

FINANCIAL STATEMENTS (Un-Audited)
For the 1st quarter ended 30th September, 2018



THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Tanin 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 requirements of the Securities & Exchange commission's (SEC) Notification No.SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009, The IBN SINA Pharmaceutical Industry Ltd. is pleased to submit the un-audited Statement of Financial Position for the three months period ended 30th September, 2018.

STATEMENT OF FINANCIAL POSITION (Un-Audited)

As at 30th September, 2018

	Notes	Amount in Taka	
		As at 30.09.2018	As at 30.06.2018
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	02	1,479,288,478	1,409,800,123
Capital work-in-progress		173,281,598	152,905,372
Investment in Marketable Securities (AFS)	03	4,257,225	4,415,580
Investment in associate	03.1	14,853,620	14,853,620
		1,671,680,921	1,581,974,696
Current Assets :			
Inventories	04	486,770,468	465,017,832
Accounts Receivable		19,527,366	18,050,445
Advances, Deposits & Prepayments	05	210,192,993	206,679,519
Cash & Cash Equivalents	06	172,555,943	170,014,165
		889,046,769	859,761,961
TOTAL ASSETS		<u>2,560,727,690</u>	<u>2,441,736,657</u>
SHAREHOLDERS' EQUITY AND LIABILITIES:			
Shareholders' Equity:			
Share Capital		284,032,980	284,032,980
Net Gain on Marketable Securities (AFS)	03	(299,497)	(156,978)
Tax Holiday Reserve		4,392,110	4,392,110
Retained Earnings	07	1,015,091,142	938,940,466
		1,303,216,735	1,227,208,578
Non-Current Liabilities	08	106,427,433	98,498,291
Deferred Tax Liability	09	54,367,409	53,493,557
		1,096,716,113	1,062,536,232
Current Liabilities:			
Bank Finance	10	559,878,552	566,809,243
Accounts and Other Payables	11	536,837,561	495,726,989
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>2,560,727,690</u>	<u>2,441,736,657</u>
Net Asset Value (NAV) per share		<u>45.88</u>	<u>43.21</u>

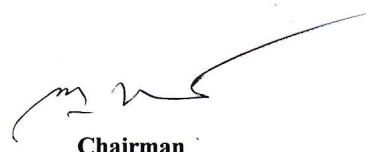

Chief Financial Officer


Company Secretary


Director, Finance

Dated, Dhaka
November 6, 2018


Managing Director


Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-Audited)
For the 1st quarter ended 30th September, 2018

	Notes	Amount in Taka	
		From 1st Jul'18 to 30th Sept'18	From 1st Jul'17 to 30th Sept'17
Revenue		1,325,315,796	1,235,411,188
Cost of goods sold	12.	(778,489,840)	(733,815,468)
Gross Profit		546,825,956	501,595,720
Operating Expenses:			
Administrative expenses	13.	(29,786,319)	(29,137,124)
Selling & Distribution expenses	14.	(406,859,796)	(379,464,755)
		(436,646,114)	(408,601,879)
Operating Profit		110,179,842	92,993,841
Finance Charges		(3,352,460)	(7,509,749)
		106,827,382	85,484,092
Other Income		50,760	50,151
		106,878,142	85,534,243
Workers' P.P. Fund & Welfare Fund		(5,343,907)	(4,276,712)
Net Profit before tax		101,534,235	81,257,531
Income tax expenses			
Current tax		(24,493,871)	(19,622,547)
Deferred tax	09.1	(889,688)	128,912
		(25,383,559)	(19,493,635)
Net Profit after tax		76,150,676	61,763,896
Other Comprehensive Income:			
Change in fair value of Marketable Securities (AFS)	03	(158,355)	25,318,410
Deferred tax		15,835	(2,531,841)
Total other comprehensive income for the period, net of tax		(142,519)	22,786,569
Total other comprehensive income for the period		76,008,157	84,550,465
Earnings per share-basic (Adjusted EPS of 2017-2018)		2.68	2.17


Chief Financial Officer


Company Secretary


Director, Finance

Dated, Dhaka
 November 6, 2018


Managing Director



Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For the 1st quarter ended 30th September, 2018

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)
Statement of profit or loss and other comprehensive Income			(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
Statement of profit or loss and other Comprehensive Income for period ended 30th September, 2018			(142,519)	76,150,676	76,008,157
Balance as at 30th September, 2018	284,032,980	4,392,110	(299,497)	1,015,091,142	1,303,216,735


Chief Financial Officer


Company Secretary


Director, Finance

Dated, Dhaka
November 6, 2018


Managing Director


Chairman

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CASH FLOWS (Un-Audited)
For the 1st quarter ended 30th September, 2018

