.64% of net profit**

AMAR STOCK

# Product Portfolio

AMARSTOCK

## PHARMACEUTICAL PRODUCTS:
## ANTIMICROBIALS:

| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| Alsporin | Cephalexin | Tablet | 250mg | 10x10's |
| Alsporin | Cephalexin | Tablet | 500mg | 10x10's |
| Amoxi IM/IV | Amoxicillin Trihydrate | Injectable | 500mg | Vial 500mg |
| Bactipront | Co-Trimoxazole | Tablet | 480mg | 10x10's |
| Bactipront | Co-Trimoxazole | Tablet | 960mg | 10x10's |
| Bactipront | Co-Trimoxazole | Oral Suspension | 240mg/5ml | Bottle 60ml |
| Bactamox | Amoxicillin Trihydrate | Tablet | 250mg | 10x10's |
| Bactamox | Amoxicillin Trihydrate | Tablet | 500mg | 5x10's |
| Bactamox | Amoxicillin Trihydrate | Ped. Drops | 125mg/1.25mL | Bottle 15ml |
| Bactamox | Amoxicillin Trihydrate | DPS | 125mg/5ml | Bottle 100ml |
| Bactamox IM/IV | Amoxicillin Trihydrate | Injectable | 500mg | 1's |
| Cebuten | Ceftibuten Dihydrate | Capsule | 400mg | 2x4 |
| Ceftizone IM | Ceftriaxone | Injectable | 250mg | Vial 250mg |
| Ceftizone IM | Ceftriaxone | Injectable | 500mg | Vial 500mg |
| Ceftizone IM | Ceftriaxone | Injectable | 1gm | Vial 1gm |
| Ceftizone IV | Ceftriaxone | Injectable | 250mg | Vial 250mg |
| Ceftizone IV | Ceftriaxone | Injectable | 500mg | Vial 500mg |
| Ceftizone IV | Ceftriaxone | Injectable | 1gm | Vial 1gm |
| Ceftizone IV | Ceftriaxone | Injectable | 2gm | Vial 2gm |
| Ceftipime | Cefepime HCL | Injectable | 500mg | Vial 500mg |
| Ceftipime | Cefepime HCL | Injectable | 1gm | Vial 1gm |
| Ceftipime | Cefepime HCL | Injectable | 2gm | Vial 2gm |
| Cefotax IM/IV | Cefotaxime Sodium | Injectable | 250mg | Vial 250mg |
| Cefotax IM/IV | Cefotaxime Sodium | Injectable | 500mg | Vial 500mg |
| Cefotax IM/IV | Cefotaxime Sodium | Injectable | 1gm | Vial 1gm |
| Cefazid IM/IV | Ceftazidime | Injectable | 250mg | Vial 250mg |
| Cefazid IM/IV | Ceftazidime | Injectable | 500mg | Vial 500mg |
| Cefazid IM/IV | Ceftazidime | Injectable | 1gm | Vial 1gm |
| Cloxicap | Cloxacillin | Capsule | 500mg | 10x10's |
| Cloxisyrup | Cloxacillin | Suspension | 125mg/5ml | Bottle 100ml |
| Cloxiject IM/IV | Cloxacillin | Injectable | 250mg | Vial 250mg |
| Cloxiject IM/IV | Cloxacillin | Injectable | 500mg | Vial 500mg |
| Doxicap | Doxycycline Hydrochloride | Capsule | 50mg | 5x10's |
| Doxicap | Doxycycline Hydrochloride | Capsule | 100mg | 10x10's |
| Covan | Vancomycin | Injectable | 500mg | Vial 500mg |
| Covan | Vancomycin | Injectable | 1g | Vial 1g |
| Diamine Penicillin | Benzathine Pen. G | Injectable | 12,00,000 units | Vial 12 lac units |
| Erythrox | Erythromycin Stearate | Tablet | 250, 500mg | 5x10's |
| Erythrox | Erythromycin Ethyl-succinate | DPS | 125mg/5ml | Bottle 100ml |
| Furocef IM/IV | Cefuroxime Sodium | Injectable | 250, 750mg | Vial 250, 750mg |
| Furocef IM/IV | Cefuroxime Sodium | Injectable | 1gm | Vial 1gm |
| Furocef IV/IM | Cefuroxime Sodium | Injectable | 1.5gm | Vial 1.5gm |
| Furocef | Cefuroxime Axetil | Tablet | 125mg | 2x5's |
| Furocef | Cefuroxime Axetil | Tablet | 250mg | 2x8's |
| Furocef | Cefuroxime Axetil | Tablet | 500mg | 2x6's |
| Furocef | Cefuroxime Axetil | DPS | 125mg/5ml | Bottle 70ml |
| Flontin | Ciprofloxacin Hydrochloride | Tablet | 250mg | 2x10's |
| Flontin | Ciprofloxacin Hydrochloride | Tablet | 500mg | 3x10's |
| Flontin | Ciprofloxacin Hydrochloride | Tablet | 750mg | 2x10's |

*DPS= Dry Powder for Suspension

RENATA STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| Flontin | Ciprofloxacin Hydrochloride | DPS | 250mg/5ml | Bottle 60ml |
| Flontin IV | Ciprofloxacin Lactate | IV Infusion | 2mg/ml | Vial 100ml |
| Flustar | Flucloxacillin Sodium | Capsule | 250mg | 12x4's |
| Flustar | Flucloxacillin Sodium | Capsule | 500mg | 7x4's |
| Fluster | Flucloxacillin sodium | Dry syrup | 100 ml | 1x1's |
| Furoclav | Cefuroxime 500mg + Clavulanic Acid 125 mg | Tablet | 500mg | 2x4's |
| Furoclav | Cefuroxime 250mg + Clavulanic Acid 62.5 mg | Tablet | 250mg | 2x6's |
| Gatlin | Gatifloxacin HCL | Tablet | 400mg | 5x6's |
| Iropen IV | Imipenem/Cilastatin | Injectable | 500mg | Vial 500mg |
| Levoking | Levofloxacin Hemihydrate | Tablet | 500mg | 5x6's |
| Levoking | Levofloxacin Hemihydrate | Tablet | 750mg | 3x6's |
| Levoking | Levofloxacin Hemihydrate | Oral Solution | 125mg/5ml | Bottle 100ml |
| Meropen IV | Meropenem | Injectable | 250mg | Vial 250mg |
| Meropen IV | Meropenem | Injectable | 500mg | Vial 500mg |
| Meropen IV | Meropenem | Injectable | 1gm | Vial 1gm |
| Orcef | Cefixime | Tablet | 200mg | 2x6's |
| Orcef | Cefixime | Tablet | 400mg | 1x6's |
| Orcef | Cefixime | DPS | 100mg/5ml | Bottle 70ml/50ml/40ml/30ml |
| Orcef DS | Cefixime | DPS | 200mg/5ml | Bottle 50ml |
| Orcef | Cefixime | Capsule | 200mg | 2x8's |
| Orcef | Cefixime | Capsule | 400mg | 1x6's |
| Palcef | Cefdinir | Capsule | 300mg | 2x5's |
| Palcef | Cefdinir | DPS | 125mg/5ml | Bottle 60ml |
| Palcef DS | Cefdinir | DPS | 250mg/5ml | Bottle 30ml |
| Polycef | Cephradine | Capsule | 250mg | 5x4's |
| Polycef | Cephradine | Capsule | 500mg | 7x4's |
| Polycef | Cephradine | DPS | 125mg/5ml | Bottle 100ml |
| Polycef DS | Cephradine | DPS | 250mg/5ml | Bottle 100ml |
| Polycef | Cephradine | Injectable | 250mg | Vial 250mg |
| Polycef | Cephradine | Injectable | 500mg | Vial 500mg |
| Polycef | Cephradine | Injectable | 1g | Vial 1g |
| Polycef PD | Cephradine | Paed. Drops | 125mg/1.25ml | Bottle 15ml |
| Pronapen | Procaine penicillin + Penicillin G | Injectable | 4,00,000 units<br>8,00,000 units | Vial 4 lac &<br>Vial 8 lac units |
| Qcin | Clindamycin | Capsule | 150mg | 5x6's |
| Qcin | Clindamycin | Injectable | 300mg/2ml | 1x5's |
| Qcin | Clindamycin | Capsule | 300mg | 5x6's |
| Qcin | Clindamycin | Injectable | 600mg/4ml | 1x5's |
| Renamycin | Oxytetracycline | Capsule | 250mg | 60's |
| Renamycin | Oxytetracycline | Injectable | 50mg/ml | Vial 10ml |
| Relexid | Pivmecillinam | Tablet | 200mg | 3x10's |
| Trucef | Cefpodoxime Proxetil | DPS | 40mg/5ml | Bottle 50ml |
| Trucef DS | Cefpodoxime Proxetil | DPS | 80mg/5ml | Bottle 50ml |
| Trucef PD | Cefpodoxime Proxetil | Ped. Drops | 20mg/ml | Bottle 15ml |
| Tazopen | Piperacillin + Tazobactam | IV Infusion | 2.25gm | 1x1's |
| Tazopen | Piperacillin + Tazobactam | IV Infusion | 4.5gm | 1x1's |
| Toplon | Gemifloxacin | Tablet | 320mg | 1x6's |
| Vcap | Neomycin Sulphate+ Polymyxin B Sulphate+ Nystatin+Metronidazole | Soft Gelatin Capsule | 35000 I.U.+ 35000 I.U. 100000 I.U.+ 200mg | 1x6's |
| Zithrin | Azithromycin | Capsule | 250mg | 3x5's |
| Zithrin | Azithromycin | Tablet | 250mg, 500mg | 3x5's |
| Zithrin | Azithromycin | DPS | 200mg/5ml | Bottle 15ml/20ml/30ml/35ml/50ml |
| Zithrin | Azithromycin | IV Infusion | 500mg | Vial 500mg |

*DPS= Dry Powder for Suspension

NOT IN STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| **ANTI-HYPERTENSIVE** | | | | |
| Cardipin | Amlodipine | Tablet | 5mg | 6x10's |
| Cardipin Plus | Amlodipine+Atenolol | Tablet | 5mg+50mg | 6x10's |
| Minipril | Enalapril | Tablet | 5mg/10mg | 10x10's |
| Evascon | Diltiazem | Tablet | 30mg/60mg | 10x10's |
| Alphapress | Prazosin Hydrochloride | Tablet | 1mg & 2mg | 10x10's |
| Ostan | Losartan Potassium | Tablet | 25mg, 50mg | 3x10's, 5x10's |
| Ostan Plus | Losartan Potassium+ Hydrochlorothiazide | Tablet | 50/100mg+12.5/25mg | 3x10's |
| Plagrin | Clopidogrel | Tablet | 75mg | 3x10's |
| Plagrin Plus | Clopidogrel+ Aspirin | Tablet | 75mg+75mg | 3x10's |
| Metaloc | Metoprolol Tartrate | Tablet | 50mg | 10x10's |
| Metaloc | Metoprolol Tartrate | Tablet | 100mg | 5x10's |
| Pendoril-2 | Perindopril | Tablet | 2mg | 2x10's |
| Pendoril-4 | Perindopril | Tablet | 4mg | 2x10's |
| Pendoril Plus-2 | Perindopril + Indapamide | Tablet | 2mg + 0.625mg | 2x10's |
| Pendoril Plus-4 | Perindopril + Indapamide | Tablet | 4mg + 1.25mg | 2x10's |
| Valzide-80 | Valsartan + Hydrochlorothiazide | Tablet | 80mg + 12.5mg | 4x5's |
| Valzide-160 | Valsartan + Hydrochlorothiazide | Tablet | 160mg + 12.5mg | 4x5's |
| Bisoren-2.5 | Bisoprolol Fumarate | Tablet | 2.5mg | 3x10's |
| Bisoren-5 | Bisoprolol Fumarate | Tablet | 5mg | 3x10's |
| Bisoren Plus 2.5 | Bisoprolol+Hydrochlorothiazide | Tablet | 2.5mg+6.25mg | 3x10's |
| Bisoren Plus 5 | Bisoprolol+Hydrochlorothiazide | Tablet | 5mg+6.25mg | 3x10's |
| Uritone-20 | Furosemide+ Spironolactone | Tablet | 20mg + 50mg | 3x10's |
| Uritone-40 | Furosemide+ Spironolactone | Tablet | 40mg + 50mg | 3x10's |
| Valdipin | Amlodipine+Valsartan | Tablet | 80mg | 3x10's |
| Valdipin | Amlodipine+Valsartan | Tablet | 160mg | 3x10's |
| Azisan | Azilsartan Medoxomil Potassium | Tablet | 40mg, 80mg | 1x10's |
| **LIPID LOWERING AGENT** | | | | |
| Zostin | Simvastatin | Tablet | 10mg | 3x10's |
| Taven | Atorvastatin | Tablet | 10mg/20mg/40mg | 3x10's |
| Fenobate | Fenofibrate | Capsule | 200mg | 5x6's |
| Rolip | Rosuvastatin Calcium | Tablet | 5mg, 10mg | 3x10's |
| **ANTI-DIABETIC** | | | | |
| Bigmet-500 | Metformin HCL | Tablet | 500mg | 10x10's |
| Bigmet-850 | Metformin HCL | Tablet | 850mg | 10x10's |
| Glicron CR | Gliclazide CR pellets | Capsule | 30mg | 3x10's |
| Glicron | Gliclazide | Tablet | 80mg | 3x10's |
| Mepid | Glimepiride | Tablet | 1mg | 3x10's |
| Mepid | Glimepiride | Tablet | 2mg | 3x10's |
| Mepid | Glimepiride | Tablet | 4mg | 3x10's |
| Sitamet | Metformin+Sitagliptin | Tablet | 500mg+50mg | 1x10's |
| **HAIR REGROWTH** | | | | |
| Regain 5% | Minoxidil | Solution | 5% | 60ml |
| Regain 2% | Minoxidil | Solution | 2% | 60ml |
| **EYE-EAR AND TOPICAL PREPARATIONS** | | | | |
| Renamycin Eye/ Ear ointment | Oxytetracycline HCL + Polymyxin-B-Sulfate | Ointment | 5mg/gm | 3.5gm |
| Renamycin otic Solution | Oxytetracycline HCL + Benzocaine | Solution | 5mg/ml | Vial/Bottle 5ml |
| Renamycin topical Oint. | Oxytetracycline HCL + Polymyxin-B-Sulfate | Topical ointment | 30mg/gm | Tube 5gm |

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| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| Deltasone-N Eye/ Ear drops | Prednisolone + Neomycin | Drops | 0.5% | Bottle 5ml |
| **ANTIGOUT** | | | | |
| Feburen | Febuxostat | Tablet | 40mg | 3x10's |
| Feburen | Febuxostat | Tablet | 80mg | 1x10's |
| **NSAIDS** | | | | |
| Flexicam | Piroxicam | Capsule | 10mg | 10x10's |
| Flexicam IM | Piroxicam | Injection | 20mg/ml | Amp. 2ml |
| Celox-R | Celecoxib | Capsule | 100mg | 5x10's |
| Celox-R | Celecoxib | Capsule | 200mg | 5x10's |
| Ceclofen | Aceclofenac | Tablet | 100mg | 5x10's |
| Dysmen | Mefenamic Acid | Tablet | 250mg | 10x10's |
| Dysmen | Mefenamic Acid | Tablet | 500mg | 5x10's |
| Rolac | Ketorolac | Tablet | 10mg | 4x14's |
| Rolac | Ketorolac | Injectable | 10mg/1ml | 1x 5's |
| Rolac | Ketorolac | Injectable | 30mg/1ml | 1x6's |
| Rolac | Ketorolac | Injectable | 60mg/2ml | 1x2's |
| Recox | Etoricoxib | Tablet | 120mg | 2x10's |
| Recox | Etoricoxib | Tablet | 60mg | 3x10's |
| Recox | Etoricoxib | Tablet | 90mg | 2x10's |
| Cartilage Plus | Gulcosamine Sulfate+ Chondroitin Sulfate | Tablet | 250mg+200mg | 5x6's |
| Xenapro 250 | Naproxen | Tablet | 250mg | 5x10's |
| Xenapro 500 | Naproxen | Tablet | 500mg | 5x6's |
| Rapidol | Tramadol Hydrochloride | Injectable | 100mg/2ml | 1x5's |
| Maxolax | Baclofen | Tablet | 10mg | 3x10's |
| Maxolax | Baclofen | Tablet | 5mg | 3x10's |
| **ANTIULCER AGENTS** | | | | |
| Norma-H | Ranitidine | Tablet | 150mg | 10x10's |
| Prazole | Omeprazole | Capsule | 20mg | 6x10's |
| Maxpro | Esomeprazole | Tablet | 20mg | 10x14's |
| Maxpro | Esomeprazole | Tablet | 40mg | 4x10's |
| Maxpro | Esomeprazole | Capsule | 20mg | 10x10's |
| Maxpro | Esomeprazole | Capsule | 40mg | 10x6's |
| Maxpro | Esomeprazole | Injectable | 40mg | 1x1's |
| Maxpro HP | Esomeprazole+Amoxicillin+ Clarithromycin | Capsule+Tablet+ Tablet | 20mg+500mg+ 500mg | 14x4's |
| Protonil | Pantoprazole | Tablet | 20mg | 5x10's |
| Protonil | Pantoprazole | Tablet | 40mg | 3x10's |
| Profast | Rabeprazole | Tablet | 20mg | 6x10's |
| **ANTI-PARASITIC & ANTI-PROTOZOAL AGENTS** | | | | |
| Xanita | Nitazoxanide | Tablet | 500mg | 3x6's |
| Xanita | Nitazoxanide | DPS | 100mg/5ml | Bottle 30ml |
| Xanita | Nitazoxanide | DPS | 100mg/5ml | Bottle 60ml |
| Delentin | Pyrantel Pamoate | Tablet | 125mg | 10x10's |
| Delentin | Pyrantel Pamoate | Suspension | 50mg/ml | Bottle 10ml |
| Alentin | Albendazole | Tablet | 200mg | 2x40's |
| Alentin DS | Albendazole | Tablet | 400mg | 1x 25's |
| Protogyn | Tinidazole | Tablet | 500mg | 10x10's |
| Protogyn | Tinidazole | Tablet | 1gm | 5x4's |

*DPS= Dry Powder for Suspension

AMAR STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| **ANTI-FUNGAL AGENT** | | | | |
| Lucan-R | Fluconazole | Capsule | 50mg | 5x8's |
| Lucan-R | Fluconazole | Capsule | 150mg | 2x6's |
| Lucan-R | Fluconazole | Capsule | 200mg | 2x6's |
| Lucan-R | Fluconazole | DPS | 50mg/5ml | Bottle 35ml |
| Conasyd | Tioconazole | Cream | 1% dermal | Tube 10gm |
| **ANTI-TUBERCULOSIS AGENT** | | | | |
| Streptomycin | Streptomycin Sulfate | Injectable | 1gm | Vial 1gm |
| **ANTI-SPASMODIC** | | | | |
| Ranicon | Oxyphencyclimine HCL | Tablet | 5mg | 50x10's |
| Algin | Tiemonium | Tablet | 50mg | 10x10's |
| Algin | Tiemonium | Injectable | 5mg/2ml | 1x5's |
| Algin | Tiemonium | Syrup | 10mg/5ml | 100ml |
| **STEROID** | | | | |
| Deltasone | Prednisolone | Tablet | 5mg | 25x10's, 50x10's |
| Deltasone | Prednisolone | Tablet | 10mg | 10x10's |
| Deltasone | Prednisolone | Tablet | 20mg | 5x10's |
| Deltasone | Prednisolone | Oral Solution | 5mg/5ml | Bottle 100ml |
| Deltasone | Prednisolone | Oral Solution | 5mg/5ml | Bottle 50ml |
| Dexatab | Dexamethasone | Tablet | 0.5mg | 25x10's |
| Dexa IM/IV | Dexamethasone | Injectable | 5mg/ml | 10's |
| **COSMETIC HEALTH CARE PRODUCT: (ANTI-ACNE AGENT)** | | | | |
| Trinon Cream | Isotretinoin | Cream | 0.025%, 0.05% w/w | Tube 10gm |
| Caress Cream | Benzoyl Peroxide | Cream | 2.5%, 5% w/w | Tube 15gm |
| **ANTI-OSTEOPOROTIC** | | | | |
| Ivana | Ibandronic Acid | Tablet | 150mg | 1's |
| **VITAMINS & MINERALS** | | | | |
| Beconex | Vitamin B-Complex | Capsule | - | Bottle 30's |
| Beconex | Vitamin B-Complex | Syrup | - | Bottle 100ml |
| Beconex | Vitamin B-Complex | Syrup | - | Bottle 200ml |
| Beconex | Vitamin B-Complex | Injectable | - | Vial 10ml |
| Beconex Zl | Iron+Vitamin B-Complex & Zinc | Syrup | - | Bottle 100ml |
| Beconex Zl | Iron+Vitamin B-Complex & Zinc | Syrup | - | Bottle 50ml |
| Becosules | Vitamin B-Complex + Vit-C | Capsule | - | 16x6's |
| Becosules Gold | Vitamin B-Complex + Vit-C | Capsule | - | 15x6's |
| Chewrol | Iron + Folic Acid | Chewable Tablet | 100mg + 350mcg | 5x6's |
| Calcin | Calcium Carbonate | Tablet | 500mg | 5x10's |
| Calcin-D | Calcium+Vit-D | Tablet | 500mg+200IU | 6x10's, Pot 15's, Pot 30's |
| Calcin-O | Calcium Orotate | Tablet | 400mg | 3x10's |
| Calcin-O DS | Calcium Orotate | Tablet | 740mg | 3x10's |
| Calcin-M | Calcium Carbonate+Vit-D+Mineral | Tablet | - | 4x10's, Pot 30's |
| E-gel | Vitamin E | Soft Gelatin Capsule | 200mg | 10x10's |
| E-gel DS | Vitamin E | Soft Gelatin Capsule | 400mg | 5x10's |
| Ferix | Carbonyl Iron, Folic Acid and Zinc | Capsule | 50mg+500mcg+61.8mg | 6x10's |
| Kiddi | Multivitamin+Codliver oil | Syrup | - | Bottle 100ml |
| Kiddi | Multivitamin+Codliver oil | Syrup | - | Bottle 200ml |
| Pushtikona | Micronutrient Powder | Powder in Sachet | - | 1x30's |

AMARSTOCK

| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| Mazic 20 | Zinc Sulfate Monohydrate | Tablet | 20mg | 3x10's |
| Mazic Jr | Zinc Sulfate Monohydrate | Syrup | 4.05mg/5ml | Bottle 100ml |
| Mazic | Zinc Sulfate Monohydrate | Syrup | 10mg/5ml | Bottle 100ml |
| Mazic DS | Zinc Sulfate Monohydrate | Syrup | 20mg/5ml | Bottle 100ml |
| Neurobest | Vit B1+B6+B12 | Tablet | 100mg+200mg +200mcg | 6x10's |
| Neurobest | Vit B1+B6+B12 | Injectable | 100mg+100mg +1mg | 2x5's |
| Lucent | Calcitriol | Soft Gelatin Capsule | 0.25mcg | 3x10's |
| Calciferol | Cholecalciferol | IM Injection | 200000 IU/ml | 1's |
| **ANTI-OXIDANT** | | | | |
| Proxid | Antioxidant (Vit A,C,E) | Tablet | - | Bottle 20's |
| **ANTI-ALLERGIC** | | | | |
| Fenadin | Fexofenadine HCL | Tablet | 60mg | 3x10's |
| Fenadin | Fexofenadine HCL | Tablet | 120mg | 5x10's |
| Fenadin | Fexofenadine HCL | Tablet | 180mg | 2x10's |
| Fenadin | Fexofenadine HCL | Suspension | 30mg/5ml | Bottle 30ml |
| Fenadin | Fexofenadine HCL | Suspension | 30mg/5ml | Bottle 50ml |
| Allermine | Chlorpheniramine Maleate | Syrup | 2mg/5ml | Bottle 100ml |
| Tiramin | Cetirizine | Tablet | 10mg | 10 x10's |
| **CNS-PRODUCT** | | | | |
| Gaba | Gabapentin | Tablet | 300mg | 3x10's |
| Gaba-P | Pregabalin | Capsule | 25mg | 5x6's |
| Gaba-P | Pregabalin | Capsule | 50mg | 3x10's |
| Gaba-P | Pregabalin | Capsule | 75mg | 3x10's |
| Renxit | Flupentixol+Melitracen | Tablet | 0.5mg+10mg | 10x10's |
| Norry | Bromazepam | Tablet | 3mg | 5x10's |
| Cabretol | Carbamazepine | Tablet | 200mg | 5x10's |
| Cabretol | Carbamazepine | CR Tablet | 200mg | 5x10's |
| Cabretol | Carbamazepine | Syrup | 100mg/5ml | Bottle 100ml |
| Sperid | Risperidone | Tablet | 1mg | 5x10's |
| Sperid | Risperidone | Tablet | 2mg | 5x10's |
| Denixil | Clonazepam | Tablet | 0.5mg, 2mg | 5x10's, 3x10's |
| Midzo | Midazolam | Tablet | 7.5mg | 3x10's |
| Midzo | Midazolam | Injection | 15mg/3ml | 1's |
| **HORMONE** | | | | |
| Normens | Norethisterone Acetate | Tablet | 5mg | 10x10's |
| Bredicon | Desogestrel | Tablet | 75mcg | 1x28's |
| Criptine | Bromocriptine Mesilate | Tablet | 2.5mg | 1x30's |
| Emcon 1 | Levonorgestrel | Tablet | 1.5mg | 1x1's |
| Letrol | Letrozole | Tablet | 2.5mg | 2x5's |
| Ovulet 50 | Clomifene Citrate | Tablet | 50mg | 1x10's |
| Ovulet 100 | Clomifene Citrate | Tablet | 100mg | 1x5's |
| Medrogest | Medroxyprogesterone Acetate | Tablet | 5mg, 10mg | 3x10's |
| Thyrox 50 | Levothyroxine Sodium | Tablet | 50mcg | 3x30's |
| Menorest | Tibolone | Tablet | 2.5mg | 1x28's |
| Desolon | Desogestrel+Ethinylestradiol | Tablet | 0.15mg+0.03mg | 1x21's |
| Giane 35 | Cyproterone Acetate + Ethinylestradiol | Tablet | 2.0mg+ 0.035mg | 1x21's |
| Nandron | Nandrolone Phenylpropionate | Injection | 25mg/ml | 1x5's |
| Nandron | Nandrolone Decanoate | Injection | 50mg/ml | 1x1's |

AMAR STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack Size |
|---|---|---|---|---|
| Gestrenol | Allylestrenol | Tablet | 5mg | 5x10's |
| Regumen | Lynestrenol+Ethinylestradiol | Tablet | 2.5mg+0.05mg | 1x21's |
| Estracon | Conjugated Estrogens | Tablet | 0.625mg | 3x10's |
| Microgest | Natural Micronized Progesterone | Capsule | 100mg | 3x10's |
| Microgest | Natural Micronized Progesterone | Capsule | 200mg | 3x10's |
| Novelon | Drospirenone and Ethinylestradiol | Tablet | 3mg & 0.03mg | 1x21's |
| Novelon lite | Drospirenone and Ethinylestradiol | Tablet | 3mg & 0.02mg | 1X24's |
| Danzol | Danazol | Capsule | 100mg & 200mg | 3 x10's, 2x10's |
| Cabolin | Cabergoline | Tablet | 0.5mg | 2x2's |
| Indula | Misoprostol | Tablet | 200mcg | 3x10's |
| Mif | Mifepristone | Tablet | 200mg | 1x3's |
| Androcap | Testosterone undecanoate | Capsule | 40mg | 3X10's |
| Gynova | Micronized estradiol | Tablet | 2mg | 3X10's |
| 5X | Ulipristal Acetate | Tablet | 30mg | 1's |
| Mercazole | Carbimazole | Tablet | 5mg | 6X10's |
| AB Kit | Mifepristone+Misoprostol | Tablet | 200mg+200mcg | 1X5's |
| **ANTI-CANCER** | | | | |
| Metorax | Methotrexate | Tablet | 2.5mg, 10mg | 3x10's |
| Proscan | Flutamide | Tablet | 250mg | 3x10's |
| Sofenib | Sorafenib | Tablet | 200mg | 3x4's |
| Erloren | Erlotinib | Tablet | 100mg | 1x7's |
| Erloren | Erlotinib | Tablet | 150mg | 1x7's |
| Tyrokin | Imatinib | Tablet | 400mg | 1x10's |
| **OXYTOCIC** | | | | |
| Arbecin | Carbetocin | IV/IM Injection | 1ml | 1X1's |
| Oxyton | Oxytocin | Injection | 5 I.U. | 2x5's |
| **ANTI-FIBRINOLYTICS** | | | | |
| Xamic | Tranexamic Acid | Capsule | 500mg | 2x10's |
| Xamic | Tranexamic Acid | Injectable | 500mg/5ml | 1x5's |
| **ANTI-ASTHMA** | | | | |
| Trulax | Levosalbutamol | Syrup | 1mg/5ml | Bottle 100ml |
| Totifen | Ketotifen | Tablet | 1mg | 10x10's |
| Totifen | Ketotifen | Syrup | 1mg/5ml | Bottle 100ml |
| Odmon | Montelukast | Chewable Tablet | 4mg | 3x10's |
| Odmon | Montelukast | Tablet | 5mg | 1x10's |
| Odmon | Montelukast | Tablet | 10mg | 2x10's |
| **EXPECTORANT** | | | | |
| Topex | Guaiphenesin Pseudoephedrine | Syrup | 131.25mg/5ml | Bottle 100ml |
| Recof | Ambroxol Hydrochloride | Syrup | 15mg/5ml | Bottle 100ml |
| Recof PD | Ambroxol Hydrochloride | Paed. Drops | 6mg/ml | Bottle 15ml |
| Detus | Dextromethorphan+Pseudoephedrine+Triprolidine | Syrup | 10mg+30mg+1.25mg | Bottle 100ml |
| **GASTROPROKINETIC AGENTS** | | | | |
| Domiren | Domperidone | Tablet | 10mg | 15x10's |
| Domiren PD | Domperidone | Paed. Drops | 5mg/ml | Bottle 15ml |
| Domiren | Domperidone | Suspension | 5mg/5ml | Bottle 60ml |
| **ORAL REHYDRATION SALINE** | | | | |
| Saline-R | ORS Salt | Powder | 10.25gm/500 ml | Sachet 20's |
| **NARCOTIC ANALGESIC** | | | | |
| Fentanyl | Fentanyl Citrate | IV Injection | 100mcg/2ml | 1x5's |

AMAR STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack |
|---|---|---|---|---|
| **ANTIPYRETIC/ ANALGESIC** | | | | |
| Pyralgin | Paracetamol | Tablet | 500mg | 50x10's |
| Pyralgin | Paracetamol | Suspension | 120mg/5ml | Bottle 60ml |
| Pyra Plus | Paracetamol+Caffeine | Tablet | 500mg+65mg | 15x10's |
| **AMINO ACID SUPPLEMENT** | | | | |
| Protemin | 5% Composite Amino Acid Solution with D-sorbitol | IV Infusion | - | Bottle 500ml |
| **ANTIEMETIC** | | | | |
| Emeren | Ondansetron | Tablet | 4mg | 3x10's |
| Emeren | Ondansetron | Tablet | 8mg | 3x10's |
| Emeren | Ondansetron | Injectable | 8mg/4ml | 1x5's |
| Emeren | Ondansetron | Syrup | 4mg/5ml | Bottle 50ml |
| **ANESTHETIC** | | | | |
| Neos-R | Neostigmine | Injectable | 5ml, 1ml | 1x5's |
| Kain | Ketamine | Injectable | 50mg/ml | 1's |
| Sivicaine Heavy | Bupivacaine+Dextrose | Injectable | 5mg+80mg | 1x5's |
| Epidron | Ephedrine | Injectable | 5mg | 1x5's |
| **ANTIVIRAL** | | | | |
| Enteca | Entecavir | Tablet | 0.5mg | 1x10's |
| Buviren | Sofosbuvir | Tablet | 400mg | 1x6's |
| **OTHERS** | | | | |
| Normanal | Diosmin + Hesperidin | Tablet | 450mg + 50mg | 3x10's |
| Tegarid | Tegaserod | Tablet | 6mg | 3x10's |
| Titolax | Lactitol Monohydrate | Powder | 10gm | Sachet 10's |
| Honycol | Liquid Sugar & Glycerol | Linctus | (0.75 ml+1.93 ml)/5ml | Bottle 100ml, 200ml |
| Mez IV | Metronidazole | IV Infusion | 0.5% W/V | Bottle 100ml |
| Tolter | Tolterodine Tartrate | Tablet | 1mg & 2mg | 3x10's |
| Phenocept | Mycophenolate Mofetil | Tablet | 500mg | 3x10's |
| Feristar | Iron Sucrose | Injectable | 100mg Iron/5ml | 1's |
| Erecta | Sildenafil | Tablet | 50mg | 1x4's |
| Erecta | Sildenafil | Tablet | 100mg | 1x4's |
| Tritin | Trimebutine Maleate | Tablet | 100mg | 3x10's |
| **ANIMAL HEALTH PRODUCTS** | | | | |
| **ANTIBIOTIC** | | | | |
| Renamycin AF Tablet | Oxytetracycline USP | Tablet | 500mg | 5 x 4's |
| Renamycin Injectable Solution | Oxytetracycline USP | Injection | 50mg/ml | 10ml |
| Renamycin-100 with PVP | Oxytetracycline USP | Injection | 100mg/ml | 10ml, 100ml |
| Renamycin LA | Oxytetracycline USP | Long Acting Injection | 200mg/ml | 10ml |
| Pronapen 40 lac | Procaine Penicillin BP Benzyl Penicillin Sodium | Injection | 3MIU+1MIU | Vial 40 lac |
| Streptopen | Procaine Penicillin BP Benzyl Penicillin Sodium Streptomycin USP | Injection | 1.5MIU+ 0.5MIU+2.5gm | Vial 0.5g, 2.5g |
| Gentaren | Gentamicin Sulphate | Injection | 100mg/ml | 10ml & 100ml |
| Renamox | Amoxycillin | Tablet | 500mg | 20's |
| Amcox | Amoxycillin+Cloxacillin | Injection | 1.25gm+1.25gm | Vial 2.5gm |
| Rena-CT | Colistin, Trimethoprim | Powder | 9.60gm+20gm | 100gmX10's |
| Tilmisin | Tilmicosin | Solution | 25mg | 100ml |
| **CEPHALOSPORIN** | | | | |
| Renacef | Ceftriaxone | Injection | 1gm, 2gm | Vial 1gm & 2gm |

