

FINANCIAL STATEMENTS (Un-Audited)
For the period from 01.07.2018 to 31.03.2019



THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Tanim Center, 3 Asad Gate, Mirpur Road, Mohammadpur,

Dhaka-1207, Bangladesh.

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Tanin Center, 3 Asad Gate, Mirpur Road, Mohammadpur, Dhaka-1207

As per requirement of the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2009- 193/Admin/69 dated September 07, 2016, The IBN SINA Pharmaceutical Industry Ltd. is pleased to submit the un-audited Financial Statements for the nine months period ended 31st March, 2019.

STATEMENT OF FINANCIAL POSITION (Un-Audited)

As at 31st March, 2019


Amount in Taka

	Notes	As at 31.03.2019	As at 30.06.2018
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	02	1,469,283,140	1,409,800,123
Capital work-in-progress	02.1	243,067,562	152,905,373
Investment in Marketable Securities (AFS)	03	4,443,120	4,415,580
Investment	03.01	19,853,620	14,853,620
		1,736,647,442	1,581,974,696
Current Assets :			
Inventories	04	479,502,965	465,017,832
Accounts Receivable		28,552,965	18,050,445
Advances, Deposits & Prepayments	05	235,646,785	206,679,519
Cash & Cash Equivalents	06	177,816,057	170,014,165
		921,518,772	859,761,961
TOTAL ASSETS		<u>2,658,166,214</u>	<u>2,441,736,656</u>
SHAREHOLDERS' EQUITY AND LIABILITIES:			
Shareholders' Equity:			
Share Capital		312,436,270	284,032,980
Net Gain on Marketable Securities (AFS)	03	(132,192)	(156,978)
Tax Holiday Reserve		4,392,110	4,392,110
Retained Earnings	07	1,073,749,100	938,940,466
Non-Current Liabilities	08	140,291,397	98,498,291
Deferred Tax Liability	09.1	61,162,163	53,493,556
Current Liabilities:		1,066,267,366	1,062,536,232
Bank & Other Finance	10	492,616,080	566,809,243
Accounts and Other Payables	11	573,651,286	495,726,989
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>2,658,166,214</u>	<u>2,441,736,657</u>

Net Asset Value (NAV) per Share (restated-2017-2018)

44.50


39.28


Chief Financial Officer


Company Secretary


Finance Director

Dated, Dhaka
28-Apr-19


Managing Director


Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-Audited)
For the period from 1st July 2018 to 31st March, 2019

Amount in Taka				
Notes	July 01, 2018 to March 31, 2019	July 01, 2017 to March 31, 2018	January 01, 2019 to March 31, 2019	January 01, 2018 to March 31, 2018
Revenue	3,818,662,023	3,497,907,314	1,247,190,395	1,028,127,632
Cost of goods sold	12 (2,231,941,524)	(2,050,121,027)	(709,541,806)	(582,521,490)
Gross Profit	1,586,720,499	1,447,786,287	537,648,589	445,606,142
Operating Expenses:				
Administrative expenses	13 (94,065,957)	(86,854,146)	(36,204,702)	(31,795,224)
Selling & Distribution expenses	14 (1,136,182,163)	(1,042,677,122)	(406,520,331)	(336,003,132)
	(1,230,248,120)	(1,129,531,268)	(442,725,033)	(367,798,356)
Operating Profit	356,472,379	318,255,019	94,923,555	77,807,786
Financial charges	(9,634,487)	(28,816,005)	(3,032,991)	(10,968,011)
Other income	952,665	629,758	62,540	278,960
	347,790,557	290,068,772	91,953,105	67,118,735
Workers' P.P. Fund & Welfare Fund	(16,561,455)	(13,812,799)	(4,378,719)	(3,196,130)
Net Profit before tax	331,229,102	276,255,974	87,574,385	63,922,605
Less: Income tax expenses				
Current tax	(75,141,423)	(64,244,205)	(15,995,248)	(16,552,731)
Deferred tax	09 (7,665,852)	5,372,097	(9,433,356)	907,446
	(82,807,276)	(58,872,108)	(25,428,605)	(15,645,286)
Net Profit after tax	248,421,826	217,383,865	62,145,781	48,277,320
Other Comprehensive Income:				
Change in fair value of marketable securities (AFS)	03 27,540	(54,172,741)	119,340	(102,689,382)
Deferred tax	(2,754)	5,417,274	(11,934)	10,268,938
Total other comprehensive income, net of tax	24,786	(48,755,467)	107,406	(92,420,443)
Total other comprehensive income	248,446,612	168,628,398	62,253,187	(44,143,124)
Earnings per share-basic (restated-2017-2018)	<u>7.95</u>	<u>6.96</u>	<u>1.99</u>	<u>1.55</u>



