

ANNUAL  
REPORT

2021



**BEACON**<sup>®</sup>  
ONCOLOGY



## **12 years of perseverance**

In Bangladesh more than two and half lac cancer patients get detected every year, and approximately one and half lac breathes their last due to cancer. Beacon Pharmaceuticals has been the pioneer in fighting against this deadly disease for more than a decade. Not only the production of medicines but also patient care is one of our prime concerns. Beacon Pharmaceuticals is working relentlessly to open new doors for medical treatment. These facilities are now international after satisfying the national demands. We are vowed to ensure a better standard of life with world-class medicines.

**BEACON**<sup>®</sup>  
*Light for life*



## 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 best value-driven pharmaceuticals companies in the Country.

## Our Goals:

- » To be the market leader.
- » Serve our customers with quality products at a reasonable price.
- » Develop our employees with high potentials and render 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.

## Core Values:

- » Committed to quality in all our activities.
- » Trustworthy relationship with customer.
- » Respect to other.
- » Work as a team.
- » Believe in winning.
- » Encourage innovative ideas.
- » Corporate Social Responsibility.





### **Corporate Office**

BEACON Business Centre  
9/B/2, Toyenbee Circular Road  
Motijheel C/A, Dhaka -1223.

## **Letter of Transmittal**

December 02, 2021

All Shareholders  
Bangladesh 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 June 30, 2021.**

Dear Sir/Madam (s),

We are pleased to present before you the Annual Report of Beacon Pharmaceuticals Limited for the year ended June 30, 2021 together with the Audited Financial Statements, Report of the Board of Directors and Auditors' Report thereon for your information and reference.

The Proxy Form is attached at the end of the Annual Report for your use. In case of appointing a proxy, please complete the Proxy Form and submit it to one of our executives to our corporate office at least 48 hours before the scheduled meeting time. This will be our utmost pleasure to welcome you to the AGM.

Truly yours,



Khalilur Rahman ACS  
Company Secretary (Acting)

# MILESTONES



# CORPORATE OVERVIEW



## Stock Exchange Listing

- Dhaka Stock Exchange Limited
- Chittagong Stock Exchange Limited

## Business Line



Manufacturing and Marketing of  
Pharmaceutical Products



## Major Product Segments

General, Oncology & Biotech

## Authorized Capital



BDT 3,000 Million



## Paid-up Capital

BDT 2,310 Million

## Number of Shares Outstanding



231 Million



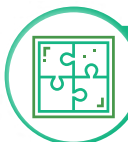
## Number of Employees

3,531

## Number of Shareholders



9,755



## Major Sister Concerns

Beacon Oncology Ltd.  
Beacon Cephalosporin Ltd.  
Beacon Medicare Ltd.  
Beacon Power Systems Ltd.  
Beacon Developments Ltd.  
Beacon Point Ltd.  
EREBA Capsules Ltd.

## Debut Trading Date



12<sup>th</sup> August, 2010







## BEACON AT A GLANCE

Beacon Pharmaceuticals Limited is a leading Pharmaceutical Company of Bangladesh in respect of its high-tech products like anticancer and cardiovascular portfolio. Beacon, a public limited company listed with Dhaka and Chittagong Stock Exchange, was incorporated on 12<sup>th</sup> September, 2001 as a private limited company with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under the Companies Act 1994 and subsequently converted into a Public Limited Company on 2010.

Since its inception, Beacon is relentlessly working with a mission to improve the quality of human life by providing innovative and reliable pharmaceutical products through continuous research and development by ensuring stakeholder satisfaction with the aim to be one of the most value driven Pharmaceutical Companies of the Country.

Beacon is a very popular name in the Pharmaceuticals Industry of Bangladesh due to its high quality products of Anticancer, Cardiovascular, Gastrointestinal, Antibiotics, Anti-Coagulants, Protein Supplements, Muscle relaxant, Anti-histamine, Analgesics and NSAIDS etc.

The Plant is situated at Bhaluka, Mymensingh, Bangladesh on a piece of land of 29 Acres with the covered area of more than 1,50,000 sft. The initial cost of the project stands at more than US\$.50.00 Million. This manufacturing complex of Beacon has been engineered by European consultants in order to be one of the finest facilities in the Country. It has been designed to conform to world standards like US-FDA, UK-MHRA, TGA-Australia and WHO –cGMP.

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# CORPORATE MANAGEMENT



# Corporate Directory

## BOARD OF DIRECTORS

Ms. Nurun Nahar Karim, Chairman  
Mr. Md. Ebadul Karim, Managing Director  
Mr. Md. Niazul Karim, Director  
Major M.A Hussain (Retd.), Independent Director  
Mr. Abdul Qader Siddiqui, Independent Director

## AUDIT COMMITTEE

Mr. Abdul Qader Siddiqui, Chairman  
Mr. Md. Niazul Karim, Member  
Major M.A Hussain (Retd.), Member  
Mr. Khalilur Rahman ACS, Board Secretary

## NOMINATION AND REMUNERATION COMMITTEE

Major M.A Hussain (Retd.), Chairman  
Mr. Md. Niazul Karim, Member  
Mr. Abdul Qader Siddiqui, Member  
Mr. Khalilur Rahman ACS, Board Secretary

## EXECUTIVE MANAGEMENT

Mr. Md. Ebadul Karim, Managing Director  
Ms. Risana Karim, Executive Director  
Mr. Giash Uddin Ahmed FCMA, Director (Finance & Accounts) & CFO  
Mr. Monjurul Alam, Director (Business Development)  
Ms. Najmun Nahar Rahman, Director (Plant Operations)  
Mr. Md. Anisur Rahman Khan, EVP (HR & Admin)  
Mr. Md. Aminul Hoque, EVP (Sales)  
Mr. Md. Shafiul Islam, SVP (MIS & Market Audit)  
Mr. Sujit Kumar Kundu, SVP (Project Management)  
Mr. S. M. Mahmudul Hoque, SVP (Oncology & Biotech)

## MANAGEMENT STRATEGIC COMMITTEE

Mr. Giash Uddin Ahmed FCMA, Director (Finance & Accounts) & CFO  
Mr. Monjurul Alam, Director (Business Development)  
Ms. Najmun Nahar Rahman, Director (Plant Operations)  
Mr. Md. Anisur Rahman Khan, EVP (HR & Admin)  
Mr. Md. Aminul Hoque, EVP (Sales)  
Mr. Md. Shafiul Islam, SVP (MIS & Market Audit)  
Mr. Sujit Kumar Kundu, SVP (Project Management)  
Mr. S. M. Mahmudul Hoque, SVP (Oncology & Biotech)  
Mr. Md. Zia Uddin Thakur, VP (HR & Admin)  
Dr. G.M. Raihanul Islam, VP (Medical Services Department)

## COMPANY SECRETARY (Acting)

Mr. Khalilur Rahman ACS

## STATUTORY AUDITORS

M/S. Toha Khan Zaman & Co.  
Chartered Accountants  
House No. 817 (First Floor), Road No. 4,  
Baitul Aman Housing Society, Adabor, Dhaka-1207

## CORPORATE GOVERNANCE COMPLIANCE AUDITOR

Poddar & Associates  
Cost and Management Accountants  
333/1 (New 8/1) Segun Bagicha (2nd & 3rd Floor)  
Dhaka-1223.

## LEGAL ADVISOR

Abul Khayer & Associates  
25/A Indira Road, Farmgate, Dhaka.

## LISTING

1. Dhaka Stock Exchange Ltd.
2. Chittagong Stock Exchange Ltd.

## REGISTERED OFFICE

Beacon Pharmaceuticals Ltd.  
Kathali, Bhaluka, Mymensingh, Bangladesh.

## CORPORATE OFFICE

Beacon Business Centre  
9/B/2, Toyenbee Circular Road, Motijheel C/A, Dhaka-1223  
Tel: +880-2-57165371-6, Fax: +880-2-57165379-80  
E-mail: beacon@beaconpharma.com.bd  
Website: www.beaconpharma.com

## FACTORY

Kathali, Bhaluka, Mymensingh

## MAIN BANKER

Janata Bank Ltd.

Rupali Bank Ltd.

Standard Chartered Bank Ltd.

Shahjalal Islami Bank Ltd.

ICB Islamic Bank Ltd.

Sonali Bank Ltd.

Dutch Bangla Bank Ltd.

Bank Asia Ltd.

Social Islami Bank Ltd.

Eastern Bank Ltd.

Agrani Bank Ltd.

First Security Islami Bank Ltd.

BRAC Bank Ltd.

Commercial Bank of Ceylon



## PROFILE OF BOARD OF DIRECTORS, CFO AND COMPANY SECRETARY

### BOARD OF DIRECTORS

Ms. Nurun Nahar Karim, Chairman  
Mr. Md. Ebadul Karim, Managing Director  
Mr. Md. Niazul Karim, Director  
Major M.A Hussain (Retd.), Independent Director  
Mr. Abdul Qader Siddiqui, Independent Director

### CHIEF FINANCIAL OFFICER (CFO)

Mr. Giash Uddin Ahmed FCMA

### COMPANY SECRETARY (Acting)

Mr. Khalilur Rahman ACS



**Mrs. Nurun Nahar Karim**  
**Chairman**

Ms. Nurun Nahar Karim obtained her Master of Social Sciences degree (Pol. Science) from the University of Dhaka. She is the wife of Mr. Md. Ebadul Karim. She brings significant industry experience and management insight to the board. With her visionary leadership and executive oversight experience, she has been fueling the company's strategic growth. She is also the Chairman of Beacon Developments Limited, Beacon Nutraceuticals Limited, MEK Auto Bricks Limited, MEK Industries Limited, MEK Pharmatech Limited, Beacon Oncology Limited, Mujibunnessa Medical College & Hospital Limited. She is the Director of Beacon Cephalosporin Limited, Beacon Power Systems Limited, Beacon Point Limited, Beacon Economic Zone Limited, Beacon Medicare Limited, Beacon Business Solution Limited and Kohinoor Chemicals Co. (BD) Limited.



**Mr. Md. Ebadul Karim**  
**Managing Director**

Mr. Md. Ebadul Karim 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 business enterprises very successfully. He is the Managing Director of Beacon Pharmaceuticals Limited, Beacon Developments Limited, , Beacon Nutraceuticals Limited, MEK Auto Bricks Limited, MEK Industries Limited, MEK Pharmatech Limited, Mujibunnessa Medical College & Hospital Limited, Beacon Oncology Limited, and Chairman of Beacon Cephalosporin Limited, Beacon Point Limited, Beacon Medicare Limited, Beacon Power Systems Limited, EREBA Capsules Limited, Beacon Economic Zone Limited and Beacon Business Solution Ltd. He is also the Director of Kohinoor Chemicals Co. (BD) Ltd. He has travelled many countries of the world for business purposes and won many awards home and abroad.





**Mr. Md. Niazul Karim**  
**Director**

Mr. Md. Niazul Karim, son of Mr. Md. Ebadul Karim holds a Bachelor's degree in Business Administration from Independent University of Bangladesh (IUB). Right after completing his graduation, he was actively involved in the business. He contributes to the board through his prudent decision outcomes and solid understanding of industrial operations. Presently he is acting as the Director of Beacon Pharmaceuticals Limited, Beacon Developments Limited, Beacon Cephalosporin Limited, Beacon Nutraceuticals Limited, MEK Auto Bricks Limited, MEK Industries Limited, MEK Pharmatech Limited, Mujibunnessa Medical College & Hospital Limited, Beacon Oncology Limited, Beacon Power Systems Limited, and Managing Director of Beacon Point Limited, Beacon Medicare Limited, Beacon Economic Zone Limited and Beacon Business Solution Limited.



**Major M. A. Hussain (Retd.)**  
**Independent Director**

Major M.A Hussain got the opportunity to join Army in 1968 as an Officer Cadet when he was a student of Department of History, Dhaka University. After completing training from Military Academy in Kabul, he got commission in 1970. His first posting was in Kashmir (POK). He served in Bangladesh Army as a Major in 1976. He also served as DAAG (Deputy Asst. Adjutant General) in 24 divisional HQ. He joined Bangladesh Bank on deputation in 1985 and got absorbed having seniority from the date of commission. Major Hussain retired from Bangladesh Bank as a General Manager in 2008. The diverse set of experiences he attained throughout his career provides precious strategy guidance to the board. He is the Chairman of the NRC and member of Audit Committee.



**Mr. Abdul Qader Siddiqui**  
**Independent Director**

Mr. A.Q. Siddiqui is an M.A in English 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. Siddiqui is the Chairman of Bangladesh Commerce Bank Limited. 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 Limited, Agrani Bank Limited and also the Deputy Managing Director of Janata Bank Limited. He is the Chairman of the Audit Committee and member of NRC.



**Mr. Giash Uddin Ahmed FCMA**  
**Director (Finance & Accounts) & CFO**

Mr. Giash Uddin Ahmed is a Cost and Management Accountant and done his Masters of Commerce in Accounting from the University of Dhaka. He is a Fellow member of the Institute of Cost & Management Accountant of Bangladesh. He is also a certified financial consultant of the Institute of Financial Consultants, Vancouver, Canada. Prior to joining BEACON Pharma, he was the CFO (Bangladesh operation) of Otobi Ltd. He has more than 33 years of experience in different managerial capacities in the country and abroad. His wide-reaching financial acumen is playing a significant role in shaping the company's present and future.



**Mr. Khalilur Rahman ACS**  
**Company Secretary (Acting)**

Mr. Khalilur Rahman is an Associate Chartered Secretary (ACS) of the Institute of Chartered Secretaries of Bangladesh (ICSB). After obtaining his Master's Degree in Accounting, he completed CA Knowledge Level from the Institute of Chartered Accountants of Bangladesh (ICAB). In his 11 years career span, he took the challenge of engaging in cross-functional assignments, which refined his expertise in various areas like audit, accounts, corporate banking, tax and corporate affairs. Apart from his diverse role as Company Secretary (Acting), he is also Secretary of the Audit Committee and NRC of the Company.



**AUDIT COMMITTEE  
NOMINATION & REMUNERATION COMMITTEE  
EXECUTIVE MANAGEMENT AND  
MANAGEMENT STRATEGIC COMMITTEE**



**Mr. Md. Ebadul Karim**  
Managing Director  
Member, Executive  
Management Committee



**Mr. Md. Niazul Karim**  
Director  
Member, Audit Committee and  
Nomination & Remuneration Committee (NRC)



**Major M. A Hussain (Retd.)**  
Independent Director  
Chairman, Nomination & Remuneration  
Committee (NRC) and Member, Audit Committee



**Mr. Abdul Qader Siddiqui**  
Independent Director  
Chairman, Audit Committee and Member,  
Nomination & Remuneration Committee (NRC)



**Ms. Risana Karim**  
Director  
Member, Executive Management Committee



**Mr. Giash Uddin Ahmed FCMA**  
 Director (Finance & Accounts) & CFO  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. Monjurul Alam**  
 Director, Business Development  
 Member, Executive Management &  
 Management Strategic Committee



**Ms. Najmun Nahar Rahman**  
 Director, Plant Operations  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. Anisur Rahman Khan**  
 EVP, HR & Admin  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. Md. Aminul Hoque**  
 EVP, Sales  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. Shafiul Islam**  
 SVP, MIS & Market Audit  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. S. M. Mahmudul Hoque**  
 SVP, Oncology & Biotech  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. Sujit Kumar Kundu**  
 SVP, Project Management  
 Member, Executive Management &  
 Management Strategic Committee



**Mr. Khalilur Rahman ACS**  
 Company Secretary (Acting)  
 Board Secretary, Audit Committee and  
 Nomination & Remuneration Committee



**Mrs. Nurun Nahar Karim**  
Chairman



## Message from the Chairman

“

*“Despite of many internal and external challenges and also prevailing pandemic situation, we have significantly increased our productivity by upgrading technology and constantly adhering by ensuring efficient factory management in all aspects.”*

”

Dear shareholders,

It is my great pleasure to welcome all of you in the 20<sup>th</sup> Annual General Meeting of the Company and to place before you the Annual Report along with the Audited Financial Statements as well as Compliance Report of the Company for the year ended 30<sup>th</sup> June, 2021.

We express our sincere condolences for the families of Covid-19 victims. This was an abnormal year due to the Pandemic. The year 2020-21 was very challenging for us. Beacon has continued to build on its position as one of the leading pharmaceuticals brands in Bangladesh. Our loyal and dedicated employees have faced every situation with utmost effort. Their strong belongingness with the company has brought us an exceptional growth outcome coupled with the commitment for a better future.

Finally, on behalf of the Board, I would like to congratulate and thank all of Beacon's employees for their hard work and perseverance throughout 2021. Another round of thanks to all our shareholders, customers, suppliers and other stakeholders for their continual support. We look forward to a successful year 2022 and we hope and believe the Corona Virus pandemic will end very soon.

I pray to the almighty Allah for the success of the Company in future.

*Nurun Nahar Karim*

**Nurun Nahar Karim**  
Chairman



**Md. Ebadul Karim**  
**Managing Director**



## Managing Director's Overview

“

*“From the very beginning, we gave extra emphasis on introducing newest molecules and advanced treatment options. That helps us reach a unique position in physician's front. Besides this, we are continuously working on our product portfolio in an attempt to providing effective and affordable treatment to the patients”*

”

Dear Shareholders,

Assalamu-Alaikum,

In view of the present pandemic due to COVID-19 all over the world, we had no option but to arrange the meeting through the virtual platform in order to maintain social distance and to avoid any health risk for all of us. The COVID-19 crisis has changed our lives and has forced us to quickly adapt to challenging circumstances.

Corona Virus (COVID-19) Pandemic has become the worst threat to the life of the people of a country and its economy as well as development. The outbreak of coronavirus disease has severely affected the global and our local economy. The second wave of COVID-19 in Bangladesh brought unprecedented losses. The big economies including the developing ones are struggling to combat the crisis.

By the grace of Almighty Allah, we are pleased to report another successful year of revenue driven by a successful strategy and winning culture although we are passing a tough time in COVID-19 situation. With the economic growth in progress, we have shown a consistent ability to improve shareholders return and to increase our market share. Our strategy is to ensure sustainable growth. In the year 2020-21, we have given special emphasis on cost control, resource optimization and R & D capabilities to achieve the targeted sales growth.

### Operating Result

- a. Sales Turnover has increased by 27.37% over last year.
- b. Gross Profit has increased by 28.35% over last year.
- c. Operating Profit has increased by 314.84% over last year.
- d. Net Profit after tax has increased by 127.09% over last year.
- e. Net Asset value per share has increased by 15.67% over last year.
- f. EPS has increased by 126.67% over last year.

### New Products

As a sophisticated pharmaceutical company, we focus our efforts where we can have the most impact. Our products are of different therapeutic segments including Norepinephrine injection, anticoagulant, pain killer,

antiemetic, antibiotic, calcium supplement, hyper acidity etc.

From the very beginning, we gave extra emphasis on introducing newest molecules and advanced treatment options. That helps us reach a unique position in physician's front. Besides this, we are continuously working on our product portfolio in an attempt to providing effective and affordable treatment to the patients.

