

Ambee Pharmaceuticals Limited
Audited Financial Statement
As on 30 June 2021

Ambee Pharmaceuticals Limited
Statement of Financial Position
As at June 30, 2021

Particulars	Notes	30-06-2021	30-06-2020
<u>ASSETS</u>			
Non-Current Assets			
Property, Plant & Equipment	4.00	97,610,328	103,220,685
Right-of-Use Asset	5.00	1,954,507	3,262,947
		99,564,836	106,483,632
Current Assets			
Inventories	6.00	128,888,711	160,254,507
Accounts Receivable and Others	7.00	92,227,940	69,147,724
Advance Income Tax	8.00	48,643,968	47,594,323
Advances, Deposits and Pre-payments	9.00	37,000,181	33,454,687
Cash & Cash Equivalents	10.00	15,093,850	11,115,834
		321,854,650	321,567,075
Total Assets		421,419,486	428,050,707
<u>EQUITY & LIABILITIES</u>			
Shareholders' Equity			
Share Capital	11.00	24,000,000	24,000,000
Tax-Holiday Reserve	12.00	5,134,154	5,134,154
Retained Earnings		15,702,953	28,712,797
		44,837,107	57,846,951
Non-Current Liabilities			
Deferred Tax Liability	13.00	7,038,819	7,357,304
Lease Finance (Non-Current Portion)	14.00	1,424,924	2,334,677
		8,463,743	9,691,981
Current Liabilities and Provision			
Short Term Borrowings	15.00	115,580,518	114,052,433
Lease Finance (Current Portion)	14.00	2,746,762	2,702,832
Creditors for Goods & Others	16.00	7,215,020	10,055,589
Liabilities for Expenses	17.00	6,733,562	9,546,351
Liabilities for Other Finance	18.00	183,594,643	173,451,060
Provision for Income Tax	19.00	38,442,953	37,393,308
Workers Participation and Welfare Fund	20.00	9,948,826	9,127,363
Unclaimed Dividend	21.00	3,856,352	4,182,839
		368,118,636	360,511,775
Total Equity and Liabilities		421,419,486	428,050,707
Net Asset Value (NAV) Per Share	29.00	18.68	24.10

The annexed notes 01 to 40 form an integral part of these financial statements.

Sd/-
(Naureen Aziz Mohammad Bhai)
Mananaging Director

Sd/-
(Kazi Tanzzina Ferdous)
Director

Sd/-
(Nurjehan Hudda)
Director

Sd/-
(A. K. M. Khairul Aziz)
Chief Financial Officer

Sd/-
(Md. Motiur Rahman)
Company Secretary

Subject to our separate report of even date.

Dated: Dhaka, November 14, 2021

Sd/-
(A. WAHAB & CO.)
Chartered Accountants
Signed By: Md. Showkat Hossain, FCA
Enrolment No.-196
DVC: 2111140196AS130500

AMBEE PHARMACEUTICALS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2021

Particulars	Notes	30-06-2021	30-06-2020
Revenue (Net)	22.00	98,977,466	285,304,315
Cost of Goods Sold	23.00	(59,879,766)	(136,782,450)
Gross Profit		39,097,700	148,521,865
Operating Expenses		(45,558,277)	(135,675,064)
Administrative Expenses	24.00	(14,971,963)	(24,670,664)
Selling, Distribution & Marketing Expenses	25.00	(30,586,314)	(111,004,400)
Profit/(Loss) from Operations		(6,460,577)	12,846,801
Finance Expenses	26.00	(5,818,109)	(7,646,341)
Profit/(Loss) before contribution to WPWF		(12,278,686)	5,200,460
Contribution to WPWF	27.00	-	(260,023)
Profit/(Loss) Before Tax		(12,278,686)	4,940,436
Income Tax Expenses		(731,160)	(1,303,716)
Income Tax		(1,049,645)	(1,608,391)
Deferred Tax Income		318,485	304,676
Profit/(Loss) After Tax		(13,009,844)	3,636,723
Other Comprehensive Income		-	-
Total Comprehensive Income		(13,009,844)	3,636,723
Earnings Per Share (EPS) Basic	28.00	(5.42)	1.52

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Enrollment No.-196
DVC: 2111140196AS130500

Dated: Dhaka, November 14, 2021

AMBEE PHARMACEUTICALS LIMITED
Statement of Changes in Equity
For the year ended June 30, 2021

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance as on 01 July 2019	24,000,000	5,134,154	28,676,075	57,810,229
Cash Dividend for the year 2019-2020	-	-	(3,600,000)	(3,600,000)
Net Profit for the year after Tax	-	-	3,636,723	3,636,723
Balance as on 30 June 2020	24,000,000	5,134,154	28,712,798	57,846,952
Balance as on 01 July 2020	24,000,000	5,134,154	28,712,798	57,846,952
Cash Dividend for the year 2019-2020	-	-	3,600,000	3,600,000
Prior year adjustment Cash Dividend 2019-2020	-	-	(3,600,000)	(3,600,000)
Net Profit/(Loss) for the year after Tax	-	-	(13,009,844)	(13,009,844)
Balance as on 30 June 2021	24,000,000	5,134,154	15,702,953	44,837,107

The annexed notes 01 to 40 form an integral part of these financial statements.

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(A. WAHAB & CO.)
Chartered Accountants
Signed By: Md. Showkat Hossain, FCA
Enrolment No.-196
DVC: 2111140196AS130500

Dated: Dhaka, November 14, 2021

AMBEE PHARMACEUTICALS LIMITED
Statement of Cash Flows
For the year ended June 30, 2021

Particulars	Notes	30-06-2021	30-06-2020
A) Cash Flows From Operating Activities:			
Cash Receipts from Customers & Others		75,897,250	281,210,004
Payments for Costs, Expenses & Others		(106,651,377)	(282,298,720)
Cash Generated from Operating Activities		(30,754,127)	(1,088,716)
Finance Expenses		(5,818,109)	(7,646,341)
Income Tax Paid		31,120,539	(3,236,315)
Net Cash Generated from Operating Activities	30.01	(5,451,696)	(11,971,372)
B) Cash Flows From Investing Activities:			
Purchase of Property, Plant & Equipment		-	(712,000)
Right-of-Use Asset		-	(3,262,947)
Net Cash (Used in)/Generated from Investing Activities		-	(3,974,947)
C) Cash Flows from Financing Activities:			
Other Finance		9,093,937	8,300,000
Short Term Loan		1,528,085	17,211,557
Lease Finance		(865,823)	(1,065,664)
Dividend Paid		(326,487)	(2,951,759)
Net Cash Used in Financing Activities		9,429,712	21,494,134
D) Net Change in Cash and Cash Equivalents (A+B+C)		3,978,016	5,547,815
E) Opening Cash and Cash Equivalents		11,115,834	5,568,019
F) Closing Cash and Cash Equivalents (D+E)	10.00	15,093,850	11,115,834
Net Operating Cash Flow Per Share	30.00	(2.27)	(4.99)

The annexed notes 01 to 40 form an integral part of these financial statements.

