

INDEPENDENT AUDITORS' REPORT  
AND AUDITED FINANCIAL STATEMENTS

OF

**BEACON PHARMACEUTICALS LIMITED**

AS AT AND FOR THE YEAR ENDED 30 JUNE 2020

## **Table of Contents**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Annexure Ref.</b>	<b>Page No.</b>
1	Independent Auditor's Report	-	1-5
2	Statement of Financial Position	-	6
3	Statement of Profit or Loss or Other Comprehensive Income	-	7
4	Statement of Changes in Equity	-	8
5	Statement of Cash Flows	-	9
7	Notes to the Financial Statements	-	10-39
18	Schedule of Fixed Assets	Annex-A	40
19	Schedule of Defferred Tax	Annex-B	41

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 (hereinafter referred to as "the Company") which comprise the statement of financial position as at 30 June 2020, 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, in all material respects, the financial position of the Company as at 30 June 2020, 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 & 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 judgement, 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	How the matter was addressed in our audit
Property, Plant & Equipments 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 a software.
Depreciation on Property, Plant & Equipments 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 a certificate regarding the physical existence of assets.
During the year, the company has revalued its' Plant & Equipments by a firm of professional valuer "G.K. Adjusters Ltd." and corresponding increased amount has been credited to Revaluation Reserve account	

<b>Valuation of inventories</b>	
<b>See Note 7.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<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 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 quantity &amp; value of the inventory as on 30-6-2020.</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>
<b>Income Tax Provision</b>	
<b>See Note 10.01 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>At year end the Company reported income tax expense of BDT 46,125,854 and deferred tax income BDT 242,313,790.</p> <p>The calculation of the tax expense is a complex process that involves subjective judgments and uncertainties, and requires specific knowledge and competencies.</p>	<p>Our audit procedures in this area included, among others:</p> <p>Understanding the process of estimating, recording and reassessing tax provision and contingencies.</p> <p>Involving our tax specialist to assist in analysing the judgments used to determine provisions for matters based on their knowledge and experience of local regulations and practices.</p> <p>Inspecting the correspondence with tax authorities.</p> <p>We also assessed the appropriateness of presentation of disclosures against IAS 12 Income Taxes.</p>
<b>Recognition of deferred tax assets</b>	
<b>See Note 11.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>The Company has recognized deferred tax assets for deductible temporary differences that it believes are recoverable.</p> <p>The recoverability of recognized deferred tax assets is in part dependent on the Company's ability to generate future taxable profits sufficient to utilize deductible temporary differences.</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>Our audit procedures in this area included, among others:</p> <p>Using our own tax specialists to evaluate the tax strategies that the Company expects will enable the successful recovery of the recognized deferred tax assets considering the Company's tax position and our knowledge and experience of the application of relevant tax legislation;</p> <p>Assessing and evaluating the prospective profits by evaluating historical and projected growth rates to assume that it will be sufficient to recover deductible temporary differences; and</p> <p>We also assessed the appropriateness of presentation of disclosures against IAS 12 - Income Tax.</p>



Revenue recognition – Net Turnover	
See Note 28.00 to the financial statements	
The key audit matter	How the matter was addressed in our audit
<p>At year end the company reported total revenue of BDT 5,590,790,317 (net)</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 recognised based on sales made during the year is material and considered to be complex and judgemental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>The sales of the company are derived from 23 depots owned by the company which are located over the country and accounted for on the basis of monthly statements sent by the depots. As a result, to obtain sufficient audit evidence, magnitude audit work and evidence is required. The revenue consists of local sales only and there was no export earning during the year though in previous year there was export earning of BDT 234,731,880.</p> <p>We identified the revenue recognition in key audit matter because sales revenue is the only key performance indicator of the company and there remains an inherent risk for recognition by the management to meet specific targets or expectations.</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> <p>Regarding accounts receivable from sales to customers, some confirmation letters were circulated to certain customers &amp; depots to confirm their balances directly to us at the balance sheet date, selected on a sample basis by considering the amounts outstanding with those customers. Out of 14 request letters circulated to customers, only 8 confirmed their balances and confirmation from 18 depots out of 22 depots has been received till to this report.</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 statement 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 consolidated and separate financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. 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 Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the 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 these consolidated and separate financial statements

As part of an audit in accordance with ISAs, we exercise professional judgement 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.
- 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 consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 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 auditors' 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 those books;
- c) the statements 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 Sarwar Mahmood FCA.

Place: Dhaka

Dated: 29<sup>th</sup> October, 2020

  
Shafiq Basak & Co.  
Chartered Accountants

**BEACON PHARMACEUTICALS LIMITED**  
**Statement of Financial Position**  
**As at 30 June 2020**

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
ASSETS:			
Non-Current Assets:		3,391,276,160	2,202,361,371
Property, Plant & Equipments	4.00	3,047,834,996	1,881,926,590
Capital Work in Progress	5.00	342,814,419	319,334,190
Investment in Shares	6.00	626,745	1,100,591
Current Assets:		3,785,627,854	2,793,907,681
Inventories	7.00	1,032,586,636	1,004,257,489
Accounts Receivable	8.00	1,059,623,867	702,432,429
Advance, Deposit & Pre-payments	9.00	605,593,994	623,568,041
Assets for Current Tax	10.00	168,987,917	125,266,081
Deferred Tax Assets	11.00	305,385,767	41,883,317
Investment in FDR	12.00	14,668,834	13,845,783
Cash & Cash Equivalents	13.00	598,780,839	282,654,541
TOTAL ASSETS		7,176,904,014	4,996,269,052
EQUITY & LIABILITIES			
Shareholders' Equity:		4,630,345,633	2,979,182,991
Share Capital	14.00	2,310,000,000	2,310,000,000
Reserve and Surplus	15.00	1,589,160,203	266,264,834
Available for Sale Reserve		(2,050,679)	(1,576,833)
Retained Earnings	16.00	733,236,109	404,494,990
Non-Current Liabilities:		493,020,795	574,419,259
Long Term Loan	17.00	493,020,795	574,419,259
Current Liabilities:		2,053,537,586	1,442,666,802
Current Portion of Long Term Loan	18.00	153,890,588	149,170,236
Short Term Loan	19.00	1,534,501,262	1,061,396,505
Share Application Money Refundable	20.00	4,323,613	4,323,613
Accounts Payables	21.00	32,315,316	40,896,364
Accrued Expenses	22.00	78,338,713	60,878,822
VAT Payable	23.00	11,287,097	10,861,489
Liabilities for EWF & WPPF	24.00	25,097,417	21,077,144
Provision for Employee's Provident Fund	25.00	46,061,080	6,028,011
Provision for Gratuity	26.00	55,202,000	33,028,942
Dividend Payable	27.00	112,520,500	55,005,676
TOTAL EQUITY & LIABILITIES		7,176,904,014	4,996,269,052
Net Assets Value per Share (par value Tk. 10 each)	43.00	20.04	12.90

The annexed notes 01 to 46 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 27-10-2020 and signed on its behalf by:

  
Company Secretary

  
Director & CFO

  
Managing Director

  
Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: October 29, 2020

  
Shafiq Basak & Co.  
Chartered Accountants

**BEACON PHARMACEUTICALS LIMITED**  
**Statement of Profit & Loss and Other Comprehensive Income**  
**For the year ended 30 June 2020**

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Net Turnover	28.00	5,590,790,317	4,646,865,410
Less: Cost of Goods Sold	29.00	2,718,444,324	2,364,808,809
<b>Gross Profit</b>		<b>2,872,345,993</b>	<b>2,282,056,601</b>
<b>Less: Operating Expenses:</b>			
Administrative Expenses	30.00	293,256,774	286,081,646
Marketing, Selling & Distribution Expenses	31.00	2,236,396,943	1,673,366,718
<b>Total Operating Expenses</b>		<b>2,529,653,717</b>	<b>1,959,448,364</b>
<b>Operating Profit</b>		<b>342,692,277</b>	<b>322,608,236</b>
Less: Financial Expenses	32.00	150,270,407	153,524,466
<b>Net Profit after Financial Expenses</b>		<b>192,421,870</b>	<b>169,083,770</b>
Income from Other Sources	33.00	1,306,718	2,487,251
<b>Net Profit before contribution to WPPF</b>		<b>193,728,588</b>	<b>171,571,021</b>
Less: Contribution to WPPF	34.00	9,225,171	8,170,049
<b>Net Profit before Tax</b>		<b>184,503,417</b>	<b>163,400,973</b>
Less: Provision for Income Tax		46,125,854	40,850,243
Add: Deferred Tax (Income)/Expense		(242,313,790)	(4,850,138)
<b>Net profit after tax for the year</b>		<b>380,691,353</b>	<b>117,700,592</b>
Other Comprehensive Income		-	-
<b>Net profit after tax for the year</b>		<b>380,691,353</b>	<b>117,700,592</b>
<b>Item that may be reclassified to profit or loss:</b>			
Unrealized Profit (loss) on quoted shares	35.00	(473,846)	(661,510)
<b>Total comprehensive income for the year</b>		<b>380,217,507</b>	<b>117,039,082</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>	36.00	<b>1.65</b>	<b>0.51</b>