Chief Financial Officer


Company Secretary


Finance Director

Dated, Dhaka
28-Apr-19


Managing Director


Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For the period from 1st July 2018 to 31st March, 2019

Amount in Taka

Particulars	Paid up Capital	Tax Holiday Reserve	Gain on Marketable Securities (Unrealized)	Retained Earnings	Total
Balance as at 1st July, 2017	258,211,800	4,392,110	289,485,578	552,873,744	1,104,963,232
Reclassification adjustment	-	-	(289,485,578)	24,144,138	(265,341,440)
Total Comprehensive Income/(Loss)			(156,978)	452,296,714	452,139,736
Dividend for the year 30 June, 2016-17 (Cash-25%)			-	(64,552,950)	(64,552,950)
Dividend for the year 30 June, 2016-17 (Stock-10%)	25,821,180			(25,821,180)	-
Balance as at 1st July, 2018	284,032,980	4,392,110	(156,978)	938,940,466	1,227,208,578
Total Comprehensive Income/(Loss) for the period ended 31st March, 2019			24,786	248,421,826	248,446,612
Dividend for the year 30 June, 2017-18 (Cash-30%)				(85,209,894)	(85,209,894)
Dividend for the year 30th June, 2017-18 (Stock-10%)	28,403,290			(28,403,290)	-
Balance as at 31st March, 2019	312,436,270	4,392,110	(132,192)	1,073,749,108	1,390,445,296

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For the period from 1st July 2017 to 31st March, 2018


Balance as at 1st July, 2017	258,211,800	4,392,110	289,485,578	552,873,744	1,104,963,232
Total Comprehensive Income/(Loss) for the period ended 31st March, 2018			(48,755,467)	217,383,865	168,628,398
Dividend for the year 30 June, 2017 (Cash-25%)				(64,552,950)	(64,552,950)
Dividend for the year 30 June, 2017 (Stock-10%)	25,821,180			(25,821,180)	-
Balance as at 31st March, 2018	284,032,980	4,392,110	240,730,111	679,883,479	1,209,038,680


Chief Financial Officer


Company Secretary


Finance Director

Dated, Dhaka
28-Apr-19


Managing Director


Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

STATEMENT OF CASH FLOWS (Un-Audited)

For the period from 1st July 2018 to 31st March, 2019

	Amount in Taka	
	1st July 2018 to 31st March 2019	1st July 2017 to 31st March 2018
Cash Flow From Operating Activities:		
Collection from revenue & others	3,807,206,838	3,486,775,036
Payment for cost & expenses & others	(3,308,747,374)	(3,246,184,734)
Miscellaneous Income	214,493	429,111
Cash generated from operations	498,673,956	241,019,413
Income tax paid	(96,138,714)	(56,924,187)
Financial charges	(9,634,487)	(28,816,005)
Net cash flows from operating activities	392,900,755	155,279,222
Cash Flow From Investing Activities:		
Purchase of fixed assets	(238,983,438)	(272,218,695)
Investment	(5,000,000)	(7,970,200)
Profit from bank deposits & investment	738,172	200,647
Net cash used in investing activities	(243,245,266)	(279,988,248)
Cash Flow From Financing Activities:		
Payment of dividend	(74,412,745)	(55,850,839)
Long term finance received/(paid) from bank (net)	6,752,310	105,189,980
Short term finance received/(paid) from bank (net)	(74,193,163)	64,715,775
Net cash flow from financing activities	(141,853,597)	114,054,915
Increase/(decrease) in cash and cash equivalents	7,801,892	(10,654,110)
Cash and cash equivalents at the opening	170,014,165	197,423,176
Cash and cash equivalents at the closing	<u>177,816,057</u>	<u>186,769,066</u>
Net operating cash flow per share (NOCFPS) (restated-2017-2018)	12.58	4.97


Chief Financial Officer


Company Secretary


Finance Director

Dated, Dhaka
28-Apr-19


Managing Director


Chairman

The Ibn Sina Pharmaceutical Industry Ltd.

