

**INDEPENDENT AUDITORS' REPORT
AND AUDITED FINANCIAL STATEMENTS**

OF

BEACON PHARMACEUTICALS LIMITED

AS AT AND FOR THE YEAR ENDED 30th JUNE 2018

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF BEACON PHARMACEUTICALS LIMITED**

Report on the Financial Statement

We have audited the accompanying financial statements of **BEACON PHARMACEUTICALS LIMITED** comprising of Statement of Financial Position at 30th June, 2018 and Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended to that date.

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 International Accounting Standards (IASs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 procedure that are appropriate in the circumstance, 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.

Emphasis of Matter:

The company has not properly complied with section 234 (1)(b) of Bangladesh Labor Law 2006 (as amended in 2013) of WPPF rules regarding distribution of the fund and interest payable thereon.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1994 and the Securities and Exchange Rules 1987, we 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 Company's Statement of Financial Position, Statement of Profit or Loss and Comprehensive Income and Statement of Cash Flows dealt with by this report are in agreement with the books of account; and
- d) The expenditures incurred were for the purpose of the Company's business.

Place: Dhaka
Date: October 22, 2018



Shafiq Basak & Co.
Chartered Accountants
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BEACON PHARMACEUTICALS LTD.
Statement of Financial Position
As at 30 June 2018

Particulars	Notes	Amount in Taka	
		30 June 2018	30 June 2017
ASSETS:			
Non-Current Assets:		2,508,372,310	2,681,258,044
Property, Plant & Equipments	4.00	2,216,498,633	2,069,459,838
Capital Work in Progress	5.00	290,111,576	608,876,716
Investment in Shares	6.00	1,762,101	2,921,490
Current Assets:		2,400,038,430	2,424,721,610
Inventories	7.00	1,021,536,717	1,088,458,711
Accounts Receivable	8.00	436,836,128	298,602,388
Advance, Deposit & Pre-payments	9.00	458,120,316	344,209,826
Short Term Investment	10.00	339,209,477	444,650,345
Deferred Tax Assets	11.00	46,733,455	15,157,262
Investment in FDR	12.00	12,933,556	-
Cash & Cash Equivalents	13.00	84,668,781	233,643,078
TOTAL ASSETS		4,908,410,740	5,105,979,654
EQUITY & LIABILITIES			
Shareholders' Equity:		3,000,743,908	2,991,300,290
Share Capital	14.00	2,310,000,000	2,310,000,000
Reserve and Surplus	15.00	285,215,467	304,166,101
Available for Sale Reserve		(915,323)	244,066
Retained Earnings	16.00	406,443,764	376,890,123
Non-Current Liabilities:		575,000,582	976,649,730
Long Term Loan	17.00	575,000,582	976,649,730
Current Liabilities:		1,332,666,250	1,138,029,634
Current Portion of Long Term Loan	18.00	308,193,645	25,811,644
Short Term Loan	19.00	903,370,275	919,405,055
Share Application Money Refundable	20.00	4,323,613	4,323,613
Accounts Payables	21.00	51,206,139	75,489,811
Accrued Expenses	22.00	50,069,081	71,180,794
VAT Payable	23.00	13,243,674	6,438,375
Liabilities for EWF & WPPF	24.00	22,779,093	19,352,404
Provision for Employee's Provident Fund	25.00	6,352,182	10,966,918
Provision for Gratuity	26.00	28,336,371	16,053,742
Tax Payable/(Refundable)	27.00	(89,671,334)	(28,035,719)
Dividend Payable	28.00	34,463,510	17,042,997
TOTAL EQUITY & LIABILITIES		4,908,410,740	5,105,979,654
Net Asset Value (NAV)/Share		12.99	12.95
Par Value (Tk.)		10.00	10.00

The annexed notes 01 to 45 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 21-10-2018 and signed on its behalf by:

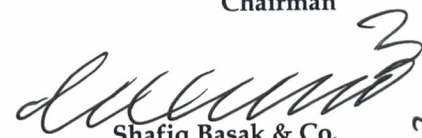

Company Secretary


Managing Director


Chairman

Signed in terms of our separate report of even date annexed


Place: Dhaka
Dated: 22 October, 2018


Shafiq Basak & Co.
Chartered Accountants

BEACON PHARMACEUTICALS LIMITED
Statement of Profit & Loss and Other Comprehensive Income
For the year ended 30 June 2018

Particulars	Notes	Amount in Taka	
		30 June 2018	30 June 2017
Net Turnover	29.00	3,760,786,106	2,948,456,509
Less: Cost of Goods Sold	30.00	1,927,331,673	1,484,623,696
Gross Profit		1,833,454,433	1,463,832,813
Less: Operating Expenses:			
Administrative Expenses	31.00	239,590,025	154,283,443
Marketing, Selling & Distribution Expenses	32.00	1,324,256,067	1,042,274,331
Total Operating Expenses		1,563,846,092	1,196,557,774
Operating Profit		269,608,341	267,275,039
Less: Financial Expenses	33.00	138,082,326	147,375,018
Net Profit after Financial Expenses		131,526,015	119,900,021
Income from Other Sources	34.00	811,526	1,790,763
Net Profit before contribution to WPPF		132,337,541	121,690,784
Less: Contribution to WPPF	35.00	6,301,788	5,794,799
Net Profit before Tax		126,035,753	115,895,985
Less: Provision for Income Tax		31,508,938	28,973,996
Add: Deferred Tax Income		31,576,193	16,812,652
Net profit after tax for the year		126,103,008	103,734,641
Other Comprehensive Income		-	-
Net profit after tax for the year		126,103,008	103,734,641
Item that may be reclassified to profit or loss:			
Unrealized Profit (loss) on quoted shares	36.00	(1,159,389)	975,875
Total comprehensive income for the year		124,943,619	104,710,516
No. of Shares		231,000,000	231,000,000
Earning Per Share		0.55	0.45

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Company Secretary


Managing Director


Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka
Dated: 22 October, 2018


Shafiq Basak & Co.
Chartered Accountants

BEACON PHARMACEUTICALS LIMITED
Statement of Changes in Equity
For the year ended 30 June 2018


Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Available for sale reserve	Retained Earning	Total Equity
Balance at the beginning of the year	2,310,000,000	298,663,002	5,503,099	244,066	376,890,123	2,991,300,290
Net Profit transferred from Income Statement	-	-	-	-	126,103,008	126,103,008
Unrealized gain on quoted shares	-	-	-	(1,159,389)	-	(1,159,389)
Revaluation Reserve adjustment	-	(25,267,512)	-	-	25,267,512	-
Deferred Tax on Revaluation Adj.	-	6,316,878	-	-	(6,316,878)	-
Cash Dividend	-	-	-	-	(115,500,000)	(115,500,000)
Balance at the end of the year	2,310,000,000	279,712,369	5,503,099	(915,323)	406,443,764	3,000,743,909

Statement of Changes in Equity
For the year ended 30 June 2017

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Available for sale reserve	Retained Earning	Total Equity
Balance at the beginning of the year	2,310,000,000	317,613,636	5,503,099	(731,809)	369,704,848	3,002,089,774
Net Profit transferred from Income Statement	-	-	-	-	103,734,641	103,734,641
Unrealized gain on quoted shares	-	-	-	975,875	-	975,875
Revaluation Reserve adjustment	-	(25,267,512)	-	-	25,267,512	-
Deferred Tax on Revaluation Adj.	-	6,316,878	-	-	(6,316,878)	-
Cash Dividend	-	-	-	-	(115,500,000)	(115,500,000)
Balance at the end of the year	2,310,000,000	298,663,002	5,503,099	244,066	376,890,123	2,991,300,290

The annexed notes 01 to 45 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 21-10-2018 and signed on its behalf by:


Company Secretary


Managing Director


Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka


Dated: 22 October, 2018


Shafiq Basak & Co.
Chartered Accountants

BEACON PHARMACEUTICALS LTD.
Statement of Cash Flows
For the year ended 30 June 2018

Particulars	Amount in Taka	
	30 June 2018	30 June 2017
A. Cash Flows from Operating Activities		
Collection from Customers	3,622,552,366	2,972,865,461
Cash paid to Suppliers & others	(3,159,436,202)	(1,844,671,641)
Interest paid	(136,411,113)	(147,375,018)
Income tax paid	(27,000,000)	-
Net Cash Generated from Operations	299,705,051	980,818,802
B. Cash Flows from Investing Activities		
Acquisition of Property, Plant and Equipment	(323,663,936)	(623,927,873)
Short term Investment Received	105,440,868	(99,062,188)
Investment in FDR	(12,825,800)	-
Interest and Other Received	811,526	1,790,763
Net Cash used in Investing Activities	(230,237,342)	(721,199,298)
C. Cash Flows from Financing Activities		
Dividend paid	(83,140,078)	(82,975,895)
Long term Loan Received/(Paid)	(119,267,147)	113,509,080
Short term loan Paid	(16,034,780)	(161,494,450)
Share Application Money paid	-	(10,000)
Net Cash from/(used in) Financing Activities	(218,442,005)	(130,971,265)
D. Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(148,974,297)	128,648,239
E. Opening Cash and Cash Equivalents	233,643,078	104,994,839
F. Closing Cash and Cash Equivalents (D+E)	84,668,781	233,643,078
Net Operating Cash Flows	1.30	4.25

The annexed notes 01 to 45 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 21-10-2018 and signed on its behalf by:


Company Secretary


Managing Director


Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka
Dated: 22 October, 2018


Shafiq Basak & Co.
Chartered Accountants

BEACON PHARMACEUTICALS LTD.