The annexed notes 01 to 46 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 27-10-2020 and signed on its behalf by:

  
Company Secretary

  
Director & CFO

  
Managing Director

  
Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: October 29, 2020

  
Shafiq Basak & Co.  
Chartered Accountants

BEACON PHARMACEUTICALS LIMITED

Statement of Changes in Equity

For the year ended 30 June 2020

Amount in Taka

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Available for Sale Reserve	Retained Earning	Total Equity
Balance at the beginning of the year	2,310,000,000	260,761,735	5,503,099	(1,576,833)	404,494,990	2,979,182,992
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)
Balance at the end of the year	2,310,000,000	1,583,657,104	5,503,099	(2,050,679)	733,236,109	4,630,345,633

Statement of Changes in Equity

For the year ended 30 June 2019

Particulars	Share Capital	Revaluation Reserve	Tax Holiday Reserve	Available for Sale Reserve	Retained Earning	Total Equity
Balance at the beginning of the year	2,310,000,000	279,712,368	5,503,099	(915,323)	406,443,764	3,000,743,908
Net Profit transferred from Income Statement	-	-	-	-	117,700,592	117,700,592
Unrealized gain on quoted shares	-	-	-	(661,510)	-	(661,510)
Revaluation Reserve adjustment	-	(25,267,512)	-	-	25,267,512	-
Deferred Tax on Revaluation Adj.	-	6,316,878	-	-	(6,316,878)	-
Cash Dividend	-	-	-	-	(138,600,000)	(138,600,000)
Balance at the end of the year	2,310,000,000	260,761,735	5,503,099	(1,576,833)	404,494,990	2,979,182,991

The annexed notes 01 to 46 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 27-10-2020 and signed on its behalf by:

  
Company Secretary

  
Director & CFO

  
Managing Director

  
Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: October 29, 2020

  
Shafiq Basak & Co.  
Chartered Accountants

**BEACON PHARMACEUTICALS LIMITED**  
**Statement of Cash Flows**  
**For the year ended 30 June 2020**

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
<b>A) Cash Flows from Operating Activities</b>			
Collection from Customers		5,233,598,879	4,381,269,109
Cash paid to Suppliers & others		(4,772,187,163)	(3,983,850,235)
Interest paid		(150,270,407)	(153,524,466)
Income tax paid		(20,000,000)	(23,472,184)
<b>Net Cash Generated from Operations</b>	<b>42.01</b>	<b>291,141,309</b>	<b>220,422,224</b>
<b>B) Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment		(313,940,146)	(243,584,629)
Short term Investment Received		-	339,209,477
Investment in FDR		(823,051)	(912,227)
Interest and Other Received		1,306,718	2,487,251
<b>Net Cash from/(used in) Investing Activities</b>		<b>(313,456,479)</b>	<b>97,199,872</b>
<b>C) Cash Flows from Financing Activities</b>			
Dividend paid		(57,985,176)	(118,057,834)
Long term Loan Received/(Paid)		(76,678,113)	(159,604,732)
Short term loan Paid		473,104,757	158,026,230
<b>Net Cash from/(used in) Financing Activities</b>		<b>338,441,468</b>	<b>(119,636,336)</b>
<b>D) Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>316,126,298</b>	<b>197,985,760</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>282,654,541</b>	<b>84,668,781</b>
<b>F) Closing Cash and Cash Equivalents (D+E)</b>	<b>13.00</b>	<b>598,780,839</b>	<b>282,654,541</b>
<b>Net Operating Cash Flows per Share (par value Tk. 10 each)</b>	<b>42.00</b>	<b>1.26</b>	<b>0.95</b>

The annexed notes 01 to 46 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 27-10-2020 and signed on its behalf by:

  
Company Secretary

  
Director & CFO

  
Managing Director

  
Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: October 29, 2020

  
Shafiq Basak & Co.  
Chartered Accountants

## **BEACON PHARMACEUTICALS LIMITED**

### **Notes to the Financial Statements**

**For the year ended 30 June 2020**

#### **1.00 BACKGROUND AND ACTIVITIES OF THE COMPANY:**

##### **1.01 Background of the Company:**

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

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

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

##### **1.03 Nature of Business Activities:**

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

##### **1.04 Production Unit:**

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

#### **2.00 SIGNIFICANT ACCOUNTING POLICIES:**

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

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

##### **2.02 Accounting Convention and Assumption:**

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

## 2.03 Principle of Accounting Policies:

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

## 2.04 Application of accounting Standards

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

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

## 2.05 Valuation of Inventories:

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

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

Cost comprises of the value of materials and attributable direct labor, depreciation and production overheads. The management has conducted annual physical verification of inventories on the closing date of business as on 30 June 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 25% or 0.60 percent of Gross Receipt whichever is higher as per provision of section 82C of the Income Tax Ordinance 1984. Income tax return of the company for the assessment year 2018-2019 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.

**2.09.01 Measurement and recognition:**

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

**2.09.02 Subsequent costs:**

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

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

An item of property, plant and equipment is removed from the statement of financial position when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of property, plant and equipment is included in the statement of income of the period in which the assets are disposed off. There were no disposals of property, plant and equipment in 2019.

### 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 IAS 17 no financial and operating leases is accounted for during the year under review.

### 2.11 Revenue Recognition:

In compliance with the requirements of IFRS 15 Revenue, Revenue is recognized only when; Revenue receipts from customers against sales are recognized when products are dispatched to the customers, that is, when the significant risk and rewards of ownership have been 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 or equity instrument of another entity. Financial assets include available for sale assets, held to maturity assets, held for trading, loans and receivable and cash and cash equivalent. Financial Liabilities include borrowings, others financing and bank loans and accounts payables.

### 2.14.02 Recognition:

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

### 2.14.03 Subsequent Measurement:

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

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

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

**2.16 Credit Risk:**

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

**2.17 Liquidity Risk:**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's approach toward managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

**2.18 Interest Rate Risk:**

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

**2.19 Exchange Rate Risk:**

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

**2.2 Market Risks:**

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

**2.21 Borrowing Costs:**

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

## 2.22 Related Parties disclosure

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

## 2.23 Earning per Shares:

### 2.23.01 Basic Earnings Per Share

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

### 2.23.02 Diluted Earnings Per Share:

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

## 2.24 Provision:

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

In accordance with the guidelines as prescribed by IAS 37 provisions were recognized in the following situations. When the company has represent obligation as a result of past event. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation ; and realizable estimate 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 Equivalent include cash in hand, cash at banks, etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

## 2.27 Trade and Other Payable:

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

## 2.28 Repairs and Maintenance Charges:

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

**2.29 Bad and doubtful debts:**

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

**2.30 Promotional Expenses:**

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

**2.31 Insurance Coverage:**

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

**3.00 COMPLIANCE AND OTHERS:**

**3.01 Compliance with Local Laws:**

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

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

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

**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 2019 to 30 June 2020 and followed consistently.

**3.08 Approval of Financial Statement:**

The financial statements have been approved by the Board of Directors as on 27 October 2020.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**04.00 PROPERTY PLANT & EQUIPMENT: TK. 3,047,834,996**

**A) Cost:**

Opening Balance	5,037,384,510	4,823,022,495
Add: Addition during the year	290,459,917	214,362,015
Add: Revaluation Surplus on Machinery	1,386,461,352	-
<b>Closing Balance (A)</b>	<b>6,714,305,779</b>	<b>5,037,384,510</b>

**B) Accumulated Depreciation**

Opening Balance	3,155,457,920	2,606,523,861
Add: Addition during the year	511,012,863	548,934,059
Less: Adjustment during the year	-	-
<b>Closing Balance (B)</b>	<b>3,666,470,783</b>	<b>3,155,457,920</b>
<b>Written Down Value (A-B)</b>	<b>3,047,834,996</b>	<b>1,881,926,590</b>

Details of Fixed Assets Schedule are given in **Annexure-A**

**05.00 CAPITAL WORK IN PROGRESS: TK. 342,814,419**

Opening Balance		319,334,190	290,111,576
Add: Addition during the year	Notes-5.01	23,480,229	29,222,614
		342,814,419	319,334,190
Less: Transfer to property plant & equipment	Notes-5.02	-	-
<b>Closing Balance</b>		<b>342,814,419</b>	<b>319,334,190</b>

**5.01 Breakup of Capital Work in Progress addition during the year: Tk. 23,480,229**

General Production Building-1	-	-
General Production Building-2	-	-
VIP Staff Quarter	-	-
Staff Dormitory	-	-
R & D Building	7,705,123	2,805,937
Parenteral Building	15,775,106	26,416,677
	<b>23,480,229</b>	<b>29,222,614</b>