AMARSTOCK

| Trade Name | Generic Name | Formulation | Strength | Pack |
|---|---|---|---|---|
| **SULPHONAMIDES** | | | | |
| Diadin | Sulphadimidine Sodium BP | Injection | 333mg/ml | 30ml, 100ml |
| Diadin | Sulphadimidine BP | Bolus | 5gm | 10 x 2's |
| Sulpha Plus | Sulphadiazine USP | Bolus | 1.583gm+ | 10 x 2's |
| | Sulphadimidine BP | | 1.583gm+ | |
| | Sulphapyridine USP | | 1.583gm+ | |
| | Streptomycin Sulphate USP | | 0.313gm | |
| Sulpha -3 | Sulphadiazine USP | Bolus | 1.666gm+ | 10 x 2's |
| | Sulphadimidine BP | | 1.666gm+ | |
| | Sulphapyridine USP | | 1.666gm | |
| Renatrim | Sulphadiazine + Trimethoprim | Bolus | 1000mg+200mg | 10 x 2's |
| **ANTHELMINTIC** | | | | |
| Helmex | Albendazole USP | Tablet | 600mg | 5 x 4's |
| Nitronex 34% | Nitroxynil BP | Injection | 340mg/ml | 10ml, 30ml |
| Tremacid | Oxyclozanide BP | Tablet | 1000mg | 5 x 4's |
| Renadex | Triclabendazole + Levamisole | Tablet | 900mg+600mg | 10 x 2's |
| **ANTIPROTOZOAL** | | | | |
| Ectorid | Imidocarb Dipropionate | Injection | 133.26mg/ml | 10ml |
| Renamet Bolus | Metronidazole | Bolus | 2gm//Bolus | 5 x 4 |
| **ANTI-HISTAMINIC** | | | | |
| Dellergen | Promethazine HCL USP | Injection | 50mg/ml | 10ml |
| Dellergen | Promethazine HCL USP | Bolus | 150mg/Bolus | 10 x 4's |
| Renacin | Clorpheniramine Maleate | Injection | 10mg/ml | 10ml, 100ml |
| **NSAID** | | | | |
| Renafen | Ketoprofen | Injection | 100mg/ml | 5ml, 10ml |
| Pyralgin | Paracetamol | Tablet | 2gm | 10 x 2's |
| Fevenil | Tolfenamic Acid | Injection | 40mg/ml | 10ml |
| **GLUCOCORTICOID** | | | | |
| Predexanol - S | Prednisolone Anhydrous USP<br>Dexamethasone Trimethyl Acetate USP | Injection | 7.5mg+2.5mg/ml | 10ml |
| **APPETIZER & RUMENOTORIC** | | | | |
| Anorexon | Cobalt Sulphate BP | Tablet | 50mg+ | 15 x 4's |
| | Dried Ferrous Sulfate USP | | 100mg+ | |
| | Thiamine Mononitrate USP | | 25mg+ | |
| | Vitamin B12 USP | | 20mcg+ | |
| | Choline Bitartrate BP | | 9.1mg | |
| Anorexon DS | Cobalt Sulphate BP | Bolus | 100mg+ | 10 x 4's |
| | Dried Ferrous Sulfate USP | | 200mg+ | |
| | Thiamine Mononitrate USP | | 50mg+ | |
| | Vitamin B12 USP | | 40mcg+ | |
| | Choline Bitartrate BP | | 18.2mg | |
| Rumenton | Antimony Potassium Tartrate USP<br>Ferrous Sulphate USP | Bolus | 2gm+2gm | 10 x 2's |
| Stomavet | Ammonium Bi-carbonate BP | Powder | 5gm+ | 20g x 20 |
| | Nuxvomica Powder BP | | 1.4gm+ | |
| | Sodium Bi-carbonate BP | | 13gm+ | |
| | Gentian Powder BP | | .3gm+ | |
| | Ginger Powder BP | | .3gm | |

AMAR STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack |
|---|---|---|---|---|
| **METABOLIC** | | | | |
| Cal-D-Mag (with phosphorus) | Calcium Gluconate USP<br>Dextrose USP<br>Magnesium Hypophosphate BP<br>Chlorocresol (as preservative) BP | Injection | 20.8+20.0+5.0+0.1mg/ml | 200ml |
| Vitaphos | Toldimphos<br>Cyanocobalamine (Vit B12) BP | Injection | 200mg+0.05mg/ml | 30ml |
| Catophos | Butaphosphan<br>Cyanocobalamine (Vit B12) BP | Injection | 100mg+0.05mg/ml | 100ml, 30ml |
| Levabon Rumen E | Saccharomyces Cerevisiae | Powder | 100cfu/gm | 20kg |
| Rumen E | Saccharomyces Cerevisiae | Powder | 100cfu/gm | 100g |
| **HORMONE PRODUCTS** | | | | |
| Ovurelin | Gonadorelin (as Acetate) | Injection | 100mcg/ml | 20ml |
| Ovuprost | Cloprostenol (as Sodium) | Injection | 250mcg/ml | 20ml |
| **VITAMIN-MINERAL INJECTION** | | | | |
| Hemovit | Iron+Copper+<br>cobalt+Vitamin B-complex | Injection | 15mg+0.2mg+<br>0.7mg+202.86mg/ml | 10ml |
| Renasol AD$_3$E | Vitamin A, D$_3$ & E | Injection | 0.5MIU+0.075MIU+<br>50mg/ml | 10ml, 30 ml |
| **POULTRY PRODUCTS** | | | | |
| Enrocin | Enrofloxacin | Oral Solution | 100mg/ml | 100ml, 1L |
| Micronid | Erythromycin Thiocyanate<br>Sulphadiazine USP<br>Trimethoprim USP | Powder | 180mg+150mg+30mg/gm | 10g, 100g |
| Sultrik | Sulfachloropyridazine+<br>Trimethoprim | Powder | 100mg+20mg/gm | 100g |
| Mycostop | Tylosin BP | Powder | 200mg/gm | 100g, 1kg |
| Doxivet | Doxycycline USP | Powder | 100mg/gm | 100g |
| Renatrim | Sulphadiazine BP<br>Trimethoprim BP | Suspension | 400mg+80mg/ml | 100ml |
| Renamox 15% | Amoxycillin | Powder | 150mg/gm | 100g, 500g, 1kg |
| Renamox 30% | Amoxycillin | Powder | 300mg/gm | 100g, 500g, 1kg |
| Renaquine 10% | Flumequine INN | Powder | 100mg/gm | 100g |
| Renaquine 20% | Flumequine INN | Liquid | 200mg/ml | 100ml |
| Renagard 45% | Tiamulin Hydrogen Fumarate | Powder | 450mg/gm | 100g |
| Renaflox | Ciprofloxacin | Powder | 200mg/gm | 100g |
| NDoxi | Doxycycline+Neomycin | Powder | 150mg+<br>150mg/gm | 100g |
| **ANTHELMINTIC** | | | | |
| Avinex | Levamisole HCL USP | Powder | 300mg/gm | 10g, 100g |
| **ANTI-COCCIDIAL** | | | | |
| Coxicure | Sulphaclozine Sodium<br>Monohydrate INN | Powder | 300mg/gm | 100g |
| Renazuril Suspension | Toltrazuril | Suspension | 25mg/ml | 100ml |
| **ELECTROLYTE** | | | | |
| Renalyte | Vitamin A<br>Sodium Bi-carbonate BP<br>Sodium Chloride BP<br>Dextrose BP<br>Potassium Chloride BP | Powder | 2MIU+<br>500gm+<br>266gm+<br>179.6gm+<br>50gm/kg | 1kg |

AMARSTOCK

| Trade Name | Generic Name | Formulation | Strength | Pack |
|---|---|---|---|---|
| **NUTRITION PRODUCTS** | | | | |
| Rena WS | Vit B Complex+A+ D+E+C | Powder | 111.52+0.1MIU+ 0.025MIU+20mg +300mg/gm | 10g, 50g, 100g,1kg |
| Rena B+C | Vitamin B Complex & Vit. C | Powder | 22.12mg+5mg/gm | 100g, 500g, 1kg |
| Rena C | Ascorbic Acid | Powder | 999.00mg/gm | 100g, 1kg |
| Rena K | Menadione Sodium bisulphite | Powder | 100mg/gm | 10g |
| Renasol AD3E | Vitamin A, D3 + E | Oral Solution | 0.1MIU+0.02MIU +20mg/ml | 100ml, 1L |
| Renavit DB | Vitamin & Mineral Premix | Powder | | 100g, 500g, 1kg |
| Renavit DB Plus | Vitamin & Mineral Premix | Powder | | 1kg |
| Rena Sel-E | Vitamin E + Selenium | Oral Solution | 80mg+0.6mg/ml | 100ml, 1L |
| **NUTRITIONAL PREMIX** | | | | |
| Rena Breeder | Vitamin+Mineral | Powder | 44.99gm+68.42gm/kg | 2.5kg |
| Rena Broiler | Vitamin+Mineral | Powder | 41.73gm+72.38gm/kg | 2.5kg |
| Rena Grower | Vitamin+Mineral | Powder | 31.06gm+52.36gm/kg | 2.5kg |
| Rena Layer | Vitamin+Mineral | Powder | 35.38gm+47.59gm/kg | 2.5kg |
| Rena Fish | Vitamin+Mineral | Powder | 43.75gm+53.55gm/kg | 1kg |
| **IMPORTED** | | | | |
| Availa 4 | Zinc+Manganese +Copper +Cobalt+AminoAcid | Powder | 51.5mg+28.6mg +18.0mg+1.8mg +204.8mg/gm | 10gm,100gm & 500gm |
| Availa Z/M | Zinc+Manganese Chealeted with AA | Powder | 40mg+ 40mg/gm | 500gm |
| Biotronic SE | Formic Acid+Propionic Acid | Powder | 23mg+5mg/ml | 25kg |
| Biotronic SE Forte Liquid | Formic Acid+Propionic Acid+ Lactic Acid | Oral Solution | 23mg+5mg+ 1mg/ml | 100ml, 1L |
| Mycofix Plus 3.0 | SBM+Epoxidase+Esterase+ Phytogenic+Phycophytic | Powder | NA | 1kg & 25kg |
| Mycofix Select 3.0 | SBM+Epoxidase+ Phytogenic+Phycophytic | Powder | NA | 1kg & 25kg |
| Mycofix ECO 3.0 | SBM+Phytogenic | Powder | NA | 1kg & 25kg |
| Mycofix Secure | Smectite with Bentonite | Powder | 100% | 25kg |
| Biomin Phytase 5000 | Phytase Enzyme | Powder | 5000FTU/gm | 25kg |
| Rena Phytase 400 | Phytase Enzyme | Powder | 400FTU/gm | 1kg |
| Lisovit | Muramidase+Peroxidase+ FOS+Vitamin E+C | Powder | NA | 10gm, 100gm & 1kg |
| Vigest | Vitamin+Mineral +Amino Acid | Oral Solution | 3.58mg+0.078mg +67.33mg/ml | 500ml, 2L |
| Poultry TMO | Zinc+Manganese+ Copper+ Iron+Iodine+ Selenium+MHA | Powder | 32mg+ 32mg+8mg+ 5mg+1.2mg+ 0.15mg+400mg/gm | 25kg |
| Mintrex PSe | Zinc+Manganese+ Copper+ Selenium+MHA | Powder | 40mg+40mg+ 20mg+ 3mg+540mg/gm | 25kg |
| Cibenza DP 100 | Special Protease Enzyme | Powder | 0.6MIU/gm | 25kg |
| Poultry Star Sol | Pro & Prebiotic | Powder | NA | 10gm |
| Poultry Star me | Pro & Prebiotic | Powder | NA | 25kg |
| NephCare Liquid | Nephrotonic | Oral solution | NA | 100ml |
| Digesterom PEP MGE | Phytogenic Growth Promoter | Powder | NA | 25kg |
| Digesterom PEP 125 | Phytogenic Growth Promoter | Powder | NA | 25kg |
| Ozinc | Organic Zinc | Solution | 85mg/ml | 100ml |
| RenA Tox | Liquid Toxinbinder | Solution | NA | 100ml, 1L |

MARKET STOCK

| Trade Name | Generic Name | Formulation | Strength | Pack |
|---|---|---|---|---|
| Rena Calp | Calcium+Phosphorous | Solution | 24.02mg+8.39mg/ml | 1L, 5L |
| Renaliv | Herbal Liver Tonic | Solution | NA | 1L |
| Rescure | Herbal Expectorant | Solution | NA | 100ml, 1L |
| FAM 30 | Iodophore | Liquid | 27.5mg/ml | 100ml, 1L, |
| GPC8 | Gluataraldehyde+QAC | Liquid | 120mg+40mg/ml | 100ml, 1L, |
| Shift | Trisodium based Detergent | Solution | 113mg/ml | 1L, 25L |
| Renazyme CS | Xylanase, Cellulase, Beta-glucanase, Amylase, Protease, Mannanase, Pectinase | Solution | 10000 IU, 200000 IU, 1400 IU, 7000 IU, 10 IU, 100 IU, 5 IU | 100ml |
| Availa Zn 120 | Zinc amino acid complex | Powder | 120mg/gm | 100gmX10's |
| GasFree | Saponin+Glycocompound | Powder | | 100gmX10's |

## VACCINES

### LIVE VACCINES

| | | | | |
|---|---|---|---|---|
| IZOVAC Clone | Live Attenuated NDV | Eye Drop/ Via Dringking Water | Clone 106EID$^{50}$ | 1000 Dose |
| IZOVAC Gumboro 2 | Live Intermediate IBDV | Eye Drop/ Via Dringking Water | winterfield 2512 103EID$^{50}$ | 1000 Dose |
| IZOVAC Gumboro 3 | Live Intermediate Plus IBDV | Eye Drop /Via Dringking Water | winterfield 2512 102.7EID$^{50}$ | 1000 Dose |
| IZOVAC B1 Hitchner | Live Attenuated NDV | Eye Drop/ Via Dringking Water | B1 Hitchner 106.5EID$^{50}$ | 1000 Dose |
| IZOVAC H120 LaSota | Live Attenuated NDV Live Attenuated IBV | Eye Drop/ Via Dringking Water | lasota 106EID$^{50}$ H120 106EID$^{50}$ | 1000 Dose |
| IZOVAC LaSota | Live Attenuated NDV | Eye Drop/ Via Dringking Water | lasota 106EID$^{50}$ | 1000 Dose |
| IZOVAC Marek Bivalent+Diluent | Virus in oil emulsion Turkey Herpes Virus, Rispens | Suspension | Marek's disease strain FC126 | 500ml |
| IIZOVAC ND-EDS-IB-IBD | Virus in oil emulsion ND, EDS, IB, IBD | Suspension | 50 PD50, 108 EID50, 106 EID50, 107.5 EID50 | 500ml |

### KILLED VACCINES

| | | | | |
|---|---|---|---|---|
| IZOVAC ND | Inactivated NDV | Injection | lasota 50 PD$^{50}$ | 500 Dose |
| IZOVAC ND-EDS | Inactivated NDV Inactivated EDS | Injection | lasota 50 PD$^{50}$ EDS 76 50 108 EID$^{50}$ | 500 Dose |
| IZOVAC Coryza 3 | Inactivated Coryza | Injection | H. Paragallinarum A, B & C 5x109 | 500 Dose |

## AQUA PRODUCTS

| | | | | |
|---|---|---|---|---|
| Aquastar Pond | Water Probiotic | Powder | NA | 500gm, 1kg |
| Biomin Aquaboost | Amino Acid Complex | Powder | NA | 1000gm, 25kg |
| Hepa Protect Aqua | Flavanoids | Powder | NA | 100gm, 25kg |
| Oxy-Ren | Sodium Carbonate Peroxhydrate | Powder | 130mg/gm | 1kg |
| Aquastar grow out | Feed Probiotic | Powder | NA | 100gm |
| Levabon Aqua | Saccharomyces cerevisiae | Powder | 10^12 cfu/gm | 100gmX5's |
| Oxy-Ren | Sodium carbonate peroxyhydrate | Tablet | 130mg/gm tablet | 1kg |
| Zeoren | Alluminium sodium silicate | Granular | 750mg/gm | 10kg |
| Gas FreeAqua | Yucca | Powder | NA | 100g |

AMA STOCK

# Renata Limited Auditors' Report and Financial Statements

as at and for the year ended June 30, 2018

AMAR STOCK

# Independent auditors' report to the shareholders of Renata Limited

We have audited the accompanying financial statements of Renata Limited, which comprise the statement of financial position as at 30 June 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of Renata Limited as at 30 June 2018 and the results of its financial performance and its statement of cash flows for the year then ended and comply with the Companies Act 1994, 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 statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

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

S. F. Ahmed & Co.
Chartered Accountants

Place: Dhaka
Date: 27 October 2018

# RENATA LIMITED
## STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2018

Amount in Taka

| | Notes | 30 June 2018 | 30 June 2017 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 9,578,542,891 | 9,172,888,570 |
| Capital work-in-progress | 6 | 1,168,163,935 | 1,072,204,572 |
| Investment in subsidiaries | 7 | 143,069,486 | 143,069,376 |
| | | **10,889,776,312** | **10,388,162,518** |
| **Current assets** | | | |
| Inventories | 8 | 3,757,761,605 | 3,229,222,893 |
| Trade receivables | 9 | 2,232,499,238 | 1,995,758,417 |
| Other receivables | 10 | 903,726,174 | 793,117,602 |
| Advances, deposits and prepayments | 11 | 461,385,755 | 295,949,018 |
| Investment in shares and others | 12 | 1,509,177,933 | 804,899,466 |
| Cash and cash equivalents | 13 | 1,057,352,468 | 617,236,028 |
| | | **9,921,903,173** | **7,736,183,424** |
| **TOTAL ASSETS** | | **20,811,679,485** | **18,124,345,942** |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| Share capital | 14 | 700,310,221 | 608,965,410 |
| Revaluation surplus | 15 | 154,808,121 | 155,285,034 |
| Available for sale reserve | 16 | 25,223,220 | 21,635,191 |
| Retained earnings | 17 | 14,246,822,807 | 11,688,650,069 |
| | | **15,127,164,369** | **12,474,535,704** |
| **Non-current liabilities** | | | |
| Deferred tax liabilities | 18 | 1,209,208,777 | 1,137,327,569 |
| Long term loan - net off current portion | 19 | - | 95,910,932 |
| | | **1,209,208,777** | **1,233,238,501** |
| **Current liabilities** | | | |
| Short term bank loan and overdrafts | 20 | 2,389,428,525 | 1,968,852,024 |
| Long term loan - current portion | 19 | 99,662,486 | 161,200,000 |
| Trade payables | 21 | 222,346,097 | 180,070,553 |
| Other payables | 22 | 958,330,267 | 1,357,272,185 |
| Provision for taxation | 23 | 805,538,964 | 749,176,975 |
| | | **4,475,306,339** | **4,416,571,737** |
| **TOTAL EQUITY AND LIABILITIES** | | **20,811,679,485** | **18,124,345,942** |
| **Net asset value per share (NAV)** | 29 | **216.01** | **178.13** |

The annexed notes 1 to 42 form an integral part of these financial statements.

CEO & Managing Director | Director | Chief Financial Officer

As per our annexed report of same date.

Place: Dhaka
Date: 27 October 2018

S. F. Ahmed & Co
Chartered Accountants

## RENATA LIMITED

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
# FOR THE YEAR ENDED 30 JUNE 2018

Amount in Taka

| | Notes | 2017-2018 | 2016-2017 |
|---|---|---|---|
| Turnover | 24 | 18,603,708,906 | 16,043,431,021 |
| Cost of sales | 25 | (9,257,239,128) | (7,940,504,696) |
| **Gross Profit** | | **9,346,469,778** | **8,102,926,325** |
| Administrative, selling and distribution expenses | 26 | (4,722,567,721) | (4,063,427,289) |
| Other income | 27 | 133,008,413 | 35,959,568 |
| **Operating profit** | | **4,756,910,470** | **4,075,458,604** |
| Finance costs | 28 | (207,196,059) | (199,157,898) |
| **Profit before contribution to workers' participation fund** | | **4,549,714,411** | **3,876,300,706** |
| Contribution to workers' participation fund | | (216,653,067) | (184,585,748) |
| **Profit before tax** | | **4,333,061,344** | **3,691,714,958** |
| **Tax expenses** | | | |
| Current tax | 23 | (1,064,469,300) | (891,379,438) |
| Deferred tax | 18 | (71,641,511) | (188,193,106) |
| | | **(1,136,110,811)** | **(1,079,572,544)** |
| **Net profit after tax for the year** | | **3,196,950,533** | **2,612,142,414** |
| **Other comprehensive income** | | | |
| Net profit after tax for the year | | 3,196,950,533 | 2,612,142,414 |
| ***Item that may be reclassified to profit or loss*** | | | |
| Unrealized gain/(loss) on quoted shares, net of tax | | 3,588,029 | 13,368,239 |
| **Total comprehensive income for the year** | | **3,200,538,562** | **2,625,510,653** |
| **Basic earnings per share (EPS)** | 30 | **45.65** | **37.30** |

The annexed notes 1 to 42 form an integral part of these financial statements.

CEO & Managing Director

Director

Chief Financial Officer

As per our annexed report of same date.

Place: Dhaka
Date: 27 October 2018

S. F. Ahmed & Co
Chartered Accountants

## RENATA LIMITED
## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2018

Amount in Taka

| | Share capital | Revaluation surplus | Available for sale reserve | Retained earnings | Total |
|---|---|---|---|---|---|
| **Balance at 01 July 2016** | **529,535,140** | **156,281,949** | **8,266,952** | **9,848,993,073** | **10,543,077,114** |
| Stock dividend issued | 79,430,270 | - | - | (79,430,270) | - |
| Final dividend | - | - | - | (450,104,869) | (450,104,869) |
| Interim dividend | - | - | - | (243,586,164) | (243,586,164) |
| Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve, net | - | (361,030) | - | - | (361,030) |
| Depreciation adjustment on revalued assets | - | (635,885) | - | 635,885 | - |
| Net profit after tax for the year | - | - | - | 2,612,142,414 | 2,612,142,414 |
| Unrealized gain/(loss) on quoted shares | - | - | 13,368,239 | - | 13,368,239 |
| **Balance at 30 June 2017** | **608,965,410** | **155,285,034** | **21,635,191** | **11,688,650,069** | **12,474,535,704** |
| | | | | | |
| **Balance at 01 July 2017** | **608,965,410** | **155,285,034** | **21,635,191** | **11,688,650,069** | **12,474,535,704** |
| Stock dividend issued | 91,344,811 | - | - | (91,344,811) | - |
| Final dividend | - | - | - | (548,068,869) | (548,068,869) |
| Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve | - | 158,972 | - | - | 158,972 |
| Depreciation adjustment on revalued assets | - | (635,885) | - | 635,885 | - |
| Net profit after tax for the year | - | - | - | 3,196,950,533 | 3,196,950,533 |
| Unrealized gain/(loss) on quoted shares | - | - | 3,588,029 | - | 3,588,029 |
| **Balance at 30 June 2018** | **700,310,221** | **154,808,121** | **25,223,220** | **14,246,822,807** | **15,127,164,369** |

CEO & Managing Director | Director | Chief Financial Officer

AMARSTOCK

# RENATA LIMITED
## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 30 JUNE 2018

Amount in Taka

| | | Notes | 2017-2018 | 2016-2017 |
|---|---|---|---|---|
| **A.** | **Cash flows from operating activities** | | | |
| | Collection from customers and other income | | 21,878,310,365 | 18,983,151,142 |
| | Payment of VAT | | (2,735,749,606) | (2,291,726,115) |
| | Payment to suppliers, employees and others | | (15,298,505,375) | (11,885,657,363) |
| | **Cash generated by operations** | | **3,844,055,384** | **4,805,767,664** |
| | Finance costs | | (207,196,059) | (199,157,898) |
| | Payment of tax | | (1,008,107,311) | (1,087,656,518) |
| | ***Net cash generated from operating activities*** | 31 | **2,628,752,014** | **3,518,953,248** |
| **B.** | **Cash flows from investing activities** | | | |
| | Purchase of property, plant and equipment | | (1,202,387,919) | (1,204,948,013) |
| | Investment in shares and others | | (704,278,467) | (696,705,722) |
| | Sale proceeds of property, plant and equipment | | 540,000 | 13,765,005 |
| | ***Net cash used in investing activities*** | | **(1,906,126,386)** | **(1,887,888,730)** |
| **C.** | **Cash flows from financing activities** | | | |
| | Bank loan received/ (repaid) (net) | | 263,128,054 | (779,255,497) |
| | Dividend paid | | (545,637,242) | (685,184,435) |
| | ***Net cash used in financing activities*** | | **(282,509,188)** | **(1,464,439,932)** |
| **D.** | **Net cash inflow for the year (A+B+C)** | | 440,116,440 | 166,624,586 |
| **E.** | **Cash and cash equivalents at the beginning of the year** | | 617,236,028 | 450,611,442 |
| **F.** | **Cash and cash equivalents at the end of the year (D+E)** | | **1,057,352,468** | **617,236,028** |
| | **Net operating cash flow per share** | 32 | **37.54** | **50.25** |

CEO & Managing Director | Director | Chief Financial Officer

# RENATA LIMITED
## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2018

### 1. Reporting entity

### 1.1 Company profile
Renata Limited (the "Company") is a Public Limited Company incorporated in Bangladesh in 1972 as Pfizer Laboratories (Bangladesh) Limited under the Companies Act 1913. The Company was listed with Dhaka Stock Exchange Limited on 12 May 1979. Subsequently, the Company was renamed as Renata Limited in 1993. The registered office of the Company is situated at Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216.

### 1.2 Principal activities
The principal activities of the Company are manufacturing, marketing and distribution of pharmaceutical and animal health products.

### 2. Basis of preparation of financial Statements

### 2.1 Reporting framework and compliance thereof
The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and other relevant local laws as applicable, and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs).

### 2.2 Measurement of elements in the financial statements
Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Renata Limited is historical cost except for few of the property, plant and equipment, financial assets and inventories which are stated in accordance with the policies mentioned in the respective notes.

### 2.3 Functional and presentational currency and level of precision
The financial statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information is presented in BDT and has been rounded off to the nearest BDT.

### 2.4 Use of estimates and judgment
The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosures requirements for contingent assets and liabilities during and at the date of the financial statements.

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

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, net realizable value of inventories, accruals, taxation and provision.

### 2.5 Comparative information and rearrangement thereof
Comparative figures have been re-arranged wherever 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.

### 2.6 Going concern
When preparing financial statements, management makes an assessment of Renata Limited's ability to continue as a going concern. Renata Limited prepares financial statements on a going concern basis.

### 2.7 Accrual basis of accounting
Renata Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, Renata Limited recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

## 2.8 Materiality and aggregation

Renata Limited presents separately each material class of similar items. The Company presents separately items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

## 2.9 Offsetting

Renata Limited does not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

## 2.10 Date of authorization for issue of the financial statements

On 27 October 2018 the Board of Directors reviewed the financial statements and authorized them for issue.

## 3. Summary of significant accounting policies

Renata Limited selects and applies its accounting policies consistently for similar transactions, other events and conditions, unless a BFRS specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all period presented in these financial statements:

**Changes in accounting policies**

Renata Limited changes its accounting policy only if the change is required by a BFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company's financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

**Changes in accounting estimates**

Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account.

**Correction of error in prior period financial statements**

Renata Limited corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

## 3.1 Property, plant and equipment (PPE)

**Recognition and measurement**

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits will flow to Renata Limited and the cost of the item can be measured reliably. An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost.

**Elements of Costs**

- Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

**Subsequent Costs**

- Costs of day to day servicing [repairs and maintenance] are recognized as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

**Measurement of property, plant and equipment after recognition**

**Cost model**

After recognition as an asset, an item of property, plant and equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

**Revaluation model**

After recognition as an asset, an item of property, plant and equipment is to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit

or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings as the asset is used by Renata Limited.

**Depreciation**

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate. Depreciation has been charged on straight-line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged from the month the asset is put into use and no depreciation is charged for the month of disposal. Rates of depreciation considering the useful lives of respective assets are as follows:

| Asset Type | Depreciation rate (%) | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| Buildings | 1.54-5 | 1.54-5 |
| Plant and machinery | 5-20 | 5-20 |
| Automobiles | 25 | 25 |
| Office equipment | 10-12.5 | 10-12.5 |
| Furniture and fixtures | 10 | 10 |

**Derecognition of property, plant and equipment**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognised. When the revalued assets are disposed off, the respective revaluation surplus is transferred to retained earnings.

### 3.2 Capital- work- in progress

Capital work in progress represents the cost incurred for acquisition and construction of items of property, plant and equipment that were not ready for use at the end of 30 June 2018 and these were -stated at cost. In case of import components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group, i.e. at the time shipment is confirmed by the supplier.

### 3.3 Impairment of Assets

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on a non-revalued asset is recognised in profit or loss. However, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

Renata Limited assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, Renata Limited estimates the recoverable amount of the asset.

### 3.4 Financial Instruments

### 3.4.1 Financial assets

**Investment in shares**

Investment in shares are classified as available for sale financial assets and initially measured at the fair value of the consideration given (i.e. cost) plus (in most cases) transaction costs that are directly attributable to the acquisition of the financial asset. Investments in shares are re-measured to fair value, without any deduction for transaction costs that may be incurred on sale or other disposal. Gains and losses on re-measurement is recognised as follows:

- Impairment losses are recognised in profit or loss.
- All other gains and losses are recognised in other comprehensive income and held in a separate component in equity. On derecognition, either through sale or impairment, gains and losses previously recognised in other comprehensive income is reclassified to profit or loss, becoming part of the gain or loss on derecognition.

**Investment in subsidiaries**

Separate Financial Statements are to enhance the relevance, reliability and comparability of the information that a parent entity provides in its separate financial statements for a group of entities under its control. An entity must disclose the information to enable users of the financial statements to evaluate the nature of the relationship between the entity and its subsidiaries. Investment in subsidiaries is accounted for in Renata Limited's separate financial statements at cost.

**Trade Receivables**
Trade receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values. Bad debts are written off when it is established that they are irrecoverable. Specific allowance is made for known doubtful debts. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the financial position date.

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.4.2 Financial liabilities

**Borrowings**
Borrowings are recorded at the amount of proceeds received. Borrowings are re-measured at amortised cost using the effective interest method.

**Trade payables**
Trade payables are stated at cost which approximates the fair value of the consideration to be paid in the future for goods and services received.

### 3.4.3 Impairment of financial assets
At each year end, Renata Limited assesses whether there is any objective evidence that a financial asset or group of assets is impaired. Where there is objective evidence of impairment, Renata Limited determines the amount of any impairment loss.

## 3.5 Inventories

**Measurement**
Inventories are measured at the lower of cost and net realizable value except for goods in transit which are valued at cost.

**Cost of inventories**
The cost of inventories are comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of active materials, raw materials and packing materials is assigned by using the first-in, first-out (FIFO) cost formula. Cost of work-in-progress and finished stocks are determined by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The Company uses standard cost method for measurement of cost of finished goods.

**Recognition as an expense**
When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

## 3.6 Other liabilities

**Recognition**
A provision is recognised when Renata Limited 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. If these conditions are not met, no provision is recognised.

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

Renata Limited does not recognise a contingent liability. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Renata Limited does not recognise a contingent asset. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to Renata Limited.

**Measurement of provisions**
The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

**Changes and use of provisions**
Provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

## 3.7 Post-employment benefits

**Defined contribution plan**
The Company operates a recognized provident fund scheme where employees contribute 8.33% up to 5 years and over 5 years 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees. Renata Limited recognises contributions payable as an expense in the period in which the employee provides services. A liability is recognised where contributions arise in relation to an employee's service, but remain unpaid at the period end.

**Defined benefit plan**
The Company had operated an unfunded gratuity plan till 29 December 2015 and thereafter, effective from 30 December 2015, the scheme has been converted to a funded one. Employees are entitled to get gratuity benefit after completion of minimum seven years of service with the Company. The gratuity is calculated on the last drawn basic pay and is payable at the rate of one month's basic pay for every completed year of service while one and half months' basic pay for more than ten years of service. Actuarial valuation of the fund is carried out at 31 December 2016 by a professional actuary.

**Group insurance scheme**
The Company operates a group insurance scheme for its permanent employees.

**Worker's participation and welfare fund**
The Company has created a workers' participation and welfare fund in compliance with "The Bangladesh Labour Act, 2006" (as amended in 2013) and 5% of profit before charging such expenses is transferred to this fund.

## 3.8 Borrowing cost
Renata Limited capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Renata Limited recognises other borrowing costs as an expense in the period in which it incurs them.

## 3.9 Reporting foreign currency transactions

**Initial recognition**
A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

**Subsequent measurement**
A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities is translated into Renata Limited's functional currency at each reporting date. Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise.

## 3.10 Revenue recognition
Revenue is recognized upon invoicing the customers for goods sold and delivered net off returns, allowances and trade discounts. Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the Company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the Company.

## 3.11 Taxation
The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the income statement, except in the case it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

**Current tax**
The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Deferred tax**

**Principle of recognition**
Deferred tax is recognised as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with as other comprehensive income is recognised as tax relating to other comprehensive income within the statement of profit or loss and other comprehensive income.

Deferred tax relating to items dealt with directly in equity (such as the correction of an error or retrospective application of a change in accounting policy) is recognised directly in equity.

**Taxable temporary difference**
A deferred tax liability is recognised for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

**Deductible temporary difference**
A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

**Measurement**
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## 3.12 Earnings per share [EPS]

**Basic EPS**
Renata Limited calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Renata Limited presents basic earnings per share in the statement of profit or loss and other comprehensive income. The company presents basic earnings per share with equal prominence for all periods presented. Renata Limited presents basic earnings per share, even if the amounts are negative (i.e. a loss per share).

## 3.13 Statement of cash flows
Statement of cash flows has been prepared in accordance with the Bangladesh Accounting Standard BAS-7, 'Statement of Cash Flows' under direct method. Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.14 Operating segments
As there is a single business and geographic segment within which the Company operates, no segment reporting is felt necessary.

## 3.15 Related party disclosures
Relationship between a parent and its subsidiaries is disclosed irrespective of whether there have been transactions between them. Renata Limited discloses key management personnel compensation. The company discloses the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements.

## 3.16 Events after the reporting period
Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified: adjusting events: those that provide evidence of conditions that existed at the end of the reporting period and non adjusting events: those that are indicative of conditions that arose after the reporting period.

## 3.17 Financial risk management

Renata Limited's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business. Renata Limited's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on Renata Limited's financial performance. Renata Limited's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Renata Limited regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of Renata Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Renata Limited's asset portfolio. The credit risk management and control are controlled through the credit policies of Renata Limited which are updated regularly. The Company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

**Liquidity risk**

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

The Company's approach toward 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 equivalents to meet expected operational expenses, including the servicing of financial obligations through preparation of the cash forecast prepared based on time line of payment of the financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due date.

**Market risk**

Renata Limited takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and currency, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads and foreign exchange rates.

**a) Currency risk**

The Company is exposed to currency risk on certain receivables and payables such as receivables from foreign customers and payables for import of raw materials, machinery and equipment. The majority of the Company's foreign currency transactions is denominated in US Dollar and relates to procurement of raw materials, machinery and equipment from abroad.

**b) Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Renata Limited takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise.