Notes to the Financial Statements

For the year ended 30 June 2018

1.00 BACKGROUND AND ACTIVITIES OF THE COMPANY:

1.01 Background of the Company:

The company was incorporated on 12 September 2001 as a Private Limited Company and subsequently converted into Public Limited Company on February 25, 2008 under the Companies Act, 1994 vide registration No. C-43991(531)/2001 dated 12 September 2001. The Company went for Initial Public Offering (IPO) in 2010. The company is a publicly traded company and is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited since the year 2010.

1.02 Address of the Registered and Corporate Office:

The registered office of the company is located at its factory premises at Kathali, Bhaluka, Mymensingh and corporate office address is located at 9/B/2, Toyenbee Circular Road, Motijheel C/A, Dhaka-1223.

1.03 Nature of Business Activities:

The company is engaged in manufacture and marketing of pharmaceutical finished formulation products and lifesaving Intravenous (I.V) Fluids, Active Pharmaceuticals Ingredients (APLs), Bio-tech products and genetic engineering products which the company sales in the local markets as well as international markets. The company also provides contract manufacturing and tool manufacturing services.

1.04 Production Unit:

Production unit of the company is situated at Kathali, Bhaluka, Mymensingh.

2.00 SIGNIFICANT ACCOUNTING POLICIES:

2.01 Basis of Preparation and Presentation of the Financial Statements:

The Financial Statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange as applicable and IASs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), International Financial Reporting Standard (IFRS) as applicable to the company. The Statement of Profit or Loss And Other Comprehensive Income have been prepared according to IAS 1 'Presentation of Financial Statements' based on accrual basis of accounting consistently applied following going concern assumption under generally accepted accounting principles and practices in Bangladesh. Statement of Cash Flows has been prepared on direct method in accordance with IAS 7.

2.02 Accounting Convention and Assumption:

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets which are stated at revalued amount. Accordingly, historical cost is employed to determine the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and statement of profit or loss and other comprehensive income.

2.03 Principle of Accounting Policies:

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect within the Framework for the preparation and presentation of Financial Statements. Financial Statements have been prepared and presented in compliance with applicable IASs. Previous year's figures were re-arranged where necessary to conform current years' presentation. There were no significant changes in the accounting policies and valuation policies affecting the financial position and performance of the company. However, changes (as applicable) made to the presentation are explained into the note for the respective items.

2.04 Application of accounting Standards

The following IASs and IFRSs are applicable to the financial statements for the year under review:

IAS 1 Presentation of Financial Statements
IAS 2 Inventories
IAS 7 Cash Flow Statements
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10 Events after the Balance Sheet Date
IAS 12 Income Tax
IAS 16 Properties, Plant and Equipment
IAS 19 Employee Benefits
IAS 21 The Effects of Changes of Foreign Exchange Rates
IAS 23 Borrowing Costs
IAS 24 Related Parties Disclosure
IAS 33 Earnings Per Share
IAS 36 Impairment of Assets
IAS 37 Provisions, Contingent Liabilities and Contingent Assets
IAS 39 Financial Instruments: Recognition and Measurement
IFRS 15 Revenue from Contracts with Customers
IFRS 9 Financial Instruments
IFRS 13 Fair Value Measurements

2.05 Valuation of Inventories:

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21 and 25 of IAS 2.

<u>Category of Stocks</u>	<u>Basis of Valuation</u>
Raw Materials and Packing Materials	: Moving average (weighted) cost
Work in Process	: Actual Cost
Finished Goods	: Actual Cost
Others	: Actual Cost

Cost comprises of the value of materials and attributable direct labor, depreciation and production overheads. The management has conducted annual physical verification of inventories on the closing date of business as on 30 June 2018 made valuation thereof on the basis stated above.

2.06 Statement of Cash Flows:

Statement of Cash Flow is prepared principally in accordance with IAS 7 'Statement of Cash Flows' and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and Considering the provisions that "Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".

2.07 Accounting Policies, Changes in Accounting Estimates and Errors:

As per IAS 8 The preparation of financial Statements in conformity with the International Accounting Standards requires management to make judgment to estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statement.

During the year under review no remarkable change were made that make judgment to estimates and assumptions that affect the application of accounting policies reported amounts of assets, liabilities, income and expenses.

2.08 Taxation:

2.08.01 Current Tax:

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The company makes provision for income tax as per requirement of the Income Tax Ordinance 1984. The applicable tax rate of the Company is 25% or 0.60 percent of Gross Receipt whichever is higher as per provision of section 82C of the Income Tax Ordinance 1984. Income tax return of the company for the assessment year 2016-2017 has not yet been assessed as such, no adjustments is made for any under/over provision of tax.

Deferred Tax:

During the year provision for Deferred Tax as per requirement by IAS 12 has been accounted for in the financial statements. 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.

2.09 Property, Plant and Equipment:

Item of property, plant & equipment is recognized in accordance with IAS 16 Property, Plant and Equipment where it is probable that future economic benefits will flow to the entity and their cost can be measured reliably.

2.09.01 Measurement and recognition:

An item of property, plant & equipment qualifying for recognition is initially measured at its cost. Cost comprises: Purchase price, including all non recoverable duties and taxes but net off discount; and costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

2.09.02 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.

2.09.03 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 income of the period in which the assets are disposed off. There were no disposals of property, plant and equipment in 2018.

2.09.04 Impairment of Assets:

In compliance with the requirements of IAS 36, Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been raised till to date.

2.09.05 Depreciation of Fixed Assets:

Depreciation is providing on Straight-line method. Depreciation is charged on additions according to para 55 of IAS 16.

The depreciation /amortization rate(s) are as follows:

Category of Fixed Assets	Rate %
Land & Land Development	0
Building	5
Vehicles	20
Electrical Installations	10
Office Equipment	10
Production Machinery & Equipment	15
Furniture & Fixture	10

2.10 Leases:

In compliance with the requirements of IAS 17 no financial and operating leases is accounted for during the year under review.

2.11 Revenue Recognition:

In compliance with the requirements of IFRS 15 Revenue, Revenue is recognized only when; Revenue receipts from customers against sales are recognized when products are dispatched to the customers, that is, when the significant risk and rewards of ownership have been transfer to the buyer recovery of the consideration is probable, the associated cost and possible return of goods can be estimated reliable and there is no continuing management involvement with the goods. Interest income is accounted for on accrual basis as per bank statement received from bank. Income is derived this year from export of finished products.

2.12 Employee Benefits (IAS 19):

The Company maintains both defined contribution plan (Provident Fund) and a retirement benefit obligation (Gratuity Fund) for its eligible permanent employees.

2.13.01 Defined Benefit Plans (Provident Fund):

Defined contribution plan is a post-employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognized Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution. This fund is recognized by the National Board of Revenue (NBR), under the First Schedule, Part B of Income Tax Ordinance 1984.

2.13.02 Retirement Benefit Obligation (Gratuity Fund):

The Company has a gratuity scheme, which covers all of its permanent employees. The gratuity is payable when the employees have completed minimum five years of service. Employees, leaving the employments after five completed years shall receive one month's terminal basic for each completed year.

2.13.03 Contribution to workers' profit participation fund:

As per section 234(1)(b) of Bangladesh Labor Act 2006 (as amended in 2013) 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10. The remaining 10% of the amount of net profit shall be paid by the Company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-third has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.

2.14 Financial Instruments:

2.14.01 Initial recognition and subsequent measurement:

A financial instrument is any contract that gives rise to financial assets of one entity and a financial liability or equity instrument of another entity. Financial assets include available for sale assets, held to maturity assets, held for trading, loans and receivable and cash and cash equivalent. Financial Liabilities include borrowings, others financing and bank loans and accounts payables.

2.14.02 Recognition:

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

2.14.03 Subsequent Measurement:

Asset Category	Description	Measurement after initial	Recognition
Available for sale Financial assets: 1 Investment in marketable securities	Financial assets that are either electively designated into the category or do not fall into any other category	Fair Value	1) realized gain loss/ dividend income/ Interest income to statements of comprehensive income 2) Unrealized gain-loss to Statement of Comprehensive Income.
Loans and Receivables, 1) Trade Receivables 2) Others receivables	unquoted financial assets with fixed or determinable payments.	Authorized Cost	Realized gain loss/ interest income foreign currency gain loss to statement of Comprehensive Income
Financial liabilities at cost / amortized cost . 1)Short term loan , 2)Trade creditors , 3) Others payable	All financial liabilities other than those at fair value though profit and loss	Authorized Cost	Realized gain loss/ interest income foreign currency gain loss to statement of Comprehensive Income

2.15 The Effects of Changes of Foreign Exchange Rates:

Foreign currency transactions are recorded at the rates applicable on the date of transaction in accordance with IAS-21 (The Effects of Changes in Foreign Exchange Rates). Gains or losses out of foreign currency transactions are charged/credited to the profit and loss account whenever arises. This year the company made transactions in foreign currency for import of machineries which has been accounted for properly.

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 Beacon Pharmaceuticals Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Beacon Pharmaceuticals Limited asset portfolio. The credit risk management and control are controlled through the credit policies of Beacon Pharmaceuticals 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 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 equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

2.18 Interest Rate Risk:

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

2.19 Exchange Rate Risk:

Exchange rate risk occurs due to changes in exchange rates. As the company imports equipment from abroad, unfavorable volatility or currency fluctuation may affect the profitability of the Company. When exchange rate increase against local currency, opportunity arises for generating more profit.