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(Md. Motiur Rahman)
Company Secretary

Subject to our separate report of even date.

Dated: Dhaka, November 07, 2021

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Chartered Accountants
Signed By: Md. Showkat Hossain, FCA
Enrolment No.-196
DVC: 2111140196AS130500

AMBEE PHARMACEUTICALS LIMITED
Notes to the Financial Statements
For the year ended June 30, 2021

1.00 Background and Introduction

1.01 Incorporation and Legal Status

The Ambee Pharmaceuticals Limited was incorporated in Bangladesh as a public company on 4th February, 1976 vide Certificate of Incorporation No. C47.14/132 of 1975-1976. It commenced commercial operation in 1978 and went for public issue of shares in 1986. The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges of Bangladesh.

The registered office and the manufacturing plant of the company is located at 184/1, Tejgaon I/A, Dhaka – 1208.

1.02 Nature of Business

The nature of business of the company is to manufacture, buy, sell, export, or otherwise deal in all kinds of drugs, medicines, Pharmaceuticals, chemicals, medical or any other preparations and to refine, manipulate or treat all such substances used in pharmaceutical industry and to do all such acts necessary in connection with any business or chemists, druggists, chemical and medicine manufacturers, pharmacists etc.

2.00 Basis of Preparation of Financial Statements

2.01 Basis of Measurement

The financial statements have been prepared on the Historical Cost Convention. The financial statements therefore, do not take into consideration the effect of inflation.

2.02 Statement of Compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as listed entities. As the FRS is yet to be issued by FRC hence as per the provisions of the FRA (section-69), the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 1994. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

The Company also complied with the requirements of following laws and regulations from various Government bodies:

- Bangladesh Securities and Exchange Rules, 2020;
- The Income Tax Ordinance, 1984 with subsequent amendments;
- The Income Tax Rules, 1984 with subsequent amendments;
- The Value Added Tax Act, 2012 with subsequent amendments;
- The Value Added Tax Rules, 2012 with subsequent amendments;
- The Labour Law, 2006 with subsequent amendments in 2013; and
- Others as applicable.

2.02.01 Compliance with International Financial Reporting Standards:

IAS	Title	Remarks
IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventory	Complied
IAS 7	Statement of Cash Flows	Complied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant and Equipment	Complied
IAS 17	Leases	Complied
IAS 19	Employee Benefits	Complied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	N/A
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27	Separate Financial Statements	N/A
IAS 28	Investments in Associates and Joint Ventures	N/A
IAS 31	Interests in Joint Ventures	N/A
IAS 32	Financial Instruments: Presentation	Complied
IAS 33	Earnings per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	Complied
IAS 39	Financial Instruments: Recognition and Measurement	Complied
IAS 40	Investment Property	N/A
IAS 41	Agriculture	N/A
IFRS 1	First Time Adoption	N/A
IFRS 2	Share Based Payment	N/A
IFRS 3	Business Combinations	N/A
IFRS 4	Insurance Contracts	N/A
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations	N/A
IFRS 6	Exploration for and Evaluation of Mineral Resources	N/A
IFRS 7	Financial Instruments : Disclosures	Complied
IFRS 8	Operating Segments	N/A
IFRS 10	Consolidated Financial Statements	N/A
IFRS 11	Joint Arrangements	N/A
IFRS 12	Disclosure of Interests in Other Entities	Complied
IFRS 13	Fair Value Measurement	Complied
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from contracts with customers	Complied
IFRS 16	Leases	Complied

2.03 Reporting Period

The financial statements cover for the period of 12 months from July 01, 2020 to June 30, 2021.

2.04 Functional and Presentation Currency

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

2.05 Comparative Information

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative information has been rearranged, wherever considered necessary, to ensure better presentation and comparability with the current year.

2.06 Use of Estimates and Judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of accounting estimates is recognized in the period in which the estimate is revised and in any future periods affected.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, current and deferred taxes, accrued expenses and other payables.

3.00 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

3.01 Property, Plant and Equipment

3.1.1 Recognition and Measurement

Items of Property, Plant and Equipment excluding land are measured at cost less accumulated depreciation in compliance with the requirements of IAS 16: "Property, Plant and Equipment".

The cost of acquisition of an asset comprises of its purchase price and directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

3.1.2 Maintenance Activities

The Company incurs maintenance costs for all its major items of Property, Plant and Equipment. Repair and maintenance costs are charged as expenses when incurred. In the situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

3.1.3 Depreciation

Land is held on freehold basis and is not depreciated considering the infinite life. In respect of all other PPE, depreciation is charged using Reducing Balance Method. Full month depreciation is charged on assets from when the assets are available for use, while no depreciation is charged in the month of disposal. The Company reviews the non-current assets' useful life every year and there is no change in the estimated useful life.

