BEACON

ANNUAL REPORT















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E-mail: beacon@beacon.pharma.com Website: www.beacon.pharma.com

Letter of Transmittal

To

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

Subject: Annual Report for the year ended 30th June, 2012.

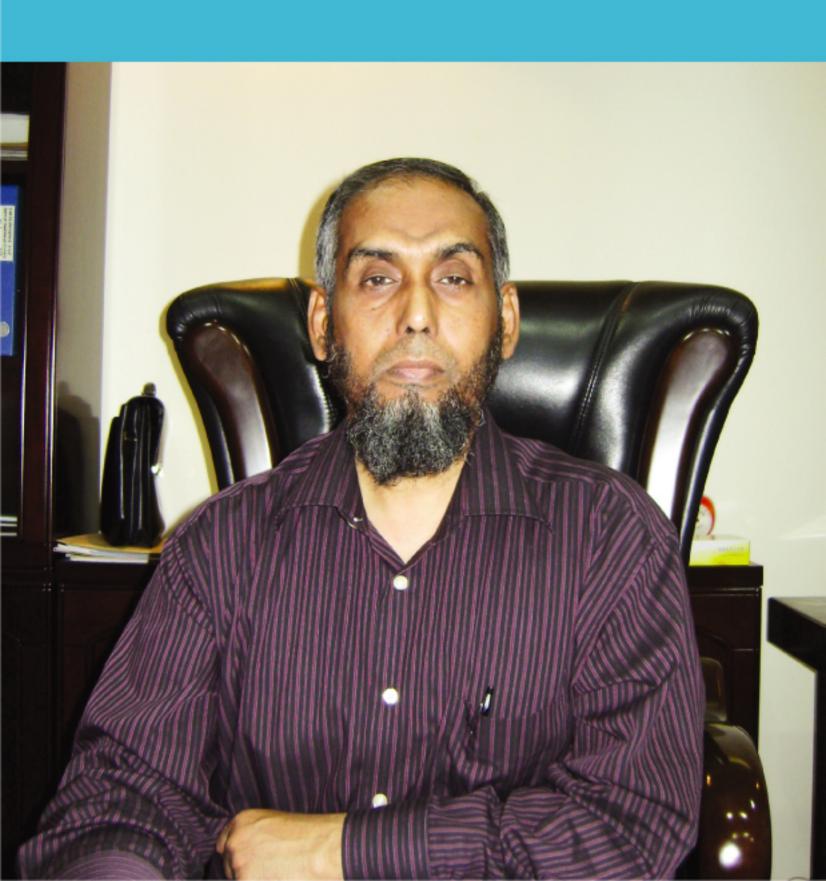
Dear Sir,

We are pleased to forward a copy of Annual Report together with Financial Statements for the year ended 30th June, 2012 for your kind information and record.

Sincerely yours,

GiashUddin Ahmed, FCMA

Company Secretary









Our Mission

To improve the quality of human life by providing innovative pharmaceutical products through continuous research and development ensuring stakeholders satisfaction.

Our Vision

To be regarded and recognized as one of the most value -driven Pharmaceuticals Companies in the world.

Our Goals

To be the market leader.

Serve our customers with quality products at a reasonable price.

Develop our employees with high potentials and an opportunity of career development.

Establish strong regional presence.

Provide our shareholders a steady asset growth and return on investment.

Recognize the suppliers as our business partners and Competitors as the contributor to the market value.

Grow revenue and profit.

Our Values

- Quality in everything we do
- Live up to our commitment
- Trust & respect for each other
- Transparent & fair in all our dealings
- Take initiative to exceed standard
- Work as a team
- Share social responsibilities











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CORPORATE MANAGEMENT

Corporate Directories

Board of Directors

Mr. Mohd. Ebadul Karim, Chairman and Managing Director

Mrs. Nurun Nahar Karim, Director

Mr. Niazul Karim, Director

Mr. Abdul Qader Siddique, Independent Director

Board Audit Committee

Mr. Abdul Qader Siddigue, Independent Director

Mr. Md. Ebadul Karim, Managing Director

Mrs. Nurun Nahar Karim. Director

Executive Management

Mr. A.K.M.Anwarul Hoq, SVP (Marketing)

Mr. Shahidul Haque, SVP (Factory Operation)

Mr. Giash Uddin Ahmed, SVP (Finance & Accounts)

Company Secretary

Mr. Giash Uddin Ahmed, FCMA

Auditors

M/S. Habib Sarwar & Company

Chartered Accountants

Eastern Commercial Complex, 73 Kakrail, 7th Floor, Dhaka -1000.

Legal advisor

Abul Khayer & Associates

25/A Indira Road, Farmgate, Dhaka.

Listing

Dhaka Stock Exchange Ltd.

Chittagong Stock Exchange Ltd.

Registered Office

153 -154 Tejgaon I/A., Dhaka-1208, Bangladesh.

Tel: +880-2-8870133,8870134, Fax: +880-2-8870109

E-mail: beacon@beacon-pharma.com Website: www.beacon-pharma.com

Factory

Kathali, Bhaluka, Mymensingh

Main Banker

Janata Bank Limited, Corporate Bhaban Branch, Dhaka





Board of Directors



Mr. Md. Ebadul Karim Managing Director



Mrs. Nurun Nahar Karim Director

Mr. Mohd. Ebadul Karim, an Arts Graduate entered into the realm of business horizon after completion of his graduation. By virtue of his entrepreneurial skill and sound management capability accompanied with vast experience and farsighted vision he has been running a number of enterprises very successfully. He is Chairman and Managing Director of Beacon Pharmaceuticals Limited and also the Managing Director of Beacon Development Ltd., a reputed construction Company. He is also the Director of Kohinoor Chemicals Co. (BD) Ltd., one of the largest and leading soaps, cosmetics and toiletries manufacturing company in the Country. He has travelled many countries of the world for business purposes.

Mrs. Nurun Nahar Karim is an MA. She is the wife of Mr. Mohd. Ebadul Karim. Mrs. Nurun Nahar Karim is associated with a number of business and Industrial ventures which includes among others Beacon Pharmaceuticals Limited, Beacon Development Ltd. and Kohinoor Chemicals Co. (BD) Ltd.She is the Director of the above three Companies.

Board of Directors



Mr. Mohammad Niazul Karim Director

Mr. Mohammad Niazul Karim, S/O. Mr. Mohd. Ebadul Karim is a BBA completed from the International University of Bangladesh. Just after completing his BBA he has actively involved in the business and presently he is acting as the Director of Beacon Pharmaceuticals Ltd. and Beacon Development Ltd.



Mr. Abdul Qader Siddique Independent Director

Mr. A.Q. Siddique is an M.A in Economics from the University of Dhaka. He did his Diploma from the Institute of Bankers in Pakistan. He is a fellow of UNADI and IBB and also a Council member of IBB. Mr. Siddique is the Chairman of Bangladesh Commerce Bank Ltd., He is also the Country Chief Representative of Habib Bank AG Zurich an International Bank incorporated in Switzerland. He was the Managing Director of Sonali Bank Ltd., Agrani Bank Ltd. and also the Dy. Managing Director of Janata Bank Ltd.

Executive Management



Mr. Giash Uddin Ahmed Senior Vice President Finance & Accounts and Company Secretery



Mr. Md. Shahidul Islam Senior Vice President Factory Operation



Mr. A.K.M. Anwarul Hoq Senior Vice President Marketing



Md. Zakir Hossinn National Sales Manager



Monjurul Alam Senior Manager International Business Development



Md. Nezab Uddin Senior Manager Quality Operations



Md. Salimullah Malik Senior Manager Engineering Department

Management Team



Mohammad Anisur Rahman Khan Manager Training Department



Md. Safiul Islam Manager MIS & Market Audit



Md. Saiful Islam Manager Distribution



Sujit Kumar Kundo Manager Product Development



Dear Shareholders.

It is my great pleasure to place before you the Annual Report along with the Audited Financial Statements of the Company for the year ended 30th June, 2012. It is evidently vital that Bangladesh Economy has been passing through a very hard time due to hefty devaluation of taka against us dollar, crushing of capital market, liquidity crisis in the commercial banks, high bank interest rate and unrest in the Gulf and African Countries. The overall adverse economic condition effects the imported active ingredients to become costlier and the ultimate result of operational activities is the downsizing of margin. In order to face these economic challenges we have given special emphasis on cost control, resource optimization and R & D capabilities. Despite of having a number of challenges, we have achieved the targeted sales growth.

Operating Result:

- Sales Turnover has been increased by 33.25% over last year (i.e 2011) and rose to Tk.979.43 million.
- Gross Profit has been increased by 31.42% over last year.
- 3. Operating Profit has been increased by 27.50% over last year.
- Net Profit after tax has been decreased by 32.52% over last year which has been occurred due to charging of high financial expense and decreasing of income from other sources.
- Net Asset value per share has been reduced by 2% over last year.

New Products:

In the year under review your Company has introduced newer products in the market that will improve human health nationwide. Consistent to our committed efforts to cater to the healthcare needs for our people in 2012, we had successfully launched 32 new products which are going to contribute in revenue earning in 2013. There are 20 general products, 5 bio-tech products & 7 oncoproducts introduced in Bangladesh Pharma market of which 8 are new molecules (introduced for the first time in Bangladesh). As a sophisticated pharmaceutical company, we focus our efforts where we can have the most impact. Our products are of different therapeutic segments like Agotin (Agomelatine) for depression, Rupadin (Rupatadine) for allergy, Lubilax (Lubiprostone) for IBS, Roflast (Roflumilast) for COPD, Regab (Pregabalin) for chronic pain, Pradox (Pralidoxime) for OP poisoning, Caviral (Entecavir) for hepatitis C, Paricon (Paricalcitriol) for kidney disease, Tinizol DS (Tinidazole) as antiamebic, Anastrol (Anastrozole) &Lexel (Letrozole) for Breast cancer, Criston (Vincristine) for lymphoma, Rubicin (Daunorubicin) for leukemia, Xoleron (Zoledronic acid) for bone cancer etc.

We are confident that your Company will continue to outperform industry growth in the coming years with continuous and successful expansion of product portfolio.

Regulatory Approval and Overseas Market Registration

2012 is a remarkable year in achieving a significant milestone for pharma sector of Bangladesh. I am pleased to inform you that Bangladesh has started export of life saving anti-cancer drugs and it's Beacon Pharma, who has earned this pride for this developing country. So Beacon is not only the first anti-cancer drug manufacturer of Bangladesh but also the only anti-cancer drug exporter of Bangladesh. Thanks to Beacon team for earning such a glorious and praise-worthy achievement for the country. Beacon has started export of anti-cancer drugs to Philippines, Uzbekistan, Sri Lanka and Myanmar.

As a part of registration, our anti-cancer drugs (Xelpac, Gemoxen, Erlonix, Imanix, Xitabin, Fluroxan, Folinex) are tested in different countries drug testing laboratories. In all the cases, test results reconfirmed quality of our drugs to international standards. These certification/registrations will help to build confidence of our doctors and patients on our brands.