2.2 Market Risks:

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

2.21 Borrowing Costs:

In compliance with the requirements of IAS-23 'Borrowing Costs' borrowing costs of operational period on short-term loan and overdraft facilities from Banks was charged off as revenue expenditure as those were incurred.

'2.22 Related Parties disclosure

In compliance with the requirements of IAS 24, the company carried out a number of transactions with related parties in the normal course of business. Related party disclosures have been made in a separate note to the accounts.

'2.23 Earning per Shares:

2.23.01 Basic Earnings Per Share

The company calculates Basic earning of share (EPS) in according with IAS 33 'Earning per Shares' which has been shown on the face of Income Statement. The same has been calculated dividing surplus available for ordinary shareholders by weighted number of ordinary shares outstanding at the end of the year.

2.23.02 Diluted Earnings Per Share:

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary share during the relevant periods.

2.24 Provision:

The preparation of financial statements in conformity with International Accounting Standards (IAS) 37 provides that, Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumption that affect the reported amounts of revenues and expense, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with the guidelines as prescribed by IAS 37 provisions were recognized in the following situations. When the company has represent obligation as a result of past event. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation ; and realizable estimate cab be made of the amount of the obligation.

Provisions in the financial statements at an appropriate level are not done with regard to an adequate provision of risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required fulfilling the current obligation on the balance sheet date.

2.25 Intangible Assets:

In compliance with requirements of IAS 38 intangible assets are usually absorbed as revenue charges as and when incurred. The Company has no intangible assets written off during the year under review.

2.26 Cash and Cash Equivalents:

Cash and Cash Equivalents include cash in hand, cash at banks, etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

2.27 Trade and Other Payable:

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

2.28 Repairs and Maintenance Charges:

These are usually charged out as revenue expenditure in the period in which it is incurred.

2.29 Bad and doubtful debts:

No provision for bad and doubtful debts has been made since sales/export are realizable.

2.30 Promotional Expenses:

All costs associated with promotional activities are charged in the year those were incurred like sample issued.

2.31 Insurance Coverage:

Fixed Assets and Inventories of the company are covered by general insurance policies.

3.00 COMPLIANCE AND OTHERS:

3.01 Compliance with Local Laws:

The Financial Statements have been prepared in compliance with requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other relevant local laws and rules.

3.02 Compliance with International Accounting Standards (IAS):

The Financial Statements have been prepared in compliance with requirements of IAS/IFRS as adopted in Bangladesh by the Institute of Chartered Accounts of Bangladesh (ICAB).

3.03 Reporting Currency and Level of Precision:

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

3.04 Comparative Information:

Comparative information have been disclosed in respect of the year 2017 for all numerical information in the Financial Statements and also for the narrative and descriptive information when it is relevant for understanding of the current period's Financial Statements.

3.05 Events after the reporting period:

In compliance with the requirements of IAS-10 "Events after the Reporting Period" post statement of financial position events that provide additional information about the Company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

3.06 Directors' responsibility statement:

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

3.07 Reporting Period:

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

3.08 Approval of Financial Statement:

The financial statements have been approved by the Board of Directors as on 21 October 2018.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
04.00	PROPERTY PLANT & EQUIPMENT: TK. 2,216,498,633			
	A) Cost:			
	Opening Balance		4,180,593,419	3,401,685,777
	Add: Addition during the year		642,429,076	778,907,642
	Less: Adjustment during the year		-	-
	Closing Balance (A)		4,823,022,495	4,180,593,419
	B) Accumulated Depreciation			
	Opening Balance		2,111,133,581	1,716,104,224
	Add: Addition during the year		495,390,280	395,029,357
	Less: Adjustment during the year		-	-
	Closing Balance (B)		2,606,523,861	2,111,133,581
	Written Down Value (A-B)		2,216,498,633	2,069,459,838
	Details of Fixed Assets Schedule are given in Annexure-A			
05.00	CAPITAL WORK IN PROGRESS: TK. 290,111,576			
	Opening Balance		608,876,716	763,856,485
	Add: Addition during the year	Notes-5.01	121,564,770	226,939,342
			730,441,486	990,795,827
	Less: Transfer to property plant & equipment	Notes-5.02	440,329,910	381,919,111
	Closing Balance		290,111,576	608,876,716
5.01	Breakup of Capital Work in Progress addition during the year: Tk. 121,564,770			
	Production Machinery & Equipment		-	16,773,931
	Quality Control Apparatus & Equipment		-	1,000
	Engineering Machinery Equipment		-	11,473
	Purified Water Treatment Installation		-	35,585,998
	Dock Leveler Installation		-	5,600
	General Production Building-1		9,978,489	5,191,644
	General Production Building-2		85,632,681	82,846,736
	VIP Staff Quarter		1,985,235	3,230,448
	Staff Dormitory		541,237	1,376,226
	R & D Building		1,402,483	1,084,928
	Parenterial Building		22,024,645	80,831,358
			121,564,770	226,939,342
5.02	Breakup of Capital Work in Progress transfer to property plant & equipment during the year: Tk. 440,329,910			
	Production Machinery & Equipment		65,390,300	271,618,240
	Quality Control Apparatus & Equipment		-	7,252,102
	Engineering Machinery Equipment		-	100,887,540
	Dock Leveler Installation		-	1,027,781
	Office Equipment		-	1,133,448
	Purified Water Treatment Installation		40,508,704	-
	General Production Building-1		27,652,863	-
	General Production Building-2		241,735,131	-
	Corporate Head Office		29,938,877	-
	VIP Staff Quarter		21,669,294	-
	Staff Dormitory		13,434,741	-
			440,329,910	381,919,111

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

06.00 INVESTMENT IN SHARE: TK. 1,762,101

Opening Balance	2,921,490	1,945,615
Add: Unrealized gain or (Loss)	(1,159,389)	975,875
Closing Balance	1,762,101	2,921,490

Breakup of the above amount is given below:

Particulars	Number of Shares	Market Value		Book Value
		30 June 2018	30 June 2017	
Intech Limited	199	3,383	3,022	2,300
R N Spinning Mills Ltd.	152,932	1,758,718	2,918,468	3,855,041
Total	153,131	1,762,101	2,921,490	3,857,341

The above amount have been classified as "Available for sale " financial assets as per IAS 39 and shown at fair value of TK 1,762,101 derived from Quoted share prices as on 30-06-2018. Unrealized loss of TK 1,159,389 on the unsold shares has been recognized in the other comprehensive income.

07.00 INVENTORIES: TK. 1,021,536,717

Raw and Packing Materials	635,310,539	659,545,918
Work-in-Process	135,588,281	85,102,385
Finished Goods	226,034,317	338,227,070
Laboratory Chemicals	24,603,580	5,583,338
Closing Balance	1,021,536,717	1,088,458,711

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2. Cost of inventories are determined on weighted average cost basis. Physical verification of inventories was carried out by inventory team consisting management staff.

Sl. No.	Materials/Product	Unit	Quantity	Amount in Tk.
01	Raw Materials (Active)	GM	25,580	36,767,156
		KG	30,164	361,303,737
		Ltr	14	5,779,536
		MG	45	29,549
		ML	9,000	3,741,200
		Pcs	200	5,330,672
Sub-Total				412,951,850
02	Raw Materials (Excipient)	GM	1,103	3,087
		KG	81,670	59,977,902
		Ltr	799	2,682,145
		ML	15,443	16,605
		Pcs	72,581,300	13,557,526
Sub-Total				76,237,265
03	Primary Packaging	KG	60,648	29,462,523
		Pcs	10,064,498	53,127,847
Sub-Total				82,590,370
04	Secondary Packaging	KG	11,805	618,450
		Pcs	51,757,907	62,912,604
Sub-Total				63,531,054
05	Work in Process (WIP)	Pcs	2,748,434	135,588,281
Sub-Total				135,588,281
06	Finished Goods	Pack	2,022,349	226,034,317
Sub-Total				226,034,317
07	Laboratory Chemicals (Reagent)	GM	41,620	15,082,372
		KG	860	2,096,749
		Ltr	1,582	3,475,409
		ML	9,470	3,949,050
Sub-Total				24,603,580
Grand-Total				1,021,536,717