The depreciation rates for the current and the previous year are as follows:

<u>Particulars</u>	<u>Depreciation Rate</u>	<u>Depreciation Rate</u>
	<u>30-06-2021</u>	<u>30-06-2020</u>
Factory Building	2.50%	2.50%
Plant & Machinery	7.00%	7.00%
Deep Tube Well	15.00%	15.00%
Diesel Generating Set	15.00%	15.00%
Loose Tools	15.00%	15.00%
Laboratory Equipment	10.00%	10.00%
Electrical Installation	10.00%	10.00%
Laboratory Glassware	15.00%	15.00%
Production Equipment	10.00%	10.00%
Transport and Vehicles	20.00%	20.00%
Motor Cycle	20.00%	20.00%
Furniture and Fixtures	10.00%	10.00%
Office Equipment	15.00%	15.00%
Office By-cycles	20.00%	20.00%

- | | | |
|-------|--------|--------|
| Books | 15.00% | 15.00% |
|-------|--------|--------|
- 3.1.4 Retirements and Disposals**
On disposal of PPE, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sale proceeds or realized
- 3.1.5 Impairment**
The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset and impairment loss is recognized in the statement of profit or loss and other comprehensive income. There is no impairment loss during the year under review.
- 3.1.6 Capital Work-in-Progress**
The non-current assets which are not ready for use at the year end, are shown as capital work-in-progress and subsequently those assets would have to be transferred to property, plant and equipment when all the necessary works are completed.
- 3.02 Right of Use Asset (ROU)**
All leasing arrangements except those having less than 12 months of useful life and underlying asset values of less than Taka 425,000 when new, have been capitalized as "right-of-use" asset with a corresponding financial liability on the financial position.
- Leased assets are capitalized from the start date of the lease agreement at the present value of the future lease payments, based on the rate of interest entered in the asset master data. Low value (<Taka 425,000) and short term leases (<12months) have been excluded from the recognition requirements and charged to statement of profit or loss as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a change in scope of lease agreement can be made if necessary.
- The asset is written off on a straight-line basis over the tenure of the lease agreements. Hence, the useful life of any lease assets depends on the periods the assets can be used. The useful life of such assets are dependent on individual agreement and can vary from one agreement to another.
- 3.03 Borrowing Cost**
Borrowing costs are recognized as expenses in the period in which they are incurred unless capitalization of such is allowed under IAS 23: "Borrowing Costs".
- 3.04 Accounts Receivable and Others**
Accounts receivable are initially recognized at invoice amounts which is the fair value of the consideration given in return.
- Provisions for doubtful debts are made where there is evidence of a risk of non-payment, taking into account aging, previous experience as well as general economic conditions and ultimately the prospects of realisability.
- 3.05 Inventories**
Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2: "Inventories". Cost is determined on a weighted average cost basis. Net realizable value of the finished goods is determined at selling price in the ordinary course of business less costs to sell, while raw and packing materials as well as accessories and components are valued at cost including expenses incurred for acquiring the inventories.
- 3.06 Provisions**
A provision is recognized in the financial statements when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the amount to be required to settle the present obligation at the date of statement of financial position.

3.07 Employee Benefits

The Company operates a defined contributory provident fund and gratuity plans for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in respective deeds. The details of employee benefits are as under:

(a) Provident Fund (Defined Contribution)

The Company has a recognized provident fund scheme (Defined Contribution Plan) for employees of the Company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute a certain percentage of their basic salary to the provident fund and the Company also makes equal contribution.

The Company recognizes contribution to defined contribution plan as an expense when an employee has rendered services against such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

(b) Contribution to Workers' Participation and Welfare Fund

This represents 5% of net profit before tax contributed by the Company as per provisions of the Labour Law, 2006 with subsequent amendments and is transferred to Ambee Pharmaceuticals Limited Workers' Participation and Welfare Fund. The trustee of the fund manages the distribution of the WPWF according to the guidelines of the Labour Law, 2006 with subsequent amendments.

3.08 Revenue Recognition

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled to receive in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard (IFRS 15) establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods are considered as transfer when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net off returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

3.09 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of Use Assets (ROU)

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised and lease payments made at or before the commencement date.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

iii) Short-Term Leases and Leases of Low-Value Assets

The Company does not apply the recognition and measurement requirements of IFRS 16 to short-term leases (leases of less than 12 months maximum duration). It also does not apply the recognition and measurement requirements of IFRS 16 to leases for which the underlying assets are low value (i.e. less than Taka 425,000 when new). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.10 Income Tax Expense

(a) Current Tax

Income tax expense for current year is recognised on the basis of Company's computation based on the best estimated assessable profit for the year at the applicable tax rate pursuant to provisions of Income Tax Ordinance, 1984. The tax rates for the period is applied based on the enacted tax rates in the relevant Finance Acts.

(b) Deferred Tax

Deferred tax is provided on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements in accordance with the provisions of IAS 12: "Income Taxes". Current ruling tax rate is used in the determination of deferred tax.

3.11 Earnings Per Share (EPS)

This has been calculated in compliance with the requirements of IAS 33: "Earnings per share". Earnings per share equals the basic earnings divided by the weighted average number of ordinary shares outstanding during the period.

3.12 Foreign Currency Transactions

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

The monetary assets and liabilities, denominated in foreign currencies at the financial position date are translated at the applicable rates of exchange ruling at that date. Exchange differences are treated as revenue/expense in compliance with the provisions of IAS 21: "The Effects of Changes in Foreign Exchange Rates".

3.13 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with the requirements of IAS 7: "Statement of Cash Flows". The cash generated from operating activities has been reported using the direct method as prescribed by the Securities and Exchange Rules, 1987 and following the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

In accordance with the gazette notification dated 08 August 2018 from Bangladesh Securities and Exchange Commission, an additional disclosure on reconciliation of net cash flows from operating activities making adjustments for non-cash items, non-operating and net changes in operating accruals has been provided in note 30.01.

4.00 Property, Plant & Equipment:

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
A) Cost :	228,332,209	228,332,209
Opening Balance	228,332,209	227,620,209
Add: Charge during the year	-	712,000
Less: Adjustment during the year	-	-
B) Accumulated Depreciation:	130,721,881	125,111,523
Opening Balance	125,111,523	118,489,370
Add: Charge during the year	5,610,358	6,622,153
Less: Adjustment during the year	-	-
Written Down Value	97,610,328	103,220,686

Details of Property Plant & Equipments are shown in Annexure-A.

5.00 Right of Use Asset (ROU), Net

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Opening Balance	3,262,947	4,571,387
Add: Addition during the year	-	-
	3,262,947	4,571,387
Less: Depreciation charged during the year	1,308,440	1,308,440
Closing Balance	1,954,507	3,262,947

6.00 Inventories

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Raw materials	19,976,650	58,842,258
Packing materials	27,987,893	30,838,162
Promotional materials	880,630	756,542
Work-in-process	2,245,635	4,777,545
Finished goods	77,797,903	64,768,000
Materials-in-transit	-	272,000
Closing Balance	128,888,711	160,254,507

7.00 Accounts Receivables and Others

7.01 The details given as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	42,852,308	16,814,663
Add: Addition during the year	49,375,632	26,037,645
	92,227,940	42,852,308
Less: Received during the year	-	-
Closing Balance	92,227,940	42,852,308

7.02 This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Above Six months	42,852,308	32,568,770
Below Six months	49,375,632	36,578,954
Total:	92,227,940	69,147,724

7.03 Accounts receivable is considered good in terms of security and previous collection history. Party wise balance of receivable was not available.