Selected Notes to the Financial Statements (Un-Audited)

For the period ended March 31, 2019

Selected Explanatory Notes

01. (a) Basis of Preparation of Financial Statements

These financial Statements have been prepared in line with the accounting policies and methods of computations of the annual financial statements prepared and published for the year ended 30th June, 2018. These interim financial statements includes only selected explanatory notes as deemed appropriate for understanding of these un-audited financial statements.

SI. No.	IFRS/IAS Title	IFRS	Compliance Status
Compiled from 01 July 2018			
1	Financial Instruments	9	Complied
2	Revenue from Contracts with Customers	15	Complied
Stoped Compliance from 01 July 2018 as the IAS/IFRS become not applicable		IAS No	
3	Construction Contracts	11	Not Applicable
4	Revenues	18	Not Applicable
5	Financial Instruments: Recognition and Measurement	39	Not Applicable

01. (b) Reporting

This 3rd Quarter financial report has been prepared based on International Accounting Standard (IAS)-34 "Interim Financial Reporting".

01. © Earnings Per Share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended March 31, 2019 and profit for the same period. The number of shares outstanding for the period was 31,243,627. Earnings per share for the corresponding period of 2017-2018 has also been calculated based on 31,243,627 shares. No diluted earnings per share is required to be calculated as there was no scope for dilution during the period under review.

01. (d) Financial Charge

Long term loan balance was Tk.99,087,736.00 and 96,031,992.00 on 31 March 2019 and 30 June 2018 respectively. Due to early payment of long term loan finance charge has been decreased during the reporting period.

01. (e) Increase in Revenue

Due to hard work of all employees of the company as well as strong monitoring, guidance and supervision of senior management sales revenue has been increased during current period over last reporting period.

01. (f) Increase in Earnings Per Share (EPS)

As a result of hard work of all employees of the company as well as strong monitoring, guidance and supervision of senior management we have been able to maintain a stable growth in sales revenue and control the costs related with earning revenue. As a result, EPS has been increased during current period over last reporting period.

01. (g) Increase in Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flow per share (NOCFPS) increased during current period over last reporting period due to increase in collection from revenue & others and decrease in payment for cost & expenses & others.

01. (h) Income Tax

Payment of income tax increase due to increase in revenue and net profit. Advance income tax also increased due to payment for quaterly installment.

01. (i) Purchase of Fixed Assets

Payment for purchases of fixed assets decreased due to decreased in addition of fixed assets.

01. (j) Profit from bank deposit increase due to increase in profit paid by bank.

01. (k) Payment of dividend increase due to declaration of higher dividend on last year's income during the reporting period.

01. (l) Statement on compliance

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRS) and International Accounting Standard (IAS), the Companies Act, 1994, Securities and Exchange Rules, 1987 and other relevant laws as applicable.

01. (m) Subsequent Events

No material events occurred after the reporting date, non disclosure of which could affect the shareholders to make proper valuation and decision.

Previous period figures have been re-arranged to conform to current period's presentation, where considered necessary.

Amount in Taka	
As at 31.03.2019	As at 30.06.2018

02. PROPERTY, PLANT AND EQUIPMENT:

Cost/Revaluation

Opening Balance	2,006,554,755	1,606,348,997
Addition during the period	148,821,250	406,328,044
Disposal/Adjustment during the period	-	(6,122,286)
	2,155,376,005	2,006,554,755

Accumulated Depreciation

Opening Balance	596,754,632	490,016,499
Charged during the period	89,338,233	112,239,130
Disposal/Adjustment during the period	-	(5,500,997)
	686,092,865	596,754,632

Written Down Value (WDV)

1,469,283,140	1,409,800,123
----------------------	----------------------

02.1 Capital work-in-progress :

Opening Balance	152,905,373	26,614,186
Add: Addition during the year		
Building-Construction work-in-progress	24,878,196	18,162,372
Machinery in transit	65,283,993	108,128,815
	243,067,562	152,905,373

Increase in Capital Working-in-progress arose due to addition of new machinery and construction materials.

Decrease in machinery in transit arose due to completion of installation of newly imported machinery.