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
08.00	ACCOUNTS RECEIVABLE: TK. 436,836,128			
	Barisal Sales Centre		18,567,901	8,180,635
	Bogura Sales Centre		9,202,142	4,922,774
	Chittagong Sales Centre		15,941,568	12,978,270
	Maizdee/Chowmuhony Sales Centre		6,565,456	3,925,558
	Comilla Sales Centre		12,846,502	7,211,202
	Dhaka Sales Centre/Dhaka North		61,753,152	63,303,021
	Faridpur Sales Centre		2,044,829	1,091,533
	Khulna Sales Centre		6,570,578	4,510,042
	Mymensingh Sales Centre		24,631,029	18,920,941
	Narayangonj Sales Centre		10,696,799	7,795,005
	Rajshahi Sales Centre		13,178,058	10,723,088
	Rangpur Sales Centre		15,841,480	7,534,960
	Sylhet Sales Centre		27,903,497	15,179,083
	Cox's Bazar Sales Center		8,060,345	6,570,281
	Dhaka Sales Center-Mohd. Pur Kakrail/Dhaka South		46,602,335	32,846,056
	Brahman Baria Sales Centre		12,156,142	9,533,329
	Feni Sales Centre		14,136,802	12,320,463
	Beacon Privilege Point		56,259,060	35,089,415
	Jessore Sales Centre		7,270,437	5,047,870
	Dinajpur Sales Centre		10,093,356	4,154,212
	Tangail Sales Centre		2,174,686	-
	Receivable from Export Sales	Note-8.01	54,339,974	26,764,650
			436,836,128	298,602,388
8.01	Receivable from Export Sales: Tk. 54,339,974			
	Nepal		9,750,457	3,867,014
	Srilanka		29,176,961	7,520,293
	Philippine		5,834,953	4,241,147
	Thailand		9,577,603	11,136,196
			54,339,974	26,764,650
	Aging of the above balance is given below:			
	Below 30 days		327,757,587	183,312,800
	Below 90 days		54,339,974	68,918,713
	Below 180 days		54,738,567	46,370,875
			436,836,128	298,602,388
	i) The above receivables are considered good by the management.			
	ii) The above amount is receivable from customers against credit sales.			
	iii) No amount was due from the Directors, Managing Director and other officers of the Company and any of them or jointly with any other person.			
	iv) The Accounts Receivables have no securities except their personal securities.			
09.00	ADVANCE, DEPOSITS & PREMENTS: TK. 458,120,316			
	Advance against VAT	Note-9.01	53,908,992	29,640,757
	Advance to employees	Note-9.02	6,485,238	2,600,461
	Advance for Earnest Money & Security Deposit	Note-9.03	41,473,750	23,702,156
	Advance against Import	Note-9.04	188,982,632	109,449,076
	Other Advance	Note-9.05	167,269,704	178,817,376
			458,120,316	344,209,826
09.01	Advance against VAT Tk.: 53,908,992			
	VAT		53,908,992	29,640,757
			53,908,992	29,640,757

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
09.02	Advance to employees against: Tk. 64,85,238			
	Salary		189,313	153,984
	Marketing expense		4,412,890	(356,161)
	Mobile Set		1,883,035	2,802,638
			<u>6,485,238</u>	<u>2,600,461</u>
09.03	Advance for Earnest Money & Security Deposit: Tk. 4,14,73,750			
	Earnest Money & Security Deposit - Tender		30,459,392	16,600,698
	Security Deposit - Titas Gas		10,428,218	6,515,318
	Security Deposit - Electricity		56,140	56,140
	Security Deposit - T & T Board		30,000	30,000
	Security Deposit - CDBL		500,000	500,000
			<u>41,473,750</u>	<u>23,702,156</u>
09.04	Advance against Import: Tk. 18,89,82,632			
	Advance Against L/C		188,982,632	109,449,076
			<u>188,982,632</u>	<u>109,449,076</u>
09.05	Other Advance: Tk. 16,72,69,704			
	Advance against Office Space		119,399,480	140,072,612
	Advance against Land		42,421,036	32,821,036
	Advance against Depot Rent		5,449,188	5,923,728
			<u>167,269,704</u>	<u>178,817,376</u>
	There is no aggregate amount due from Directors.			
	There is no claim against the Company, which can be acknowledged as bad debt.			
	No amount is due by the associated undertakings.			
10.00	SHORT TERM INVESTMENT: TK. 339,209,477			
	Beacon Glass Industries Ltd.(Renamed as MEK Auto Bricks Ltd.)		103,005,125	103,005,125
	Mujibunnesa Medical College & Hospital Ltd.		94,809,180	94,809,180
	Beacon Cephalosporin Ltd.		72,200,000	177,640,868
	Beacon Power Systems Ltd.		69,195,172	69,195,172
	Closing Balance		<u>339,209,477</u>	<u>444,650,345</u>
	The above amount represents investment made by the company with its associated Companies but the related share certificates are yet to be issued by the concerned companies.			
11.00	DEFERRED TAX ASSETS: TK. 46,733,455			
	Opening Balance		15,157,262	(1,655,390)
	Deferred tax (income)/ expenses		<u>(31,576,193)</u>	<u>(16,812,652)</u>
	Closing Balance		<u>46,733,455</u>	<u>15,157,262</u>
	Deferred Tax (Income)/Expenses			
	The break up is given below:			
	Carrying amount			
	Fixed Assets (Excluding Land & Land Development)		1,713,408,059	1,566,369,264
	Provision for Gratuity		<u>(28,336,371)</u>	<u>(16,053,742)</u>
			<u>1,685,071,688</u>	<u>1,550,315,522</u>
	Tax Base			
	Fixed Assets (Excluding Land & Land Development)		1,872,005,506	1,610,944,571
	Provision for Gratuity		-	-
			<u>1,872,005,506</u>	<u>1,610,944,571</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
	Taxable /(deductible) temporary difference		(186,933,817)	(60,629,049)
	Tax rate		25%	25%
	Deferred tax (assets)/liabilities		(46,733,454)	(15,157,262)
	Less: Opening Balance		15,157,262	1,655,390
	Deferred tax(income)/expenses		(31,576,193)	(16,812,652)

12.00 Investment in FDR Tk. 12,933,556

		7,825,800	-
	One Bank Limited A/C:0018035004648	5,107,756	-
	Rupali Bank Limited A/C: 0014140007281	12,933,556	-

13.00 CASH & CASH EQUIVALENTS: TK. 84,668,781

Cash in Hand	Note-13.01	34,901,339	22,704,127
Cash at Bank	Note-13.02	49,767,442	210,938,951
		84,668,781	233,643,078

13.01 Cash in Hand: Tk. 34,901,339

Head Office	12,186,433	20,459,821
Factory Office	2,931,310	706,817
Chattagram Sales Office	1,653,302	105,000
Mymensingh Sales Office	622,688	45,000
Sylhet Sales Office	1,276,231	65,000
Cumilla Sales Office	263,261	60,065
Barishal Sales Office	1,011,574	85,000
Faridpur Sales office	550,675	25,500
Rangpur Sales Office	1,643,899	35,500
Rajshahi Sales Office	1,563,097	55,000
Narayanganj Sales Office	1,010,202	30,000
Maizdee Sales Office	123,071	65,000
Khulna Sales Office	505,426	55,000
Bagura Sales Office	1,254,808	75,000
Coxs's Bazar Sales Office	2,283,142	45,000
Dinajpur Depot	846,648	35,500
Dhaka North Depot	2,370,793	210,000
Dhaka South Depot	254,478	165,000
Feni Depot	598,477	65,000
B. Baria Depot	133,183	15,000
Beacon Privilege Point Depot	52,689	250,000
Jessore Depot	463,708	50,924
Tangail Deport	1,255,975	-
CDC	46,269	-
	34,901,339	22,704,127

Cash in hand is supported by cash custody certificate from the management.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
13.02	Cash at Bank: Tk. 49,767,442			
	HSBC - CD A/C. No. 001143379011		96,054	96,054
	First Security Islamic Bank Ltd. CD A/C No. 1110001246		715,378	336,717
	Janata Bank Ltd. CD A/C. No. - 1014203		1,371,411	1,790,762
	Janata Bank Ltd. CD A/C. No. - 001016781		-	-
	Shahjalal Islami Bank Ltd. AWA A/C. No. 10078		13,888	16,648
	The City Bank Ltd., Dinajpur Br. CD A/C. No. 1102358521001		5,696	5,696
	The City Bank Ltd. Narayanganj Br., CD A/C. No. 1101041263001		-	-
	The City Bank Ltd., Sylhet Br. CD A/C. No. 1102193550001		26,568	26,568
	ICB Islami Bank Ltd. Principal Br., CD A/C.No.001000200071157		85,006	86,386
	Dutch Bangla Bank Ltd. CD A/C. No. 0105110000016107		16,430,617	21,634,077
	Dutch Bangla Bank Ltd. STD A/C. No. 010511000001641		(1,113,330)	19,618,956
	Eastern Bank Ltd. STD A/C. No. 1011230071 (IPO Proceeds - BDT)		-	1,803,438
	Eastern Bank Ltd. STD A/C. No. 1013150120364 (IPO Proceeds - Euro)		-	529,551
	Eastern Bank Ltd. STD A/C. No. 1013110120344 (IPO Proceeds - USD)		-	3,713,402
	Eastern Bank Ltd. STD A/C. No. 1013120120354 (IPO Proceeds - GBP)		-	969,027
	Rupali Bank Ltd., Local Office Branch, Motijheel C/ A., Dhaka. CD A/C. 89649		1,459,538	100,210,202
	Sonali Bank Ltd., Dilkusha Corporate Branch, Motijheel, Dhaka. CD A/C. 33028459		14,917	11,125
	Janata Bank Ltd., Bhaluka Branch. STD A/C. 0000131		979,393	695,283
	Janata Bank Ltd. FC A/C. 402000449		7,981,796	3,655,270
	Bank Asia Ltd. CD A/C. 004433010401		8,151	8,151
	Social Islami Bank Ltd. Cd A/C. No. 21330052331		2,161	3,312
	The City Bank Ltd., Gulshan Br. CD A/C. No. 1101029459001		-	-
	Dutch Bangla Bank Ltd., CD A/C No. 105.110.28382		5,135,422	3,414,544
	FSIB Ltd. Gulshan Br., FCA US Dollar, A/C-112 1650000001		56,467	56,467
	Estern Bank Ltd., Credit Card. A/C. No. 4698210304985413		(183,179)	(3,924)
	Bank Asia Ltd. CD A/C. 04633000196		365,277	365,277
	Commercial Bank of Ceylon PLC. A/C. # 1817000818		(629,283)	17,755,250
	Commercial Bank of Ceylon, ERQ A/C. # 1802011076		1,962,231	17,786,553
	Modhumoti Bank Ltd., CD A/C No: 110111100000174.		5,400	6,550
	Janata Bank Sundry A/Cs -70104001		(1,988,680)	1,472,308
	Rupali Bank Ltd. Sundry A/Cs		10,687,937	10,687,937
	Dutch Bangla Bank-STD-00000340		3,071,985	4,187,364
	Dutch Bangla Bank-CD-105-120-0003909		2,166,284	-
	Brac Bank Ltd. CD-150-520-1786608001		1,040,337	-
	Total		49,767,442	210,938,951

Bank balances are either reconciled or agreed with the bank statements but directly not confirmed by the banks except 4 nos. bank.