8.00 Advance Income Tax

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Opening Balance	47,594,323	78,714,862
Add: Addition during the year	1,049,645	2,334,148
	48,643,968	81,049,010
Less: Adjustment during the year	-	33,454,687
Closing Balance	48,643,968	47,594,323

9.00 Advances, Deposits and Prepayments

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Advances	35,663,001	31,845,506
Advances to Staff	1,616,603	1,542,581
Advance Rent	118,000	118,000
Against Purchases and Expenses	13,056,322	9,756,354
Bengal Steel Works Limited	20,774,090	20,330,585
Ambee Films Limited	97,986	97,986
Deposits	1,312,180	1,584,180
L/C Margin	-	272,000
Guarantee Margin	20,715	20,715
Other Deposits	1,291,465	1,291,465
Prepayments	25,000	25,000
WASA	25,000	25,000
Total:	37,000,181	33,454,687

10.00 Cash and Cash Equivalents

This is made-up as follows-

Particulars	Notes	30-06-2021	30-06-2020
Cash in Hand	10.01	12,796,385	10,273,942
Cash at Bank	10.02	2,215,950	760,377
In-Operative Accounts	10.03	81,515	81,515
Total:		15,093,850	11,115,834

10.01 Cash in Hand:

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Head Office	13,548	17,856
Factory	4,357	1,165
DASC	300,925	645,682
DBSC	577,417	385,756
MNSC	1,133,656	853,652
BGSC	1,356,883	1,056,850
RJSC	1,288,752	888,752
RNSC	1,328,722	928,705
BLSC	1,489,523	1,088,520
KLSC	1,174,076	914,526
CMSC	1,455,360	858,632
CGSC	1,214,903	1,289,264
SLSC	1,458,263	1,344,582
Total:	12,796,385	10,273,942

10.02 Cash at Bank:

This is made up as follows:

Name of Bank	30-06-2021	30-06-2020
Easteran Bank Ltd., Gulshan Branch Dhaka, A/C # 104-107-0000-139	31,602	-
Easteran Bank Ltd., Gulshan Branch Dhaka, A/C # 104-107-0004854	5,819	-
Sonali Bank Ltd., Gulshan Branch Dhaka, A/C # 33004754	213,504	-
Sonali Bank Ltd., Gulshan New North Circle Branch, A/C # 011633002105	49,732	460,077
Agrani Bank Ltd, Amin Court Branch, CD A/C # 0004263	58,950	-
Agrani Bank Ltd, Amin Court Branch, Dividend A/C # 0001724	89,457	-
United Commercial Bank Ltd., CD A/C # 0951101000002665	237,979	-
United Commercial Bank Ltd., Tejgaon Branch, CD A/C # 1041101000000972	64,587	-
United Commercial Bank Ltd., Tejgaon Branch, CD A/C # 1041101000001319	1,464,320	-
Others Bank	-	300,300
Total:	2,215,950	760,377

The above balance have been confirmed and reconciled with the respective bank statement balances.

10.03 In-Operative Accounts:

This is made up as follows:

Name of Bank	30-06-2021	30-06-2020
Agrani Bank Ltd. Press Br. Club Acc-892-4	321	321
Agrani Bank Ltd. Chatteswari Road Br. Acc-1840	397	397
Agrani Bank Ltd. Cumilla Br. CA Acc-52982	99	99
Shamil Bank of bahrain E.C Acc-301-2015633-001	24,100	24,100
Habib Bank Ltd. Dhaka. Acc-5133-72	6	6
Sonali Bank Custom House Br. CD-A-3	25,327	25,327
Arab Bangladesh bank Ltd. Acc-1962	29,349	29,349
First Security Bank Ltd. Dhaka. Acc-1100724-9	100	100
Agrani Bank, Battala Br. Barisal. Acc-33002491	816	816
Agrani Bank Ltd. Central road br. Rangpur. C/A Acc-4752	1,000	1,000
Total:	81,515	81,515

11.00 Share Capital

11.01 This is made up as follows:

Particulars	30-06-2021	30-06-2020
a) Authorized		
2,500,000 Ordinary Shares of Taka 10 each	25,000,000	25,000,000
b) By Cash Issued Subscribed and Paid-Up Capital		
i) 1,821,008 Ordinary Shares of Tk. 10 each fully Paid Up in cash.	18,210,080	18,210,080
ii) Other than Cash		
178,992 Ordinary Shares of Tk. 10 each paid-up in full for consideration other than cash	1,789,920	1,789,920
c) By issue of Bonus Share		
400,000 Bonus Shares of Tk.10 each Issued for the year 2013	4,000,000	4,000,000
Total:	24,000,000	24,000,000

11.02 Composition of Shareholdings

	30-06-2021		30-06-2020	
	No of Shares	%	No of Shares	%
Sponsors, Directors & Associates	1,591,329	66.31	1,591,329	66.31
ICB & Institutions	119,881	5.00	132,601	5.53
Foreign Investors	214,790	8.95	214,790	8.95
General Public	474,000	19.75	461,280	19.22
Total:	2,400,000	100	2,400,000	100

11.03 The distribution schedule of the shares is given below:

Range of Holdings	Number of Shareholders	No. of Shares	Holdings (%)
01 to 500 shares	2364	206,636	8.61%
501 to 5,000 shares	181	240,920	10.04%
5,001 to 10,000 shares	4	26,741	1.11%
10,001 to 20,000 shares	2	27,644	1.15%
20,001 to 30,000 shares	0	-	0.00%
30,001 to 40,000 shares	0	-	0.00%
40,001 to 50,000 shares	5	236,120	9.84%
50,001 to 100,000 shares	0	-	0.00%
100,001 to 1,000,000 shares	1	214,790	8.95%
Over 1,000,000 shares	1	1,447,149	60.30%
Total:	2,558	2,400,000	100.0%

11.04 The share are listed in the Dhaka and Chittagong Stock Exchange On 30.06.2021 each share was quoted at Tk. 409.50 in the Dhaka Stock Exchange Ltd. and Tk. 384.50 in the Chittagong Stock Exchange Ltd.