We have recently introduced Zerofil Plus Tablet (Cefuroxime Axetil + Clavulanic Acid) for the infections caused by sensitive bacteria, Itrazen Capsule (Itraconazole) for Using as antifungal agent, Viera Tablet (Voriconazole) for serious fungal infections, Dexoprex Capsules (Dexlansoprazole) for severe Gastric problem, Barinez Tablet (Baricitinib) for severely active rheumatoid arthritis, Allion Gold Tablet (Multivitamin & Multimineral) for vitamins & minerals deficiencies, Imuzin B Tablet (Vitamin B Complex + Zinc) for zinc and vitamin B deficiencies, Pediclor Syrup (Chlroal Hydrate) for Pediatric Procedural Sedation, Bilanex Tablet (Bilastine) for allergic rhino-conjunctivitis and urticarial, Glipxen-M 500 (Linagliptin) treatment of type 2 diabetes mellitus to improve glycemic control, Xelmet 500 (Metformin Hydrochloride) for type 2 diabetes mellitus, Magnilife-BD Foot Cream (Apis mellifica + Gelsemium sempervirens + Gnaphalium) for severely dry, cracked, itchy and sensitive skin, Xerova (Atorvastatin Calcium) for reducing total Cholesterol level, Belsar (Olmesartan Medoxomil) treatment of hypertension, Rivosis Tab (Rivaroxaban) used to reduce the risk of stroke, Rifax Tablet (Rifaximin) treatment of



diarrhea by noninvasive strains of E. coli and Encephalitis, Lanfos Chewable Tablet (Lanthanum Carbonate) Indicated to reduce serum phosphate in patients with end-stage renal disease, Deferox Tablet (Deferoxamine Mesylate) Indicated for Acute iron intoxication, Tamoxi Tablet (Tamoxifen Citrate) Indicated for the treatment of breast cancer, Caboz Capsule (Cabozantinib) Treatment of renal cell carcinoma, Pemro Injection (Pembrolizumab) treatment of patients with unresectable cancer, Nivomab Injection (Nivolumab) Treatment of patients with unresectable cancer, Fibroz Capsules (Nintedanib) for the treatment of Idiopathic Pulmonary Fibrosis etc.

### Our Global Business

We introduced our Global Patient Support Program in 2016 by which we are now serving our latest lifesaving drugs to the patients of more than 147 countries of the world including the developed countries of Europe, America, Australia, Africa & Asia. As lifesaving drugs are still beyond the reach of patients even in advanced countries, we introduced our products at a very affordable price and much lower than the originator's products. In this connection, the quality of our products is checked by International Standard Laboratories in USA, Australia and China, where satisfactory results have been received.

With our relentless effort we have been able to establish our Beacon as Number 1 Oncology Company of Nepal, Sri Lanka and Kenya. We have 110 registered product in 14 countries and have received GMP certificate for our plant from East-African Community, Pakistan, Philippines, Syria, Nepal, Cambodia, Sri Lanka and Kenya. Moreover, we have our own sales team in Nepal, Sri Lanka, Kenya, Uzbekistan, Pakistan, Myanmar and Uganda.

Dear shareholders, I have established this company with a global vision. Our Global Team continues adding new business spectrum in this journey. I hope that this team will make us globally more popular and Beacon becomes the trusted name to meet the scarcity of life saving drugs globally.

### Our Commitment

Throughout the year, we have conducted various educational programs and scientific seminars in medical colleges and hospitals all over the country where thousands of practitioners and students participated. Beacon continuously facilitates doctors for acquiring updated and international standard treatment.

Moreover, Beacon has had its presence in numerous awareness programs like World Cancer Day, Colorectal Cancer Awareness Month, Breast Cancer Awareness Month, Lung Cancer Awareness Month, Cancer Survivors Program, Bangladesh International Cancer Congress etc.

We are constantly putting effort to increase our market share and introduce new products.

### Conclusion

Finally, I also express my sincere gratitude to all of our stakeholders, including Investors, Shareholders, Customers, Bankers, Medical Professionals and other participants for their whole-hearted support. We aim to passionately continue building value for our consumers and shareholders now and into the future.

I look forward to having continuous support from you all in the coming years.



**Md. Ebadul Karim**  
Managing Director



Gaviflux

# Gaviflux

Sodium Alginate USP, Sodium Bicarbonate USP & Calcium Carbonate BP

Faster Action, Faster Relief  
from **Heartburn** & **Acid Reflux**



## PERFORMANCE HIGHLIGHTS

### Revenue

BDT in Million  
7,121.15

### Gross Profit

BDT in Million  
3,686.73

### Operating Profit

BDT in Million  
1,421.62

### NPAT (Net Profit After Tax)

BDT in Million  
863.42

### Return on Equity

16.12%

### Return on Assets

10.11%

### NAV Per Share BDT

23.18

### EPS Per Share BDT

3.74

### Market Price Per Share BDT (Closing)

123.60

### Price Earnings Ratio BDT (Times)

33.05

## Caring Global Cancer Patients- A Decade of Innovation & Prestige for Beacon and Bangladesh

Beacon has stepped into the 12<sup>th</sup> years of anti-cancer drug export in 2021. For last 12 years, Beacon is serving global patients of around 137 countries. Beacon is now very much well known globally for its innovative, newer life saving anti-cancer drugs having the widest basket of unique oncology generics under one umbrella.

After fulfilling local demand, we have started export in 2010 and now we are of the leading pharma export company of Bangladesh, it has been a glorious era since then for both Bangladesh and Beacon. Beacon is the 1<sup>st</sup> pharma company of Bangladesh who started to manufacture and export cancer drugs for the first time from Bangladesh. So, Beacon is not only caring global patients but also earning valuable foreign currencies.

In terms of earning foreign currency, Beacon Medicare is the 2<sup>nd</sup> largest exporter among all the pharma companies of Bangladesh. Beacon has successfully established its name “Beacon” in Global market, and we are very well known as a quality lifesaving drug manufacturer.

With our relentless effort we have been able to establish our Beacon as Number 1 Oncology Company of Nepal, Sri Lanka, and Kenya. We have 110 products registered in 14 countries and have received GMP certificate for our plant from East-African Community, Pakistan, Philippines, Syria, Nepal, Cambodia, Sri Lanka & Kenya. Moreover, we have our own sales team in Nepal, Sri Lanka, Kenya, Uzbekistan, Pakistan, Myanmar & Uganda.

2021 is one of the most challenging years for global business, we faced in a decade. Besides the global corona pandemic, lockdown, global economic disaster, we faced tremendous problem with different countries insurance policy, where our newer blockbuster molecules are added. Despite of all these stumbling blocks, we have been able to give exponential growth.

Beacon Medicare Limited operates on geography specific strategies which include sales and marketing, distribution, and licensing arrangements. We view partnering and collaborating as an important strategic approach that will complement our growth in the existing markets as well as other international markets. Our partnering approach is to build mutually rewarding long-term business relationships based on an exclusive marketing business model for the targeted geographies, as well as marketing or co-development models.







# Ovocal-D

Calcium 500 mg (eggshell source) & Vitamin D<sub>3</sub> 200 IU Tablet

# Ovocal-DX

Calcium 600 mg (eggshell source) & Vitamin D<sub>3</sub> 400 IU Tablet

The Premium Calcium of Bangladesh

Quality certified by

TEXAS TECH UNIVERSITY  
HEALTH SCIENCES CENTER



### Certificate of Analysis

Product Name : Ovocal-D Tablet  
Generic Name : Calcium 500 mg (eggshell source) & Vitamin D<sub>3</sub> 200 IU  
Manufactured by : Beacon Pharmaceuticals Limited, Bangladesh

Test Parameters	British Pharmacopoeia Standard	Lab Test Result of Ovocal-D Tablet
Drug Content (mg)	450 mg - 550 mg	545 mg
Friability (%)	Not more than 1%	0.998%
Hardness (Newton)	245.11 - 392.22	248.43 ± 03.84
Disintegration Time	Not more than 30 minutes	56.95 ± 1.50 Seconds

Comments: Ovocal-D Tablet meets British Pharmacopoeia quality standards in all the tests performed in our laboratory.

Fakhrul Ahsan, Ph.D.

University Distinguished Professor



Amarillo Main Campus | 1300 South Coulter Street | Amarillo, Texas 79106 | T 806-414-9300 | F 806-356-4669  
Arlington Regional Campus | 1718 Pine Street | Arlington, Texas 76010 | T 817-325-6960/6404 | F 817-325-6761/1412  
Dallas Regional Campus | 1920 Forest Park Road, Suite 500 | Dallas, Texas 75235 | T 214-358-9036 | F 214-372-5020  
Lubbock Regional Campus | 4500 Lancaster Road | Lubbock, Texas 79430 | T 806-743-4200 | F 806-743-4201

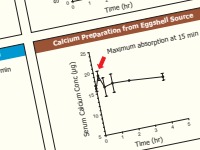
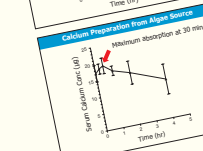
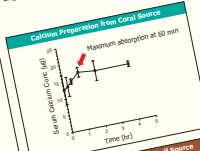
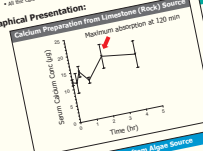
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### In-Vivo Absorption rate analysis of different Calcium Preparations of Bangladesh

Drugs Used:  
= Calcium Preparation from Limestone (Rock) Source  
= Calcium Preparation from Algae Source  
= Calcium Preparation from Eggshell Source  
\* All the Calcium Preparations are manufactured in Bangladesh

#### Graphical Presentation:



Test Parameters	Calcium Preparation	Test Result
Order of Calcium Release (Minutes)	Calcium Preparation from Limestone (Rock) Source	T <sub>max</sub> = 120 min
	Calcium Preparation from Coral Source	T <sub>max</sub> = 60 min
	Calcium Preparation from Algae Source	T <sub>max</sub> = 30 min
	Calcium Preparation from Eggshell Source	T <sub>max</sub> = 15 min

Comments:  
1. Calcium Preparation from Limestone (Rock) Source has slowest absorption rate (T<sub>max</sub> = 120 min).  
2. Calcium Preparation from Coral Source has moderate absorption rate (T<sub>max</sub> = 60 min).  
3. Calcium Preparation from Algae Source has rapid absorption rate (T<sub>max</sub> = 30 min).  
4. Calcium Preparation from Eggshell Source has shown fastest absorption rate (T<sub>max</sub> = 15 min) among different Calcium preparations in Bangladesh.  
\* All the tests performed in our laboratory.

Fakhrul Ahsan, Ph.D.  
University Distinguished Professor

Amarillo Main Campus | 1300 South Coulter Street | Amarillo, Texas 79106 | T 806-414-9300 | F 806-356-4669  
Arlington Regional Campus | 1718 Pine Street | Arlington, Texas 76010 | T 817-325-6960/6404 | F 817-325-6761/1412  
Dallas Regional Campus | 1920 Forest Park Road, Suite 500 | Dallas, Texas 75235 | T 214-358-9036 | F 214-372-5020  
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# Lubilax

Lubiprostone INN

Capsule	8 mcg
	24 mcg

For the management of constipation

FDA Approved



Relieves constipation within

**24** hours

# CORPORATE GOVERNANCE

Directors' Report to the Shareholders  
For the year ended 30<sup>th</sup> June, 2021





# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

### Dear Shareholders

The Directors have the pleasure to present their Annual Report together with the Audited Financial Statements of the Company for the year ended 30<sup>th</sup> June, 2021. These were approved by the Board of Directors on 28<sup>th</sup> November, 2021.

The Directors' Report has been prepared in compliance with section 184 of the Companies Act, 1994, Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3<sup>rd</sup> June, 2018, 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.

### i. Industry outlook and possible future development in the industry.

The principal activities of the Company are manufacturing, marketing and selling of pharmaceuticals and lifesaving medicine in the local and international markets. Beacon is the first manufacturer of anti-cancer 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 40 new products, out of which 14 are General products, 11 are Oncology products, 3 are Bio-tech products, 4 are Palliative Care and 8 are Chronic Care products.

Despite of the tough situation of COVID-19 we were able to maintain revenue at a reasonable level. Moreover, we have given special emphasis on cost control, resource optimization and R & D capabilities in order to face these economic challenges.

### ii. Segment-wise or product-wise performance.

Our products can be segmented as General, Oncology and Bio-tech products. In terms of volume of sale General Product is the best performer followed by Oncology and Bio-tech respectively. In terms of sales performance, general products have contributed more

than 60%, 32% oncology and rest 8% contributed by Bio-tech Products. In respect of profit margin Oncology Products are the best contributor than that of others.

### iii. Risk and Concerns.

Risks are defined as uncertainties resulting in adverse variations of profitability or losses in financials or otherwise. The risk management of the company covers core risk areas of the business operation, financial risk, operational risk, receivable risk, liquidity risk, market risk that includes foreign exchange risk, interest rate risk etc. Besides above risks, the Company considers credit management risks and strategic risks.

The Company has a strong base to address the risk of future uncertainties with the change of industry and global economy. The company is always keen to identify the key business risks and ensures the mitigation plans are in place. It has reviewed and adopted best practices of the industry that are articulated to enable the company to achieve its objectives effectively.

The objective of risk management is that the Company evaluates and takes well calculated business risks that safeguards the asset, its financial resources and profitability from various businesses through its own measures and by implementing corporate guidelines.

### iv. Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin.

Cost of Goods Sold for the year stands at Tk. 343,44,22,533 which is 26.34% higher than that of the previous year. This has occurred due to increase of sales by 27.37% compare to the previous year and Gross Margin has increased by 28.35% over the last year. Besides this net margin has increased by 127.09% over the last year.

### v. Discussion on continuity of any Extra-Ordinary gain or loss.

No extra ordinary gain or loss occurred during the year which would require adjustment or disclosure in the financial statements.

### vi. Basis for related party transactions.

Related Party Transactions are disclosed in the notes – 46.00 to the Financial Statements for the year ended 30<sup>th</sup> June, 2021.



# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

### **vii. Remuneration to Directors**

This information is incorporated in the Notes 38 of the notes to the financial statements with reference to the "Payment to Managing Director" figures concerning the Board of Directors including Independent Directors.

### **viii. Utilization of proceeds from public issues, rights issues and / or through any other instruments.**

During the financial year 2020-2021 no such proceeds are collected that would require adjustment or disclose in the annual report.

### **ix. Explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Right Offer and Direct Listing.**

Beacon Pharmaceuticals Limited went for initial public offering in the year 2010 and did not go for any further offering since then. So, no such explanation is required for Beacon Pharmaceuticals Limited.

### **x. Explanation of significance variance occurs between Quarterly Financial Performance and Annual Financial Statements.**

There was no significant variance that occurred between the quarterly financial performance and annual financial statements.

### **xi. Remuneration to directors including independent directors.**

Remuneration and other perquisites of the Directors are reviewed annually and approved by the Chairman of the Board. Non-Executive Directors including the Independent Directors are paid fees for attending the meetings only.

### **xii. Financial Statements prepared by the management of the Company presents fairly its state of affairs, the result of its operation, cash flows and changes in equity.**

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and the Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of operation, cash flow and changes in equity.

### **xiii. Proper books of accounts of the Company have been maintained.**

Books of Accounts of the Company have been maintained properly.

### **xiv. Accounting Policies:**

Appropriate accounting policies have been consistently applied in preparing financial statements and the accounting estimates are based on reasonable and prudent judgment.

### **xv. Application of IAS and IFRS.**

International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) as applicable in Bangladesh have been followed in preparing financial statements and any departure has been adequately disclosed.

### **xvi. The system of internal control.**

The system of internal control is sound and has been implemented and monitored effectively. 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.

### **xvii. Going Concern.**

There are no significant doubts about the Company's ability to continue as a 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.

### **xviii. Explanation of significant deviation from the last year's operating result.**

Significant variations over the last year's operation of the Company have been made due to excess expenditure incurred in the factory overhead, general & admin overhead and selling and distribution overhead. The positive impact of excess expenditures are gradually taking place.

### **xix. Key operating and financial data preceding 5 (Five) years:**

The key operating and financial data for the last 5 (five) years of the Company have been presented as follows:

# CORPORATE GOVERNANCE

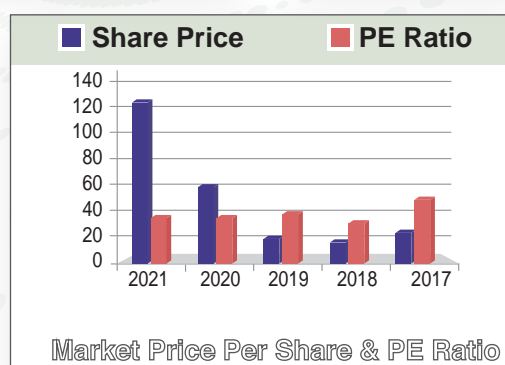
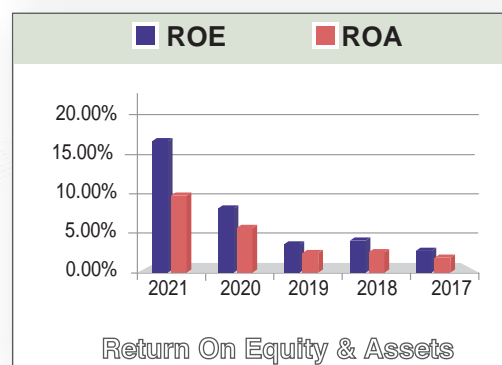
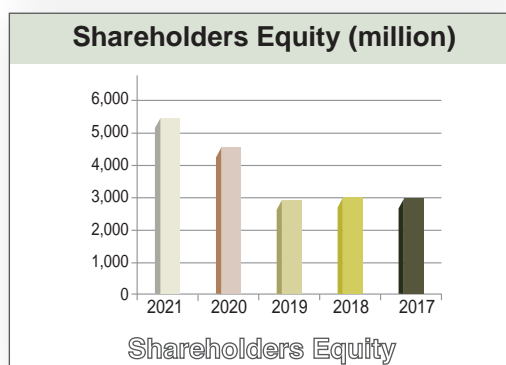
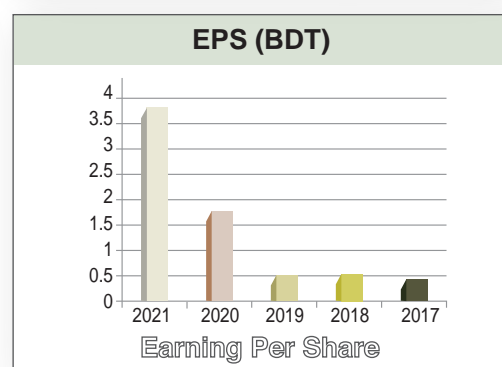
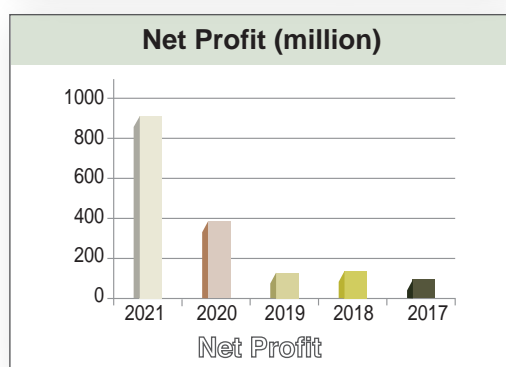
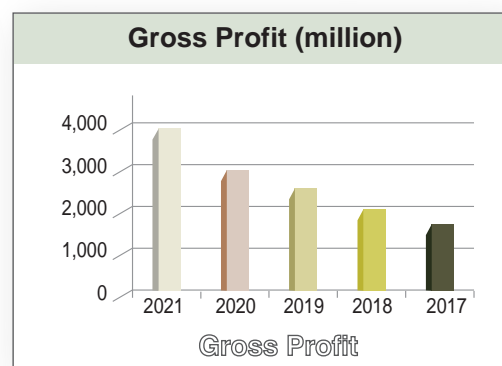
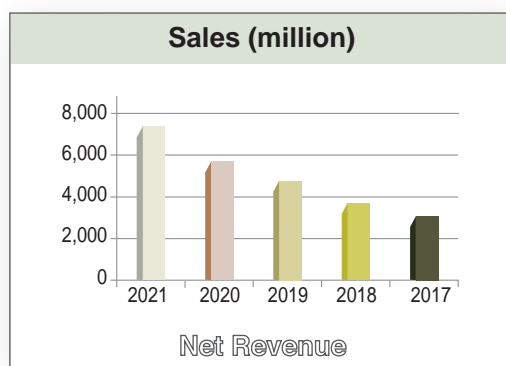
## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