## 4. Director's responsibilities statement

The Board of Directors of Renata Limited is responsible for the preparation and presentation of the financial statements.

## 5. Property, plant and equipment

Amount in Taka

| Particulars | COST/REVALUATION | | | | Rate % | DEPRECIATION | | | | Written down value as at 30 June 2018 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1 July 2017 | Addition during the year | Disposal/ adjustment during the year | Balance as at 30 June 2018 | | Balance as at 1 July 2017 | Charge for the year | Disposal/ adjustment during the year | Balance as at 30 June 2018 | |
| Freehold land: | | | | | | | | | | |
| At cost | 1,069,846,142 | 16,002,579 | - | 1,085,848,721 | | - | - | - | - | 1,085,848,721 |
| On revaluation | 179,132,078 | - | - | 179,132,078 | | - | - | - | - | 179,132,078 |
| | 1,248,978,220 | 16,002,579 | - | 1,264,980,799 | | - | - | - | - | 1,264,980,799 |
| Buildings | | | | | | | | | | |
| At cost | 3,070,455,594 | 114,788,944 | - | 3,185,244,538 | 1.54-5 | 471,139,754 | 99,040,846 | - | 570,180,600 | 2,615,063,938 |
| On revaluation | 41,291,251 | - | - | 41,291,251 | 1.54-5 | 13,376,616 | 635,885 | - | 14,012,501 | 27,278,750 |
| | 3,111,746,845 | 114,788,944 | - | 3,226,535,789 | | 484,516,370 | 99,676,731 | - | 584,193,101 | 2,642,342,688 |
| Plant and machinery | 7,170,543,884 | 571,662,266 | 5,197,600 | 7,737,008,550 | 5 - 20 | 2,298,657,671 | 477,363,028 | 4,061,530 | 2,771,959,169 | 4,965,049,381 |
| Automobiles | 350,485,145 | 39,364,132 | 1,650,000 | 388,199,277 | 25 | 191,955,820 | 61,235,181 | 1,650,000 | 251,541,001 | 136,658,276 |
| Office equipment | 351,910,835 | 353,507,864 | 175,000 | 705,243,699 | 10 - 12.5 | 171,938,388 | 47,352,141 | 74,411 | 219,216,118 | 486,027,581 |
| Furnitures and fixtures | 147,304,091 | 11,102,769 | - | 158,406,860 | 10 | 61,012,199 | 13,910,495 | - | 74,922,694 | 83,484,166 |
| **Total 30 June 2018** | **12,380,969,018** | **1,106,428,556** | **7,022,600** | **13,480,374,974** | | **3,208,080,448** | **699,537,576** | **5,785,941** | **3,901,832,083** | **9,578,542,891** |
| **Total 30 June 2017** | **11,580,037,422** | **835,740,152** | **34,808,556** | **12,380,969,018** | | **2,610,071,589** | **632,560,360** | **34,551,501** | **3,208,080,448** | **9,172,888,570** |

### 5.1 Initially recognised value of fully depreciated assets included in property, plant and equipment is as follows:

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| Building | 4,448,824 | 4,448,824 |
| Plant and machinery | 255,034,615 | 246,082,508 |
| Automobiles | 120,400,800 | 110,932,000 |
| Office equipment | 64,678,341 | 64,157,714 |
| Furniture and fixtures | 10,213,981 | 10,215,781 |
| | **454,776,561** | **435,836,827** |

### 5.2 The freehold lands of the Company measuring 205.153 acres are located at:

| | | |
|---|---|---|
| Mirpur, Dhaka | 12.000 acres | 12.000 acres |
| Pekua, Cox's Bazar | 45.340 acres | 45.340 acres |
| Barisal Sadar | 0.290 acres | 0.290 acres |
| Gondogram, Bogra | 0.270 acres | 0.270 acres |
| Lakshimipur, Rajshahi City Corporation | 0.149 acres | 0.149 acres |
| Dogri Rajendrapur, Gazipur | 16.851 acres | 16.851 acres |
| Kashor Gore, Bhaluka, Mymensingh | 31.539 acres | 31.424 acres |
| Sagordighi, Tangail | 13.805 acres | 13.805 acres |
| Siddikhali, Tangail | 1.050 acres | 1.050 acres |
| Ghatail, Tangail | 13.234 acres | 13.234 acres |
| Dhamsur, Bhaluka, Mymensingh | 26.370 acres | 26.370 acres |
| Turag, Dhaka | 0.825 acres | 0.825 acres |
| Sreepur, Gazipur | 13.830 acres | 13.830 acres |
| Keranigonj, Dhaka | 0.590 acres | 0.590 acres |
| Faridpur Sadar, Faridpur | 0.410 acres | 0.410 acres |
| Debipur, Sarishadi, Feni Sadar | 0.529 acres | 0.365 acres |
| Chatropur, Mymensingh | 0.558 acres | 0.558 acres |
| Phulbaria, Mymensingh | 8.503 acres | 8.503 acres |
| Bypass Mor, Digharkanda, Mymensingh | 0.035 acres | 0.035 acres |
| Tetulia, Dakshin Surma, Sylhet | 0.483 acres | 0.483 acres |
| Betgari, Shajahanpur, Bogra | 0.645 acres | 0.645 acres |
| Lohaboy, Bhaluka | 4.463 acres | 4.463 acres |
| Narangi, Bhaluka | 6.605 acres | 6.605 acres |
| Batabaria and Haratoli, Sadar Dakshin, Comilla | 0.580 acres | 0.580 acres |
| Salna, Purabari | 0.307 acres | 0.307 acres |
| Sathkhamair, Sreepur | 4.379 acres | 3.719 acres |
| Bhobainagar, Kotwali Sadar, Dinajpur | 0.803 acres | 0.803 acres |
| Uttam, Rangpur Sadar, Rangpur | 0.710 acres | 0.710 acres |
| **Total** | **205.153 acres** | **204.214 acres** |

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## 5.3 Depreciation for the year has been charged to:

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| Cost of goods sold (Note-25.2) | 587,773,634 | 545,496,734 |
| Administrative, selling and distribution expenses (Note-26) | 111,763,942 | 87,063,626 |
| | **699,537,576** | **632,560,360** |

**5.4** The freehold land and buildings were revalued by a firm of professional valuers in the year 1995 and the increase in net carrying amount as a result of revaluation were shown as addition/valuation in that year.

## 5.5 Gain/(loss) on disposal of property, plant and equipment

Amount in Taka

| Original cost | Accumulated depreciation | Net book value | Sale proceeds | Gain / (loss) | |
|---|---|---|---|---|---|
| | | | | 2017-2018 | 2016-2017 |
| 7,022,600 | 5,785,941 | 1,236,659 | 540,000 | (696,659) | 14,137,951 |

## 6. Capital work in-progress

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| Opening balance | 1,072,204,572 | 702,996,708 |
| Add : Addition during the year | 1,033,231,778 | 888,522,356 |
| | 2,105,436,350 | 1,591,519,064 |
| Less: Capitalized as property, plant and equipment (Note-6.1) | 937,272,415 | 519,314,492 |
| | **1,168,163,935** | **1,072,204,572** |

This represents mainly construction of buildings for softgel facility, warehouse for sachet filling facility, Rajendrapur raw material store, Rajendrapur power substation, Bhaluka power substation, Faridpur depot, Comilla depot, installation of plant and machinery, their components and other fixed assets procured from foreign and local vendors.

## 6.1 The break down of capitalized property, plant and equipment is as follows:

| | | |
|---|---|---|
| Buildings | 102,819,368 | 21,975,785 |
| Plant and machinery | 514,608,924 | 491,496,429 |
| Automobiles | - | 476,860 |
| Office equipment | 316,700,166 | 2,605,586 |
| Furniture and fixtures | 3,143,957 | 2,759,832 |
| | **937,272,415** | **519,314,492** |

## 7. Investment in subsidiaries

| | No. of shares | | |
|---|---|---|---|
| Renata Agro Industries Limited (Note-7.1) | 419,949 | 60,570,476 | 60,570,476 |
| Purnava Limited (Note-7.2) | 24,999 | 2,499,900 | 2,499,900 |
| Renata Oncology Limited (Note7.3) | 7,999,900 | 79,999,000 | 79,999,000 |
| Renata (UK) Limited (Note7.4) | 1 | 110 | - |
| | **8,444,849** | **143,069,486** | **143,069,376** |

## 7.1 Investment in subsidiary company - Renata Agro Industries

Renata Limited aquired 99.99% of equity interest in Renata Agro Industries Limited (419,949 ordinary shares of Taka 100 each) on 7 April 2001. Purchase consideration with regard to the acquisition of shares amounted to Taka 60,570,476. Renata Limited and Renata Agro Industries Limited have been operating under common control.

## 7.2 Investment in subsidiary company - Purnava Limited

Renata Limited aquired 99.99% of equity interest in Purnava Limited (24,999 ordinary shares of Taka 100 each) on 16 September 2004. Purchase consideration with regard to the acquisition of shares amounted to Taka 2,499,900 being face value of shares. Renata Limited and Purnava Limited have been operating under common control.

## 7.3 Investment in subsidiary company - Renata Oncology Limited

Renata Limited aquired 99.99% of equity interest in Renata Oncology Limited (7,999,900 ordinary shares of Taka 10 each) on 12 August 2012. Purchase consideration with regard to the acquisition of shares amounted to Taka 79,999,000 being face value of shares. Renata Limited and Renata Oncology Limited have been operating under common control.

## 7.4 Investment in subsidiary company - Renata (UK) Limited

Renata Limited aquired 100% of equity interest in Renata (UK) Limited (1 ordinary share of GBP 1 each) on 9 April 2018. Purchase consideration with regard to the acquisition of the share amounted to GBP 1 being face value of the share. Renata Limited and Renata (UK) Limited have been operating under common control.

## 8. Inventories

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| Finished goods | | |
| - Pharmaceutical | 378,798,700 | 424,026,166 |
| - Animal health | 576,840,396 | 438,425,059 |
| - Contract manufacturing | 32,943,887 | 57,732,598 |
| - Potent product facility | 50,380,337 | 41,433,943 |
| - Cepha facility | 128,534,303 | 135,781,373 |
| - Penicillin facility | 27,258,958 | 38,101,451 |
| | **1,194,756,581** | **1,135,500,590** |
| Work-in-process | 227,932,482 | 182,801,854 |
| Raw materials | 354,778,314 | 453,575,178 |
| Bulk materials | 1,059,170,592 | 642,095,255 |
| Packing materials | 470,627,002 | 374,321,035 |
| Consumable stores, spares and reagent materials | 153,857,006 | 166,739,245 |
| Stock in transit | 447,500,656 | 412,991,688 |
| | **3,908,622,633** | **3,368,024,846** |
| Provision for obsolete inventories | (150,861,028) | (138,801,953) |
| | **3,757,761,605** | **3,229,222,893** |

## 9. Trade receivables

| | | |
|---|---|---|
| Trade receivables- unsecured (Note-9.1) | 2,323,377,693 | 2,066,970,339 |
| Allowances for doubtful receivables | (90,878,455) | (71,211,922) |
| | **2,232,499,238** | **1,995,758,417** |

## 9.1 Trade receivables disclosure as per Schedule-XI, Part-I, of the Companies Act, 1994

| | | |
|---|---|---|
| Receivables due below six months | 2,108,147,939 | 1,933,105,837 |
| Receivables due over six months | 215,229,754 | 133,864,502 |
| | **2,323,377,693** | **2,066,970,339** |

Trade receivables include Tk. 11,938,300 due from Renata Agro Industries Limited.

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## 10. Other receivables

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| Inter-company receivables | | |
| - Renata Agro Industries Limited | 604,429 | 1,755,934 |
| - Purnava Limited | 237,494,331 | 168,494,331 |
| - Renata Oncology Limited | 333,674,499 | 336,299,307 |
| Value Added Tax (VAT) recoverable | 269,942,426 | 245,145,772 |
| Others | 62,010,489 | 41,422,258 |
| | **903,726,174** | **793,117,602** |

## 11. Advances, deposits and prepayments

| | | |
|---|---|---|
| **Advances** | | |
| Loan to employees against motorcycle | 148,591,984 | 90,035,499 |
| Loan to employees against scooter | 869,486 | 1,953,887 |
| Loan to employees against salary | 37,840,534 | 32,011,014 |
| Advance for house rent | 11,539,350 | 10,979,676 |
| Advance VAT | 39,075,695 | 64,710,809 |
| Advance for inventory | 41,038,006 | 7,698,930 |
| Advance for field force | 14,834,750 | 13,683,500 |
| Advance to staff against expenses | 31,419,196 | 20,132,234 |
| Advance to staff against petty expenses | 1,173,500 | 947,500 |
| Advance against tour expenses | 8,163,677 | 7,533,794 |
| | 334,546,178 | 249,686,842 |
| **Deposits** | | |
| Tender deposits | 96,299,939 | 13,606,948 |
| Mymensingh Palli Biddut Samity | 12,256,000 | 12,256,000 |
| Gazipur Palli Bidyut Samity | 10,248,000 | 10,248,000 |
| Dhaka Electric Supply Co. Limited | 2,310,000 | 2,310,000 |
| Security deposit to Linde Bangladesh Limited | 880,000 | 880,000 |
| Bangladesh Ansar O Gram Protirokkha Bahini (Bangladesh Ansar and VDP) | 536,461 | - |
| Titas Gas Transmission and Distribution Co. Limited | 331,896 | 455,811 |
| Radison Water Garden Hotel | 200,000 | 200,000 |
| Meghna Model Service Center | 110,000 | 110,000 |
| Bangladesh Customs House, Dhaka Airport | 200,000 | 200,000 |
| Bangladesh Power Development Board, Bogra | 232,534 | 232,534 |
| Bangladesh Power Development Board, Sylhet | 90,000 | 90,000 |
| Bangladesh Power Development Board, Faridpur | 75,000 | 75,000 |
| Bangladesh Power Development Board, Comiilla | 40,000 | 40,000 |
| HammerHead Bangladesh Limited | 16,000 | - |
| Bangladesh Petroleum Exploration & Production Co. Ltd. | 7,000 | 7,000 |
| Dhaka Medical College & Hospital | 1,540 | 1,540 |
| Security deposit to G4S Security Services Bangladesh (P) Ltd. | - | 946,650 |
| Miscellaneous deposits | - | 260,500 |
| | 123,834,370 | 41,919,983 |
| **Prepayments** | | |
| Insurance premium | 3,005,207 | 4,311,152 |
| Miscellaneous | - | 31,040 |
| | 3,005,207 | 4,342,192 |
| | **461,385,755** | **295,949,018** |

## 12. Investment in shares and others

| | | |
|---|---|---|
| Investment in shares (Note-12.1) | 93,790,433 | 104,899,466 |
| Investment in FDR | 1,415,387,500 | 700,000,000 |
| | **1,509,177,933** | **804,899,466** |

## 12.1 Investment in shares

| | Market value | | Cost |
|---|---|---|---|
| | 30 June 2018 Taka | 30 June 2017 Taka | 30 June 2018 Taka |
| Square Pharma Limited | 56,838,538 | 52,332,009 | 31,400,230 |
| British American Tobacco Bangladesh Company Limited | 11,234,275 | 9,195,225 | 1,964,918 |
| Beximco Pharmaceuticals Limited | 9,390,000 | - | 11,365,280 |
| Shahjibazar Power Co. Ltd. | 7,028,100 | - | 10,885,870 |
| Grameenphone Ltd. | 5,055,700 | - | 4,996,661 |
| ACI Formulations Limited | 2,455,500 | 3,001,500 | 3,242,427 |
| Central Depository Bangladesh Limited (unquoted) | 1,569,450 | 1,569,450 | 1,569,450 |
| Islami Bank Bangladesh Limited | 133,970 | 181,254 | 163,748 |
| BRAC Bank Limited | 53,400 | 48,420 | 13,905 |
| People's Leasing and Financial Services Limited | 11,108 | 11,669 | 117,137 |
| International Leasing & Finance Services Limited | 15,451 | 13,149 | 39,497 |
| EXIM Bank Limited | 2,118 | 2,172 | 1,494 |
| United Commercial Bank Limited | 1,901 | 2,333 | 3,423 |
| Social Islami Bank Limited | 922 | 1,193 | 596 |
| Confidence Cement Limited | - | 6,730,000 | - |
| Lafarge Surma Cement Limited | - | 6,290,000 | - |
| Southeast Bank Limited | - | 5,550,000 | - |
| BSRM Steels Limited | - | 5,454,000 | - |
| Baraka Power Limited | - | 4,370,000 | - |
| The City Bank Limited | - | 3,740,000 | - |
| AB Bank 1st Mutual Fund | - | 3,500,000 | - |
| LR Global Bangladesh Mutual Fund One | - | 1,560,000 | - |
| Summit Power Limited | - | 1,347,094 | - |
| | **93,790,433** | **104,899,466** | **65,764,636** |

## 13. Cash and cash equivalents

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| **Cash in hand** | **2,325,000** | **2,075,000** |
| **Cash at bank** | | |
| Standard Chartered Bank | 383,068,820 | 389,329,381 |
| Eastern Bank Limited | 358,911,717 | 60,854,262 |
| Bank Asia Limited | 91,122,356 | 45,332,847 |
| Commercial Bank of Ceylon PLC | 80,569,502 | 26,115,893 |
| Sonali Bank Limited | 33,003,346 | 23,881,690 |
| Citibank N. A. | 23,078,648 | 1,732,817 |
| Agrani Bank Limited | 21,522,306 | 8,424,586 |
| The City Bank Limited | 18,534,164 | 1,703,050 |
| BRAC Bank Limited | 13,814,459 | - |
| The Hongkong and Shanghai Banking Corporation Limited | 2,222,380 | 43,255,127 |
| Prime Bank Limited | 1,594,145 | 1,345,191 |
| United Commercial Bank Limited | 1,239,085 | 957,219 |
| | **1,028,680,928** | **602,932,062** |
| Balance with City Bank Capital Resources Limited | 26,339,461 | 12,221,437 |
| Balance with ICB Securities Trading Company Limited | 7,079 | 7,529 |
| | **26,346,540** | **12,228,966** |
| | **1,057,352,468** | **617,236,028** |

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## 14. Share capital

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| **Authorized share capital** | | |
| 100,000,000 ordinary shares of Tk.10 each | **1,000,000,000** | **1,000,000,000** |
| **Issued, subscribed and paid up capital** | | |
| 1,294,260 ordinary shares of Tk.10 each issued for cash | 12,942,600 | 12,942,600 |
| 1,724,490 ordinary shares of Tk.10 each issued for consideration other than cash | 17,244,900 | 17,244,900 |
| 67,012,272 ordinary shares (57,877,791 ordinary shares as at 30 June 2017) of Tk.10 each issued as bonus shares | 670,122,721 | 578,777,910 |
| | **700,310,221** | **608,965,410** |

These shares are listed with Dhaka Stock Exchange Limited and quoted at Tk 1,296.50 per share on 30 June 2018.

**At 30 June 2018, the shareholding position of the Company was as follows:**

| Name of the shareholders | Nationality/ Incorporated in | Number of shares | Face value Taka | % of total shareholdings |
|---|---|---|---|---|
| Sajida Foundation | Bangladesh | 35,715,518 | 357,155,181 | 51.0% |
| Business Research International Corp. Inc. | Panama | 15,227,512 | 152,275,120 | 21.7% |
| ICB Unit Fund | Bangladesh | 3,228,218 | 32,282,180 | 4.6% |
| Shadharan Bima Corporation | Bangladesh | 3,063,838 | 30,638,380 | 4.4% |
| Investment Corporation of Bangladesh | Bangladesh | 2,509,791 | 25,097,910 | 3.6% |
| Other shareholders | Bangladesh & others | 10,286,145 | 102,861,450 | 14.7% |
| | | **70,031,022** | **700,310,221** | **100%** |

### Classification of shareholders by holdings:

| Holdings | 30 June 2018 | | | | |
|---|---|---|---|---|---|
| | No. of shareholders as per folio | No. of shareholders as per BOID | No. of total shareholders | No. of shareholdings | % of total shareholdings |
| Less than 500 shares | 114 | 2,951 | 3,065 | 339,782 | 0.5% |
| 501 to 5000 shares | 48 | 719 | 767 | 1,239,012 | 1.8% |
| 5,001 to 10,000 shares | 10 | 76 | 86 | 605,325 | 0.9% |
| 10,001 to 20,000 shares | 17 | 46 | 63 | 923,254 | 1.3% |
| 20,001 to 30,000 shares | 7 | 23 | 30 | 761,592 | 1.1% |
| 30,001 to 40,000 shares | - | 9 | 9 | 333,659 | 0.5% |
| 40,001 to 50,000 shares | - | 10 | 10 | 436,414 | 0.6% |
| 50,001 to 100,000 shares | 2 | 24 | 26 | 1,831,717 | 2.6% |
| 100,001 to 1,000,000 shares | 1 | 16 | 17 | 3,815,390 | 5.4% |
| Over 1,000,000 shares | 2 | 4 | 6 | 59,744,877 | 85.3% |
| | **201** | **3,878** | **4,079** | **70,031,022** | **100%** |

## 15. Revaluation surplus

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| Land | 179,132,078 | 179,132,078 |
| Buildings | 27,914,634 | 28,550,519 |
| | 207,046,712 | 207,682,597 |
| Less: Depreciation adjustment on revalued buildings | (635,885) | (635,885) |
| | 206,410,827 | 207,046,712 |
| Less: Adjustment of deferred tax on revaluation surplus | (51,602,706) | (51,761,678) |
| | **154,808,121** | **155,285,034** |

TThe freehold land and buildings were revalued by a firm of professional valuer in the year 1995 and the resulting increase of value of Tk. 220,423,329 has been shown as revaluation surplus.

## 16. Available for sale reserve

| | | |
|---|---|---|
| Opening balance | 21,635,191 | 8,266,952 |
| Unrealized gain/(loss) on quoted shares, net of tax | 3,588,029 | 13,368,239 |
| | **25,223,220** | **21,635,191** |

## 17. Retained earnings

| | | |
|---|---|---|
| Opening balance | 11,688,650,069 | 9,848,993,073 |
| Profit for the year | 3,196,950,533 | 2,612,142,414 |
| Stock dividend issued | (91,344,811) | (79,430,270) |
| Final dividend | (548,068,869) | (450,104,869) |
| Interim dividend | - | (243,586,164) |
| Depreciation adjustment on revalued assets | 635,885 | 635,885 |
| | **14,246,822,807** | **11,688,650,069** |

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## 18. Deferred tax liabilities

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| **Opening balance** | 1,137,327,569 | 946,889,523 |
| Addition during the year | 71,881,208 | 190,438,045 |
| | **1,209,208,777** | **1,137,327,569** |

**Computation of deferred tax for the year ended 30 June 2018**

| | Carrying amount Taka | Tax base Taka | Taxable/(deductible) temporary difference Taka | Deferred tax liabilities/ (assets) Taka |
|---|---|---|---|---|
| Property, plant and equipment excluding cost of land | 8,492,694,169 | 3,574,272,099 | 4,918,422,070 | 1,229,605,517 |
| Provision for doubtful debt | (92,797,280) | - | (92,797,280) | (23,199,320) |
| Investment in shares | 93,790,433 | 65,764,636 | 28,025,797 | 2,802,580 |
| **Deferred tax liabilities/(assets) as at 30 June 2018** | | | | **1,209,208,777** |
| **Deferred tax liabilities/(assets) as at 30 June 2017** | | | | **1,137,327,569** |
| Increase in deferred tax liabilites/(assets) during the year | | | | **71,881,208** |

**Allocation of deferred tax liabilites/(assets) during the year**

| | |
|---|---|
| Charged to available for sale reserve (OCI) | 398,669 |
| Adjustment for reduction of revaluation surplus due to charges of extra depreciation | (158,972) |
| Charged to profit or loss | 71,641,511 |
| | **71,881,208** |

**Computation of deferred tax for the year ended 30 June 2017**

| | Carrying amount Taka | Tax base Taka | Taxable/(deductible) temporary difference Taka | Deferred tax liabilities/ (assets) Taka |
|---|---|---|---|---|
| Property, plant and equipment excluding cost of land | 8,103,042,428 | 3,490,217,047 | 4,612,825,381 | 1,153,206,345 |
| Provision for doubtful debt | (73,130,747) | - | (73,130,747) | (18,282,687) |
| Investment in shares | 104,899,466 | 80,860,366 | 24,039,100 | 2,403,911 |
| **Deferred tax liabilities/(assets) as at 30 June 2017** | | | | **1,137,327,569** |
| **Deferred tax liabilities/(assets) as at 30 June 2016** | | | | **946,889,523** |
| Increase in deferred tax liabilites/(assets) during the year | | | | **190,438,045** |

**Allocation of deferred tax liabilites/(assets) during the year**

| | |
|---|---|
| Charged to available for sale reserve (OCI) | 2,403,911 |
| Adjustment for reduction of revaluation surplus due to charges of extra depreciation | (158,972) |
| Charged to profit or loss | 188,193,106 |
| | **190,438,045** |

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## 19. Long term loan - net off current portion

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| The Hongkong and Shanghai Banking Corporation Limited (Note-19.1) | 99,662,486 | 257,110,932 |
| | **99,662,486** | **257,110,932** |
| **Less: Current portion** | | |
| The Hongkong and Shanghai Banking Corporation Limited | 99,662,486 | 161,200,000 |
| | **99,662,486** | **161,200,000** |
| | - | **95,910,932** |

## 19.1 The Hongkong and Shanghai Banking Corporation Limited

**Details of facility:**

| | | |
|---|---|---|
| Facility limit | : | USD 6,811,696. |
| Validity | : | Up to 18 November 2018. |
| Terms of repayment | : | Twenty equal quarterly installments commencing from February 2014. |
| Nature of security | : | i) Registered mortgage over 376.87 decimals industrial land in Rajendrapur where Cepha, Penicillin, and Bottle sheed are situated.<br>ii) First Charge over all the present and future inventories, trade receivables, receivables claims, contracts, bills, plant, machinery and equipment of Renata Limited. |

## 20. Short term bank loan and overdraft

| | | |
|---|---|---|
| **Short term bank loan** | | |
| Eastern Bank Limited (Note-20.1) | 189,276,512 | 112,396,964 |
| The City Bank Limited (Note-20.2) | 313,599,925 | 18,183,750 |
| Standard Chartered Bank(Note-20.3) | 446,170,970 | 529,563,134 |
| Citibank N. A. (Note-20.4) | 307,939,988 | 531,479,144 |
| Bank Asia Limited (Note-20.5) | 297,323,828 | 147,595,001 |
| Commercial Bank of Ceylon PLC (Note-20.6) | 835,117,302 | 335,301,831 |
| | **2,389,428,525** | **1,674,519,824** |
| **Overdraft** | | |
| Eastern Bank Limited (Note-20.1) | - | 98,291,985 |
| The City Bank Limited (Note-20.2) | - | - |
| Standard Chartered Bank (Note-20.3) | - | - |
| Citibank N. A. (Note-20.4) | - | - |
| Bank Asia Limited (Note-20.5) | - | 168,928,103 |
| Commercial Bank of Ceylon PLC (Note 20.6) | - | 27,112,113 |
| | - | **294,332,200** |
| | **2,389,428,525** | **1,968,852,024** |

The terms and conditions of the facility available for Overdraft, Acceptance, LATR, Revolving, Import and Demand loan are as follows:

## 20.1 Eastern Bank Limited

**Overdraft**

Purpose : To finance overhead cost and duty payment.
Facility limit : Tk. 100 million.
Repayment : Within 365 days from the date of disbursement.

**Letter of credit/ Acceptance (Sight/ Usance)**

Purpose : To import plant and machinery.
Facility limit : Combined Tk. 650 million.
Repayment : Within 180 days from the date of disbursement.

**Import finance**

Purpose : To import raw materials.
Facility limit : Combined Tk. 650 million.
Repayment : Within 180 days from the date of disbursement.

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.
iii) Registered hypothecation by way of pari passu with RJSC on entire inventory book debts and other floating assets and plant and machinery of the Company in favor of Eastern Bank Limited.

## 20.2 The City Bank Limited

**Letter of credit/ Acceptance (Sight / Usance)**

Purpose : To import API, excipient, packing materials and finished materials.
Facility limit : Combined Tk. 320 million.
Repayment : Within 180 days from the date of disbursement.

**Import finance**

Purpose : To retire sight Letter of credit documents opened for procurement of API, excipient, packing materials and finished materials.
Facility limit : Combined Tk. 320 million.
Repayment : Within 180/150 days from the date of disbursement.

**Short term loan**

Purpose : For payment of duty and other charges related to import and VAT.
Facility limit : Tk. 100 million.
Repayment : Within 180 days from the date of disbursement.

**Overdraft**

Purpose : To meet the day to day operating, promotional, and marketing expenses.
Facility limit : Tk. 80 million.
Repayment : Within 365 days from the date of disbursement.

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited with RJSC on pari passu security sharing basis with the existing lenders.

## 20.3 Standard Chartered Bank

**Letter of credit**

| | |
|---|---|
| Purpose | : To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business. |
| Facility limit | : Combined Tk. 1,200 million. |
| Repayment | : Within 180 days from the date of disbursement. |

**Loan against Trust Receipt (LATR)**

| | |
|---|---|
| Purpose | : Retirement of documents of only sight letter of credits. |
| Facility limit | : Combined Tk. 1,200 million. |
| Repayment | : Within 180 / 365 days from the date of disbursement. |

**Overdraft**

| | |
|---|---|
| Purpose | : For working capital purposes. |
| Facility limit | : Tk. 100 million. |
| Repayment | : Overdraft to be cleaned up for 4 days in one year. |

**Acceptance**

| | |
|---|---|
| Purpose | : To provide acceptance against letter of credits issued by the bank. |
| Facility limit | : Combined Tk. 1,200 million. |
| Repayment | : Within 180 / 365 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.4 Citibank N. A.

**Letter of credit/ Acceptance (Sight / Usance)**

| | |
|---|---|
| Purpose | : To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business. |
| Facility limit | : Combined USD 7,020,000. |
| Repayment | : Within 180 / 360 days from the date of disbursement. |

**Import finance**

| | |
|---|---|
| Purpose | : To refinance import letter of credits. |
| Facility limit | : Combined USD 7,020,000. |
| Repayment | : Within 119 days from the date of disbursement. |

**Short term loan**

| | |
|---|---|
| Purpose | : To finance local purchase of active and raw materials, packing materials, capital machinery, spares and other items required for regular course of business. |
| Facility limit | : Combined USD 7,020,000. |
| Repayment | : Within 119 days from the date of disbursement. |

**Overdraft**

| | |
|---|---|
| Purpose | : To finance regular selling, general and administrative expenses. |
| Facility limit | : Combined USD 980,000. |
| Repayment | : On demand. |

**Cheque purchase/ Cash management line**

| | |
|---|---|
| Purpose | : To facilitate the cash management funds of day 0 or day 1. |
| Facility limit | : Combined USD 7,020,000. |
| Repayment | : Within 7 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

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## 20.5 Bank Asia Limited

**Revolving letter of credit**

Purpose : To import raw materials, machineries and spare parts for the Company.
Facility limit : Tk. 400 million.
Repayment : Within 180 days from the date of disbursement.

**Revolving LATR**

Purpose : Retirement of documents of only sight letter of credits.
Facility limit : Tk. 250 million.
Repayment : Within 120 days from the date of disbursement.

**Overdraft**

Purpose : For payment of duty VAT, taxes and operating expenses.
Facility limit : Tk. 350 million.

**Revolving demand loan**

Purpose : For procurement of pharmaceuticals and packing materials from local sources.
Facility limit : Tk. 400 million.
Repayment : Within 180 days from the date of disbursement.

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.6 Commercial Bank of Ceylon PLC

Facility limit : Tk. 1,500 million.
Repayment : Within 90 days from the date of disbursement.

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| **21. Trade payables** | | |
| Payable to suppliers | 211,321,607 | 162,013,856 |
| Toll manufacturing charges (Sharif and NAFCO) | 11,024,490 | 586,697 |
| Payables for consumable-plant | - | 17,470,000 |
| | **222,346,097** | **180,070,553** |
| **22 Other payables** | | |
| VAT, PF, gratuity and other payables | 626,937,018 | 1,104,267,523 |
| Workers' participation fund | 256,219,571 | 226,029,011 |
| Advance from customers | 52,491,526 | 213,008 |
| Royalty payable | 15,044,439 | 12,636,465 |
| Export commission payable | 7,637,713 | 14,126,178 |
| | **958,330,267** | **1,357,272,185** |
| **23 Provision for taxation** | | |
| Opening balance | 749,176,975 | 945,454,055 |
| Provision made during the year | 1,064,469,300 | 891,379,438 |
| | 1,813,646,275 | 1,836,833,493 |
| Payment made during the year | (1,008,107,311) | (1,087,656,518) |
| | **805,538,964** | **749,176,975** |

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## 24. Turnover

Amount in Taka

| | 2017-2018 | | | 2016-2017 |
|---|---|---|---|---|
| | Gross Turnover | Less: VAT | Turnover (net) | Turnover (net) |
| Pharmaceutical products | 15,540,237,955 | 2,252,337,069 | 13,287,900,886 | 11,283,715,555 |
| Animal health products | 3,776,055,658 | 312,378,054 | 3,463,677,604 | 3,175,185,838 |
| Contract manufacturing | 2,023,164,899 | 171,034,483 | 1,852,130,416 | 1,584,529,628 |
| | **21,339,458,512** | **2,735,749,606** | **18,603,708,906** | **16,043,431,021** |

During the year, sale of pharmaceuticals products includes export sales of Tk. 608,245,196 equivalent to US$ 7,429,526 (Tk.990,112,975 equivalent to US$ 12,564,971 for the year ended 30 June 2017).

## 25. Cost of sales

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| Raw materials consumed - (Note-25.1) | 6,203,676,595 | 5,154,347,172 |
| Factory overhead - (Note-25.2) | 3,157,949,152 | 2,803,889,853 |
| Manufacturing costs | 9,361,625,747 | 7,958,237,025 |
| Add: Opening work-in-process | 182,801,854 | 172,750,725 |
| | 9,544,427,601 | 8,130,987,750 |
| Less: Closing work-in-process | 227,932,482 | 182,801,854 |
| Cost of goods manufactured | 9,316,495,119 | 7,948,185,896 |
| Add: Opening finished goods | 1,135,500,590 | 1,127,819,390 |
| Cost of goods available for sale | 10,451,995,709 | 9,076,005,286 |
| Less: Closing finished goods | 1,194,756,581 | 1,135,500,590 |
| | **9,257,239,128** | **7,940,504,696** |

## 25.1 Raw materials consumed

| | | |
|---|---|---|
| Opening stock | 1,469,991,468 | 1,570,732,569 |
| Add: Purchase during the year | 6,618,261,035 | 5,053,606,071 |
| Total materials available | 8,088,252,503 | 6,624,338,640 |
| Less: Closing stock | 1,884,575,908 | 1,469,991,468 |
| **Raw materials consumed** | **6,203,676,595** | **5,154,347,172** |

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## 25.2 Factory overhead

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| Salaries, wages and other benefits | 910,720,373 | 792,623,720 |
| Electricity and fuel | 664,341,621 | 607,260,342 |
| Consumable stores and supplies | 165,223,210 | 143,158,389 |
| Insurance | 6,157,376 | 10,416,364 |
| Land revenue and taxes | 2,708,161 | 8,487,721 |
| Rent | 1,787,326 | 2,309,723 |
| Automobile expenses | 21,925,820 | 18,764,723 |
| Postage and telephone | 13,434,945 | 11,153,230 |
| Stationeries & Supplies | 42,853,117 | 36,735,763 |
| Uniform for workers | 9,884,925 | 9,893,847 |
| Travelling and moving expenses | 56,066,462 | 45,373,481 |
| Repair and maintenance | 388,676,368 | 336,998,871 |
| Cleaning & security services | 54,945,783 | 49,801,765 |
| Lunch, snacks and tea expenses | 157,026,467 | 130,793,621 |
| Depreciation | 587,773,634 | 545,496,734 |
| Other overhead expenses | 74,423,564 | 54,621,559 |
| | **3,157,949,152** | **2,803,889,853** |

## 25.3 Purchases, issues and stocks of raw materials

Purchases, issues and stocks of raw materials are of over 3,000 items involving production of 840 finished goods formulations. The measurement is expressed in different units i.e. kilogram, activity, liter, pieces. In view of different units in use, the following table has been presented in value only.

