

Annual Report

2018-19



Quality
we Assure



The **IBN SINA**
Pharmaceutical Industry Ltd.

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Annual Report

For the year ended 30 June 2019

The IBN SINA Pharmaceutical Industry Ltd. is committed to making sustainability an integral part to continually enable the people in good health for better life, improving the environmental and social performance through mainstream operations of health services ensuring availability of quality medicines which we commonly refer to as our corporate footprint.

The sustainability strategy articulates the company strategic commitment to sustainable development and is an integral part of our approach to a healthy life for human being as a whole.

The company priority as a good corporate citizen is to earn money in ethical manner that is both socially and ecologically responsible and of course, sustainable.

Letter of Transmittal

To
The Valued Shareholders,
Bangladesh Securities and Exchange Commission,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

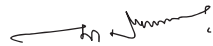
Disclosure of Annual Report for the year ended 30 June 2019.

Dear Sir(s)

Enclosed please find a copy of the Annual Report together with the Audited Statement of Financial Position as at 30 June, 2019 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June 2019 along with the notes thereon of The IBN SINA Pharmaceutical Industry Ltd. for your kind information and record.

Thank you,

Yours sincerely,



Md. Shahid Farooqui, FCS
Company Secretary

Dated: 19 September 2019



বিজ্ঞপ্তি

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড

তানিন সেন্টার, ৩ আসাদগেট, মিরপুর রোড, মোহাম্মদপুর, ঢাকা-১২০৭

৩৫ তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড-এর সম্মানিত শেয়ারহোল্ডারগণকে জানানো যাচ্ছে যে, আগামী ১৪ নভেম্বর ২০১৯, বৃহস্পতিবার সকাল ৯ : ৩০ টায় কোম্পানির ৩৫ তম বার্ষিক সাধারণ সভা ইমানুয়েলস কনভেনশন সেন্টার, সীমান্ত স্কয়ার মার্কেট (রাইফেলস স্কয়ার) ৬ষ্ঠ তলা, ধানমন্ডি, ঢাকায় অনুষ্ঠিত হবে। সভায় নিম্ন বর্ণিত বিষয়সমূহ আলোচনা করা হবে।

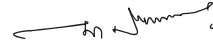
আলোচ্যসূচি

১. ২০১৮-১৯ অর্থ বছরের নিরীক্ষিত হিসাব এবং তার ওপর নিরীক্ষক ও কোম্পানির পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ এবং অনুমোদন;
২. ২০১৮-১৯ অর্থ বছরের প্রস্তাবিত লভ্যাংশ অনুমোদন;
৩. ২০১৯-২০ অর্থ বছরের জন্য অডিটর নিয়োগ এবং তাঁদের পারিশ্রমিক নির্ধারণ;
৪. ২০১৯-২০ অর্থ বছরের জন্য কমপ্লায়ান্স অডিটর নিয়োগ এবং তাঁদের পারিশ্রমিক নির্ধারণ;
৫. পরিচালক নির্বাচন;
৬. সহযোগী কোম্পানি “দি ইবনে সিনা কনজুমার প্রডাক্টস লিঃ” এ বিনিয়োগ অনুমোদন।

কোম্পানির শেয়ারহোল্ডারগণকে উক্ত সভায় যথাসময়ে উপস্থিত হওয়ার জন্য অনুরোধ করা যাচ্ছে।

বোর্ডের আদেশক্রমে

তারিখ
১৯ সেপ্টেম্বর ২০১৯


(মোঃ শহীদ ফারুকী, এফসিএস)
কোম্পানি সেক্রেটারী

টীকা:

- ক. রেকর্ড ডেট (Record Date) : ১৪ অক্টোবর ২০১৯, সোমবার;
- খ. রেকর্ড ডেট (১৪ অক্টোবর ২০১৯, সোমবার) এ কোম্পানির শেয়ার রেজিস্টার অথবা ডিপজিটরি রেজিস্টারে যে সকল শেয়ারহোল্ডারগণের নাম রেকর্ডভুক্ত থাকবে তাঁরাই কেবল বার্ষিক সাধারণ সভায় উপস্থিত হওয়া, ভোট প্রদান এবং লভ্যাংশ পাবার যোগ্য বলে বিবেচিত হবেন;
- গ. সভায় অংশগ্রহণ ও ভোট প্রদানে উপযুক্ত কোন সদস্য/সদস্যা তাঁর পক্ষে অন্য কোন ব্যক্তিকে সভায় অংশগ্রহণ ও ভোটদানের জন্য প্রক্সি নিয়োগ করতে পারবেন;
- ঘ. সভা অনুষ্ঠানের নির্ধারিত সময়ের অন্তত পক্ষে ৪৮ ঘন্টা পূর্বে প্রক্সি ফরম ২০.০০ টাকার রেভিনিউ স্ট্যাম্প সহকারে যথাযথভাবে পূরণ করে কোম্পানির রেজিস্টার্ড অফিসে জমা দিতে হবে;
- ঙ. বার্ষিক প্রতিবেদন, হাজিরা স্লিপ ও প্রক্সি ফরম নোটিশের সাথে ডাকযোগে শেয়ারহোল্ডারগণের কাছে পাঠানো হয়েছে। শেয়ারহোল্ডারগণ কোম্পানির রেজিস্টার্ড অফিস থেকেও প্রতিবেদন ও প্রক্সি ফরম সংগ্রহ করতে পারবেন;
- চ. সভার দিন সকাল ১০.৩০ টার মধ্যে সম্মানিত শেয়ারহোল্ডারগণের নাম সংশ্লিষ্ট কাউন্টারে অবশ্যই নিবন্ধন করার জন্য অনুরোধ করা হচ্ছে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী
আসন্ন ৩৫ তম বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার প্রদানের ব্যবস্থা থাকবে না।



Notice

The IBN SINA Pharmaceutical Industry Ltd.

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

NOTICE OF THE 35th ANNUAL GENERAL MEETING

Notice is hereby given that the 35th ANNUAL GENERAL MEETING of the Shareholders of The IBN SINA Pharmaceutical Industry Ltd. will be held on 14 November, Thursday, 2019 at 9 : 30 AM at Emmanuelle's Convention Center, Shimanto Square Market (Rifles Square), 5th Floor, Dhanmondi, Dhaka to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 30 June 2019 together with the Auditors' Report and Directors' Report thereon.
2. To approve proposed Dividend for the year 2018-19.
3. To appoint Statutory Auditors for the financial year 2019-20 and to fix-up their remuneration.
4. To appoint Compliance Auditors for the financial year 2019-20 and to fix-up their remuneration.
5. Election of Directors.
6. To approve the investment in the associate company, "The Ibn Sina Consumer Products Ltd."

The respected shareholders of the Company are requested to attend the meeting in time.

By order of the Board

(Md. Shahid Farooqui, FCS)
Company Secretary

Dated :
19 September 2019

Notes:

- a. Record Date : 14 October, Monday, 2019.
- b. The shareholders whose names will appear in the Share Register of the Company or Depository Register (CDBL) on the Record Date 14 October, Monday, 2019 respectively are eligible to attend and vote in the AGM and entitled to the dividend.
- c. A member entitled to attend and vote in the Annual General Meeting may appoint proxy to attend and vote in his/her stead.
- d. Proxy Form must be affixed with the revenue stamp of Tk. 20.00 and should be deposited at the Registered Office of the Company at least 48 hours before the scheduled time of the meeting.
- e. Annual Report, Attendance Slip, Proxy Form and Notice of the 35th Annual General Meeting has been sent to the shareholders by post. Annual Report and Proxy Form will also be available at the Registered Office of the Company.
- f. The shareholders are requested to register their names within 10.30 AM in the concerned counter at AGM date.

No arrangement of any type of gift/food will be made in the 35th AGM as per direction given by Bangladesh Securities and Exchange Commission (BSEC)

OUR SUCCESS

The IBN SINA Pharmaceutical Industry Ltd. was recognized and accorded with Award in the Food Allied and Pharmaceutical Companies category at the ICSB National Award 2013, 2015, 2016 and 2017 for Corporate Governance Excellence. Our strong promise, determination and practice in adopting Global Best Practices in Corporate Governance rendered this success.