Besides anti-cancer drugs, we have also exported general drugs to Ghana, Myanmar, Sri Lanka and Nepal. Though the volume of export is not remarkable but we have started the journey of earning foreign currency for the country. Our International business is expanding fast and hoping to cross million dollar mark by 2013.

Project Expansion:

The Hormone Project is on the way to implement. Meanwhile we have started civil construction of project building and the importable machineries have all ready been selected. We have submitted a financial proposal to the Bank., which is under active consideration of the Bank's management to sanction. On having the approval of the same, the project implementation work will be started in a full sewing and that will bring an excellant impact in the comming years.

Conclusion:

Whatever we have achieved so far is the reflection of outstanding contribution of the employees of Beacon Pharma. I would like to thank all of them for their utmost co-operation, dedication and commitment. Before I conclude I like to take the opportunity to express my sincere thanks with gratitude to all of our valued customers, bankers, financial institutions, suppliers, healthcare professionals, government agencies, regulatory bodies and everyone who has interaction with Beacon Pharma and its continuous progress.

Finally, I like to thank to our valued shareholders who continue demonstrate their belief in the potential of the Company.

I also look forward to having continuous support from you all.

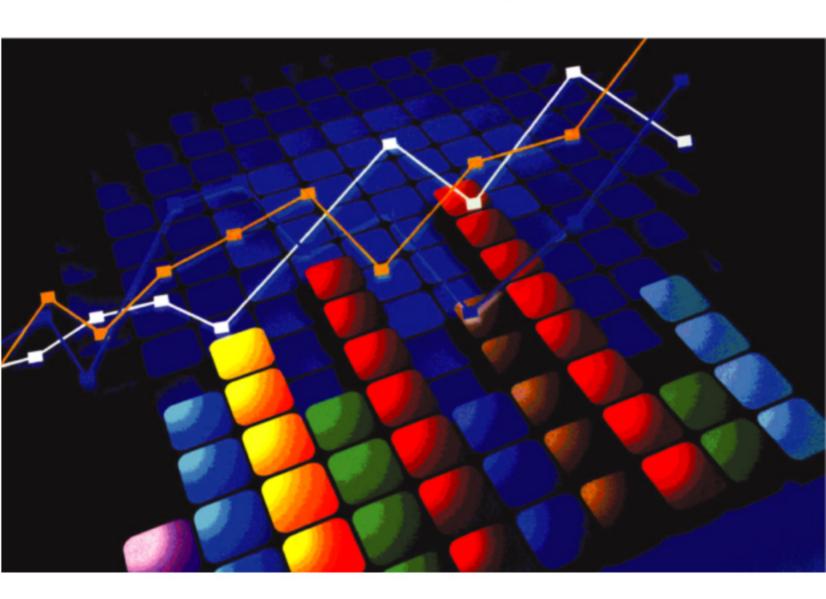
Thank you all

Md. EbadulKarim

CORPORATE GOVERNANCE

Directors' Report to the Shareholders

For the year ended 30th June, 2012



Dear Shareholders

The Directors have the pleasure in presenting their Annual Report together with the Audited Financial Statements of the Company for the year ended 30th June, 2012. These were approved by the Board of Directors on 30th October, 2012. The Directors' Report has been prepared in compliance with section 184 of the Companies Act. 1994, SEC's notification dated 20th February 2006, the Listing Regulations of Dhaka and Chittagong Stock Exchange and other applicable rules and regulations. In addition, the Directors explained and disclosed certain issues, which they deemed relevant and important to ensure transparency and good governance practice.

Business activities

Theprincipal activities of the Company are to manufacturing and marketing of pharmaceuticals and lifesaving medicine in the local and international markets. Beacon is the first manufacturer of anticancer drugs in Bangladesh and proud introducer of isolator technology for processing anti-cancer products and Lyophilized Technology. Beacon is the second in world to manufacturing and marketing peginterferon medicine for hepatitis. Beacon is the first to introduce sophisticated biotech products streptokinase and Urokinase injections for Acute MI disease. This year Beacon has launched 32 nos. of new products, out of which 20 general products, 7 oncology products and 5 bio-tech products.

Directors' Responsibility for Financial Statements

The Directors are responsible for preparing the annual report and financial statements in accordance with the Companies Act. 1994, Securities and Exchange Commission Rules 1987, Bangladesh Financial Reporting Standards (IFRS) and other applicable laws and regulations. The Companies Act 1994 requires Directors to ensure that the Company keeps proper books of account ts of all transactions and prepare financial statements that give a true and fair view of the state of affairs of the Company and the result of operations. The Directors are also required to ensure that the financial statements have been prepared and presented in accordance with the International Accounting Standard (IAS) and IFRS as applicable in Bangladesh and provide the information required by the Companies Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Commission Rules 1987 and the regulation of Dhaka / Chittagong Stock Exchanges. They are also responsible for taking reasonable measures to safeguard the assets of the Company and in that context Directors require to implement appropriate Internal Control system with a view to prevention and detection of fraud and irregularities.

The Directors are of the view that the financial statements have been prepared under the generally accepted accounting principles and in accordance with the Bangladesh Accounting Standard as laid down by the Institute of Chartered Accountants of Bangladesh.

M/S. HabibSarwar& Co., Chartered Accountants, Auditor of the Company have examined the financial Statements made available by the Board of Directors together with all relevant financial records, related data, minutes of the shareholders and Directors meetings and expressed their opinion in their report.

Accounting Policies and Maintenance of Books of Accounts

The Directors consider that in preparing the financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed. In preparing financial statements, information have been maintained properly as required by the applicable rules and regulations.

Observance of IAS applicable in Bangladesh

The Directors confirm that the financial statements have been prepared in accordance with the Bangladesh Accounting Standards and other applicable rules and regulations.

Internal Control

The Board has the ultimate responsibility for Beacon Pharma's system of internal control and for reviewing its effectiveness. It has been designed to manage the risk of failure to achieve the objectives of the Company and to provide reasonable assurance that Company's assets are safe guarded against unauthorized use or material loss and that transactions are properly authorized and recorded.

Going Concern

The Board of Directors has reviewed the Company's business plan and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly the financial statements are prepared based on the Going Concern concept.

Operating Result

The Company's total operating revenue was BDT 979,436,050.00 in 2012 as against BDT 734,972,610.00 of 2011. Operation profit has been increased from BDT 266,515,391.00 to BDT 339,787,826.00 representing an increase of 27.50 percent over last year. Net profit has been reduced from BDT 111,601,475.00 to 75,261,161.00 representing a decrease of 32.56 percent due to charging high financial expense and reducing of income from other sources. Earnings per share was BDT 0.33 as against BDT 0.51 of 2011, which has been decreased by 35.29% over last year. The financial result of the Company are summarized below:

Particulars	Year-2012	Year-2011
Net Profit after Tax	75,261,161.00	111,601,475.00
Adjustment for depreciation on revaluation assets	17,723,728.00	17,723,728.00
Profit brought forward from previous year	6,866,586.00	221,124.00
Recommended for appropriations		
Proposed Dividend	-	110,000,000.00
Tax holiday reserve	-	5,091,014.00
Un-appropriated profit carried forward	99,851,475.00	6,866,586.00

Key Operating and Financial Data

The summarized key operating and financial data of three years is shown in the annexure-I of this report.

Dividend

The Board of Directors of the Company has not recommended any dividend for the year ended 30th June, 2012.

Board Meeting and attendance

During the year 11 Board Meeting were held. The attendance record of the Directors is shown in the annexure-II of this report. The Directors who could not attend the meeting were granted leave of absence.

Directors' Report to the Shareholders

For the year ended 30th June, 2012

Pattern of Shareholding

The pattern of shareholding is shown in the annexure-III of this report.

Directors to retire and re-appointment

As per provision of the Articles of Association of the Company Mr. Md. Ebadul Karim Director of the company will retire as director in the 11th Annual General Meeting and being eligible, he will be offered for re-election.

Appointment of Auditors

Pursuant to section 210 of the Companies Act 1994, The Company's statutory Auditors Messrs.SarwarHabib& Co., Chartered Accountants retires at the 11th Annual General Meeting as auditor of the Company.

The retiring Auditors are eligible for re-appointment and have express their willingness to continue in office. The Directors recommended for the appointment of Messrs. SarwarHabib& Co., Chartered Accountants as the Auditors of the Company for the year 2013.

Corporate Governance Compliance Report

In accordance with the requirement of the Securities and Exchange Commission, "Corporate Governance Compliance Report" is shown in the annexure-IV of this report.

Conclusion

The Company expresses its sincere appreciation to all of its employees for their outstanding contribution and at the same time thank to all the stakeholders for their continued support and confidence.

Approved by the Board of Directors and signed on its behalf

125524

Md. EbadulKarim

Managing Director

3 years Financial Highlights

Annexure-I

Particulars	Year			
Financial Performance	2012	2011	2010	
Financial Performance				
Total Assets	4,511,424,780.00	4,332,423,471.00	3,652,158,383.00	
Total Liabilities	1,747,297,518.00	1,643,557,370.00	1,365,305,530.00	
Current Assets	1,558,681,879.00	1,404,708,549.00	1,120,732,011.00	
Current Liabilities	897,220,836.00	739,138,766.00	426,521,195.00	
Non-Current Assets	2,952,742,901.00	2,929,714,922.00	2,531,426,272.00	
Non-Current Liabilities	850,076,683.00	904,418,604.00	938,784,335.00	
Shareholders' Equity	2,764,127,262.00	2,688,866,101.00	2,286,852,753.00	
Operational Performance				
Revenue	979,436,050.00	734,972,610.00	554,265,199.00	
Cost of Goods Sold	452,583,791.00	334,079,394.00	255,198,994.00	
Operating Expense	187,064,433.00	134,377,825.00	109,825,711.00	
Financial Expense	212,120,046.00	174,047,807.00	169,096,748.00	
Gross Profit	526,852,259.00	400,893,216.00	299,066,205.00	
Operating Profit	339,787,826.00	266,515,391.00	189,240,494.00	
Net Profit before tax	120,417,857.00	137,968,721.00	24,114,850.00	
Net Profit after tax	75,261,161.00	111,601,475.00	24,114,850.00	
Financial Ratio				
Current ratio	1.73:1	1.90:1	2.62:1	
Debt Equity Ratio	1:1.58	1:1.63	1:1.67	
Financial Expense Coverage Ratio (Times)	1.60	1.53	1.12	
Return on Equity	2.72%	4.15%	1.05%	
Return on Assets	1.67%	2.58%	0.66%	
Equity Parameters				
Authorized Capital	3,000,000,000.00	2,500,000,000.00	2,500,000,000.00	
Paid-up Capital	2,310,000,000.00	2,200,000,000.00	1,900,000,000.00	
Shareholders' Equity	2,764,127,262.00	2,688,866,101.00	2,286,852,753.00	
No. of Shares Outstanding	231,000,000.00	220,000,000.00	190,000,000.00	
Net Assets Value (NAV) Per Share	11.97	12.22	12.04	
Earnings Per Share (EPS)	0.33	0.51	0.13	
Market Price Per Share (Closing)	19.10	32.10	N/A	
Price Earnings Ratio (Times)	57.88	62.94	N/A	