Amount in Taka

| Major material group | Opening stocks | Purchase | Consumtion | Closing stocks |
|---|---|---|---|---|
| Bulk materials | 642,095,255 | 3,690,784,969 | 3,273,709,632 | 1,059,170,592 |
| Raw materials | 453,575,178 | 1,179,733,227 | 1,278,530,091 | 354,778,314 |
| Packaging materials | 374,321,035 | 1,747,742,839 | 1,651,436,872 | 470,627,002 |
| | **1,469,991,468** | **6,618,261,035** | **6,203,676,595** | **1,884,575,908** |
| Consumable stores | 5,635,718 | 47,187,764 | 43,570,333 | 9,253,149 |
| Maintenance stores and spares | 161,103,527 | 526,417,574 | 542,917,244 | 144,603,857 |
| | **166,739,245** | **573,605,338** | **586,487,577** | **153,857,006** |
| | **1,636,730,713** | **7,191,866,373** | **6,790,164,172** | **2,038,432,914** |

As per Part II of Schedule XI of the Companies Act, 1994 the quantities of raw materials, purchases and stocks should be expressed in quantitative denomination. However, this could not be provided as the Company deals with large number of products both locally made and imported.

Materials available in local market are procured from the local manufacturers. Materials are imported from the following countries either directly from the manufacturers or suppliers approved by the Drug Administration:

| | | | |
|---|---|---|---|
| India | Japan | Italy | New Zealand |
| China | Thailand | Denmark | Indonesia |
| Hong Kong | South Korea | Spain | Argentina |
| Singapore | United States of America (USA) | Germany | Brazil |
| Malaysia | United Kingdom (UK) | Austria | Czech Republic |

## 26. Administrative, selling and distribution expenses

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| Salaries, wages and allowances | 1,745,891,191 | 1,586,092,011 |
| Electricity and power | 72,539,767 | 48,749,806 |
| Rent, rates and taxes | 47,266,155 | 40,447,761 |
| Insurance | 22,491,622 | 19,557,264 |
| Travelling expenses | 333,240,910 | 285,124,303 |
| Repairs and maintenance | 44,527,570 | 30,958,236 |
| Cleaning & security services | 49,661,007 | 45,066,353 |
| Legal and professional expenses | 955,398 | 1,530,678 |
| Provision for bad debts | 19,585,496 | 15,048,578 |
| Audit fees | 930,000 | 768,750 |
| Directors' fees | 370,000 | 290,000 |
| Membership fees & subscription | 3,863,494 | 4,101,244 |
| Meeting, annual sales conference and corporate expenses | 91,581,796 | 81,204,833 |
| Sales promotion | 337,583,924 | 283,931,253 |
| Field expenses | 987,215,843 | 802,399,784 |
| Depreciation | 111,763,942 | 87,063,626 |
| Stationery | 41,802,060 | 32,738,518 |
| Postage, telex, fax and telephone | 50,537,282 | 52,832,106 |
| Distribution freight | 385,641,923 | 298,029,495 |
| Lunch, snacks, tea and welfare expenses | 188,127,373 | 177,863,707 |
| Other overhead expenses | 186,990,968 | 169,628,983 |
| | **4,722,567,721** | **4,063,427,289** |

## 27. Other Income

| | | |
|---|---|---|
| Scrap sales | 12,391,098 | 2,789,276 |
| Dividend income | 3,172,004 | 2,254,835 |
| Interest income | 119,991,637 | 13,874,800 |
| Gain/(loss) from sale of quoted shares | (1,849,667) | 2,902,706 |
| Gain/(loss) on disposal of property, plant and equipment (Note - 5.5) | (696,659) | 14,137,951 |
| | **133,008,413** | **35,959,568** |

## 28. Finance costs

| | | |
|---|---|---|
| Interest expenses | 85,503,345 | 126,216,689 |
| Exchange loss | 107,861,495 | 60,982,043 |
| Bank charges | 13,831,219 | 11,959,166 |
| | **207,196,059** | **199,157,898** |

## 29 Net asset value per share (NAV)

| | | |
|---|---|---|
| **The computation of NAV is given below:** | | |
| Equity attributable to the ordinary shareholders | 15,127,164,369 | 12,474,535,704 |
| Weighted average number of ordinary shares outstanding during the year (Note-29.1) | 70,031,022 | 70,031,022 |
| **Net asset value per share (NAV)** | **216.01** | **178.13** |

## 29.1 Weighted average number of share outstanding during the year

| | |
|---|---|
| Opening number of shares | 60,896,541 |
| Bonus shares issued in December 2017 | 9,134,481 |
| | **70,031,022** |

Last year's EPS has been adjusted as per the requirement of BAS-33 "Earnings Per Share".

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## 30. Basic earnings per share (EPS)

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| **The computation of EPS is given below:** | | |
| Earnings attributable to the ordinary shareholders (net profit after tax for the year) | 3,196,950,533 | 2,612,142,414 |
| Weighted average number of ordinary shares outstanding during the year (Note-29.1) | 70,031,022 | 70,031,022 |
| **Basic earnings per share (EPS)** | **45.65** | **37.30** |

Last year's EPS has been adjusted as per the requirement of BAS-33 "Earnings Per Share".

## 31 Net cash generated from operating activities

| | |
|---|---|
| Profit before tax | 4,333,061,344 |
| *Adjustments for:* | |
| Depreciation and amortization expenses | 699,537,576 |
| Provision for bad debts & others | 19,371,829 |
| Finance costs | 207,196,059 |
| Loss on disposal of property, plant and equipment | 696,659 |
| Loss from sale of quoted shares | 1,849,667 |
| **Cash generated from operations before changes in working capital** | **5,261,713,134** |
| **Adjustments for**: | |
| (Increase)/ decrease in inventories | (528,538,713) |
| (Increase)/ decrease in trade receivables | (256,407,354) |
| (Increase)/ decrease in other receivables | (110,608,572) |
| (Increase)/ decrease in advances, deposits and prepayments | (165,436,737) |
| Increase/ (decrease) in trade payables | 42,275,544 |
| Increase/ (decrease) in other payables | (398,941,918) |
| **Cash generated by operations** | **3,844,055,384** |
| Finance costs | (207,196,059) |
| Payment of tax | (1,008,107,311) |
| **Net cash generated from operating activities** | **2,628,752,014** |

## 32 Net operating cash flow per share

| | | |
|---|---|---|
| **The computation of net operating cash flow per share is given below:** | | |
| Net cash generated from operating activities | 2,628,752,014 | 3,518,953,248 |
| Weighted average number of ordinary shares outstanding during the year (Note-29.1) | 70,031,022 | 70,031,022 |
| **Net operating cash flow per share** | **37.54** | **50.25** |

## 33. Payments to directors and officers

The aggregate amount paid (except Directors' fees for attending board meetings) during the year to Directors and officers of the Company is disclosed below as required by the Securities and Exchange Rules-1987:

Amount in Taka

| | Directors | Officers |
|---|---|---|
| Remuneration | 10,932,471 | 486,932,621 |
| House rent | 6,415,990 | 355,453,460 |
| Bonus | 4,555,197 | 190,394,671 |
| Contribution to provident fund | 1,093,247 | 43,200,544 |
| Gratuity | 1,366,559 | 144,094,234 |
| Conveyance allowance and transport | 3,055,303 | 200,664,659 |
| Other welfare expenses | 4,602,776 | 41,782,883 |
| | **32,021,543** | **1,462,523,072** |

**33.1** During the year, no payment has been made to any non-executive Directors for any special services rendered.

## 34. Contingent liabilities

**34.1** There are contingent liabilities on account of unresolved disputed corporate income tax assessments involving tax claims by the tax authority amounting to Tk 3,555,060 for the assessment year 2000-01; Taka 11,888,503 for the assessment year 2013-14; Taka 14,478,424 for the assessment year 2014-2015; Taka 14,066,733 for the assessment year 2015-2016 and Taka 26,168,376 for the assessment year 2017-2018 for which appeals are pending with the Commissioner of Taxes (Appeal) and the Hon'ble High Court Division of the Supreme Court.

**34.2** "The Assistant Commissioner of Taxes issued a notice vide letter No. SA-162/2014-2015/82 on 01 September 2014 claiming that during the assessment year 2008-09 (income year 2007), the Company did not deduct VAT on certain accounting heads amounting to Tk. 232,741,698 and tax file reopened accordingly under Section 93 of the Income Tax Ordinance, 1984. Total tax amount was calculated Tk. 69,822,509 on that claimed amount by using the prevailing corporate tax rate 30%. However, the Hon'ble High Court delivered the verdict in favour of the Company on 6 January 2016 but the National Board of Revenue has made leave to appeal to the Supreme Court Appellate Division against the verdict.

## 35. Claims by the Company not acknowledged as receivable

None as at 30 June 2018.

## 36. Commitments

On the statement of financial position date, the Company is enjoying unfunded credit facilities from the following banks:

| | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|
| Letters of credits (Note 36.1) | 1,224,696,950 | 1,442,662,862 |
| Outstanding guarantees issued by the banks | 166,712,184 | 92,244,970 |
| Capital expenditure commitments | 1,709,962,536 | 454,872,572 |
| | **3,101,371,670** | **1,989,780,404** |

## 36.1 Letters of credits

| | Limit | 30 June 2018 Taka | 30 June 2017 Taka |
|---|---|---|---|
| Standard Chartered Bank | 1,700,000,000 | 119,541,010 | 263,892,692 |
| Eastern Bank Limited | 550,000,000 | 113,603,930 | 102,241,542 |
| The City Bank Limited | 320,000,000 | 185,798,488 | 120,933,774 |
| Citibank N.A. | 403,000,000 | 172,105,108 | 462,614,116 |
| Commercial Bank of Ceylon PLC | 750,000,000 | 516,163,553 | 353,248,795 |
| Bank Asia Limited | 400,000,000 | 117,484,861 | 139,731,943 |
| | **4,123,000,000** | **1,224,696,950** | **1,442,662,862** |

## 37. Dividend paid to non-resident shareholders

Final dividend paid to non-resident shareholder, Business Research International Corp. Inc. for the year 2016-2017 was Tk. 95,337,468 equivalent to US$ 1,141,903 for their 13,241,315 shares.

## 38. Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994

## 38.1 Employee Position of Renata Limited as per requirement of schedule XI, part II, Para-3

The Company engaged 6,798 (6,087 as of June 2017) employees as of June 2018, of which 4,604 (4,150 as of June of 2017) is permanent employees and 2,194 (1,937 as of June 2017) is casual and temporary workers as required. All employees received total salary of above Tk. 36,000 per annum.

## 38.2 Capacity utilization

Production capacity and current utilization as required by the Companies Act 1994, Schedule-XI, para-7. The Company operates multi-products plants. As a result plant utilization is not comparable with capacity due to variation of product mix. However, actual production and utilization for major products groups are as follows:

| Major product group/Unit | Capacity (In '000) | 2017-2018 | | 2016-2017 | |
|---|---|---|---|---|---|
| | | Actual production (In '000) | Utilization % | Actual production (In '000) | Utilization % |
| Sterile dry fill (injectable) / Vials | 6,500 | 6,400 | 98.46% | 6,293 | 96.82% |
| Sterile liquid (inj) / Vials / Ampoules | 11,635 | 17,084 | 146.83% | 14,232 | 122.32% |
| Ointments / Tubes | 1,500 | 480 | 32.00% | 710 | 47.33% |
| Capsules and tablets / Cap / Tab | 1,595,000 | 2,068,380 | 129.68% | 1,810,075 | 124.83% |
| Oral liquid & dry syrup / Bottles | 15,725 | 23,925 | 152.15% | 21,927 | 142.61% |
| Water for injection / Ampoules | 6,000 | 7,828 | 130.47% | 6,395 | 106.58% |
| Premix feed supplement / Kg | 4,850 | 6,612 | 136.33% | 6,096 | 125.69% |
| Premix feed supplement / Sachets | 3,350 | 6,759 | 201.76% | 5,234 | 156.24% |
| Oral saline / Sachets | 355,000 | 580,193 | 163.43% | 440,579 | 124.11% |
| Potent Products / Tablets | 2,460,000 | 2,503,323 | 101.76% | 2,893,065 | 117.84% |

## 39 Payments / receipts in foreign currency

## 39.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:

| | Foreign currency USD | Local currency Taka |
|---|---|---|
| Active, raw and packaging materials | 73,986,365 | 6,066,881,941 |
| Machinery and spares | 9,964,385 | 817,079,547 |
| | **83,950,750** | **6,883,961,488** |

## 39.2 Foreign exchange was earned in respect of the following:

| | | |
|---|---|---|
| Export of goods on FOB | USD | 7,429,526 |

## 40. Related party disclosures

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in the table below in accordance with BAS-24 "Related Party Disclosures".

| Name of the party | Relationship | Nature of transactions | Transaction-2017-2018 | | | |
|---|---|---|---|---|---|---|
| | | | Opening balance Taka | Addition Taka | Adjustment Taka | Closing balance Taka |
| Renata Agro Industries Limited | Subsidiary | Sale of goods | 8,763,730 | 24,508,700 | 21,334,130 | 11,938,300 |
| | | Advance payment | 1,755,934 | 21,415,843 | 22,567,348 | 604,429 |
| | | | **10,519,664** | **45,924,543** | **43,901,478** | **12,542,729** |
| Purnava Limited | Subsidiary | Sale of goods | - | 125,457,333 | 125,457,333 | - |
| | | Advance payment | 168,494,331 | 280,722,023 | 211,722,023 | 237,494,331 |
| | | | **168,494,331** | **406,179,356** | **337,179,356** | **237,494,331** |
| Renata Oncology Limited | Subsidiary | Purchase of goods | - | 29,066,146 | 29,066,146 | - |
| | | Advance payment | 336,299,307 | 26,699,494 | 29,324,302 | 333,674,499 |
| | | | **336,299,307** | **55,765,640** | **58,390,448** | **333,674,499** |

## 41. General

1) All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.

2) The comparative information have been disclosed in respect of the year 2017-2018 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current year's financial statements.

## 42. Events after the reporting period

The Board of Directors in their meeting held on 27 October 2018 have recommended total cash dividend @ 95% per share of Taka 10 each aggregating Taka 665,294,709 and stock dividend @ 15% of Taka 10 each aggregating Taka 105,046,533 for the year ended 30 June 2018 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 15 December 2018. The financial statements for the year ended 30 June 2018 do not include the effects of the above cash dividend and stock dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

There are no other material events identified after the statement of financial position date which require adjustment or disclosure in these financial statements.

CEO & Managing Director | Director | Chief Financial Officer

# Renata Agro Industries Limited

Report and Financial Statements as at and for the year ended 30 June 2018

AMAR STOCK

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Khalil Musaddeq, Director
- Mr. Manzoor Hasan, Independent Director

# Directors' Report

The financial year ending June 30, 2018 saw the continuation of the cautious but steady progress of Renata Agro in the bid towards gradual diversification of its agro business. Two control sheds were built in our Morchi and Sagordighi farms bringing the total number of sheds to 19 used for both breeder and commercial layer egg production. An additional 6,240 sft open shed was built for housing 4,000 commercial layers to meet the increased demand of Purnava Limited for value added Table Eggs. As before, Omega - 3 and Vitamin - E eggs produced by Renata Agro are being marketed through Purnava Limited.

Table Egg production increased about 26% than that of the previous year. 160 kg Dragon fruit was produced this year. The production of Dragon fruit is expected to increase up to 3 times next year. Milk production was 8,372 liters this year and it is expected to double next year. Renata Agro's breeder farms achieved 90% of its target production for the year despite some stress of low pathogenic AI infections in some of the farms. However, there were no severe outbreak of contagious diseases in any of the farms. This was the result of continuation of strict bio-security protocols and efficient farm management practices. A new breed "Indian River Meat (Lohman)" has been introduced. There is a high demand for the new breed in the DOC market due to its excellent commercial performance.

Approximately 8.6 million pieces of DOCs were hatched in our hatchery this year. Hatching eggs sold was 0.75 million pieces. The cost of DOC production decreased to Taka 43 from last year's Taka 45 per DOC. Cost of production of DOCs decreased despite increased cost of feed, wages, vaccines etc as a result of decreased overhead costs. However, average sales price per DOC in the market decreased from Taka 59 of last year to Taka 38 this year. As a result, even with higher production and decreased unit cost, a net loss was incurred in the DOC and hatching eggs segment of the business of Taka 45.97 million. However, a profit of Taka 8.79 million and Taka 2.99 million was made from sales of Omega - 3 and Vitamin - E eggs respectively. Thus the net loss before tax of the company from sales of its agro products this year was Taka 34.19 million only.

Renata Agro plans to build a new hatchery building and double the existing hatchery capacity to 3,60,000 pieces of DOCs per week. Additional breeder sheds may also be added to the existing farms incrementally increasing total DOC production. This will decrease overheads and consequently decrease the cost of production of DOCs. Increased DOC production, decreased unit cost of production, and modestly favorable DOC prices in the market is expected to lead to modest to reasonable profits in good years and significantly decreased losses in the bad years. The diversified product portfolio is also expected to increasingly balance losses during lean times, while adding to profits in favorable times. It is our belief that this strategy will increase the chances of Renata Agro going on a path of steady profits in the future.

On behalf of the Board of Directors



Kaiser Kabir
Chairman
20 September 2018

# AUDITOR'S REPORT TO THE SHAREHOLDERS OF RENATA AGRO INDUSTRIES LIMITED

We have audited the accompanying financial statements of RENATA AGRO INDUSTRIES LIMITED, which comprise the statement of financial position as at 30 June 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements** Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

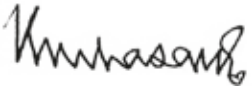
In our opinion, the financial statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position as at 30 June 2018 and its financial performance and cash flows for the year then ended and comply with the Companies Act, 1994 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 purposes of our audit and made due verification thereof;

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

(c) the company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.



K.M. HASAN & CO.
Chartered Accountants

Place: Dhaka, Bangladesh.
Dated: 20 September 2018

# Renata Agro Industries Limited

## STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2018

| | | Amount in Taka | |
|---|---|---|---|
| **ASSETS** | **Notes** | **30 June 2018** | **30 June 2017** |
| **Non-current assets** | | | |
| Property, plant and equipments | 5 | 437,916,271 | 432,655,585 |
| Capital work-in-progress | 6 | 22,337,556 | 422,679 |
| Investments | 7 | 144,655,454 | 141,565,199 |
| | | 604,909,281 | 574,643,463 |
| **Current assets** | | | |
| Inventories | 8 | 84,257,280 | 87,401,789 |
| Trade and other receivables | 9 | 27,006,170 | 20,166,393 |
| Advances, deposits and prepayments | 10 | 24,655,985 | 20,235,516 |
| Cash and cash equivalents | 11 | 8,113,974 | 24,024,523 |
| | | 144,033,409 | 151,828,221 |
| **Total assets** | | **748,942,690** | **726,471,684** |
| **EQUITY AND LIABILITIES** | | | |
| Equity and reserve | | | |
| Share capital | 12 | 42,000,000 | 42,000,000 |
| Tax holiday reserve | | 46,643,337 | 46,643,337 |
| Reserve for unrealized gain | | 31,523,831 | 28,227,478 |
| Retained earnings | | 484,831,000 | 518,022,859 |
| | | 604,998,168 | 634,893,674 |
| **Non- current liabilities** | | | |
| Deferred tax liability | 13 | 8,266,360 | 9,564,438 |
| Provision for gratuity | 14 | 5,056,423 | 778,569 |
| | | 13,322,783 | 10,343,007 |
| **Current liabilities** | | | |
| Bank overdraft | 15 | 10,879,800 | - |
| Trade and other payables | 16 | 32,295,348 | 26,740,345 |
| Cost accrual | 17 | 16,856,321 | 13,860,283 |
| Provision and other liabilities | 18 | 67,890,571 | 31,739,979 |
| Provision for income tax | 19 | 2,699,699 | 8,894,396 |
| | | 130,621,739 | 81,235,003 |
| **Total equity and liabilities** | | **748,942,690** | **726,471,684** |

Annexed notes form an integral part of these financial statements

Director | General Manager | Chairman

*Signed in terms of our report of even date annexed.*

Place: Dhaka, Bangladesh.
Dated: 20 September 2018

K.M. HASAN & CO.
Chartered Accountants

AMAR STOCK

# Renata Agro Industries Limited

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

| | Notes | Amount in Taka 2017-2018 | 2016-2017 |
|---|---|---|---|
| Revenue | 20 | 384,600,260 | 560,279,436 |
| Cost of sales | 21 | (372,766,897) | (365,026,418) |
| **GROSS PROFIT** | | **11,833,363** | **195,253,018** |
| Administrative expenses | 22 | (18,930,811) | (16,469,202) |
| Marketing expenses | 23 | (12,323,818) | (13,211,764) |
| Distribution expenses | 24 | (17,441,571) | (15,841,117) |
| | | (48,696,200) | (45,522,083) |
| **OPERATING PROFIT/(LOSS)** | | **(36,862,837)** | **149,730,935** |
| Finance income | 25 | 5,157,215 | 8,402,908 |
| Finance expenses | 26 | (2,486,706) | (2,057,116) |
| | | 2,670,509 | 6,345,792 |
| **Profit before contribution to BPPF** | | **(34,192,328)** | **156,076,727** |
| Contribution to BPPF | | - | (7,432,225) |
| **Profit/(loss) before income tax** | | **(34,192,328)** | **148,644,502** |
| Provision for tax: | | | |
| Deferred tax | 13 | 1,664,339 | 5,644,291 |
| Current tax | 19 | (663,870) | (14,864,450) |
| | | 1,000,469 | (9,220,159) |
| **Net profit after income tax** | | **(33,191,859)** | **139,424,343** |
| **Other comprehensive income** | | | |
| Unrealized gain/(loss) on marketable securities net off tax | | 3,296,353 | 4,853,687 |
| **Total comprehensive income** | | **(29,895,506)** | **144,278,030** |
| **Basic Earnings Per Share (EPS)** | 27 | **(79.03)** | **331.96** |

Annexed notes form an integral part of these financial statements

Director | General Manager | Chairman

*Signed in terms of our report of even date annexed.*

Place: Dhaka, Bangladesh.
Dated: 20 September 2018

K.M. HASAN & CO.
Chartered Accountants

# Renata Agro Industries Limited

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2018

Amount in Taka

| Particulars | Share Capital | Tax Holiday reserve | Reserve for unrealised gain-share | Retained Earnings | Total Equity |
|---|---|---|---|---|---|
| Balance as at 01 July 2017 | 42,000,000 | 46,643,337 | 28,227,478 | 518,022,859 | 634,893,674 |
| Net Profit for the year ended 30 June 2018 | - | - | - | (33,191,859) | (33,191,859) |
| Unrealized gain during the year | - | - | 3,296,353 | - | 3,296,353 |
| **BALANCE AS AT 30 JUNE 2018** | **42,000,000** | **46,643,337** | **31,523,831** | **484,831,000** | **604,998,168** |

### For the year ended 30 June 2017

| Particulars | Share Capital | Tax Holiday reserve | Reserve for unrealised gain-share | Retained Earnings | Total Equity |
|---|---|---|---|---|---|
| Balance as at 01 July 2016 | 42,000,000 | 46,643,337 | 23,373,791 | 378,598,516 | 490,615,644 |
| Net Profit for the year ended 30 June 2017 | - | - | - | 139,424,343 | 139,424,343 |
| Unrealized gain during the year | - | - | 4,853,687 | - | 4,853,687 |
| **BALANCE AS AT 30 JUNE 2017** | **42,000,000** | **46,643,337** | **28,227,478** | **518,022,859** | **634,893,674** |

Director | General Manager | Chairman

*Signed in terms of our report of even date annexed.*

K.M. HASAN & CO.
Chartered Accountants

Place: Dhaka, Bangladesh.
Dated: 20 September 2018

# Renata Agro Industries Limited

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 30 JUNE 2018

| | Amount in Taka | |
|---|---|---|
| | **2017-2018** | **2016-2017** |
| **A. CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Collection from customers and others | 377,760,483 | 574,563,426 |
| Payment to suppliers and employees | (327,429,102) | (338,030,801) |
| Cash paid for operating expenses and others | (9,692,185) | (72,623,178) |
| Cash generated from operation | 40,639,196 | 163,909,447 |
| Income tax paid | (6,858,567) | (22,584,587) |
| Financial expenses | (2,486,706) | (2,057,116) |
| **Net cash provided from operating activities** | **31,293,923** | **139,267,744** |
| **B. CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of property, plant and equipments | (41,326,609) | (62,078,730) |
| Proceed from sale of property, plant and equipments | - | 6,065,958 |
| Capital work- in- progress | (21,914,877) | - |
| Investment in FDR | - | (80,000,000) |
| Investment | - | 13,100,000 |
| Invest income | 5,157,215 | 8,402,908 |
| **Net cash used in investing activities** | **(58,084,271)** | **(114,509,864)** |
| **C. CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Bank overdraft (paid)/received | 10,879,800 | (10,694,969) |
| **Net cash (used in)/inflows from financing activities** | **10,879,800** | **(10,694,969)** |
| Net cash and cash equivalents inflows/(outflows) for the year (A+B+C) | (15,910,550) | 14,062,911 |
| Add: Opening cash and cash equivalents | 24,024,523 | 9,961,612 |
| **Closing cash and cash equivalents** | **8,113,974** | **24,024,523** |

Annexed notes form an integral part of these financial statements

Director | General Manager | Chairman

*Signed in terms of our report of even date annexed.*

Place: Dhaka, Bangladesh.
Dated: 20 September 2018

K.M. HASAN & CO.
Chartered Accountants

# Renata Agro Industries Limited
## NOTES TO THE FINANCIAL STATEMENTS
## AS AT AND FOR THE YEAR ENDED 30 JUNE 2018

### 1. STRUCTURE OF THE COMPANY

**1.1** **Renata Agro Industries Limited** is a private company limited by shares incorporated on 07 September 1997 in Bangladesh under the Companies Act, 1994. The shares of the company shall be under the control of the Directors of the company.

### 1.2 Registered Office and Principal Place of Business

The registered office of the Company is situated at Plot No. 01, Section - 07, Milk Vita Road, Mirpur, Dhaka-1216. The farm is located at Barakashar, Bhaluka, Mymensingh.

### 2. NATURE OF BUSINESS ACTIVITIES

The principal activities of the company are to carry out business for production and sale of various agro based products and poultry breeding & hatching and sale of poultry products. The company commenced its commercial operation from October 1998.

### 3. PRINCIPAL ACCOUNTING POLICIES

### 3.1 Basis of Accounting

The financial statements have been prepared under historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

### 3.2 Compliance with Local Laws

The financial statements have been prepared in compliance with the Companies Act, 1994 and other relevant local laws and rules.

### 3.3 Component of the Financial Statements

According to the International Accounting Standards "IAS-1", "Presentation of Financial Statements" to complete set of Financial Statements include the following components:

(a)Statement of Financial Position as at 30 June 2018.
(b)Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2018.
(c)Statement of Changes in Equity for the year ended 30 June 2018.
(d)Statement of Cash Flows for the year ended 30 June 2018.
(e)Notes to the Financial Statements as at and for the year ended 30 June 2018.

### 3.4 Risk and uncertainties for use of estimates in preparation of Financial Statements

The preparation of financial statements in conformity with the International Accounting Standards (IASs) require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and revenues and expenses during the year. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as provision for doubtful accounts, depreciation, taxes, reserves and contingencies.

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### 3.5 Transactions with related parties

The Company has carried out following transactions with related parties in the normal course of business.

| Name of related party | Relationship | Nature | Balance as at 01 July 2017 | | Addition during the year | | Balance as at 30 June 2018 | |
|---|---|---|---|---|---|---|---|---|
| | | | Dr. | Cr. | Dr. | Cr. | Dr. | Cr. |
| Renata Limited | Subsidiary of parent | Sale | 2,647,537 | - | 37,054,046 | 37,042,883 | 2,658,700 | - |
| Renata Limited | Parent | Purchase | - | 8,763,730 | 24,508,700 | 21,334,130 | - | 11,938,300 |
| Renata Limited | Parent | Advance from Renata | - | 1,755,934 | 21,415,843 | 22,567,348 | - | 604,429 |

### 3.6 Reporting Period

Financial statements of the Company cover the year from 01 July 2017 to 30 June 2018.

### 3.7 Property, Plant & Equipment

Property, Plant and Equipments are stated at cost less accumulated depreciation in accordance with IAS 16 "Property, Plant and Equipment." Cost represents cost of acquisition.

No depreciation is charged on land and land development. Depreciation on all other fixed assets is charged on straight line method in amount sufficient to write off depreciable assets over their estimated useful life. Depreciation is charged for the full year on assets acquisitioned during the year. The rates of depreciation are indicated in **Note-5**.

Depreciation has been allocated on farm overhead expenses, vitamin-E eggs expenses, omega-03 project, administrative expenses, distribution expenses, hatchery expenses, feed expenses and laboratory expenses proportionately. The allocation of depreciation is indicated in **Note-5**.

### 3.8 Inventories

Inventories comprise of parent stock -broiler, parent stock- vitamin-E, parent stock- layer, feed stock, medicine, feed mill ingredient, litter, generator fuel, LP gas, layer eggs-03, omega-03 feed and vitamin-E eggs . All these are stated at cost and considered as realizable value. No due allowance for any obsolete or slow moving items have been accounted for.

### 3.9 Trade and other Receivables

Trade and other receivables have been considered good and collectible, and therefore, no amount was considered doubtful to provide for.

### 3.10 Cash and Cash Equivalents

According to IAS-7 " Statement of Cash Flows ", Cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of IAS-I & IAS-7, cash in hand and bank balance have been considered as cash and cash equivalents.

### 3.11 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flow from operating activities has been presented under direct method.

### 3.12 Trade and other Payables

Liabilities are recognized for amounts to be paid in future for goods and services received, whether or not billed by the

suppliers and service provider.

### 3.13 Revenue from Sales

Sales comprise the invoice value of goods supplied by the company and consists of local sales of products.

### 3.14 Revenue Recognition

The revenues are recognized under satisfying all the conditions for revenue recognition as provided in International Financial Reporting Standards (IFRS-15) "Revenue from Contracts with Customers".

(i) Sales are recognized at the time of delivery of products from the farm whether billed or not.
(ii) Other sales are recognized at the time of delivery from the farm.

### 3.15 Earnings Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with BAS 33 “Earnings Per Share” which has been shown on the face of Income Statement and the computation of EPS is stated in Note -27.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

### 3.16 Current tax

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

### 3.17 Deferred tax

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the carrying amounts of assets and liabilities and its tax base amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal liability / recoverability 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 changes in equity.

### 3.18 Defined contribution plan

The Company operates a recognized provident fund scheme where employees contribute 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees.

### 3.19 Investment in shares

Quoted shares are classified as available for sale financial assets and recognized initially at cost. After initial recognition, investments are measured at fair value and any changes in the fair value are recognized in the statement of profit or loss and other comprehensive income under the component of other comprehensive income for the period in which it arises.