### 5 (Five) Years Financial Highlights:

Particulars	Year				
Financial Performance	2021	2020	2019	2018	2017
Total Assets	8,535,571,691	7,176,904,014	4,871,002,971	4,908,410,740	5,105,979,654
Total Liabilities	3,180,408,738	2,546,558,381	1,891,819,980	1,907,666,832	2,114,679,364
Current Assets	5,215,795,475	3,785,627,854	2,668,641,600	2,400,038,430	2,424,721,610
Current Liabilities	2,792,662,114	2,053,537,586	1,317,400,721	1,332,666,250	1,138,029,634
Non-Current Assets	3,319,776,214	3,391,276,160	2,202,361,371	2,508,372,310	2,681,258,044
Non-Current Liabilities	387,746,624	493,020,794	574,419,259	575,000,582	976,649,730
Shareholders' Equity	5,355,162,953	4,630,345,633	2,979,182,991	3,000,743,908	2,991,306,829
<b>Operational Performance</b>					
Revenue	7,121,152,785	5,590,790,317	4,646,865,410	3,760,786,106	2,948,456,509
Cost of Goods Sold	3,434,422,533	2,718,444,324	2,364,808,809	1,927,331,673	1,484,623,696
Operating Expense	2,265,106,526	2,529,653,717	1,959,448,364	1,563,846,092	1,196,557,774
Financial Expense	166,796,221	150,270,407	153,524,466	138,160,282	147,375,018
Gross Profit	3,686,730,252	2,872,345,993	2,282,056,601	1,833,454,433	1,463,832,813
Operating Profit	1,421,623,726	342,692,277	322,704,069	269,608,341	267,275,039
Net Profit before tax	1,198,163,031	184,503,417	163,400,976	126,035,753	115,895,985
Net Profit after tax	863,169,294	380,691,353	117,700,592	126,103,008	103,734,641
Total Comprehensive Income	863,417,319	380,217,507	117,039,082	124,943,619	104,710,516
<b>Financial Ratio</b>					
Current ratio	1.87:1	1.84:1	2.03:1	1.80:1	2.13:1
Debt Equity Ratio	0.59:1	0.55:1	0.64:1	0.64:1	0.71:1
Financial Expense Coverage Ratio (Times)	8.52	2.28	2.1	1.95	1.81
Return on Equity	16.12%	8.21%	3.93%	4.16%	3.50%
Return on Assets	10.11%	5.30%	2.40%	2.55%	2.05%
<b>Equity Parameters</b>					
Authorized Capital	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Paid-up Capital	2,310,000,000	2,310,000,000	2,310,000,000	2,310,000,000	2,310,000,000
Shareholders' Equity	5,355,162,953	4,630,345,633	2,979,182,991	3,000,743,908	2,991,306,829
No. of Shares Outstanding	231,000,000	231,000,000	231,000,000	231,000,000	231,000,000
Net Assets Value (NAV) Per Share	23.18	20.04	12.9	12.99	13.37
Earnings Per Share (EPS)	3.74	1.65	0.51	0.55	0.45
Market Price Per Share (Closing)	123.60	60.7	20.1	17.8	23.1
Price Earnings Ratio (Times)	33.05	36.79	39.41	32.36	51.33

# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021



# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

### xx. Declaration of dividend

The Board of Directors of the Company has recommended 15% cash dividend for the year ended 30<sup>th</sup> June, 2021.

### xxi. Number of board meeting held during the year and attendance of each director.

During the year 20 nos. of Board Meetings were held. The attendance record of the Directors is shown below. The Directors who could not attend the meeting were granted leave of absence.

### Board Meeting and attendance during the year ended 30<sup>th</sup> June, 2021

Sl. No.	Name of Directors	Meeting held	No. of meeting attended
1	Ms. Nurun Nahar Karim, Chairman	20	20
2	Mr. Md. Ebadul Karim, Managing Director	20	20
3	Mr. Md. Niazul Karim, Director	20	20
4	(Dr.) Syed Modasser Ali, Independent Director (Retired)	20	7
5	Major M. A. Hussain (Retd.), Independent Director	20	4
6	Mr. Abdul Qader Siddiqui, Independent Director	20	1

### Pattern of Shareholding

#### a) Parent/Subsidiary/ Associated Companies and other related parties.

Sl. No.	Name	Designation	Entities where they have interest	No. of share held
1.	Mr. Md. Ebadul Karim	Managing Director	Beacon Developments Ltd.	600
			MEK Auto Bricks	25,000
			MEK Industries Ltd.	8,500
			MEK Pharmatech Ltd.	8,500
			Mujibunnessa Medical College & Hospital Ltd.	80,00,000
			Beacon Oncology Ltd.	85,000
			Beacon Nutraceuticals Ltd.	85,000
		Chairman	Beacon Cephalosporin Ltd.	25,50,000
			Beacon Power Systems Ltd.	85,000
			Beacon Point Ltd.	25,000
			Beacon Medicare Ltd.	42,500
			EREBA Capsules Ltd.	20,000
			Beacon Economic Zone Ltd.	8,00,000
			Beacon Business Solution Ltd.	85,000
		Director	Kohinoor Chemical Co. (BD) Ltd.	17,37,631

# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

Sl. No.	Name	Designation	Entities where they have interest	No. of share held
2.	Mrs. Nurun Nahar Karim	Chairman	Beacon Developments Ltd.	250
			Beacon Nutraceuticals Ltd.	5,000
			MEK Auto Bricks	12,500
			MEK Industries Ltd.	500
			MEK Pharmatech Ltd.	500
			Beacon Oncology Ltd.	5,000
			Mujibunnessa Medical College & Hospital Ltd.	5,00,000
		Director	Beacon Cephalosporin Ltd.	1,50,000
			Beacon Power Systems Ltd.	5,000
			Beacon Point Ltd.	25,000
			Beacon Medicare Ltd.	2,500
			Beacon Economic Zone Ltd.	50,000
			Beacon Business Solution Ltd.	5,000
			Kohinoor Chemical Co. (BD) Ltd.	11,10,939
			Banani Clinic Limited	10,000

Sl. No.	Name	Designation	Entities where they have interest	No. of share held
3.	Mr. Md. Niazul Karim	Managing Director	Beacon Point Ltd	25,000
			Beacon Economic Zone Ltd.	1,50,000
			Beacon Medicare Ltd.	2,500
		Director	Beacon Developments Ltd.	400
			Beacon Cephalosporin Ltd.	1,50,000
			Beacon Nutraceuticals Ltd.	5,000
			MEK Auto Bricks	6,250
			MEK Industries Ltd.	500
			MEK Pharmatech Ltd.	500
			Beacon Oncology Ltd.	5,000
			Mujibunnessa Medical College & Hospital Ltd.	5,00,000
			Beacon Business Solution Ltd.	5,000
			Beacon Power Systems Ltd.	5,000

# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

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

SL. 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. Md. Niazul Karim	Director	63,54,000
4	Mr. Giash Uddin Ahmed FCMA	Director (F & A) and CFO	Nil
5	Mr. Khalilur Rahman ACS	Company Secretary (Acting)	Nil
5	Mr. Muhammad Mahbubul Alam	Head of Internal Audit	Nil
6	Spouse & Minor Children		Nil

### (c) Executive

SL. No.	Name	Designation	No. of Shares Held
1	Mr. Md. Ebadul Karim	Managing Director	5,82,28,800

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

SL. No.	Name	Designation	No. of Shares Held
1	Mr. Md. Ebadul Karim	Managing Director	5,82,28,800

### xxii. Recommendation for re-appointment of Directors:

As per provision of the Articles of Association of the Company Mr. Md. Niazul Karim will retire by rotation in the next 20<sup>th</sup> Annual General Meeting and being eligible he will be offered for re-appointment.

### xxiii. Appointment of Auditors:

a) Messers Toha Khan Zaman & Co., Chartered Accountants will retire at the 20<sup>th</sup> Annual General Meeting as auditors of the company. The retiring auditors are eligible for re-appointment and they have expressed their willingness to be appointed as auditor of the Company for the financial year 2021-2022. The Directors endorsed recommendation of the Audit Committee for re-appointment of Messers Toha Khan Zaman & Co., Chartered Accountants as the auditors of the company for the financial year 2021-2022.

b) The Board also recommended appointment of existing corporate governance compliance auditors M/S. Podder & Associates, Cost and Management Accountants for the financial year 2021-2022.

c) The Board also recommended to appoint M/S. Podder

& Associates, Cost and Management Accountants Independent Scrutinizer for the 20<sup>th</sup> Annual General Meeting of the Company.

### xxiv. Nomination and Remuneration Committee

In accordance with the condition 6 of Bangladesh Securities and Exchange Commission's Code of Corporate Governance, BSEC/CMRRCD/2006/158/207/Admin/80, dated 3<sup>rd</sup> June, 2018 the Nomination and Remuneration Committee was re-formed on 27<sup>th</sup> December, 2020 as a sub-committee under the Board in place of previous Remuneration Committee and Nomination Committee. The committee consist of the following members:

Major M.A Hussain (Retd.), Chairman

Mr. Md. Niazul Karim, Member

Mr. Abdul Qader Siddiqui, Member

Mr. Khalilur Rahman ACS, Board Secretary

### xxv. Corporate Governance Compliance Report:

Beacon Pharmaceuticals Limited adheres to appropriate good Corporate Governance principles. The Company



# CORPORATE GOVERNANCE

## Directors' Report to the Shareholders For the year ended 30<sup>th</sup> June, 2021

also complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Accordingly, Corporate Governance Compliance checklist is shown in Annexure-1 of this report.

### **xvi. Contribution to the National Exchequer**

During the year under review, our company paid Taka 1,008.59 million to the national exchequer in the form of corporate income tax, customs duties and value added tax.

### **xxvii. Credit Rating**

The Company achieved A2 rating in long term and A2 (LR) for short term for consecutive three years with a strong and stable outlook from Credit Rating Agency of Bangladesh Limited (CRAB).

### **xxiii. Reserves**

The total Reserves of the Company stood at Tk. 1,413.77 million, details of which are given in Note 15 and in the Statement of Changes in Equity in the Financial Statements.

### **xxix. Events after Balance Sheet Date**

The Board of Directors in their meeting held on 28<sup>th</sup> November, 2021 recommended cash dividend @ 15% for the year 2020-21.

### **xxx. CEO and CFO's Declaration to Financial Statements**

The Chief Executive Officer and Chief Financial Officer are of the opinion that Financial Statements given on page 46 of this report present true and fair view of the company's affairs.

### **xxxi. Human Resources**

A dynamic business environment requires having a well trained work force; therefore, the company develops the appropriate management skills to suit the business environment. Various training programs and workshops were carried out during the year. The management and employee relationship in the company was excellent throughout the year.

### **xxxii. Compliance with Laws and Regulations**

The company was not engaged in any activities

contravening the laws and regulations. All those responsible for ensuring compliance with the provisions in various laws and regulations were able to do so within the stipulated time.

### **xxxiii. Environmental Protection**

To the best of the Board's knowledge, the company was not engaged in any activity which might prove harmful to environment.

### **xxxiv. Conclusion:**

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

Approved by the Board of Directors and signed on its behalf.

*Nurun Nahar Karim*

**Nurun Nahar Karim**  
Chairman

# CORPORATE GOVERNANCE

## Audit Committee Report to the Shareholders

### Dear Shareholders,

It is pleasure on the part of the Audit Committee to introduce this report, which the committee hopes to be a useful insight into the work of the Audit Committee and the issues it considered during the year. The report takes into account of the Guidance on Audit Committees by the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No 5.

The Composition of the Audit Committee as on June 30, 2021 is set out below:

SL No.	Name	Position
1	Mr. Abdul Qader Siddiqui, Independent Director	Chairman of the Committee
2	Mr. Md. Niazul Karim, Director	Member
3	Major M.A Hussain (Retd.), Independent Director	Member
4	Mr. Khalilur Rahman ACS, Company Secretary (Acting)	Secretary

### Role and Responsibility of the Audit Committee:

The Audit Committee is empowered to consider any matter relating to the financial affairs of the Company and to review all internal and external audit, internal control system, procedures and accounting policies etc. of the Company so as to ensure that a sound financial reporting system is in place in order to provide an accurate, appropriate and timely information to the

management, regulatory authorities and to the shareholders.

### Meetings held of the Audit Committee:

In the year 2020-21, total 4 (Four) number of meetings were held of the audit committee during the year where a detailed discussion was made relating to quarterly and final accounts of the Company.

SL No.	Name	Position	Meeting Held	No. of meeting attended
1	Prof. (Dr.) Syed Modasser Ali	Chairman (Retd.)	4	2
2	Mr. Abdul Qader Siddiqui	Chairman(Newly Appointed)	4	2
3	Mr. Md. Niazul Karim	Member	4	4
4	Major M.A Hussain (Retd.)	Member	4	4
5	Mr. Khalilur Rahman ACS	Secretary	4	4

### Activities of Audit Committee:

The following activities were carried out by the audit committee during the financial year as per terms of reference of the audit committee.

### Financial Reporting:

Review quarterly, half yearly and final accounts of the Company prior to submission to the Board of Directors for approval. The review was to ensure that financial reporting and disclosures were in compliance with the Securities Laws, provision of Company's Act 1994, applicable

# CORPORATE GOVERNANCE

## Audit Committee Report to the Shareholders

Accounting Standards / IFRS, any conflict of interest and other relevant legal and regulatory requirements.

### Internal Audit:

The annual and quarterly audit plans including the audit methodology in assessing and rating risks of auditable areas reviewed to ensure adequate scope and comprehensive coverage on the audit activities of the Company.

The Internal Audit reports encompassing the audit issues, audit recommendations and Management's responses reviewed. Improvement actions suggested by the internal auditors in the areas of internal controls, systems and efficiency enhancements were discussed with Management.

The implementation of these recommendations through follow-up audit reports reviewed to ensure all key areas were addressed.

### External Audit:

The Committee met with external auditors at the conclusion of the annual audit in the absence of the Management and also reviewed the findings following their observation, if any as well as and the Management's response thereto.

Their audit scopes, audit strategies, audit plans and performance for the year and their proposed fees for the statutory audit reviewed with the external auditors about.

The external audit reports reviewed and areas of concern highlighted in the Management letter including the Management's responses to the findings of the external auditors.

The committee reviewed statement of related party transaction as discussed in the Financial Statement to ensure all parties were added in compliance with IAS.

### Internal Control and Risk Management System:

Based on the review of the effectiveness of the internal controls and the procedures established for identifying, assessing and managing risks, the Committee is of the view that adequate controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and that the financial position of the Company is adequately reflected and disclosed.

### Recommendation:

The Audit Committee recommended to the Board of Directors that Messrs Toha Khan Zaman & Co., Chartered Accountants and Messers Podder & Associates, Cost & Management Accountant may be re-appointed as external and compliance auditors respectively of the Company for the financial year 2021-2022 subject to the approval of the members of the Company at the 20<sup>th</sup> Annual General Meeting.

On behalf of the Audit Committee



**Mr. Abdul Qader Siddiqui**  
Independent Director  
Chairman, Audit Committee

# CORPORATE GOVERNANCE

## Nomination and Remuneration Committee Report to the shareholders

### Dear Shareholders,

It is pleasure on the part of the Nomination and Remuneration Committee to introduce this report, which the Committee hopes to be a useful insight into the Nomination and Remuneration Committee and the issues it considered during the year. The report takes into account of the Guidance on Nomination and Remuneration Committees by the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No. 06.

The composition of the Nomination and Remuneration Committee as on June 30, 2021, is set out below:

SL No.	Name	Position
1	Major M.A Hussain (Retd.), Independent Director	Chairman of the Committee
2	Mr. Md. Niazul Karim, Director	Member
3	Mr. Abdul Qader Siddiqui, Independent Director	Member
4	Mr. Khalilur Rahman ACS, Company Secretary (Acting)	Secretary

The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives. The NRC has a guiding role to the management to identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.

### Meetings held of the NRC:

In the year 2020-21, one meeting was held of the Nomination and Remuneration Committee during the year where a detailed discussion was made relating to the nomination and remuneration policy and the evaluation criteria and activities of NRC.

### Role and Responsibility of the Nomination and Remuneration Committee:

The purpose, authority, composition, duties and

SL No.	Name	Position	Meeting Held	No. of meeting attended
1	Major M.A Hussain (Retd.)	Chairman	1	1
2	Mr. Md. Niazul Karim	Member	1	1
3	Prof. (Dr.) Syed Modasser Ali	Member	1	1
4	Mr. Khalilur Rahman ACS	Secretary	1	1

responsibilities of the Nomination and Remuneration Committee are delineated in its Charter. Some of the major responsibilities of the NRC are as follows:

- Recommend a policy on Board's diversity taking into consideration age, gender, experience, education and

nationality;

- Formulate the criteria for determining qualification and independence of Directors;

- Identify persons who are qualified to become Directors

# CORPORATE GOVERNANCE

## Nomination and Remuneration Committee Report

and in top level executives and recommend their appointment and removal;

- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Recommend a policy to the Board relating to the remuneration of the Directors, and top level executives;
- Assess that the level and composition of remunerations reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
- Evaluate that remuneration to Directors and top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- Recommend and review annually the Company's human resources and training policies;
- Recommend the remuneration policy of the Company, particularly in relation to the yearly increment principle; and
- Recommend the Code of Conduct for the Chair of the Board, other Board Members and Chief Executive Officer of the Company.