We thank all our patrons and stakeholders for their valued cooperation and acknowledge their contributions in achieving this milestone.



AWARDS AND RECOGNITIONS



2017
Silver Award
in the Food Allied
and Pharmaceutical
Companies Category
from ICSB for Corporate
Governance Excellence

2016
Gold Award (3rd time)
in the Food Allied and
Pharmaceutical Companies
Category from ICSB
for Corporate
Governance Excellence



2014
Certificate of
Appreciation 15th ICAB
National Award for
Best Presented
Annual Report-2014

2015
Gold Award (2nd time)
in the Food Allied and
Pharmaceutical Companies
Category from ICSB
for Corporate
Governance Excellence

2013
Gold Award in the
Food Allied and
Pharmaceutical
Companies Category
from ICSB for Corporate
Governance Excellence

2011
ICMAB Best
Corporate Award
(Certificate of Merit)
in 2012 for publication
of best Annual Report 2011



IBN SINA's vision is to become a premier specialty pharmaceutical company, with a balanced focus in complementary therapeutic areas. Our primary responsibility lies towards the people of Bangladesh and ultimate responsibility towards humanity at large.



A public limited company working for the nation as a whole with pertinacious incitement and firm determination to ensure the quality and ethical standing attributing the sustainable growth and development to serve the mankind.

Board-approved vision and mission statements of the company

The Board of Directors, at its 45th meeting redefined the Company's vision and mission. We are driving towards our vision.

Forward Looking Statement

This forward looking statement predicts our outlook to the future actions as expectations or possibilities. Information in the Annual Report reveals management's thinking and views based on commercial operation, business and economy during the year under review and future events and its proposition. However, these statements do not give assurance against certain risks and uncertainties. Therefore, actual future outcome and trends forecasted in the enterprising statements may differ significantly due to the following reasons:

- ▶ Changes in national, economic and financial conditions;
- ▶ Changes in Government policy issues;
- ▶ Fluctuations in international prices which influence the foreign exchange market;
- ▶ Unpredictability of capital market;
- ▶ Changes in corporate tax structure and VAT in Pharmaceutical sector;
- ▶ Changes in the competitive markets of the country;
- ▶ Instability in capital market arising;
- ▶ Sudden Ecological and Demographical changes;
- ▶ Inconsistency of the factors regarding Market Competitors Suppliers and Pricing.

Corporate Management

Board of Directors

Shah Abdul Hannan	Chairman
Commodore (Retd.) M. A. Rahman	Director and Chairman, Executive Committee
Prof. Dr. A.K.M. Sadrul Islam	Managing Director
Prof. Dr. Choudhury Mahmood Hasan	Director, Technical
Kazi Harun-or-Rashid	Director, Finance
Prof. A.N.M.A. Zaher	Director
Md. Rafiqul Islam Khan, FCA	Independent Director
Md. Abdus Salam, FCA, FCS	Independent Director

Executive Committee

Commodore (Retd.) M. A. Rahman	Chairman
Prof. Dr. A.K.M. Sadrul Islam	Member
Prof. Dr. Choudhury Mahmood Hasan	Member
Md. Shahid Farooqui, FCS	Secretary

Audit Committee

Md. Rafiqul Islam Khan, FCA	Chairman
Commodore (Retd.) M. A. Rahman	Member
Md. Abdus Salam FCA, FCS	Member
Md. Shahid Farooqui, FCS	Secretary

Nomination and Remuneration Committee

Md. Abdus Salam FCA, FCS	Chairman
Commodore (Retd.) M. A. Rahman	Member
Md. Rafiqul Islam Khan, FCA	Member
Md. Shahid Farooqui, FCS	Secretary

CSR Committee

Prof. Dr. Shah Md. Bulbul Islam	Chairman
Prof. Dr. A.K.M. Sadrul Islam	Member
Kazi Harun-or-Rashid	Member
Md. Shahid Farooqui, FCS	Secretary