03. INVESTMENT IN MARKETABLE SECURITIES (FAIR VALUE):

SI No.	Name of Bond	No. of Bond Held	Face Value Per Bond	Cost of Holding	Average Cost	Quoted Rate Per Bond as on 31.03.19	Total Market value of Bond as on 31.03.19	Unrealized Gain/(Loss)
1	Islami Bank Bangladesh Ltd. (IBBL)-in Mudaraba Perpetual Bond (MPB)	4,590	1,000	4,590,000	1,000	968.00	4,443,120	(146,880)
	Total Taka			4,590,000			4,443,120	(146,880)

3.a. Net Gain/(Loss) on Marketable Securities (AFS):

Unrealized Gain/(Loss) Position (Closing)	(146,880)	(174,420)
Deferred tax on gain on marketable securities (AFS)	14,688	17,442
	(132,192)	(156,978)

3.b. Change in fair value of Marketable Securities (AFS):

Unrealized Gain/(Loss) Position (Closing)	(146,880)	(174,420)
Unrealized Gain/(Loss) Position (Opening)	174,420	321,650,642
	27,540	321,476,222

03.1 INVESTMENT IN ASSOCIATE :

Opening balance	17,750,000	9,750,000
Add: Addition during the year	5,000,000	8,000,000
	22,750,000	17,750,000

Add/(Less): Share of associate profit/(loss)

Opening Balance	(2,896,380)	(626,853)
During the year	-	(2,269,527)
	(2,896,380)	(2,896,380)
	19,853,620	14,853,620

IBN SINA Consumer Products Ltd. (40% of total share holding)

Increasing in Investment in associate arose due to payment for capital subscription.

04. INVENTORIES:

Raw materials
Packing materials
Work-in-process
Finished goods
Physicians' samples
Pad & literature
Spares & stores
Indirect materials
Printing & stationery
Laboratory chemicals
Material in Transit

Amount in Taka	
As at 31.03.2019	As at 30.06.2018
121,951,980	116,704,856
93,666,551	88,525,184
59,381,104	53,384,884
102,459,270	97,791,850
2,159,451	2,012,359
1,447,607	1,282,397
116,407	104,937
225,850	173,749
221,083	166,982
167,982	143,811
97,705,680	104,726,823
479,502,965	465,017,832

Due to meet the increases in sales and internal requirements inventories for Work-in-process, Physicians' samples, Pad & literature, Spares & stores, Indirect materials, Printing & stationery, Laboratory chemicals has been increased during current period over last reporting period.

05. ADVANCES, DEPOSITS & PRE-PAYMENTS :

This is recoverable in cash or for value to be received and consists of as follows :

a. Advances against-

Salary
Expenses/Works
Head office
Sales center rent
Motor cycles - To employees
Income Tax
Others

3,516,639	3,354,298
6,340,625	5,778,044
11,661,000	11,661,000
8,229,750	8,476,125
7,825,924	7,440,710
171,018,291	140,561,229
340,345	318,874
208,932,574	177,590,280

b. Deposits -

Security money

11,925,428 12,691,203

c. Pre-payments -

Value Added Tax (VAT)
Insurance premium

14,715,554	16,114,765
73,229	283,271
14,788,783	16,398,036

(a+b+c)

235,646,785 206,679,519

Increasing in advance against expenses/ works arose due to contractual requirement of supplier and to get quick delivery of goods and supplies.

06. CASH & CASH EQUIVALENTS:

Cash in hand & Bank Balance
Imprest Cash

170,945,857	163,111,392
6,870,200	6,902,773
177,816,057	170,014,165

07. RETAINED EARNINGS :

Retained Earnings
Reclassification adjustment
Dividend Paid
Add : Surplus during the period/year

938,940,466	552,873,744
-	24,144,138
(113,613,192)	(90,374,130)
248,421,826	452,296,714
1,073,749,100	938,940,466

08. NON-CURRENT LIABILITIES:

Long Term Finance-Net off current maturity
Retirement Benefit Obligation

87,998,037	81,245,727
52,293,360	17,252,564
140,291,397	98,498,291

(a) Decrease in long term finance arose due to early settlement of long term loan.

(b) Increasing in retirement benefit obligation arose due to less amount paid to gratuity fund.