### Nomination, Election and Selection of Directors

The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous. The Board places great emphasis on ensuring its membership reflecting diversity in broader sense. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant personal attributes in the Board is important in providing a range of perspectives, insights and challenges needed to support right decision making. Recruitment and selection processes for Board members identify candidates with the most suitable skills, knowledge, experiences and personal values. Qualifications stated explicitly in Beacon's corporate governance promote the equitable and unbiased selection.

### Evaluation of the Board

The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once a year of its work, functions, performance as well as

monitoring of internal control over financial reporting for the preparation of external financial statements and the safeguarding of assets. The evaluation process is led by the Chair of the Board and assisted by the Company Secretary. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

**Top Level Executive Selection and Remuneration Policy**  
The performance of the Company depends upon the quality of its Directors and Top Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives. The recruitment process for Top Level Executives shall be transparent, non-discriminatory, diversified and in alignment with the Codes of Conduct. Recruitment standards shall support Beacon's reputation as an attractive employer. The objective of Beacon's remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders in accordance with the Beacon behavior.

### Remuneration for Board of Directors

Each Director shall receive reasonable remuneration from the Company for every meeting attended, plus travelling expenses from and to usual place of residence and an allowance per day for the number of days spent attending, travelling to and returning from Board meetings. The amounts will be determined by the Shareholders at the General Meeting.

For and on behalf of the Nomination and Remuneration Committee of Beacon Pharmaceuticals Ltd.

**Major M.A Hussain (Retd.)**

Independent Director  
Chairman, NRC



# CORPORATE GOVERNANCE

## Beacon Pharmaceuticals Limited

Declaration by CEO and CFO

Date: 28<sup>th</sup> November, 2021

The Board of Directors

Beacon Pharmaceuticals Limited.

Beacon Business Center.

9/B/2, Toyenbee Circular Road, Motijheel.

Dhaka-1223

**Subject: Declaration on Financial Statements for the year ended on 30<sup>th</sup> June, 2021.**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006 158/207/Admin/ 80, Dated 3<sup>rd</sup> June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1) The Financial Statements of Beacon Pharmaceuticals Limited for the year ended on 30<sup>th</sup> June, 2021 have been prepared in compliance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

**In this regard, we also certify that:-**

- i) We have reviewed the financial statements for the year ended on 30<sup>th</sup> June, 2021 and that to the best of our knowledge and belief-
  - a) these statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Md. Ebadul Karim  
Managing Director



Giash Uddin Ahmed FCMA  
Director (F & A) and CFO

# Flexbac

Baclofen BP

*The Gold Standard Muscle Relaxant*

is now



Quality Verified



## Alu-Alu Blister

Ensures strong protection of the tablet from light & moisture thus ensures the efficacy of the tablet more than the conventional one.

## Braille Language

Ensures the detection of the brand to blind patients.

## Eye Mark Technology

Ensures detail information of a tablet even when a patient purchases a single tablet.

# Zerotil Plus

Cefuroxime USP + Clavulanic Acid BP

...a perfect grip  
against bacterial resistance

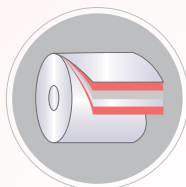
## 4 Step Moisture Protection

### Moisture Protective Coating



Prevents moisture from reaching the core containing clavulanic acid.

### 4 Layer Aluminium Foil



Maximum protection from heat, moisture, light & oxygen

### Zipper Pouch



Ensures last step protection

### Silica Gel



Keeps inner side of the pouch pack dry

**BEACON**  
CEPHALOSPORIN LIMITED

## The safer corticosteroid for inflammatory conditions

**Xalcort**  
Deflazacort INN



# CORPORATE GOVERNANCE

## A Guideline of Transparency and Accountability

### Corporate Governance

Adopting the best practice of Corporate Governance and following 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 lead the Company to its goal through setting strategies, formulating policies and taking prudent decisions. The Board of Directors of Beacon ensures 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 five 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 enables them 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 prepares agenda in consultation with the Chairman of the Board of Directors 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 on 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 considers that it meets regularly to discharge their duties effectively.

### Board Independence

As per Corporate Governance Guidelines, Major M. A. Hussain (Retd.) and Mr. Abdul Qader Siddiqui have been re-appointed as Independent Director of

the Company. They are 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 their independent judgment. The Board believes that, their experience and knowledge enable them to provide effective and constructive contribution to the Board.

### Board Committee

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

### Audit Committee

The Company's Audit Committee met fourth times in the year 2020-21 to consider its Annual Financial Statements for the year ended 30<sup>th</sup> June, 2021 and the Quarterly Reports in the same financial year. The committee comprises Mr. Abdul Qader Siddiqui, Mr. Md. Niazul Karim and Major M.A Hussain (Retd.).

### Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee met one time in the year 2020-21 to developing, recommending and reviewing annually the company's human resources and training policies. The committee comprises Major M.A Hussain (Retd.), Md. Niazul Karim and Mr. Abdul Qader Siddiqui.

### Internal Control

The Board has ultimate responsibility of Beacon Pharma's system of internal control and 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 losses and that transactions are properly authorized and recorded.

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

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

## (Report under Condition No. 9.00)

Condition No.	Title	Complied	Not Complied	Remarks (if any)
<b>1</b>	<b>Board of Directors.-</b>			
<b>1(1)</b>	<b>Size of the Board of Directors</b>			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓	-	The Board of Directors is comprised of 05 (Five) Directors including 02 (Two) Independent Directors.
<b>1(2)</b>	<b>Independent Directors</b>			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors;any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓	-	There are 02 (Two) Independent Directors in the BPL Board.
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓	-	
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓	-	
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2( two) financial years;	✓	-	
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓	-	
1(2)(b)(v)	Who is not a member or TREC ( Trading Right Entitlement Certificate) holder,director, or officer of any stock exchange;	✓	-	
1(2)(b)(vi)	Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓	-	



# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓	-	
1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	✓	-	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFIs);	✓	-	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓	-	
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	-	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	✓	-	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only..	✓	-	
<b>1(3)</b>	<b>Qualification of Independent Director (ID)</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓	-	
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid -up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or bussiness association;	-	-	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	✓	-	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	
1(3)(c)	The independent director(s) shall have at least 10( ten) years of experiences in any field mentioned in clause (b);	-	-	N/A
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such deviation occurred
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓	-	
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	-	
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓	-	
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	✓	-	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	No such event arose during the year
<b>1(5)</b>	<b>The Directors' Report to the Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
1(5)(ii)	The Segment-wise or product-wise performance;	✓	-	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	-	
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	-	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications(gain or loss);	✓	-	No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party,nature of transactions and basis of transactions of all related party transactions;	✓	-	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	-	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	-	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	
1(5)(xiv)	A statement that International Accounting Standards (IAS)or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followedin preparation of the financial statements and any departure there from has been adequately disclosed;	✓	-	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)

For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓	-	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	-	
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	-	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend(cash or stock) for the year;	-	-	The Board of Directors has recommended 15% cash dividend for the year ended on June 30, 2021.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	-	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares(along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name -wise details);	-	-	N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	✓	-	
1(5)(xxiii)(c)	Executives;	✓	-	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	✓	-	
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	✓	-	
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	✓	-	
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
1(5)(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief disscission of changes in financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓	-	
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓	-	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of fianacial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓	-	
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	-	
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓	-	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	-	
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	-	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	-	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per <b>Annexure-B</b> and <b>Annexure-C</b> .	✓	-	
<b>1(6)</b>	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	-	



# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)

For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	-	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company	✓	-	
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company:-</b>			<b>BPL doesn't have any subsidiary</b>
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	-	-	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	
<b>3.</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary(CS):-</b>			
<b>3(1)</b>	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	-	
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; individuals;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	-	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	-	
<b>3(2)</b>	<b>Requirement to attend Board of Director's Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓	-	
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓	-	
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	-	
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	✓	-	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	Disclosed in the Annual Report
<b>4.</b>	<b>Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee;	✓	-	
4(ii)	Nomination and Remuneration Committee	✓	-	
<b>5.</b>	<b>Audit Committee.-</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓	-	
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	-	
<b>5(2)</b>	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	-	
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	-	
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	✓	-	
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓	-	
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	-	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	-	
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓	-	
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting(AGM):	✓	-	
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	-	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	-	
<b>5(5)</b>	<b>Role of Audit Committee</b>			
	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	✓	-	
5(5)(b)	Monitor choice of accounting policies and principles;	✓	-	
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	✓	-	
5(5)(d)	Oversee hiring and performance of external auditors.	✓	-	
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	-	
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓	-	
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓	-	
5(5)(h)	Review the adequacy of internal audit function;	✓	-	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	-	
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓	-	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓	-	
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)

For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering(IPO) or Repeat public Offering(RPO) or Rights Share offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	✓	-	
<b>5(6)(a)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	-	
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-	-	-	
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	No such reportable Incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal internal audit and compliance process or in the financial statements;control system;	-	-	No such reportable Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws,regulatory compliances including securities related laws, rules and regulations;	-	-	No such reportable Incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such reportable Incidence arose
<b>5(6)(b)</b>	<b>Reporting to the Authorities:-</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such reportable Incidence arose
<b>5(7)</b>	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	-	-	No such reportable Incidence arose



# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
<b>6.</b>	<b>Nomination and remuneration Committee(NRC).-</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	-	
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	
6(2)(b)	All member of the Committee shall be non-executive directors;	✓	-	All the NRC Members are Non-executive Directors including Independent Directors.
6(2)(c)	The Board shall have authority to remove and appoint any member of the Committee;	✓	-	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	-	No such Incidence arose
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	No such occurrence happen during the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	-	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)

For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	-	
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	-	No such case in arose
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓	-	
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	-	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	No such case arose after formation of NRC
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	-	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	-	
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	-	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	-	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	-	
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓	-	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	-	
<b>7.</b>	<b>External or Statutory Auditors</b>			
7(1)	The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely :--			
7(1) (i)	Appraisal or valuation services or fairness opinions;	✓	-	
7 (1) (ii)	Financial information system design and implementation;	✓	-	
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓	-	
7 (1) (iv)	Broker –dealer services;	✓	-	
7 (1) (v)	Actuarial services;	✓	-	
7 (1) (vi)	Internal audit services or special audit services;	✓	-	
7 (1) (vii)	Any services that the Audit Committee determines.	✓	-	

# CORPORATE GOVERNANCE

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30<sup>th</sup> June 2021

Condition No.	Title	Complied	Not Complied	Remarks (if any)
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	✓	-	
7 (1) (ix)	Any other service that creates conflict of interest	✓	-	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	✓	-	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	-	
<b>8.</b>	<b>Maintaining a website by the Company.-</b>			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓	-	
8(2)	The company shall keep the website functional from the date of listing.	✓	-	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	✓	-	
<b>9.</b>	<b>Reporting and Compliance of Corporate Governance.-</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	-	Required certification has been obtained from "PODDER & ASSOCIATES" Cost & Management Accountants for the year ended 30 <sup>th</sup> June 2021
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	✓	-	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	-	



**PODDER & ASSOCIATES**

Cost and Management Accountants

**Annexure-B**

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

**Report to the Shareholders of BEACON PHARMACEUTICALS Limited on compliance on the Corporate Governance Code.**

We have examined the compliance status to the Corporate Governance Code by **Beacon Pharmaceuticals Limited** for the year ended on June 30, 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws ; and
- (d) The governance of the company is satisfactory.

**For Podder & Associates**

Jayanta Kumer Podder  
Cost & Management Accountants

Place: Dhaka  
Dated: December 01, 2021

6/A/1 ( Ground Floor), Segun Bagicha, Dhaka-1000.

Phone : 02-57160360, 02-57160425, E-mail: infor@thepodders.com, Web: www.thepodders.com



# Viera

Voriconazole USP

Efficacy when it matters most



Tablet: 200 mg, 50 mg  
Suspension: 200 mg/5ml



- Drug of choice in Invasive fungal infections & dermatophytosis
- Highly effective in Fluconazole and other antifungal resistant fungal infections
- FDA approved first line therapy in invasive aspergillosis & serious fungal infections
- Safe for use in children who are immunocompromised

# Itrazen

Itraconazole USP

A super bioavailable Itraconazole for superior efficacy

**1<sup>st</sup> time in Bangladesh**

Itraconazole  
capsule containing

**40%** pellets



A close-up, shallow depth-of-field photograph of a hand balancing several wooden blocks on a reflective surface. The hand is positioned in the center-right, with fingers carefully placing or adjusting a block. The blocks are light-colored wood, and their reflections are visible on the glossy surface below. The background is blurred, showing hints of a person in a blue shirt.

# DIRECTORS' RESPONSIBILITIES

for the Financial Statements

## Directors' Responsibilities for the Financial Statements

The Directors are responsible for preparing the annual report and financial statements in accordance with the Company's Act 1994, Bangladesh Securities and Exchange Commission Rules 1987, International Financial Reporting Standards (IFRS) and other applicable laws and regulations.

The Company's Act 1994 requires Directors to ensure that the Company keeps proper books of accounts of all transactions and prepares financial statements that give a true and fair view of the state of the Company's affairs and of the profit for the year.

The Directors are also required to ensure that the financial statements have been prepared and presented in accordance with the International Financial Reporting Standards (IFRS) as applicable in Bangladesh and provided the information required by the Company's Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Commission Rules 1987 and the regulations of Dhaka / Chittagong Stock Exchanges. They are also responsible for taking reasonable measures to safeguard the assets of the Company, and in that context to have proper regard to the establishment of the appropriate system of internal control with a view to preventing and detecting fraudulent activities and other irregularities.

The Directors are of the view that these financial statements have been prepared under the

generally accepted accounting principles and in accordance with the International Accounting Standards as laid down by the Institute of Chartered Accountants of Bangladesh.

Directors endeavor to ensure that the Company maintains sufficient records to be able to disclose, with reasonable accuracy, the financial position of the Company and to be able to ensure that the financial statement of the Company meet with the requirement of the Company's Act 1994, International Accounting Standards and the regulations of the Dhaka / Chittagong Stock Exchanges.

The Directors have a reasonable expectation, after making enquiries and following a review of the Company's plan for the ensuing year including cash flows and borrowing facilities, that the Company has adequate resources to continue in operational existence for the foreseeable future, and therefore continues to adopt the going concern basis in preparing the accounts.

M/S. Toha Khan Zaman & Co., Chartered Accountants, Auditors of the Company have examined the financial statements made available by the Board of the Directors together with relevant financial record, related data, minutes of the Shareholders and Directors meeting and expressed their opinion in their report.

By order of the Board,

BEACON Pharmaceuticals Limited,



Md. Ebadul Karim  
Managing Director

# AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021



# FINANCIAL STATEMENTS





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

## Report on the Audit of the Financial Statements

### Opinion:

We have audited the financial statements of Beacon Pharmaceuticals Limited (DVC: 2111280264AS687720) (hereinafter referred to as the 'Company'), which comprises the statement of financial position as at 30<sup>th</sup> June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

### Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Property, Plant & Equipments	
See Note 4.00 to the financial statements	
The key audit matter	Our response to the key audit matter
Property, Plant & Equipment are shown in the financial statement at written down value (Cost less Accumulated depreciation) as per IAS 16.	Our audit procedures were designed to verify the individual assets; additions during the year etc. with the assets register which is maintained by software.
Depreciation on Property, Plant & Equipment has been charged at specified rates as per previous practice.	Physical inventory was carried out by the management at the year end and we were provided with regarding the physical existence of assets.
During the year, the company has made an adjustment in its opening balance of Property, Plant & Equipment amounting to Tk.2,900,236,269.	

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

Valuation of inventories		Independent Auditor's Report (continued)
See Note 7.00 to the financial statements		
The key audit matter	Our response to the key audit matter	
<p>Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2.</p> <p>Cost of inventories are determined on weighted average cost basis. Physical verification of inventories was carried out by inventory team (Internal Audit Team) consisting of management staff.</p>	<p>Our audit procedures were designed to verify the management's assumptions applied in calculating the value of inventory.</p> <p>We were supplied inventory certificate showing the value of the inventory as on 30 June 2021.</p> <p>We are to depend on the valuation certificate on the basis of physical inventory carried out by the inventory team formed by the management.</p>	
Recognition of Deferred Tax Assets:		
See Note 10.00 to the financial statements		
The key audit matter	Our response to the key audit matter	
<p>The Company reported net deferred tax assets total Tk. 239,978,713 as at 30 June 2021.</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p> <p>We have determined this to be a key audit matter, due to the inherent uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax assets.</p> <p>We also assessed the appropriateness of presentation of disclosures against IAS 12 Income Tax.</p>	

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

Revenue recognition – Net Turnover		Independent Auditor's Report (continued)
See Note 28.00 to the financial statements		
The key audit matter		Our response to the key audit matter
<p>At the year end the Company reported total revenue of Tk. 7,121,152,785.</p> <p>Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales. Within a number of the Company's markets, the estimation of discounts, incentives and rebates recognized based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that, revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.</p>		<p>We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the sales statements received from depots which have been accounted for through journal entries.</p>

## Other Information:

Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified when it becomes available to us and include the same in our report if those are received before preparation of this report.