**5.02 Breakup of Capital Work in Progress transfer to property plant & equipment during the year: Tk. 0**

Production Machinery & Equipment	-	-
Purified Water Treatment Installation	-	-
General Production Building-1	-	-
General Production Building-2	-	-
Corporate Head Office	-	-
VIP Staff Quarter	-	-
Staff Dormitory	-	-
	<b>-</b>	<b>-</b>

**06.00 INVESTMENT IN SHARE: TK. 626,745**

Opening Balance	1,100,591	1,762,101
Add: Unrealized gain or (Loss)	(473,846)	(661,510)
<b>Closing Balance</b>	<b>626,745</b>	<b>1,100,591</b>

Breakup of the above amount is given below:

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka		
			30 June 2020	30 June 2019	
	Particulars	Number of Shares	Market Value		Book Value
			30 June 2020	30 June 2019	
	Intech Limited	220	4,312	7,128	2,300
	R N Spinning Mills Ltd.	168,225	622,433	1,093,463	3,855,040
	<b>Total</b>	<b>168,445</b>	<b>626,745</b>	<b>1,100,591</b>	<b>3,857,340</b>

The above amount have been classified as "Available for sale " financial assets as per IFRS 9 and shown at fair value of TK 626,745 derived from Quoted share prices as on 30-06-2020. Unrealized loss of Tk. 473,856 on the unsold shares has been recognized in the Statement of Profit or Loss and Other Comprehensive Income.

#### 07.00 INVENTORIES: TK. 1,032,586,636

Raw and Packing Materials	385,340,693	484,933,599
Work-in-Process	171,497,776	165,399,943
Finished Goods	361,790,217	275,871,969
Laboratory Chemicals	113,957,950	78,051,978
<b>Closing Balance</b>	<b>1,032,586,636</b>	<b>1,004,257,489</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	54,896	35,950,918
		KG	38,952	204,972,249
		Ltr	4	5,389,248
		MG	15	9,346
		ML	4,224	2,594,337
Sub-Total				248,916,098
02	Raw Materials (Excipient)	GM	19,799	69,729
		KG	155,652	37,828,404
		Ltr	2,088	1,348,983
		ML	25,113	17,077
		Pcs	36,024,697	6,991,314
Sub-Total				46,255,507
03	Primary Packaging	KG	49,190	22,049,124
		Pcs	6,829,196	21,491,500
Sub-Total				43,540,624
04	Secondary Packaging	GM	46,000	16,560
		KG	50	1,750
		PCS	30,857,547	46,610,154
Sub-Total				46,628,464
05	Work in Process (WIP)	Pcs	1,355,374	171,497,776
Sub-Total				171,497,776
06	Finished Goods	Pack	3,081,260	361,790,217
Sub-Total				361,790,217
07	Laboratory Chemicals (Reagent)	GM	72,844	65,393,001
		MG	250	48,750
		KG	1,838	2,983,422
		Ltr	12,850	28,594,800
		ML	13,991	16,279,531
		Pack	202	70,846
		Pcs	226	587,600
Sub-Total				113,957,950
Grand-Total				1,032,586,636

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**08.00 ACCOUNTS RECEIVABLE: TK. 1,059,623,867**

Barisal Sales Center			11,032,587	9,738,541
Bogura Sales Center			9,503,096	7,234,555
Chittagong Sales Centre			19,787,336	14,924,356
Maizdee/Chowmuhony Sales Centre			9,447,217	6,796,844
Cumilla Sales Centre			29,300,896	14,647,322
Dhaka Sales Centre/Dhaka North			86,517,159	53,256,810
Faridpur Sales Centre			4,214,879	3,475,070
Khulna Sales Centre			5,777,902	5,430,637
Mymensingh Sales Centre			1,329,146	5,835,214
Narayangonj Sales Centre			7,530,396	7,589,826
Rajshahi Sales Centre			10,655,201	11,629,964
Rangpur Sales Centre			18,767,254	15,738,385
Sylhet Sales Centre			20,983,172	16,721,794
Cox's Bazar Sales Center			15,230,955	9,397,166
Dhaka Sales Center-Mohd. Pur Kakrail/Dhaka South			40,733,676	37,420,124
Brahman Baria Sales Centre			18,750,152	15,689,979
Feni Sales Centre			15,767,132	13,215,576
Beacon Privilege Point			18,787,768	39,849,858
Jessore Sales Centre			8,346,167	6,828,604
Dinajpur Sales Centre			11,803,974	10,385,476
Tangail Sales Centre			3,459,765	951,012
Beacon Medicare Ltd.			673,592,669	387,011,987
Niketan Depot			18,305,368	-
Receivable from Export Sales	Note-8.01		-	8,663,329
			<u>1,059,623,867</u>	<u>702,432,429</u>

**8.01 Receivable from Export Sales: Tk. 0**

Srilanka	-	1,289,065
Philippine	-	3,484,449
Thailand	-	2,893,814
Myanmar	-	996,000
	<u>-</u>	<u>8,663,329</u>

Aging of the above balance is given below:

Below 30 days	870,779,913	643,963,146
Below 90 days	136,067,906	8,663,328
Below 180 days	52,776,048	49,805,955
	<u>1,059,623,867</u>	<u>702,432,429</u>

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

**09.00 ADVANCE, DEPOSITS & PREMENTS: TK. 605,593,994**

Advance against VAT	Note-9.01	4,176,801	331
Advance to employees	Note-9.02	7,452,004	12,001,297
Advance for Earnest Money & Security Deposit	Note-9.03	55,428,967	53,086,363
Advance against Import	Note-9.04	318,475,227	387,503,858
Other Advance	Note-9.05	220,060,995	170,976,192
		<u>605,593,994</u>	<u>623,568,041</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
<b>09.01</b>	<b>Advance against VAT: Tk. 4,176,801</b>			
	VAT		4,176,801	331
			<u>4,176,801</u>	<u>331</u>
<b>09.02</b>	<b>Advance to employees: Tk. 7,452,004</b>			
	Salary		178,099	258,538
	Marketing expense		81,643	(120,451)
	Advance against Motorcycle		6,421,367	11,723,075
	Mobile Set		770,895	140,135
			<u>7,452,004</u>	<u>12,001,297</u>
<b>09.03</b>	<b>Advance for Earnest Money &amp; Security Deposit: Tk. 55,428,967</b>			
	Earnest Money & Security Deposit - Tender		44,414,609	42,072,005
	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
			<u>55,428,967</u>	<u>53,086,363</u>
<b>09.04</b>	<b>Advance against Import: Tk. 318,475,227</b>			
	Advance Against L/C		318,475,227	387,503,858
			<u>318,475,227</u>	<u>387,503,858</u>
<b>09.05</b>	<b>Other Advance: Tk. 220,060,995</b>			
	Advance against Office Space		84,366,388	98,621,933
	Advance against Land		46,321,036	42,421,036
	Advance against Depot Rent		5,428,763	4,640,223
	Advance against WPPF		25,293,000	25,293,000
	Advance against suppliers		58,651,808	-
			<u>220,060,995</u>	<u>170,976,192</u>
	There is no aggregate amount due from Directors.			
	There is no claim against the Company, which can be acknowledged as bad debt.			
	No amount is due by the associated undertakings.			
<b>10.00</b>	<b>ASSET FOR CURRENT TAX: TK. 168,987,917</b>			
	Corporate Tax (Liability)/ Assets	<b>Note-10.01</b>	180,880,683	139,561,354
	Less: Other Tax Liability	<b>Note-10.02</b>	11,892,766	14,295,273
			<u>168,987,917</u>	<u>125,266,081</u>
<b>10.01</b>	<b>CORPORATE TAX (LIABILITY)/ASSETS : TK. 180,880,683</b>			
	Opening Balance		139,561,354	93,621,734
	Less: Tax on current Year Profit		46,125,854	40,850,243
	<b>Total tax (liabilities)/Assets</b>		<u>93,435,500</u>	<u>52,771,491</u>
	<b>Add: TDS/Advance paid tax</b>			
	For income year 2019-2020		87,445,183	86,789,863
	<b>Total Corporate Tax Liability</b>		<u>180,880,683</u>	<u>139,561,354</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
<b>10.02</b>	<b>OTHER TAX LIABILITY: TK. 11,892,766</b>			
	TDS from Salary & Allowances		1,500,720	1,025,395
	TDS from Trade Creditors		9,254,971	5,427,189
	TDS from Office Rent		946,386	1,245,318
	TDS from Managing Director's Remuneration		71,521	6,520,276
	TDS from Gas Bills		57,667	24,039
	TDS from Audit Fee		42,223	35,000
	TDS from Compliance Audit Fee		5,278	2,500
	TDS Credit Rating Fee		14,000	15,556
	<b>Closing Balance</b>		<b>11,892,766</b>	<b>14,295,273</b>
<b>11.00</b>	<b>DEFERRED TAX ASSETS: TK. 305,385,767</b>			
	Opening Balance		41,883,317	46,733,455
	Deferred tax (income)/expenses		(263,502,450)	4,850,138
	<b>Closing Balance</b>		<b>305,385,767</b>	<b>41,883,317</b>
	<b>Deferred Tax (Income)/Expenses</b>			
	The break up is given below:			
	<b>Carrying amount</b>			
	Fixed Assets (Excluding Land & Land Development)		2,481,770,422	1,378,836,016
	Provision for Gratuity		(55,202,000)	(33,028,942)
	Provision for Provident Fund		(46,061,080)	(6,028,011)
			<b>2,380,507,342</b>	<b>1,339,779,063</b>
	<b>Tax Base</b>			
	Fixed Assets (Excluding Land & Land Development)		1,158,964,272	1,172,245,796
	Provision for Gratuity		-	-
			<b>1,158,964,272</b>	<b>1,172,245,796</b>
	<b>Taxable/(deductible) temporary difference</b>		<b>1,221,543,070</b>	<b>167,533,267</b>
	Tax rate		25%	25%
	Deferred tax (assets)/liabilities		305,385,767	41,883,317
	Less: Opening Balance		41,883,317	46,733,455
	<b>Deferred tax( income)/expenses</b>		<b>(263,502,450)</b>	<b>4,850,138</b>
	Deferred tax on revaluation surplus	Note-15.01	21,188,661	-
	Deferred tax (income)/expenses for the year		<b>(242,313,790)</b>	<b>4,850,138</b>
<b>12.00</b>	<b>Investment in FDR: Tk. 14,668,834</b>			
	Rupali Bank Limited A/C: 0018035004648		5,605,691	5,350,877
	One Bank Limited A/C:0014140007281		9,063,143	8,494,906
			<b>14,668,834</b>	<b>13,845,783</b>
<b>13.00</b>	<b>CASH &amp; CASH EQUIVALENTS: TK. 598,780,839</b>			
	Cash in Hand	Note-13.01	33,220,559	23,248,517
	Cash at Bank	Note-13.02	565,560,280	259,406,024
			<b>598,780,839</b>	<b>282,654,541</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
<b>13.01</b>	<b>Cash in Hand: Tk. 33,220,559</b>			
	Head Office		11,152,462	16,002,046
	Factory Office		5,813,133	823,389
	Chattagram Sales Office		379,839	404,004
	Mymensingh Sales Office		254,929	315,557
	Sylhet Sales Office		868,259	497,864
	Cumilla Sales Office		1,710,752	51,615
	Barishal Sales Office		189,240	43,115
	Faridpur Sales office		-	16,910
	Rangpur Sales Office		151,413	86,229
	Rajshahi Sales Office		398,145	398,457
	Narayanganj Sales Office		831,261	94,596
	Maizdee Sales Office		5,434,889	102,645
	Khulna Sales Office		180,383	471,727
	Bogura Sales Office		76,437	165,148
	Cox's Bazar Sales Office		1,435,590	384,154
	Dinajpur Depot		74,317	77,724
	Mohammadpur from Dhaka North Depot		2,720,966	2,013,811
	Kakrail from Dhaka South Depot		153,214	430,473
	Feni Depot		368,301	360,304
	B. Baria Depot		667,261	133,840
	Beacon Privilege Point Depot		36,535	59,561
	Jessore Depot		163,823	272,806
	Tangail Depot		20,078	22,309
	Niketon sales center		9,417	-
	CDC		129,915	20,233
			<b>33,220,559</b>	<b>23,248,517</b>