12.00 Tax-Holiday Reserve

5,134,154 **5,134,154**

This was created out of profit during Tax-Holiday period to invest in the same undertaking or in any new industrial undertaking or in stocks and shares of a public company or in government bonds or securities or for other purposes as specified in this respect as one of the condition of granting Tax Holiday. But no such investment has been made.

13.00 Deferred Tax Liability

This is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Carrying value of depreciable PPE	Annexure-A	47,360,787	52,971,144
Tax Base Value	Annexure-C	(19,137,129)	(23,516,354)
		28,223,658	29,454,790
Temporary difference for IFRS 16: Lease	13.01	(68,383)	(25,574)
Tax Base Value		-	-
		(68,383)	(25,574)
Net taxable temporary difference- Liabilities		28,155,275	29,429,216
Tax Rate		25.00%	25.00%
Deferred Tax Liability - Closing		7,038,819	7,357,304
Deferred Tax Liability- Opening		7,357,304	7,661,980
Deferred Tax (Expenses)/Income for the year		318,485	304,676

13.01 The temporary difference figure has been computed by deducting ROU Assets from Lease liabilities and multiply by 25% tax rate thereon in order to calculate deferred tax (assets)/liability value. The details are as follows:

14.00 Lease Finance

14.01 This is made up as follows:

Particulars	30-06-2021	30-06-2020
Loan from GSP Finance With Pricpal & Overdue	2,148,796	1,800,136
Less: Current Portion of long term loan being payable within one year	(1,764,399)	(1,217,181)
	384,397	582,955
Obligation Under Finance Leases		
Gross Finance Lease- minimum lease liability		
Within one year	1,764,399	1,395,462
After one year	384,397	614,460
Total:	2,148,796	2,009,922
Less: Future finance charges on finance lease liability	-	209,786
Present Value of Finance Lease liability	2,148,796	1,800,136
This consist of as follows:		
Within one year	1,764,399	1,217,181
Within two to five years	384,397	582,955
Total Present Value of Finance Lease liability	2,148,796	1,800,136

14.02 Leases

This is made-up as follows-

Particulars	30-06-2021	30-06-2020
Opening Balance as at 1st July, 2020	3,237,373	4,347,387
Add: Interest Accrued	251,245	320,866
	3,488,618	4,668,253
Less: Payments	1,465,728	1,430,880
Closing Balance as at 30 June, 2021	2,022,890	3,237,373
Lease Liabilities Recognized in Statement of Financial Position		
Lease Liability - Net off Current Maturity	1,040,527	1,751,722
Lease Liability - Current Maturity	982,363	1,485,651
Total:	2,022,890	3,237,373

14.03 Effective interest rate for the said loan was as follows:
 October 03,2016 to August 30,2019 @ 16% per annum
 November 09,2016 to October 05,2019 @ 16% per annum
 February 15,2017 to January 15,2020 @ 16% per annum
 February 05,2017 to November 05,2020 @ 16% per annum

15.00 Short Term Borrowings

This is made up as follows:

Particulars	30-06-2021	30-06-2020
United Commercial Bank Ltd, Tejgaon Branch, A/C- No. 104174900000115 (Overdraft Facilities)	56,845,787	52,182,317
United Commercial Bank Ltd, Tejgaon Branch, A/C- No. 104174900000115 (Letter of Trust Receipt)	58,734,731	61,870,116
Total:	115,580,518	114,052,433

The above balance have been confirmed and reconciled with the respective bank statement balances.

16.00 Creditors for Goods & Others

This represents amounts due to various suppliers of raw, packing and stores materials, the ageing of which liability is as follows:

<u>Particulars</u>	<u>30-06-2021</u>	<u>30-06-2020</u>
Above six months	-	-
Below six months	7,215,020	10,055,589
Total:	7,215,020	10,055,589

17.00 Liabilities for Expenses

This represents provision for various expenses (e.g. remuneration and allowances, salaries and wages, utilities bills etc.), which have fallen due as on 30th June, 2021, ageing of which liability is as follows

<u>Particulars</u>	<u>30-06-2021</u>	<u>30-06-2020</u>
Above six months	-	-
Below six months	6,733,562	9,546,351
Total:	6,733,562	9,546,351

Details of above balance are given below:

Salary, wages & Allowance	5,097,778	7,278,235
Postage Expenses	-	2,578
Director Remuneration	-	500,000
Electricity, Gas & Water	906,858	590,775
Audit Fees	402,500	402,500
Telephone Bill	145,863	296,583
TA/DA & Other	180,563	475,681
Total:	6,733,562	9,546,352

18.00 Liabilities for other Finance

18.01 This is made up as follows:

<u>Particulars</u>	<u>30-06-2021</u>	<u>30-06-2020</u>
Opening Balance	173,451,060	165,151,060
Add. Addition during the year	30,000,000	18,000,000
VAT Payable	-	18,000,000
Loan from Aziz Mohammad Bhai	30,000,000	-
Less: Adjustment during the year	(19,856,417)	(9,700,000)
VAT Paid	(1,300,000)	(700,000)
Loan Refund to Aziz Mohammad Bhai	(18,556,417)	(9,000,000)
Closing balance	183,594,643	173,451,060

18.02 Details of above balance are given below:

<u>Particulars</u>	<u>Notes</u>	<u>30-06-2021</u>	<u>30-06-2020</u>
Employees Income Tax		701,137	701,137
Refund Warrant Payable		13,000	13,000
Share Application Money		500	500
Vat Payable		40,436,732	41,736,732
Income Tax Deduction from Supplier		431,369	431,369
Provident Fund Payable		1,916,358	1,916,358
Loan from Mr. Aziz Mohammad Bhai	18.03	120,093,891	108,650,308
Balance of provision for Interest		20,001,655	20,001,655
Total:		183,594,643	173,451,060

18.03 Out of total balance of Tk 183,594,643 an amount of Tk 120,093,891 is payable to Aziz Mohammad Bhai, Chairman of the Company as disclosed at Note # 30 "Related party transactions" During the year Taka 18,556,417 has been paid/adjusted with the balance payable to him for payment towards salary and others of his personal staff. Interest payable amounting to Taka 20,001,655 was available which is coming from previous years.