14.00 SHARE CAPITAL: TK. 2,310,000,000

Authorized Capital:

300,000,000 ordinary shares of Tk. 10 each	<u>3,000,000,000</u>	<u>3,000,000,000</u>
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Issued, Subscribed and Paid-up Capital:

231,000,000 ordinary shares of Tk. 10 each fully paid up	<u>2,310,000,000</u>	<u>2,310,000,000</u>
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Shareholding Position was as follows:

Category of Shareholder	30-06-2018			30-06-2017		
	No. of Share	No. of Shareholders	% of Total Shares	No. of Share	No. of Shareholders	% of Total Shares
Sponsors/Directors	69,307,800	3	30%	69,307,800	3	30%
Institutions	54,259,590	231	23%	54,259,590	399	17%
Public	107,432,610	22,459	47%	107,432,610	26,850	53%
Total	231,000,000	22,693	100%	231,000,000	27,252	100%

The Sponsors/Directors Shareholding positions of the company are as under

Name of Sponsors/Directors	Numbers of Shares	Amount in Taka	
		30 June 2018	30 June 2017
Mr. Md. Ebadul Karim	58,228,800	582,288,000	582,288,000
Mrs. Nurun Nahar Karim	4,725,000	47,250,000	47,250,000
Mr. Md Niazul Karim	6,354,000	63,540,000	63,540,000
Total	69,307,800	693,078,000	693,078,000

Classification of shareholders by holding

Range of Holdings	Numbers of Shareholders	No. of Shares	% of holding 2018
Less than 501 Shares	6,240	1,347,028	0.58%
501 to 5,000 Shares	13,689	17,346,371	7.51%
5001 to 10,000 Shares	1,269	9,700,614	4.20%
10,001 to 20,000 Shares	690	9,934,699	4.30%
20,001 to 30,000 Shares	274	6,873,120	2.98%
30,001 to 40,000 Shares	111	3,880,521	1.68%
40,001 to 50,000 Shares	73	3,408,160	1.48%
50,001 to 100,000 Shares	181	12,898,398	5.58%
100,001 to 1,000,000 Shares	146	36,214,777	15.67%
Above 1,000,000 Shares	20	129,396,312	56.02%
Total	22,693	231,000,000	100%

15.00 RESERVE & SURPLUS: TK. 285,215,467

Revaluation Reserve	Note-15.01	279,712,368	298,663,002
Tax Holiday Reserve	Note-15.02	5,503,099	5,503,099
Closing Balance		285,215,467	304,166,101

15.01 Revaluation Reserve : Tk. 279,712,368

Revaluation reserve has been created out by the amount of revaluation surplus of fixed assets. Details are shown below:

Particulars	Revaluation Surplus as on 01.07.2017	Deferred tax on Revaluation Surplus	Depreciation adjustment	Deferred tax on Depreciation Adjustment	Revaluation Reserve as on 30-06-2018
Land & Land Development	168,084,972	-	-	-	168,084,972
Building	13,397,116	-	1,072,484	268,121	12,592,753
Vehicles	24,836,633	-	9,461,575	2,365,394	17,740,452
Electrical Installation	1,851,131	-	742,928	185,732	1,293,935
Office Equipments	(7,787,386)	-	-	-	(7,787,386)
Machineries	104,812,346	-	13,990,525	3,497,631	94,319,452
Furniture & Fixtures	(6,531,810)	-	-	-	(6,531,810)
Total	298,663,002	-	25,267,512	6,316,878	279,712,368

Fixed assets were revalued by a firm of professional valuer in 2009 and the resulting increase of value has been shown as revaluation reserve . Depreciation charged on revaluation surplus against Building, Vehicles, Electrical Installation and Machineries for TK. 25,267,512 has been adjusted between revaluation reserve and retained earnings.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
15.02	Tax Holiday Reserve is being carried forward from 2010.		5,503,099	5,503,099

15.03 Revaluation Reserve Adjustment: Tk. 25,267,512

Range of Holdings	Revaluation Surplus	Useful Life (Years)	Depreciation on Revaluation Surplus
Land & Land Development	168,084,972	-	-
Building	21,449,683	20	1,072,484
Vehicles	47,307,873	5	9,461,575
Electrical Installation	7,429,282	10	742,928
Office Equipments	(7,787,386)	10	-
Machineries	209,857,872	15	13,990,525
Furniture & Fixture	(6,531,810)	10	-
Total	439,810,486	-	25,267,512

16.00 RETAINED EARNINGS: TK. 406,443,764

Opening Balance	376,890,123	369,704,848
Add: Net Profit during the year	126,103,008	103,734,641
Add: Revaluation Reserve adjustment	25,267,512	25,267,512
	528,260,642	498,707,000
Less: Dividend For the year	115,500,000	115,500,000
Less: Deferred Tax Adjustment	6,316,878	6,316,878
Closing Balance	406,443,764	376,890,123

17.00 LONG TERM LOAN: TK. 575,000,582

Janata Bank Ltd.	Note-17.01	-	55,438,347
Janata Bank Ltd. (Take Over Loan)	Note-17.02	-	82,187,350
Agrani Bank Ltd.	Note-17.03	-	31,388,797
Sonali Bank Ltd.	Note-17.04	-	93,058,482
Rupali Bank Ltd.	Note-17.05	515,251,218	687,588,104
Prime Finance & Investment Ltd.	Note-17.06	5,728,719	14,233,470
Bangladesh Finance and Investment Company Ltd.	Note-17.07	27,446,899	12,755,180
BRAC Bank Ltd.	Note-17.08	26,573,746	-
Closing Balance		575,000,582	976,649,730

17.01 Janata Bank Limited: Tk. 0

Opening balance with current portion	57,404,198
Add: Received during the year	-
Add: Interest during the year	5,910,737
Less: Paid during the year	19,500,000
Less: Transfer to current portion of long term loan	43,814,935
Total	-

Details are as under:

Limit Amount	: Tk. 177,500,000
Purpose	: Factory Construction & Machineries
Security	: Land & Buildings
Interest Rate	: 11% per annum
Mode of Payment	: From own sources
Type of Facility	: Project loan
Validity	: Up to 2018

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

17.02 Janata Bank Ltd. (Take Over Loan): Tk. 0

Opening balance with current portion	106,033,143
Add: Received during the year	-
Add: Interest during the year	7,032,129
Less: Paid during the year	116,876,085
Less: Transfer to current portion of long term loan	(3,810,813)
Total	-

Details are as under:

Limit Amount	: Tk. 368,621,000
Purpose	: Factory Construction & Machineries
Security	: Land & Buildings
Interest Rate	: 14% per annum
Mode of Payment	: From own sources
Type of Facility	: Project Loan
Validity	: Up to 30th June 2018

17.03 Agrani Bank Ltd: Tk. 0

Opening balance	31,388,797
Add: Received during the year	-
Add: Interest & bank charge during the year	2,642,836
Less: Paid during the year	19,500,000
Less: Transfer to current portion of long term loan	14,531,633
Total	-

Details are as under:

Limit Amount	: Tk. 197,500,000
Purpose	: Factory Construction & Machineries
Security	: Land & Buildings
Interest Rate	: 13% per annum
Mode of Payment	: From own sources
Type of Facility	: Project Loan
Validity	: Up to 2018

17.04 Sonali Bank Ltd: Tk. 0

Opening balance	93,058,482
Add: Received during the year	-
Add: Interest during the year	9,313,402
Less: Paid during the year	44,200,000
Less: Transfer to current portion of long term loan	58,171,884
Total	-

Details are as under:

Limit Amount	: Tk. 220,000,000
Purpose	: Factory Construction & Machineries
Security	: Land & Buildings
Interest Rate	: 12.5% per annum
Mode of Payment	: From own sources
Type of Facility	: Project Loan
Validity	: Up to 2018

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

17.05 Rupali Bank Ltd: Tk. 515,251,218

Opening balance	687,588,104
Add: Received during the year	41,881,062
Add: Interest during the year	75,460,146
Less: Paid during the year	117,927,688
Less: Transfer to current portion of long term loan	171,750,406
Total	515,251,218

Details are as under:

Limit Amount	: Tk. 700,000,000
Purpose	: Land & Land Development
Security	: Land & Buildings
Interest Rate	: 14.5% per annum
Mode of Payment	: From own sources
Validity	: UP to 2022

17.06 Prime Finance & Investment Ltd: Tk. 5,728,719

Opening balance	14,233,470
Add: Received during the year	-
Add: Interest during the year	3,514,728
Less: Paid during the year	6,290,760
Less: Transfer to current portion of long term loan	5,728,719
Total	5,728,719