## 4. GENERAL

### 4.1 Going concern

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

**4.2** Figures have been rounded off to the nearest Taka.

**4.3** Previous year's figures have been re-arranged / re-grouped and / or re-stated where necessary to conform to the current

## 5. PROPERTY, PLANT AND EQUIPMENTS

Amount in Taka

| Particulars | COST | | | | Rate (%) | DEPRECIATION | | | | Written Down Value as on 30.06.18 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as on 01.07.17 | Addition during the year | Adjustment/ Disposal during the year | Balance as at 30.06.18 | | Balance as at 01.07.17 | Charged during the year | Adjustment/ Disposal during the year | Balance as at 30.06.18 | |
| Freehold land and land development | 116,681,845 | 3,110,850 | - | 119,792,695 | - | - | - | - | - | 119,792,695 |
| Building on freehold land | 273,589,396 | 18,941,790 | - | 292,531,186 | 5.0% | 102,810,998 | 14,624,111 | - | 117,435,109 | 175,096,077 |
| Semi pucca building on freehold land | 1,741,817 | - | - | 1,741,817 | 12.5% | 1,741,817 | - | - | 1,741,817 | - |
| Plant and machinery | 229,551,468 | 17,403,159 | - | 246,954,627 | 5.0% | 112,038,694 | 12,347,732 | - | 124,386,426 | 122,568,201 |
| Office equipments | 10,969,206 | 1,870,810 | - | 12,840,016 | 12.5% | 7,372,098 | 1,425,024 | - | 8,797,122 | 4,042,894 |
| Automobiles and trucks | 42,616,123 | - | - | 42,616,123 | 25.0% | 19,608,180 | 7,360,863 | - | 26,969,043 | 15,647,080 |
| Furniture and fixture | 3,081,935 | - | - | 3,081,935 | 10.0% | 2,004,418 | 308,193 | - | 2,312,611 | 769,324 |
| **Balance as at 30 June 2018** | **678,231,790** | **41,326,609** | - | **719,558,399** | | **245,576,205** | **36,065,923** | - | **281,642,128** | **437,916,271** |
| **Balance as at 30 June 2017** | **607,716,570** | **76,581,178** | **6,065,958** | **678,231,790** | | **220,547,994** | **30,055,957** | **5,027,746** | **245,576,205** | **432,655,585** |

Amount in Taka

| Allocation of depreciation | 30 June 2018 | 30 June 2017 |
|---|---|---|
| Farm overhead | 24,920,629 | 21,305,710 |
| Vitamin - E eggs expenses | 667,944 | 407,791 |
| Omega-03 Project | 1,675,229 | 1,033,137 |
| Administrative expenses | 3,348,511 | 2,048,737 |
| Distribution expenses | 1,023,125 | 1,103,737 |
| Hatchery expenses | 2,873,558 | 2,862,746 |
| Feed mill | 564,224 | 550,574 |
| Marketing expenses | 801,180 | 427,296 |
| Laboratory expenses | 191,523 | 316,229 |
| | **36,065,923** | **30,055,957** |

Amount in Taka

## 6. CAPITAL WORK- IN-PROGRESS

| | 30 June 2018 | 30 June 2017 |
|---|---|---|
| Opening balance | 422,679 | 14,925,127 |
| Addition during the year | 60,130,636 | 53,927,527 |
| | 60,553,315 | 68,852,654 |
| Capitalized as property, plant and equipments | (38,215,759) | (68,429,975) |
| **Closing balance** | **22,337,556** | **422,679** |

## 7. INVESTMENTS

| | | |
|---|---|---|
| Investment in share (Note-7.1) | 53,433,094 | 49,770,479 |
| Investment in govt. savings certificates (Note-7.2) | 650,000 | 650,000 |
| Investment in govt. bond ( 5 Years) (Note-7.3) | 10,572,360 | 11,144,720 |
| Investment in FDR | 80,000,000 | 80,000,000 |
| | **144,655,454** | **141,565,199** |

### 7.1 Investment in share

The following amounts are invested in listed companies for maintaining equivalent amount of Tax holiday reserve @ 10% being exempted on net profit of Renata Agro Industries Limited.

| Name of company | Number of share | Cost price of share | Book Value | 30 June 2018 Fair Value of Share | 30 June 2017 Fair Value of Share |
|---|---|---|---|---|---|
| United Finance Ltd. | 38,452 | 578,923 | 16.9 | 649,839 | 783,689 |
| Bata Shoe Ltd. | 2,000 | 264,501 | 1,137.2 | 2,274,400 | 2,262,600 |
| Square Pharma Ltd. | 168,900 | 13,896,710 | 293.1 | 49,504,590 | 45,579,642 |
| UCBL | 18,938 | 2,600,218 | 17.6 | 333,309 | 409,061 |
| ICB | 4,420 | 1,066,263 | 151.8 | 670,956 | 735,487 |
| | **232,710** | **18,406,615** | | **53,433,094** | **49,770,479** |

## 7.2 Investment in Govt. savings certificates ( 5 Years )

| Name of Certificate | Certificate No | Maturity Date | Amount in Taka 30 June 2018 | 30 June 2017 |
|---|---|---|---|---|
| **Purchase Date: 27.06.2011** | | | | |
| BSP 163/11 | 0757543 | 27/6/2016 | - | 100,000 |
| BSP 163/11 | 0059444 | 27/6/2016 | - | 500,000 |
| BSP 163/11 | 0059445 | 27/6/2016 | - | 500,000 |
| BSP 163/11 | 0059446 | 27/6/2016 | - | 500,000 |
| BSP 163/11 | 0059447 | 27/6/2016 | - | 500,000 |
| BSP 163/11 | 0047938 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047939 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047940 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047941 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047942 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047943 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047944 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047945 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047946 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047947 | 27/6/2016 | - | 1,000,000 |
| BSP 163/11 | 0047948 | 27/6/2016 | - | 1,000,000 |
| **Purchase Date: 10.08.2014** | | | | |
| BSP 2014/0714 | 0085345 | 09/08/2019 | 500,000 | 500,000 |
| BSP 2014/0714 | 0857627 | 09/08/2019 | 100,000 | 100,000 |
| BSP 2014/0714 | 1434173 | 09/08/2019 | 50,000 | 50,000 |
| | | | 650,000 | 13,750,000 |
| Encashed during this year | | | - | (13,100,000) |
| | | | **650,000** | **650,000** |

## 7.3 Investment in Govt. bond ( 5 Years)

| | | |
|---|---|---|
| Purchase Date: 28.06.2016 | | |
| BD0920011055 (Maturity date: 16.07.2020) | 11,144,720 | 11,144,720 |
| Amortization on Gov't Bond | (572,360) | - |
| | **10,572,360** | **11,144,720** |

## 8. INVENTORIES

| | | |
|---|---|---|
| Parent stock- broiler | 57,696,997 | 55,886,240 |
| Parent stock- vitamin E | 3,295,228 | 3,772,418 |
| Parent stock- layer | 8,745,613 | 9,025,869 |
| Material stock- feed | 921,877 | 197,755 |
| Material stock- medicine | 4,909,318 | 6,494,877 |
| Feed mill Ingredient | 6,390,711 | 9,435,516 |
| Litter | 351,050 | 579,184 |
| Generator fuel and LP gas | 149,004 | 579,396 |
| Layer eggs-03 | 1,014,840 | 692,220 |
| Omega-03 feed | 80,788 | 43,430 |
| Vitamin-E feed | 177,692 | 182,908 |
| Vitamin-E eggs | 500,152 | 511,976 |
| Cattle feed | 24,010 | - |
| | **84,257,280** | **87,401,789** |

## 9. TRADE AND OTHER RECEIVABLES

| | | |
|---|---|---|
| Trade receivables (Note- 9.1) | 11,226,042 | 11,721,867 |
| Other receivables (Note - 9.2) | 15,780,128 | 8,444,526 |
| | **27,006,170** | **20,166,393** |

## 9.1 Aging of trade receivables

| | | |
|---|---|---|
| Receivables due below six months | 7,858,229 | 7,033,120 |
| Receivables due over six months | 3,367,813 | 4,688,747 |
| | **11,226,042** | **11,721,867** |

## 9.2 Other receivables

| | | |
|---|---|---|
| Vitamin-E eggs | 824,608 | 765,397 |
| Omega-03 eggs | 2,341,092 | 1,822,756 |
| Hatching eggs | 4,576,452 | 238,232 |
| Commercial feed | 2,274,506 | 2,844,506 |
| Loan to employee | 5,763,470 | 2,773,635 |
| | **15,780,128** | **8,444,526** |

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| | Amount in Taka | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| **10. ADVANCES, DEPOSITS AND PREPAYMENTS** | | |
| Advances (Note-10.1) | 8,246,730 | 4,651,549 |
| Prepayments (Note-10.2) | 2,470,088 | 1,644,800 |
| Advance income tax (Note-10.3) | 13,939,167 | 13,939,167 |
| | 24,655,985 | 20,235,516 |
| **10.1 Advances** | | |
| Advance to employees | 500,054 | 535,453 |
| General | 7,420,602 | 2,198,384 |
| Farm land rental | - | 145,912 |
| Advance for commercial feed factory rent | 102,594 | 454,800 |
| Advance for staff compensation | - | 225,000 |
| Advance for calendar | 220,280 | - |
| Advance for agent seminar | 3,200 | 1,092,000 |
| | **8,246,730** | **4,651,549** |
| **10.2 Prepayments** | | |
| Insurance premium | **2,470,088** | **1,644,800** |
| **10.3 Advance income tax** | | |
| Opening balance | 13,939,167 | 9,939,167 |
| Addition during the year | 6,858,567 | 22,584,587 |
| | 20,797,734 | 32,523,754 |
| Adjustment during the year | (6,858,567) | (18,584,587) |
| Closing balance | **13,939,167** | **13,939,167** |
| **11. CASH AND CASH EQUIVALENTS** | | |
| **Cash in hand** | | |
| At farm office | 2,942,891 | 2,430,329 |
| At head office | 181,196 | 573,565 |
| | **3,124,087** | **3,003,894** |
| **Balance with Banks:** | | |
| Pubali Bank Ltd. (A/c- 2844901021428) | 1,632,164 | 3,672,929 |
| Janata Bank Ltd. (A/c- 0197001032897) | 142,567 | 625,175 |
| Islami Bank Bangladesh Ltd. (A/c- 20502740100089118) | 1,302,615 | 1,810,581 |
| Dutch Bangla Bank Ltd. (A/c- 1641100011197) | 998,043 | 671,426 |
| Eastern Bank Limited. (A/c- 010132050000405) | - | 13,054,332 |
| Agrani Bank Ltd. (A/c- 0200008969017) | 914,498 | 1,186,186 |
| | 4,989,887 | 21,020,629 |
| | **8,113,974** | **24,024,523** |
| **12. SHARE CAPITAL** | | |
| **Authorized Capital** | **150,000,000** | **150,000,000** |
| 1,500,000 ordinary shares of Tk. 100 each | | |
| **Issued and Paid-up Capital** | **42,000,000** | **42,000,000** |
| 420,000 ordinary shares of Tk. 100 each | | |

At 30 June 2018, shareholdings position of the company are as follows

| Shareholders | Share Holdings (%) | | |
|---|---|---|---|
| Renata Limited | 99.99 | 41,994,900 | 41,994,900 |
| Mr. Syed S. Kaiser Kabir | 0.01 | 5,100 | 5,100 |
| | **100** | **42,000,000** | **42,000,000** |

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| | | Amount in Taka | |
|---|---|---|---|
| | | 30 June 2018 | 30 June 2017 |
| **13.** | **DEFERRED TAX LIABILITY** | | |
| | Opening balance | 9,564,438 | 12,072,342 |
| | Other compresensive income -10% tax on unrealized gain on share | 366,261 | 3,136,387 |
| | Charge to the profit or loss account | (1,664,339) | (5,644,291) |
| | Closing balance | 8,266,360 | 9,564,438 |
| **14.** | **PROVISION FOR GRATUITY** | | |
| | Opening balance | 778,569 | 19,728,569 |
| | Addition during the year | 6,450,000 | 5,550,000 |
| | | 7,228,569 | 25,278,569 |
| | Payment during the year | (2,172,146) | (24,500,000) |
| | Closing balance | **5,056,423** | **778,569** |
| **15.** | **BANK OVERDRAFT** | | |
| | Eastern Bank Ltd. Cash Credit (A/C NO: 00405)-Limit 3 Crore | **10,879,800** | **-** |
| **16.** | **TRADE AND OTHER PAYABLES** | | |
| | ACE Pharmaceuticals | 33,000 | 192,100 |
| | ACI Limited | 225,000 | 186,500 |
| | A R Animal Health Ltd. | 515,000 | 514,500 |
| | Al-Modena Enterprise | 258,400 | - |
| | Agro Tech | - | 143,760 |
| | Arif Traders | 186,500 | - |
| | Advance Animal Science Ltd. | 510 | 279,065 |
| | Akata Packaging | 322,000 | - |
| | Advance Bio-products Ltd. | - | 87,000 |
| | Bengal Overseas Ltd. | 2,092,660 | 608,399 |
| | Bngladesh Lamps limited | 66,000 | - |
| | Bhai Bhai Enterprise | 3,933,410 | 4,397,585 |
| | Bio Labs | 137,400 | 64,500 |
| | Chowdhury Enterprise | - | 1,218,000 |
| | Delwar Paint and Hardware | 34,345 | 21,868 |
| | EMS Enterprise | 390,000 | - |
| | Expart Power | 270,000 | - |
| | Energypac Electronic Ltd. | - | 14,025 |
| | FTDC Trade and Consultation | - | 60,000 |
| | Glory Computers | 1,200 | - |
| | Grameen Distribution Ltd. | 17,000 | 17,855 |
| | Green Line Enterprise | 62,000 | 260,560 |
| | Hazi Abdul Karim | 2,252,620 | 704,150 |
| | Haque and Sons Enterprise | 718,809 | 2,338,760 |
| | Islam Enterprise | 135,000 | - |
| | Imperic International Ltd. | - | 61,000 |
| | Image Industries | 758,000 | - |
| | Ismail Enterprise | 600,000 | - |
| | Jamuna Edible Oil Industries Ltd. | 477,300 | - |
| | K.M. Hasan and Co. | 60,000 | 60,000 |
| | Lira UPVC Pipe and Fitings | 35,604 | - |
| | Mouha Mega Power and Traders | 56,100 | - |
| | M.S Trading | 3,472,500 | - |

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| | | Amount in Taka | |
|---|---|---|---|
| | | 30 June 2018 | 30 June 2017 |
| | M A Haque Enterprise | - | 1,192,943 |
| | M/S Pramanic Auto Rice Mills | - | 185,760 |
| | Nasco Agro Products | - | 319,000 |
| | Nutec Agro BD. Ltd. | - | 38,750 |
| | Power Stream | - | 174,140 |
| | Pharma Care | - | 255,000 |
| | Renata Limited (Medicine) | 11,938,300 | 8,763,730 |
| | Razzak and Brothers | - | 320,450 |
| | Resun Steel Corporation | - | 307,600 |
| | Sonali Flowers Ltd. | 1,207,600 | - |
| | Star Feed | - | 4,200 |
| | Shahin Kasto Bitan | - | 527,932 |
| | Saidul Store | - | 138,850 |
| | Sajedul Islam Poultry Services | - | 180,240 |
| | Shyamal Bangla Agro Pharma | - | 155,000 |
| | Safe Life Animal Health Com. Ltd. | 280,000 | 255,000 |
| | Taj Ready Feeds | 501,690 | - |
| | The Print Media | - | 13,800 |
| | Tanvir Enterprise | - | 43,462 |
| | Univet Limited | - | 130,000 |
| | Unic Corporation | - | 1,681,025 |
| | Unique Cement Industries Ltd. | 280,000 | - |
| | Univet Ltd. | 153,000 | - |
| | X-Link Packaging | 269,500 | 472,200 |
| | Zuellig Pharma | 554,900 | 351,636 |
| | | **32,295,348** | **26,740,345** |
| **17.** | **COST ACCRUAL** | | |
| | Leave encashment & bonus | 16,856,321 | 13,860,283 |
| | | **16,856,321** | **13,860,283** |
| **18.** | **PROVISION AND OTHER LIABILITIES** | | |
| | Provision (Note:18.1) | 5,634,826 | 4,573,819 |
| | Other liabilities (Note:18.2) | 62,255,745 | 27,166,160 |
| | | **67,890,571** | **31,739,979** |
| **18.1** | **Provision** | | |
| | Chicks carrying cost | 4,303,257 | 3,242,250 |
| | Commercial feed carrying cost | 1,331,569 | 1,331,569 |
| | | **5,634,826** | **4,573,819** |
| **18.2** | **Other liabilities** | | |
| | Renata limited (Land) | - | 1,755,934 |
| | Advance from renata | 604,429 | - |
| | Payable others | 2,300,000 | - |
| | Payables to employees (Note-18.2.1) | 12,581,786 | 17,151,189 |
| | Agent security deposit (Note-18.2.2) | 10,245,870 | 7,499,837 |
| | Employee tax payable | 127,300 | 1,500 |
| | Employee providend fund (Note-18.2.3) | 36,322,536 | 645,206 |
| | Annual bonus payable (Note- 18.2.4) | 73,824 | 112,494 |
| | | **62,255,745** | **27,166,160** |
| **18.2.1** | **Payables to employees** | | |
| | Beneficiary's profit participation fund (Note-18.2.1.1) | 7,216,746 | 13,029,873 |
| | Beneficiary's welfare fund (Note-18.2.1.2) | 5,365,040 | 4,121,316 |
| | | **12,581,786** | **17,151,189** |

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| | | Amount in Taka | |
|---|---|---|---|
| | | 30 June 2018 | 30 June 2017 |
| **18.2.1.1** | **Beneficiary's Profit Participation Fund (BPPF)** | | |
| | Opening balance | 13,029,873 | 11,684,646 |
| | Addition during the year | - | 7,432,226 |
| | | 13,029,873 | 19,116,872 |
| | Transfer to BWF | (1,486,445) | - |
| | Payment during the year | (4,326,682) | (6,086,999) |
| | Closing balance | **7,216,746** | **13,029,873** |
| **18.2.1.2** | **Beneficiary's Welfare Fund (BWF)** | | |
| | Opening balance | 4,121,316 | 4,706,909 |
| | Addition during the year | 1,486,445 | - |
| | | 5,607,761 | 4,706,909 |
| | Payment during the year | (242,721) | (585,593) |
| | Closing balance | **5,365,040** | **4,121,316** |
| **18.2.2** | **Agent security deposit** | | |
| | Opening balance | 7,499,837 | 7,377,421 |
| | Deposit during the year | 3,716,000 | 1,156,500 |
| | | 11,215,837 | 8,533,921 |
| | Refund to the agent | (969,967) | (1,034,084) |
| | Closing balance | **10,245,870** | **7,499,837** |
| **18.2.3** | **Employee providend fund** | | |
| | Opening balance | 645,206 | - |
| | Addition during the year | 35,287,330 | 27,970,899 |
| | | **35,932,536** | **27,970,899** |
| | Adjustment/Payment during the year | 390,000 | (27,325,693) |
| | | **36,322,536** | **645,206** |
| **18.2.4** | **Annual bonus payable** | | |
| | Opening balance | 112,494 | - |
| | Addition during the year | 7,922,106 | 6,806,128 |
| | | **8,034,600** | **6,806,128** |
| | Payment during the year | (7,960,776) | (6,693,634) |
| | | **73,824** | **112,494** |
| **19.** | **PROVISION FOR INCOME TAX** | | |
| | Opening balance | 8,894,396 | 12,614,532 |
| | Addition during the year | 663,870 | 14,864,450 |
| | | **9,558,266** | **27,478,983** |
| | Payment during the year | (6,858,567) | (18,584,587) |
| | Closing balance | **2,699,699** | **8,894,396** |

AMAR STOCK

| | Amount in Taka | |
|---|---|---|
| | 2017-2018 | 2016-2017 |
| **20. REVENUE** | | |
| Broiler | 271,323,139 | 399,418,555 |
| Eggs | 1,866,946 | 2,161,272 |
| Cull birds/ reject bird | 29,719,202 | 56,220,537 |
| Commercial feed | - | 19,692,615 |
| Hatching eggs | 22,280,020 | 25,391,780 |
| Commercial broiler | 453,670 | 444,123 |
| Omega-03 | 36,011,535 | 33,455,656 |
| Cattle | 100,485 | 98,105 |
| Vitamin-E eggs | 17,264,962 | 13,938,396 |
| Reject bird omega-3 eggs | 1,827,017 | 4,059,134 |
| Reject bird vitamin-E eggs | 1,510,313 | 1,842,946 |
| Others | 2,242,971 | 3,556,317 |
| | **384,600,260** | **560,279,436** |
| **21. COST OF SALES** | | |
| Cattle feed | 531,191 | 481,218 |
| Feeds and litter | 86,654,755 | 75,139,857 |
| Loss of dead birds | 7,682,204 | 6,655,067 |
| Loss on sale of birds | 21,687,735 | 29,563,835 |
| Farm overhead (Note-21.1) | 114,740,613 | 109,761,245 |
| Omega - 03 project (Note-21.2) | 29,051,383 | 22,900,341 |
| Vitamin-E eggs expenses | 15,777,335 | 11,238,693 |
| Commercial broiler expenses | 446,834 | 433,977 |
| Commercial feed expenses | - | 19,954,855 |
| Hatchery expenses | 19,055,027 | 14,918,470 |
| Laboratory expenses | 2,617,873 | 2,515,375 |
| Feeds and feed mill expenses | 10,919,436 | 9,554,032 |
| Medicine and vaccine | 16,019,201 | 17,475,783 |
| Amortization value of birds | 47,575,490 | 44,433,670 |
| Fish project | 7,820 | - |
| | **372,766,897** | **365,026,418** |
| **21.1 Farm overhead** | | |
| Salaries and wages | 47,017,410 | 42,069,543 |
| Telephone bill expenses | 185,114 | 182,991 |
| Guest entertainment | 44,423 | 44,916 |
| Repairs and maintenance | 9,054,474 | 12,443,202 |
| Fuel charges | 1,170,311 | 1,230,937 |
| Medical expenses | 277,728 | 270,835 |
| Donation and subscription | 363,153 | 458,699 |
| Gardening | 348,062 | 1,059,864 |
| Uniform expenses | 584,951 | 408,549 |
| Power (generator fuel) | 6,259,700 | 15,841,730 |
| Electricity consumption | 9,292,680 | - |
| Staff lunch and snacks | 29,378 | 61,685 |
| Canteen expenses | 5,592,136 | 4,686,277 |
| Conveyance | 191,964 | 149,238 |
| Carrying expenses | 147,773 | 89,949 |
| Insurance premium | 1,811,093 | 1,245,389 |

AMARSTOCK

| | Amount in Taka | |
|---|---|---|
| | 2017-2018 | 2016-2017 |
| Poultry equipment's | 636,295 | 492,183 |
| Laboratory testing expense | 73,397 | 380 |
| Stationery expenses | 794,083 | 983,972 |
| Land revenue tax (farm) | 286,740 | 212,790 |
| Advertisement expenses | 2,660 | 2,550 |
| Union parishad tax | - | 40,000 |
| Travelling expenses | 15,900 | 262,866 |
| Rental for farm | 257,624 | 901,637 |
| Sports and games | 17,870 | 21,080 |
| License fees | 415,920 | 110,665 |
| Consultant's fees | 115,000 | - |
| Carrying cost | 4,264,000 | 4,130,000 |
| Depreciation | 24,920,629 | 21,305,710 |
| Miscellaneous | 570,145 | 1,053,608 |
| | **114,740,613** | **109,761,245** |

### 21.2 Omega-03 Project

| | | |
|---|---|---|
| Salaries and overhead expenses | 2,305,354 | 1,654,678 |
| Fuel expenses | 140,579 | 20,597 |
| Feeds expenses | 15,242,297 | 11,155,475 |
| Litter expenses | 115,244 | 213,409 |
| Eggs box | 534,099 | 388,238 |
| Carriages | - | 41,230 |
| Canteen expense | 1,995 | 460 |
| Eggs carrying expense | - | 349,915 |
| Conveyance | - | 50 |
| Stationery expenses | 250,030 | 115,576 |
| Telephone expense | 5,400 | 3,600 |
| Uniform expenses | 12,493 | 8,239 |
| Repairs and maintenance | 8,030 | 102,376 |
| Layer medicine and vaccine | - | 19,500 |
| Layer electricity and fuel | 1,318,977 | 979,212 |
| Loss of dead birds | 209,586 | 181,472 |
| Loss on sale of birds | 2,744,687 | 4,104,738 |
| Amortization value of birds | 4,384,458 | 2,423,254 |
| Lunch and snacks | 2,625 | 3,995 |
| Depreciation | 1,675,229 | 1,033,137 |
| Medical expenses | - | 1,190 |
| Miscellaneous | 100,300 | 100,000 |
| | **29,051,383** | **22,900,341** |

## 22. ADMINISTRATIVE EXPENSES

| | | |
|---|---|---|
| Salaries and allowance | 12,362,913 | 11,085,513 |
| Repair and maintenance | 316,003 | 264,320 |
| Fuel expenses | 579,325 | 565,834 |
| Stationery expenses | 158,920 | 231,776 |
| Mobile set purchase | 22,500 | - |

AMAR STOCK

| | Amount in Taka | |
|---|---|---|
| | 2017-2018 | 2016-2017 |
| Audit fees | 81,500 | 115,000 |
| Telephone bill | 134,778 | 109,976 |
| Uniform expenses | 13,680 | 9,400 |
| Conveyance | 170,344 | 133,615 |
| Games and sports | 900 | 6,020 |
| Donation and subscription | 99,800 | 567,600 |
| Canteen expenses | 295,649 | 311,708 |
| Medical expenses | 39,341 | 99,690 |
| License renewal fees | 57,200 | 85,475 |
| Crockery | - | 8,574 |
| Cleaning expense | 8,365 | 10,315 |
| Insurance premium | 32,550 | 26,400 |
| Consultancy expenses | 15,750 | 35,150 |
| Internet / e-mail service | 23,671 | 25,684 |
| Legal fees | 78,023 | 181,006 |
| Vehicle insurance, fitness and road tax | 285,713 | 219,949 |
| Labour bill | - | 500 |
| Training expenses | 56,000 | - |
| Travelling expenses | 400 | 91,000 |
| Gardening | 5,000 | - |
| Amortization on Gov't Bond | 572,360 | - |
| Depreciation | 3,348,511 | 2,048,737 |
| Miscellaneous | 171,615 | 235,960 |
| | **18,930,811** | **16,469,202** |

## 23. MARKETING EXPENSES

| | | |
|---|---|---|
| | 7,706,027 | 6,775,770 |
| Salaries and allowance | 28,018 | 31,452 |
| Entertainment | 23,235 | 161,665 |
| Canteen expenses | 249,498 | 233,571 |
| Telephone bill expenses | 32,075 | 33,916 |
| Stationery expenses | 29,600 | 12,177 |
| Carriage and conveyance | 1,728,722 | 2,751,775 |
| Traveling expenses | 49,185 | 52,100 |
| Repair and maintenance | 141,859 | 155,583 |
| Fuel expenses | 76,879 | 225 |
| Insurance, road tax and fitness | 1,315,575 | 2,305,596 |
| Business promotional expense | - | 2,300 |
| Training expenses | - | 3,890 |
| Lunch and snacks | - | 560 |
| Courier expenses | - | 143,767 |
| Advertisement expenses | 51,675 | 2,844 |
| Medical expense | 40,000 | - |
| Subscription | 801,180 | 427,296 |
| Depreciation | 50,290 | 117,277 |
| Miscellaneous expenses | **12,323,818** | **13,211,764** |

## 24. DISTRIBUTION EXPENSES

| | | |
|---|---|---|
| | 4,139,815 | 3,731,911 |
| Salary and allowance | 6,228 | 5,880 |
| Medical expenses | 273,950 | 239,510 |
| Canteen expenses | | |

| | Amount in Taka | |
|---|---|---|
| | 2017-2018 | 2016-2017 |
| Carriage and conveyance | 56,695 | 58,390 |
| Chicks box | 5,498,875 | 4,892,500 |
| Telephone bill | 55,900 | 49,022 |
| Repair and maintenance | 1,346,875 | 1,176,519 |
| Fuel and lubricant | 3,088,172 | 2,888,981 |
| House rent for chicks | 81,400 | 94,200 |
| Stationery expenses | 59,105 | 25,247 |
| Traveling expenses | 58,697 | 15,000 |
| Chicks carrying expenses | 1,035,878 | 940,692 |
| Uniform for staff | 4,600 | 14,523 |
| Courier expenses | 1,265 | 2,450 |
| Vehicle insurance, fitness and road tax | 451,351 | 345,640 |
| Lunch and snacks | - | 570 |
| Subscription | 19,000 | - |
| Depreciation | 1,023,125 | 1,103,737 |
| Miscellaneous | 240,640 | 256,345 |
| | **17,441,571** | **15,841,117** |

## 25. FINANCE INCOME

| | | |
|---|---|---|
| Interest on savings certificate | - | 337,800 |
| Interest- company loan to employees | - | 144,542 |
| Interest- Renata subordinate loan | - | 986,667 |
| Interest- FDR | 3,748,800 | 1,260,000 |
| Other income (Note-25.1) | 1,408,415 | 5,673,899 |
| | **5,157,215** | **8,402,908** |

## 25.1 Other Income

| | | |
|---|---|---|
| Sale of Used Vehicle | - | 4,260,000 |
| Coupon Interest | 860,000 | 860,000 |
| Income from Dividend | 548,415 | 553,899 |
| | **1,408,415** | **5,673,899** |

## 26. FINANCE EXPENSES

| | | |
|---|---|---|
| Bank charges | 123,262 | 94,973 |
| Interest on overdraft (EBL) | 53,286 | 38,296 |
| Interest on employees provident fund | 2,310,158 | 1,923,847 |
| | **2,486,706** | **2,057,116** |

## 27. BASIC EARNINGS PER SHARE (EPS)

| | | |
|---|---|---|
| Profit/(loss) attributable to ordinary shareholders | (33,191,859) | 139,424,343 |
| Weighted average number of ordinary shareholders | 420,000 | 420,000 |
| | **(79.03)** | **331.96** |

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## 28. PAYMENTS TO DIRECTORS AND OFFICERS

| | Amount in Taka | |
|---|---|---|
| The aggregate amount paid during the year to officers of the company are disclosed below: | **2017-2018** | **2016-2017** |
| Basic | 15,114,861 | 13,779,600 |
| House rent | 6,780,669 | 6,094,692 |
| Bonus | 3,750,849 | 20,669,400 |
| Contribution to provident Fund | 1,341,502 | 1,377,960 |
| Gratuity | 6,210,000 | 5,400,000 |
| Medical expenses | 328,000 | 306,000 |
| Conveyance allowance and transport | 707,000 | 696,000 |
| | **34,232,881** | **48,323,652** |

## 29 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994

### 29.1 Employee Position of the Renata Agro Industries Limited as per requirement of schedule XI, Part II, Para-3

The Company engaged 298 employees of which 225 is permanent employees and 73 is casual and temporary.

## 30 Payments / receipts in foreign currency

### 30.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:

| | Foreign currency EURO | Foreign currency US$ | Local currency Taka |
|---|---|---|---|
| Machinery and spares | 111,828 | - | 11,477,690 |
| Machinery and spares | 82,450 | - | 8,256,535 |
| Day Old Chicks | - | 76,800 | 6,412,800 |
| Day Old Chicks | - | 76,800 | 6,412,800 |
| Day Old Chicks | 34,395 | - | 3,416,330 |

## 31. EVENTS AFTER THE REPORTING PERIOD

**31.1** The Board of directors in its meeting held on 20 September 2018 approved these audited financial statements of the company for the year ended 30 June 2018 and authorized the same for issue.

**31.2** No material events occurred after the date of statement of audited financial position, non-disclosure of which could affect the ability of the users of these audited financial statements to make appropriate evaluation.

Director | General Manager | Chairman

*Signed in terms of our report of even date annexed.*

Place: Dhaka
Dated: 20 September 2018

K.M. HASAN & CO.
Chartered Accountants

# Purnava Limited

Auditors Report and Financial Statements for the year ended June 30, 2018

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Monowarul Islam, Director
- Mr. Manzoor Hasan, Independent Director

purnava™
inspired by happiness

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# Directors' Report

Purnava continues to market products that have unique selling propositions. It has taken considerable effort to create awareness and influence consumer behavior in order to position our products successfully. There are signs that we are making inroads into the market place. According to the survey company 4P, Purnava accounts for 50% of all prescriptions that are generated in the market for herbal products.

Our key products are Nutrilina, Ginera, GoodGut, PrimaVera, O3 Eggs, and Lactohil. In 2018, we launched two more exciting products, viz., SleepEzy (Valerian) and JeeBee (Ginkgo Biloba).

While Purnava continues to operate at a loss, much of this loss is due to low capacity utilization of the new herbal factory at Bhaluka. Next year, there shall be at least five more exciting products which shall hopefully improve capacity utilization and reduce present deficit.

On behalf of the Board of Directors.



Kaiser Kabir
Chairman
27 October, 2018

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# AUDITOR'S REPORT TO THE SHAREHOLDERS OF PURNAVA LIMITED

We have audited the accompanying financial statements of **PURNAVA LIMITED** which comprise the 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 then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**
Management of **PURNAVA LIMITED** is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS's) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA's). 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**
In our opinion, the financial statements, prepared in accordance with International Financial Reporting Standards (IFRS's), give a true and fair view of the financial position as at June 30, 2018 and its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994 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 purposes of our audit and made due verification thereof;

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

(c) the Company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

K.M. HASAN & CO.
Chartered Accountants

Place: Dhaka
Dated: 27 October, 2018

# Purnava Limited

## STATEMENT OF FINANCIAL POSITION
## AS AT JUNE 30, 2018

| ASSETS | Notes | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 1,849,010 | 2,227,368 |
| Deferred tax assets | 5 | 1,565,000 | - |
| | | 3,414,010 | 2,227,368 |
| **Current assets** | | | |
| Inventories | 6 | 50,016,609 | 40,309,204 |
| Trade receivables | 7 | 32,876,117 | 31,189,616 |
| Other receivables | 8 | 4,541,508 | 4,597,561 |
| Advance, deposits and prepayments | 9 | 9,482,313 | 18,476,374 |
| Cash and cash equivalents | 10 | 16,987,895 | 8,333,855 |
| | | 113,904,442 | 102,906,610 |
| **Total assets** | | **117,318,452** | **105,133,978** |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| Share capital | 11 | 2,500,000 | 2,500,000 |
| Retained earnings/(losses) | | (127,693,566) | (78,147,698) |
| | | (125,193,566) | (75,647,698) |
| **Current liabilities** | | | |
| Trade payables | 12 | - | 4,365,853 |
| Other payables | 13 | 240,187,531 | 171,845,059 |
| Bank overdraft | 14 | 832,173 | 3,601,928 |
| Provision for taxation | 15 | 1,492,314 | 968,836 |
| | | 242,512,018 | 180,781,676 |
| **Total equity and liabilities** | | **117,318,452** | **105,133,978** |

The annexed notes form an integral part of these financial statements.

**Chairman** **Director** **Chief Financial Officer**

Signed in terms of our separate report of even date annexed.

**K. M. HASAN & CO.**
Chartered Accountants

Place: Dhaka
Dated: 27 October, 2018

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# Purnava Limited

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

| | Notes | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|---|
| **Turnover** | | 248,718,953 | 159,205,830 |
| Cost of sales | 16 | (175,305,393) | (113,674,484) |
| **Gross profit** | | **73,413,560** | **45,531,346** |
| Administrative, selling and distribution expenses | 17 | (122,714,643) | (104,569,412) |
| Other income | 18 | - | 929,999 |
| | | (122,714,643) | (103,639,413) |
| **Operating profit** | | **(49,301,083)** | **(58,108,067)** |
| Finance cost | | (317,471) | (110,399) |
| **Profit / (Loss) before tax** | | **(49,618,554)** | **(58,218,466)** |
| Income tax expenses: | | | |
| Current tax | | (1,492,314) | (968,836) |
| Deferred tax (expenses) / income | 5 | 1,565,000 | - |
| | | 72,686 | (968,836) |
| **Net Profit / (Loss) after tax** | | **(49,545,868)** | **(59,187,302)** |
| Other comprehensive income | | - | - |
| **Total comprehensive income for the year** | | **(49,545,868)** | **(59,187,302)** |

The annexed notes form an integral part of these financial statements.

**Chairman** **Director** **Chief Financial Officer**

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: 27 October, 2018

**K. M. HASAN & CO.**
Chartered Accountants

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# Purnava Limited

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED JUNE 30, 2018

**Amount in Taka**

| PARTICULARS | Share capital | Retained Earnings/(Losses) | Total |
|---|---|---|---|
| Balance as at 01 July 2017 | 2,500,000 | (78,147,698) | (75,647,698) |
| Net Profit /(Loss) for the year | - | (49,545,868) | (49,545,868) |
| **Balance as at 30 June 2018** | **2,500,000** | **(127,693,566)** | **(125,193,566)** |

## FOR THE YEAR ENDED JUNE 30, 2017

| PARTICULARS | Share capital | Retained Earnings/(Losses) | Total |
|---|---|---|---|
| Balance as at 01 July 2016 | 2,500,000 | (18,960,396) | (16,460,396) |
| Net Profit /(Loss) for the year | - | (59,187,302) | (59,187,302) |
| **Balance as at 30 June 2017** | **2,500,000** | **(78,147,698)** | **(75,647,698)** |

**Chairman** **Director** **Chief Financial Officer**

Signed in terms of our separate report of even date annexed.