Company Secretary

Md. Shahid Farooqui, FCS

Chief Financial Officer

Md. Jasim Uddin, FCA

Head of Share Department

Md. Aminur Rahman Manir

Head of Internal Audit and Compliance

Abdur Rakib

Auditors

S. F. AHMED & CO.
Chartered Accountants
House 51 (3rd Floor)
Road 9, Block F
Banani, Dhaka-1213
Bangladesh.

Compliance Auditors

M. Mohashin & Co.
Chartered Secretaries
218 Elephant Road (3rd Floor)
Dhaka-1205, Bangladesh.

Bankers

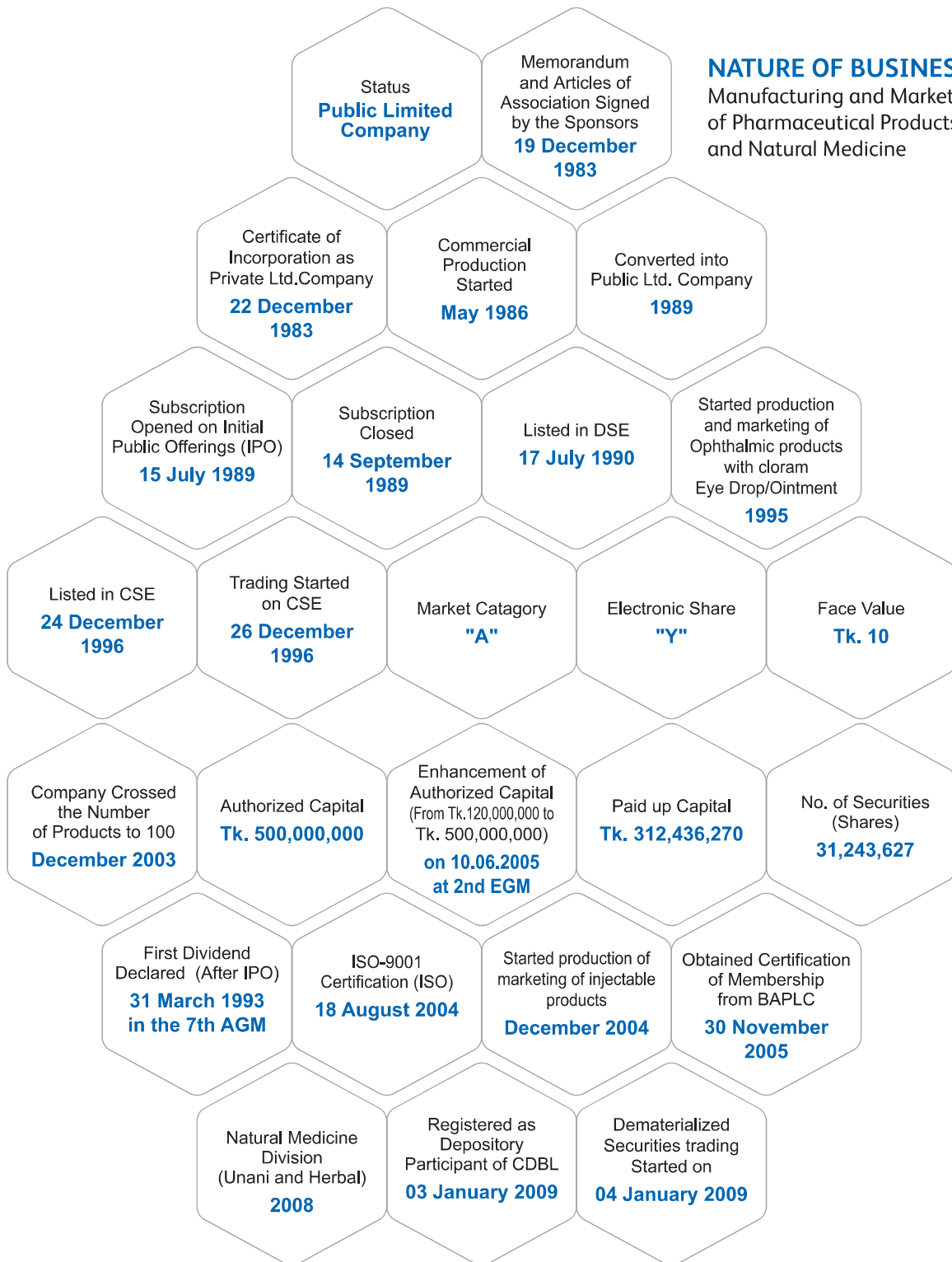
Islami Bank Bangladesh Ltd.
Al-Arafah Islami Bank Ltd.
Prime Bank Ltd.
First Security Islami Bank Ltd.
Shahjalal Islami Bank Ltd.
Sonal Bank Ltd.
Shimanto Bank Ltd.