## Responsibilities of Management and those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most

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

significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

The engagement partner on the audit resulting in this independent auditor's report is **Md. Waliuzzaman, FCA**

Place: Dhaka  
Dated: 28<sup>th</sup> November, 2021

  
(Toha Khan Zaman & Co.)  
Chartered Accountants  
(DVC: 2111280264AS687720)



# BEACON PHARMACEUTICALS LIMITED

## Statement of Financial Position As at 30 June 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		30 June 2021	30 June 2020
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>		<b>3,319,776,214</b>	<b>3,391,276,160</b>
Property, Plant & Equipments	4.00	2,881,685,287	3,047,834,996
Capital Work in Progress	5.00	437,216,157	342,814,419
Investment in Shares	6.00	874,770	626,745
<b>Current Assets:</b>		<b>5,215,795,475</b>	<b>3,785,627,854</b>
Inventories	7.00	1,278,652,519	1,032,586,636
Accounts Receivable	8.00	1,933,404,526	1,059,623,867
Advance, Deposit & Pre-payments	9.00	1,016,340,954	605,593,994
Assets for Current Tax		-	168,987,917
Deferred Tax Assets	10.00	239,978,713	305,385,767
Short Term Loan	11.00	403,706,995	-
Investment in FDR	12.00	5,872,256	14,668,834
Cash & Cash Equivalents	13.00	337,839,512	598,780,839
<b>TOTAL ASSETS</b>		<b>8,535,571,691</b>	<b>7,176,904,014</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Equity:</b>		<b>5,355,162,953</b>	<b>4,630,345,633</b>
Share Capital	14.00	2,310,000,000	2,310,000,000
Reserve and Surplus	15.00	1,413,765,843	1,589,160,203
Available for Sale Reserve		(1,802,654)	(2,050,679)
Retained Earnings	16.00	1,633,199,764	733,236,109
<b>Non-Current Liabilities:</b>		<b>387,746,624</b>	<b>493,020,795</b>
Long Term Loan	17.00	387,746,624	493,020,795
<b>Current Liabilities:</b>		<b>2,792,662,114</b>	<b>2,053,537,586</b>
Current Portion of Long Term Loan	18.00	225,895,398	153,890,588
Short Term Loan	19.00	1,883,561,131	1,534,501,262
Share Application Money Refundable	20.00	4,323,613	4,323,613
Accounts Payables	21.00	215,849,663	32,315,316
Accrued Expenses	22.00	100,287,491	78,338,713
VAT Payable	23.00	11,250,237	11,287,097
Liabilities for EWF & WPPF	24.00	58,577,255	25,097,417
Provision for Employee's Provident Fund	25.00	23,003,728	46,061,080
Provision for Gratuity	26.00	80,309,165	55,202,000
Income Tax Payable	27.00	(2,098,102)	-
Dividend Payable	28.00	191,702,535	112,520,500
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>8,535,571,691</b>	<b>7,176,904,014</b>
<b>Net Assets Value per Share (par value Tk. 10 each)</b>	43.00	<b>23.18</b>	<b>20.04</b>

1.00 Annexed notes form part of the accounts.

2.00 Figures have been rounded off to the nearest taka.

3.00 Previous year's figure has been rearranged for comparison.



Company Secretary



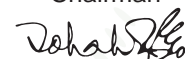
Director & CFO



Managing Director

Nurun Nahar Karim

Chairman



(Toha Khan Zaman & Co.)  
Chartered Accountants  
(DVC: 2111280264AS687720)

Signed in terms of our separate report of even date annexed

Place: Dhaka

Dated: 28<sup>th</sup> November, 2021

# BEACON PHARMACEUTICALS LIMITED

## Statement of Profit & Loss and Other Comprehensive Income For the year ended 30 June, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		30 June 2021	30 June 2020
Net Turnover	29.00	7,121,152,785	5,590,790,317
Less: Cost of Goods Sold	30.00	3,434,422,533	2,718,444,324
<b>Gross Profit:</b>		<b>3,686,730,252</b>	<b>2,872,345,993</b>
<b>Less: Operating Expenses:</b>			
Administrative Expenses	31.00	373,198,648	293,256,774
Marketing, Selling & Distribution Expenses	32.00	1,891,907,879	2,236,396,943
<b>Total Operating Expenses:</b>		<b>2,265,106,526</b>	<b>2,529,653,717</b>
<b>Operating Profit:</b>		<b>1,421,623,726</b>	<b>342,692,277</b>
Less: Financial Expenses	33.00	166,796,221	150,270,407
<b>Net Profit after Financial Expenses</b>		<b>1,254,827,505</b>	<b>192,421,870</b>
Income from Other Sources	34.00	3,243,677	1,306,718
<b>Net Profit before contribution to WPPF</b>		<b>1,258,071,182</b>	<b>193,728,588</b>
Less: Contribution to WPPF	35.00	59,908,152	9,225,171
<b>Net Profit before Tax</b>		<b>1,198,163,031</b>	<b>184,503,417</b>
Less: Provision for Current Income Tax		269,586,682	46,125,854
Add: Deferred Tax (Income)/Expense		65,407,054	(242,313,790)
<b>Net profit after tax for the year</b>		<b>863,169,294</b>	<b>380,691,353</b>
Other Comprehensive Income		-	-
<b>Net profit after tax for the year</b>		<b>863,169,294</b>	<b>380,691,353</b>
<b>Item that may be reclassified to profit or loss:</b>			
Unrealized Profit (loss) on quoted shares	36.00	248,025	(473,846)
<b>Total comprehensive income for the year</b>		<b>863,417,319</b>	<b>380,217,507</b>
<b>No. of Shares</b>	14.00	<b>231,000,000</b>	<b>231,000,000</b>
<b>Earning Per Share (par value Tk. 10 each)</b>	37.00	<b>3.74</b>	<b>1.65</b>

1.00 Annexed notes form part of the accounts.

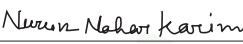
2.00 Figures have been rounded off to the nearest taka.

3.00 Previous year's figure has been rearranged for comparison.


  
Company Secretary

  
Director & CFO

  
Managing Director

  
Chairman

Signed in terms of our separate report of even date annexed  
Place: Dhaka  
Dated: 28<sup>th</sup> November, 2021

  
(Toha Khan Zaman & Co.)  
Chartered Accountants  
(DVC: 2111280264AS687720)

# BEACON PHARMACEUTICALS LIMITED

## Statement of Changes in Equity For the year ended 30 June 2021

Amount in Taka

Particulars (Year 2020-21)	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Available for Sale Reserve	Retained earnings	Total Equity
<b>Balance at the beginning of the year</b>	<b>2,310,000,000</b>	<b>1,583,657,104</b>	<b>5,503,099</b>	<b>(2,050,679)</b>	<b>733,236,109</b>	<b>4,630,345,633</b>
Prior year Over adjustment of Foreign Exchange Loss.	-	-	-	-	-	-
Income Tax Adjustment of previous years assessment (2014-15 to 2020-21)	-	-	-	-	-	-
Net Profit transferred from Income Statement	-	-	-	-	863,169,294	863,169,294
Unrealized gain on quoted shares	-	-	-	248,025	-	248,025
Revaluation Surplus of Machinery	-	-	-	-	-	-
Dep. Adjustment on Revaluation Reserve	-	(225,233,087)	-	-	225,233,087	-
Deferred Tax on Revaluation Adj.	-	49,838,727	-	-	(49,838,727)	-
Cash Dividend	-	-	-	-	(138,600,000)	(138,600,000)
<b>Balance at the end of the year</b>	<b>2,310,000,000</b>	<b>1,408,262,744</b>	<b>5,503,099</b>	<b>(1,802,654)</b>	<b>1,633,199,764</b>	<b>5,355,162,953</b>

Amount in Taka

Particulars (Year 2019-20)	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Available for Sale Reserve	Retained earnings	Total Equity
<b>Balance at the beginning of the year</b>	<b>2,310,000,000</b>	<b>260,761,735</b>	<b>5,503,099</b>	<b>(1,576,833)</b>	<b>404,494,990</b>	<b>2,979,182,992</b>
Prior year adjustment against Foreign Exchange Loss	-	-	-	-	(16,217)	(16,217)
Net Profit transferred from Income Statement	-	-	-	-	380,691,353	380,691,353
Unrealized gain on quoted shares	-	-	-	(473,846)	-	(473,846)
Revaluation Surplus of Machinery	-	1,386,461,352	-	-	-	1,386,461,352
Revaluation Reserve adjustment	-	(84,754,644)	-	-	84,754,644	-
Deferred Tax on Revaluation Adj.	-	21,188,661	-	-	(21,188,661)	-
Cash Dividend	-	-	-	-	(115,500,000)	(115,500,000)
<b>Balance at the end of the year</b>	<b>2,310,000,000</b>	<b>1,583,657,104</b>	<b>5,503,099</b>	<b>(2,050,679)</b>	<b>733,236,109</b>	<b>4,630,345,633</b>

1.00 Annexed notes form part of the accounts.

2.00 Figures have been rounded off to the nearest taka.

3.00 Previous year's figure has been rearranged for comparison.



Company Secretary



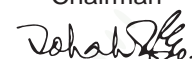
Director & CFO



Managing Director

Nurun Nahar Karim

Chairman



(Toha Khan Zaman & Co.)  
Chartered Accountants  
(DVC: 2111280264AS687720)

Signed in terms of our separate report of even date annexed

Place: Dhaka

Dated: 28<sup>th</sup> November, 2021

# BEACON PHARMACEUTICALS LIMITED

## Statement of Cash Flows For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		30 June 2021	30 June 2020
<b>A) Cash Flows from Operating Activities:</b>			
Collection from Customers		6,247,372,126	5,233,598,879
Cash paid to Suppliers & others		(5,866,712,187)	(4,772,187,163)
Interest paid		(166,796,221)	(150,270,407)
Income tax paid		(17,306,247)	(20,000,000)
<b>Net Cash Generated from Operations</b>	42.01	<b>196,557,471</b>	<b>291,141,309</b>
<b>B) Cash Flows from Investing Activities:</b>			
Acquisition of Property, Plant and Equipment		(313,408,023)	(313,940,146)
Short term Investment Received/(Paid)		(403,706,995)	-
Investment in FDR		-	(823,051)
Interest and Other Received		3,243,677	1,306,718
<b>Net Cash from/(used in) Investing Activities</b>		<b>(713,871,341)</b>	<b>(313,456,479)</b>
<b>C) Cash Flows from Financing Activities:</b>			
Dividend paid		(59,417,965)	(57,985,176)
Long term Loan Received/(Paid)		(33,269,361)	(76,678,113)
Short term loan Received/(Paid)		349,059,869	473,104,757
<b>Net Cash from/(used in) Financing Activities</b>		<b>256,372,543</b>	<b>338,441,468</b>
<b>D) Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(260,941,327)</b>	<b>316,126,298</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>598,780,839</b>	<b>282,654,541</b>
<b>F) Closing Cash and Cash Equivalents (D+E)</b>	13.00	<b>337,839,512</b>	<b>598,780,839</b>
<b>Net Operating Cash Flows per Share (par value Tk. 10 each)</b>	42.00	<b>0.85</b>	<b>1.26</b>

1.00 Annexed notes form part of the accounts.

2.00 Figures have been rounded off to the nearest taka.

3.00 Previous year's figure has been rearranged for comparison.



Company Secretary



Director & CFO



Managing Director




Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka

Dated: 28<sup>th</sup> November, 2021



(Toha Khan Zaman & Co.)  
Chartered Accountants  
(DVC: 2111280264AS687720)

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

### 1.00 BACKGROUND AND ACTIVITIES OF THE COMPANY:

#### 1.01 Background of the Company:

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

#### 1.02 Address of the Registered and Corporate Office:

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

#### 1.03 Nature of Business Activities:

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

#### 1.04 Production Unit:

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

### 2.00 SIGNIFICANT ACCOUNTING POLICIES:

#### 2.01 Basis of Preparation and Presentation of the Financial Statements:

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

#### 2.02 Accounting Convention and Assumption:

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

#### 2.03 Principle of Accounting Policies:

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



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

performance of the company. However, changes (as applicable) made to the presentation are explained into the note for the respective items.

### 2.04 Application of accounting Standards

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

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

### 2.05 Valuation of Inventories:

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

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

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Cost comprises of the value of materials and attributable direct labor, depreciation and production overheads. The management has conducted annual physical verification of inventories on the closing date of business as on 30 June 2019 made valuation thereof on the basis stated above.

### **2.06 Statement of Cash Flows:**

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

### **2.07 Accounting Policies, Changes in Accounting Estimates and Errors:**

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

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

### **2.08 Taxation:**

#### **2.08.01 Current Tax:**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The company makes provision for income tax as per requirement of the Income Tax Ordinance 1984. The applicable tax rate of the Company is 22.50% or 0.60 percent of Gross Receipt whichever is higher as per provision of section 82C of the Income Tax Ordinance 1984. Income tax return of the company for the assessment year 2019-2020 has been completed but necessary provision for unpaid taxes has not been made.

#### **Deferred Tax:**

During the year provision for Deferred Tax as per requirement by IAS 12 has been accounted for in the financial statements. Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the carrying amounts of assets and liabilities and its tax base amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax asset/income or liability/expense do not create a legal liability/recoverability to and from the income tax authority. Deferred tax also arises due to revaluation of property, plant and equipment. The resulting impact of deferred tax assets/liabilities on revaluation surplus is included in the statement of changes in equity.

### **2.09 Property, Plant and Equipment:**

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

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

### 2.09.01 Measurement and recognition:

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

### 2.09.02 Subsequent costs:

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

### 2.09.03 Disposal of property, plant and equipment:

An item of property, plant and equipment is removed from the statement of financial position when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of property, plant and equipment is included in the statement of income of the period in which the assets are disposed off. There were no disposals of property, plant and equipment during the year under audit. Only cost value and accumulated depreciation on the revalued assets was overstated in earlier year which was adjusted during the year.

### 2.09.04 Impairment of Assets:

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

### 2.09.05 Depreciation of Fixed Assets:

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

The depreciation /amortization rate(s) are as follows which are in conformity with previous year:

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

### 2.10 Leases:

In compliance with the requirements of IIFRS-16 no financial leases is accounted for during the year under review.

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

### 2.11 Revenue Recognition:

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

### 2.12 Employee Benefits (IAS 19):

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

### 2.13 Benefit Plans:

#### 2.13.01 Defined Benefit Plans (Provident Fund):

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

#### 2.13.02 Retirement Benefit Obligation (Gratuity Fund):

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

#### 2.13.03 Contribution to workers' profit participation fund:

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

### 2.14 Financial Instruments:

#### 2.14.01 Initial recognition and subsequent measurement:

A financial instrument is any contract that gives rise to financial assets of one entity and a financial liability.

#### 2.14.02 Recognition:

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

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

### 2.14.03 Subsequent Measurement:

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

### 2.15 The Effects of Changes of Foreign Exchange Rates:

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

### 2.16 Credit Risk:

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

### 2.17 Liquidity Risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's approach toward managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

### **2.18 Interest Rate Risk:**

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

### **2.19 Exchange Rate Risk:**

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

### **2.2 Market Risks:**

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

### **2.21 Borrowing Costs:**

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

### **2.22 Related Parties disclosure**

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

### **2.23 Earning per Shares:**

#### **2.23.01 Basic Earnings Per Share**

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

#### **2.23.02 Diluted Earnings Per Share:**

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

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

### 2.24 Provision:

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

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

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

### 2.25 Intangible Assets:

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

### 2.26 Cash and Cash Equivalents:

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

### 2.27 Trade and Other Payable:

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

### 2.28 Repairs and Maintenance Charges:

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

### 2.29 Bad and doubtful debts:

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

### 2.30 Promotional Expenses:

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

### 2.31 Insurance Coverage:

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

### 3.00 COMPLIANCE AND OTHERS:

#### 3.01 Compliance with Local Laws:

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

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

### 3.02 Compliance with International Accounting Standards (IAS):

The Financial Statements have been prepared in compliance with requirements of IAS/IFRS as adopted in Bangladesh.

### 3.03 Reporting Currency and Level of Precision:

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

### 3.04 Comparative Information:

Comparative information have been disclosed in respect of the year 2018 for all numerical information in the Financial Statements and also for the narrative and descriptive information when it is relevant for understanding of the current period's Financial Statements.

### 3.05 Events after the reporting period:

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

### 3.06 Directors' responsibility statement:

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

### 3.07 Reporting Period:

The financial period of the company covers one year from 01 July 2020 to 30 June 2021 and followed consistently.

### 3.08 Approval of Financial Statement:

The financial statements have been approved by the Board of Directors as on 28 November, 2021.

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
<b>04.00</b>	<b>PROPERTY PLANT &amp; EQUIPMENT: TK. 2,881,685,287</b>			
	<b>A) Cost:</b>			
	Opening Balance		6,714,305,779	5,037,384,510
	Less: Adjustment for prior year error		2,900,236,269	
	<b>Restated Opening Balance</b>		<b>3,814,069,510</b>	
	Add: Addition during the year		219,006,285	290,459,917
	Add: Revaluation Surplus on Machinery		-	1,386,461,352
	Less: Adjustment during the year		23,471,327	
	<b>Closing Balance (A)</b>		<b>4,009,604,468</b>	<b>6,714,305,779</b>
	<b>B) Accumulated Depreciation:</b>			
	Opening Balance		3,666,470,783	3,155,457,920
	Less: Adjustment for prior year error		2,900,236,269	
	Restated Opening Balance		766,234,514	
	Add: Addition during the year		385,155,994	511,012,863
	Less: Adjustment during the year		23,471,327	-
	<b>Closing Balance (B):</b>		<b>1,127,919,181</b>	<b>3,666,470,783</b>
	<b>Written Down Value (A-B):</b>		<b>2,881,685,287</b>	<b>3,047,834,996</b>
	Note: Cost value and accumulated depreciation on the revalued asset was overstated in earlier year which was adjusted during the year.			
<b>05.00</b>	<b>CAPITAL WORK IN PROGRESS: TK. 437,216,157</b>			
	Opening Balance		342,814,419	319,334,190
	Add: Addition during the year	Notes-5.01	94,401,738	23,480,229
			437,216,157	342,814,419
	Less: Transfer to property plant & equipment		-	-
	<b>Closing Balance</b>		<b>437,216,157</b>	<b>342,814,419</b>
<b>5.01</b>	<b>Breakup of Capital Work in Progress addition during the year: Tk. 94,401,738</b>			
	R & D Building		6,042,478	7,705,123
	Parenteral Building		88,359,260	15,775,106
	<b>Total Taka</b>		<b>94,401,738</b>	<b>23,480,229</b>
<b>06.00</b>	<b>INVESTMENT IN SHARE: TK. 874,770</b>			
	Opening Balance		626,745	1,100,591
	Add: Unrealized gain or (Loss)		248,025	(473,846)
	<b>Closing Balance</b>		<b>874,770</b>	<b>626,745</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

Breakup of the above amount is given below:

Particulars	Number of Shares	Market Value		Book Value
		30 June 2021	30 June 2020	
Intech Limited	-	-	4,312	-
R N Spinning Mills Ltd.	168,225	874,770	622,433	3,855,040
<b>Total Taka</b>	<b>168,225</b>	<b>874,770</b>	<b>626,745</b>	<b>3,855,040</b>

The above amount have been classified as "Available for sale " financial assets as per IFRS 9 and shown at fair value of TK 874,770 derived from Quoted share prices as on 30-06-2021. Unrealized gain of Tk. 248,025 on the unsold shares has been recognized in the Statement of Profit or Loss and Other Comprehensive Income.