**K. M. HASAN & CO.**
Chartered Accountants

Place: Dhaka
Dated: 27 October, 2018

# Purnava Limited

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED JUNE 30, 2018

| | | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|---|
| **A.** | **Cash flows from operating activities:** | | |
| | Collection from customers and others | 254,445,120 | 166,614,548 |
| | Payment to suppliers and employees | (302,054,163) | (189,598,004) |
| | Payment of VAT | (8,093,424) | (6,810,498) |
| | **Cash outflows from operation** | **(55,702,467)** | **(29,793,954)** |
| | Finance cost | (317,471) | (110,399) |
| | Payment of tax | (1,334,763) | (968,836) |
| | **Net cash used in operating activities** | **(57,354,701)** | **(30,873,189)** |
| **B.** | **Cash flows from investing activities:** | | |
| | Purchase of property, plant and equipment | (221,504) | (779,146) |
| | Sale of property, plant and equipment | - | 930,000 |
| | **Net cash provided from/(used in) investing activities** | **(221,504)** | **150,854** |
| **C.** | **Cash flows from financing activities:** | | |
| | Short term loan | 69,000,000 | 25,084,869 |
| | Bank overdraft | (2,769,755) | 3,601,928 |
| | **Net cash provided from financing activities** | **66,230,245** | **28,686,797** |
| **D.** | **Net increase/(decrease) in cash and cash equivalents for the year (A+B+C)** | **8,654,040** | **(2,035,538)** |
| **E.** | **Opening cash and cash equivalents** | **8,333,855** | **10,369,393** |
| **F.** | **Closing cash and cash equivalents (D+E)** | **16,987,895** | **8,333,855** |

**Chairman** **Director** **Chief Financial Officer**

Place: Dhaka
Dated: 27 October, 2018

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# Purnava Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

### 1. REPORTING ENTITY

#### 1.1 Company profile

Purnava Limited is a private company limited by share incorporated in Bangladesh on 17 August 2004 under the Companies Act 1994.

#### 1.2 Registered office and principal place of business

The registered office of the company is situated at Plot No.01, Milk Vita Road, Section-07, Mirpur, Dhaka-1216.

#### 1.3 Principal activities

The principal activities of the company are to carry on the business of marketing and distribution of all kinds of consumer goods, consumer durables, food items, sugar confectioneries, edible oils, beverages etc. raw materials, semi-finished items, producers, goods and various other products of local or foreign origin and to engage in the business as traders, importers, exporters, commission agents of all kinds of goods and services including pharmaceutical drugs and medicines.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Reporting period

The financial year of the company covers one year from 01 July 2017 to 30 June 2018 consistently.

#### 2.2 Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with International Accounting Standards (IAS's) and International Financial Reporting Standards (IFRS's) and as per the requirements of the Companies Act 1994.

#### 2.3 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the management continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

#### 2.4 Regulatory compliance

The Company is required to comply with amongst others, the following laws and regulations:

The Companies Act 1994
The Income Tax Ordinance 1984
The Income Tax Rules 1984
The Value Added Tax (VAT) Act 1991
The Value Added Tax (VAT) Rules 1991

## 2.5 Component of the financial statements

According to the International Accounting Standards "IAS"-1, "Presentation of Financial Statements" a complete set of Financial Statements include the following components:

a) Statement of Financial Position as at June 30, 2018.
b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2018.
c) Statement of Changes in Equity for the year ended June 30, 2018.
d) Statement of Cash Flows for the year ended June 30, 2018.
e) Notes to the Financial Statements for the year ended June 30, 2018.

## 2.6 Property, plant and equipment and depreciation

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is charged on a straight line method over the estimated useful life of each property, plant and equipment. Details are as follows:

| Asset Type | Depreciation Rate (%) | |
|---|---|---|
| | June 30, 2018 | June 30, 2017 |
| Vehicle | 20 | 20 |
| Furniture & fixture | 10 | 10 |
| Office equipment | 10 | 10 |

## 2.7 Trade receivable

Trade receivable at the Statement of Financial Position date are stated at amounts which are considered realizable.

## 2.8. Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences airing between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws prevailing at the balance sheet date and recognized in the Statement of Profit or Loss and Other Comprehensive Income as per IAS-12 "Income Taxes".

## 2.9 Inventories

Inventories are valued at lower of cost and estimated net realizable value. The cost of inventories is valued at weighted average cost method and includes expenditure for acquiring the inventories and bringing them to their existing location and condition.

## 2.10 Cash and cash equivalents

Cash and cash equivalents comprised cash in hand and cash at bank which were held and available for use of the company without any restriction.

## 2.11 Statement of cash flows

Statement of cash flows has been prepared in accordance with the of "IAS"-7, "Statement of Cash Flows " under the direct method.

### 2.12 Revenue

Revenue is recognized upon invoicing the customers for goods sold and delivered net of returns and allowances and trade discounts.

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

### 2.13 Current tax

The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date.

### 2.14 Transactions with related parties

The company has carried on transactions with related parties in the normal course of business.

## 3. GENERAL

1) All the figures in the financial statements represent bangladesh Taka currency (BDT) rounded off to the nearest integer.

2) The comparative information has been disclosed in respect of June 30, 2018 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current year's financial statements.

## 4. PROPERTY, PLANT AND EQUIPMENT

***Amount in Taka***

| Particulars | COST | | | | Rate % | DEPRECIATION | | | | Written down value at June 30, 2018 |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at July 01, 2017 | Additions during the year | Disposal/ Adjustment during the year | As at June 30, 2018 | | As at July 01, 2017 | Charged during the year | Disposal/ Adjustment during the year | As at June 30, 2018 | |
| Vehicles | 5,774,510 | - | - | 5,774,510 | 20 | 4,337,938 | 488,087 | - | 4,826,025 | 948,485 |
| Furniture and fixtures | 35,528 | - | - | 35,528 | 10 | 26,825 | 3,553 | - | 30,378 | 5,150 |
| Office equipments | 1,061,211 | 221,504 | - | 1,282,715 | 10 | 279,118 | 108,222 | - | 387,340 | 895,375 |
| **Balance as at June 30, 2018** | **6,871,249** | **221,504** | **-** | **7,092,753** | | **4,643,881** | **599,862** | **-** | **5,243,743** | **1,849,010** |
| **Balance as at June 30, 2017** | **7,490,103** | **779,146** | **1,398,000** | **6,871,249** | | **5,493,461** | **548,419** | **1,397,999** | **4,643,881** | **2,227,368** |

| | | June 30, 2018<br>Taka | June 30, 2017<br>Taka |
|---|---|---|---|
| **5.** | **DEFERRED TAX ASSETS** | | |
| | Opening balance | - | - |
| | Charge to the profit or loss account | 1,565,000 | - |
| | Closing balance | **1,565,000** | **-** |
| **6.** | **INVENTORIES** | | |
| | Finished goods | 40,007,396 | 32,409,390 |
| | Packing materials | 9,999,311 | 7,899,814 |
| | Inventory in Transit | 9,902 | - |
| | | **50,016,609** | **40,309,204** |
| **7.** | **TRADE RECEIVABLES** | | |
| | Trade receivables- unsecured | 36,301,627 | 34,227,773 |
| | Less: Allowance for doubtful receivables | (3,425,510) | (3,038,157) |
| | | **32,876,117** | **31,189,616** |
| | **Trade receivables disclosure as per Schedule-XI, Part-1, of The Companies Act, 1994** | | |
| | Receivables due under six months | 18,024,459 | 13,902,873 |
| | Receivables due over six months | 18,277,168 | 20,324,900 |
| | | **36,301,627** | **34,227,773** |
| **8.** | **OTHER RECEIVABLES** | | |
| | Value added tax recoverable | **4,541,508** | **4,597,561** |
| **9.** | **ADVANCE, DEPOSITS AND PREPAYMENTS** | | |
| | **Advances** | | |
| | Advance income tax (Note: 9.1) | 1,334,763 | 991,886 |
| | Advances to employee (Note: 9.2) | 50,000 | 229,250 |
| | Advance to suppliers | 3,062,941 | 2,732,755 |
| | Advance VAT | 430,362 | 171,342 |
| | | **4,878,066** | **4,125,233** |
| | **Prepayments** | | |
| | Prepaid advertisement | 4,604,247 | 14,351,141 |
| | | **9,482,313** | **18,476,374** |
| **9.1** | **Advance income tax** | | |
| | Opening balance | 991,886 | 2,310,769 |
| | Add: Addition during the year | 1,334,763 | 968,836 |
| | | **2,326,649** | **3,279,605** |
| | Less: Adjustment during the year | 991,886 | 2,287,719 |
| | Closing balance | **1,334,763** | **991,886** |

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## 9.2 Advance to employee

| | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|
| Opening balance | 229,250 | 512,500 |
| Add: Addition during the year | 212,500 | 738,250 |
| | 441,750 | 1,250,750 |
| Less: Adjustment during the year | 391,750 | 1,021,500 |
| Closing balance | **50,000** | **229,250** |

## 10. CASH AND CASH EQUIVALENTS

| | | |
|---|---|---|
| Cash in hand | 50,000 | 50,000 |
| Cash at bank : | | |
| HSBC, gulshan branch,C/A# 001217223011 | 39,719 | 8,211,305 |
| Sonali Bank Ltd., custom house branch C/A # 0130502001394 | 71,975 | 72,550 |
| Standard Chartered Bank C/A # 01118489201 | 16,312,990 | - |
| Brac Bank Ltd. #1511203957126001 | 513,211 | - |
| | **16,987,895** | **8,333,855** |

## 11. SHARE CAPITAL

| | | |
|---|---|---|
| Authorized capital: | | |
| 2,000,000 Ordinary shares of Tk. 100 each | **200,000,000** | **200,000,000** |
| Issued, subscribed, called up & paid up capital | | |
| 25,000 Ordinary shares of Tk. 100 each | **2,500,000** | **2,500,000** |

Shareholding position of the company was as follows

| Name of the shareholders | No. of shares | Face value | | |
|---|---|---|---|---|
| Renata Limited | 24,999 | 100 | 2,499,900 | 2,499,900 |
| Mr. Syed S. Kaiser Kabir | 1 | 100 | 100 | 100 |
| | **25,000** | | **2,500,000** | **2,500,000** |

## 12. TRADE PAYABLES

| | | |
|---|---|---|
| Payable to suppliers | - | 4,365,853 |
| | **-** | **4,365,853** |

## 13. OTHER PAYABLES

| | | |
|---|---|---|
| Inter-company payables: | | |
| -Renata Limited | 237,494,331 | 168,494,331 |
| -Renata Agro Industries Limited | 2,658,700 | 2,647,537 |
| Audit fee payable | 34,500 | 34,500 |
| Withholding tax | - | 274,931 |
| Withholding VAT | - | 393,760 |
| | **240,187,531** | **171,845,059** |

## 14. BANK OVERDRAFT

| | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|
| Bank Asia Limited | **832,173** | **3,601,928** |

## 15. PROVISION FOR TAXATION

| | | |
|---|---|---|
| Opening balance | 968,836 | 2,287,719 |
| Add: Provision made during the year | 1,492,314 | 968,836 |
| | **2,461,150** | **3,256,555** |
| Less: Adjustment made during the year | 968,836 | 2,287,719 |
| Closing balance | **1,492,314** | **968,836** |

## 16. COST OF SALES

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| Opening inventories | 40,309,204 | 61,978,192 |
| Add: Purchase | 185,002,896 | 92,005,496 |
| | **225,312,100** | **153,983,688** |
| Less: Closing inventories | 50,006,707 | 40,309,204 |
| | **175,305,393** | **113,674,484** |

## 17. ADMINISTRATIVE, SELLING AND DISTRIBUTION EXPENSES

| | | |
|---|---|---|
| Salaries, wages and allowances | 36,361,245 | 27,775,323 |
| Advertisement | 15,702,969 | 19,438,259 |
| Travelling & conveyance | 1,114,703 | 1,399,668 |
| Fuel & lubricants | 1,352,821 | 973,602 |
| Field expenses | 12,664,919 | 15,985,655 |
| Meeting and conference expenses | 517,500 | 1,500,000 |
| Obsolete inventory | 1,877,910 | 5,396,042 |
| Sales promotion | 47,426,419 | 23,460,982 |
| Utilities | 566,576 | 207,314 |
| Research & development | 278,425 | 3,166,892 |
| Insurance | 45,963 | 155,282 |
| Repair & maintenance | 1,068,840 | 793,463 |
| Stationery & supplies | 991,179 | 555,326 |
| Bad debts | 387,353 | 1,046,730 |
| Entertainment | 430,232 | 861,868 |
| Audit fees | 34,500 | 34,500 |
| Medical Expenses | 709,215 | 281,520 |
| Depreciation | 599,862 | 548,419 |
| Other expenses | 584,012 | 988,567 |
| | **122,714,643** | **104,569,412** |

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## 18. OTHER INCOME

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| Gain on disposal of property, plant and equipment | - | 929,999 |

## 19. DISCLOSURE AS PER REQUIREMENT OF SCHEDULE XI, PART II OF THE COMPANY ACT 1994:

### 19.1 Employee Position of the Purnava Limited as per requirement of schedule XI, part II, Para 3

The company engaged 105 employees of which 96 are permanent employees and 9 are casual and temporary workers as required. Every employees received total remuneration of above TK. 36,000 per annum.

## 20. PAYMENTS/ RECEIPTS IN FOREIGN CURRENCY

### 20.1 During the year the following payments were made in foreign currency for imports calculated on CIF basis of

| | Foreign currency US$ | Local currency Taka |
|---|---|---|
| Finished goods | 240,205 | 20,223,677 |
| | **240,205** | **20,223,677** |

## 21. RELATED PARTY DISCLOSURE

**Amount in Taka**

| Name of Party | Relationship | Transaction (2017-2018) | | | | |
|---|---|---|---|---|---|---|
| | | Nature of transaction | Opening balance | Addition | Adjustment | Closing balance Taka |
| Renata Limited | Parent | Purchase of goods | - | 125,457,333 | 125,457,333 | - |
| | | Advance received | 168,494,331 | 280,722,023 | 211,722,023 | 237,494,331 |
| | | | **168,494,331** | **406,179,356** | **337,179,356** | **237,494,331** |
| Renata Agro Industries Ltd. | Subsidiary of parent | Purchase of goods | 2,647,537 | 37,054,046 | 37,042,883 | 2,658,700 |
| | | | **2,647,537** | **37,054,046** | **37,042,883** | **2,658,700** |

## 22. EVENTS AFTER THE REPORTING PERIOD

22.1 The board of directors in its meeting held on 27 October, 2018 approved the audited financial statement of the company for the year ended 30 June, 2018 and authorised the same for issue.

22.2 No material events occurred after the date of statement of audited financial position, non-disclosure of which could affect the ability of the users of these audited financial statements to make appropriate evaluation.

**Chairman** **Director** **Chief Financial Officer**

Place: Dhaka
Dated: 27 October, 2018

# Renata Oncology Limited

Auditors' Report and Financial Statements for the year ended June 30, 2018

Board of Directors
- Mr. Kaiser Kabir, Chairman
- Mr. Khokan Chandra Das, Director
- Mr. Manzoor Hasan, Independent Director

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# Directors' Report

This subsidiary is essentially a manufacturing operation for Renata Limited. Presently, the market size for this category of products is small, and hence high manufacturing overheads cannot be fully absorbed by the low volumes. However, this subsidiary remains a critical component of our export-strategy. Several products are in the pipeline, so the future of this subsidiary is secure.

On behalf of the Board of Directors



Kaiser Kabir
Chairman
October 07, 2018

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# AUDITORS' REPORT TO THE SHAREHOLDERS OF RENATA ONCOLOGY LIMITED

We have audited the accompanying financial statements of "Renata Oncology Limited" which comprise the Statement of Financial Position as at June 30, 2018, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

**Management Responsibilities for the Financial Statements**

Management of Renata Oncology Limited is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Renata Oncology Limited which comprise the Statement of Financial Position as at June 30, 2018, the Statement of Profit and Loass and Other Comprehensive Income and all other related notes for the period then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994 and other applicable laws and regulations.

**We also report that:**

(i) we have obtained all information and explanations which to the best of our knowledge and belief were necessary along with the bank statement for the purpose of our audit and made due verification thereof and found them satisfactory;

(ii) in our opinion, proper books of account as required by law were kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been checked by us;

(iii) the statement of financial position, the statement of profit or loss and other comprehensive income and all other related notes are dealt with by this report are in agreement with the books of account and returns;

Place: Dhaka
Dated: October 07, 2018

S.P. CHOWDHURY & CO.
Chartered Accountants

# Renata Oncology Limited

## STATEMENT OF FINANCIAL POSITION
## AS AT JUNE 30, 2018

| ASSETS | Notes | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|---|
| **Non-Current Assets** | | | |
| Property, plant and equipment | 5.00 | 184,282,939 | 191,674,516 |
| Capital work-in-progress | 6.00 | 186,128,891 | 186,128,891 |
| **Total non-current assets** | | **370,411,830** | **377,803,407** |
| **Current Assets** | | | |
| Inventories | 7.00 | 34,640,238 | 39,136,928 |
| Advances, deposits and prepayments | 8.00 | 5,594,155 | 5,123,036 |
| Cash & cash equivalents | 9.00 | 1,277,996 | 2,340,085 |
| **Total current assets** | | **41,512,389** | **46,600,049** |
| **Total Assets** | | **411,924,219** | **424,403,456** |
| **Equity & Liabilities** | | | |
| **Shareholders' Equity** | | | |
| Share capital | 10.00 | 80,000,000 | 80,000,000 |
| Retained earnings | 11.00 | (35,702,729) | (27,671,309) |
| | | **44,297,271** | **52,328,691** |
| **Non-Current Liabilities** | | | |
| Deferred tax liability | 12.00 | 28,774,824 | 23,578,114 |
| **Current Liabilities** | | | |
| Short term bank loan | 13.00 | 4,101,300 | - |
| Trade payables | 14.00 | 961,325 | 12,020,599 |
| Other payables | 15.00 | 333,708,999 | 336,424,618 |
| Provision for taxation | 16.00 | 80,500 | 51,434 |
| **Total current liabilities** | | **338,852,124** | **348,496,651** |
| **Total Equity and Liabilities** | | **411,924,219** | **424,403,456** |

Chairman | Director | Chief Financial Officer

As per our report of date annexed

Place: Dhaka
Dated: October 07, 2018

**S.P. CHOWDHURY & CO.**
Chartered Accountants

# Renata Oncology Limited

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## FOR THE YEAR ENDED JUNE 30, 2018

| PARTICULARS | Notes | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|---|
| Revenue | 17.00 | 29,066,146 | 32,391,586 |
| Cost of goods sold | 18.00 | 29,066,146 | 32,391,586 |
| **Gross Profit** | | - | - |
| Administrative, selling and distribution expenses | 19.00 | 2,793,854 | 1,521,675 |
| **Operating Profit/ (Loss)** | | **(2,793,854)** | **(1,521,675)** |
| Financial Expenses | | 11,790 | 624,928 |
| **Profit/ (loss) before income tax** | | **(2,805,644)** | **(2,146,603)** |
| **Tax expenses** | | **5,225,776** | **12,158,968** |
| Current tax | | 29,066 | 32,392 |
| Deferred tax | 12.00 | 5,196,710 | 12,126,576 |
| **Profit/(loss) after tax for the year** | | **(8,031,420)** | **(14,305,571)** |
| Other Comprehensive Income | | - | - |
| **Total comprehensive income/(loss) for the year** | | **(8,031,420)** | **(14,305,571)** |

The annexed notes form an integral part of these financial statements.

Chairman | Director | Chief Financial Officer

As per our report of date annexed

Place: Dhaka
Dated: October 07, 2018

**S.P. CHOWDHURY & CO.**
Chartered Accountants

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# Renata Oncology Limited

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED JUNE 30, 2018

| Particulars | Amount in Taka | | |
|---|---|---|---|
| | Share Capital | Retained Earnings | Total |
| Balance at July 01, 2017 | 80,000,000 | (27,671,309) | 52,328,691 |
| Profit/(loss) after tax for the year | - | (8,031,420) | (8,031,420) |
| **Balance as at June 30, 2018** | **80,000,000** | **(35,702,729)** | **44,297,271** |

## FOR THE YEAR ENDED JUNE 30, 2017

| Particulars | Amount in Taka | | |
|---|---|---|---|
| | Share Capital | Retained Earnings | Total |
| Balance at July 01, 2016 | 80,000,000 | (13,365,738) | 66,634,262 |
| Profit/(loss) after tax for the year | - | (14,305,571) | (14,305,571) |
| **Balance as at June 30, 2017** | **80,000,000** | **(27,671,309)** | **52,328,691** |

Chairman

Director

Chief Financial Officer

As per our report of date annexed

Place: Dhaka
Dated: October 07, 2018

**S.P. CHOWDHURY & CO.**
Chartered Accountants

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# Renata Oncology Limited

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED JUNE 30, 2018

| | | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|---|
| **A.** | **Cash flows from operating activities:** | | |
| | Collection from customers and other income | 29,066,146 | 32,391,586 |
| | Payment to suppliers and employees | (28,707,465) | (7,577,208) |
| | ***Cash generated from operating activities*** | **358,681** | **24,814,378** |
| | Financing cost | (11,790) | (624,928) |
| | Payment of tax | (43,855) | (766,752) |
| | ***Net Cash Provided from/(Used In) Operating Activities*** | **303,036** | **23,422,698** |
| **B.** | **Cash flows from investing activities:** | | |
| | Purchase of property, plant and equipment | (2,841,617) | (11,558,639) |
| | ***Net Cash Provided from/(Used In) Investing Activities*** | **(2,841,617)** | **(11,558,639)** |
| **C.** | **Cash flows from financing activities:** | | |
| | Loan (repaid)/ received | 1,476,492 | (12,982,861) |
| | ***Net Cash Provided from/(Used In) Financing Activities*** | **1,476,492** | **(12,982,861)** |
| **D.** | **Net cash flows for the year (A+B+C)** | **(1,062,089)** | **(1,118,802)** |
| **E.** | **Opening Cash and cash equivalent** | **2,340,085** | **3,458,887** |
| **F.** | **Closing Cash and cash equivalent (D+E)** | **1,277,996** | **2,340,085** |

Chairman | Director | Chief Financial Officer

As per our report of date annexed

Place: Dhaka
Dated: October 07, 2018

**S.P. CHOWDHURY & CO.**
Chartered Accountants

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# Renata Oncology Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

### 1.00 Company Profile

Renata Oncology Limited (the Company) is a private limited company incorporated on Twelfth August Two Thousand and Twelve under the Companies Act 1994. The authorized capital of the Company is Tk.1,000,000,000 divided into 100,000,000 ordinary shares of Tk.10 each with a paid up capital of the Tk. 80,000,000 divided into 8,000,000 ordinary shares of Tk.10 each. The address of the registered office of the Company is Plot - 1, Milk Vita Road, Section-7, Mirpur Dhaka-1216.

### 1.01 Nature of Business Activities

The principal activities of the Company are manufacturing, marketing and distribution of various oncology based products.

### 2.00 Significant Accounting Policies

**2.01** The financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs) and accrual basis of accounting was followed for both cash and accruals transactions.

### 2.02 Property, Plant and Equipment

Items of property, plant & equipment is recognized where it is probable that future economic benefits will flow to the entity and their cost can be measured reliably.

### 2.03 Measurement at recognition

An items of Property, Plant & Equipment qualifying for recognition is measured at its cost. Cost comprises:

* Purchase price, including all non-recoverable duties and taxes but net of discounts.
* Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

### 2.04 Subsequent Costs

* Repairs and maintenance expenditure is recognized as expenditure when incurred.
* Replacement parts are capitalized, provided that the original cost of the items they replace is derecognized.

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## 2.05 Depreciation

Depreciation is commenced when the asset is in the location and condition necessary for it to be capable of operating in the manner intended. Depreciation has been charged on straight line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged for the month of acquisition irrespective of the date of acquisition and no depreciation is charged for the month of disposal.

The rates of depreciation and category of property, plant and equipment are as follows:

| Asset Type | Depreciation Rate (%) | |
|---|---|---|
| | June 30, 2018 | June 30, 2017 |
| Building | 3% | 3% |
| Plant and machinery | 5%-10% | 5%-10% |
| Office equipment | 10%-12.50% | 10%-12.50% |
| Furniture | 10% | 10% |

## 2.06 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 benefits are 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 period in which the assets are disposed of.

## 2.07 Capital Work-in-progress

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.

## 2.08 Inventories

Inventories are valued at lower of cost and net realizable expect for goods in transit which are valued at cost. Cost of active materials, raw materials and packing materials is valued by using FIFO method and work-in-progress, finished stocks are determined by using FIFO cost formula including allocation.

## 2.09 Provisions and contingent liabilities

Provision is recognized in the financial statements in line was the IAS-37 "Provisions, Contingent Liabilities and Contingent Assets" when:

* the Company has a legal or constructive obligation as a result of past event;
* a reliable estimate can be made of the amount of the obligation.

## 2.10 Income tax expenses

Income tax expenses comprise current and deferred tax. Income tax expenses is recognized in the income statement expect to the extent that it relates to revaluation to property, plant and equipment which is recognized directly in equity.

## 2.11 Current Tax

The Current Income Tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date.

## 2.12 Deferred tax

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the carrying amounts of assets and liabilities and its tax base amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal liability / recoverability 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 changes in equity.

## 2.13 Revenue

Revenue is recognized upon invoicing the customers for goods sold and delivered net off returns, allowance and trade discount.
Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the Company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

## 2.14 Foreign currency transactions

Foreign currency transactions are accounted for at exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated at rates ruling at the statement of financial position date. All exchange differences are charged / credited to the statement of profit or loss and other comprehensive income.

## 2.15 Financial risk management

Renata Oncology Limited's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business. Renata Oncology Limited's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on Renata Oncology Limited's financial performance.
Renata Oncology Limited's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Renata Oncology Limited regularly reviews its risk management policies and system to reflect changes in markets, products and emerging best practices.

## 2.16 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of Renata Oncology Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Renata Oncology Limited's asset portfolio. The credit risk management and control are controlled through the credit policies of Renata Oncology Limited which are updated regularly. The Company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

## 2.17 Liquidity risk

Liquidity risk is defined as the risk that the Company will not able to settle or meet its obligations on time or at a reasonable price.
The Company's approach toward 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 ensure that it has sufficient cash and cash equivalents to meet expected operational expenses, including the servicing of financial obligations through preparation of the cash forecast prepared based on time line of payment of the financial obligations and according arrange for sufficient liquidity/fund to make the expected payments within due data.

## 2.18 Cash and Cash Equivalent

Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### i) Cash in Hand

We could not verify cash in hand as on June 30, 2018 as our appointment was after the closing date. However, we have obtained a cash custody certificate from the Management confirming the balance held by them as on that date.

### ii) Cash at Bank

We have checked the bank transactions with bank statement, cheque counterfoils deposit slips etc. and the balance has been agreed with the book of accounts. A balance confirmation certificate has also been obtained from the concerned bank.

## 2.19 Functional and presentation currency

These financial statement are prepared in Bangladesh Taka, which is the Company's functional currency.

## 2.20 Reporting period

The financial period of the company covers from July 01, 2017 to June 30, 2018.

## 3.00 Directors responsibility statement

According to section 183 of Companies Act 1994 the Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

## 4.00 General

Figures in this report have been rounded off to the nearest Taka.

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## 5.00 Property, Plant and Equipment

*(Amount in Taka)*

| Particulars | Cost | | | Depreciation | | | | Written down value 30.06.2018 |
|---|---|---|---|---|---|---|---|---|
| | Balance as at 01. 07. 2017 | Addition during the Period | Balance as at 30.06.2018 | Rate | Balance as at 01. 07. 2017 | Charged during the period | Balance as at 30.06.2018 | |
| Building | 89,308,438 | - | 89,308,438 | 3% | 4,235,422 | 2,679,253 | 6,914,675 | 82,393,763 |
| Plant and machinery | 112,750,766 | 2,639,817 | 115,390,583 | 5%-10% | 9,640,388 | 7,108,517 | 16,748,905 | 98,641,678 |
| Office equipment | 1,742,756 | 50,600 | 1,793,356 | 10%-12.50% | 281,456 | 205,104 | 486,560 | 1,306,796 |
| Furniture | 2,264,831 | 151,200 | 2,416,031 | 10% | 235,009 | 240,320 | 475,329 | 1,940,702 |
| **Total June 30, 2018** | **206,066,791** | **2,841,617** | **208,908,408** | | **14,392,275** | **10,233,194** | **24,625,469** | **184,282,939** |
| | | | | | | | | |
| **Total June 30, 2017** | **194,833,546** | **11,233,245** | **206,066,791** | | **4,869,164** | **9,523,111** | **14,392,275** | **191,674,516** |

| | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|
| **6.00 Capital work-in-progress** | | |
| Opening balance | 186,128,891 | 185,803,497 |
| Add. Addition during the year | - | 325,394 |
| | **186,128,891** | **186,128,891** |
| Less: Capitalized as property, plant and equipment | - | - |
| **Closing Balance** | **186,128,891** | **186,128,891** |
| **7.00 Inventories** | | |
| This is made up as follows: | | |
| Finished goods | 11,156,001 | 13,030,596 |
| Raw materials | 21,376,379 | 24,435,908 |
| Packing materials | 566,916 | 533,896 |
| Consumable stores and spares | 1,540,942 | 1,136,528 |
| | **34,640,238** | **39,136,928** |
| **8.00 Advance, deposits & prepayments** | | |
| Advance for inventory | 4,529,010 | 4,088,208 |
| Advance income tax | 897,344 | 853,489 |
| Prepaid insurance | 167,801 | 181,339 |
| | **5,594,155** | **5,123,036** |

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| | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|

## 9.00 Cash & cash equivalent

This is made up as follows:

| | | |
|---|---|---|
| Cash in hand | - | - |
| Cash at bank (Bank asia ltd. Dhaka, Bangladesh A/C: 02833000989) | 1,277,996 | 2,340,085 |
| | **1,277,996** | **2,340,085** |

## 10.00 Share capital

This is made up as follows:

| | | |
|---|---|---|
| **Authorized Share Capital** | | |
| 10,00,00,000 Ordinary Shares of Tk. 10 each | 1,000,000,000 | 1,000,000,000 |
| | **1,000,000,000** | **1,000,000,000** |
| **Issued, Subscribed & Paid- up Capital** | | |
| 80,00,000 Ordinary Shares of Tk. 10 each fully paid | 80,000,000 | 80,000,000 |
| | **80,000,000** | **80,000,000** |

| Shareholders | No. of Share | Face Value | Amount in Taka |
|---|---|---|---|
| Mr. Syed S. Kaiser Kabir | 100 | 10 | 1,000 |
| Renata Limited | 7,999,900 | 10 | 79,999,000 |
| **Total:** | **8,000,000** | | **80,000,000** |

## 11.00 Retained earnings

This is made up as follows:

| | | |
|---|---|---|
| Opening balance | (27,671,309) | (13,365,738) |
| Add: Net Profit/(Loss) after tax for the year | (8,031,420) | (14,305,571) |
| **Closing balance** | **(35,702,729)** | **(27,671,309)** |

## 12.00 Deferred tax liability

| | | |
|---|---|---|
| Opening balance | 23,578,114 | 11,451,538 |
| Addition during the year | 5,196,710 | 12,126,576 |
| **Closing balance** | **28,774,824** | **23,578,114** |

Deferred tax liability has been recognized in accordance with the provision of IAS 12 based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and its tax base.

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| | Carrying amount on balance sheet date | Tax base | Taxable/ (deductible) temporary difference |
|---|---|---|---|
| | BDT | BDT | BDT |
| **For the year ended June 30, 2018** | | | |
| Property, plant and equipment | 184,282,939 | 102,069,157 | 82,213,782 |
| **Temporary difference** | **184,282,939** | **102,069,157** | **82,213,782** |
| Applicable tax rate | | | 35.00% |
| **Deferred tax liability as on June 30, 2018** | | | **28,774,824** |
| **For the year ended June 30, 2017** | | | |
| Property, plant and equipment | 191,674,516 | 124,308,476 | 67,366,040 |
| **Temporary difference** | **191,674,516** | **124,308,476** | **67,366,040** |
| Applicable tax rate | | | 35.00% |
| **Deferred tax liability as on June 30, 2017** | | | **23,578,114** |

| | | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|---|
| **13.00 Short term bank loan** | | | |
| This is made up as follows: | | | |
| Bank Asia Ltd, Mohakhali Branch, Dhaka, Bangladesh | | 4,101,300 | - |
| | | **4,101,300** | **-** |
| **14.00 Trade payables** | | | |
| This is made up as follows: | | | |
| Payable to suppliers | | 961,325 | 12,020,599 |
| | | **961,325** | **12,020,599** |
| **15.00 Other payables** | | | |
| This is made up as follows: | | | |
| Inter-company payables - Renata Limited | Note- 15.01 | 333,674,499 | 336,299,307 |
| Audit fees payable | | 34,500 | 57,500 |
| Withholding VAT payable | | - | 40,765 |
| Withholding income tax payable | | - | 27,046 |
| | | **333,708,999** | **336,424,618** |

| | | June 30, 2018 Taka | June 30, 2017 Taka |
|---|---|---|---|
| **15.01** | **Payables to Renata Limited** | | |
| | Opening balance | 336,299,307 | 326,273,629 |
| | Add. Expenditure made during the year | 26,699,494 | 84,985,349 |
| | | **362,998,801** | **411,258,978** |
| | Less: Refund/adjustment during the year | 29,324,302 | 74,959,671 |
| | **Closing balance** | **333,674,499** | **336,299,307** |

The above amount payable to Renata Limited for expenditure incurred for the company on the balance sheet date.

| | | | |
|---|---|---|---|
| **16.00** | **Provision for taxation** | | |
| | Opening balance | 51,434 | 19,042 |
| | Add: Provision made during the year | 29,066 | 32,392 |
| | | **80,500** | **51,434** |
| | Less: Tax paid during the year | - | - |
| | **Closing balance** | **80,500** | **51,434** |

| | | | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|---|---|
| **17.00** | **Revenue** | | | |
| | This is made up as follows: | | | |
| | Sales to Renata | | 29,066,146 | 32,391,586 |
| | **Total** | | **29,066,146** | **32,391,586** |
| **18.00** | **Cost of goods sold** | | | |
| | This is made up as follows: | | | |
| | Raw materials consumed | Note- 18.01 | 8,465,531 | 6,238,995 |
| | Salary, wages & allowances | | 2,093,297 | 1,982,629 |
| | Factory overhead | Note- 18.02 | 16,632,723 | 25,910,088 |
| | **Cost of production** | | **27,191,551** | **34,131,712** |
| | Add: opening stock of finished goods | | 13,030,596 | 11,290,470 |
| | **Cost of goods available for sale** | | **40,222,147** | **45,422,182** |
| | Less: closing stock of finished goods | | 11,156,001 | 13,030,596 |
| | **Cost of goods sold** | | **29,066,146** | **32,391,586** |

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| | | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|---|
| **18.01** | **Raw materials consumed** | | |
| | This is arrived at as follows: | | |
| | Opening stock | 24,969,804 | 16,628,813 |
| | Add: Purchase during the year | 5,439,022 | 14,579,986 |
| | **Total materials available** | **30,408,826** | **31,208,799** |
| | Less: Closing stock | 21,943,295 | 24,969,804 |
| | **Raw material consumed** | **8,465,531** | **6,238,995** |
| **18.02** | **Factory overhead** | | |
| | Electricity and fuel | 375,582 | 2,777,049 |
| | Insurance | 349,141 | 460,339 |
| | Rent | - | 18,000 |
| | Travelling expenses | 57,134 | 5,550 |
| | Repair & maintenance | 3,229,493 | 11,765,150 |
| | Depreciation | 10,233,194 | 9,523,111 |
| | Other overhead expenses | 601,857 | 777,489 |
| | Electrical Supplies | 151,393 | 58,463 |
| | General expenses | 1,634,929 | 524,937 |
| | **Total** | **16,632,723** | **25,910,088** |
| **19.00** | **Administrative, selling and distribution expenses** | | |
| | Salaries, wages and allowances | 2,632,765 | 1,230,675 |
| | Meeting & corporate expenses | - | 104,976 |
| | Traveling expense | 57,757 | 32,461 |
| | Audit fee | 23,000 | 34,500 |
| | License & fees | 22,832 | 109,063 |
| | Other overhead expenses | 57,500 | 10,000 |
| | **Total** | **2,793,854** | **1,521,675** |

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## 20.00 Payments in foreign currency

| | 2017-2018 Taka | 2016-2017 Taka |
|---|---|---|
| | Foreign Currency US$ | Local currency Taka |
| Active, raw and packaging materials | 1,063 | 88,920 |
| Machinery and spares | 3,632 | 295,325 |
| | **4,695** | **384,245** |

## 21.00 Disclosure as per requirement of schedule XI, part II of the company act 1994

## 21.01 Employee position of Renata Oncology Limited as per requirement of schedule XI, part II, para 3

The company engaged 14 employees of which 14 are permanent employees as required.
All employees received total remuneration of above Tk. 36,000 per annum.