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

**13.02 Cash at Bank: Tk. 565,560,280**

HSBC - CD A/C. No. 001143379011	96,054	96,054
First Security Islamic Bank Ltd. CD A/C No. 1110001246	(27,628,804)	3,060,589
Janata Bank Ltd. CD A/C. No. - 1014203	37,330,598	(6,792,852)
Shahjalal Islami Bank Ltd. AWA A/C. No. 10078	12,508	12,508
The City Bank Ltd., Dinajpur Br. CD A/C. No. 1102358521001	5,696	5,696
The City Bank Ltd., Sylhet Br. CD A/C. No. 1102193550001	26,568	26,568
ICB Islami Bank Ltd. Principal Br., CD A/C.No.001000200071157	82,361	83,626
Dutch Bangla Bank Ltd. CD A/C. No. 0105110000016107	6,410,950	89,028,120
Dutch Bangla Bank Ltd. STD A/C. No. 010511000001641	443,197,494	77,590,358
Rupali Bank Ltd., Local Office Branch, Motijheel, Dhaka. CD A/C. 89649	23,741,083	1,518,497
Sonali Bank Ltd., Dilkusha Corp. Branch, Motijheel, Dhaka. CD A/C. 33028459	113,651	13,651
Janata Bank Ltd., Bhaluka Branch. STD A/C. 0000131	816,603	2,103
Janata Bank Ltd. FC A/C. 402000449	10,486,687	11,922,403
Bank Asia Ltd. CD A/C. 004433010401	5,851	5,851
Social Islami Bank Ltd. Cd A/C. No. 21330052331	1,011	1,011
Dutch Bangla Bank Ltd., CD A/C No. 105.110.28382	5,058,553	15,869,487
FSIB Ltd. Gulshan Br., FCA US Dollar, A/C-112 16500000001	56,467	56,467
Eastern Bank Ltd., Credit Card. A/C. No. 7260	(90,713)	(114,453)
Bank Asia Ltd. CD A/C. 04633000196	362,619	362,619
Commercial Bank of Ceylon PLC. A/C. # 1817000818	1,012,736	2,326,767

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
	Commercial Bank of Ceylon, ERQ A/C. # 1802011076		5,181,980	14,285,775
	Modhumoti Bank Ltd., CD A/C No: 110111100000174		4,250	4,250
	Janata Bank Sundry A/Cs -70104001		-	2,358,050
	Rupali Bank Ltd. Sundry A/Cs		10,687,937	10,687,937
	Dutch Bangla Bank-STD-00000340		2,753,299	2,921,050
	Dutch Bangla Bank-CD-105-120-0003909		2,223,027	2,543,325
	Brac Bank Ltd. CD-150-520-1786608001		76,504	1,322,198
	Shimanto Bank Ltd. A/C: 410000140		98,620	98,620
	Dutch Bangla Bank-CD-105-120-0004082		2,815,194	5,330,409
	Dutch Bangla Bank-CD-281-110-0003384		6,901,889	4,398,576
	Dutch Bangla Bank (WPPF)-CD-1051200004098		16,660,718	20,380,764
	Dutch Bangla Bank -CD-1051204173		5,327,553	-
	United Commercial Bank Ltd. CD-1041101705		7,400,000	-
	Dutch Bangla Bank Collection A/C (22 AC)		4,331,336	-
	<b>Total</b>		<b>565,560,280</b>	<b>259,406,024</b>

Bank balances are either reconciled or agreed with the bank statements but directly not confirmed by the banks except 8 nos. bank. Moreover, direct confirmation from 11 nos. DBBL Collection Account has been received.

#### 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	-
Others than in cash 55000000 Shares @ Tk.10	550,000,000	-
	<b>2,310,000,000</b>	<b>-</b>

##### Shareholding Position was as follows:

Category of Shareholder	30 June 2020			30 June 2019		
	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	3	30%
Institutions	101,073,556	107	44%	54,259,590	231	23%
Public	60,614,444	13,166	26%	107,428,410	22,459	47%
<b>Total</b>	<b>231,000,000</b>	<b>13,280</b>	<b>100%</b>	<b>231,000,000</b>	<b>22,693</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 2020	30 June 2019
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>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**Classification of shareholders by holding**

Range of Holdings	Numbers of Shareholders	No. of Shares	% of holding 30 June 2020
Less than 501 Shares	4,924	982,953	
501 to 5,000 Shares	7,448	7,293,257	3.16%
5001 to 10,000 Shares	352	2,589,283	1.12%
10,001 to 20,000 Shares	178	2,510,325	1.09%
20,001 to 30,000 Shares	103	2,540,448	1.10%
30,001 to 40,000 Shares	50	1,739,514	0.75%
40,001 to 50,000 Shares	28	1,270,772	0.55%
50,001 to 100,000 Shares	79	5,887,955	2.55%
100,001 to 1,000,000 Shares	93	26,223,097	11.35%
Above 1,000,000 Shares	25	179,962,396	77.91%
<b>Total</b>	<b>13,280</b>	<b>231,000,000</b>	<b>100%</b>

**15.00 RESERVE & SURPLUS: TK. 1,589,160,203**

Revaluation Reserve	<b>Note-15.01</b>	1,583,657,104	260,761,735
Tax Holiday Reserve	<b>Note-15.02</b>	5,503,099	5,503,099
<b>Closing Balance</b>		<u>1,589,160,203</u>	<u>266,264,834</u>