Annexure-II Board Meeting and attendance during the year ended 30th June, 2012

SI. No.	Name of Directors	Meeting held	No. of meeting attended
1.	Mr. Md. Ebadul Karim	11	11
2.	Mrs. Nurun Nahar Karim	11	11
3.	Mr. Niazul Karim	11	11
4.	Mr. Abdul Qader Siddique	11	02

Annexure-III

The pattern of shareholding

(i). Parent/ Subsidiary / Associate Companies

SI. No.	Name	Designation with BPL	Entities where they have interest	No. of share held
1.	Mr. Md. Ebadul Karim	Managing	Beacon Development Ltd.	60,000
		Director	Kohinoor Chemical Co.(BD) Ltd.	63,750
2.	Mrs. Nurun Nahar Karim	Director	Beacon Development Ltd.	25,000
			Kohinoor Chemical Co.(BD) Ltd.	405
3.	Mr. Niazul Karim	Director	Beacon Development Ltd.	40,000

(ii). Director, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children

SI. No.	Name	Designation	No. of shares held
1.	Mr. Md. Ebadul Karim	Managing Director	5,82,28,800
2.	Mrs. Nurun Nahar Karim	Director	47,25,000
3.	Mr. Niazul Karim	Director	63,54,000

(iii) Executive

SI. No.	Name	Designation	No. of shares held
1.	Mr. Md. Ebadul Karim	Managing Director	5,82,28,800
2	Mr. Sujit Kumar Kundu	Manager, PD	20,000

(iv). Shareholders holding ten percent (10%) or more voting interest in the Company

SI. No.	Name	Designation	Percentage	No. of shares held
1.	Mr. Md. Ebadul Karim	Managing Director	25.21	5,82,28,800

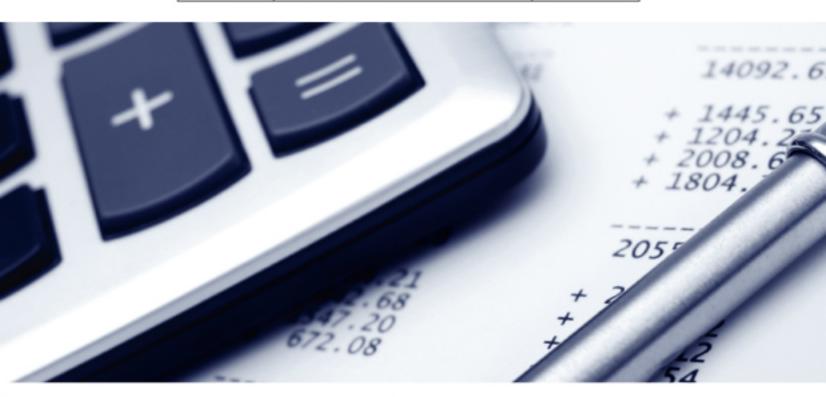
Annexure-IV

Status of compliance with the conditions imposed by the commission's Notification No. SEC/CMRRCD/2006-158/Admin/02-08, dated 20th February 2006 issued under section 2CC of Securities and Exchange Ordinance 1969.

Condition No.	Title	Compliance Status
1.1	Board Size (number of Directors - minimum 5 and maximum 20)	In Process
1.2(i)	Independent Directors (at least one tenth of Directors should be Independent Directors)	Complied
1.2(ii)	Independent Director Appointment (Should be appointed by the elected Directors)	Complied
1.3	Chairman & Chief Executive Office	Complied
1.4(a)	Directors Report on Financial Statements (Fairness of financial statements)	In Process
1.4(b)	Books of Accounts (maintenance of proper books of accounts)	Complied
1.4(c)	Accounting Policies (application of appropriate accounting policies and esti mates)	Complied
1.4(d)	IAS applicable in Bangladesh (Application and adequate disclosure for any departure)	Complied
1.4(e)	System of Internal Control (efficiency of internal control system	Complied

Condition No.	Title	Compliance Status
1.4(f)	Going Concern	Complied
1.4(g)	Deviation in Operating Result (Highlighting significant deviation from the last year operating result)	Complied
1.4(h)	Key Operating and Financial Data (summarized financial data of at least preceding three years	Complied
1.4(i)	Declaration of Dividend	Complied
1.4(j)	Number of Board Meetings (no. of Board Meetings held and attendance by each Directors)	Complied
1.4(k)	Pattern of Shareholding (disclosing aggregating number of shares)	Complied
2.10	Appointment of CFO, Head Internal Auditing and Company Secretary and defining their roles, responsibilities and duties.	Complied
2.20	Board Meeting Attendance (CFO and CS should attend except agenda relating to them)	Complied
3.00	Audit Committee (should have an audit committee as a	Complied
	sub-committee of the Board of Directors)	Complied
3.1(i)	Composition of Audit Committee (should be composed of at least three members)	Complied
3.1(ii)	Audit Committee Members Appointment(members should nominate by the Board with at least one independent Director)	Complied
3.1(iii)	Term of Service of Audit Committee(Board to ensure continuity of minimum prescribed number of members	Complied
3.2(i)	Chairman of Audit Committee (Board to select Chairman from Audit Committee)	Complied
3.2(ii)	Audit Committee Chairman's Qualification (professional qualification and experience of the Chairman)	Complied
3.3.1(i)	Reporting to the Board of Director	Complied
3.3.1(ii)(a)	Report of Conflict of Interest	Complied
3.3.1(ii)(b)	Defect in the Internal Control System to the Board of Directors	Complied
3.3.1(ii)(c)	Suspected Infringement of Laws to the Board of Director	Complied

Condition No.	Title	Compliance Status
3.3.1(ii)(d)	Any other Matter (out of the above a-c)	Complied
3.3.2	Reporting to the Authorities-SEC (If any material impact on the financial condition and result of the operation, unreasonably ignored by the management).	Complied
3.4	Reporting to the Shareholders (disclosure of activities of the audit committee in the annual report)	Complied
4.00(i)	Appraisal or valuation Service (none by the external /statutory auditor)	N/A
4.00(ii)	Financial Information System (none by the external / statutory auditor)	Complied
4.00(iii)	Book Keeping or Other Service (none by the external / statutory auditor)	Complied
4.00(iv)	Broker-dealer Service (none by the external / statutory auditor)	N/A
4.00(v)	Actuarial Service (none by the external / statutory auditor)	N/A
4.00(vi)	Internal Audit Service(none by the external / statutory auditor)	Complied
4.00(vii)	Any other Service	N/A



Corporate Governance

The Guidelines of Transparency and Accountability

Corporate Governance

Adopting the best practice of Corporate Governance and follows the principles of transparency and accountability that protect the interest of its stakeholders and safeguarding the assets of the shareholders. Corporate Governance ensures the activities that led the Company to its goal through setting strategies, formulating policies and taking prudent decisions. The Board of Director of BEACON ensure that the activities undertaken by the Company are in accordance with the highest ethical standards in the best interest of all stakeholders.

The Board

The Board comprises of four members of executive and non-executive having diverse and professional skill and experience. The non-executive Directors are from different business and background. Their experience enable them to contribute the Company in making strategy, formulating policy and other decision making process for advancement. The Chairman is the head of the Board and Company Secretary is the compliance officer who prepare agenda in consultation with the Chairman of the Board Director and Chairman of various Committee and Managing Director. The Chairman ensures that all Board members are properly briefed on all issues raise in the Board Meeting. It is the responsibility of the Chairman and the Company Secretary to ensure that the non-executive Directors are provided with timely information to enable them to carry the duties effectively.

Board Meetings

The Board of Directors has the supreme authority delegated by the shareholders in making strategy, formulating policy and other decision making process for development of the Company. The Board of Directors consider that it meets regularly to discharge their duties effectively.

Board Independence

As per Corporate Governance guidelines, Mr. Abdul QaderSiddique has been appointed as an Independent Director of the Company. He is considered by the Board to be independent of the Company and the management and free of any business or other relationship that could interfere with the exercise of his independent judgment. The Board beliefs that his experience and knowledge enables him to provide effective and constructive contribution to the Board.

Board Committee

The Board of Directors has formed committees to assist in exercising its authority including monitoring of performance.

Board Audit Committee

The Company's audit committee met twice in 2012 to consider its Annual Financial Statements for the year ended June 30, 2012 and Half Yearly Report for the period ended December 31, 2011. The committee comprises Mr. Abdul Qader Siddique, Mr. Md. Ebadul Karim and Mrs. Nurun Nahar Karim.

Internal Control

The Board has the ultimate responsibility for Beacon Pharma's system of internal control and for reviewing its effectiveness. It has been designed to manage the risk of failure to achieve the objectives of the Company and to provide reasonable assurance that Company's assets are safe guarded against unauthorized use of material loss and that transactions are properly authorized and recorded.

OUR FACTORY

The Company has set up its factory at Khathali, Bhaluka, Mymensingh. The factory is situated on a tract of land measuring about 18 acres Dhaka- Mymensingh high-way connected by road. The project site level is about 10 ft higher above the highest flood level so for recorded. The factory is surrounded by forest creating a natural aesthetic beauty in addition, in order to make the factory more environmental friendly, about 5000 timber plants have been sowed/ planted inside and around the factory.

The company has world-class infrastructure with most sophisticated machinery and equipments. Fully segregated independent production facility equipped with sophisticated high-tech European machinery integrated Building Management System (IBMS) supported by latest dynamic software networking to ensure central monitoring and complete automatic operation of the plant. Independent modern QA, Microbiological and Product Development Laboratories supported with high-tech equipment to ensure the highest quality of products. Electronically controlled operation system as per guideline of GAMP- 4 (Good Automated Manufacturing Practies)













OUR PRODUCTION TEAM





















NEW PRODUCTS

























Beyond the Boundary

With the global vision in mind, Beacon Pharmaceuticals Limited started its journey in 2006. In September 2009, Beacon stated to produce anti cancer drugs for the first time. Earlier many of our cancer patients failed to take the costly chemotherapy drugs. Considering the socio-economic condition of Bangladeshi patients, Beacon started to market the cancer drugs at affordable price. Thus a very good percentage of cancer patients have been able to get modern cancer treatment.

After meeting the country's demand, Beacon started to export drugs to different countries. One of the most remarkable and significant achievement of Beacon in 2012 is the first time export of life saving anti-cancer drugs from Bangladesh. Country has exported drugs to more than 70 countries but none of the drug items from anti-cancer group. Beacon has started export of anti-cancer drugs to Uzbekistan, Philippines and Sri Lanka for the first time from Bangladesh. We have received registration of about 12 life-saving anti cancer drugs & 30 general products in different countries. Brands include Xelpac (paclitaxel), Gemoxen (gemcitabine), Erlonix (erlotinib), Imanix (imatinib), Xitabin (capcitabine), Xorubin (doxorubicin), Fluroxan (5 Fluro uracil) etc. Beacon's anti-cancer drugs are not only serving Bangladeshi cancer patients but also cancer patients of different countries. Export and registration of these drugs in different countries reconfirm quality of our drugs to international standards.

Beacon will start export to Nepal, Ghana, and Vietnam by 2012-13 financial year. Registration of 45 more products are ongoing in different countries, which will substantially increase our foreign currency earnings.