	Amount in Taka	
	From 1st Jul'18 to 30th Sept'18	From 1st Jul'17 to 30th Sept'17
Cash Flow From Operating Activities:		
Collection from customers & others	1,323,788,115	1,235,146,851
Payment for cost & expenses	(1,176,559,126)	(1,089,494,406)
Income tax paid	(14,224,952)	(9,666,764)
Financial charges	(3,352,460)	(7,509,749)
Miscellaneous income	50,760	50,151
Net cash flows from operating activities	129,702,337	128,526,083
Cash Flow From Investing Activities:		
Purchase of fixed assets	(119,144,655)	(183,057,139)
Net cash used in investing activities	(119,144,655)	(183,057,139)
Cash Flow From Financing Activities:		
Dividend received/(paid)	(409,470)	(507,043)
Long term finance received/(paid) from bank (net)	118,444	111,407,826
Short term finance received/(paid) from bank (net)	(6,930,691)	(77,463,872)
Net cash flow from financing activities	(7,221,716)	33,436,911
Increase/(decrease) in cash and cash equivalents	3,335,966	(21,094,145)
Cash and cash equivalents at the opening	170,014,165	197,423,176
Effect of movements in exchange rates on cash held	(794,189)	(253,210)
Cash and cash equivalents at the closing	<u>172,555,943</u>	<u>176,075,821</u>
Net Operating cash flow per share (NOCFPS)	<u>4.57</u>	<u>4.53</u>
(adjusted-2017-18)		

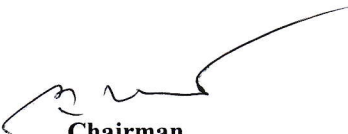

Chief Financial Officer


Company Secretary


Director, Finance

Dated, Dhaka
November 6, 2018


Managing Director


Chairman

The details of the published 1st quarter financial statements is available in our web-side.
www.ibnsinapharma.com

The Ibn Sina Pharmaceutical Industry Ltd.
Selected Notes to the Financial Statements (Un-audited)
For the 1st quarter ended 30th September, 2018

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 periodic 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.

01. (b) Reporting:

This 1st quarterly financial report has been prepared based on International Accounting Statement (IAS)-34 "Interim Financial Reporting".

01. (c) Earnings Per Share (EPS):

Earnings per share has been calculated based on number of shares outstanding for the period ended September 30, 2018 and profit for the same period. The number of shares outstanding for the period was 28.40 million. Earnings per share for the corresponding period of 2017 has also been calculated based on 28.40 million 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) Subsequent events:

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

01.(e) Finance charge:

Long term loan balance was Tk.92,453,870.00 and 548,788,853.00 on 30 September 2018 and 30 September 2017 respectively. Finance charge during the reporting period decreased due to decrease of long term loan.

01.(f) Cash Flow From Investing Activities:

Cash flow from investing activities decreased during the reporting period due to less payment made for purchases of fixed assets than the same period of last year.

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

02. PROPERTY, PLAND AND EQUIPMENT

Cost/Revaluation

Opening balance
 Addition during the period/year
 Disposal/Adjustment during the period/ year

Accumulated Depreciation

Opening balance
 Charged during the period/year
 Disposal/Adjustment during the period/ year

Written Down Value (WDV)

02.1 Capital work-in-progress

Opening balance
 Add: Addition during the year
 Building-Construction work in progress
 Machinery in transit

Amount in Taka	
As at 30.09.2018	As at 30.06.2018

2,006,554,755	1,606,348,997
98,768,429	406,328,044
-	(6,122,286)
2,105,323,185	2,006,554,756

596,754,632	490,016,499
29,280,075	112,239,130
-	(5,500,997)
626,034,707	596,754,632

1,479,288,478	1,409,800,123
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152,905,372	26,614,186
6,319,085	18,162,372
14,057,141	108,128,815
173,281,598	152,905,372

03. INVESTMENT OF MARKETABLE SECURITIES (FAIR VALUE): 30.09.2018

Sl. No.	Name of Company Bond	No. of Bond Held	Face Value Per Bond	Cost of Holding	Average Cost	Quoted Rate Per Bond as on 30.09.18	Total Market value of Bond as on 30.09.18	Unrealized Gain/(Loss)
1	(IBBL)-in Mudaraba Perpetual Bond (MPB)	4,590	1,000	4,590,000	1,000	927.50	4,257,225	(332,775)
	Total Tk.			4,590,000			4,257,225	(332,775)

Amount in Taka	
As at 30.09.2018	As at 30.06.2018

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

Unrealized Gain/(Loss) Position (Closing)
Deferred tax on gain on marketable securities (AFS)

(332,775)	(174,420)
33,278	17,442
(299,498)	(156,978)

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

Unrealized Gain/(Loss) Position (Closing)
Unrealized Gain/(Loss) Position (Opening)

(332,775)	(174,420)
(174,420)	321,650,642
(158,355)	(321,825,062)

03.1 INVESTMENT IN ASSOCIATE

Opening balance
Add: Addition during the year

17,750,000	9,750,000
-	8,000,000
17,750,000	17,750,000

Add/(less): Share of Associate profit/(loss)
Less: Share of associate profit/(loss)
IBN SINA Consumer Products Ltd.