19.00 Provision for Income Tax

This is made up as follows:

<u>Particulars</u>	<u>Notes</u>	<u>30-06-2021</u>	<u>30-06-2020</u>
Opening Balance		37,393,308	35,784,917
Provision for the year	19.01	1,049,645	1,608,391
Closing balance		38,442,953	37,393,308

19.01 Income Tax Expenses:

The calculation of profit for income tax for the year is as follows:

	<u>30-06-2021</u>	<u>30-06-2020</u>
a) On net profit	-	1,235,109
b) On gross receipt (Section-82C 2 & 3) @ 0.6%	593,865	1,711,826
c) Advance Income Tax (deduction & advanced payment)	1,049,645	1,608,391
Whichever is Higher (a,b,c)	1,049,645	1,711,826

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Income tax assessment up to 2008 and 2012, 2014 are completed. Assessment for the years 2009, 2010, 2011, 2013, 2015-2016, 2016-2017, 2017 -2018, 2018-2019, 2019-2020 are finalized and in appeal. Income tax assessment for the year 2020-2021 is filed for assessment.

20.00 Workers Participation and Welfare Fund (WPWF)

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	9,127,363	7,778,368
Add: Provision for the year	-	260,023
Add: Interest during the year @ 9%	821,463	1,088,972
	9,948,826	9,127,363
Less: Adjustment/ payment during the year	-	-
Closing Balance	9,948,826	9,127,363

21.00 Unclaimed Dividend

The following figures represent the dividends for which the warrants are either lying with the shareholders and have not been presented as yet by them to the bank for encashment or have been returned to the company undelivered due to change of address of those shareholders and their new address have not yet been communicated to the company. Under instruction from SEC, press advertisements were made to collect the past dividend warrants but many shareholders are yet turn up to collect their respective warrants.

Unclaimed Dividend	3,856,352	4,182,839
	3,856,352	4,182,839

22.00 Revenue

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Local Sales	98,977,466	285,304,315
Total:	98,977,466	285,304,315

22.01 Sales Quantity:

This is made up as follows:

Particulars	UOM	Qty.	30-06-2021	30-06-2020
Tablet	Pcs.	47,510,846	76,176,793	209,146,572
Capsules	Pcs.	3,807,150	15,247,768	43,817,669
Liquids	Bottles	49,119	1,401,347	23,030,762
Ointment	Pcs.	843	17,813	1,181,366
Injection	Ampoule	78,118	6,133,744	8,127,946
Total:		51,446,076	98,977,466	285,304,315

23.00 Cost of Goods Sold

This is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Work-in-process (Opening)		4,777,545	5,554,308
Raw materials consumed	23.01	48,488,710	73,252,120
Packing materials consumed	23.02	8,409,161	33,906,587
Promotional materials consumed	23.03	930,692	3,052,639
Factory overhead	23.04	11,647,927	30,439,124
Depreciation	Annexure-A	1,756,607	1,854,993
Work-in-process (Closing)		(2,245,635)	(4,777,545)
Cost of production		73,765,007	143,282,226
Stock of finished goods (Opening)		64,768,000	59,323,562
Stock of finished goods (Closing)		(77,797,903)	(64,768,000)
Cost of free samples		(855,338)	(1,055,338)
Total:		59,879,766	136,782,450

23.01 Raw Materials Consumption

This is made up as follows:

Particulars	Active Ingredients (KG)	Excipients (KG)	E.H.G. Capsules (PCS)	30-06-2021	30-06-2020
Opening Stock	2,944	12,409	2,888,700	58,842,258	53,359,376
Purchase	1,962	5,845	5,000	9,623,102	78,735,002
Closing Stock	2,353	10,436	2,816,700	(19,976,650)	(58,842,258)
Total:	2,553	7,818	77,000	48,488,710	73,252,120

Raw materials consumption is 27.41.% imported.

23.02 Packing Materials Consumed

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Stock	30,838,162	24,694,796
Purchase	5,558,892	40,049,953
Closing Stock	(27,987,893)	(30,838,162)
Total:	8,409,161	33,906,587

Packing materials consumed is 0% imported.

Particulars in respect of quantity of each packing materials as well as value of each class of packing materials are not given as number of items as well as classes of items are large.

23.03 Promotional Materials Consumed

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Stock	756,542	763,559
Purchase	1,054,780	3,045,622
Closing Stock	(880,630)	(756,542)
Total:	930,692	3,052,639

Particulars in respect of quantity of each promotional materials as well as value of each class of promotional materials are not given as number of items as well as classes of items are large.

23.04 Factory Overhead

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Salary, wages and allowances	7,469,162	25,739,597
Overtime allowances	116,945	135,010
Car Expenses	360,059	487,213
Electricity, Gas and Water	2,771,911	2,881,447
Conveyance	23,780	29,755
Entertainment	34,276	49,972
Printing and Stationery	38,612	34,391
Repairs and maintenance	529,342	612,875
Telephone	69,545	82,317
Indirect materials-Packing	177,574	324,699
Fees and Commissions	11,150	18,750
Uniform	5,722	10,621
General Expenses	32,616	-
Washing & Laundry Expenses	733	-
Power & Fuel	6,500	32,477
Total:	11,647,927	30,439,124

24.00 Administrative Expenses

This is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary and Allowances		7,056,322	8,683,266
Directors' Remuneration		-	6,000,000
Car Expenses		69,371	480,000
Bank Charges		57,841	92,859
Conveyance		65,065	93,664
Entertainment		280,325	390,610
Postage Expenses		-	11,360
Printing and Stationery		38,259	57,750
Electricity, Gas and Water		692,978	722,998
Repairs and Maintenance		62,470	160,440
Telephone		275,080	517,016
Fees and Commissions		187,500	320,645
Membership Subscription		160,882	191,882
Audit Fees (Statutory)		402,500	402,500
Insurance Premium		72,322	83,061
Legal and Professional Charges		66,500	250,000
AGM Expenses		322,360	121,513

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Advertisement & Publicity		-	15,500
Depreciation	Annexure A	3,853,748	4,767,160
Depreciation on Right of Use Asset	5.00	1,308,440	1,308,440
Total:		14,971,963	24,670,664