**15.01 Revaluation Reserve: Tk. 1,583,657,104**

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

Particulars	Revaluation Surplus as on 01.07.2019	Deferred tax on Revaluation Surplus	Depreciation adjustment (Note-15.03)	Deferred tax on Depreciation Adjustment	Revaluation Reserve as on 30 June 2020
Land & Land Development	168,084,972	-	-	-	168,084,972
Building	11,788,390	-	1,072,484	268,121	10,984,027
Vehicles	10,644,271	-	9,461,575	2,365,394	3,548,090
Electrical Installation	736,739	-	742,928	185,732	179,543
Office Equipments	(7,787,386)	-	-	-	(7,787,386)
Machineries	83,826,559	1,386,461,352	73,477,657	18,369,414	1,415,179,668
Furniture & Fixtures	(6,531,810)	-	-	-	(6,531,810)
<b>Total</b>	<b>260,761,735</b>	<b>1,386,461,352</b>	<b>84,754,644</b>	<b>21,188,661</b>	<b>1,583,657,104</b>

Fixed assets were primarily revalued by a firm of professional valuer in 2009 & during the year only machineries has been revalued by G.K. Adjusters Limited and the increased value thereof been shown in Revaluation Reserve. Depreciation charged on revaluation surplus against Building, Vehicles, Electrical Installation and Machineries of TK. 84,754,644 has been adjusted between revaluation reserve and retained earnings.

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

<u>5,503,099</u>	<u>5,503,099</u>
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Tax Holiday Reserve is being carried forward from 2010.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**15.03 Revaluation Reserve Adjustment: Tk. 84,754,644**

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	73,477,657
Furniture & Fixture	(6,531,810)	10	-
<b>Total</b>	<b>1,700,240,525</b>	<b>-</b>	<b>84,754,644</b>

**16.00 RETAINED EARNINGS: TK. 733,240,742**

Opening Balance		404,494,990	406,443,764
Less: Prior year adjustment for loss on foreign exchange fluctuations		(16,217)	-
Add: Net Profit during the year		380,691,353	117,700,592
Add: Revaluation Reserve adjustment	<b>Note-15.01</b>	84,754,644	25,267,512
		<b>869,924,770</b>	<b>549,411,868</b>
Less: Dividend		(115,500,000)	138,600,000
Less: Deferred Tax Adjustment		(21,188,661)	6,316,878
<b>Closing Balance</b>		<b>733,236,109</b>	<b>404,494,990</b>

**17.00 LONG TERM LOAN: TK. 493,020,795**

Janata Bank Ltd.	<b>Note-17.01</b>	-	-
Janata Bank Ltd. (Take Over Loan)	<b>Note-17.02</b>	-	-
Agrani Bank Ltd.	<b>Note-17.03</b>	-	-
Sonali Bank Ltd.	<b>Note-17.04</b>	-	-
Rupali Bank Ltd.	<b>Note-17.05</b>	480,257,824	554,619,020
Prime Finance & Investment Ltd.	<b>Note-17.06</b>	-	-
Bangladesh Finance and Investment Company Ltd.	<b>Note-17.07</b>	-	-
BRAC Bank Ltd.	<b>Note-17.08</b>	12,762,971	19,800,239
<b>Closing Balance</b>		<b>493,020,795</b>	<b>574,419,259</b>

**17.01 Janata Bank Limited: Tk. 0**

Opening balance with current portion	-	43,814,935
Add: Received during the year	-	212,498
Add: Interest during the year	-	2,744,384
Less: Paid during the year	-	46,771,817
Less: Transfer to current portion of long term loan	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Details are as under:

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

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

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

Opening balance with current portion	-	(3,810,813)
Add: Received during the year	-	7,676,085
Add: Interest during the year	-	183,247
Less: Paid during the year	-	4,048,519
Less: Transfer to current portion of long term loan	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Details are as under:

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

**17.03 Agrani Bank Ltd: Tk. 0**

Opening balance	-	14,531,633
Add: Received during the year	-	13,200
Add: Interest & bank charge during the year	-	902,143
Less: Paid during the year	-	15,446,976
Less: Transfer to current portion of long term loan	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Details are as under:

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

**17.04 Sonali Bank Ltd: Tk. 0**

Opening balance	-	58,171,884
Add: Received during the year	-	37,060
Add: Interest during the year	-	3,812,630
Less: Paid during the year	-	62,021,574
Less: Transfer to current portion of long term loan	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Details are as under:

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

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**17.05 Rupali Bank Ltd: Tk. 480,257,824**

Opening balance	694,123,258	687,001,624
Add: Received during the year	21,522,586	90,712,874
Add: Interest during the year	52,631,220	507,894,777
Less: Paid during the year	144,009,620	134,380,719
Less: Transfer to current portion of long term loan	144,009,620	139,504,236
<b>Total</b>	<b>480,257,824</b>	<b>554,619,020</b>

Details are as under:

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

**17.06 Prime Finance & Investment Ltd: Tk. 0**

Opening balance	-	11,457,438
Add: Received during the year	-	524,230
Add: Interest during the year	-	767,169
Less: Paid during the year	-	12,748,837
Less: Transfer to current portion of long term loan	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Details are as under:

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

**17.07 Bangladesh Finance and Investment Company Ltd: Tk. 0**

Opening balance	-	36,595,865
Add: Received during the year	-	843,405
Add: Interest during the year	-	3,899,389
Less: Paid during the year	-	41,338,659
Less: Transfer to current portion of long term loan	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Details are as under:

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

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**17.08 BRAC Bank Ltd: Tk. 12,762,971**

Opening balance	29,466,239	35,431,661
Add: Adjustment/Received during the year	-	78,256
Add: Interest during the year	3,035,139	3,660,322
Less: Paid during the year	9,857,439	9,704,000
Less: Transfer to current portion of long term loan	9,880,968	9,666,000
<b>Total</b>	<b>12,762,971</b>	<b>19,800,239</b>

Details are as under:

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

**18.00 CURRENT PORTION OF LONG TERM LOAN: TK. 153,890,588**

Janata Bank Ltd.	-	-
Janata Bank Ltd. (Take Over Loan)	-	-
Agrani Bank Ltd.	-	-
Sonali Bank Ltd.	-	-
Rupali Bank Ltd.	144,009,620	139,504,236
Prime Finance & Investment Ltd.	-	-
Bangladesh Finance and Investment Company Ltd.	-	-
BRAC Bank Ltd.	9,880,968	9,666,000
<b>Closing Balance</b>	<b>153,890,588</b>	<b>149,170,236</b>

**19.00 Short Term Loan: TK.1,534,501,262**

LC/TR - First Security Bank Ltd., Gulshan Branch, Dhaka	<b>Note-19.01</b>	129,782,752	60,756,059
CC (Hypo)- Janata Bank Ltd., Corporate Bhaban Branch	<b>Note-19.02</b>	1,404,718,510	1,000,640,446
<b>Closing Balance</b>		<b>1,534,501,262</b>	<b>1,061,396,505</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. 129,782,752**

Opening balance	60,756,059	6,604,515
Add: Received & interest during the year	196,128,463	120,976,041
Less: Paid during the year	127,101,770	66,824,497
<b>Total</b>	<b>129,782,752</b>	<b>60,756,059</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	: 16% per annum
Mode of Payment	: From own sources
Nature of Securities	: Mortgage of Land & Building

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
19.02	CC (Hypo)- Janata Bank Ltd., Corporate Bhaban Branch: Tk. 1,404,718,510			
	Opening balance		1,000,640,446	896,765,760
	Add: Received during the year		783,560,028	210,780,558
	Add: Interest during the year		93,683,697	45,330,232
	Less: Paid during the year		473,165,661	152,236,104
	Total		1,404,718,510	1,000,640,446

Details are as under:

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

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

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 30.06.2020 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.