International Business & Certificate









Annual Conference









FINANCIAL STATEMENTS



Auditors' Report

Independent Auditors' Report To the Shareholders of BEACON Pharmaceuticals Ltd.

We have audited the accompanying financial statements of BEACON PHARMACEUTICALS LTD, consisting of the statement of financial position as at June 30, 2012, and the statement of 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 (BFRS), 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. 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 auditor's 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 the 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 Beacon Pharmaceuticals Ltd. as at June 30, 2012, and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards 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 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;
- The company's Statement of Financial Position and Statement Of Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purposes of the company's business.

Habib Sarwar & Co. Dhaka: October 31, 2012

Chartered Accountants

Hully,

Auditors' Report

STATEMENT OF FINANCIAL POSITION

As at June 30, 2012

		Amount in Taka
ASSETS Notes	30.06.12	30.06.11
Non-Current Assets		
Property, Plant & Equipments 3.00	2,698,805,180	2,669,042,769
Deferred IPO Expenses 4.00	18,937,721	23,672,153
Total Non-Current Assets	2,717,742,901	2,692,714,922
Current Assets		
Inventories 5.00	997,651,472	886,225,292
Accounts Receivables 6.00	125,677,319	110,776,095
Advance, Deposits & Pre-payments 7.00	428,150,505	386,143,186
Cash & Cash Equivalents 8.00	7,202,584	21,563,976
Total Current Assets	1558681879	1404708549
Investment in Shares 9.00	235,000,000	235,000,000
TOTAL ASSETS	4,511,424,780	4,332,423,471
SHAREHOLDERS' EQUITY & LIABILITIES		
Shareholders' Equity		
Share Capital 10.00	2,310,000,000	2,200,000,000
Reserve and Surplus 11.00	354,275,787	371,999,515
Retained Earnings	99,851,475	116,866,586
Total Shareholders' Equity	2764127262	2688866101
Non-Current Liabilities		
Long Term Loan 12.00	850,076,683	904,418,604
Current Liabilities		
Liability for EWF and WPPF 13.00	13,811,090	7,629,837
Short Term Loan 14.00	623,092,288	455,980,666
Current Portion of Long Term Loan 15.00	150,567,892	215,213,374
Share Application Money Refundable 15.A	5,180,995	5,292,942
Accounts Payables 16.00	21,020,482	19,224,188
Tax Payable 17.00	63,994,738	27,203,866
Accrued Expenses 18.00	19,553,351	8,593,893
Total Current Liabilities	897220836	739138766
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	4,511,424,780	4,332,423,471
Net Asset Value (NAV)	11.97	12.22
Per Value (Tk.)	11.01	

Company Secretary

Dhaka: October 31, 2012

Nurun Nehar Karim

Director

Habib Sarwar & Co. Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2012

Particulars	Notes	Amount in Taka 2011-2012	Amount in Taka 2010-2011
Turnover (Net of VAT)	19	979,436,050	734,972,610
Less: Cost of Goods Sold	20	452,583,791	334,079,394
Gross Profit		526,852,259	400,893,216
Less: Administrative Expenses	21	38,541,999	24,015,772
Less: Marketing, Selling & Distribution Expens	es 22	148,522,434	110,362,053
Total Operating Expenses		187,064,433	134,377,825
Operating Income		339,787,826	266,515,391
Less: Financial Expenses	23	212,120,046	174,047,807
Net Profit after Financial Expenses		127,667,780	92,467,584
Income from Other Sources	24	3,505,401	52,399,573
Net Profit before IPO Expenses		131,173,182	144,867,157
Less: Amortization of Deferred IPO expenses	24.A	4,734,432	-
Net Profit before Contribution to WPPF		126,438,750	144,867,157
Less: Contribution to WPPF	25	6,020,893	6,898,436
Net Profit before Tax		120,417,857	137,968,721
Less: Income Tax	26	45,156,696	26,367,246
Net Profit after Tax		75,261,161	111,601,475
No. of Shares		231,000,000	220,000,000
Earning Per Share		0.33	0.51

The annex notes 1 to 29 form an integral part of these financial statements. The financial statements were approved by the Board of Directors as and were signed on its behalf by.

Company Secretary

Nurun Nahar Karim

Managing Director

Habib Sarwar & Co. Chartered Accountants

Dhaka: October 31, 2012

Auditors' Report

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2012

	,			,	Amount in Taka
Particulars	Share Capital	Revaluation 1	Tax Holiday	Retained	Total Equity
		Reserve	Reserve	Earning	
Balance at the beginning of the year	2,200,000,000	366,496,416	5,503,099	116,866,586	2,688,866,101
Prior year adjustment	-	-	-	-	-
Net Profit transferred from					
Income Statement	-	-	-	75,261,161	75,261,161
Revaluation Reserve adjustment					
(Note-27)	-	(17,723,728)	-	17,723,728	-
Transferred to Tax Holiday Reserv	е -	-	-	-	-
Investment from Tax Holiday Rese	erve -	-		-	-
Shares Issued during the year /					
Payment of Stock Dividend	110,000,000	-	-	(110,000,000)	-

Balance at the end of the year 2,310,000,000 348,772,688 5,503,099 99,851,475 2,764,127,262

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2012

	,				Amount in Taka
Particulars	Share Capital		Tax Holiday	Retained	Total Equity
		Reserve	Reserve	Earning	
Balance at the beginning of the year	1,900,000,000	384,220,144	2,411,485	221,124	2,286,852,753
Prior year adjustment				(7,588,127)	(7,588,127)
Net Profit (Loss) transferred to					
Income Statement				111,601,475	111,601,475
Revaluation Reserve adjustment					
(Note-27)		(17,723,728)		17,723,728	
Transferred to Tax Holiday Reserv	/e -		5,091,614	(5,091,614)	
Investment from Tax Holiday Rese	erve -		(2,000,000)		(2,000,000)
Shares Issued during the year	300,000,000				300,000,000
Balance at the end of the year	2,200,000,000	366,496,416	5,503,099	116,866,586	2,688,866,101

The annex notes 1 to 29 form an integral part of the financial statements. The financial statements were approved by the Board of Directors as and were signed on its behalf by.

Company Secretary

Dhaka: October 31, 2012

Director

Managing Director

Habib Sarwar & Co. Chartered Accountants

Auditors' Report

STATEMENT OF CASH FLOW

For the year ended June 30, 2012

Particulars	Amount in Taka	Amount in Taka
	30.06.2012	30.06.2011
Cash Flows from Operating Activities:		
Collection against Sales	964,534,827	692,237,672
Payment to Creditors	(356,300,072)	(365,611,646)
Other Operating Expenses	(243,143,528)	(158,452,459)
Interest Paid	(212,120,046)	(55,939,413)
Net Cash Generated from Operating Activities	152,971,181	112,234,154
Cash Flows from Investing Activities:		
Acquisition of Property, Plant & Equipments	(196,295,211)	(304,746,228)
Investment in Shares	-	(233,000,000)
Interest and Other Received	3,505,401	52,399,573
Payment to others	(22,555,035)	(27,233,171)
Net Cash Generated from Investing Activities	(215,344,845)	(512,579,826)
Cash Flows from Financing Activities:		
Capital Received	-	300,000,000
Deferred IPO Expense	_	(23,672,153)
Excess Share Application Money Received	-	9,473,420,000
Excess Share Application Money Refund	(111,947)	(9,468,127,058)
Long Term Loan Received	-	-
Long Term Loan Refund	(54,341,921)	(79,450,000)
Short Term Loan Received	167,111,622	686,725,571
Short Term Loan Refund	(64,645,482)	(493,599,283)
Net Cash Generated from Financing Activities:	48,012,272	395,297,077
Net Cash Increase / (Decrease)	(14,361,392)	(5,048,595)
Cash and Bank Balance at the beginning of the year	21,563,976	26,612,571
Cash and Bank Balance at the end of the year	7,202,584	21,563,976
Operating Cash flow per Share	0.66	0.51

The annex notes 1 to 29 form an integral part of these financial statements. The financial statements were approved by the Board of Directors as and were signed on its behalf by.

Company Secretary

Director

Managing Director

Habib Sarwar & Co. Chartered Accountants

Dhaka: October 31, 2012

FIXED ASSETS SCHEDULE

As at June 30, 2012

		Cost			De	Depreciation		
Particulars	Balance as on 01.07.2011	Addition During the year	Balance as on 30.06.2012	Rate(%)	Depreciation as on 01.07.2011	Charged During the year	Depreciation as on 30.6.2012	Written Down Value as on 30.06.12
Land & Land Development	341,388,689	,	341,388,689	0		-		341,388,689
Building	569,600,736	18,094,411	587,695,147	2%	53,180,913	28,652,869	81,833,782	505,861,365
Vehicles	45,601,802	9,178,475	54,780,277	20%	13,862,603	10,956,055	24,818,658	29,961,619
Electrical Installations	44,780,413	2,403,222	47,183,635	10%	7,699,895	4,718,364	12,418,259	34,765,377
Office Equipment	25,962,507	2,298,200	28,260,707	10%	3,944,185	2,716,411	6,660,596	21,600,112
Production Machinery & Equipment	1,936,263,522	162,864,496	2,099,128,018	15%	232,157,431	117,471,773	117,471,773 349,629,204	1,749,498,814
Furniture & Fixture	19,576,168	1,456,407	21,032,575	10%	3,286,040	2,017,329	5,303,369	15,729,206
Total	2,983,173,837	196,295,211	3,179,469,048		314,131,067	166,532,800	166,532,800 480,663,867	2,698,805,181

i) Addition to machineries includes import of machineries for an amount of Tk. 6,73,32,650 and rest of the amount has been procured locally.

Other fixed assets have been procured locally.

iii) There is no contract for capital expenditure to be executed and not provided for in the financial statement.

iv) Depreciation on assets addition has been charged for six months because most of the assets have been installed in plant after December, 2011 and depreciation charged on an average period of six months. Depreciation was charged on Production Machinery & Equipment @ 15% at a capacity measuring 37,31% assuming that the Machinery was not used for 100% capacity.

Proportion Allocation of Depreciation:

Amount (Tk.) 151,544,848 6,661,312 91% Factory Overhead

4% Selling, Marketing & Distribution Exp. Administrative Overhead

5% 100%

66,532,800

8,326,640

Newn Nation Karim

(Managing Director

JAW T

Habib Sarwar & Co. Chartered Accountants

Dhaka: October 31, 2012

Company Secretary

For the year ended June 30, 2012

1. REPORTING ENTITY AND ITS ACTIVITIES:

a) Legal form of the Entity:

Beacon Pharmaceuticals Ltd. was incorporated in Bangladesh in 2001 under the Companies Act, 1994 as a Private Limited Company and subsequently converted into Public Limited Company on February 25, 2008. It commenced its commercial manufacturing operation in September 2006 and has been started to market its products from October 2006.

The registered office of the company is located at 153-154, Tejgaon I/A, Dhaka - 1208. The industrial units are located in Kathali, Bhaluka, Mymansingh.

b) Nature of Business Activities:

The Company is engaged in manufacturing and marketing of Pharmaceuticals Finished Formulation Products and life saving intravenous (I,V) Fluids, Active Pharmaceuticals Ingredients (APIs), 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.