Amount in Taka	
As at 31.03.2019	As at 30.06.2018

09. Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 12 "Income Taxes". Related deferred tax (expense)/income have been disclosed in note 9.1. The components of deferred tax assets and liabilities are given below:

Particulars	Carrying amount	Tax base value	Taxable (deductible) temporary difference	Applicable tax rate	Tax Rate @ 25%
At 31 March 2019					
Property, plant and equipment	1,469,283,140	1,196,285,188	272,997,951	25%	68,249,488
Gratuity provision	58,134,751	29,844,203	(28,290,548)	25%	(7,072,637)
Unrealized gain on marketable securities	(146,880)		(146,880)	10%	(14,688)
Deferred tax liability					61,162,163

Particulars	Carrying amount	Tax base value	Taxable (deductible) temporary difference	Applicable tax rate	Tax Rate @ 25%
At 30 June 2018					
Property, plant and equipment	1,409,800,123	1,172,662,174	237,137,949	25%	59,284,487
Gratuity provision	60,337,648	37,243,693	(23,093,955)	25%	(5,773,489)
Unrealized gain on marketable securities	(174,420)		(174,420)	10%	(17,442)
Deferred tax liability					53,493,556

09.1. **Deferred tax (expenses)/income :**

Closing balance of deferred tax liability	61,162,163	53,493,556
Opening balance of deferred tax liabilities	53,493,556	80,513,227
Total deferred tax expenses	7,668,607	(27,019,671)
Less: Deferred tax expenses related to other comprehensive income	2,754	(32,182,506)
	7,665,853	5,162,835

10. **BANK & OTHER FINANCE :**

Short Term Finance	481,526,381	552,022,978
Long Term Finance-current maturity	11,089,699	14,786,265
	492,616,080	566,809,243

Decrease in short term finance arose due to early settlement of short term loan.

11. **ACCOUNTS AND OTHER PAYABLES:**

Payable for Suppliers	190,869,100	171,872,571
Accrued Expenses	127,222,546	99,222,546
Deposits	9,027,393	8,753,025
Other Finance	88,281,397	67,087,768
Income Tax Liability	158,250,850	148,791,079
	573,651,286	495,726,989

- a) Increasing in payable for suppliers arose due to less amount paid to suppliers.
b) Increasing in accrued expenses arose due to less payment
c) Increase in other finance arose due to less other payment
b) Increasing in income tax liability arose as annual income tax assessment is under progress and hope to complete assessment shortly.

12. COST OF GOODS SOLD :

Materials
 Factory Overhead
 Depreciation

Amount in Taka	
1st July 2018 to 31st March 2019	1st July 2017 to 31st March 2018
1,788,242,393	1,629,775,843
368,988,738	357,832,013
74,710,393	62,513,171
2,231,941,524	2,050,121,026

- a) Increase in materials consumption arose due to increase in sales.
 b) Increase in depreciation increase arose due to addition of sophisticated and high value machineries and equipment in the production.

13. ADMINISTRATIVE EXPENSES :

Salary, wages & Allowances
 Repairs & Maintenance
 Travelling & Conveyance
 AGM, Fees and Others
 Depreciation
 Other Expenses

52,752,312	50,171,798
5,535,094	5,228,709
2,918,414	2,868,299
2,156,968	2,013,453
5,436,864	4,015,613
25,266,305	22,556,275
94,065,957	86,854,146

- a) Increase in depreciation increase arose due to addition of new fixed assets for administrative support.

14. SELLING & DISTRIBUTION EXPENSES :

Salary, wages & Allowances
 Travelling & Conveyance
 Market Survey & Research and Product development
 Field personnel expenses
 Sample, Literature & Promotional Expenses
 Delivery Expenses
 Depreciation
 Other Expenses

648,929,209	591,445,976
3,619,212	3,318,364
4,431,975	4,028,495
146,042,925	136,448,956
65,546,620	59,544,051
108,909,888	99,897,931
9,190,976	6,759,394
149,511,358	141,233,955
1,136,182,163	1,042,677,122

- a) Increase in selling & distribution expenses arose due to addition of new man power, introduction new product and increase research, increase in promotion activities, increase in delivery vehicle and over all revenue increasing activities.


 Chief Financial Officer


 Company Secretary


 Finance Director

Dated, Dhaka
 28-Apr-19


 Managing Director


 Chairman