Details are as under:

Limit Amount	: Tk. 20,000,000
Purpose	: Procurement of fixed assets
Security	: Vehicles
Interest Rate	: 11.75% per annum
Mode of Payment	: Through post dated cheque
Type of Facility	: Term finance
Validity	: Up to 2019

17.07 Bangladesh Finance and Investment Company Ltd: Tk. 27,446,899

Opening balance	12,755,180
Add: Received during the year	31,131,000
Add: Interest during the year	4,684,267
Less: Paid during the year	11,974,582
Less: Transfer to current portion of long term loan	9,148,966
Total	27,446,899

Details are as under:

Limit Amount	: Tk. 45,000,000
Purpose	: Procurement of vehicles
Security	: Vehicles
Interest Rate	: 10.90% per annum
Mode of Payment	: From own sources
Type of Facility	: Lease finance
Validity	: Up to 2022

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

17.08 BRAC Bank Ltd: Tk. 26,573,746

Opening balance	-
Add: Received during the year	36,760,000
Add: Interest during the year	906,119
Less: Paid during the year	2,234,458
Less: Transfer to current portion of long term loan	8,857,915
Total	26,573,746

Details are as under:

Limit Amount	: Tk. 40,000,000
Purpose	: To procure total 22 nos. of vehicles
Security	: Vehicles
Interest Rate	: 9.90% per annum
Mode of Payment	: From own sources
Type of Facility	: Lease Finance
Validity	: Up to 2022

18.00 CURRENT PORTION OF LONG TERM LOAN: TK. 308,193,645

Janata Bank Ltd.	43,814,935	1,965,851
Janata Bank Ltd. (Take Over Loan)	(3,810,813)	23,845,793
Agrani Bank Ltd.	14,531,633	-
Sonali Bank Ltd.	58,171,884	-
Rupali Bank Ltd.	171,750,406	-
Prime Finance & Investment Ltd.	5,728,719	-
Bangladesh Finance and Investment Company Ltd.	9,148,966	-
BRAC Bank Ltd.	8,857,915	-
Closing Balance	308,193,645	25,811,644

19.00 SHORT TERM LOAN: TK. 903,370,275

PAD - Rupali Bank Ltd., Dhaka.	Note-19.01	-	6,946,140
LC/TR - First Security Bank Ltd., Gulshan Branch, Dhaka	Note-19.02	6,604,515	24,995,796
LC - Janata Bank Ltd., Janata Bhaban Branch, Motijheel, Dhaka.	Note-19.03	-	3,115,822
CC (Hypo)- Janata Bank Ltd., Corporate Bhaban Branch	Note-19.04	896,765,760	884,347,297
Closing Balance		903,370,275	919,405,055

Short term loan has been taken to meet up the working capital requirement and is secured by Inventories.

19.01 PAD - Rupali Bank Ltd., Dhaka: Tk. Nil

Opening balance	6,946,140
Add: Received during the year	-
Add: Interest during the year	-
Less: Paid during the year	6,946,140
Total	-

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

19.02 LC/TR - First Security Bank Ltd., Gulshan Branch, Dhaka: Tk. 6,604,515

Opening balance	24,995,796
Add: Received & interest during the year	65,415,500
Less: Paid during the year	83,806,781
Total	6,604,515

Details are as under:

Limit Amount	: Tk. 100,000,000
Purpose	: Import of Materials Packing materials, Spares and others items
Security	: Land & Buildings
Interest Rate	: 16% per annum
Mode of Payment	: From own sources

19.03 LC - Janata Bank Ltd., Janata Bhaban Branch, Motijheel, Dhaka: Tk. Nil

Opening balance	3,115,822
Add: Received during the year	1,180,378
Add: Interest during the year	-
Less: Paid during the year	4,296,200
Total	-

19.04 CC (Hypo)- Janata Bank Ltd., Corporate Bhaban Branch: Tk. 896,765,760

Opening balance	884,347,297
Add: Received during the year	249,867,088
Add: Interest during the year	91,669,877
Less: Paid during the year	329,118,502
Total	896,765,760

Details are as under:

Limit Amount	: Tk. 1,400,000,000
Purpose	: Meeting the requirement of working capital of the company
Security	: Inventory & Land
Interest Rate	: 12% per annum
Mode of Payment	: From own sources
Type of Facility	: CC Hypo

20.00 SHARE APPLICATION MONEY REFUNDABLE: TK. 4,323,613

Opening balance	4,323,613	4,333,613
Payment made during the year	-	10,000
Closing Balance	4,323,613	4,323,613

Share application money refundable amount as on 30.06.2018 was Tk. 4,323,613. The company has not paid or refund any amount during the year under audit and the balance amount remain unpaid although the company has received the amount during July 21, 2010.

21.00 ACCOUNTS PAYABLE: TK. 51,206,139

Payable to Suppliers	Note-21.01	30,054,621	66,298,520
Depot Expenses Payable	Note-21.02	2,935,521	1,681,980
Others Payable	Note-21.03	18,215,997	7,509,311
		51,206,139	75,489,811

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
21.01	Payable to Suppliers: Tk. 30,054,621			
	Against Raw Materials		1,991,431	426,770
	Against Laboratory Chemicals		1,923,860	2,180,935
	Against Computer & Accessories		1,385,962	767,865
	Against Plastic Items		1,811,584	1,959,477
	Against Machinery & Equipment		8,907,529	6,582,035
	Against Printing & Packaging Materials		8,023,546	7,260,992
	Against PVC & Foil suppliers		1,617,870	659,446
	Against Clearing & Forwarding		8,903,467	(4,670,850)
	Against Maintenance & Service		(4,227,778)	(1,168,474)
	Against Vehicles suppliers		(27,129,602)	(17,093,672)
	Against Construction Materials Suppliers		27,998,348	65,776,278
	Against Advertising		(687,885)	(646,809)
	Against Promotional Items		(11,624,796)	(4,403,605)
	Against Travel Agencies		(508,784)	(117,623)
	Against Transport & Courier		(355,461)	861,854
	Against Glass Item - Suppliers		(1,348,889)	(2,374,201)
	Against Furniture & Fixture		(368,384)	(589,145)
	Against Insurance Premium		13,742,520	11,451,640
	Against Misc. Suppliers		183,623	(380,853)
	Against Spare Parts		(183,540)	(183,540)
	Closing Balance		30,054,621	66,298,520
21.02	Depot Expenses Payable: Tk. 2,935,521			
	Rangpur Depot		847,086	806,049
	Bogura Depot		301,025	72,591
	Rajshahi Depot		(234,575)	(177,309)
	Khulna Depot		(78,757)	(52,666)
	Barisal Depot		(281,176)	(146,816)
	Faridpur Depot		(79,810)	(49,287)
	Mymensingh Depot		617,074	41,011
	Narayangonj Depot		5,762	15,745
	Comilla Depot		190,702	(167,482)
	Sylhet Depot		741,142	820,702
	Maizdhee Depot		(116,002)	(121,013)
	Chittagong Depot		241,600	161,763
	Central Distribution Centre		325,279	255,636
	Cox's Bazar		86,761	182,199
	Dhaka North Depot		(326,421)	(313,638)
	Dhaka South Depot		(52,962)	40,144
	Privilege Point		220,894	175,192
	B. Baria Depot		316,804	86,436
	Feni Depot		123,956	99,806
	Jessore Depot		(50,584)	(29,188)
	Dinajpur Depot		120,872	(17,895)
	Tangail Depot		16,851	-
	Closing Balance		2,935,521	1,681,980
21.03	Others Payable: Tk. 18,215,997			
	Received against Motor Cycle		9,753,810	5,145,185
	Earn leave payable		560,978	2,364,126
	Against Motor Car		7,901,209	-
	Closing Balance		18,215,997	7,509,311

Accounts payable for supply of raw materials, packing materials & other promotional items are the regular suppliers of the Company and the amount are due on account.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
22.00	ACCRUED EXPENSES: TK. 50,069,081			
	Salary & Allowances		48,340,779	68,606,087
	Gas Bills		1,316,302	2,262,707
	Audit Fees		237,000	162,000
	Credit Rating Fees		150,000	150,000
	Compliance Audit Fees		25,000	-
	Closing Balance		50,069,081	71,180,794
23.00	VAT PAYABLE: TK. 13,243,674			
	Trade Creditors		10,015,059	5,441,687
	House rent		3,159,948	875,952
	Audit Fees		39,500	27,000
	Credit Rating Fees		25,000	25,000
	Compliance Audit Fees		4,167	-
	Advertisement & Publicity		-	68,736
	Closing Balance		13,243,674	6,438,375
24.00	LIABILITY FOR EWF & WPPF: TK. 22,779,093			
	Employees Welfare Fund (EWF)	Note-24.01	2,686,246	2,581,344
	Workers Profit Participation Fund (WPPF)	Note-24.02	20,092,848	16,771,060
	Closing Balance		22,779,093	19,352,404
24.01	Employees Welfare Fund (EWF): Tk. 2,686,246			
	Opening Balance		2,581,344	2,337,862
	Add: Contribution during the year		762,972	589,956
	Total Contribution		3,344,316	2,927,818
	Less: Paid to the employees		658,070	346,474
	Closing Balance		2,686,246	2,581,344
24.02	Workers Profit Participation Fund: Tk. 20,092,848			
	Opening Balance		16,771,060	13,276,261
	Add: Contribution during the year		6,301,788	5,794,799
	Total Contribution		23,072,848	19,071,060
	Less: Paid to the employees		2,980,000	2,300,000
	Closing Balance		20,092,848	16,771,060
25.00	PROVISION FOR EMPLOYEES' PROVIDENT FUND: TK. 6,352,182			
	Opening Balance		10,966,918	8,130,962
	Addition made during the year		31,650,430	23,855,598
	Total		42,617,348	31,986,560
	Less: Paid to the Fund during the year		36,265,166	21,019,642
	Closing Balance		6,352,182	10,966,918
26.00	PROVISION FOR GRATUITY: TK. 28,336,371			
	Opening Balance		16,053,742	17,761,641
	Addition made during the year		16,306,881	-
	Total		32,360,623	17,761,641
	Less: Gratuity paid during the year		4,024,252	1,707,899
	Closing Balance		28,336,371	16,053,742