2. SIGNIFICANT ACCOUNTING POLICIES:

a). Basis of Measurement of Elements of Financial Statements:

The financial statements have been prepared on the current cost basis and therefore, it takes into consideration the effect of inflation.

b). Components of the Financial Statements:

- i) Statement of Financial Position as at June 30, 2012.
- ii) Statement of Comprehensive Income for the year ended June 30, 2012.
- iii) Statement of Changes in Shareholder's Equity for the year ended June 30, 2012.
- iv) Statement of Cash Flow for the year ended June 30, 2012.
- v) Accounting Policies and Explanatory notes to the Financial Statement.

c) Statement on compliance with local laws:

The financial statements have been prepared in compliance with the requirement of the Companies' Act 1994 and other relevant local laws as applicable.

d) Statement of Compliance of Bangladesh Accounting Standards:

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

e) Structure, Content and presentation of Financial Statements:

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

f) Reporting Period:

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

g) Approval of Financial Statements:

The Financial Statements were duly approved by the Board of Directors of the company.

h) Currency:

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

i) Risk and Uncertainty for use Estimates and Judgments:

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

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods as required by BAS 8: Accounting policies, changes in accounting estimates and errors.

j) Accrued Expenses and other payables:

Liabilities for the goods and services received have been accounted for.

Payables are non interest bearing and stated at their nominal value.

k) Going Concern:

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

I) Financial Instrument:

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

m) Impairment:

In accordance with the provisions of BAS 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.

n) Segment Reporting and Cash Flow Statement:

No segment reporting is applicable for the company as required by BAS 7: Cash Flow Statement. The cash generating from operating activities has been reported using the Direct Method complying BAS 7: Cash Flow Statement.

o) Transaction with Related Parties:

Beacon Pharmaceuticals Ltd. has purchased office space of 25,000 sft @ Tk.19,500 per sft located at 9/A Toynbee Circular Road, Motijheel C/A, Dhaka-1000 from Beacon Development Ltd. former Royal Trading Corporation Ltd. which will hand over by December 2013. The above transaction has been completed in accordance with IAS/BAS-24.

p) Events after the Balance Sheet Date:

In compliance with the requirements of BAS 10: Events after the balance sheet date post balance sheet adjusting events that provide additional information about the company's position as the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material.

q) Accounting Policies for significant Items:

The accounting policies in respect of materiality of items of financial statement set below have been applied consistently to all periods presented in these financial statements.

q.1) Revenue Recognition Policy:

In compliance with requirements of BAS 18: Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer recovery of the consideration is probable, the associated

costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods.

q.2. Property, Plant and Equipment:

q.2.1. Recognition and Measurement:

Property, plant and equipment are capitalized at cost less accumulated depreciation in compliance with the requirements of BAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refunded taxes.

q.2.2 Depreciation on Property, plant & Equipment:

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provision of BAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets.

q.3 Inventories:

Inventories are carried at the lower of cost and net realizable value as prescribed by BAS 2: Inventories. Cost determined on weighted average cost basis. The cost of inventories comprises of expenditure in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale. Cost formula used for inventory valuation.

Nature of Inventories	Cost Formula
Raw Materials	Weighted Average Cost
Packing Materials	Weighted Average Cost
WIP	Actual Cost
Finished Goods	Actual Cost
Others	Actual Cost

q.4 Cash and Cash Equivalents:

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

q.5 Income Tax Expenses:

Income tax expense comprises current and differed tax. Income tax expense is recognized in profit and loss account and accounted for in accordance with the requirements of BAS 12: Income Tax

q.6 Tax Holiday Reserve:

The Tax holiday period of the company has expired on September 30, 2010 and company has created tax holiday reserve @ 10% from its profit for the 1st quarter ended September 30, 2010 as required by the Income Tax Ordinance 1984.

q.7 Foreign Currency Transaction:

Foreign currency transactions are recorded at the applicable rates of exchange prevailing at the transaction date in accordance with the provisions of BAS 21: The effects of changes in foreign currency rate. The monetary assets and liabilities, If any, denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchanges prevailing on that date.

Notes	Particulars	Amount in Taka	Amount in Taka
		30.06.2012	30.06.2011
3.00	PROPERTY, PLANT & EQUIPMENT:Tk. 2,698,805,180)	
	Balance as on 01.07.2011	2,983,173,837	2,678,427,609
	Addition during the year	196,295,211	304,746,228
		3,179,469,048	2,983,173,837
	Less: Disposal during the year		
	Depreciable Value as on 30.06.2012	3,179,469,048	2,983,173,837
	Accumulated Depreciation as at 01.07. 2011	314,131,068	149,001,337
	Depreciation charged during the year	166,532,800	165,129,731
	Less: Accumulated depreciation on disposal of assets	480,663,868	314,131,068
	Accumulated Depreciation as on 30.06.2012	-	-
	Written Down Value as on 30.06.2012	480,663,868	314,131,068
	Details has been shown in Schedule -A	2,698,805,180	2,669,042,769
4.00	DEFERRED IPO EXPENSES:Tk.18,937,721		
	Balance as on 01.07.2011	23,672,153	23,672,153
	Amortization during the year	4,734,432	-
	Balance as on 30.06.2012	18,937,721	23,672,153
	These expenses comprised all sorts of expenditures relate This expenditure has been deferred and it will be amortized	*	
5.00	INVENTORIES: Tk. 997,651,472		
	Raw Materials	266,033,528	230,226,999
	Work-in-Process (Note-20.02)	38,679,311	36,835,756
	Finished Goods (Note-20.04)	556,542,376	448,878,212
	Packing Materials	71,455,565	88,645,343
	Literature & Promotional Materials	18,769,948	25,906,753
	Laboratory Chemicals	22,752,484	25,880,568
	Stock of Stationery	5,505,298	13,963,460
	Spares & Accessories	17,912,962	15,888,201
	Balance as on 30.06.2012	997,651,472	886,225,292

Inventories are carried at the lower of cost and net realizable value as prescribed by BAS 2. Cost of inventories are determined on weighted average cost basis. The said inventories are mortgaged with Janata Bank Ltd., Corporate Branch.

Physical verification of inventories was carried out by inventory team consisting of management staff. The inventories are collateralized against Short Term Loan.

Notes	Particulars	Amount in Taka	Amount in Taka
Notes	Particulars	30.06.2012	30.06.2011
6.00	ACCOUNTS RECEIVABLE: Tk. 125,677,319	3,211,861	7,842,264
	Barishal Sales Centre	2,183,232	7,994,643
	Bogra Sales Centre	7,575,794	8,773,111
	Chittagong Sales Centre	4,432,761	5,963,722
	Chowmohony Sales Centre	4,102,614	7,811,550
	Comilla Sales Centre	70,227,584	8,916,241
	Dhaka Sales Centre	2,281,751	7,807,898
	Faridpur Sales Centre	2,248,494	6,972,964
	Khulna Sales Centre	4,872,636	7,803,429
	Mymensingh Sales Centre	6,178,862	7,726,862
	Narayangonj Sales Centre	4,173,072	7,756,995
	Rajshahi Sales Centre	4,480,180	7,991,219
	Rangpur Sales Centre	2,421,788	7,869,937
	Sylhet Sales Centre	3,267,582	9,545,260
	Dhaka Sales Centre - Palton	4,019,107	-
	Contact Manufacturing	125,677,319	110,776,095
	Balance as on 30.06.2012		

The above receivables are considered good and secured by the management.

The above amount is receivable from customers against credit sales.

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.

The Accounts Receivables have no securities except their personal securities.

7.00	ADVANCE	DEPOSIT 8	PREPAYMENTS: Tk.	
7 - 100-2	ADVANCE.	DEFUSITE	A EDEEMINICISIO, IK.	

7.00	ADVANCE, DEPOSIT & PREPATMENTS: TK.		
	Advance to Creditors:	418,742	
	Advance VAT	356,366	3,147,675
	Advance of Raw Materials Suppliers	237,716	9,706,711
	Advance to Printing and Packing Material Suppliers	211,568	5,546,424
	Advance to Computer Accessories Suppliers	7,160,536	1,993,638
	Advance to QC Chemical Suppliers	7,003,555	6,841,391
	Advance to PVC & Foil Suppliers	218,650,000	5,716,050
	Advance against office space purchase	8,452,299	218,650,000
	Advance to Clearing & Forwarding Agent	22,509,654	7,805,862
	Advance to other Parties	97,966	6,935,554
	Advance to Plastic Item suppliers	35,602	-
	Advance to Glass Items Suppliers	595,549	-
	Advance to Machinery & Equipment Suppliers	2,577,500	-
	Advance to vehicles suppliers	192,673	-
	Advance to Furniture Suppliers	1,968,884	-
	Advance to construction materials suppliers	2,396,620	-
	Advance to advertising agencies	1,672,001	-
	Advance to the promotional suppliers	953,259	-
	Advance to travel agencies	275,490,490	-
	Sub-Total		266,343,305
	Advance to Employees:	256,231	
	Imprest Money	-	134,699
	Against Travelling Expense	673,936	104,311
	Against Marketing Expense	930,167	954,055
	Sub-Total		1,193,065

Notes	Particulars	Amount in Taka	Amount in Taka
140100	T tartioditaro	30.06.2012	30.06.2011
	L/C Margin, Earnest Money & Security Deposit:		
	L/C Margin and Immetured L/Cs	147,241,325	114,372,465
	Earnest Money to Tender	1,150,203	1,918,065
	Security Deposit - Titas Gas	3,252,180	
	Security Deposit - Electricity	56,140	
	Security Deposit - T &T	30,000	
	Bank Guarantee		1,077,966
	Sub-Total	151,729,848	
	Grand Total	428,150,505	386,143,186
	There is no aggregate amount due from Directors.		
	There is no claim against the Company, which can be ackn	owledged as bad debt.	
	The Company has paid advance against office space of 25	i,000 sft and the Project is	situated at Motijheel C/A,
	Dhaka-1000		
	No amount is due by the associated undertakings.		
	CARLLE CARLLEOLINALANTS, TV 7 200 504		
0.00	CASH & CASH EQUIVALANTS: Tk.7,202,584		
8.00	Cook in band (Including all denote)		
8.01	Cash in hand (Including all depots) Balance as on 30.06.2012	2,564,351	5 001 005
0.01	balance as on 50.06.2012	2,564,351	
8.02	Cash at Bank:	2,004,001	3,001,903
0.02	HSBC - CD A/C. No. 001143379011	102,324	19,904
	First Security Islami Bank Ltd CD	6,636,845	
	A/C. No. 1110001246	0,000,040	10,000
	Janata Bank Ltd. CD A/C. No 1014203	(934,567)	1,061,507
	Janata Bank Ltd. CD A/C. No 001016781	6,927	
	Shahjalal Islami Bank Ltd. AWA A/C. No. 10078	19,709	
	The City Bank Ltd. CD A/C. No. 392001,		
	Barishal Sales Centre	1,434	2,124
	The City Bank Ltd. CD A/C. No. 41568001,		
	Bogra Sales Centre	10,554	11,344
	The City Bank Ltd. CD		
	A/C. No. 1101040957001, Chittagong Sales Centre	184	874
	The City Bank Ltd. CD		
	A/C. No. 1102358521001, Dinajpur Sales Centre	5,696	5,696
	The City Bank Ltd. CD		
	A/C. No. 1101040964001, Khulna Sales Centre	11,427	12,117
	The City Bank Ltd. CD		
	A/C. No. 1102351563001, Mymensingh Sales Centre	1,005	1,695
	The City Bank Ltd. CD		
	A/C. No. 11026990, Narayangonj Sales Centre	1,417	2,107
	The City Bank Ltd. CD		
	A/C. No. 1102234617001, Rangpur Sales Centre	3,970	3,970
	The City Bank Ltd. CD		
	A/C. No. 1102193550001, Sylhet Sales Centre	28,988	29,808
	Standard Chartered Bank,	0.374.000	858 855
	CD A/C. No. 02535409901	2,771,220	352,292
	ICB Islanmi Bank Ltd. Principal Br.,	00.000	40.074
	CD A/C. No. 1000200001361	39,820	43,274