### 07.00 INVENTORIES: TK. 1,278,652,519

Raw and Packing Materials	439,173,665	385,340,693
Work-in-Process	259,080,944	171,497,776
Finished Goods	442,677,763	361,790,217
Laboratory Chemicals	137,720,147	113,957,950
<b>Total Taka</b>	<b>1,278,652,519</b>	<b>1,032,586,636</b>

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

Sl. No.	Materials/Product	Unit	Quantity	Amount in Tk.
01	Raw Materials (Active)	GM	39,824	31,077,448
		KG	42,888	163,631,649
		Ltr	35	35,394,419
		MG	31	26,953
		ML	18,105	11,649,495
		Pcs	729	2,117,093
	<b>Sub-Total</b>			<b>243,897,057</b>



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Sl. No.	Materials/Product	Unit	Quantity	Amount in Tk.
02	Raw Materials (Excipient)	GM	103,061	638,362
		KG	113,136	36,983,150
		Ltr	3,079	3,599,220
		ML	8,486	5,955
		Pcs	57,316,471	14,901,656
<b>Sub-Total</b>				<b>56,128,343</b>
03	Primary Packaging	KG	64,465	26,634,670
		Pcs	10,351,311	40,062,229
<b>Sub-Total</b>				<b>66,696,899</b>
04	Secondary Packaging	GM	2,473	123,662
		PCS	36,407,712	72,327,705
<b>Sub-Total</b>				<b>72,451,367</b>
05	Work in Process (WIP)	Pcs	2,017,057	259,080,944
<b>Sub-Total</b>				<b>259,080,944</b>
06	Finished Goods	Pack	3,857,561	442,677,763
<b>Sub-Total</b>				<b>442,677,763</b>
07	Laboratory Chemicals (Reagent)	GM	94,687	105,629,752
		MG	300	750,000
		KG	2,353	7,806,781
		Ltr	3,855	17,266,721
		ML	29,473	6,265,600
		Pack	9	1,293
<b>Sub-Total</b>				<b>137,720,147</b>
<b>Grand-Total</b>				<b>1,278,652,519</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

### 08.00 ACCOUNTS RECEIVABLE: TK. 1,933,404,526

Barisal Sales Center	19,049,152	11,032,587
Bogra Sales Center	16,049,857	9,503,096
Chittagong Sales Centre	18,202,428	19,787,336
Maizdee/Chowmuhony Sales Centre	25,236,088	9,447,217
Comilla Sales Centre	37,995,435	29,300,896
Dhaka Sales Centre/Dhaka North	92,326,530	86,517,159
Faridpur Sales Centre	10,911,597	4,214,879

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Khulna Sales Centre		18,961,139	5,777,902
	Mymensingh Sales Centre		15,872,876	1,329,146
	Narayangonj Sales Centre		12,422,336	7,530,396
	Rajshahi Sales Centre		25,371,149	10,655,201
	Rangpur Sales Centre		29,339,427	18,767,254
	Sylhet Sales Centre		27,303,170	20,983,172
	Cox's Bazar Sales Center		29,447,900	15,230,955
	Dhaka Sales Center-Mohd. Pur Kakrail/Dhaka South		49,850,467	40,733,676
	Brahmanbaria Sales Centre		36,765,853	18,750,152
	Feni Sales Centre		14,859,936	15,767,132
	Beacon Privilege Point		27,735,654	18,787,768
	Jessore Sales Centre		25,151,094	8,346,167
	Dinajpur Sales Centre		15,433,640	11,803,974
	Tangail Sales Centre		7,316,468	3,459,765
	Beacon Medicare Ltd.		1,336,690,992	673,592,669
	Niketan Depot		22,019,761	18,305,368
	Pabna Sales Centre		17,163,355	-
	Chandpur Sales Centre		1,928,222	-
	<b>Total Taka</b>		<b>1,933,404,526</b>	<b>1,059,623,867</b>

- i) The above receivables are considered good by the management.
- ii) The above amount is receivable from customers against credit sales.
- iii) No amount was due from Directors, Managing Director and other officers of the company and any of them or jointly with any other person.
- iv) The Accounts Receivables have no securities except their personal securities of buyers.

### 09.00 ADVANCE, DEPOSITS & PREPAYMENTS: TK. 1,016,340,954

Advance against VAT	Note-9.01	3,505,856	4,176,801
Advance to employees	Note-9.02	9,472,850	7,452,004
Advance for Earnest Money & Security Deposit	Note-9.03	100,761,069	55,428,967
Advance against Import	Note-9.04	549,011,799	318,475,227
Other Advance	Note-9.05	353,589,380	220,060,995
<b>Total Taka</b>		<b>1,016,340,954</b>	<b>605,593,994</b>

### 09.01 Advance against VAT & Tax: Tk. 3,505,856

Advance against VAT	3,505,856	4,176,801
<b>Total Taka</b>	<b>3,505,856</b>	<b>4,176,801</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
<b>09.02</b>	<b>Advance to employees: Tk. 9,472,850</b>			
	Salary		352,410	178,099
	Marketing expense		(907,486)	81,643
	Advance against Motorcycle		243,928	6,421,367
	Mobile Set		9,783,998	770,895
	<b>Total Taka</b>		<b>9,472,850</b>	<b>7,452,004</b>
<b>09.03</b>	<b>Advance for Earnest Money &amp; Security Deposit: Tk. 100,761,069</b>			
	Earnest Money & Security Deposit - Tender		81,920,911	44,414,609
	Bank Guarantee against Titas Gas		7,825,800	-
	Security Deposit - Titas Gas		10,428,218	10,428,218
	Security Deposit - Electricity		56,140	56,140
	Security Deposit - T & T Board		30,000	30,000
	Security Deposit - CDBL		500,000	500,000
	<b>Total Taka</b>		<b>100,761,069</b>	<b>55,428,967</b>
<b>09.04</b>	<b>Advance against Import: Tk. 549,011,799</b>			
	Advance Against L/C		549,011,799	318,475,227
	<b>Total Taka</b>		<b>549,011,799</b>	<b>318,475,227</b>
<b>09.05</b>	<b>Other Advance: Tk. 353,589,380</b>			
	Advance against Office Space		65,967,520	84,366,388
	Advance against Land		46,321,036	46,321,036
	Advance against Depot Rent		8,299,857	5,428,763
	Advance against WPPF			25,293,000
	Advance against suppliers		233,000,967	58,651,808
	<b>Total Taka</b>		<b>353,589,380</b>	<b>220,060,995</b>
	There is no aggregate amount due from Directors.			
	There is no claim against the Company, which can be acknowledged as bad debt.			
	No amount is due by the associated undertakings.			
<b>10.00</b>	<b>DEFERRED TAX ASSETS: TK. 239,978,713</b>			
	Opening Balance		305,385,767	41,883,317
	Deferred tax (income)/expenses		65,407,054	(263,502,450)
	<b>Closing Balance</b>		<b>239,978,713</b>	<b>305,385,767</b>
	<b>Deferred Tax (Income)/Expenses</b>			

The break up is given below:

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	<b>Carrying amount:</b>			
	Fixed Assets (Excluding Land & Land Development)		2,315,620,713	2,481,770,422
	Provision for Gratuity		(80,309,165)	(55,202,000)
	Provision for Provident Fund		(23,003,728)	(46,061,080)
			<b>2,212,307,820</b>	<b>2,380,507,342</b>
	<b>Tax Base</b>			
	Fixed Assets (Excluding Land & Land Development)		1,145,735,762	1,158,964,272
	Provision for Gratuity		-	-
			<b>1,145,735,762</b>	<b>1,158,964,272</b>
	<b>Taxable /(deductible) temporary difference</b>		<b>1,066,572,058</b>	<b>1,221,543,070</b>
	Tax rate		22.50%	25%
	Deferred tax (assets )/liabilities		239,978,713	305,385,767
	Less: Opening Balance		305,385,767	41,883,317
	Deferred tax( income)/expenses		65,407,054	(263,502,450)
	Deferred tax on revaluation surplus		-	21,188,661
	<b>Deferred tax (income)/expenses for the year</b>		<b>65,407,054</b>	<b>(242,313,790)</b>
<b>11.00</b>	<b>Short Term Loan: Tk. 403,706,995</b>			
	Ereba Capsules Ltd.		403,706,995	-
			<b>403,706,995</b>	-
	Break up of Short Term Loan are as under			
	<b>Particulars</b>	<b>Amount in Tk</b>	<b>Amount in Tk.</b>	
	Loan to Erebra Capsules Ltd.	390,000,000	-	
	Interest Charged during the period	13,706,995	-	
	<b>Total Taka</b>	<b>403,706,995</b>	<b>-</b>	
<b>12.00</b>	<b>Investment in FDR: Tk. 5,872,256</b>			
	Rupali Bank Limited A/C: 0018035004648		5,872,256	5,605,691
	One Bank Limited A/C:0014140007281		-	9,063,143
	<b>Total Taka</b>		<b>5,872,256</b>	<b>14,668,834</b>
<b>13.00</b>	<b>CASH &amp; CASH EQUIVALENTS: TK. 337,839,512</b>			
	Cash in Hand	Note-13.01	89,201,096	33,220,559
	Cash at Bank	Note-13.02	248,638,416	565,560,280
	<b>Total Taka</b>		<b>337,839,512</b>	<b>598,780,839</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements

For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
<b>13.01</b>	<b>Cash in Hand: Tk. 89,201,096</b>			
	Head Office		66,921,950	11,152,462
	Factory Office		5,140,415	5,813,133
	Chattagram Sales Office		1,755,540	379,839
	Mymensingh Sales Office		850,239	254,929
	Sylhet Sales Office		238,814	868,259
	Cumilla Sales Office		361,033	1,710,752
	Barishal Sales Office		49,689	189,240
	Faridpur Sales office		351,192	-
	Rangpur Sales Office		1,206,966	151,413
	Rajshahi Sales Office		186,995	398,145
	Narayanganj Sales Office		345,091	831,261
	Maizdee Sales Office		44,953	5,434,889
	Khulna Sales Office		1,228,728	180,383
	Bogura Sales Office		1,971,593	76,437
	Cox's Bazar Sales Office		1,359,609	1,435,590
	Dinajpur Sales Office		398,042	74,317
	Dhaka North Sales Office		2,825,318	2,720,966
	Dhaka South Sales Office		449,977	153,214
	Feni Sales Office		1,117,075	368,301
	B. Baria Sales Office		908,802	667,261
	Beacon Privilege Point Sales Office		25,003	36,535
	Jessore Sales Office		537,279	163,823
	Tangail Sales Office		448,796	20,078
	Niketon sales center		37,184	9,417
	Pabna Sales Office		352,444	-
	Chandpur Sales Office		212	-
	CDC		88,157	129,915
	<b>Total Taka</b>		<b>89,201,096</b>	<b>33,220,559</b>
	Cash in hand is supported by cash custody certificate from the management.			
<b>13.02</b>	<b>Cash at Bank: Tk. 248,638,416</b>			
	HSBC - CD A/C. No. 001143379011		-	96,054
	First Security Islamic Bank Ltd. CD A/C No. 1110001246		44,315	(27,628,804)
	Janata Bank Ltd. CD A/C. No. - 1014203		5,761,008	37,330,598



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Shahjalal Islami Bank Ltd. AWA A/C. No. 10078		10,552	12,508
	The City Bank Ltd., Dinajpur Br. CD A/C. No. 1102358521001		-	5,696
	The City Bank Ltd., Sylhet Br. CD A/C. No. 1102193550001		-	26,568
	ICB Islami Bank Ltd. Principal Br., CD A/C.No.001000200071157		81,483	82,361
	Dutch Bangla Bank Ltd. CD A/C. No. 0105110000016107		18,643,310	6,410,950
	Dutch Bangla Bank Ltd. STD A/C. No. 010511000001641		78,794,670	443,197,494
	Rupali Bank Ltd., Local Office Branch, Motijheel, Dhaka. CD A/C. 89649		1,518,517	23,741,083
	Sonali Bank Ltd., Dilkusha Corp. Branch, Motijheel, Dhaka. CD A/C. 33028459		22,039	113,651
	Janata Bank Ltd., Bhaluka Branch. STD A/C. 0000131		17,083	816,603
	Janata Bank Ltd. FC A/C. 402000449		9,831,362	10,486,687
	Bank Asia Ltd. CD A/C. 004433010401		-	5,851
	Social Islami Bank Ltd. Cd A/C. No. 21330052331		-	1,011
	Dutch Bangla Bank Ltd., CD A/C No. 105.110.28382		1,344,085	5,058,553
	FSIB Ltd. Gulshan Br., FCA US Dollar, A/C-112 1650000001		-	56,467
	Eastern Bank Ltd., Credit Card. A/C. No. 7260		(135,962)	(90,713)
	Bank Asia Ltd. CD A/C. 04633000196		360,939	362,619
	Commercial Bank of Ceylon PLC. A/C. # 1817000818		1,596,530	1,012,736
	Commercial Bank of Ceylon, ERQ A/C. # 1802011076		299,042	5,181,980
	Modhumoti Bank Ltd., CD A/C No: 110111100000174		-	4,250
	Rupali Bank Ltd. Sundry A/Cs		-	10,687,937
	Dutch Bangla Bank-STD-00000340		2,647,268	2,753,299
	Dutch Bangla Bank-CD-105-120-0003909		1,954,515	2,223,027
	Brac Bank Ltd. CD-150-520-1786608001		488,005	76,504
	Shimanto Bank Ltd. A/C: 410000140		96,895	98,620
	Dutch Bangla Bank-CD-105-120-0004082		2,450,510	2,815,194
	Dutch Bangla Bank-CD-281-110-0003384		7,594,949	6,901,889
	Dutch Bangla Bank (WPPF)-CD-1051200004098		-	16,660,718
	Dutch Bangla Bank -CD-1051204173		3,658,706	5,327,553
	Dutch Bangla Bank -CD-1051204285		7,538,537	-
	Sonali Bank Ltd., Corp. Branch, CD A/C-20744		571,320	-
	United Commercial Bank Ltd.CD-1041101705		1,535,988	7,400,000
	Eastern Bank Ltd., CD A/C. No. 9840		100,002,287	-
	Dutch Bangla Bank Collection A/C (24 AC)		336,437	4,331,336
	One Bank Ltd. CD A/C: 7313		1,574,026	-
	<b>Total Taka</b>		<b>248,638,416</b>	<b>565,560,280</b>

Bank balances are either reconciled or agreed with the bank statements.

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements

For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

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

#### Authorized Capital:

300,000,000 ordinary shares of Tk. 10 each	3,000,000,000	3,000,000,000
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#### Issued, Subscribed and Paid-up Capital:

231,000,000 ordinary shares of Tk. 10 each fully paid up	2,310,000,000	2,310,000,000
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#### Breakdown as follows :

Wholly Paid in cash 176000000 Shares @Tk.10	1,760,000,000	1,760,000,000
Others than in cash 55000000 Shares @ Tk.10	550,000,000	550,000,000
	<b>2,310,000,000</b>	<b>2,310,000,000</b>

#### Shareholding Position was as follows:

Category of Shareholder	30-06-2021			30-06-2020		
	No. of Share	No. of Shareholders	% of Total Shares	No. of Share	No. of Shareholders	% of Total Shares
Sponsors/Directors	69,312,000	7	30%	69,312,000	7	30%
Institutions	81,171,693	217	35%	101,073,556	107	44%
Public	80,516,307	9,531	35%	60,614,444	13,166	26%
<b>Total</b>	<b>231,000,000</b>	<b>9,755</b>	<b>100%</b>	<b>231,000,000</b>	<b>13,280</b>	<b>100%</b>

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

Name of Sponsors/Directors	Numbers of Shares	Amount in Taka	
		30 June 2021	30 June 2020
Mr. Md. Ebadul Karim	58,228,800	582,288,000	582,288,000
Mrs. Nurun Nahar Karim	4,725,000	47,250,000	47,250,000
Mr. Md Niazul Karim	6,354,000	63,540,000	63,540,000
Mrs. Rabeya Khatun	1,050	10,500	10,500
Mrs. Farzana Amin	1,050	10,500	10,500
Mr. Md. Akter Hossain	1,050	10,500	10,500
Mr. Md. Abul Khayer	1,050	10,500	10,500
<b>Total</b>	<b>69,312,000</b>	<b>693,120,000</b>	<b>693,120,000</b>

#### Classification of shareholders by holding

Range of Holdings	Numbers of Shareholders	No. of Shares	% of holding 30 June 2021
Less than 501 Shares	4,360	833,837	0.36%
501 to 5,000 Shares	4,702	4,543,856	1.97%
5001 to 10,000 Shares	244	1,806,386	0.78%

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	<b>Range of Holdings</b>	<b>Numbers of Shareholders</b>	<b>No. of Shares</b>	<b>% of holding 30 June 2020</b>
	10,001 to 20,000 Shares	147	2,089,603	0.90%
	20,001 to 30,000 Shares	79	1,932,503	0.84%
	30,001 to 40,000 Shares	30	1,048,862	0.45%
	40,001 to 50,000 Shares	25	1,167,394	0.51%
	50,001 to 100,000 Shares	68	5,088,233	2.20%
	100,001 to 1,000,000 Shares	71	21,267,464	9.21%
	Above 1,000,000 Shares	29	191,221,862	82.78%
	<b>Total</b>	<b>9,755</b>	<b>231,000,000</b>	<b>100%</b>

### 15.00 RESERVE & SURPLUS: TK. 1,413,765,843

Revaluation Reserve	Note-15.01	1,408,262,744	1,583,657,104
Tax Holiday Reserve	Note-15.02	5,503,099	5,503,099
<b>Total Taka</b>		<b>1,413,765,843</b>	<b>1,589,160,203</b>

### 15.01 Revaluation Reserve: Tk. 1,408,262,744

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

Particulars	Revaluation Surplus as on 01.07.2020	Revaluation Surplus During the year	Depreciation adjustment (Note-14.03)	Deferred tax on Depreciation Adjustment	Revaluation Reserve as on 30-06-2021
Land & Land Development	168,084,972	-	-	-	168,084,972
Building	10,984,027	-	1,072,484	241,309	10,152,852
Vehicles	3,548,090	-	3,548,090	-	-
Electrical Installation	179,543	-	179,543	-	-
Office Equipments	(7,787,386)	-	-	-	(7,787,386)
Machineries	1,415,179,668	-	220,432,970	49,597,418	1,244,344,116
Furniture & Fixtures	(6,531,810)	-	-	-	(6,531,810)
<b>Total Taka</b>	<b>1,583,657,104</b>	<b>-</b>	<b>225,233,087</b>	<b>49,838,727</b>	<b>1,408,262,744</b>

### 15.02 Tax Holiday Reserve: Tk. 5,503,099

Tax Holiday Reserve is being carried forward from 2010.