Registered Office

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

Corporate Website

www.ibnsinapharma.com



NATURE OF BUSINESS

Manufacturing and Marketing of Pharmaceutical Products and Natural Medicine

CORPORATE PROFILE



DIRECTOR'S PROFILE

Shah Abdul Hannan
Chairman

Shah Abdul Hannan was born in 1939 in Mymensingh. He took his Masters from Dhaka University in 1961. He joined Pakistan Superior Service in 1963. He retired from service in 1998 when he was Secretary of the Government and Chairman, National Board of Revenue. During his tenure he held important positions like Deputy Governor of Bangladesh Bank, Director General, Bureau of Anti-Corruption, Secretary, Social Welfare Ministry and Secretary Banking Division of the Ministry of Finance. He played pioneer role to introduce Value Added Tax (VAT) in Bangladesh and reform. He has been serving as Director of The IBN SINA Pharmaceutical Industry Ltd. since 1983.

Currently he is the Chairman, Center for Strategic and Peace Studies; Chairman, Islamic Economics and Research Bureau; Chairman, Bangladesh Institute of Islamic Thought Trust; Advisor, International Islamic University Chittagong; Chairman, Manarat International University Trust; and Member of the Darul Ihsan Trust.

He has several books on Economics, Islamic law, International Relations and Islamic issues. He writes regular column in the national newspapers.



DIRECTOR'S PROFILE

Commodore (Retd.) M. A. Rahman
Director and Chairman, Executive Committee

Commodore (Retd.) M. A. Rahman came of a Muslim noble family on 18th October 1926 at Provakardi village of Narayanganj. He did his Bachelor of Engineering in 1949 from Bengal Engineering College, Calcutta, India, and Post Graduate in Marine Engineering from Manadon Plymouth, UK in Calcutta 1951. He was the founder Managing Director of The IBN SINA Pharmaceutical Industry Ltd. He has been serving as Director of The IBN SINA Pharmaceutical Industry Ltd. since 1983.

Naval Sea Service: Sub-Lt, Royal Navy of Pakistan, 1950-1956, Frigate & Destroyer, 1951-1956, Flotilla Engineer Officer, 1960-1961, Diplomatic Service: Deputy Naval Advisor of Pakistan in London, 1956-1960, Shore Service in Navy: MPP (Manager, Planning & Production) of Naval Dockyard, Karachi, 1961-1962, Training Commander in Karsaz, Karachi, 1962-1964, Deputy Director General, Defense Purchase, 1966-1968, Director, Naval Engineering & Director, ships Repair & maintenance.

Civil Service: Chairman, Bangladesh Inland Water Transport Corporation (BIWTC), Chairman, Chalna Port Authority, Chairman, Trading Corporation of Bangladesh (TCB), Chairman, Tariff Commission, Chairman, Islami Bank Bangladesh Ltd.,

Social Attachment: Founder & Chairman, International School, College & University. Founder & Chairman, Faisal Investment Foundation, Founder Member, IBN SINA Trust, Founder Director, IBN SINA Group Investment Companies Ltd., Founder, Consultative Committee of Public Enterprises, Founder & Chairman, Bangladesh Association of Banks (BAB), Founder Chairman, Weekly Palabadal, Founder Chairman, Center for Strategic & Peace Studies, Founder Chairman & Managing Director, Business & Management Co., Founder Chairman, Association of the Private Universities of Bangladesh, Rotarian & President of Rotary Club of Dhaka, Founder, Moitri Samity, Founder Chairman, Diganta Media Corporation and Chairman of Abacia Investment Co. Ltd.