Notes	Particulars -	Amount in Taka 30.06.2012	Amount in Taka 30.06.2011
	Dutch Bangla Bank Ltd. CD		
	A/C. No. 0105110000016107	(628,149)	3,275,116
	Dutch Bangla Bank Ltd. STD	(12,502,954)	78,766
	A/C. No. 010511000001641		
	Eastern Bank Ltd. STD	1,762,088	2,546,608
	A/C. No. 1011230000071 (IPO Proceeds - BDT)		
	Eastern Bank Ltd. STD	632,347	639,386
	A/C. No. 1013150120364 (IPO Proceeds - Euro)		
	Eastern Bank Ltd. STD	4,111,628	6,476,906
	A/C. No. 1013110120344 (IPO Proceeds - USD)		
	Eastern Bank Ltd. STD	1,256,350	1,138,868
	A/C. No. 1013120120354 (IPO Proceeds - GBP)		
	Rupali Bank Ltd., Local Office Branch, Motijheel C/A., Dhaka. CD A/C. 89649	8,000	
	Sonali Bank Ltd., Dilkusha Corporate Branch, Motijheel, Dhaka. CD A/C. 33028459	9,425	-
	Janata Bank Ltd., Bhaluka Branch. STD A/C. 0000131	1,282,546	-
	Balance as on 30.06.2012	4,638,233	15,762,071
	Grand Total	7,202,584	21,563,976

Since our audit was post dated we could not physically verify the cash in hand balance at the year ended. The company has cash in hand balance with its head office and sales centers in different location. The management has issued cash custody certificate confirming the balance held by them on the closing date.

"The company has 26 Bank accounts and we have received bank statement of all the bank accounts which agreed with the book balance. We have received bank reconciliation statements of few bank accounts which agreed with the book balance after reconciliation."

9.00	INVESTMENT	IN SHARES:	Tk. 235,000,000
	HAALOHMICHAL	THE OF PARTIES.	The Edd Word word

 Investment in Shares of Active Fine Chemicals Ltd.
 2,000,000
 2,000,000

 Investment in Beacon Glass Industries Ltd.
 233,000,000
 233,000,000

 Balance as on 30.06.2012
 235,000,000
 235,000,000

The Company has purchased 200,000 ordinary shares of Tk.10 each of Active Fine Chemicals Ltd. amounting to Tk.2,000,000 which traded in DSE & CSE on November 23, 2010.

10.00 SHARE CAPITAL: 2,310,000,000

Authorized Capital:

300,000,000 ordinary shares of Tk. 10 each 3,000,000,000 2,500,000,000

Issued, Subscribed and Paid-up Capital:

231,000,000 ordinary shares of Tk. 10 each 2,310,000,000 2,200,000,000

Shareholding Composition:

Shareholders Group	No. of shares held	No. of Shareholders	% of total shares
1. Sponsors & Directors	69,312,000	7	30.00
Corporate Bodies	43,637,685	32	18.89
General Investors	118,050,315	35,214	51.11
Total	231,000,000	35,253	100

Notes	Particulars			nt in Taka 06.2012	Amount in Taka 30.06.2011
11.00	RESERVE & SURPLUS: Tk. 354,275,787 Revaluation Reserve (Note-11.01) Tax Holiday Reserve @10% of Net Profit Balance as on 30.06.2012			348,772,688 5,503,099 354,275,787	366,496,416 5,503,099 371,999,515
11.01	REVALUATION RESERVE: Tk. 348,772,68 Revaluation Reserve has been created out by shown below:		of revalua	ation surplus of F	Fixed Assets. Details are
	Particulars	Revaluation Surplus as 01.07.11	on	Depreciation adjustment	Revaluation Reserve
	Land & Land Development	168,084,9		-	168,084,972
	Building	19,295,7	778	1,072,48	4 18,223,294
	Vehicles	5,737,3		1,917,79	
	Electrical Installation	5,937,2		742,92	
	Office Equipments	(7,787,3		40,000,50	(7,787,386)
	Machineries Furniture & Fixtures	181,760,2		13,990,52	
	Total	(6,531,8 366,496 ,4	_	17,723,72	(6,531,810) 28 348,772,688
	T OTOI	000,100,	110	17,720,72	010,172,000
12.00	LONG TERM LOAN: Tk. 850,076,683				
	Janata Bank Ltd.			134,164,367	140,744,826
	Agrani Bank Ltd.			142,684,666	174,730,772
	Social Islami Bank Ltd.			81,493,817	97,566,002
	The City Bank Ltd.			192,613,284	179,254,891
	Dhaka Bank Ltd.			42,387,020	51,474,565
	Sonali Bank Ltd.			192,954,780	176,090,659
	Shahajalal Islami Bank Ltd.			24,942,171	46,869,365
	Southeast Bank Ltd.			38,836,578	37,687,524
	Balance as on 30.06.2012			850,076,683	904,418,604
13.00	LIABILITY FOR EWF & WPPF:Tk. 13,811,	090			
10.00	Employees Welfare Fund (EWF) - (Note			891,762	731,401
	Workers Profit Participation Fund (WPPF) -			12,919,329	6,898,436
	Balance as on 30.06.2012	(1000 1000)		13,811,090	7,629,837
				10,011,000	1,000,000
13.01	Employees Welfare Fund (EWF):				
	Balance as on 01.07,2011			731,401	
	Add: Contribution during the year			379,647	
	Total Contribution			1,111,048	
	Less: Paid to the employees			219,286	
	Balance as on 30.06.2012			891,762	
13.02	Workers Brofit Participation Fund				
10.02	Workers Profit Participation Fund : Balance as on 01.07.2011			6,898,436	
	Add: Contribution during the period			6,020,893	
	Total Contribution			12,919,329	*
	Less: Paid to the employees			12,010,020	_
	Balance as on 30.06.2012			12,919,329	
	Data no de on ociovizore			1210101020	_

Notes	Particulars	Amount in Taka 30.06.2012	Amount in Taka 30.06,2011
14.00	SUCOT TERM LOAN TIL COO COO COO	30.06.2012	30.06.2011
14.00	SHORT TERM LOAN: Tk. 623,092,288 PAD - First Security Bank Ltd., Gulshan Branch, Dhaka	50,648,753	
	PAD - Janata Bank Ltd.	67,677,580	
	CC (Hypo)- Janata Bank Ltd., Corporate Bhaban		
	Branch, Motijheel, Dhaka	467.295,904	413,506,441
	BM(Hypo)-ICB Islami Bank Ltd., Principal Branch	37,470,051	42,474,225
	Balance as on 30.06.2012	623,092,288	455,980,666
	* Short term loan was taken for meeting the requirement of	working capital of the Con	npany.
15.00	CURRENT PORTION OF LONG TERM LOAN: Tk. 150,567,892		
	Janata Bank Ltd.	18,132,000	25,693,000
	Agrani Bank Ltd.	55,878,378	37,252,252
	Social Islami Bank Ltd.	11,000,000	23,385,292
	The City Bank Ltd.	18,130,000	54,205,663
	Dhaka Bank Ltd.	5,600,000	11,046,025
	Sonali Bank Ltd.	17,098,000	43,360,000
	Shahajalal Islami Bank Ltd.	18,869,514	8,405,732
	Southeast Bank Ltd.	5,860,000	11,865,410
	Balance as on 30.06.2012	150,567,892	215,213,374
15.A	SHARE APPLICATION MONEY REFUNDABLE: Tk. 5,180,995	5,180,995	5,292,942
16.00	ACCOUNTS PAYABLE: Tk. 21,020,482		
10.00	Against Raw Materials	971,443	6,798,919
	Against Laboratory Chemicals	562,308	2,776,105
	Against Computer	116,167	490,773
	Against Plastic Items	110,407	656,736
	Against Machinery & Equipment	522,196	2,938,706
	Against Printing & Packaging Materials	7,921,026	5,562,949
	Against PVC & Foil suppliers	24,000	-
	Against to Clearing & Forwarding Agent	2,869,435	
	Against maintenance & Service	25,000	-
	Against vehicles suppliers	639,085	
	Against to construction materials suppliers	4,273,610	-
	Against to advertising agencies	760,490	
	Against to the promotional suppliers	1,626,577	-
	Against to travel agencies	461,698	
	Against Transport & Courier	100,851	
	Against Fuel Supplier Balance as on 30.06.2012	36,190 21,020,482	19,224,188
	Accounts payable for supply of raw materials, packing mate of the Company and the amount are due on account.	rials & other promotionals	
17.00	We were informed by the management that most of the bills	are paid within 60 days.	
17.00	TAX PAYABLE: Tk. 63,994,738		
	Income Tax Payable for current year	37,352,229	26,367,246
	Income Tax Payable for the previous year	26,367,246	
	TDS from Salary & Allowance	223,741	780,102
	TDS from Gas Bills	41,521	40,518
	TDS From Audit Fee	10,000	10,000
	TDS from Legal Fee		6,000
	Balance as on 30.06.2012	63,994,738	27,203,866