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

### 15.03 Revaluation Reserve Adjustment: Tk. 231,709,957

Range of Holdings	Revaluation Surplus	Useful Life (Years)	Depreciation on Revaluation Surplus
Land & Land Development	168,084,972	-	-
Building	21,449,683	20	1,072,484
Vehicles	47,307,873	5	9,461,575
Electrical Installation	7,429,282	10	742,928
Office Equipment's	(7,787,386)	10	-
Machineries	1,470,287,911	6.67	220,432,970
Furniture & Fixture	(6,531,810)	10	-
<b>Total Taka</b>	<b>1,700,240,525</b>	<b>-</b>	<b>231,709,957</b>

### 16.00 RETAINED EARNINGS: TK. 1,633,199,764

Opening Balance		733,236,109	404,494,990
Less: Prior year adjustment for loss on foreign exchange fluctuations		-	(16,217)
Less: Dividend for the year 2019-2020		(138,600,000)	(115,500,000)
		594,636,109	288,978,773
Add: Net Profit during the year		863,169,295	380,691,353
		1,457,805,404	669,670,126
Add: Revaluation Reserve adjustment	Note-15.01	225,233,087	84,754,644
Less: Deferred Tax Adjustment on Rev.Adjustment		(49,838,727)	(21,188,661)
<b>Closing Balance</b>		<b>1,633,199,764</b>	<b>733,236,109</b>

### 17.00 LONG TERM LOAN: TK. 387,746,624

Rupali Bank Ltd.	Note-16.01	382,237,770	480,257,824
BRAC Bank Ltd.	Note-16.02	5,508,854	12,762,971
<b>Total Taka</b>		<b>387,746,624</b>	<b>493,020,795</b>

### 17.01 Rupali Bank Ltd: Tk. 382,237,770

Opening balance		624,267,442	694,123,258
Add: Received during the year		-	21,522,586
Add: Interest during the year		45,989,568	52,631,220
Less: Paid during the year		72,004,810	144,009,620
		<b>598,252,200</b>	<b>624,267,444</b>
Less: Transfer to current portion of long term loan		216,014,430	144,009,620
<b>Closing Balance</b>		<b>382,237,770</b>	<b>480,257,824</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Details are as under:			
	Limit Amount	: Tk. 700,000,000		
	Purpose	: Land & Land Development		
	Security	: Land & Buildings		
	Interest Rate	: 9% per annum		
	Mode of Payment	: From own sources		
	Type of Facility	: BMRE		
	Validity	: UP to 2022		
	Nature of Security	: Mortgage of Land, Buildings & Machineries		
<b>17.02</b>	<b>BRAC Bank Ltd: Tk. 5,508,854</b>			
	Opening balance		22,643,939	29,466,239
	Add: Adjustment/Received during the year		-	-
	Add: Interest during the year		1,968,918	3,035,139
	Less: Paid during the year		9,223,035	9,857,439
			<b>15,389,822</b>	<b>22,643,939</b>
	Less: Transfer to current portion of long term loan		9,880,968	9,880,968
	<b>Closing Balance</b>		<b>5,508,854</b>	<b>12,762,971</b>
	Details are as under:			
	Limit Amount	: Tk. 40,000,000		
	Purpose	: To procure total 22 nos. of vehicles		
	Security	: Vehicles		
	Interest Rate	: 9% per annum		
	Mode of Payment	: From own sources		
	Type of Facility	: Lease Finance		
	Validity	: Up to 2022		
	Nature of Securities	: Joint registration of Vehicles		
<b>18.00</b>	<b>CURRENT PORTION OF LONG TERM LOAN: TK. 225,895,398</b>			
	Rupali Bank Ltd.		216,014,430	144,009,620
	BRAC Bank Ltd.		9,880,968	9,880,968
	<b>Total Taka</b>		<b>225,895,398</b>	<b>153,890,588</b>
<b>19.00</b>	<b>Short Term Loan: TK.1,883,561,131</b>			
	LC/TR - First Security Bank Ltd., Gulshan Branch, Dhaka	Note-19.01	111,300,865	129,782,752



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	CC (Hypo)- Janata Bank Ltd., Corporate Bhaban Branch	Note-19.02	1,396,842,780	1,404,718,510
	United Commercial Bank-Tejgaon Branch.	Note-19.03	202,786,013	-
	Standard Chartered Bank-Gulshan Branch	Note-19.04	72,631,473	-
	Eastern Bank Ltd.		100,000,000	-
	<b>Total Taka</b>		<b>1,883,561,131</b>	<b>1,534,501,262</b>

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

### 19.01 LC/TR - First Security Islami Bank Ltd., Gulshan Branch, Dhaka: Tk. 111,300,865

Opening balance	129,782,752	60,756,059
Add: Received & interest during the year	173,940,620	196,128,463
Less: Paid during the year	192,422,507	127,101,770
<b>Closing Balance</b>	<b>111,300,865</b>	<b>129,782,752</b>

#### Details are as under:

Limit Amount	: Tk. 100,000,000
Purpose	: Import of Materials Packing materials, Spares and others items
Security	: Land & Buildings
Interest Rate	: 9% per annum
Mode of Payment	: From own sources
Nature of Securities	: Mortgage of Land & Building

### 19.02 CC (Hypo)- Janata Bank Ltd., Corporate Bhaban Branch: Tk. 1,396,842,780

Opening balance	1,404,718,510	1,000,640,446
Add: Received during the year	215,647,165	783,560,028
Add: Interest during the year	126,877,013	93,683,697
Less: Paid during the year	350,399,908	473,165,661
<b>Closing Balance</b>	<b>1,396,842,780</b>	<b>1,404,718,510</b>

#### Details are as under:

Limit Amount	: Tk. 1,400,000,000
Purpose	: Meeting the requirement of working capital of the company
Security	: Inventory & Land
Interest Rate	: 9% per annum
Mode of Payment	: From own sources
Type of Facility	: CC Hypo
Nature of Security	: Mortgage of Inventory & Land

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
<b>19.03</b>	<b>United Commercial Bank Ltd.Tk. 202,786,013</b>			
	CC & Time Loan		151,362,831	-
	Overdraft		51,423,182	-
	<b>Total Taka</b>		<b>202,786,013</b>	-
<b>19.04</b>	<b>Standard Chartered Bank Ltd.Tk.72,631,473</b>			
	Overdraft		9,975,236	-
	Revolving		35,000,000	-
	Acceptance/UPAS		25,142,991	-
	Import Loan		2,513,246	-
	<b>Total Taka</b>		<b>72,631,473</b>	-
<b>20.00</b>	<b>SHARE APPLICATION MONEY REFUNDABLE: TK. 4,323,613</b>			
	Opening balance		4,323,613	4,323,613
	Payment made during the year		-	-
	<b>Closing Balance</b>		<b>4,323,613</b>	<b>4,323,613</b>
	Share application money refundable amount as on 30.06.2021 was Tk. 4,323,613. The company has not paid or refund any amount during the year under audit and the balance amount remain unpaid as no claim was received during the year.			
<b>21.00</b>	<b>ACCOUNTS PAYABLE: TK. 215,849,663</b>			
	Payable to Suppliers	Note-21.01	182,981,165	(23,781,072)
	Depot Expenses Payable	Note-21.02	14,418,261	41,393,307
	Others Payable	Note-21.03	18,450,237	14,703,081
	<b>Total Taka</b>		<b>215,849,663</b>	<b>32,315,316</b>
<b>21.01</b>	<b>Payable to Suppliers: Tk. 182,981,165</b>			
	Against Raw Materials		10,064,822	849,709
	Against Printing & Packaging Materials		8,290,808	(7,894,629)
	Against Laboratory Chemicals		19,754,225	16,771,887
	Against Computer & Accessories		4,757,189	(366,241)
	Against Plastic Items		9,913,716	4,800,096
	Against Machinery & Equipment		-	(1,942,599)
	Against PVC & Foil suppliers		2,610,980	3,270,654

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Against Clearing & Forwarding		-	(49,047,366)
	Against Maintenance & Service		5,333,647	(2,109,501)
	Against Vehicles suppliers		-	37,316,500
	Against Construction Materials Suppliers		(13,122,530)	(12,331,447)
	Against Advertising		(2,018,706)	(3,807,677)
	Against Promotional Items		27,802,351	(4,515,856)
	Against Travel Agencies		(1,267,970)	(1,409,699)
	Against Transport & Courier		3,378,920	1,427,687
	Against Glass Item - Suppliers		338,740	1,626,050
	Against Furniture & Fixture		(475,197)	(413,069)
	Against Insurance Premium		33,264,945	34,241,544
	Against Misc. Suppliers		-	(40,083,323)
	Against Spare Parts		(183,540)	(183,540)
	Against Training & Developments		(746,667)	(746,667)
	Against Stationeries & Suppliers		2,333,479	766,415
	Against-Product Suppliers		72,951,953	-
	<b>Total Taka</b>		<b>182,981,165</b>	<b>(23,781,072)</b>

### 21.02 Depot Expenses Payable: Tk. 14,418,261

Rangpur Depot	316,294	1,209,316
Bogura Depot	371,939	1,117,859
Rajshahi Depot	203,666	1,101,856
Khulna Depot	399,914	1,410,089
Barisal Depot	731,156	2,338,921
Faridpur Depot	(150,843)	831,150
Mymensingh Depot	441,397	1,749,599
Narayanganj Depot	115,358	945,710
Cumilla Depot	3,095,431	5,081,696
Sylhet Depot	1,210,168	3,351,357
Maizdee Depot	286,692	1,015,599
Chittagong Depot	742,286	3,501,994
Central Distribution Centre	(464,442)	967,735
Cox's Bazar	152,169	1,330,927
Mohammadpur from Dhaka North Depot	996,868	2,833,861
Kakrail from Dhaka South Depot	(223,047)	1,638,800

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Privilege Point		146,735	518,069
	B. Baria Depot		695,418	2,215,627
	Feni Depot		250,012	1,282,783
	Jessore Depot		(37,485)	1,199,042
	Dinajpur Depot		1,298,122	1,934,818
	Tangail Depot		3,579,848	3,816,499
	Pabna Depot		373,089	-
	Chandpur Depot		103,406	-
	Niketon Depot		(215,890)	-
	<b>Total Taka</b>		<b>14,418,261</b>	<b>41,393,307</b>
<b>21.03</b>	<b>Others Payable: Tk. 18,450,237</b>			
	Earn leave payable		666,173	907,588
	Against Motor Car		17,403,305	13,795,493
	Payable Rapid Service Program		380,759	-
	<b>Total Taka</b>		<b>18,450,237</b>	<b>14,703,081</b>
	Accounts payable for supply of raw materials, packing materials & other promotional items are the regular suppliers of the Company and the amounts are due on account.			
<b>22.00</b>	<b>ACCRUED EXPENSES: TK. 100,287,491</b>			
	Salary & Allowances		95,054,376	74,000,260
	Gas Bills		3,827,115	3,784,953
	Audit Fees		405,000	380,000
	Credit Rating Fees		126,000	126,000
	Compliance Audit Fees		25,000	47,500
	Insurance Claim		850,000	-
	<b>Total Taka</b>		<b>100,287,491</b>	<b>78,338,713</b>
<b>23.00</b>	<b>VAT PAYABLE: TK. 11,250,237</b>			
	Trade Creditors		7,240,214	6,822,624
	House/Depot rent		3,927,856	4,382,723
	Audit Fees		67,500	63,333
	Credit Rating Fees		10,500	10,500
	Compliance Audit Fees		4,167	7,917
	<b>Total Taka</b>		<b>11,250,237</b>	<b>11,287,097</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
<b>24.00</b>	<b>LIABILITY FOR EWF &amp; WPPF: TK. 58,577,255</b>			
	Workers Profit Participation Fund (WPPF)	Note-24.01	58,577,255	25,097,417
	<b>Total Taka</b>		<b>58,577,255</b>	<b>25,097,417</b>
<b>24.01</b>	<b>Workers Profit Participation Fund: Tk. 58,577,255</b>			
	Opening Balance		25,097,417	21,077,144
	Add: Contribution during the year		59,908,152	9,225,171
	<b>Total Contribution</b>		<b>85,005,569</b>	<b>30,302,315</b>
	Less: Distributed among the employees from welfare fund		1,135,314	-
			<b>83,870,255</b>	<b>-</b>
	Less: Adjustment of Advance of Previous years to the fund		25,293,000	5,204,898
	<b>Closing Balance</b>		<b>58,577,255</b>	<b>25,097,417</b>
<b>25.00</b>	<b>PROVISION FOR EMPLOYEES' PROVIDENT FUND: TK. 23,003,728</b>			
	Opening Balance		46,061,080	6,028,011
	Addition made during the year		52,716,420	74,514,262
	Total		98,777,500	80,542,273
	Less: Paid to the Fund during the year		75,773,772	34,481,193
	<b>Closing Balance</b>		<b>23,003,728</b>	<b>46,061,080</b>
<b>26.00</b>	<b>PROVISION FOR GRATUITY: TK. 80,309,165</b>			
	Opening Balance		55,202,000	33,028,942
	Addition made during the year		26,379,449	23,272,131
	Total		81,581,449	56,301,073
	Less: Gratuity paid during the year		1,272,284	1,099,073
	<b>Closing Balance</b>		<b>80,309,165</b>	<b>55,202,000</b>
<b>27.00</b>	<b>INCOME TAX PAYABLE: TK. -2,098,102</b>			
	Corporate Tax Liability	Note-27.01	(18,646,355)	(180,880,683)
	Add: Other Tax Liability	Note-27.02	16,548,253	11,892,766
	<b>Total Taka</b>		<b>(2,098,102)</b>	<b>(168,987,917)</b>
<b>27.01</b>	<b>CORPORATE TAX LIABILITY : TK. -18,646,355</b>			
	Opening Balance		(180,880,683)	(139,561,354)
	Add: Tax on current Year Profit		269,586,682	46,125,854



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	<b>Total tax liabilities as on 30.06.2021</b>		<b>88,705,999</b>	<b>(93,435,500)</b>
	Less: Advance Tax/AIT during the year 2020-2021		107,352,354	87,445,183
	<b>Total Corporate Tax Liability</b>		<b>(18,646,355)</b>	<b>(180,880,683)</b>
<b>27.02</b>	<b>OTHER TAX LIABILITY: TK. 16,548,253</b>			
	TDS from Salary & Allowances		1,565,986	1,500,720
	TDS from Trade Creditors		13,292,942	9,254,971
	TDS from Sister Concern-Product Supply		1,132,199	-
	TDS from Office Rent		436,376	946,386
	TDS from Managing Director's Remuneration		-	71,521
	TDS from Gas Bills		58,971	57,667
	TDS from Audit Fee		45,001	42,223
	TDS from Compliance Audit Fee		2,778	5,278
	TDS Credit Rating Fee		14,000	14,000
	<b>Total Taka</b>		<b>16,548,253</b>	<b>11,892,766</b>
<b>28.00</b>	<b>DIVIDEND PAYABLE: TK. 191,702,535</b>			
	Opening Balance		112,520,500	55,005,676
	Add: Addition during the Year		138,600,000	115,500,000
			251,120,500	170,505,676
	Less: Dividend paid during the year		59,417,965	57,985,176
	<b>Closing Balance</b>		<b>191,702,535</b>	<b>112,520,500</b>
<b>29.00</b>	<b>TURNOVER: TK. 7,121,152,785</b>			
	Local Sales		7,121,152,785	5,590,790,317
	Export Sales		-	-
	<b>Net Turnover</b>		<b>7,121,152,785</b>	<b>5,590,790,317</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

Details of Turnover are as under:

Product Group	Box/Pack	Net Sales	Box/Pack	Net Sales
	30 June 2021		30 June 2020	
Injection	3,826,823	1,444,473,165	2,857,580	1,065,076,949
Tablet	9,149,423	3,257,758,833	8,790,645	2,761,552,883
Pre-Filled Syringe	421,324	202,930,846	193,717	134,714,051
Infusion	888,790	196,917,389	669,709	893,373,574
Capsule	1,705,097	698,760,636	1,710,291	175,161,641
Syrup	3,103,795	590,816,290	3,385,449	221,396,610
PFS	3,087,894	616,264,495	1,981,939	323,036,972
Spray	1,808,060	112,154,459	216,161	16,477,637
Cream	298	595,053	-	-
Gel	292	481,619	-	-
<b>Total</b>	<b>23,991,796</b>	<b>7,121,152,785</b>	<b>19,805,491</b>	<b>5,590,790,317</b>

### 30.00 COST OF GOODS SOLD: TK. 3,434,422,533

Materials Consumed	Note-30.01	2,631,199,473	1,905,429,386
Factory Overhead	Note-30.02	971,693,774	905,031,019
<b>Total Manufacturing Cost</b>		<b>3,602,893,247</b>	<b>2,810,460,405</b>
Add: Opening Work-in-Process		171,497,776	165,399,943
<b>Total Work-in-Process</b>		<b>3,774,391,023</b>	<b>2,975,860,348</b>
Less: Closing Work-in-Process		259,080,944	171,497,776
<b>Cost of Production</b>		<b>3,515,310,079</b>	<b>2,804,362,572</b>
Add: Opening Finished Goods		361,790,217	275,871,969
<b>Finished Goods available for Sale</b>		<b>3,877,100,296</b>	<b>3,080,234,541</b>
Less: Closing Finished Goods		442,677,763	361,790,217
<b>Cost of Goods Sold</b>		<b>3,434,422,533</b>	<b>2,718,444,324</b>

### 30.01 Materials Consumed: Tk. 2,631,199,473

Opening Inventory	385,340,693	484,933,599
Add: Purchase	2,685,032,445	1,805,836,480
Materials available for use	3,070,373,138	2,290,770,079
Less: Closing Inventory	439,173,665	385,340,693
<b>Total Taka</b>	<b>2,631,199,473</b>	<b>1,905,429,386</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
<b>30.02</b>	<b>Factory Overhead: Tk. 971,693,774</b>			
	Salaries & Allowances		245,470,446	198,214,863
	Co's Contribution to P.F		4,254,112	3,521,098
	Gratuity		4,086,894	3,660,730
	Local Travel & Conveyance		285,180	383,593
	Foreign Trave		-	1,611,741
	Entertainment		3,125,353	3,499,427
	Employee Fooding		37,844,080	34,053,619
	Employee Pick & Drop		14,895,743	10,955,361
	Telephone, Fax, Internet		3,706,322	3,009,436
	Utilities		125,238,406	82,507,537
	Fees & Renewal		527,850	1,728,905
	Books, News Paper & Periodicals		375,776	12,794
	Printing & Stationery		26,646,980	14,683,226
	Legal & Consultancy Fees		1,645,785	637,125
	Insurance Premium		5,026,333	3,032,382
	Handling & Carrying Expense		920,164	529,729
	Research & Development Expense		4,822,621	4,015,105
	Repairs & Maintenance		124,674,278	47,536,745
	Training Expense		537,554	622,636
	Advertisement & Publicity		34,650	739,035
	Misc. Expense		2,936,145	622,589
	Tool Manufacturing Expense		14,147,147	24,431,637
	Depreciation		350,491,955	465,021,706
	<b>Total Taka</b>		<b>971,693,774</b>	<b>905,031,019</b>
<b>31.00</b>	<b>ADMINISTRATIVE EXPENSES: TK. 373,198,648</b>			
	Salaries & Allowances		184,240,564	151,419,541
	Co's Contribution to P.F		2,977,333	2,586,789
	Gratuity		2,716,685	2,348,260
	Local Travel & Conveyance		2,132,287	1,836,971
	Foreign Traveling Expenses		295,000	1,736,761
	Entertainment		11,141,556	3,123,477
	Employee Fooding		38,845,073	27,456,805
	Office Rent		17,862,531	17,041,152

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Employee Pick & Drop		31,686,757	20,902,226
	Utilities		7,722,040	5,432,591
	Telephone, Fax, Courier		5,599,278	5,368,798
	Fees & Renewals		1,797,431	2,240,927
	Books, News Paper & Periodicals		70,540	54,634
	Printing & Stationery		14,578,051	6,955,920
	Audit Fee		511,112	498,334
	Legal & Consultancy Fees		1,598,533	1,681,945
	Insurance Premium		4,231,919	2,991,828
	Bank Charge & Other Expense		2,547,062	1,582,170
	Company Secretarial & Share Exe		228,832	175,027
	Handling & Carrying Expense		231,800	5,098,135
	Repairs & Maintenance		9,340,673	2,606,737
	Advertisement & Publicity		4,042,384	402,561
	Training Expenses		399,415	1,506,807
	Misc. Expenses		12,995,552	7,767,863
	Depreciation		15,406,240	20,440,515
	<b>Total Taka</b>		<b>373,198,648</b>	<b>293,256,774</b>