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka																												
			30 June 2018	30 June 2017																											
27.00	TAX PAYABLE: TK. -89,671,334																														
	Corporate Tax Liability	Note-27.01	(93,603,174)	(41,819,183)																											
	Other Tax Liability	Note-27.02	3,931,840	13,783,464																											
			<u>(89,671,334)</u>	<u>(28,035,719)</u>																											
27.01	CORPORATE TAX LIABILITY : TK.-93,603,174																														
	Opening Balance		(41,819,183)	(34,521,105)																											
	Tax on current year's profit		31,508,938	28,973,996																											
	Total tax liabilities		<u>(10,310,245)</u>	<u>(5,547,109)</u>																											
	Less: TDS/Advance paid tax																														
	For income year 2017-18		83,292,929	36,272,074																											
	Total Corporate Tax Liability		<u>(93,603,174)</u>	<u>(41,819,183)</u>																											
27.02	OTHER TAX LIABILITY: TK. 3,931,840																														
	TDS from Salary & Allowances		473,450	1,001,747																											
	TDS from Trade Creditors		771,526	10,661,191																											
	TDS from Office Rent		983,509	119,686																											
	TDS from Managing Director's Remuneration		1,616,875	1,896,200																											
	TDS from Gas Bills		40,702	69,973																											
	TDS from Audit Fee		26,333	18,000																											
	TDS from Compliance Audit Fee		2,778	-																											
	TDS Credit Rating Fee		16,667	16,667																											
	Closing Balance		<u>3,931,840</u>	<u>13,783,464</u>																											
28.00	DIVIDENT PAYABLE: TK. 34,463,510																														
	Opening Balance		17,042,997	100,018,892																											
	Add: Addition during the Year		100,560,591	-																											
			<u>117,603,588</u>	<u>100,018,892</u>																											
	Less: Dividend paid during the year		83,140,078	82,975,895																											
	Closing Balance		<u>34,463,510</u>	<u>17,042,997</u>																											
29.00	TURNOVER: TK. 3,760,786,106																														
	Local Sales		3,571,203,459	2,845,007,213																											
	Export Sales		189,582,647	103,449,296																											
	Net Turnover		<u>3,760,786,106</u>	<u>2,948,456,509</u>																											
	Details of Turnover are as under:																														
	<table><tr><th>Product Group</th><th>Box/Pack</th><th>Net Sales</th></tr><tr><td>Injection</td><td>2,385,575</td><td>1,006,979,483</td></tr><tr><td>Tablet</td><td>7,105,787</td><td>1,775,676,951</td></tr><tr><td>Pre-Filled Syringe</td><td>94,906</td><td>106,978,595</td></tr><tr><td>Infusion</td><td>560,604</td><td>105,416,521</td></tr><tr><td>Capsule</td><td>1,589,763</td><td>538,622,683</td></tr><tr><td>Syrup</td><td>2,087,219</td><td>136,247,370</td></tr><tr><td>PFS</td><td>754,742</td><td>90,864,503</td></tr><tr><td></td><td>14,578,596</td><td>3,760,786,106</td></tr></table>	Product Group	Box/Pack	Net Sales	Injection	2,385,575	1,006,979,483	Tablet	7,105,787	1,775,676,951	Pre-Filled Syringe	94,906	106,978,595	Infusion	560,604	105,416,521	Capsule	1,589,763	538,622,683	Syrup	2,087,219	136,247,370	PFS	754,742	90,864,503		14,578,596	3,760,786,106			
Product Group	Box/Pack	Net Sales																													
Injection	2,385,575	1,006,979,483																													
Tablet	7,105,787	1,775,676,951																													
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PFS	754,742	90,864,503																													
	14,578,596	3,760,786,106																													

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
30.00	COST OF GOODS SOLD: TK. 1,927,331,673			
	Materials Consumed	Note-30.01	1,131,911,400	830,673,247
	Factory Overhead	Note-30.02	733,713,416	554,580,148
	Total Manufacturing Cost		1,865,624,816	1,385,253,395
	Add: Opening Work-in-Process		85,102,385	86,965,316
	Total Work-in-Process		1,950,727,201	1,472,218,711
	Less: Closing Work-in-Process		135,588,281	85,102,385
	Cost of Production		1,815,138,920	1,387,116,326
	Add: Opening Finished Goods		338,227,070	435,734,440
	Finished Goods available for Sale		2,153,365,990	1,822,850,766
	Less: Closing Finished Goods		226,034,317	338,227,070
	Cost of Goods Sold		1,927,331,673	1,484,623,696

30.01 Materials Consumed: Tk. 1,131,911,400

Opening Inventory (Raw & Packing Material)	659,545,918	652,826,801
Add: Purchase	1,107,676,021	837,392,364
Materials available for use	1,767,221,939	1,490,219,165
Less: Closing Raw & Packing Material	635,310,539	659,545,918
Total	1,131,911,400	830,673,247

30.02 Factory Overhead: Tk. 733,713,416

Salaries & Allowances	149,744,140	111,208,330
Co's Contribution to P.F	2,774,311	2,080,357
Gratuity	2,575,744	-
Local Travel & Conveyance	518,263	402,519
Foreign Travel	1,918,428	979,188
Entertainment	1,325,574	661,181
Employee Fooding	27,281,076	16,238,423
Employee Pick & Drop	5,850,674	4,145,951
Telephone, Fax, Internet	2,510,297	1,878,813
Utilities	25,633,987	19,133,657
Fees & Renewal	609,801	334,168
Books, News Paper & Periodicals	12,268	8,726
Printing & Stationery	10,768,848	7,450,832
Legal & Consultancy Fees	1,839,489	2,462,133
Insurance Premium	591,087	400,330
Handling & Carrying Expense	259,900	241,190
Research & Development Expense	14,993,744	7,488,003
Repairs & Maintenance	15,820,810	4,075,842
Training Expense	1,611,324	468,425
Advertisement & Publicity	89,762	24,405
Misc. Expense	129,123	37,591
Tool Manufacturing Expense	16,049,611	15,383,369
Depreciation	450,805,155	359,476,715
Total	733,713,416	554,580,148

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
31.00	ADMINISTRATIVE EXPENSES: TK. 239,590,025			
	Salaries & Allowances		106,218,037	68,737,689
	Co's Contribution to P.F		1,656,115	1,111,245
	Gratuity		3,897,451	-
	Local Travel & Conveyance		1,938,982	1,692,729
	Foreign Traveling Expenses		2,761,533	2,032,515
	Entertainment		4,668,745	2,923,090
	Employee Fooding		26,266,500	33,708,270
	Office Rent		19,227,468	1,165,000
	Employee Pick & Drop		16,757,242	6,332,954
	Utilities		5,917,796	882,520
	Telephone, Fax, Courier		4,795,305	2,858,106
	Fees & Renewals		4,819,047	1,651,812
	Books, News Paper & Periodicals		58,457	42,258
	Printing & Stationery		4,209,848	2,924,020
	Audit Fee		382,056	207,000
	Legal & Consultancy Fees		2,170,394	2,993,529
	Insurance Premium		3,109,137	2,313,137
	Bank Charge & Other Expense		1,007,025	970,881
	Renewal & Documentation Expense		-	1,065,000
	Handling & Carrying Expense		1,115,634	10,000
	Repairs & Maintenance		2,244,230	638,899
	Advertisement & Publicity		2,502,034	1,472,550
	Training Expense		1,484,122	1,240,341
	Misc. Expense		2,567,256	1,508,724
	Depreciation		19,815,611	15,801,174
	Total		239,590,025	154,283,443

Salaries and allowances increased due to the increase of the numbers of employees and increment as well.