Notes			Amount in Taka	Amount in Taka	
Audit Fees (Less TDS)	Notes	Particulars			
Audit Fees (Less TDS)	18.00	ACCRUED EXPENSES: Tk. 19.553.351			
Legal Fees (Less TDS) - 54,000			75,000	90,000	
Salany & Allowance Payable 18,412,407 7,456,655 Gas Bills 1,055,534 972,432 Telephone Bill 10,410 20,806 Balance as on 30.06.2012 19,553,351 8,593,893 19,00 Turnover: Tk. 979,436,050 Total Sales 1,135,949,483 847,376,150 Less: Sales Discount 59,989,888 23,575,848 Value Added Tax 96,523,545 88,827,692 Total 156,513,433 112,403,540 Turnover (Net of discount and VAT) 979,436,050 734,972,610 734,972,610 20,000 COST OF GOODS SOLD: Tk. 452,583,791 Materials Consumed (Note-20.01) 339,479,615 257,281,255 Add: Opening Work-in-Process 36,835,756 21,624,531 Total Work-in-Process 36,835,756 21,624,531 Total Work-in-Process 376,315,371 278,905,786 Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 7042 Consumption 337,636,080 242,070,030 Eactory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 500,247,955 433,971,961 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,606 448,878,212 Cost of Goods Sold 452,583,791 334,079,394 20.01 MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 358,096,366 316,489,995 Cost of Goods Sold 452,583,791 334,079,394 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 38,679,			-		
Gas Bills 1,055,534 972,432 Telephone Bill 10,410 20,806 Balance as on 30.06.2012 19,553,351 8,593,893 19,00 Turnover: Tk. 979,436,050 Total Sales 1,135,949,463 847,376,150 Less: Sales Discount 59,969,888 23,575,848 23,575,848 24,626,23,545 88,227,692 70tal 166,513,433 166,513,433 17,249,540			18,412,407		
Balance as on 30.06.2012 19,553,351 8,593,893		Gas Bills	1,055,534	972,432	
19.00 Turnover: Tk. 979,436,050 Total Sales Less: Sales Discount Value Added Tax Post Sales Value Added Tax Valu		Telephone Bill	10,410	20,806	
Total Sales		Balance as on 30.06.2012	19,553,351	8,593,893	
Less: Sales Discount 59,969,888 23,575,848 Value Added Tax 96,523,545 88,827,692 Total 156,513,433 112,403,540 Turnover (Net of discount and VAT) 979,436,050 734,972,610	19.00	Turnover: Tk. 979,436,050			
Sales Discount		Total Sales	1,135,949,483	847,376,150	
Value Added Tax					
Total 156,513,433 112,403,540 Turnover (Net of discount and VAT) 979,436,050 734,972,610					
Turnover (Net of discount and VAT) 979,436,050 734,972,610					
20.00 COST OF GOODS SOLD: Tk. 452,583,791 Materials Consurred (Note-20.01) 339,479,615 257,281,255 Add: Opening Work-in-Process 36,835,756 21,624,531 Total Work-in-Process 376,315,371 278,905,786 Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 Total Consumption 337,636,060 242,070,030 Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,606 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394 334,079,394 452,583,791 334,079,394 452,583,791 334,079,394 452,583,791 334,079,394 452,583,791 334,079,394 452,583,791 37,489,993 376,415,397 Less: Closing Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 676,968,708 576,153,597 Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 751 Total 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 36,835,756 36,99,361 36		1 - 1 - 1			
Materials Consumed (Note-20.01) 339,479,615 257,281,255 Add: Opening Work-in-Process 36,835,756 21,624,531 Total Work-in-Process 376,315,371 278,905,786 Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 Total Consumption 337,636,060 242,070,030 Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,006 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394 334,079,394 452,583,791 334,079,394 20.01 MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 376,968,706 376,968,706 376,968,706 376,968,708 376,968,708 376,968,708 376,968,708 376,968,708 376,968,708 376,969,376 377,889,093 318,872,342 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 3		Turnover (Net of discount and VAT)	979,436,050	734,972,610	
Materials Consumed (Note-20.01) 339,479,615 257,281,255 Add: Opening Work-in-Process 36,835,756 21,624,531 Total Work-in-Process 376,315,371 278,905,786 Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 Total Consumption 337,636,060 242,070,030 Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,006 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394 334,079,394 452,583,791 334,079,394 20.01 MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 376,968,706 376,968,706 376,968,706 376,968,708 376,968,708 376,968,708 376,968,708 376,968,708 376,968,708 376,969,376 377,889,093 318,872,342 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 3	00.00	COST OF COORS SOLD. TI. 450 500 704			
Add: Opening Work-in-Process 36,835,756 21,624,531 Total Work-in-Process 376,315,371 278,905,786 Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 Total Consumption 337,636,000 242,070,030 Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,606 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394	20.00		220 470 645	057.004.055	
Total Work-in-Process Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 Total Consumption 337,636,060 242,070,030 Factory Overhead (Note-20.03) Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods Finished Goods 448,878,212 Cost of Goods available for Sale Less: Closing Finished Goods (Note-20.04) Cost of Goods Sold Less: Closing Finished Goods (Note-20.04) Cost of Goods Sold MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) Add: Purchase Materials available for use Foreign Inventory (Raw & Packing material) Cost of Goods Sold CLOSING WORK- IN- PROCESS: Tk.38,679,311 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances Travelling & Conveyance Add: Purchase Allowances Allo					
Less: Closing Work-in-Process (Note-20.02) 38,679,311 36,835,756 Total Consumption 337,636,060 242,070,030 Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,606 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394					
Total Consumption 337,636,060 242,070,030 Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,934 Add: Opening Finished Goods 448,878,212 328,985,642 Finished Goods available for Sale 1,009,126,167 782,957,606 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394 452,583,791 334,079,391 334,079,394 452,583,791 334,079,391 334,07					
Factory Overhead (Note-20.03) 222,611,895 211,901,934 Cost of Production 560,247,955 453,971,964 Add: Opening Finished Goods 448,878,212 326,985,642 Finished Goods available for Sale 1,009,126,167 782,957,606 Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394 20.01 MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 378,096,366 316,498,965 Materials available for use 676,968,708 576,153,595 Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 Total 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920 1,158,767 871,920 1,158,767 871,920 1,158,767 871,920 1,158,767 871,920 1,158,767 871,920 1,200,305 1,420,305 1					
Cost of Production					
Add: Opening Finished Goods Finished Goods available for Sale Finished Goods available for Sale Less: Closing Finished Goods (Note-20.04) Cost of Goods Sold MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) Add: Purchase Materials available for use For Closing Inventory (Raw & Packing material) For Closing WORK- IN- PROCESS: Tk.38,679,311 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances Fravelling & Conveyance For Canteen Fooding Expenses For Canteen Fooding Expen					
Finished Goods available for Sale Less: Closing Finished Goods (Note-20.04) Cost of Goods Sold MATERIALS CONSUMED: Tk. 339,479,615 Opening Inventory (Raw & Packing material) Add: Purchase Materials available for use Less: Closing Inventory (Raw & Packing material) Total CLOSING WORK- IN- PROCESS: Tk.38,679,311 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances Travelling & Conveyance Canteen Fooding Expenses Entertainment Welfare & Recreation Welfare & Recreation Uniform & Leveries Transportation Telephone & Postage Fooding Salaries (Note-20.04) 1,009,126,167 756,013 756,542,376 782,957,606 448,878,212 756,654,237 788,978,7615 788,978,791 788,978,797 787,977					
Less: Closing Finished Goods (Note-20.04) 556,542,376 448,878,212 Cost of Goods Sold 452,583,791 334,079,394					
Cost of Goods Sold					
Opening Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 358,096,366 316,498,965 Materials available for use 676,968,708 576,153,597 Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 Total 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920					
Opening Inventory (Raw & Packing material) 318,872,342 259,654,632 Add: Purchase 358,096,366 316,498,965 Materials available for use 676,968,708 576,153,597 Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 Total 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920	20.01	MATERIALS CONSUMED: Tk. 339 479 615			
Add: Purchase 358,096,366 316,498,965 Materials available for use 676,968,708 576,153,597 Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 Total 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920	20.01		318.872.342	259.654.632	
Materials available for use 676,968,708 576,153,597 Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920					
Less: Closing Inventory (Raw & Packing material) 337,489,093 318,872,342 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920					
Total 339,479,615 257,281,255 20.02 CLOSING WORK- IN- PROCESS: Tk.38,679,311 38,679,311 36,835,756 20.03 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920		Less: Closing Inventory (Raw & Packing material)			
20.03 FACTORY OVERHEAD: Tk. 222,611,895 Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920					
Salaries & Allowances 41,517,679 29,280,689 Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920	20.02	CLOSING WORK- IN- PROCESS: Tk.38,679,311	38,679,311	36,835,756	
Travelling & Conveyance 404,941 3,659,751 Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920	20.03	FACTORY OVERHEAD: Tk, 222,611,895			
Canteen Fooding Expenses 3,875,065 4,830,505 Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920			41,517,679	29,280,689	
Entertainment 707,180 884,616 Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920		Travelling & Conveyance	404,941	3,659,751	
Welfare & Recreation 756,013 899,982 Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920		Canteen Fooding Expenses	3,875,065	4,830,505	
Uniform & Leveries 215,362 787,537 Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920				884,616	
Transportation 1,887,906 1,420,305 Telephone & Postage 1,158,767 871,920					
Telephone & Postage 1,158,767 871,920				787,537	
Utilities 10,019,631 10,160,014				-	
		Utilities	10,019,631	10,160,014	

Notes	Particulars	Amount in Taka 30.06.2012	Amount in Taka 30.06.2011
	Fees & Taxes	215,543	105,503
	Books & Periodicals	16,471	43,735
	Printing & Stationery	2,301,785	2,224,343
	Handling & Carrying Expense	76,600	135,445
	Research & Development Expense	2,591,794	4,703,462
	Repairs & Maintenance	5,318,106	1,518,972
	Other Expense	4,204	107,100
	Depreciation	151,544,848	150,268,055
	Total	222,611,895	211,901,934

Salaries and allowances increased due to the increase of the numbers of employees and increment as well. Telephone & Postage has been increased due to the increase of number of employees to whom mobile phones have been given.

Transport has been increased due to the increase of number of hired transport for increasing of employees.

20.04	CLOSING FINISHED GOODS :Tk. 556,542,376	556,542,376	448,878,212
21.00	ADMINISTRATIVE EXPENSES: Tk.38,541,999		
21.00	Salaries & Allowances	17,774,976	4,830,332
	Travelling & Conveyance	1,930,650	1,826,458
	Entertainment	1,115,200	911,585
	Canteen Fooding Expense	265,935	706,800
	Welfare & Recreation	354,996	321,695
	Office Rent	1,260,000	1,385,500
		820,638	
	Office Transport Utilities	· ·	1,126,063
	- time-	673,077	323,109
	Telephone & Postage	785,913	573,099
	Fees & Taxes	1,356,674	1,672,684
	Books, News Paper & Periodicals	23,135	31,178
	Printing & Stationery	907,509	818,779
	Auditors' Fee	100,000	100,000
	Legal & Consultancy Fee	475,000	60,000
	Legal & Other Expense	155,085	175,535
	Insurance Premium	1,165,229	332,614
	Bank Charge & Other Expense	911,978	361,988
	Renewal & Documentation Expense	636,843	96,882
	Handling & Carrying Expense	30,245	27,327
	Repairs & Maintenance	225,366	242,563
	Advertisement & Publicity	787,247	481,671
	Training Expense	41,109	865,785
	Misc. Expense	83,882	138,936
	Depreciation	6,661,312	6,605,189
	Total	38,541,999	24,015,772