25.00 Selling, Distribution and Marketing Expenses

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Salary and Allowances	17,891,513	85,100,700
Rent, Rates and Taxes	1,496,500	1,134,560
Car Expenses	-	210,000
Bank charges	77,059	26,198
Conveyance	102,382	156,422
Entertainment	11,935	13,775
Postage expenses	9,164	25,632
Printing and Stationery	163,437	288,006
Repairs and maintenance	111,846	143,415
Telephone	484,916	1,179,531
Electricity, Gas and Water	131,713	199,459
Fees and commissions	-	70,000
TA/DA of MR and others	3,957,300	7,476,310
General expenses	-	9,292
Meeting/Conference/Training expenses	242,991	736,908
Delivery Van expenses	19,260	25,342
Delivery expenses	4,265,946	12,358,218
Free Sample	1,620,352	1,850,632
Total:	30,586,314	111,004,400

26.00 Financial Expenses

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Interest on Overdraft	4,996,646	5,661,529
Interest on Lease Finance	-	895,840
Interest on WPWF	821,463	1,088,972
Total:	5,818,109	7,646,341

27.00 Contribution to Workers Participation and Welfare Fund

Contribution during the year

	-	260,023
Total:	-	260,023

28.00 Basic Earnings Per Share

This is made up as follows:

Particulars	30-06-2021	30-06-2020
Earning attributable to the Ordinary Shareholders (Net Profit/Loss after tax)	(13,009,844)	3,636,723
Weighted average number of Ordinary shares outstanding during the year	2,400,000	2,400,000
	(5.42)	1.52

29.00 Net Asset Value

This is made up as follows :

Particulars	30-06-2021	30-06-2020
Non-Current Assets	99,564,836	106,483,632
Current Assets	321,854,650	321,567,075
Non-Current Liabilities	8,463,743	9,691,981
Current Liabilities	368,118,636	360,511,775
Total:	44,837,108	57,846,951
Number of Ordinary Shares	2,400,000	2,400,000
NAV - Per Share	18.68	24.10

30.00 Net Operating Cash Flow per Share

This is made up as follows :

Particulars	30-06-2021	30-06-2020
Cash flows from net operating activities as per statement of cash flows	(5,451,696)	(11,971,372)
Weighted average number of ordinary shares outstanding during the year	2,400,000	2,400,000
Net Operating Cash Flow Per Share	(2.27)	(4.99)

30.01 Reconciliation of Net Cash flows from Operating Activities:

This is made up as follows :

Particulars	30-06-2021	30-06-2020
Net Profit after Tax	(13,009,844)	3,636,723
Adjustments	6,600,309	7,625,917
Depreciation on Property, Plant & Equipment	5,610,354	6,622,153
Depreciation on Right of Use Asset	1,308,440	1,308,440
Deferred Tax	(318,485)	(304,676)
Changes in Working Capital	957,839	(23,234,012)
Increase in Inventories	31,365,796	15,726,906
Increase in Accounts Receivable & Others	(23,080,216)	4,094,311
Increase in Advances, Deposits & Prepayments	(3,545,495)	2,553,617
Decrease in Creditor for Goods	(2,840,569)	(1,022,436)
Decrease in Liabilities for Expenses	(2,812,785)	(1,705,155)
Increase in Provision for Income Tax	1,049,645	1,608,391
Increase in Worker Profit Participation Fund	821,463	260,023
Net Cash Generated from Operating Activities	(5,451,696)	(11,971,372)
Net Operating Cash Flow per share	(2.27)	(4.99)

31.00 Related Party Transactions - Disclosure Under IAS 24

The Company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures". The Company opines that terms of related party transactions do not significantly differ from those that could have been obtained from third parties. Total transactions of the significant related parties as at 30 June 2021 were as follows:

Name of the Party	Relationship	Nature of Transaction	Notes	Opening Balance	Addition during the year	Adjustment during the year	Closing Balance
Aziz Mohammad Bhai	Chairman	Inter company Loan/ Receivable	18.01	108,650,308	30,000,000	18,556,417	120,093,891
Bengal Steel Works Limited	Group Concern	Inter company Loan/ Receivable	9.00	20,330,585	443,505	-	20,774,090
Ambee Films Limited	Group Concern	Inter company Loan/ Receivable	9.00	97,986	-	-	97,986
Total:				129,078,879	30,443,505	18,556,417	140,965,967

Note: Out of total amount of Tk. 20,774,090 of Bengal Steel Works Ltd from the above table, The amount of Tk. 443,505 is included from the running year 2021. Company will take permission from the share holders in the next Annual General Meeting for Tk. 443,505.

31.01 Salaries / Perquisites to Directors & Officers

During the year, the amount of compensation paid to Key Management Personnel including Board of Directors is as under (As Para 17 of IAS 24 Related Party Disclosures):

Short Term Employee Benefits	-	-
Post- Employment Benefits	-	-
Other Long-Term Benefits	-	-
Termination Benefits	-	-
Others	-	-
Total:	-	-

There is no other benefits provided by the company to it's employees other than a contributory Provident Fund Scheme.

31.02 Directors Remuneration :

During the year total remuneration paid to directors amounting to Tk. Nil

32.00 Number of Employees

Total number of employees of the Company was 487 as on 30 June, 2021.

Total number of employees of the Company was 736 as on 30 June, 2020.

33.00 Financial Risk Management

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. cash at bank and other external receivables are nominal.

Exposure to credit risk

Particulars	Note	30-06-2021	30-06-2020
Accounts Receivable & Others	7.00	92,227,940	69,147,724
Cash & Cash Equivalents	10.00	15,093,850	11,115,834
Total:		107,321,790	80,263,558

The aging of trade receivables at the reporting date was:

Particulars	30-06-2021	30-06-2020
Dues below 6 months	49,375,632	36,578,954
Dues over 6 months	42,852,308	32,568,770
Total:	92,227,940	69,147,724

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they fall due. The Company's approach to managing liquidity (cash and cash equivalents) 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, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow 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. In extreme stressed conditions, the Company may get support from the related Company in the form of short term financing.

(c) Market risk

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(i) Currency risk

The Company is exposed to currency risk on certain purchases such as import of raw & packing materials, machineries and equipment. Majority of the Company's foreign currency transactions are denominated in USD and relate to procurement of raw & packing materials, machineries and equipment from abroad.

(ii) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

34.00 Production Capacity & Capacity Utilization

Products	On single shift basis		Remarks
	Production capacity	Actual production	
Tablet group (Pcs)	1,200,000	1,100,000	As per market demand
Capsule group (Pcs)	384,000	288,000	As per market demand
Suspension group (Bottles)	8,000	7,000	-do-
Injectable (Ampoules)	35,000	30,000	-do-
Tube	7,500	5,000	-do-

35.00 Capital Expenditure Commitment

The Board of Directors of the company adopted the following decisions with regard to Capital Expenditures:

There was no material capital expenditure authorized by the Board but not contracted for at June 30, 2021.