## 22.00 Related party disclosures

| Name of Party | Relationship | Nature of transactions | Transaction (2017-2018) | | | |
|---|---|---|---|---|---|---|
| | | | Opening balance Taka | Addition Taka | Adjustment Taka | Closing balance Taka |
| Renata Limited | Parent | Sales of goods | - | 29,066,146 | 29,066,146 | - |
| | | Advance received | 336,299,307 | 26,699,494 | 29,324,302 | 333,674,499 |
| | | | **336,299,307** | **55,765,640** | **58,390,448** | **333,674,499** |

## 23.00 General

## 23.01 Contingent liabilities

None as at June 30, 2018

## 23.02 Rounding off

All the figures in the financial statements represent Bangladesh Taka currency (BDT) rounded off to the nearest Taka.

# Renata (UK) Limited

Renata Limited established a subsidiary company in the name of Renata (UK) Limited to fulfill the regulatory requirement ( DIRECTIVE 2001/83/EC OF THE EUROPEAN PARLIAMENT AND THE COUNCIL) to export in UK and the EU countries. The company has not made yet any financial transaction.

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# Renata Limited Auditors' Report and Consolidated Financial Statements

For the year ended 30 June 2018

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# Independent auditors' report to the shareholders of Renata Limited

We have audited the accompanying consolidated financial statements of Renata Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 30 June 2018 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of Renata Limited its subsidiaries as at 30 June 2018 and the results of its financial performance and its statement of cash flows for the year then ended and comply with the Companies Act 1994, 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 statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

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

S. F. Ahmed & Co.
Chartered Accountants

Dated, Dhaka;
27 October 2018

# RENATA LIMITED
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2018

| | Notes | Amount in Taka<br>30 June 2018 | 30 June 2017 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 10,202,591,118 | 9,799,446,048 |
| Capital work-in-progress | 6 | 1,376,630,382 | 1,258,756,142 |
| Long term investment | 7 | 11,222,360 | 11,794,720 |
| | | **11,590,443,860** | **11,069,996,910** |
| **Current assets** | | | |
| Inventories | 8 | 3,926,675,733 | 3,396,070,814 |
| Trade and other receivables | 9 | 2,614,278,948 | 2,326,868,750 |
| Advance, deposits and prepayments | 10 | 501,118,209 | 339,783,944 |
| Investment in shares and others | 11 | 1,642,611,027 | 934,669,945 |
| Cash and cash equivalents | 12 | 1,083,732,442 | 651,934,491 |
| | | **9,768,416,359** | **7,649,327,944** |
| **TOTAL ASSETS** | | **21,358,860,219** | **18,719,324,854** |
| **EQUITY AND LIABILITIES** | | | |
| Share capital | 13 | 700,310,221 | 608,965,410 |
| Revaluation surplus | 14 | 154,808,121 | 155,285,034 |
| Tax holiday reserve | 15 | 46,637,673 | 46,637,673 |
| Available for sale reserve | | 56,743,224 | 49,859,242 |
| Retained earnings | 16 | 14,549,628,623 | 12,082,218,918 |
| **Equity attributable to equity holders of Renata Limited** | | **15,508,127,862** | **12,942,966,277** |
| Non-controlling interests | 17 | 69,010 | 74,723 |
| **Total equity** | | **15,508,196,872** | **12,943,041,000** |
| **Non-current liabilities** | | | |
| Long term loan- net off current portion | 18 | - | 95,910,932 |
| Deferred tax liabilities | 19 | 1,244,684,960 | 1,170,470,120 |
| | | **1,244,684,960** | **1,266,381,052** |
| **Current liabilities** | | | |
| Short term bank loan and overdrafts | 20 | 2,405,241,798 | 1,972,453,954 |
| Long term loan - current portion | 18 | 99,662,486 | 161,200,000 |
| Trade payables | 21 | 243,664,469 | 202,413,022 |
| Other payables | 22 | 1,047,598,159 | 1,414,744,187 |
| Provision for taxation | 23 | 809,811,475 | 759,091,639 |
| | | **4,605,978,387** | **4,509,902,802** |
| **TOTAL EQUITY AND LIABILITIES** | | **21,358,860,219** | **18,719,324,854** |
| **Net asset value per share (NAV)** | 29 | **221.45** | **184.82** |

*The annexed notes 1 to 41 form an integral part of these financial statements.*

CEO & Managing Director

Chief Financial Officer

*As per our annexed report of same date.*

Dated, Dhaka
27 October 2018

S. F. Ahmed & Co.
Chartered Accountants

# RENATA LIMITED

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 30 JUNE 2018

| | Notes | Amount in Taka 2017- 2018 | 2016-2017 |
|---|---|---|---|
| **Turnover** | 24 | 19,050,008,040 | 16,644,965,966 |
| Cost of sales | 25 | (9,618,291,339) | (8,301,255,277) |
| **Gross profit** | | **9,431,716,701** | **8,343,710,689** |
| Administrative, selling and distribution expenses | 26 | (4,896,772,418) | (4,215,040,459) |
| Other income | 27 | 138,165,628 | 45,292,475 |
| **Operating profit** | | **4,673,109,911** | **4,173,962,705** |
| Finance costs | 28 | (210,012,026) | (201,950,341) |
| **Profit before contribution to workers' participation fund** | | **4,463,097,885** | **3,972,012,364** |
| Contribution to workers' participation fund | | (216,653,067) | (192,017,973) |
| **Profit before tax** | | **4,246,444,818** | **3,779,994,391** |
| **Tax expenses** | | | |
| Current tax | 23 | (1,066,654,550) | (907,245,115) |
| Deferred tax | 19 | (73,608,881) | (194,675,391) |
| | | **(1,140,263,431)** | **(1,101,920,506)** |
| **Net profit after tax for the year** | | **3,106,181,387** | **2,678,073,885** |
| **Attributable to:** | | | |
| Equity holders of Renata Limited | | 3,106,187,500 | 2,678,059,501 |
| Non-controlling interests | | (6,113) | 14,384 |
| **Total profit after tax for the year** | | **3,106,181,387** | **2,678,073,885** |
| **Other comprehensive income** | | | |
| Net profit after tax for the year | | 3,106,181,387 | 2,678,073,885 |
| ***Item that may be reclassified to profit or loss*** | | | |
| Unrealized gain/(loss) on quoted shares, net of tax | | 6,884,382 | 18,221,927 |
| **Total comprehensive income for the year** | | **3,113,065,769** | **2,696,295,812** |
| **Attributable to:** | | | |
| Equity holders of Renata Limited | | 3,113,071,481 | 2,696,278,000 |
| Non-controlling interests | | (5,712) | 17,812 |
| **Total comprehensive income for the year** | | **3,113,065,769** | **2,696,295,812** |
| **Basic earnings per share** | 30 | **44.35** | **38.24** |

*The annexed notes 1 to 41 form an integral part of these financial statements.*

CEO & Managing Director

Chief Financial Officer

*As per our annexed report of same date.*

Dated, Dhaka
27 October 2018

S. F. Ahmed & Co.
Chartered Accountants

# RENATA LIMITED
## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2018

Amount in Taka

| Particulars | Attributable to equity holders of Renata Limited | | | | | | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|---|---|
| | Share capital | Revaluation surplus | Tax holiday reserve | Available for sale reserve | Retained earnings | Equity for Renata Limited | | |
| **Balance at 01 July 2016** | **529,535,140** | **156,281,949** | **46,643,337** | **31,640,743** | **10,176,639,171** | **10,940,740,340** | **56,911** | **10,940,797,251** |
| Stock dividend issued | 79,430,270 | - | - | - | (79,430,270) | - | - | - |
| Final dividend | - | - | - | - | (450,104,869) | (450,104,869) | - | (450,104,869) |
| Interim dividend | - | - | - | - | (243,586,164) | (243,586,164) | - | (243,586,164) |
| Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve, net | - | (361,030) | - | - | - | (361,030) | - | (361,030) |
| Depreciation adjustment on revalued assets | - | (635,885) | - | - | 635,885 | - | - | - |
| Adjustment for non-controlling interest share of tax holiday reserve | - | - | (5,664) | - | 5,664 | - | - | - |
| Net profit after tax for the year | - | - | - | - | 2,678,059,501 | 2,678,059,501 | 14,384 | 2,678,073,885 |
| Unrealized gain/(loss) on quoted shares | - | - | - | 18,218,499 | - | 18,218,499 | 3,428 | 18,221,927 |
| **Balance at 30 June 2017** | **608,965,410** | **155,285,034** | **46,637,673** | **49,859,242** | **12,082,218,918** | **12,942,966,277** | **74,723** | **12,943,041,000** |
| **Balance at 01 July 2017** | **608,965,410** | **155,285,034** | **46,637,673** | **49,859,242** | **12,082,218,918** | **12,942,966,277** | **74,723** | **12,943,041,000** |
| Stock dividend issued | 91,344,811 | - | - | - | (91,344,811) | - | - | - |
| Final dividend | - | - | - | - | (548,068,869) | (548,068,869) | - | (548,068,869) |
| Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve | - | 158,972 | - | - | - | 158,972 | - | 158,972 |
| Depreciation adjustment on revalued assets | - | (635,885) | - | - | 635,885 | - | - | - |
| Net profit after tax for the year | - | - | - | - | 3,106,187,500 | 3,106,187,500 | (6,113) | 3,106,181,387 |
| Unrealized gain/(loss) on quoted shares | - | - | - | 6,883,982 | - | 6,883,982 | 400 | 6,884,382 |
| **Balance at 30 June 2018** | **700,310,221** | **154,808,121** | **46,637,673** | **56,743,224** | **14,549,628,623** | **15,508,127,862** | **69,010** | **15,508,196,872** |

CEO & Managing Director

Chief Financial Officer

# RENATA LIMITED
## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 30 JUNE 2018

| | | Notes | Amount in Taka 2017 - 2018 | 2016 - 2017 |
|---|---|---|---|---|
| **A.** | **Cash flows from operating activities** | | | |
| | Collection from customers and other income | | 22,607,991,534 | 19,756,720,701 |
| | Payment of VAT | | (2,743,843,030) | (2,298,536,613) |
| | Payment to suppliers and employees | | (15,968,422,518) | (12,493,486,552) |
| | **Cash generated by operation** | | **3,895,725,986** | **4,964,697,536** |
| | Finance costs | | (210,012,026) | (201,950,341) |
| | Payment of tax | | (1,016,344,496) | (1,111,976,694) |
| | ***Net cash generated from operating activities*** | 31 | **2,669,369,464** | **3,650,770,501** |
| **B.** | **Cash flows from investing activities** | | | |
| | Purchase of property, plant and equipment | | (1,268,692,528) | (1,279,364,528) |
| | Investment in shares and others | | (704,278,357) | (763,605,722) |
| | Income from investment | | 5,157,215 | 8,402,908 |
| | Sale proceeds of property, plant and equipment | | 540,000 | 20,760,963 |
| | ***Net cash used in investing activities*** | | **(1,967,273,670)** | **(2,013,806,379)** |
| **C.** | **Cash flows from financing activities** | | | |
| | Loan (repaid) / received (net) | | 275,339,399 | (774,246,530) |
| | Dividend paid | | (545,637,242) | (685,184,435) |
| | ***Net cash used in financing activities*** | | **(270,297,843)** | **(1,459,430,965)** |
| **D.** | **Net cash inflow for the year (A+B+C)** | | 431,797,951 | 177,533,157 |
| **E.** | **Cash and cash equivalents at the beginning of the year** | | 651,934,491 | 474,401,334 |
| **F.** | **Cash and cash equivalents at the end of the year (D+E)** | | **1,083,732,442** | **651,934,491** |
| | **Net operating cash flow per share** | 32 | **38.12** | **52.13** |

CEO & Managing Director

Director

Chief Financial Officer

SHAMAR STOCK

# RENATA LIMITED
## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 1. Reporting entity

### 1.1 Company profile
Renata Limited (the "Company") is a Public Limited Company incorporated in Bangladesh in 1972 as Pfizer Laboratories (Bangladesh) Limited under the Companies Act 1913. The Company was listed with Dhaka Stock Exchange Limited on 12 May 1979. Subsequently, the Company was renamed as Renata Limited in 1993. The registered office of the Company is situated at Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216.

### 1.2 Principal activities
The principal activities of the Company are manufacturing, marketing and distribution of pharmaceutical and animal health products.

### 1.3 Subsidiaries
Subsidiaries are entities controlled by Renata Limited. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The followings are the subsidiaries of Renata Limited:

**Renata Agro Industries Limited**
Renata Agro Industries Limited, a subsidiary Company of Renata Limited, was incorporated on 7 September 1997 as a private limited Company under the Companies Act 1994 with authorized share capital of Tk. 150,000,000 divided into 1,500,000 ordinary shares of Tk. 100 each. The Company commenced its commercial operation from October 1998. The principal activities of the Company comprise of poultry breeding and hatching and selling of various agro based products.

**Purnava Limited**
Purnava Limited, a subsidiary Company of Renata Limited, was incorporated on 17 August 2004 as a private limited Company under the Companies Act 1994 with authorized share capital of Tk. 200,000,000 divided into 2,000,000 ordinary shares of Tk. 100 each. The Company commenced its commercial operation in 2009. The principal activities of the Company are manufacturing, marketing and distribution of all kinds of consumer goods, consumer durables, food items, edible oils etc. and to engage in the business as traders, importers, exporters, commission agents of all kinds of goods and services including pharmaceutical products.

**Renata Oncology Limited**
Renata Oncology Limited, a subsidiary Company of Renata Limited, was incorporated on 12 August 2012 as a private limited Company under the Companies Act 1994 with authorized share capital of Tk. 1,000,000,000 divided into 100,000,000 ordinary shares of Tk. 10 each. The principal activities of the Company are manufacturing, marketing and distribution of drugs and medicines, allopathic and indigenous and particularly produce and prepare biological and non-biological drugs, injectables of all kinds of tablets of all sorts, serum, vaccines syrup both medicated and non-medicated.

**Renata (UK) Limited**
Renata (UK) Limited, a subsidiary Company of Renata Limited, was incorporated on 26 September 2013 as a private limited Company under the UK Companies Act 2006. The registered office of the Company is situated at Greenway Business Centre, Harlow Business Park, Harlow, England, CM19 5QE.

### 2. Basis of preparation of financial Statements

### 2.1 Reporting framework and compliance thereof
The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and other relevant local laws as applicable, and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs).

### 2.2 Measurement of elements in the financial statements
Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Renata Limited is historical cost except for few of the property, plant and equipment, financial assets and inventories which are stated in accordance with the policies mentioned in the respective notes.

## 2.3 Basis of consolidation

The group financial statements include the financial statements of Renata Limited and subsidiaries that it controls. The company prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Consolidation of an investee shall begin from the date the investor obtains control of the investee and cease when the investor loses control of the investee. Intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group are eliminated in full. Profits or losses resulting from intra-group transactions that are recognised in assets are eliminated in full. The company presents non-controlling interests in the consolidated statement of financial position within equity, separately from the equity of the owners of Renata Limited.

## 2.4 Functional and presentational currency and level of precision

The financial statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information is presented in BDT and has been rounded off to the nearest BDT.

## 2.5 Use of estimates and judgment

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

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

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, net realizable value of inventories, accruals, taxation and provision.

## 2.6 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever 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.

## 2.7 Going Concern

When preparing financial statements, management makes an assessment of Renata Limited's ability to continue as a going concern. Renata Limited prepares financial statements on a going concern basis.

## 2.8 Accrual basis of accounting

Renata Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, Renata Limited recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

## 2.9 Materiality and aggregation

Renata Limited presents separately each material class of similar items. The Company presents separately items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

## 2.10 Offsetting

Renata Limited does not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

## 2.11 Date of authorization for issue of the financial statements

On 27 October 2018 the Board of Directors reviewed the financial statements and authorized them for issue.

## 3. Summary of significant accounting policies

Renata Limited selects and applies its accounting policies consistently for similar transactions, other events and conditions, unless a BFRS specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all period presented in these financial statements:

**Changes in accounting policies**

Renata Limited changes its accounting policy only if the change is required by a BFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company's financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

**Changes in accounting estimates**
Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account.

**Correction of error in prior period financial statements**
Renata Limited corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

## 3.1 Property, plant and equipment (PPE)

**Recognition and measurement**
The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits will flow to Renata Limited and the cost of the item can be measured reliably. An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost.

**Elements of Costs**

- Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

**Subsequent Costs**

- Costs of day to day servicing [repairs and maintenance] are recognized as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

**Measurement of property, plant and equipment after recognition**

**Cost model**
After recognition as an asset, an item of property, plant and equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

**Revaluation model**
After recognition as an asset, an item of property, plant and equipment is to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings as the asset is used by Renata Limited.

**Depreciation**
The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate. Depreciation has been charged on straight-line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged from the month the asset is put into use and no depreciation is charged for the month of disposal. Rates of depreciation considering the useful lives of respective assets are as follows:

| Asset Type | Depreciation rate (%) | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| Buildings | 1.54-5 | 1.54-5 |
| Plant and machinery | 5-20 | 5-20 |
| Automobiles | 20-25 | 20-25 |
| Office equipment | 10-12.5 | 10-12.5 |
| Furniture and fixtures | 10 | 5-20 |

**Derecognition of property, plant and equipment**
The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognised. When the revalued assets are disposed off, the respective revaluation surplus is transferred to retained earnings.

### 3.2 Capital- work- in progress

Capital work in progress represents the cost incurred for acquisition and construction of items of property, plant and equipment that were not ready for use at the end of 30 June 2018 and these were -stated at cost. In case of import components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group, i.e. at the time shipment is confirmed by the supplier.

### 3.3 Impairment of Assets

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on a non-revalued asset is recognised in profit or loss. However, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

Renata Limited assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, Renata Limited estimates the recoverable amount of the asset.

### 3.4 Financial Instruments

### 3.4.1 Financial assets

**Investment in shares**

Investment in shares are classified as available for sale financial assets and initially measured at the fair value of the consideration given (i.e. cost) plus (in most cases) transaction costs that are directly attributable to the acquisition of the financial asset. Investments in shares are re-measured to fair value, without any deduction for transaction costs that may be incurred on sale or other disposal. Gains and losses on re-measurement is recognised as follows:

- Impairment losses are recognised in profit or loss.
- All other gains and losses are recognised in other comprehensive income and held in a separate component in equity. On derecognition, either through sale or impairment, gains and losses previously recognised in other comprehensive income is reclassified to profit or loss, becoming part of the gain or loss on derecognition.

**Trade Receivables**

Trade receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values. Bad debts are written off when it is established that they are irrecoverable. Specific allowance is made for known doubtful debts. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the financial position date.

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.4.2 Financial liabilities

**Borrowings**
Borrowings are recorded at the amount of proceeds received. Borrowings are re-measured at amortised cost using the effective interest method.

**Trade payables**
Trade payables are stated at cost which approximates the fair value of the consideration to be paid in the future for goods and services received.

### 3.4.3 Impairment of financial assets

At each year end, Renata Limited assesses whether there is any objective evidence that a financial asset or group of assets is impaired. Where there is objective evidence of impairment, Renata Limited determines the amount of any impairment loss.

### 3.5 Inventories

**Measurement**
Inventories are measured at the lower of cost and net realizable value except for goods in transit which are valued at cost.

**Cost of inventories**
The cost of inventories are comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of active materials, raw materials and packing materials is assigned by using the first-in, first-out (FIFO) cost formula. Cost of work-in-progress and finished stocks are determined by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The Company uses standard cost method for measurement of cost of finished goods.

**Recognition as an expense**
When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 3.6 Other liabilities

**Recognition**
A provision is recognised when Renata Limited 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.If these conditions are not met, no provision is recognised.

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

Renata Limited does not recognise a contingent liability. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Renata Limited does not recognise a contingent asset. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to Renata Limited.

**Measurement of provisions**
The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

**Changes and use of provisions**

Provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

### 3.7 Post-employment benefits

**Defined contribution plan**
The Company operates a recognized provident fund scheme where employees contribute 8.33% up to 5 years and over 5

years 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees. Renata Limited recognises contributions payable as an expense in the period in which the employee provides services. A liability is recognised where contributions arise in relation to an employee's service, but remain unpaid at the period end.

**Defined benefit plan**
The Company had operated an unfunded gratuity plan till 29 December 2015 and thereafter, effective from 30 December 2015, the scheme has been converted to a funded one. Employees are entitled to get gratuity benefit after completion of minimum seven years of service with the Company. The gratuity is calculated on the last drawn basic pay and is payable at the rate of one month's basic pay for every completed year of service while one and half months' basic pay for more than ten years of service. Actuarial valuation of the fund is carried out at 31 December 2016 by a professional actuary.

**Group insurance scheme**
The Company operates a group insurance scheme for its permanent employees.

Worker's participation and welfare fund
The Company has created a workers' participation and welfare fund in compliance with "The Bangladesh Labour Act, 2006" (as amended in 2013) and 5% of profit before charging such expenses is transferred to this fund.

## 3.8 Borrowing cost

Renata Limited capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Renata Limited recognises other borrowing costs as an expense in the period in which it incurs them.

## 3.9 Reporting foreign currency transactions

**Initial recognition**
A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

**Subsequent measurement**
A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities is translated into Renata Limited's functional currency at each reporting date. Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise.

## 3.10 Revenue recognition

Revenue is recognized upon invoicing the customers for goods sold and delivered net off returns, allowances and trade discounts. Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the Company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the Company.

## 3.11 Taxation

The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the income statement, except in the case it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

**Current tax**
The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Deferred tax**

**Principle of recognition**
Deferred tax is recognised as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with as other comprehensive income is recognised as tax relating to other comprehensive income within the statement of profit or loss and other comprehensive income.

Deferred tax relating to items dealt with directly in equity (such as the correction of an error or retrospective application of a change in accounting policy) is recognised directly in equity.

**Taxable temporary difference**

A deferred tax liability is recognised for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

**Deductible temporary difference**

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

**Measurement**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## 3.12 Earnings per share [EPS]

**Basic EPS**

Renata Limited calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Renata Limited presents basic earnings per share in the statement of profit or loss and other comprehensive income. The company presents basic earnings per share with equal prominence for all periods presented. Renata Limited presents basic earnings per share, even if the amounts are negative (i.e. a loss per share).

## 3.13 Statement of cash flows

Statement of cash flows has been prepared in accordance with the Bangladesh Accounting Standard BAS-7, 'Statement of Cash Flows' under direct method. Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.14 Operating segments

As there is a single business and geographic segment within which the Company operates, no segment reporting is felt necessary.

## 3.15 Related party disclosures

Relationship between a parent and its subsidiaries is disclosed irrespective of whether there have been transactions between them. Renata Limited discloses key management personnel compensation. The company discloses the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements.

## 3.16 Events after the reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified: adjusting events: those that provide evidence of conditions that existed at the end of the reporting period and non adjusting events: those that are indicative of conditions that arose after the reporting period.

## 3.17 Financial risk management

Renata Limited's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business. Renata Limited's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on Renata Limited's financial performance. Renata Limited's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Renata Limited regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

**Credit risk**
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of Renata Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Renata Limited's asset portfolio. The credit risk management and control are controlled through the credit policies of Renata Limited which are updated regularly. The Company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

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

The Company's approach toward 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 equivalents to meet expected operational expenses, including the servicing of financial obligations through preparation of the cash forecast prepared based on time line of payment of the financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due date.

**Market risk**
Renata Limited takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and currency, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads and foreign exchange rates.

**a) Currency risk**
The Company is exposed to currency risk on certain receivables and payables such as receivables from foreign customers and payables for import of raw materials, machinery and equipment. The majority of the Company's foreign currency transactions is denominated in US Dollar and relates to procurement of raw materials, machinery and equipment from abroad.

**b) Interest rate risk**
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Renata Limited takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise.

## 4. Director's responsibilities statement
The Board of Directors of respective companies is responsible for the preparation and presentation of the financial statements of Renata Limited and its subsidiaries.

## 5. Property, plant and equipment

Amount in Taka

| Particulars | Cost / Revaluation | | | | Rate % | Depreciation | | | | Written down value as at 30 June 2018 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1 July 2017 | Addition during the year | Disposal / adjustment during the year | Balance as at 30 June 2018 | | Balance as at 1 July 2017 | Charge for the year | Disposal / adjustment during the year | Balance as at 30 June 2018 | |
| Freehold land | | | | | | | | | | |
| At cost | 1,186,527,988 | 19,113,429 | - | 1,205,641,417 | | - | - | - | - | 1,205,641,417 |
| On revaluation | 179,132,078 | - | - | 179,132,078 | | - | - | - | - | 179,132,078 |
| | 1,365,660,066 | 19,113,429 | - | 1,384,773,495 | | - | - | - | - | 1,384,773,495 |
| Buildings | | | | | | | | | | |
| At cost | 3,435,095,245 | 133,730,734 | - | 3,568,825,979 | 1.54-5 | 579,927,991 | 116,344,209 | - | 696,272,200 | 2,872,553,779 |
| On revaluation | 41,291,251 | - | - | 41,291,251 | 1.54-5 | 13,376,616 | 635,885 | - | 14,012,501 | 27,278,750 |
| | 3,476,386,496 | 133,730,734 | - | 3,610,117,230 | | 593,304,607 | 116,980,094 | - | 710,284,701 | 2,899,832,529 |
| Plant and machinery | 7,512,846,118 | 591,705,242 | 5,197,600 | 8,099,353,760 | 5-20 | 2,420,336,752 | 496,819,277 | 4,061,530 | 2,913,094,499 | 5,186,259,261 |
| Automobiles | 398,875,778 | 39,364,132 | 1,650,000 | 436,589,910 | 20-25 | 215,901,937 | 69,084,131 | 1,650,000 | 283,336,068 | 153,253,842 |
| Office equipment | 365,684,009 | 355,650,777 | 175,000 | 721,159,786 | 10 -12.5 | 179,871,059 | 49,090,491 | 74,411 | 228,887,139 | 492,272,647 |
| Furniture and fixtures | 152,686,386 | 11,253,969 | - | 163,940,355 | 10 | 63,278,450 | 14,462,561 | - | 77,741,011 | 86,199,344 |
| **Total 30 June 2018** | **13,272,138,853** | **1,150,818,283** | **7,022,600** | **14,415,934,536** | | **3,472,692,805** | **746,436,554** | **5,785,941** | **4,213,343,418** | **10,202,591,118** |
| **Total 30 June 2017** | **12,390,077,644** | **924,333,722** | **42,272,513** | **13,272,138,853** | | **2,840,982,204** | **672,687,847** | **40,977,246** | **3,472,692,805** | **9,799,446,048** |

## 6. Capital work- in-progress

Amount in Taka

| | 30 June 2018 | 30 June 2017 |
|---|---|---|
| Opening balance | 1,258,756,142 | 903,725,332 |
| Addition during the year | 1,093,362,414 | 942,775,277 |
| | **2,352,118,556** | **1,846,500,609** |
| Capitalized as property, plant and equipment | 975,488,174 | 587,744,467 |
| | **1,376,630,382** | **1,258,756,142** |

## 7. Long term investment

| | | |
|---|---|---|
| Investment in Govt. savings certificates | 650,000 | 650,000 |
| Investment in Govt. bonds | 10,572,360 | 11,144,720 |
| | **11,222,360** | **11,794,720** |

## 8. Inventories

| | Amount in Taka | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| Finished goods | | |
| - Pharmaceutical | 378,798,700 | 424,026,166 |
| - Animal health | 576,840,396 | 438,425,059 |
| - Contract manufacturing | 32,943,887 | 57,732,598 |
| - Potent product facility | 50,380,337 | 41,433,943 |
| - Cepha facility | 128,534,303 | 135,781,373 |
| - Penicillin facility | 27,258,958 | 38,101,451 |
| Purnava Limited | 40,007,396 | 32,409,391 |
| Renata Agro Industries Limited | 72,457,197 | 70,312,816 |
| Renata Oncology Limited | 11,156,001 | 13,030,596 |
| | **1,318,377,175** | **1,251,253,393** |
| Work-in-process | 227,932,482 | 182,801,854 |
| Raw materials | 387,805,772 | 494,520,663 |
| Bulk materials | 1,059,170,592 | 642,095,255 |
| Packing materials | 481,193,229 | 382,754,745 |
| Consumable stores, spares and reagent materials | 155,546,952 | 168,455,169 |
| Stock in transit | 447,510,559 | 412,991,688 |
| | **4,077,536,761** | **3,534,872,767** |
| Provision for obsolete inventories | (150,861,028) | (138,801,953) |
| | **3,926,675,733** | **3,396,070,814** |

## 9. Trade and other receivables

**Trade receivables**

| | | |
|---|---|---|
| Trade receivables- unsecured | 2,356,308,362 | 2,101,508,712 |
| Allowance for doubtful receivables | (94,303,965) | (74,250,078) |
| | **2,262,004,397** | **2,027,258,634** |

**Other receivables**

| | | |
|---|---|---|
| Sundry receivables - unsecured but considered good | 79,709,442 | 51,785,609 |
| Value Added Tax (VAT) recoverable | 274,483,934 | 249,743,332 |
| Allowance for doubtful receivables | (1,918,825) | (1,918,825) |
| | **352,274,551** | **299,610,116** |
| | **2,614,278,948** | **2,326,868,750** |

## 10. Advances, deposits and prepayments

**Advances**

| | | |
|---|---|---|
| Loan to employees against motorcycle | 148,591,984 | 90,035,499 |
| Loan to employees against scooter | 869,486 | 1,953,887 |
| Loan to employees against salary | 37,840,534 | 32,011,014 |
| Advance for house rent | 11,539,350 | 10,979,676 |
| Advance VAT | 39,075,695 | 64,710,809 |
| Advance for inventory | 57,209,280 | 23,483,472 |
| Loan to employees | 31,969,250 | 20,896,937 |
| Advance against expenses - travel | 23,932,666 | 18,642,195 |
| Other advances | 16,008,251 | 14,631,000 |
| | **367,036,496** | **277,344,489** |

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| | Amount in Taka | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| **Deposits** | | |
| Tender deposits | 96,299,939 | 13,606,948 |
| Mymensingh Palli Biddut Samity | 12,256,000 | 12,256,000 |
| Gazipur Palli Bidyut Samity | 10,248,000 | 10,248,000 |
| Dhaka Electric Supply Co. (DESCO) Limited | 2,310,000 | 2,310,000 |
| Security deposit to Linde Bangladesh Limited | 880,000 | 880,000 |
| Bangladesh Ansar O Gram Protirokkha Bahini (Bangladesh Ansar and VDP) | 536,461 | - |
| Titas Gas Transmission and Distribution Co. Limited | 331,896 | 455,811 |
| Radison Water Garden Hotel | 200,000 | 200,000 |
| Meghna Model Service Center | 110,000 | 110,000 |
| Bangladesh Customs House, Dhaka Airport | 200,000 | 200,000 |
| Bangladesh Power Development Board, Bogra | 232,534 | 232,534 |
| Bangladesh Power Development Board, Sylhet | 90,000 | 90,000 |
| Bangladesh Power Development Board, Faridpur | 75,000 | 75,000 |
| Bangladesh Power Development Board, Comilla | 40,000 | 40,000 |
| HammerHead Bangladesh Limited | 16,000 | - |
| Bangladesh Petroleum Exploration & Production Co. Limited | 7,000 | 7,000 |
| Dhaka Medical College & Hospital | 1,540 | 1,540 |
| Security deposit to G4S Security Services Bangladesh (P) Ltd. | - | 946,650 |
| Miscellaneous deposits | - | 260,500 |
| | **123,834,370** | **41,919,983** |
| **Prepayments** | | |
| Insurance premium | 5,643,096 | 6,137,291 |
| Advertisement | 4,604,247 | 14,351,141 |
| Miscellaneous | - | 31,040 |
| | **10,247,343** | **20,519,472** |
| | **501,118,209** | **339,783,944** |

## 11. Investment in shares and others

| | | |
|---|---|---|
| Investment in shares (Note-11.1) | 147,223,527 | 154,669,945 |
| Investment in FDR | 1,495,387,500 | 780,000,000 |
| | **1,642,611,027** | **934,669,945** |