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

Notes	Particulars	Amount in Taka	Amount in Taka
110103	Fatticulais	30.06.2012	30.06.2011
22.00	MARKETING, SELLING & DISTRIBUTION EXPENSES: Tk. 148,522,434		
	Salaries & Allowances	80,742,448	51,107,518
	Travelling & Conveyance	4,475,492	2,861,290
	Entertainment	1,472,641	494,268
	Welfare & Recreation	591,571	197,442
	Depot Rent	4,233,275	2.647,540
	Godown Rent		345,075
	Transportation	1,251,718	1,039,601
	Utilities	598,005	368,807
	Telephone & Postage	1,251,142	667,418
	Fees & Taxes	761,756	310,766
	Books, News Paper & Periodicals	10,650	112,200
	Printing & Stationery	3,811,749	4,404,069
	Bank Charges	330,634	792,453
	Market Research & New Products	3,072,880	2,668,049
	Training Expense	1,547,337	1,195,989
	Promotional Expense	24,574,406	22,796,443
	Conference, Fair & product Launch	6,036,314	5,144,949
	Delivery Expense	2,970,326	4,492,836
	Advertisement & Publicity	898,826	389,076
	Repairs & Maintenance	406,281	47,870
	Misc. Expense	190,032	21,907
	Insurance Premium	632,770	
	Corporate Social Responsibilities	137,450	
	Handling & Carrying	198,091	
	Depreciation	8,326,640	8,256,487
	Total	148,522,434	110,362,053
23.00	FINANCIAL EXPENSES: Tk. 212,120,046 Interest on Consortium Loan;		
	Janata Bank Ltd.	15,696,238	5,428,055
	Agrani Bank Ltd.	25,314,785	25,937,258
	Social Islami Bank Ltd.	14,428,523	15,255,026
	The City Bank Ltd.	33,382,730	32,307,694
	Dhaka Bank Ltd.	6,466,429	6,961,229
	Sonali Bank Ltd.	28,631,121	26,183,333
	Shahajalal Islami Bank Ltd.	6,936,588	6,590,159
	Southeast Bank Ltd.	6,863,644	7,033,767
	Sub-Total	137,720,058	125,696,521
	Interest on Short Term Loan:	10111201000	120,000,021
	LTR - First Security Bank Ltd., Gulshan Branch, Dhaka		3.291,049
	CC(Hypo) - Janata Bank Ltd., Corporate Bhaban, Motijheel	68,191,071	39,771,936
	BM(Hypo)- ICB Islami Bank Ltd., Principal Branch.	6,208,917	5,288,301
	Sub-Total	74,399,988	48,351,286
	Grand Total	212,120,046	174,047,807
24.00	INCOME FROM OTHER SOURCHES: Tk. 3,505,401 Interest Received from Bank		
	(From IPO Application Money Deposit)	85,994	E4 170 070
	Received from Scrap Sales		51,479,072
	Total	3,419,407	920,501
		3,505,401	52,399,573

Notes	Particulars	Amount in Taka 30.06.2012	Amount in Taka 30.06.2011
24.A. 25.00	AMORTIZATION OF DEFERRED IPO EXPENSES: 4,734,432 - CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND: Tk. 6,020,893		
26.00	This represents 5% of net profit before tax after charging Labor Law 2006.	contribution as per prov	ision of the Bangladesh
20.00	TAX LIABILITY ON CURRENT PROFIT: 37,352,229 Tax on current Profit Less: AIT Adjustment	45,156,696 7,804,467	32,644,719 6,277,473
27.00	Total REVALUATION RESERVE ADJUSTMENT: Tk. 17,723,728	37,352,229	26,367,246

Particulars	Revaluation Surplus	Useful Life (Years)	Depreciation on Revaluation Surplus
Land & Land Development	168,084,972	-	-
Building	19,295,778	20	1,072,484
Vehicles	5,737,393	5	1,917,791
Electrical Installation	5,937,235	10	742,928
Office Equipments	(7,787,386)	10	-
Machineries	181,760,234	15	13,990,525
Furniture & Fixture	(6,531,810)	10	-
Total	366,496,416		17,723,728

28.00	General Comments & Observations:					
28.01	All shares have been fully called and paid up.					
28.02	,					
28.03	There was no preference shares issued by the company. There was no preference shares issued by the company.					
20.00	13 There was no Bank guarantee issued by the company on behalf of the directors or the company itself er bank loan.					
28.04	The company has not incurred any for	reign currency against royalties, technical fees etc.				
28.05		npany is contingently liable as on June 30, 2012.				
28.06 28.07	Auditors are paid only statutory audit fee approved by the shareholders in the last Annual General Meeting. There was no foreign exchange remitted to the relevant shareholders during the year under audit. Basic Earnings Per Shares (EPS)-Disclosure under IAS 33:					
28.08	Basic Earnings Per Shares (EPS):	Net Profit After Tax				
	same same garer or area (gro).	Weighted average numbers of shares outstanding during the year 2011-2012				
	Paris Farriago Dar Charas (FDC)	75,261,161				
	Basic Earnings Per Shares (EPS):	231,000,000				
28.09	Basic Earnings Per Shares (EPS):	0.33				
	There has been no claim against the of Financial Position.	company not acknowledged as debts at the date of The Statement of				
28.10	No amount of money was expended by the company for compensating any member of the board of special service rendered.					

28.11 Total number of employees drawing remuneration are as follows:

Salary Range	No. of Employees.
No. of employees Having Salary Between Tk.3,200 to Tk. 5,000	218
No. of employees Having Salary Between Tk.5,000 to Tk. 10,000	492
No. of employees Having Salary Between Tk.10,000 to Tk. 15,000	308
No. of employees Having Salary Between Tk.15,000 to Tk. 25,000	137
No. of employees Having Salary Between Tk.25,000 to Tk. 50,000	52 32
No. of employees Having Salary Between Tk. 50,000 and Above.	32
Total	1239

28.12 RELATED PARTY TRANSACTION: Tk. 218.650,000

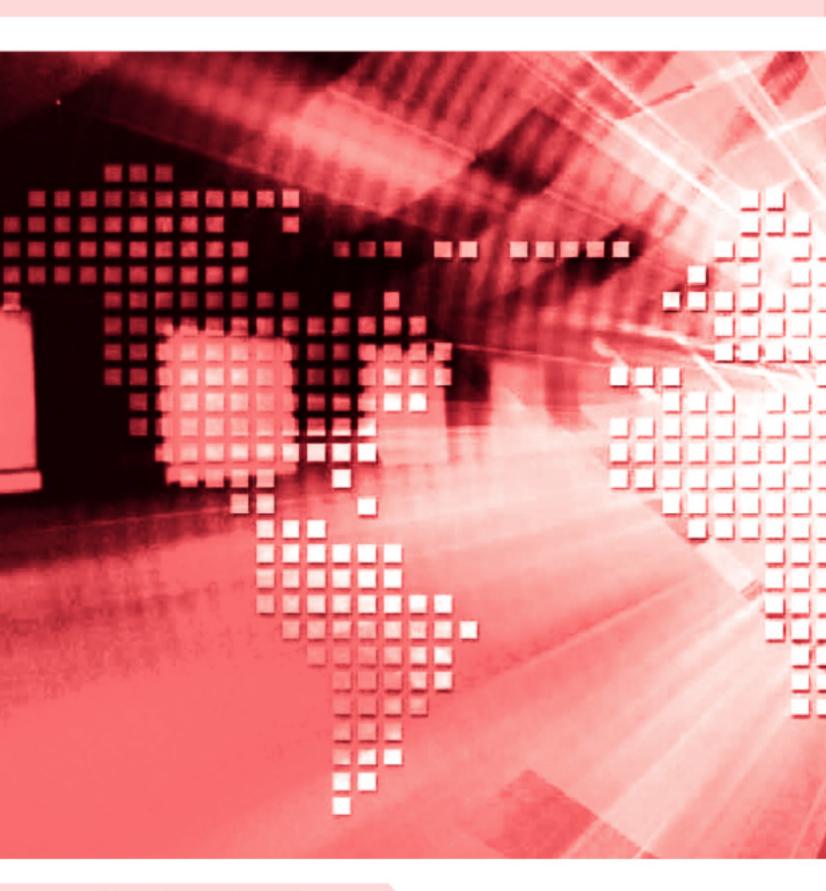
The company has paid advance against office space 25,000 sft @ Tk. 19,500 per sft and the project is situated at 9/A Toyenbee Circular Road Motijheel, Dhaka which is Scheduled to be handed over Within December 2013. The above transaction has been completed in accordance with IAS/BAS-24. Details are shown below-

Name of the party	Relationship Type of Transaction		Total value	Advance Amount
Beacon Development Ltd. (Former Royal Trading Corporation Ltd.	L HEADTONOUNIO	Office Space Purchase	487,500,000	218,650,000

29.00 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION:

There is no significant event other than normal activities between the financial year closing date and financial signing date.

ADDITIONAL INFORMATION



Notice of the 11th Annual General Meeting (AGM)

Notice is hereby given that the 11th Annual General Meeting of the shareholders of BEACON Pharmaceuticals Limited will be held on Sunday, 23rd December 2012, at 10.00 am at its Factory Premises at Kathali, Bhaluka, Mymensingh to transact the following business:

Agenda

- 1. To confirm the minutes of 10th Annual General Meeting held on 26th December, 2011.
- 2. To receive, consider and adopt the Directors' Report and Auditors' Report and audited Accounts of the Company for the year ended 30th June, 2012.
- 3. To declare dividend for year ended 30th June, 2012 as recommended by the Board Directors.
- 4. To elect Directors in place of those retiring as per provision of the Articles of Association of the Company.
- 5. To appoint auditors of the company for the term until the next Annual General Meeting and to fix their remuneration.
- To transact any other business with the permission of the chair.

Date: Dhaka, 31st October 2012

By order of the Board



Giash Uddin Ahmed, FCMA Company Secretary

Notes

- Shareholders whose names appeared at the record date i.e November 22, 2012 in the share register of the Company or in the Depository register on that date will be eligible to attend and vote in the Annual General Meeting.
- 2. 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 must be affixed with requisite revenue stamp and must be submitted to the registered office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.
- 3. Admission in to the meeting venue will be allowed on production of the attendance slip attached with the proxy form.



Proxy Card

This Proxy card is for use at the Annual General Meeting of Beacon Pharmaceuticals Limited to be held on Sunday, December 23, 2012.

I/We								
Having BO ID #								
of								
Being a member of the Company do hereby	appoint Mr./M	s						
ofto be my/our proxy to attend and vote on m be held on Sunday, December 23, 2012 at 10 at Kathali, Bhaluka, Mymensingh and at any a	y/our behalf a 0.00 a.m at the	t the 11 th Ar Factory Pre	nnual G		_		-	
	MANAAAA							
Signature of Proxy	Revenue Stamp of Tk.10/-			Sig	nature	of the S	hareh	older
153-154, Tejgoan Industrial Area, Dhaka-1207, Ban Signature of the shareholder should agree with th	e specimen signati	ire registered w	rith the Co		ed as sho	wn above.		
	BEA Pharmaceuti							
I do hereby record my attendance of the 11 th December 2012 at 10.00 a.m at the Factory Mymensingh.		-						
Name of the Shareholder :								
Folio No :	N	los. of sha	res hel	ld :				
BO ID :								

Notes: Shareholders attending the meeting in person or by proxy are requested to deposit the attendance slip duly filled in at the entrance of the meeting hall. Seats in the auditorium are reserved only for the shareholders/proxies.

Signature of the Shareholder/Proxy

Shareholder's note :