(2,896,380)	(626,853)
-	(2,269,527)
14,853,620	14,853,620

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

121,828,398	116,704,856
90,849,604	88,525,184
55,267,094	53,384,884
103,516,060	97,791,850
3,004,684	2,012,359
2,193,875	1,282,397
199,647	104,937
332,539	173,749
314,392	166,982
233,811	143,811
109,030,364	104,726,823
486,770,468	465,017,832

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 centre rent
Motor cycles - To employees
Income Tax
Others

3,595,298	3,354,298
5,992,144	5,778,044
11,661,000	11,661,000
7,863,375	8,476,125
8,045,114	7,440,710
154,786,181	140,561,229
310,124	318,874
192,253,236	177,590,280

b. Deposits -

Security money

12,916,603 **12,691,203**

c. Pre-payments -

Value Added Tax (VAT)
Insurance premium

4,839,883	16,114,765
183,271	283,271
5,023,154	16,398,036
210,192,993	206,679,519

06. CASH & CASH EQUIVALENTS:Cash in hand & Bank Balance
Imprest Cash

Amount in Taka	
As at 30.09.2018	As at 30.06.2018
165,373,803	163,111,392
7,182,140	6,902,773
172,555,943	170,014,165

07. RETAINED EARNINGS :Retained Earnings
Add : Surplus during the period/year

938,940,466	486,643,752
76,150,676	452,296,714
1,015,091,142	938,940,466

08. NON-CURRENT LIABILITIES:Long Term Finance-Net off current maturity
RETIREMENT BENEFIT OBLIGATIONS

81,364,171	81,245,727
25,063,262	17,252,564
106,427,433	98,498,291

09. DEFERRED TAX LIABILITY

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS/BAS 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 (deductable) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	1,479,288,478	1,230,781,079	248,507,399	25%	62,126,850
Gratuity	35,970,701	5,066,048	(30,904,653)	25%	(7,726,163)
Unrealised gain on marketable securities	(332,775)	-	(332,775)	10%	(33,278)
As on 30.09.2018	1,514,926,403	1,235,847,127	217,269,971		54,367,409

Deferred Tax Calculation As on 30.06.2018

Particulars	Carrying amount	Tax base value	Taxable (deductable) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	1,409,800,123	1,172,662,174	237,137,949	25%	59,284,487
Gratuity	60,337,648	37,243,693	(23,093,955)	25%	(5,773,489)
Unrealised gain on marketable securities	(174,420)	-	(174,420)	10%	(17,442)
For the year 2017-18	1,469,963,351	1,209,905,867	213,869,575		53,493,557

09.1 Deferred tax (expenses)/incomeClosing balance of deferred tax liability
Opening balance of deferred tax liabilities
Total deferred tax expenses
Less: Deferred tax expenses related to other comprehensive income

54,367,409	53,493,557
53,493,557	80,513,227
873,852	(27,019,670)
(15,835)	(32,182,506)
889,688	5,162,836

10. BANK FINANCE:Short Term Finance
Long Term Finance-Current maturity

548,788,853	552,022,978
11,089,699	14,786,265
559,878,552	566,809,243

11. ACCOUNTS AND OTHER PAYABLES:Payable for Suppliers
Accrued Expenses
Deposits
Other Finance
Income Tax Liability

179,863,201	171,872,571
105,474,100	99,222,546
9,741,210	8,753,025
68,474,100	67,087,768
173,284,950	148,791,079
536,837,561	495,726,989

Amount in Taka	
From 1st July'18 to 30th September'18	From 1st July'17 to 30th September'17

12. COST OF GOODS SOLD :

Materials	633,888,972	592,598,789
Factory Overhead	119,881,065	120,612,806
Depreciation	24,719,802	20,603,873
	778,489,840	733,815,468

i) Depreciation expense during the reporting period increased due to addition of fixed assets .

13. ADMINISTRATIVE EXPENSES :

Salary, wages & Allowances	17,674,815	16,902,108
Repairs & Maintenance	806,195	1,504,455
Travelling & Conveyance	696,781	592,613
AGM, Fees and Others	1,500	1,200
Depreciation	1,712,223	1,290,312
Other Expenses	8,894,805	8,846,436
	29,786,319	29,137,124

i) R & M decrease due to disposal of old vehicle which incurred high R & M expense and increasing monitoring and supervision.

ii) Depreciation expense during the reporting period increased due to addition of fixed assets .

14. SELLING & DISTRIBUTION EXPENSES :

Salary, wages & Allowances	223,901,708	213,128,843
Travelling & Conveyance	813,111	702,097
Market Survey & Research and Product development	811,348	686,606
Field personnel expenses	53,796,883	49,082,490
Sample, Literature & Promotional Expenses	45,039,470	42,944,778
Delivery Expenses	40,478,117	35,101,755
Depreciation	2,848,050	2,129,958
Other Expenses	39,171,110	35,688,229
	406,859,796	379,464,755

i) Delivery expense during the reporting period increased due to increase in fuel and gas cost and vehicles rent cost.

ii) Field personnel expense increase due to increase of field personnel movement in order to increase sales.

iii) Depreciation expense during the reporting period increased due to addition of fixed assets .


Chief Financial Officer


Company Secretary


Director Finance

Dated, Dhaka
November 6, 2018


Managing Director


Chairman