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

### 32.00 MARKETING, SELLING & DISTRIBUTION EXPENSES: TK. 1,891,907,879

Salaries & Allowances	991,833,404	715,152,100
Co's Contribution to P.F	19,100,526	16,143,813
Gratuity	19,575,870	17,290,432
Local Travel & Conveyance	33,110,186	27,563,291
Foreign Travel	-	2,539,026
Entertainment	9,784,317	17,728,258
Employee Fooding	24,891,842	17,767,382
Depot Rent	26,715,062	23,317,578
Employees Pick & Drop	6,477,815	4,735,547
Utilities	4,084,991	2,773,385
Telephone, Fax, Internet	18,747,352	13,578,211
Fees & Renewal	1,948,138	2,197,113
Printing & Stationery	21,351,627	13,204,012

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020
	Legal & Consultancy Fees		-	-
	Insurance Premium		6,324,666	4,304,166
	Bank Charges		1,110,754	1,721,220
	Handling & Carrying		129,201	148,870
	Repairs & Maintenance		8,688,831	3,714,098
	Research & Product Development		4,605,397	3,273,989
	Field Force Expenses (TA/DA)		165,443,867	124,282,020
	Sales Incentive		126,087,619	45,396,241
	Training Expense		612,436	157,105
	Conference, fair and product launching		41,767,076	30,752,724
	Promotional Expense		35,605,764	996,663,121
	Advertisement & Publicity		13,282,308	6,012,308
	Distribution & Collection Expenses		240,587,927	114,466,433
	Free Sample		35,505,764	-
	Misc. Expense		15,277,339	5,963,857
	Depreciation		19,257,800	25,550,643
	<b>Total Taka</b>		<b>1,891,907,879</b>	<b>2,236,396,943</b>
<b>33.00</b>	<b>FINANCIAL EXPENSES: TK. 166,796,221</b>			
	Interest on Long Term Loan	Note-33.01	47,878,486	55,641,358
	Interest on Short Term Loan	Note-33.02	130,646,617	93,683,698
	Bank Charges Other	Note-33.03	1,978,113	945,351
	<b>Sub-Total</b>		<b>180,503,216</b>	<b>150,270,407</b>
	Less: Interest transfer to Ereba Capsules Ltd		13,706,995	-
	<b>Total Taka</b>		<b>166,796,221</b>	<b>150,270,407</b>
<b>33.01</b>	<b>Interest on Long Term Loan : TK. 47,878,486</b>			
	BRAC Bank Ltd.		1,968,918	3,035,138
	Rupali Bank Ltd.		45,909,568	52,606,220
	<b>Total Taka</b>		<b>47,878,486</b>	<b>55,641,358</b>
<b>33.02</b>	<b>Interest on Short Term Loan: Tk. 130,646,617</b>			
	CC(Hypo) - Janata Bank Ltd., Corporate Bhaban, Motijheel		126,877,013	93,683,698
	United Commercial Bank Ltd.		3,468,175	-
	Standard Chartered Bank Ltd.		301,429	-
	<b>Total Taka</b>		<b>130,646,617</b>	<b>93,683,698</b>



# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

### 33.03 Bank Charges Other: Tk. 1,978,113

Bank Charge & Others	1,978,113	945,351
<b>Total Taka</b>	<b>1,978,113</b>	<b>945,351</b>

### 34.00 INCOME FROM OTHER SOURCES: TK. 3,243,677

Interest Received from Bank	2,563,008	383,883
Interest on FDR	680,669	922,835
<b>Total Taka</b>	<b>3,243,677</b>	<b>1,306,718</b>

### 35.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND: TK. 59,908,152

WPPF Fund contribution during the year	59,908,152	9,225,171
<b>Total Taka</b>	<b>59,908,152</b>	<b>9,225,171</b>

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

Particulars	Proportion	30 June 2021	30 June 2020
Contribution to Participatory Fund	80%	47,926,521	7,380,137
Contribution to Welfare Fund	10%	5,990,815	922,517
Contribution to WWFF	10%	5,990,815	922,517
<b>Total Taka</b>		<b>59,908,152</b>	<b>9,225,171</b>

### 36.00 UNREALIZED (LOSS)/GAIN ON QUOTED SHARES : TK. 248,025

Unrealized Gain Realized	-	-
Unrealized (loss)/gain during the year	248,025	(473,846)
<b>Total Taka</b>	<b>248,025</b>	<b>(473,846)</b>

### 37.00 EARNINGS PER SHARE (EPS): TK. 3.74

#### Basic Earnings Per Share

Breakup of the above amount is given below:

Net Profit after Tax during the year		863,169,294	380,691,353
Weighted average number of shares during the year	Note-14.00	231,000,000	231,000,000
<b>Earning Per Share (par value Tk. 10 each)</b>		<b>3.74</b>	<b>1.65</b>

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

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

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

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

Basic Remuneration	7,200,000	7,200,000
House Rent	3,600,000	3,600,000
Medical allowance	1,800,000	1,800,000
Conveyance	1,800,000	1,800,000
Other allowances	9,600,000	9,600,000
Bonus	1,200,000	1,200,000
<b>Total Taka</b>	<b>25,200,000</b>	<b>25,200,000</b>

### 39.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:

None as on 30-06-2021.

### 40.00 CREDIT FACILITIES NOT AVAILED:

There is no credit facility available to the Company that was not availed as on 30-06-2021 under any contract, other than those mentioned in the financial statements arising in the ordinary course of business.

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

Total 3,531 number of Employees Drawing Remuneration is as follows:

Salary Range	No. of employees	
	30 June 2021	30 June 2020
No. of Employees Having Salary Between Tk. 4,000 to Tk. 5,000	-	-
No. of Employees Having Salary Between Tk. 5,000 to Tk. 10,000	522	274
No. of Employees Having Salary Between Tk. 10,000 to Tk. 15,000	679	603
No. of Employees Having Salary Between Tk. 15,000 to Tk. 25,000	1,231	1,220
No. of Employees Having Salary Between Tk. 25,000 to Tk. 50,000	872	721
No. of Employees Having Salary Between Tk. 50,000 and above	227	186
<b>Total</b>	<b>3,531</b>	<b>3,004</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2021	30 June 2020

### 42.00 Capacity Utilization:

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

Major product/Unit	Capacity (In Millions)	30 June 2021		30 June 2020	
		Actual Production (In Millions)	Utilization (%)	Actual Production (In Millions)	Utilization (%)
Tablets	2,520	2,268	90%	2,142	85%
Capsules (Filled with Pellets)	760	669	88%	631	83%
Capsules (Filled with Powder)	850	723	85%	689	81%
Powder for suspension(Bottles)	15	13	85%	12	83%
Injection (Ampoules)	10	9	85%	8	80%
Injection (Lyophilized)	9	8	88%	7	83%
Large Volume Parenteral	4	4	90%	3	85%
Pre-filled Syringe	4	4	88%	3	85%
<b>Total</b>	<b>4,172</b>	<b>3,696</b>		<b>3,496</b>	

### 43.00 Net Operating Cash Flows per Share (NOCFPS)

Cash flows from operating activities as per Statement of cash flows	196,557,471	291,141,309
Weighted average number of shares during the year (Note-14.00)	231,000,000	231,000,000
<b>Net Operating Cash Flows per Share (par value Tk. 10 each)</b>	<b>0.85</b>	<b>1.26</b>

### 44.00 Reconciliation of Net Profit with Cash Flows from Operating Activities making adjustment for Non-cash items, for Non-operating items and for the Net changes in operating Activities:

<b>Profit after Tax during the year</b>	<b>863,169,294</b>	<b>380,691,353</b>
Adjustment to reconcile Net Profit to Net Cash Provided by Operating Activities		
<b>Non-Cash Expenses</b>	<b>450,563,048</b>	<b>268,699,073</b>
Depreciation	385,155,994	511,012,863
Deferred Tax	65,407,054	(242,313,790)
<b>Non-operating items:</b>	<b>10,463,318</b>	<b>(1,306,718)</b>
Interest Income	10,463,318	(1,306,718)
<b>Changes in Working Capital:</b>	<b>(1,185,079,758)</b>	<b>(441,054,298)</b>
Increase)/Decrease in Inventory	(246,065,883)	(28,329,147)
(Increase)/Decrease in Trade Debtors	(873,780,659)	(357,191,438)
(Increase)/Decrease in Advances , Deposits & Prepayments	(411,001,891)	17,974,047
(Increase)/Decrease in Income Tax	162,234,328	(64,926,712)
Increase/(Decrease) in Trade Creditors	183,534,347	(8,581,048)
<b>(Increase)/Decrease in Liabilities for Expenses &amp; Others:</b>	<b>57,441,569</b>	<b>84,111,899</b>

# BEACON PHARMACEUTICALS LIMITED

## Notes to the Financial Statements

For the year ended 30 June 2021

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
	Increase/(Decrease) in Accrued Expenses		21,948,778	17,459,891
	Increase/(Decrease) in VAT Payable		(36,860)	425,608
	Increase/(Decrease) in PF		(23,057,352)	40,033,069
	Increase/(Decrease) in Gratuity & WPPF		58,587,003	26,193,331
	<b>Net Cash Generated from Operating Activities</b>		<b>196,557,471</b>	<b>291,141,309</b>
<b>45.00</b>	<b>Net Assets Value per Share (NAV)</b>			
	Total Shareholders' Equity		5,355,162,953	4,630,345,633
	Weighted average number of shares during the year (Note-14.00)		231,000,000	231,000,000
	<b>Net Assets Value per Share (par value Tk. 10 each)</b>		<b>23.18</b>	<b>20.04</b>

### 46.00 RELATED PARTY DISCLOSURES: TK. 1,813,349,940

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

Name of the Parties	Relationship	Nature of Transaction	Opening Balance	Addition	Adjustment	Closing Balance
Beacon Medicare Ltd.	Customer	Accounts Receivable (Debtors)	673,592,669	1,128,469,213	465,370,890	1,336,690,992
Ereba Capsules Ltd.	Sister Concern	Inter Company Loan	-	403,706,995	-	403,706,995
Beacon Cephalosporin Ltd.	Customer	Accounts Payables (Creditors)	-	54,903,283	-	54,903,283
Beacon Business Solution Ltd.	Customer	Accounts Payables (Creditors)	-	18,048,670	-	18,048,670
<b>Total Taka:</b>			<b>673,592,669</b>	<b>1,605,128,161</b>	<b>465,370,890</b>	<b>1,813,349,940</b>

"Beacon Medicare Ltd. is a sister concern as well as a customer of Beacon Pharmaceuticals Ltd. So the amount has been disclosed in related party transaction as well as in accounts receivable. (Ref. Note-08.00 under Accounts Receivable)."

### 47.00 EVENT AFTER THE REPORTING PERIOD:

The Board of Directors in its meeting held on 28 November ,2021 has commended 15% (Fifteen Percent) Cash dividend for the year ended 30 June 2021 subject to approval of the shareholders at the ensuing Annual General Meeting (AGM).

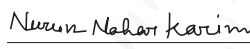
### 48.00 CONTINGENT LIABILITIES:

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

  
Company Secretary

  
Director & CFO

  
Managing Director

  
Chairman

# BEACON PHARMACEUTICALS LTD.

## SCHEDULE OF FIXED ASSETS

For the year ended 30 June 2021

Annexure-A

Particulars	COST				Rate of Dep (%)	DEPRECIATION				Written Down Value as on 30.06.21
	Balance as on 01.07.2020	Addition During the year	Adjustment During the year	Balance as on 30.06.2021		Depreciation as on 01.07.2020	Charged During the year	Adjustment During the year	Depreciation as on 30.06.2021	
Land & Land Development	566,064,574		-	566,064,574	-	-	-	-	-	566,064,574
Factory Building	917,954,184		-	917,954,184	5%	353,211,755	45,897,709	-	399,109,464	518,844,720
Corporate Head Office Building	60,456,584		-	60,456,584	5%	9,082,958	3,022,829	-	12,105,787	48,350,797
Vehicles	302,543,560	30,895,000	23,471,327	309,967,233	20%	136,754,993	62,017,129	23,471,327	175,300,795	134,666,438
Electrical Installations	179,083,392	5,985,463	-	185,068,855	10%	66,608,389	17,960,966	-	84,569,355	100,499,500
Office Equipment	134,121,418	28,806,820	-	162,928,238	10%	61,464,422	13,974,350	-	75,438,772	87,489,466
Production Machinery & Equip.	1,481,610,538	145,410,000		1,627,020,538	15%	72,296,216	224,984,088		297,280,304	1,329,740,234
Furniture & Fixture	172,235,260	7,909,002	-	180,144,262	10%	66,815,781	17,298,923	-	84,114,704	96,029,558
Total	3,814,069,510	219,006,285	23,471,327	4,009,604,468		766,234,514	385,155,994	23,471,327	1,127,919,181	2,881,685,287

Allocation of Depreciation:	Proportion	Amount(Tk.)
Factory Overhead	91%	350,491,955
Administrative Overhead	4%	15,406,240
Selling, Marketing Expenses	5%	19,257,800
<b>Total</b>	<b>100%</b>	<b>385,155,994</b>

# BEACON PHARMACEUTICALS LTD.

## DEFERRED TAX SCHEDULE

For the year ended 30 June 2021

Annexure-B

Particulars	COST			DEPRECIATION		
	Tax Base as on 01.07.2020	Addition During the year	Adjustment	Balance as on 30.06.2021	Rate as per 3 <sup>rd</sup> Schedule (%)	Charged During the year
Factory Building	196,798,838	-		196,798,838	10%	19,679,884
Corporate Head Office Building	58,507,050	-		58,507,050	5%	2,925,353
Vehicles	148,259,219	30,895,000	23,471,327	155,682,892	20%	31,136,578
Electrical Installations	112,337,910	5,985,463		118,323,373	10%	11,832,337
Office Equipment	74,946,018	28,806,820	-	103,752,838	10%	10,375,284
Production Machinery & Equipment	461,296,093	145,410,000	-	606,706,093	20%	121,341,219
Furniture & Fixture	106,819,145	7,909,002		114,728,147	10%	11,472,815
<b>Total</b>	<b>1,158,964,273</b>	<b>219,006,285</b>	<b>-</b>	<b>1,354,499,231</b>		<b>208,763,469</b>
						<b>1,145,735,762</b>

### Deferred Tax Calculation:

Description	Carring amount of Balance sheet as on 30th June, 2021	Tax Base	Taxable/ (deductible) temporary difference
Fixed Assets (Excluding Land & Land Development)	2,315,620,713	1,145,735,762	1,169,884,951
Gratuity Provision	(80,309,165)	-	(80,309,165)
Provision for Provident Fund	(23,003,728)	-	(23,003,728)
Taxable /(deductible) temporary difference			1,066,572,058
Tax Rate			22.50%
Deferred Tax (Assets)/Liability at end of the year			239,978,713
Deferred Tax (Assets)/Liability at biggining of the year			305,385,767
Change in Deferred tax (income)/expenses			(65,407,054)
<b>Deferred Tax charged to Profit or Loss and other comprehensive income</b>			<b>(65,407,054)</b>



## NOTICE OF THE 20<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the Shareholders of BEACON Pharmaceuticals Limited will be held on Wednesday, 29<sup>th</sup> December, 2021 at 11.00 am through Digital Platform to transact the following businesses:

### Agenda

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30<sup>th</sup> June, 2021 together with the Auditors' Report and Directors' Report thereon.
2. To approve the proposed dividend for the year ended 30<sup>th</sup> June, 2021.
3. To elect/re-elect Directors who will retire by rotation as per the relevant provisions of Articles of Associations.
4. To approve the appointment/ re-appointment of Independent Director.
5. To appoint Statutory Auditors for the financial year 2021-22 and fix their remuneration.
6. To appoint Corporate Governance Compliance Auditors for the financial year 2021-22 and fix their remuneration.
7. To approve the re-appointment of Managing Director of the Company.
8. To transact any other business with the vote of thanks to the chair.



Khalilur Rahman ACS  
Company Secretary (Acting)  
7<sup>th</sup> December 2021

Corporate Office  
Beacon Business Centre  
9/B/2, Toyenbee Circular Road, Motijheel C/A  
Dhaka-1223, Bangladesh.

1. The Record date of The Company shall be the Monday, 20<sup>th</sup> December, 2021. Shareholders whose names appeared in the Depository/ Members Register on the Record Date will be eligible to join the meeting and will qualify for Dividend.
2. Members entitled to attend and vote at the Annual General Meeting may appoint Proxy to attend and vote on their stead. The Proxy Form must be affixed with the requisite revenue stamp (BDT. 20.00) and must be submitted to the Corporate Office of the company or e-mailed to reaz-acc@beaconpharma.com.bd not less than 48 hours before the time fixed for the Annual General Meeting.
3. The soft copy of the Annual Report-2021, Proxy Form and Notice of 20<sup>th</sup> AGM of the Company will be send to all the shareholders' respective e-mail addresses as is available in the Beneficiary Owner (BO) account on the Record date. The soft copy of the Annual Report-2021 will also be available at the Company's website at www.beaconpharma.com.bd.
4. Members are requested to update their BO ID contact information i.e. address, mobile no, email address, bank account information through their concerned DP.
5. AGM joining procedure will be notified later through e-mail/SMS/website of the Company in due course.

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

For Prophylaxis of  
**Migraine & Vertigo**



Flunarizine BP 5 mg & 10 mg

breaks the chain of migraine



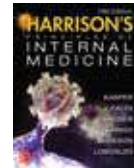
RECOMMENDED BY



EFNS EUROPEAN FEDERATION OF  
NEUROLOGICAL SOCIETIES



Cochrane



# Becobion

Vitamin B<sub>1</sub> + B<sub>6</sub> + B<sub>12</sub>

healthy nerve, healthy life

1<sup>st</sup> time in Bangladesh in Sachet

Ensures highest protection to tablet from moisture, light and heat-

1. Opadry -2 coating makes tablet odorless and gives 1<sup>st</sup> step protection
2. Alu-Alu Blister gives tablet 2<sup>nd</sup> step protection
3. Sachet of each blister gives 3<sup>rd</sup> step protection



QR Code provides required drug related information to patients.

## Photos of 19<sup>th</sup> Annual General Meeting







## PROXY FORM

I/We.....  
Of.....

being a member of Beacon Pharmaceuticals Limited hereby appoint.

Mr. /Mrs. /Ms.....

Of ..... as my proxy in my/our absence to  
attend and vote for me/us on behalf of the 20<sup>th</sup> Annual General Meeting of the company to be  
held on Wednesday, 29<sup>th</sup> day of December, 2021 at 11.00 a.m. through Ditigat Platform (in pursuant  
to the Bangladesh Securities and Exchange Commission's order no. SEC/SRMIC/94-231/25; dated:  
08 July 2020) and at any adjournment thereof.

As witness my hand this.....Day of December 29, 2021

Signature of Proxy.....

Signature of Member.....

BO ID of Member ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐





**Corporate Office:**

BEACON Business Centre  
9/B/2, Toyenbee Circular Road  
Motijheel C/A, Dhaka - 1223, Bangladesh.  
E-mail : [beacon@beaconpharma.com.bd](mailto:beacon@beaconpharma.com.bd)  
Website : [www.beaconpharma.com.bd](http://www.beaconpharma.com.bd)