DIRECTOR'S PROFILE

Prof. Dr. A.K.M. Sadrul Islam
Managing Director

Prof. A.K.M. Sadrul Islam was born on 7th April 1955 in Jessore. He did Ph.D in Mechanical Engineering from London University, U.K. in 1988. He served BUET and Islamic University of Technology (a subsidiary organ of OIC) for 36 years as Professor and Head of Department from 1980 to 2016. He was also a Visiting Professor of University Technology Malaysia; a Guest Professor of Institute of Ocean Energy, Saga University, Japan.

Prof. Islam is also Ex- Chairman, Mechanical Engineering Division, Institution of Engineers Bangladesh (IEB); Secretary General, Bangladesh Society of Mechanical Engineers (BSME).

He has been serving IBN SINA Pharma in different levels as Director, since 2003; Member, Executive Committee since 2005; Director, Finance since 2010 and formerly Chairman, Audit Committee from 2007 to 2011 and Managing Director from 2014 to till now.

Prof. Islam is a Director, IBN SINA Hospital Sylhet Ltd., The IBN SINA Consumer Products Ltd. and IBN SINA Diagnostic Center, Lalbag Ltd.



DIRECTOR'S PROFILE

Prof. Dr. Choudhury Mahmood Hasan
Director, Technical

Dr. Choudhury Mahmood Hasan was born on 31st August 1953, in Chittagong District of Bangladesh. He obtained B. Pharm. (Hons) and M. Pharm. (Thesis group) degree from the Dhaka University, securing First position in First Class in both the examinations. He received his Ph.D. in 1982 from the Dept. of Pharmaceutical Chemistry at the University of Strathclyde, Glasgow, United Kingdom. He was awarded Commonwealth Scholarship for doing Ph.D. (1978-1981) in the Univ. of Strathclyde, Glasgow, Commonwealth Academic Staff Fellowship (1990-1991) to work as a visiting scientist in the same university and Japan Society for the Promotion of Science (JSPS) Senior Fellowship (Nov-Dec, 2004) for doing research in Tokushima Bunri University, Tokushima, Japan.

Dr. Hasan joined the Department of Pharmacy, DU, in January, 1978 and progressed through the ranks to Professor in the same department in March, 1992. He was the Chairman of this Dept. from 1992 to 1993. He was the Director of Drug Administration, Ministry of Health and Family Welfare, from July 1993 to January 1997. He was elected as the Dean of the Faculty of Pharmacy for two terms from 1999 to 2003. He was the Chairman of BCSIR (Bangladesh Council of Scientific and Industrial Research) from 11th August 2005 to 10th August 2008. He was the Vice-Chancellor of Manarat International University for four years from 13th October, 2012 to 12th October, 2016.

He was the member of Pharmacy Council (1993-1997, 2001-2008) and also the Chairman of Accreditation and Education Committee. Dr. Hasan, as a member of expert committee, played the pivotal role for the

inclusion of "herbal drugs" in the National Drug Policy 2005 and which later on incorporated in the Drug Ordinance 2005.

His research focuses on the chemical and biological studies of local medical plants with emphasis on structure elucidation of the secondary metabolites by spectroscopic techniques (UV, IR, NMR, MS etc.). So far he supervised/co-supervised the research of few Ph.D and about 60 M.Pharm. students of Dhaka University. At present he is co-supervisor/co-supervisor of 8 Ph.D and 3 M.pharm students. He is the main/co-author of 276 peer-reviewed papers published in international and national scientific journals. He was the chairman/co-chairman/ plenary lecturer/ presenter/ participator in 66 international seminars/symposia held in 25 countries of the world (including UK, USA, Japan, Canada, Germany, Sweden, Spain, Australia etc.).