**21.00 ACCOUNTS PAYABLE: TK. 32,315,316**

Payable to Suppliers	<b>Note-21.01</b>	(23,781,072)	18,991,082
Depot Expenses Payable	<b>Note-21.02</b>	41,393,307	8,616,262
Others Payable	<b>Note-21.03</b>	14,703,081	13,289,020
		<b>32,315,316</b>	<b>40,896,364</b>

**21.01 Payable to Suppliers: Tk. -23,781,072**

Against Raw Materials	849,709	4,294,450
Against Laboratory Chemicals	16,771,887	11,197,602
Against Computer & Accessories	(366,241)	1,433,283
Against Plastic Items	4,800,096	3,750,996
Against Machinery & Equipment	(1,942,599)	(7,605,535)
Against Printing & Packaging Materials	(7,894,629)	38,820,482
Against PVC & Foil suppliers	3,270,654	2,421,635
Against Clearing & Forwarding	(49,047,366)	(7,753,559)
Against Maintenance & Service	(2,109,501)	(3,318,299)
Against Vehicles suppliers	37,316,500	-
Against Construction Materials Suppliers	(12,331,447)	(11,886,947)
Against Advertising	(3,807,677)	(1,707,605)
Against Promotional Items	(4,515,856)	(12,933,888)
Against Travel Agencies	(1,409,699)	(1,743,596)
Against Transport & Courier	1,427,687	2,739,922
Against Glass Item - Suppliers	1,626,050	(156,653)
Against Furniture & Fixture	(413,069)	(511,220)
Against Insurance Premium	34,241,544	29,258,876
Against Misc. Suppliers	(40,083,323)	(26,964,581)
Against Spare Parts	(183,540)	(183,540)
Against Training & Developments	(746,667)	(736,667)
Against Stationeries & Suppliers	766,415	575,926
<b>Closing Balance</b>	<b>(23,781,072)</b>	<b>18,991,082</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**21.02 Depot Expenses Payable: Tk. 41,393,307**

Rangpur Depot	1,209,316	73,264
Bogura Depot	1,117,859	333,985
Rajshahi Depot	1,101,856	(91,104)
Khulna Depot	1,410,089	126,384
Barisal Depot	2,338,921	(28,934)
Faridpur Depot	831,150	84,291
Mymensingh Depot	1,749,599	590,281
Narayanganj Depot	945,710	33,740
Cumilla Depot	5,081,696	2,898,395
Sylhet Depot	3,351,357	910,871
Maizdee Depot	1,015,599	122,836
Chittagong Depot	3,501,994	224,707
Central Distribution Centre	967,735	(703,753)
Cox's Bazar	1,330,927	6,539
Mohammadpur from Dhaka North Depot	2,833,861	366,419
Kakrail from Dhaka South Depot	1,638,800	26,795
Privilege Point	518,069	75,456
B. Baria Depot	2,215,627	1,073,544
Feni Depot	1,282,783	134,109
Jessore Depot	1,199,042	(82,861)
Dinajpur Depot	1,934,818	1,186,930
Tangail Depot	3,816,499	1,254,368
<b>Closing Balance</b>	<b>41,393,307</b>	<b>8,616,262</b>

**21.03 Others Payable: Tk. 14,703,081**

Received against Motor Cycle	-	-
Earn leave payable	907,588	1,174,956
Against Motor Car	13,795,493	12,114,064
<b>Closing Balance</b>	<b>14,703,081</b>	<b>13,289,020</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.

**22.00 ACCRUED EXPENSES: TK. 78,338,713**

Salary & Allowances	74,000,260	57,703,696
Gas Bills	3,784,953	2,697,626
Audit Fees	380,000	315,000
Credit Rating Fees	126,000	140,000
Compliance Audit Fees	47,500	22,500
<b>Closing Balance</b>	<b>78,338,713</b>	<b>60,878,822</b>

**23.00 VAT PAYABLE: TK. 11,287,097**

Trade Creditors	6,822,624	6,053,344
House rent	4,382,723	4,741,006
Audit Fees	63,333	52,500
Credit Rating Fees	10,500	10,889
Compliance Audit Fees	7,917	3,750
<b>Closing Balance</b>	<b>11,287,097</b>	<b>10,861,489</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
<b>24.00</b>	<b>LIABILITY FOR EWF &amp; WPPF: TK. 25,097,417</b>			
	Employees Welfare Fund (EWF)	<b>Note-24.01</b>	-	-
	Workers Profit Participation Fund (WPPF)	<b>Note-24.02</b>	25,097,417	21,077,144
	<b>Closing Balance</b>		<b>25,097,417</b>	<b>21,077,144</b>
<b>24.01</b>	<b>Employees Welfare Fund (EWF): Tk. 0</b>			
	Opening Balance		-	2,686,246
	Add: Contribution during the year		-	202,976
	<b>Total Contribution</b>		<b>-</b>	<b>2,889,222</b>
	Less: Paid to the employees		-	2,889,222
	<b>Closing Balance</b>		<b>-</b>	<b>-</b>
<b>24.02</b>	<b>Workers Profit Participation Fund: Tk. 25,097,417</b>			
	Opening Balance		21,077,144	20,092,848
	Add: Contribution during the year		9,225,171	10,535,847
	<b>Total Contribution</b>		<b>30,302,315</b>	<b>30,628,695</b>
	Less: Distributed among the employees		5,204,898	9,551,551
	<b>Closing Balance</b>		<b>25,097,417</b>	<b>21,077,144</b>
<b>25.00</b>	<b>PROVISION FOR EMPLOYEES' PROVIDENT FUND: TK. 46,061,080</b>			
	Opening Balance		6,028,011	6,352,182
	Addition made during the year		74,514,262	37,824,210
	<b>Total</b>		<b>80,542,273</b>	<b>44,176,392</b>
	Less: Paid to the Fund during the year		34,481,193	38,148,381
	<b>Closing Balance</b>		<b>46,061,080</b>	<b>6,028,011</b>
<b>26.00</b>	<b>PROVISION FOR GRATUITY: TK. 55,202,000</b>			
	Opening Balance		33,028,942	28,336,371
	Addition made during the year		23,272,131	19,182,643
	<b>Total</b>		<b>56,301,073</b>	<b>47,519,014</b>
	Less: Gratuity paid during the year		1,099,073	14,490,072
	<b>Closing Balance</b>		<b>55,202,000</b>	<b>33,028,942</b>
<b>27.00</b>	<b>DIVIDEND PAYABLE: TK. 112,520,500</b>			
	Opening Balance		55,005,676	34,463,510
	Add: Addition during the Year		115,500,000	138,600,000
			170,505,676	173,063,510
	Less: Dividend paid during the year		57,985,176	118,057,834
	<b>Closing Balance</b>		<b>112,520,500</b>	<b>55,005,676</b>
<b>28.00</b>	<b>TURNOVER: TK. 5,590,790,317</b>			
	Local Sales		5,590,790,317	4,412,133,530
	Export Sales		-	234,731,880
	<b>Net Turnover</b>		<b>5,590,790,317</b>	<b>4,646,865,410</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

Details of Turnover are as under:

Product Group	Box/Pack	Net Sales	Box/Pack	Net Sales
	30 June 2020		30 June 2019	
Injection	2857580	1,065,076,949	2651913	960,912,187
Tablet	8790645	2,761,552,883	7800648	2,259,893,757
Pre-Filled Syringe	193717	134,714,051	153723	116,871,977
Infusion	669709	893,373,574	1626437	774,611,806
Capsule	1710291	175,161,641	2779311	200,841,619
Syrup	3385449	221,396,610	697712	176,848,176
PFS	1981939	323,036,972	1052883	156,885,888
Spray	216161	16,477,637	-	-
<b>Total</b>	<b>19,805,491</b>	<b>5,590,790,317</b>	<b>16,762,627</b>	<b>4,646,865,410</b>

## 29.00 COST OF GOODS SOLD: TK. 2,718,444,324

Materials Consumed	<b>Note-29.01</b>	1,905,429,386	1,606,776,074
Factory Overhead	<b>Note-29.02</b>	905,031,019	837,682,049
<b>Total Manufacturing Cost</b>		<b>2,810,460,405</b>	<b>2,444,458,123</b>
Add: Opening Work-in-Process		165,399,943	135,588,281
<b>Total Work-in-Process</b>		<b>2,975,860,348</b>	<b>2,580,046,404</b>
Less: Closing Work-in-Process		171,497,776	165,399,943
<b>Cost of Production</b>		<b>2,804,362,572</b>	<b>2,414,646,461</b>
Add: Opening Finished Goods		275,871,969	226,034,317
<b>Finished Goods available for Sale</b>		<b>3,080,234,541</b>	<b>2,640,680,778</b>
Less: Closing Finished Goods		361,790,217	275,871,969
<b>Cost of Goods Sold</b>		<b>2,718,444,324</b>	<b>2,364,808,809</b>

### 29.01 Materials Consumed: Tk. 1,905,429,386

Opening Inventory (Raw & Packing Material)	484,933,599	635,310,539
Add: Purchase	1,805,836,480	1,456,399,134
Materials available for use	2,290,770,079	2,091,709,673
Less: Closing Raw & Packing Material	385,340,693	484,933,599
<b>Total</b>	<b>1,905,429,386</b>	<b>1,606,776,074</b>

### 29.02 Factory Overhead: Tk. 905,031,019

Salaries & Allowances	198,214,863	162,654,814
Co's Contribution to P.F	3,521,098	2,844,614
Gratuity	3,660,730	3,079,513
Local Travel & Conveyance	383,593	676,508
Foreign Travel	1,611,741	1,762,998
Entertainment	3,499,427	1,356,429
Employee Fooding	34,053,619	31,219,863
Employee Pick & Drop	10,955,361	9,448,238
Telephone, Fax, Internet	82,507,537	28,457,792
Utilities	3,009,436	3,007,410
Fees & Renewal	1,728,905	438,658
Books, News Paper & Periodicals	12,794	816,708
Printing & Stationery	14,683,226	12,652,564
Legal & Consultancy Fees	637,125	738,760
Insurance Premium	3,032,382	3,239,760
Handling & Carrying Expense	529,729	434,000