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## 11.1 Investment in shares

| | Amount in Taka | | |
|---|---|---|---|
| | Market value | | Cost |
| | 30 June 2018 | 30 June 2017 | 30 June 2018 |
| Square Pharma Limited | 106,343,128 | 97,911,651 | 45,296,940 |
| British American Tobacco Bangladesh Company Limited | 11,234,275 | 9,195,225 | 1,964,918 |
| Beximco Pharmaceuticals Limited | 9,390,000 | - | 11,365,280 |
| Shahjibazar Power Co. Ltd. | 7,028,100 | - | 10,885,870 |
| Grameenphone Ltd. | 5,055,700 | - | 4,996,661 |
| ACI Formulations Limited | 2,455,500 | 3,001,500 | 3,242,427 |
| Bata Shoe Company (Bangladesh) Limited | 2,274,400 | 2,262,600 | 264,501 |
| Central Depository Bangladesh Limited (unquoted) | 1,569,450 | 1,569,450 | 1,569,450 |
| Investment Corporation of Bangladesh | 670,956 | 735,487 | 1,066,263 |
| United Leasing Company Bangladesh Limited | 649,839 | 783,689 | 578,923 |
| United Commercial Bank Limited | 335,210 | 411,394 | 2,603,641 |
| Islami Bank Bangladesh Limited | 133,970 | 181,254 | 163,748 |
| BRAC Bank Limited | 53,400 | 48,420 | 13,905 |
| International Leasing & Finance Services Limited | 15,451 | 13,149 | 39,497 |
| People's Leasing and Financial Services Limited | 11,108 | 11,669 | 117,137 |
| EXIM Bank Limited | 2,118 | 2,172 | 1,494 |
| Social Islami Bank Limited | 922 | 1,193 | 596 |
| Confidence Cement Limited | - | 6,730,000 | - |
| Lafarge Surma Cement Limited | - | 6,290,000 | - |
| Southeast Bank Limited | - | 5,550,000 | - |
| BSRM Steels Limited | - | 5,454,000 | - |
| Baraka Power Limited | - | 4,370,000 | - |
| The City Bank Limited | - | 3,740,000 | - |
| AB Bank 1st Mutual Fund | - | 3,500,000 | - |
| LR Global Bangladesh Mutual Fund One | - | 1,560,000 | - |
| Summit Power Limited | - | 1,347,094 | - |
| | **147,223,527** | **154,669,945** | **84,171,251** |

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| | | Amount in Taka | |
|---|---|---|---|
| **12.** | **Cash and cash equivalents** | **30 June 2018** | **30 June 2017** |
| | **Cash in hand** | **5,499,197** | **5,128,894** |
| | **Cash at bank** | | |
| | Standard Chartered Bank | 399,381,809 | 389,329,381 |
| | Eastern Bank Limited | 358,911,717 | 73,908,594 |
| | Bank Asia Limited | 92,400,352 | 47,672,932 |
| | Commercial Bank of Ceylon PLC | 80,569,502 | 26,115,893 |
| | Sonali Bank Limited | 33,075,321 | 23,954,240 |
| | Citibank N. A. | 23,078,648 | 1,732,817 |
| | Agrani Bank Limited | 22,436,804 | 9,610,772 |
| | The City Bank Limited | 18,534,164 | 1,703,050 |
| | BRAC Bank Limited | 14,327,670 | - |
| | The Hongkong and Shanghai Banking Corporation Limited | 2,262,099 | 51,466,431 |
| | Pubali Bank Limited | 1,632,164 | 3,672,929 |
| | Prime Bank Limited | 1,594,145 | 1,345,191 |
| | Islami Bank Bangladesh Limited | 1,302,615 | 1,810,581 |
| | United Commercial Bank Limited | 1,239,085 | 957,219 |
| | Dutch Bangla Bank Limited | 998,043 | 671,426 |
| | Janata Bank Limited | 142,567 | 625,175 |
| | | **1,051,886,705** | **634,576,631** |
| | Balance with City Bank Capital Resources Limited | 26,339,461 | 12,221,437 |
| | Balance with ICB Securities Trading Company Limited | 7,079 | 7,529 |
| | | **26,346,540** | **12,228,966** |
| | | **1,083,732,442** | **651,934,491** |

| | | | |
|---|---|---|---|
| **13.** | **Share capital** | | |
| | **Authorized share capital** | | |
| | 100,000,000 ordinary shares of Tk.10 each | **1,000,000,000** | **1,000,000,000** |
| | **Issued, subscribed and paid up capital** | | |
| | 1,294,260 ordinary shares of Tk.10 each issued for cash | 12,942,600 | 12,942,600 |
| | 1,724,490 ordinary shares of Tk.10 each issued for consideration other than cash | 17,244,900 | 17,244,900 |
| | 67,012,272 ordinary shares (57,877,791 ordinary shares as at 30 June 2017) of Tk.10 each issued as bonus shares | 670,122,721 | 578,777,910 |
| | | **700,310,221** | **608,965,410** |

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**At 30 June 2018, the shareholding position of the Company was as follows:**

| Name of the shareholders | Nationality / incorporated in | Number of shares | Face value Taka | % of total shareholdings |
|---|---|---|---|---|
| Sajida Foundation | Bangladesh | 35,715,518 | 357,155,181 | 51.0% |
| Business Research International Corp. Inc. | Panama | 15,227,512 | 152,275,120 | 21.7% |
| ICB Unit Fund | Bangladesh | 3,228,218 | 32,282,180 | 4.6% |
| Shadharan Bima Corporation | Bangladesh | 3,063,838 | 30,638,380 | 4.4% |
| Investment Corporation of Bangladesh | Bangladesh | 2,509,791 | 25,097,910 | 3.6% |
| Other shareholders | Bangladesh & others | 10,286,145 | 102,861,450 | 14.7% |
| | | **70,031,022** | **700,310,221** | **100%** |

**Classification of shareholders by holdings:**

| Holdings | 30 June 2018 | | | | |
|---|---|---|---|---|---|
| | No. of shareholders as per folio | No. of shareholders as per BOID | No. of total shareholders | No. of total shareholdings | % of total shareholdings |
| Less than 500 shares | 114 | 2,951 | 3,065 | 339,782 | 0.5% |
| 501 to 5000 shares | 48 | 719 | 767 | 1,239,012 | 1.8% |
| 5,001 to 10,000 shares | 10 | 76 | 86 | 605,325 | 0.9% |
| 10,001 to 20,000 shares | 17 | 46 | 63 | 923,254 | 1.3% |
| 20,001 to 30,000 shares | 7 | 23 | 30 | 761,592 | 1.1% |
| 30,001 to 40,000 shares | - | 9 | 9 | 333,659 | 0.5% |
| 40,001 to 50,000 shares | - | 10 | 10 | 436,414 | 0.6% |
| 50,001 to 100,000 shares | 2 | 24 | 26 | 1,831,717 | 2.6% |
| 100,001 to 1,000,000 shares | 1 | 16 | 17 | 3,815,390 | 5.4% |
| Over 1,000,000 shares | 2 | 4 | 6 | 59,744,877 | 85.3% |
| | **201** | **3,878** | **4,079** | **70,031,022** | **100%** |

## 14. Revaluation surplus

The freehold land and buildings were revalued by a firm of professional valuers in the year 1995 and the resulting increase of value of Tk. 220,423,329 has been shown as revaluation surplus.

| | Amount in Taka | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| Land | 179,132,078 | 179,132,078 |
| Buildings | 27,914,634 | 28,550,519 |
| | **207,046,712** | **207,682,597** |
| Less: Depreciation adjustment on revalued buildings | (635,885) | (635,885) |
| | **206,410,827** | **207,046,712** |
| Less: Adjustment of deferred tax on revaluation surplus | (51,602,706) | (51,761,677) |
| | **154,808,121** | **155,285,034** |

## 15. Tax holiday reserve

| | Amount in Taka | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| Opening balance | 46,637,673 | 46,643,337 |
| Non-controlling interest share of tax holiday reserve | - | (5,664) |
| | **46,637,673** | **46,637,673** |

## 16. Retained earnings

| | | |
|---|---|---|
| Opening balance | 12,082,218,918 | 10,176,639,171 |
| Net profit after tax for the year | 3,106,187,500 | 2,678,059,501 |
| Adjustment for non-controlling interest share of tax holiday reserve | - | 5,664 |
| Stock dividend issued | (91,344,811) | (79,430,270) |
| Final dividend | (548,068,869) | (450,104,869) |
| Interim dividend | - | (243,586,164) |
| Depreciation adjustment on revalued assets | 635,885 | 635,885 |
| | **14,549,628,623** | **12,082,218,918** |

## 17. Non-controlling interests

| | | |
|---|---|---|
| Share capital | 6,200 | 6,200 |
| Retained earnings and reserve (including tax holiday reserve) | 62,810 | 68,523 |
| | **69,010** | **74,723** |

## 18. Long term loan - net off current portion

| | | |
|---|---|---|
| The Hongkong and Shanghai Banking Corporation Limited (Note-18.1) | 99,662,486 | 257,110,932 |
| | **99,662,486** | **257,110,932** |
| **Less : Current portion** | | |
| The Hongkong and Shanghai Banking Corporation Limited | 99,662,486 | 161,200,000 |
| | **99,662,486** | **161,200,000** |
| | - | **95,910,932** |

## 18.1 The Hongkong and Shanghai Banking Corporation Limited

**Details of facility:**

| | | |
|---|---|---|
| Facility limit | : | USD 6,811,696 |
| Validity | : | Up to 18 November 2018. |
| Terms of Repayment | : | Twenty equal quarterly installments commencing from February 2014. |
| Nature of Security | : | i) Registered mortgage over 376.87 decimals industrial land in Rajendrapur where Cepha, Penicillin, and Bottle shed are situated.<br>ii) First Charge over all the present and future inventories, trade receivables, receivables claims, contracts, bills, plant, machinery and equipment of the Renata Limited. |

## 19. Deferred tax liabilities

Deferred tax liabilities have been recognized in accordance with the provision of "BAS-12" based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and its tax base.

| | Amount in Taka | |
|---|---|---|
| | **30 June 2018** | **30 June 2017** |
| Opening balance | 1,170,470,120 | 970,413,404 |
| Addition during the year | 74,214,840 | 200,056,716 |
| | **1,244,684,960** | **1,170,470,120** |

### Computation of deferred tax for the year ended 30 June 2018

| | Amount in Taka | | | |
|---|---|---|---|---|
| | **Carrying amount** | **Tax base** | **Taxable/ (deductable) temporary difference** | **Deferred tax liabilities/ (assets)** |
| Property, plant and equipment excluding cost of land | 9,116,742,389 | 4,064,458,915 | 5,052,283,474 | 1,263,283,623 |
| Provision for doubtful debt | (96,222,790) | - | (96,222,790) | (24,398,249) |
| Provision for gratuity | (5,056,423) | - | (5,056,423) | (505,642) |
| Investment in shares | 147,223,527 | 84,171,251 | 63,052,276 | 6,305,228 |
| **Deferred tax liabilities/(assets) as at 30 June 2018** | | | | **1,244,684,960** |
| **Deferred tax liabilities/(assets) as at 30 June 2017** | | | | **1,170,470,120** |
| Increase in deferred tax liabilites/(assets) during the year | | | | **74,214,840** |
| **Allocation of deferred tax liabilites/(assets) during the year** | | | | |
| Charged to available for sale reserve (OCI) | | | | 764,931 |
| Adjustment for reduction of revaluation surplus due to charges of extra depreciation | | | | (158,972) |
| Charged to profit or loss | | | | 73,608,881 |
| | | | | **74,214,840** |

## Computation of deferred tax for the year ended 30 June 2017

| | Amount in Taka | | | |
|---|---|---|---|---|
| | Carrying amount | Tax base | Taxable/ (deductable) temporary difference | Deferred tax liabilities/ (assets) |
| Property, plant and equipment excluding cost of land | 8,727,372,529 | 4,028,036,680 | 4,699,335,849 | 1,183,485,009 |
| Provision for doubtful debt | (73,130,747) | - | (73,130,747) | (18,282,687) |
| Provision for gratuity | (778,569) | - | (778,569) | (272,499) |
| Investment in shares | 154,669,945 | 99,266,981 | 55,402,964 | 5,540,297 |
| **Deferred tax liabilities/(assets) as at 30 June 2017** | | | | **1,170,470,120** |
| **Deferred tax liabilities/(assets) as at 30 June 2016** | | | | **970,413,404** |
| Increase in deferred tax liabilites/(assets) during the year | | | | **200,056,716** |
| **Allocation of deferred tax liabilites/(assets) during the year** | | | | |
| Charged to available for sale reserve (OCI) | | | | 5,540,297 |
| Adjustment for reduction of revaluation surplus due to charges of extra depreciation | | | | (158,972) |
| Charged to profit or loss | | | | 194,675,391 |
| | | | | **200,056,716** |

## 20. Short term loan and overdrafts

Amount in Taka

| | 30 June 2018 | 30 June 2017 |
|---|---|---|
| **Short term bank loan** | | |
| Eastern Bank Limited (Note-20.1) | 189,276,512 | 112,396,964 |
| The City Bank Limited (Note-20.2) | 313,599,925 | 18,183,750 |
| Standard Chartered Bank (Note-20.3) | 446,170,970 | 529,563,134 |
| Citibank N. A. (Note-20.4) | 307,939,988 | 531,479,144 |
| Bank Asia Limited (Note-20.5) | 301,425,128 | 147,595,001 |
| Commercial Bank of Ceylon PLC (Note-20.6) | 835,117,302 | 335,301,831 |
| | **2,393,529,825** | **1,674,519,824** |
| **Overdraft** | | |
| Eastern Bank Limited (Note-20.1) | 10,879,800 | 98,291,985 |
| The City Bank Limited (Note-20.2) | - | - |
| Standard Chartered Bank (Note-20.3) | - | - |
| Citibank N. A. (Note-20.4) | - | - |
| Bank Asia Limited (Note-20.5) | 832,173 | 172,530,032 |
| Commercial Bank of Ceylon PLC (Note-20.6) | - | 27,112,113 |
| | **11,711,973** | **297,934,129** |
| | **2,405,241,798** | **1,972,453,954** |

The terms and conditions of the facility available for Overdraft, Acceptance, LATR, Revolving, Import and Demand loan are as follows:

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## 20.1 Eastern Bank Limited

**Overdraft**

| | | |
|---|---|---|
| Purpose | : | To finance overhead cost and duty payment. |
| Facility limit | : | Tk. 100 million. |
| Repayment | : | Within 365 days from the date of disbursement. |

**Letter of credit/ Acceptance (Sight / Usance)**

| | | |
|---|---|---|
| Purpose | : | To import plant and machinery. |
| Facility limit | : | Combined Tk. 650 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Import finance**

| | | |
|---|---|---|
| Purpose | : | To import raw materials. |
| Facility limit | : | Combined Tk. 650 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.
iii) Registered hypothecation by way of pari passu with RJSC on entire inventory book debts and other floating assets and plant and machinery of the Company in favor of Eastern Bank Limited.

## 20.2 The City Bank Limited

**Letter of credit/ Acceptance (Sight / Usance)**

| | | |
|---|---|---|
| Purpose | : | To import API, excipient, packing materials and finished materials. |
| Facility limit | : | Combined Tk. 320 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Import finance**

| | | |
|---|---|---|
| Purpose | : | To retire sight Letter of credit documents opened for procurement of API, excipient, packing materials and finished materials. |
| Facility limit | : | Combined Tk. 320 million. |
| Repayment | : | Within 180/150 days from the date of disbursement. |

**Short term loan**

| | | |
|---|---|---|
| Purpose | : | For payment of duty and other charges related to import and VAT. |
| Facility limit | : | Tk. 100 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Overdraft**

| | | |
|---|---|---|
| Purpose | : | To meet the day to day operating, promotional, and marketing expenses. |
| Facility limit | : | Tk. 80 million. |
| Repayment | : | Within 365 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
ii) First charge over all present and future plant and machinery of Renata Limited with RJSC on pari passu security sharing basis with the existing lenders.

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## 20.3 Standard Chartered Bank

**Letter of credit**

| | | |
|---|---|---|
| Purpose | : | To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business. |
| Facility limit | : | Combined Tk. 1,200 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Loan against Trust Receipt (LATR)**

| | | |
|---|---|---|
| Purpose | : | Retirement of documents of only sight letter of credits. |
| Facility limit | : | Combined Tk. 1,200 million. |
| Repayment | : | Within 180 / 365 days from the date of disbursement. |

**Overdraft**

| | | |
|---|---|---|
| Purpose | : | For working capital purposes. |
| Facility limit | : | Tk. 100 million. |
| Repayment | : | Overdraft to be cleaned up for 4 days in one year. |

**Acceptance**

| | | |
|---|---|---|
| Purpose | : | To provide acceptance against letter of credits issued by the bank. |
| Facility limit | : | Combined Tk. 1,200 million. |
| Repayment | : | Within 180 / 365 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.

ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.4 Citibank N. A.

**Letter of credit/ Acceptance (Sight / Usance)**

| | | |
|---|---|---|
| Purpose | : | To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business. |
| Facility limit | : | Combined USD 7,020,000. |
| Repayment | : | Within 180/ 360 days from the date of disbursement. |

**Import finance**

| | | |
|---|---|---|
| Purpose | : | To refinance import letter of credits. |
| Facility limit | : | Combined USD 7,020,000. |
| Repayment | : | Within 119 days from the date of disbursement. |

**Short term loan**

| | | |
|---|---|---|
| Purpose | : | To finance local purchase of active and raw materials, packing materials, capital machinery, spares and other items required for regular course of business. |
| Facility limit | : | Combined USD 7,020,000. |
| Repayment | : | Within 119 days from the date of disbursement. |

**Overdraft**

| | | |
|---|---|---|
| Purpose | : | To finance regular selling, general and administrative expenses. |
| Facility limit | : | Combined USD 980,000. |
| Repayment | : | On demand. |

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**Cheque purchase/ Cash management line**

| | | |
|---|---|---|
| Purpose | : | To facilitate the cash management funds of day 0 or day 1. |
| Facility limit | : | Combined USD 7,020,000. |
| Repayment | : | Within 7 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.

ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.5 Bank Asia Limited

**Revolving letter of credit**

| | | |
|---|---|---|
| Purpose | : | To import raw materials, machineries and spare parts for the Company. |
| Facility limit | : | Tk. 400 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Revolving LATR**

| | | |
|---|---|---|
| Purpose | : | Retirement of documents of only sight letter of credits. |
| Facility limit | : | Tk. 250 million. |
| Repayment | : | Within 120 days from the date of disbursement. |

**Overdraft**

| | | |
|---|---|---|
| Purpose | : | For payment of duty VAT, taxes and operating expenses. |
| Facility limit | : | Tk. 350 million. |

**Revolving demand loan**

| | | |
|---|---|---|
| Purpose | : | For procurement of pharmaceuticals and packing materials from local sources. |
| Facility limit | : | Tk. 400 million. |
| Repayment | : | Within 180 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.

ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.6 Commercial Bank of Ceylon PLC

| | | |
|---|---|---|
| Facility limit | : | Tk. 1,500 million. |
| Repayment | : | Within 90 days from the date of disbursement. |

**Security**

i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.

ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

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## 21. Trade payables

| | Amount in Taka | |
|---|---|---|
| | 30 June 2018 | 30 June 2017 |
| Payable to suppliers | 232,639,979 | 184,356,325 |
| Toll manufacturing charges (Sharif and NAFCO) | 11,024,490 | 586,697 |
| Payables for consumable - plant | - | 17,470,000 |
| | **243,664,469** | **202,413,022** |

## 22. Other payables

| | | |
|---|---|---|
| VAT, PF, gratuity and other payables | 703,623,124 | 1,144,588,336 |
| Workers' participation fund | 268,801,357 | 243,180,200 |
| Advance from customers | 52,491,526 | 213,008 |
| Royalty payable | 15,044,439 | 12,636,465 |
| Export commission payable | 7,637,713 | 14,126,178 |
| | **1,047,598,159** | **1,414,744,187** |

## 23. Provision for taxation

| | | |
|---|---|---|
| Opening balance | 759,091,639 | 960,375,348 |
| Provision made during the year | 1,066,654,550 | 907,245,115 |
| | **1,825,746,189** | **1,867,620,463** |
| Payment made during the year | (1,015,934,714) | (1,106,241,105) |
| Adjustment during the year | - | (2,287,719) |
| | **809,811,475** | **759,091,639** |

## 24. Turnover (Net)

| | Amount in Taka | |
|---|---|---|
| | 2017 - 2018 | 2016 - 2017 |
| Renata Limited | 18,453,742,873 | 15,961,286,528 |
| Renata Agro Industries Limited | 347,546,214 | 524,473,608 |
| Purnava Limited | 248,718,953 | 159,205,830 |
| Renata Oncology Limited | - | - |
| | **19,050,008,040** | **16,644,965,966** |

During the year, sale of pharmaceuticals products includes export sales of Tk. 608,245,196 equivalent to US$ 7,429,526 (Tk.990,112,975 equivalent to US$ 12,564,971 for the year ended 30 June 2017).

## 25. Cost of sales

| | | |
|---|---|---|
| Renata Limited | 9,228,172,982 | 7,940,504,696 |
| Renata Agro Industries Limited | 348,258,197 | 338,536,388 |
| Purnava Limited | 12,794,014 | 22,214,193 |
| Renata Oncology Limited | 29,066,146 | - |
| | **9,618,291,339** | **8,301,255,277** |

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## 26. Administrative, selling and distribution expenses

| | Amount in Taka | |
|---|---|---|
| | 2017 - 2018 | 2016 - 2017 |
| Salaries, wages and allowances | 1,809,093,956 | 1,648,557,452 |
| Fuel and power | 78,268,520 | 53,541,120 |
| Rent, rates and taxes | 48,161,498 | 41,107,776 |
| Insurance | 22,570,135 | 19,738,946 |
| Travelling, moving and entertainment expenses | 337,951,956 | 291,452,401 |
| Repairs and maintenance | 47,308,473 | 33,294,131 |
| Cleaning & security services | 49,661,007 | 33,200,104 |
| Legal and professional expense | 1,129,203 | 1,941,372 |
| Bad debts expenses | 19,972,849 | 16,095,308 |
| Audit fee | 1,069,000 | 952,750 |
| Directors' fee | 370,000 | 290,000 |
| Membership fees and subscription | 3,863,494 | 4,101,244 |
| Meeting and corporate expense | 92,099,296 | 82,809,809 |
| Advertising and sales promotion | 402,028,887 | 329,279,857 |
| Field expenses | 999,880,762 | 818,385,449 |
| Depreciation | 117,536,620 | 91,191,815 |
| Printing and stationery | 43,043,339 | 33,584,783 |
| Postage, telex, fax and telephone | 51,002,394 | 53,253,369 |
| Distribution freight | 385,641,923 | 298,029,495 |
| Lunch, snacks, tea and welfare expense | 188,720,207 | 178,581,051 |
| Other overhead expenses | 197,398,899 | 185,652,227 |
| | **4,896,772,418** | **4,215,040,459** |

## 27. Other income

| | | |
|---|---|---|
| Gain/(loss) from sale of quoted shares | (1,849,667) | 2,902,706 |
| Dividend income | 3,720,419 | 2,808,734 |
| Interest income | 124,600,437 | 17,463,809 |
| Scrap sales | 12,391,098 | 2,789,276 |
| Gain/(loss) on disposal of property, plant and equipment | (696,659) | 19,327,950 |
| | **138,165,628** | **45,292,475** |

## 28. Finance costs

| | | |
|---|---|---|
| Interest expenses | 87,866,789 | 128,771,786 |
| Exchange loss | 107,861,495 | 60,982,043 |
| Bank charges | 14,283,742 | 12,196,512 |
| | **210,012,026** | **201,950,341** |

## 29. Net asset value per share (NAV)

**The computation of NAV is given below:**

| | | |
|---|---|---|
| Equity attributable to the ordinary shareholders | 15,508,127,862 | 12,942,966,277 |
| Weighted average number of ordinary shares outstanding during the year (Note-29.1) | 70,031,022 | 70,031,022 |
| **Net asset value per share (NAV)** | **221.45** | **184.82** |

## 29.1 Weighted average number of shares outstanding during the year

| | Amount in Taka |
|---|---|
| | 2017 - 2018 |
| Opening number of shares | 60,896,541 |
| Bonus shares issued in December 2017 | 9,134,481 |
| | **70,031,022** |

## 30. Basic earnings per share (EPS)

| | Amount in Taka | |
|---|---|---|
| | 2017 - 2018 | 2016 - 2017 |
| **The computation of EPS is given below:** | | |
| Earnings attributable to the ordinary shareholders (net profit after tax for the year) | 3,106,187,500 | 2,678,059,501 |
| Weighted average number of ordinary shares outstanding during the year (Note-29.1) | 70,031,022 | 70,031,022 |
| **Basic earnings per share (EPS)** | **44.35** | **38.24** |

Last year's EPS has been adjusted as per the requirement of BAS-33 "Earnings Per Share"

## 31. Net cash generated from operating activities

| | 2017 - 2018 |
|---|---|
| Profit before tax | 4,246,444,818 |
| *Adjustments for:* | |
| Depreciation and amortization expenses | 747,008,915 |
| Provision for bad debts & others | 19,782,231 |
| Finance costs | 210,012,026 |
| Loss on disposal of property, plant and equipment | 696,659 |
| Loss from sale of quoted shares | 1,849,667 |
| Income from investment | (5,157,215) |
| **Cash generated from operations before working capital changes** | **5,220,637,101** |
| *Adjustments for:* | |
| (Increase)/ decrease in inventories | (530,604,919) |
| (Increase)/ decrease in trade and other receivables | (307,464,084) |
| (Increase)/ decrease in advances, deposits and prepayments | (160,947,532) |
| Increase/ (decrease) in trade payables | 41,251,449 |
| Increase/ (decrease) in other payables | (367,146,029) |
| **Cash generated by operations** | **3,895,725,986** |
| Finance costs | (210,012,026) |
| Payment of tax | (1,016,344,496) |
| **Net cash generated from operating activities** | **2,669,369,464** |

## 32. Net operating cash flow per share

| | Amount in Taka | |
|---|---|---|
| | 2017 - 2018 | 2016 - 2017 |
| **The computation of net operating cash flow per share is given below:** | | |
| Net cash generated from operating activities | 2,669,369,464 | 3,650,770,501 |
| Weighted average number of ordinary shares outstanding during the year (Note-29.1) | 70,031,022 | 70,031,022 |
| **Net operating cash flow per share** | **38.12** | **52.13** |

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## 33. Payments to directors and officers

The aggregate amount paid (except Directors' fees for attending board meetings) during the year to Directors and officers of the Company is disclosed below as required by the Securities and Exchange Rules-1987:

| | Directors | Officers |
|---|---|---|
| | 10,932,471 | 502,047,482 |
| Remuneration / salary | 6,415,990 | 362,234,129 |
| House rent | 4,555,197 | 194,145,520 |
| Bonus | 1,093,247 | 44,542,046 |
| Contribution to provident fund | 1,366,559 | 150,304,234 |
| Gratuity | 3,055,303 | 201,371,659 |
| Conveyance allowance and transport | 4,602,776 | 42,110,883 |
| Other welfare expenses | **32,021,543** | **1,496,755,953** |

**33.1 During the year, no payment has been made to any non-executive Directors for any special services rendered.**

## 34. Dividend paid to non-resident shareholders

Final dividend paid to non-resident shareholder, Business Research International Corp. Inc. for the year 2016-2017 was Tk. 95,337,468 equivalent to US$ 1,141,903 for their 13,241,315 shares.

## 35. Contingent liabilities

**35.1** There are contingent liabilities on account of unresolved disputed corporate income tax assessments involving tax claims by the tax authority amounting to Tk 3,555,060 for the assessment year 2000-01; Taka 11,888,503 for the assessment year 2013-14; Taka 14,478,424 for the assessment year 2014-2015; Taka 14,066,733 for the assessment year 2015-2016 and Taka 26,168,376 for the assessment year 2017-2018 for which appeals are pending with the Commissioner of Taxes (Appeal) and the Hon'ble High Court Division of the Supreme Court.

**35.2** The Assistant Commissioner of Taxes issued a notice vide letter No. SA-162/2014-2015/82 on 01 September 2014 claiming that during the assessment year 2008-09 (income year 2007), the Company did not deduct VAT on certain accounting heads amounting to Tk. 232,741,698 and tax file reopened accordingly under Section 93 of the Income Tax Ordinance, 1984. Total tax amount was calculated Tk. 69,822,509 on that claimed amount by using the prevailing corporate tax rate 30%. However, the Hon'ble High Court delivered the verdict in favour of the Company on 6 January 2016 but the National Board of Revenue has made leave to appeal to the Supreme Court Appellate Division against the verdict.

## 36. Claims by the Company not acknowledged as receivable

None as at 30 June 2018.

## 37. Commitments

On the statement of financial position date, the Company is enjoying unfunded credit facilities from the following banks:

| | Amount in Taka | |
|---|---|---|
| | June 30, 2018 | June 30, 2017 |
| Letters of credits (Note 37.1) | 1,224,696,950 | 1,442,662,862 |
| Outstanding guarantees issued by the banks | 166,712,184 | 92,244,970 |
| Capital expenditure commitments | 1,709,962,536 | 454,872,572 |
| | **3,101,371,670** | **1,989,780,404** |

## 37.1 Letters of credits

| | Limit | June 30, 2018 | June 30, 2017 |
|---|---|---|---|
| Standard Chartered Bank | 1,700,000,000 | 119,541,010 | 263,892,692 |
| Eastern Bank Limited | 550,000,000 | 113,603,930 | 102,241,542 |
| The City Bank Limited | 320,000,000 | 185,798,488 | 120,933,774 |
| Citi Bank N.A. | 403,000,000 | 172,105,108 | 462,614,116 |
| Commercial Bank of Ceylon PLC | 750,000,000 | 516,163,553 | 353,248,795 |
| Bank Asia Limited | 400,000,000 | 117,484,861 | 139,731,943 |
| | **4,123,000,000** | **1,224,696,950** | **1,442,662,862** |

## 38. Disclosure as per requirement of Schedule-XI, Part-II of the Companies Act, 1994

## 38.1 Employee position of Renata Limited as per requirement of schedule XI, Part-II, Para-3

The company engaged 7,215 (6,493 as of June 2017) employees as of June 2018, of which 4,939 (4,449 as June of 2017) is permanent employees and 2,276 (2,044 as of June 2017) is casual and temporary workers as required. All employees received total salary of above Tk. 36,000 per annum.

## 39. Payments / receipts in foreign currency

## 39.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:

| | Foreign currency USD | Local currency Taka |
|---|---|---|
| Active, raw and packaging materials | 74,422,147 | 6,103,436,468 |
| Machinery and spares | 10,204,356 | 837,109,097 |
| | **84,626,503** | **6,940,545,565** |

## 39.2 Foreign exchange was earned in respect of the following:

| | USD |
|---|---|
| Export of goods on FOB | **7,429,526** |

## 40. General

1) All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.

2) The comparative information have been disclosed in respect of the year 2017-2018 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current year's financial statements.

## 41. Events after the reporting period

The Board of Directors in their meeting held on 27 October 2018 have recommended total cash dividend @ 95% per share of Taka 10 each aggregating Taka 665,294,709 and stock dividend @ 15% of Taka 10 each aggregating Taka 105,046,533 for the year ended 30 June 2018 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 15 December 2018. The financial statements for the year ended 30 June 2018 do not include the effects of the above cash dividend and stock dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

There are no other material events identified after the statement of financial position date which require adjustment or disclosure in these financial statements.

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## CORPORATE HEADQUARTERS

Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh
PABX: (880 -2) 800 1450-54, Fax: (880 -2) 800 1446
e-mail: renata@renata-ltd.com, Website: www.renata-ltd.com

## MANUFACTURING SITES

Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh, PABX: (880 -2) 801 1012-13
Noyapara, Bhawal Mirzapur, Rajendrapur, Gazipur, Bangladesh, Tel: 06825-55148
Kashor, P.O.: Seed Store, P.S.: Bhaluka, Mymensingh, Bangladesh.

## DISTRIBUTION CENTRES

### Burigonga Depot
Teghoria (Nuton Raster Moor),
South Keranigonj, Dhaka-1311
Mobile: 01847028891
e-mail: dhaka@renata-ltd.com

### Gazipur Depot
E/214, Joorpukurpar
Joydebpur, Gazipur-1700
Tel: 02-9263297, Mobile: 01817045729
e-mail: gazipur@renata-ltd.com

### Bhairab Depot
808, Bhairabpur,
Bhairab, Kishoregonj-2350
Phone & Fax: 02-9470265
Mobile: 01814651002
e-mail: bhairab@renata-ltd.com

### Turag Depot
House-39, Road-06
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Dhour, Turag, Dhaka-1230
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e-mail: turag@renata-ltd.com

### Tangail Depot
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Mobile: 01847-186614
e-mail: tangail@renata-ltd.com

### Brahmaputra Depot
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### Surma Depot
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e-mail: chittagong@renata-ltd.com

### Chokoria Depot
Hospital Road, Chokoria-4740
Phone & Fax: 034-2256251
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### Cumilla Depot
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e-mail: feni@renata-ltd.com

### Faridpur Depot
Utrile Lodge,
Masjid Bari Sarak,
Niltuly, Faridpur-7800
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Mobile: 01817049370
e-mail: faridpur@renata-ltd.com

### Khulna Depot
27, Sir Iqbal Road,
Khulna-9100
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Mobile: 01817049382
e-mail: khulna@renata-ltd.com

### Jashore Depot
Sarder Vila, Holding No-1021/B
Airport Road, Arabpur,
Jashore-7400
Phone & Fax: 0421-60851
Mobile: 01817049381
e-mail: jessore@renata-ltd.com

### Rajshahi Depot
C-212, Laxmipur,
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Rajshahi-6000
Phone & Fax: 0721-772893
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e-mail : rajshahi@renata-ltd.com

### Korotoa Depot
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e-mail: bogra@renata-ltd.com

### Rangpur Depot
Faizon Vila, Road-1,
House-3, Karanipara,
Rangpur-5400
Phone & Fax: 0521-62822
Mobile: 01817049072
e-mail: rangpur@renata-ltd.com

### Dinajpur Depot
Amir Lodge, Block-08,
House-36, Upshohor Housing
More, Dinajpur-5200
Phone & Fax: 0531-66164
Mobile: 01833-316987
e-mail: dinajpur@renata-ltd.com

FRAME STOCK

# RENATA LIMITED

## PROXY FORM

Revenue Stamp of Taka 20.00

I/We, the undersigned, being a member of the above named Company hereby appoint

Mr./Ms. _____

Of (Address) _____

as my/our proxy to vote and act for me/us and on my/our behalf, at the 45th Annual General Meeting of the Company, to be held at the Corporate Headquarters Premises, Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 on Saturday, December 15, 2018 at 11.00 a.m. and at any adjournment thereof.

Specimen Signature (s) of the Shareholder (s) _____ Date: _____

Name in Block Letters _____

Address _____

Folio/BO No. _____

Date: _____

_____
Signature of the Proxy

---

# RENATA LIMITED

## Shareholders' Attendance Slip

*I/We hereby record my/our attendance at the 45th Annual General Meeting being held on Saturday, December 15, 2018 at the* Corporate Headquarters Premises, Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 *at 11.00 a.m.*

Name of Shareholder(s).....

Register Folio/BO No. .....

holding of ..... Ordinary Shares of Renata Limited.

Signature (s) of Shareholder(s)

Note :

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 bring this slip with you and present at the reception desk.
3. No Gift/Gift Coupon/Food Box shall be distributed at the 45th AGM in Compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2014

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Renata Limited
Corporate Headquarters: Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh, GPO Box No. 303
Phone: 8001450, 8001454 (PABX), Fax: 880-2-8001446, Website: www.renata-ltd.com
Find us on facebook at http://www.facebook.com/renatalimited