36.00 Contingent liabilities

There may arise contingent liability for unassessed income tax cases pending with Tax Department.

37.00 Payments made in Foreign Currency

A. WAHAB & CO.
Chartered Accountants

Particulars	30-06-2021	30-06-2020
Import of Raw material	-	2,638,542
Import of Packing material	-	-
Total:	-	2,638,542

No other expenses including royalty, technical expert and professional advisory fees, interest etc. was incurred or paid in foreign currencies except as stated above.

38.00 Going Concern

The financial statements of the Company are prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern. The management do not see any issue with respect to going concern due to recent pandemic COVID-19. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, which is most unlikely though yet considering overall perspectives.

39.00 Events after the Reporting Period

Subsequent to the date of financial statement, the Board of Directors in its meeting held on November 11, 2021 has not proposed any dividend which will be approved by the shareholders in the annual general meeting.

Excepting to that, no circumstances have arisen since the date of statement of financial position which would require adjustment to, or disclosure in, the financial statements or notes thereto.

40.00 Approval of the Financial Statements

These financial statements were authorized for issue in accordance with the resolution of the Company's Board of Directors in its meeting held on November 11, 2021.

Sd/-
(Naureen Aziz Mohammad Bhai)
Mananaging Director

Sd/-
(Kazi Tanzina Ferdous)
Director

Sd/-
(Nurjehan Hudda)
Director

Sd/-
(A. K. M. Khairul Aziz)
Chief Financial Officer

Sd/-
(Md. Motiur Rahman)
Company Secretary

Dated: Dhaka, November 14, 2021

AMBEE PHARMACEUTICALS LIMITED
Schedule of Property, Plant & Equipment
For the year ended June 30, 2021

Annexure - A

Particulars	Cost			Depreciation					Written Down Value as on 30.06.2021	
	As on 01.07.2020	Addition During the Year	Adjustment the during year	As on 30.06.2021	Rate %	As on 01.07.2020	Adjustment during the year	Charged During the Year		As on 30.06.2021
Existing Units -1										
Land	49,033,738	-	-	49,033,738	-	-	-	-	-	49,033,738
Leasehold Land	1,215,803	-	-	1,215,803	-	-	-	-	-	1,215,803
Factory Building	25,453,974	-	-	25,453,974	2.5	14,243,414	-	280,264	14,523,678	10,930,297
Plant and Machinery	62,248,702	-	-	62,248,702	7	47,462,643	-	1,035,024	48,497,668	13,751,034
Deep Tube Well	1,368,000	-	-	1,368,000	15	1,141,956	-	33,907	1,175,863	192,137
Diesel Generating Set	446,500	-	-	446,500	15	363,128	-	12,506	375,634	70,866
Loose Tools	98,001	-	-	98,001	15	94,753	-	487	95,240	2,761
Laboratory Equipment	3,200,156	-	-	3,200,156	10	2,367,885	-	83,227	2,451,112	749,044
Electrical Installation	556,455	-	-	556,455	10	259,319	-	29,714	289,033	267,422
Laboratory Glassware	41,626	-	-	41,626	15	41,507	-	18	41,525	100
Production Equipment	1,220,541	-	-	1,220,541	10	846,162	-	37,438	883,600	336,941
Transport and Vehicles	12,530,135	-	-	12,530,135	20	9,840,636	-	537,900	10,378,536	2,151,599
Motor Cycle	38,662,774	-	-	38,662,774	20	24,416,648	-	2,849,225	27,265,873	11,396,901
Furniture and Fixtures	3,510,681	-	-	3,510,681	10	2,690,972	-	81,971	2,772,943	737,737
Office Equipment	12,535,336	-	-	12,535,336	15	9,978,212	-	383,569	10,361,781	2,173,555
Office By-cycles	15,962	-	-	15,962	20	15,729	-	47	15,775	187
Books	98,060	-	-	98,060	15	91,156	-	1,036	92,191	5,869
Sub Total	212,236,443	-	-	212,236,443		113,854,121	-	5,366,331	119,220,453	93,015,991
Injectable (Ampoule) Unit -2										
Factory Building	3,627,409	-	-	3,627,409	2.5	1,307,942	-	57,987	1,365,928	2,261,481
Plant and Machinery	9,221,953	-	-	9,221,953	7	6,896,280	-	162,797	7,059,077	2,162,875
Production Equipment	80,500	-	-	80,500	10	66,092	-	1,441	67,532	12,967
Transport and Vehicles	2,235,000	-	-	2,235,000	20	2,195,826	-	7,835	2,203,661	31,339
Furniture and Fixture	930,903	-	-	930,903	10	791,264	-	13,964	805,228	125,675
Sub Total	16,095,764	-	-	16,095,764		11,257,403	-	244,023	11,501,426	4,594,338
30-Jun-21	228,332,208	-	-	228,332,207		125,111,524	-	5,610,358	130,721,879	97,610,328
30-Jun-20	227,620,209	712,000	-	228,332,209		118,489,370	-	6,622,153	125,111,523	103,220,685

Note : Depreciation Charged to :

- (a) Cost of Goods Sold (Note - 23.00)
(b) Administrative Expenses (Note - 24.00)

	30-06-2021	30-06-2020
	1,756,607	1,854,993
	3,853,748	4,767,160
Tk.	5,610,354	6,622,152

AMBEE PHARMACEUTICALS LIMITED
Computation of Deferred Tax
For the year Ended June 30, 2021

Annexure-B

Particulars	30-06-2021	20-06-2020
Carrying value of depreciable PPE	47,360,787	52,971,144
Tax base Value	(19,137,129)	(23,516,354)
Net taxable temporary difference- Liabilities	28,223,659	29,454,790
Temporary difference for IFRS 16: Lease (Note-13.01)	(68,383)	(25,574)
Tax Base Value	-	-
	(68,383)	(25,574)
Net taxable temporary difference- Liabilities	28,155,276	29,429,216
Tax Rate	25%	25%
Deferred Tax Liability - Closing	7,038,819	7,357,304
Deferred Tax Liability- Opening	7,357,304	7,661,980
Deferred Tax Income for the year	318,485	304,676