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
	Research & Development Expense		47,536,745	41,317,970
	Repairs & Maintenance		4,015,105	4,242,850
	Training Expense		622,636	4,568,206
	Advertisement & Publicity		739,035	75,975
	Misc. Expense		622,589	276,554
	Tool Manufacturing Expense		24,431,637	24,841,872
	Depreciation		465,021,706	499,529,993
	<b>Total</b>		<b>905,031,019</b>	<b>837,682,049</b>

**30.00 ADMINISTRATIVE EXPENSES: TK. 293,256,774**

Salaries & Allowances	151,419,541	126,611,978
Co's Contribution to P.F	2,586,789	2,109,476
Gratuity	2,348,260	2,206,560
Local Travel & Conveyance	1,836,971	2,526,650
Foreign Traveling Expenses	1,736,761	1,767,971
Entertainment	3,123,477	7,017,781
Employee Fooding	27,456,805	30,514,860
Office Rent	17,041,152	19,405,578
Employee Pick & Drop	20,902,226	22,934,491
Utilities	5,432,591	6,651,224
Telephone, Fax, Courier	5,368,798	5,491,084
Fees & Renewals	2,240,927	2,752,485
Books, News Paper & Periodicals	54,634	62,693
Printing & Stationery	6,955,920	6,514,523
Audit Fee	498,334	431,250
Legal & Consultancy Fees	1,681,945	5,142,670
Insurance Premium	2,991,828	3,199,088
Bank Charge & Other Expense	1,582,170	2,440,485
Company Secretarial & Share Exe.	175,027	2,585,238
Handling & Carrying Expense	5,098,135	596,793
Repairs & Maintenance	2,606,737	3,591,596
Advertisement & Publicity	402,561	4,514,860
Training Expenses	1,506,807	631,101
Misc. Expenses	7,767,863	4,423,849
Depreciation	20,440,515	21,957,362
<b>Total</b>	<b>293,256,774</b>	<b>286,081,646</b>

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

**31.00 MARKETING, SELLING & DISTRIBUTION EXPENSES: TK. 2,236,396,943**

Salaries & Allowances	715,152,100	596,745,479
Co's Contribution to P.F	16,143,813	13,474,247
Gratuity	17,290,432	13,896,570
Local Travel & Conveyance	27,563,291	28,351,828
Foreign Travel	2,539,026	2,780,928
Entertainment	17,728,258	10,470,305
Employee Fooding	17,767,382	18,771,924
Depot Rent	23,317,578	16,526,403
Employees Pick & Drop	4,735,547	4,170,033
Utilities	2,773,385	2,213,610
Telephone, Fax, Internet	13,578,211	11,366,941
Fees & Renewal	2,197,113	1,712,841

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
	Printing & Stationery		13,204,012	14,988,788
	Legal & Consultancy Fees		-	50,000
	Insurance Premium		4,304,166	3,539,062
	Bank Charges		1,721,220	3,082,348
	Handling & Carrying		148,870	137,518
	Repairs & Maintenance		3,714,098	5,527,890
	Research & Product Development		3,273,989	4,456,147
	Field Force Expenses (TA/DA)		124,282,020	119,573,909
	Sales Incentive		45,396,241	18,407,044
	Training Expense		157,105	3,619,102
	Conference, fair and product launching		30,752,724	14,457,885
	Promotional Expense		996,663,121	634,287,684
	Advertisement & Publicity		6,012,308	5,397,168
	Distribution & Collection Expenses		114,466,433	89,089,620
	Misc. Expense		5,963,857	8,824,741
	Depreciation		25,550,643	27,446,703
	<b>Total</b>		<b>2,236,396,943</b>	<b>1,673,366,718</b>

**32.00 FINANCIAL EXPENSES: TK. 150,270,407**

Interest on Consortium Loan	Note-32.01	55,641,358	66,758,761
Interest on Short Term Loan	Note-32.02	93,683,698	85,879,465
Bank Charges Other	Note-32.03	945,351	886,240
<b>Total</b>		<b>150,270,407</b>	<b>153,524,466</b>

**32.01 Interest on Consortium Loan : TK. 55,641,358**

Janata Bank Ltd.	-	2,744,384
Janata Bank Ltd. (Takeover)	-	183,247
Agrani Bank Ltd.	-	902,143
Sonali Bank Ltd.	-	3,812,630
BD Finance Ltd.	-	3,899,389
BRAC Bank Ltd.	3,035,138	3,660,322
Prime Finance Ltd.	-	767,169
Rupali Bank Ltd.	52,606,220	50,789,477
<b>Total</b>	<b>55,641,358</b>	<b>66,758,761</b>

**32.02 Interest on Short Term Loan: Tk. 93,683,698**

CC(Hypo) - Janata Bank Ltd., Corporate Bhaban, Motijheel	93,683,698	85,879,465
<b>Total</b>	<b>93,683,698</b>	<b>85,879,465</b>

**32.03 Bank Charges Other: Tk. 945,351**

Bank Charge & Others	945,351	886,240
<b>Total</b>	<b>945,351</b>	<b>886,240</b>

**33.00 INCOME FROM OTHER SOURCES: TK. 1,306,718**

Interest Received from Bank	383,883	249,476
Interest on FDR	922,835	1,016,363
Foreign Exchange Gain/(Loss)	-	1,221,412
<b>Total</b>	<b>1,306,718</b>	<b>2,487,251</b>

Breakup of the above amount is given below:

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019
	Nepal		-	154,994
	Srilanka		-	887,867
	Philippine		-	163,891
	Thailand		-	13,352
	Myanmar		-	(1,850)
	Guatemala		-	3,158
			<u>-</u>	<u>1,221,412</u>

**34.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND: TK. 9,225,171**

WPPF Fund contribution during the year	9,225,171	8,170,048
<b>Total</b>	<u><b>9,225,171</b></u>	<u><b>8,170,048</b></u>

**34.01** 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 2020	30 June 2019
Contribution to Participatory Fund	80%	7,380,137	2,142,006
Contribution to Welfare Fund	10%	922,517	267,751
Contribution to WWFF	10%	922,517	267,751
<b>Total Taka</b>		<u><b>9,225,171</b></u>	<u><b>2,677,508</b></u>

**35.00 UNREALIZED (LOSS)/GAIN ON QUOTED SHARES : TK. (473,846)**

Unrealized Gain Realized	-	-
Unrealized (loss)/gain during the year	(473,846)	(661,510)
<b>Total Taka</b>	<u><b>(473,846)</b></u>	<u><b>(661,510)</b></u>

**36.00 EARNINGS PER SHARE (EPS): TK. 1.65**

**Basic Earnings Per Share**

Breakup of the above amount is given below:

Net Profit after Tax during the year		380,691,353	117,700,592
Weighted average number of shares during the year	<b>Note-14.00</b>	231,000,000	231,000,000
<b>Earning Per Share (par value Tk. 10 each)</b>		<u><b>1.65</b></u>	<u><b>0.51</b></u>

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

**37.00 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</b>	<u><b>25,200,000</b></u>	<u><b>25,200,000</b></u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**38.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:**

None as on 30-06-2020.

**39.00 CREDIT FACILITIES NOT AVAILED:**

There is no credit facility available to the Company that was not availed as on 30-06-2020 under any contract, other than those mentioned in the financial statements arising in the ordinary course of business.