32.00 MARKETING, SELLING & DISTRIBUTION EXPENSES: TK. 1,324,256,067

Salaries & Allowances	517,022,714	420,734,182
Co's Contribution to P.F	11,367,574	8,728,561
Gratuity	9,833,686	-
Local Travel & Conveyance	25,112,955	10,515,372
Foreign Travel	15,448,497	10,457,303
Entertainment	4,758,265	4,023,013
Employee Fooding	6,641,470	6,836,205
Depot Rent	11,396,575	10,083,855
Employees Pick & Drop	3,500,272	2,950,451
Utilities	1,872,110	1,319,151
Telephone, Fax, Internet	9,809,015	6,233,466
Fees & Renewal	1,883,750	743,926
Books, News Paper & Periodicals	25,704	4,670
Printing & Stationery	14,432,882	14,835,069
Legal & Consultancy Fees	310,776	180,208
Insurance Premium	4,532,846	2,089,571
Bank Charges	2,486,655	2,108,524

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
	Handling & Carrying		1,087,692	2,760,437
	Repairs & Maintenance		1,861,223	1,537,360
	Research & Product Development		3,107,270	3,008,499
	Field Force Expenses (TA/DA)		91,310,534	84,609,209
	Sales Incentive		7,379,190	8,537,707
	Training Expense		4,608,659	3,134,171
	Conference, fair and product launching		58,799,283	79,731,867
	Promotional Expense		403,565,711	251,536,305
	Advertisement & Publicity		3,601,389	1,918,374
	Distribution & Collection Expenses		81,706,478	73,020,165
	Misc. Expense		2,023,378	10,885,242
	Depreciation		24,769,514	19,751,468
	Total		1,324,256,067	1,042,274,331
33.00	FINANCIAL EXPENSES: TK. 138,082,326			
	Interest on Consortium Loan	Note-33.01	44,766,236	44,328,437
	Interest on Short Term Loan	Note-33.02	91,644,877	102,800,716
	Bank Charges Other	Note-33.03	1,671,213	245,865
	Total		138,082,326	147,375,018
33.01	Interest on Consortium Loan : TK. 44,766,236			
	Janata Bank Ltd.		5,910,737	7,751,495
	Janata Bank Ltd. (Takeover)		(643,956)	18,443,075
	Agrani Bank Ltd.		2,642,836	4,267,986
	Sonali Bank Ltd.		9,313,402	13,865,881
	BD Finance Ltd.		4,684,267	-
	BRAC Bank Ltd.		828,162	-
	Prime Finance Ltd.		3,514,728	-
	Rupali Bank Ltd.		18,516,060	-
	Total		44,766,236	44,328,437
33.02	Interest on Short Term Loan: Tk. 9,16,44,877			
	CC(Hypo) - Janata Bank Ltd., Corporate Bhaban, Motijheel		91,644,877	102,800,716
	Total		91,644,877	102,800,716
33.03	Bank Charges Other: Tk. 16,71,213			
	Bank Charge & Others		1,671,213	245,865
	Total		1,671,213	245,865
34.00	INCOME FROM OTHER SOURCES: TK. 811,526			
	Interest Received from Bank		688,477	346,544
	Interest on FDR		122,507	-
	Received from Scrap Sales & others		-	351,128
	Dividend Income		542	1,093,091
	Total		811,526	1,790,763

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

35.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND: Tk. 6,301,788

WPPF Fund contribution during the year	6,301,788	5,794,799
Total	6,301,788	5,794,799

35.01 As per provision of Section 234 of the Bangladesh Labor Law 2006 as amended, 5% of net profit before tax is contributed to the above fund in the following proportions:

Particulars	Proportion	30 June 2018
Contribution to Participatory Fund	80%	5,041,430
Contribution to Welfare Fund	10%	630,179
Contribution to WWFF	10%	630,179
Total Taka		6,301,788

36.00 UNREALIZED (LOSS)/GAIN ON QUOTED SHARES : TK.-1,159,389

Unrealized Gain Realized	-	-
Unrealized (loss)/gain during the year	(1,159,389)	975,875
Total Taka	(1,159,389)	975,875

37.00 EARNINGS PER SHARE (EPS):

Basic Earnings Per Share

Breakup of the above amount is given below:

Particulars	30 June 2018	30 June 2017
Net Profit After Tax	126,103,008	103,734,641
Ordinary Shares Outstanding During the year	231,000,000	231,000,000
Earnings Per Share:	0.55	0.45

Calculation of weighted average number of share was not required since no shares were issued during the year.

38.00 PAYMENT TO DIRECTORS: TK. 25,200,000

The aggregate amount paid (except Directors fees for attending board meetings) during the year to the director of the company is given below as per requirement of Securities and Exchange Rules 1987.

Particulars	30 June 2018	30 June 2017
Basic Remuneration	7,200,000	5,700,000
House Rent	3,600,000	300,000
Medical allowance	1,800,000	-
Conveyance	1,800,000	-
Other allowances	9,600,000	-
Bonus	1,200,000	-
Total	25,200,000	6,000,000

39.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:

None as on 30-06-2018.

40.00 CREDIT FACILITIES NOT AVAILED:

There is no credit facility available to the Company that was not availed as on 30-06-2018 under any contract, other than those mentioned in the financial statements arising in the ordinary course of business.

41.00 DISCLOSURES AS OER REQUIREMENT OF SCHEDULE XI, PART OF THE COMPANIES ACT,1994:

Total number of Employees Drawing Remuneration is as follows : 2,518

Breakup of the above amount is given below:

Salary Range	No.of employees	No.of employees 30-06-2017
No.of Employees Having Salary Between Tk. 4,000 to Tk. 5,000	-	-
No.of Employees Having Salary Between Tk. 5,000 to Tk. 10,000	554	787
No.of Employees Having Salary Between Tk. 10,000 to Tk. 15,000	589	828
No.of Employees Having Salary Between Tk. 15,000 to Tk. 25,000	814	408
No.of Employees Having Salary Between Tk. 25,000 to Tk. 50,000	441	210
No.of Employees Having Salary Between Tk. 50,000 and above	120	125
Total	2,518	2,358

42.00 Capacity Utilization: Tk. 2,325

Production capacity and current utilization as required by the companies Act 1994, Schedule-XI, Para-7. Actual production and utilization for major products groups are as follows.

Major product/Unit	Capacity(In Millions)	30 June 2018		30 June 2017	
		Actual Production (In Millions)	Utilization (%)	Actual Production (In Millions)	Utilization (%)
Tablets	2,100	1,421	68%	1,159	55%
Capsules (Filled with Pellets)	380	289	76%	205	54%
Capsules (Filled with Powder)	850	592	70%	449	53%
Powder for suspension(Bottles)	15	11	73%	8	56%
Injection (Ampoules)	5	3	63%	3	54%
Injection (Lyophilized))	5	4	76%	3	54%
Large Volume Parenteral	4	3	70%	2	54%
Pre-filled Syringe	4	3	78%	2	52%
Total	3,363	2,325		1,831	

43.00 RELATED PARTY DISCLOSURES: TK. 339,209,477

During the year the company carried out a number of transaction 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 below table in accordance with BAS-24 " Related Party disclosures.

Name of the parties	Relationship	nature of transaction	Opening balance	Addition	Adjustment	Closing Balance
Beacon Glass Industries Ltd.	Shareholders	Investment In Shares	103,005,125	-	-	103,005,125
Mujibunnesa Medical College & Hospital Ltd.	Shareholders	Investment In Shares	94,809,180	-	-	94,809,180
Beacon Cephalosporin Ltd.	Shareholders	Investment In Shares	177,640,868	92,200,000	197,640,868	72,200,000
Beacon Power Systems Ltd.	Shareholders	Investment In Shares	69,195,172	-	-	69,195,172
Total			444,650,345	92,200,000	197,640,868	339,209,477

44.00 EVENT AFTER THE REPORTING PERIOD:

The Board of Directors in its' meeting held on 21st October, 2018 has recommended 6% cash dividend for the year ended June 30, 2018 subject to approval of the shareholders at the ensuing Annual General Meeting (AGM).

45.00 CONTINGENT LIABILITIES:

There may arise tax liability on final assessment of tax remain pending with taxation authority. Without the above, there is no known contingent liabilities.


Company Secretary
Managing Director
Chairman

Place: Dhaka

Dated: 22 October, 2018

BEACON PHARMACEUTICALS LTD.

Schedule of Fixed Assets

For the year ended 30 June 2018

Schedule-A

Particulars	COST				Rate of Dep.(%)	DEPRECIATION				Written Down Value as on 30.06.18
	Balance as on 01.07.2017	Addition During the year	Adjustment During the year	Balance as on 30.06.2018		Depreciation as on 01.07.2018	Charged During the year	Adjustment During the year	Depreciation as on 30.06.2018	
Land & Land Development	503,090,574	-	-	503,090,574	0%	-	-	-	-	503,090,574
Factory Building	613,320,398	304,633,786	-	917,954,184	5%	232,261,732	32,191,905	-	264,453,637	713,957,131
Corporate Head Office Building	30,517,707	29,938,877	-	60,456,584		-	-	-	-	-
Vehicles	86,924,762	80,566,078	-	167,490,840	20%	19,361,397	27,339,849	-	46,701,246	120,789,594
Electrical Installations	73,008,452	15,651,293	-	88,659,745	10%	36,609,657	8,227,742	-	44,837,399	43,822,346
Office Equipment	73,464,529	33,974,059	-	107,438,588	10%	28,561,892	8,478,402	-	37,040,294	70,398,294
Production Machinery & Equipment	2,648,591,502	173,675,798	-	2,822,267,300	15%	1,776,340,151	403,848,793	-	2,180,188,944	642,078,356
Furniture & Fixture	151,675,495	3,989,185	-	155,664,680	10%	17,998,752	15,303,589	-	33,302,341	122,362,340
30-06-2018	4,180,593,419	642,429,076	-	4,823,022,495		2,111,133,581	495,390,280	-	2,606,523,861	2,216,498,633
30-06-2017	3,401,685,777	778,907,642	-	4,180,593,419		1,716,104,224	395,029,357	-	2,111,133,581	2,069,459,838

Allocation of Depreciation :

	Proportion	Amount(Tk.)
Factory Overhead	91%	450,805,155
Administrative Overhead	4%	19,815,611
Selling, Marketing Expenses	5%	24,769,514
Total	100%	495,390,280