**40.00 DISCLOSURES AS PER REQUIREMENT OF SCHEDULE XI, PART OF THE COMPANIES ACT,1994:**

Total 3,004 number of Employees Drawing Remuneration is as follows:

Salary Range	No. of Employees	
	30 June 2020	30 June 2019
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	274	488
No. of Employees Having Salary Between Tk. 10,000 to Tk. 15,000	603	439
No. of Employees Having Salary Between Tk. 15,000 to Tk. 25,000	1,220	1,073
No. of Employees Having Salary Between Tk. 25,000 to Tk. 50,000	721	559
No. of Employees Having Salary Between Tk. 50,000 and above	186	146
<b>Total</b>	<b>3,004</b>	<b>2,705</b>

**41.00 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 2020		30 June 2019	
		Actual Production (In Millions)	Utilization (%)	Actual Production (In Millions)	Utilization (%)
Tablets	2,520	2,142.00	85%	1764.00	70%
Capsules (Filled with Pellets)	760	630.80	83%	592.80	78%
Capsules (Filled with Powder)	850	688.50	81%	612.00	72%
Powder for suspension(Bottles)	15	12.45	83%	11.25	75%
Injection (Ampoules)	10	8.00	80%	6.50	65%
Injection (Lyophilized))	9	7.47	83%	7.02	78%
Large Volume Parenteral	4	3.40	85%	2.80	70%
Pre-filled Syringe	4	3.40	85%	3.12	78%
<b>Total</b>	<b>4,172</b>	<b>3,496</b>		<b>2999</b>	

**42.00 Net Operating Cash Flows per Share (NOCFPS)**

Cash flows from operating activities as per Statement of cash flows		291,141,309	220,422,224
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>1.26</b>	<b>0.95</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**42.01** 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>380,691,353</b>	<b>117,700,592</b>
Adjustment to reconcile Net Profit to Net Cash Provided by Operating Activities		
<b>Non-Cash Expenses</b>	<b>268,699,073</b>	<b>553,784,197</b>
Depreciation	511,012,863	548,934,059
Deferred Tax	(242,313,790)	4,850,138
<b>Non-operating items:</b>	<b>(1,306,718)</b>	<b>(2,487,251)</b>
Interest Income	(1,306,718)	(2,487,251)
<b>Changes in Working Capital:</b>	<b>(475,245,404)</b>	<b>(460,423,084)</b>
(Increase)/Decrease in Inventory	(28,329,147)	17,279,228
(Increase)/Decrease in Trade Debtors	(357,191,438)	(265,596,301)
(Increase)/Decrease in Advances & Deposits & Prepayments	17,974,047	(165,447,725)
(Increase)/Decrease in Current Tax	(64,926,712)	(35,594,747)
(Increase)/Decrease in Trade Creditors	(42,772,154)	(11,063,539)
<b>(Increase)/Decrease in Liabilities for Expenses &amp; Others:</b>	<b>118,303,005</b>	<b>11,847,770</b>
(Increase)/Decrease in Depot Expenses Payable	32,777,045	5,680,741
(Increase)/Decrease in Other Payable	1,414,061	(4,926,977)
(Increase)/Decrease in Accrued Expenses	17,459,891	10,809,741
(Increase)/Decrease in VAT Payable	425,608	(2,382,185)
(Increase)/Decrease in WPPF	4,020,273	(1,701,950)
(Increase)/Decrease in PF	40,033,069	(324,171)
(Increase)/Decrease in Gratuity	22,173,058	4,692,571
<b>Net Cash Generated from Operating Activities</b>	<b>291,141,309</b>	<b>220,422,224</b>

**43.00** Net Assets Value per Share (NAV)

Total Shareholders' Equity		4,630,345,633	2,979,182,991
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>20.04</b>	<b>12.90</b>

**44.00** RELATED PARTY DISCLOSURES: TK. 673,592,669

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)	387,011,987	842,372,925	555,792,243	673,592,669
<b>Total</b>			<b>387,011,987</b>	<b>842,372,925</b>	<b>555,792,243</b>	<b>673,592,669</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).

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2020	30 June 2019

**45.00 EVENT AFTER THE REPORTING PERIOD:**

The Board of Directors in its' meeting held on 27 October, 2020 has recommended 6% (Six Percent) cash dividend for the year ended June 30, 2020 subject to approval of the shareholders at the ensuing Annual General Meeting (AGM).

**46.00 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 LIMITED**  
**Schedule of Fixed Assets (Except Production Machinery & Equipments)**  
**For the year ended 30 June 2020**

Annexure-A

Particulars	COST			Rate of Dep. (%)	DEPRECIATION			Written Down Value as on 30.06.20
	Balance as on 01.07.2019	Addition During the year	Adjustment During the year		Depreciation as on 01.07.2019	Charged During the year	Adjustment During the year	
Land & Land Development	503,090,574	62,974,000	-	-	-	-	-	566,064,574
Factory Building	917,954,184	-	-	5%	307,314,046	45,897,709	-	564,742,429
Corporate Head Office Building	60,456,584	-	-	5%	6,060,129	3,022,829	-	51,373,626
Vehicles	239,565,820	62,977,740	-	20%	83,138,497	53,616,496	-	165,788,567
Electrical Installations	116,681,589	62,401,803	-	10%	54,925,653	11,682,736	-	112,475,003
Office Equipment	124,767,592	9,353,826	-	10%	48,510,531	12,953,891	-	72,656,996
Furniture & Fixture	170,823,658	1,411,602	-	10%	49,649,362	17,166,419	-	105,419,479
<b>Total</b>	<b>2,133,340,001</b>	<b>199,118,971</b>	<b>-</b>		<b>549,598,218</b>	<b>144,340,080</b>	<b>-</b>	<b>1,638,520,674</b>

**Schedule of Fixed Assets (Production Machinery & Equipments) for the period from July '19 to February '20**

Particulars	COST			Rate of Dep. (%)	DEPRECIATION			Written Down Value as on 29.02.20	Revaluation Value as on 29.02.2020	Revaluation Surplus as on 29.02.2020
	Balance as on 01.07.2019	Addition During the period	Adjustment During the period		Depreciation as on 01.07.2019	Charged During the period	Adjustment During the period			
Production Machinery & Equip.	2,904,044,509	41,470,161	-	15%	2,605,859,702	294,376,567	-	2,900,236,269	1,431,739,753	1,386,461,352
<b>Total</b>	<b>2,904,044,509</b>	<b>41,470,161</b>	<b>-</b>		<b>2,605,859,702</b>	<b>294,376,567</b>	<b>-</b>	<b>2,900,236,269</b>	<b>1,431,739,753</b>	<b>1,386,461,352</b>

**Schedule of Fixed Assets (Production Machinery & Equipments) for the period from March '20 to June '20**

Particulars	COST			Rate of Dep. (%)	DEPRECIATION			Written Down Value as on 30.06.20
	Balance as on 01.03.2020	Addition During the period	Adjustment During the period		Depreciation as on 01.03.2020	Charged During the period	Adjustment During the period	
Production Machinery & Equip.	1,431,739,753	49,870,785	-	15%	-	72,296,216	-	1,409,314,322
<b>Total</b>	<b>1,431,739,753</b>	<b>49,870,785</b>	<b>-</b>		<b>-</b>	<b>72,296,216</b>	<b>-</b>	<b>1,409,314,322</b>
30.06.2020	5,037,384,510	290,459,917	-		3,155,457,920	511,012,863	-	3,047,834,996
30.06.2019	4,823,022,495	214,362,015	-		2,606,523,861	548,934,059	-	1,881,926,590

Depreciation charged during the period (other than Machinery)

Depreciation charged during the period on Machinery	144,340,080
	366,672,783
	<b>511,012,863</b>

Allocation of Depreciation :	Proportion	Amount(Tk.)
Factory Overhead	91%	465,021,706
Administrative Overhead	4%	20,440,515
Selling, Marketing Expenses	5%	25,550,643
<b>Total</b>	<b>100%</b>	<b>511,012,863</b>

**BEACON PHARMACEUTICALS LTD.**  
**DEFERRED TAX SCHEDULE**  
For the year ended 30 June 2020

Particulars	COST				DEPRECIATION			Tax Base as on 30.06.2020
	Tax Base as on 01.07.2019	Addition During the year	Disposal	Balance as on 30.06.2020	Rate as per 3rd Schedule (%)	Addition	Charged During the year	
Factory Building	245,998,547	-		245,998,547	20%		49,199,709	196,798,838
Corporate Head Office Building	65,007,833	-		65,007,833	10%		6,500,783	58,507,050
Vehicles	122,346,284	62,977,740		185,324,024	20%		37,064,805	148,259,219
Electrical Installations	62,418,097	62,401,803		124,819,900	10%		12,481,990	112,337,910
Office Equipment	73,919,527	9,353,826	-	83,273,353	10%		8,327,335	74,946,018
Production Machinery & Equipment	485,279,170	91,340,946	-	576,620,116	20%		115,324,023	461,296,093
Furniture & Fixture	117,276,337	1,411,602		118,687,939	10%		11,868,794	106,819,145
<b>Total</b>	<b>1,172,245,795</b>	<b>227,485,917</b>	<b>-</b>	<b>1,399,731,712</b>		<b>-</b>	<b>240,767,440</b>	<b>1,158,964,272</b>

Annexure-B

**Deferred Tax Calculation:**

Description	Carrying amount of Balance sheet as on 30th June, 2020	Tax Base	Taxable/ (deductible) temporary difference
Fixed Assets (Excluding Land & Land Development)	2,481,770,422	1,158,964,272	1,322,806,150
Gratuity Provision	(55,202,000)	-	(55,202,000)
Provision for Provident Fund	(46,061,080)	-	(46,061,080)
Taxable / (deductible) temporary difference			1,221,543,070
Tax Rate			25%
Deferred Tax (Assets)/ Liability at end of the year			305,385,767
Deferred Tax (Assets)/ Liability at biggining of the year			41,883,317
Change in Deferred tax (income)/ expenses			263,502,450
Deffered tax on Revaluation Surplus			21,188,661
<b>Deferred Tax charged to Profit or Loss and other comprehensive income</b>			<b>242,313,790</b>