For his outstanding contribution in medicinal plant research and in biological science he was awarded Habibur Rahman Gold Medal 2003, Bangladesh Academy of Science Gold Medal 2006 (senior group), Chandrabati Gold Medal 2007 and Atish Dipankar Gold Medal 2008.

Dr. Hasan is a member of American Chemical Society (ACS), American Society of Pharmacognosy (ASP), Fellow of the Bangladesh Academy of Sciences (FBAS) and fellow of Royal Society of Chemistry (FRSC).

He was a Director of Essential Drug Company Ltd (EDCL) owned by Govt. of Bangladesh. (1993-1997). Dr. Hasan has been serving as Director of The IBN SINA Pharmaceutical Industry Ltd. since 2013 and currently he is serving as Director, Technical.



DIRECTOR'S PROFILE

Kazi Harun-or-Rashid
Director, Finance

Mr. Kazi Harun-or-Rashid came from a noble family in 1st April, 1950. He is an M. Com. in Accounting. He did his graduation from the University of Dhaka.

Mr. Rashid has been serving The IBN SINA Pharmaceutical Industry Ltd. as Director from September 2016.

Formerly Chairman, Board of Directors, of The Islami Bank Bangladesh Ltd. (IBBL), Chairman, Audit Committee of IBBL and Chairman, Audit Committee, Islami Bank Foundation.

Mr. Rashid is a Director of The IBN SINA Consumer Products Ltd., Kazi Trading Corporation, Harun Textile and Member, Board of Trustees, The IBN SINA Trust.

Mr. Rashid has 36 years of versatile professional and business expertise.



DIRECTOR'S PROFILE

Prof. Abu Nasser Muhammad Abduz Zaher
Director

Abu Nasser Muhammad Abduz Zaher was born in a respectable Muslim family of Companygonj, Noakhali in the year 1948.

Prof. Zaher has been serving as Director of The IBN SINA Pharmaceutical Industry Ltd. since 1983.

He achieved his Masters Degree in English literature. He started his professional life with teaching at Khandaker Mosharraf Hossain Degree College in the early seventies. Later he joined at the Royal Embassy of Kingdom of Saudi Arabia in Dhaka, Bangladesh as the Secretary of the Embassy and Ambassador and performed duties for about 13 years. He joined The Ibn Sina Pharmaceutical Industry Ltd. in 1989 as Managing Director of the company.

Prof. Abu Nasser Muhammad Abduz Zaher was Chairman of Islamic Bank Bangladesh Ltd., Chairman of Islamic Banks Consultative Forum (IBCF), Vice Chairman of Bangladesh Association of Banks and Board Member of General Council for Islamic Banks & Financial Institutions (CIBAFI). He was a member of the Advisory Committee of the Bangladesh Association of Pharmaceutical Industries (BAPI).



DIRECTOR'S PROFILE

Md. Rafiqul Islam Khan, FCA
Independent Director

Md. Rafiqul Islam Khan FCA was born on 25th March, 1952 in a noble muslim family. He qualified as Chartered Accountant from The Institute of Chartered Accountants of Bangladesh (ICAB) in the year 1978 and also awarded as fellow member of ICAB in the year 1986. He took Bachelor of Commerce from University of Dhaka in 1970. He was Director of Dhaka Chamber of Commerce and Industry (DCCI) and was a councilor of the Institute of Chartered Accountants of Bangladesh (ICAB). He has been serving as Independent Director of The Ibn Sina Pharmaceutical Industry Ltd. from 5th December 2016 to till now.

Mr. Khan was the Chief Officer (Finance & Accounts) of Trading Corporation of Bangladesh (TCB) for six years and General Manager, Desh Group for five years. He has about 40 years of experience in the arena of Auditing, Taxation, Project Consultancy, Investment and Foreign Investment Promotion etc.

Mr. Khan is a Managing Partner of M. M. Rahman & Co., Chartered Accountants, Managing Director, Sun Cherry Body Fashion MFTY Ltd., Member National Council, Diabetic Association of Bangladesh (BADAS), Member, Board of Management BIRDEM and Member, Board of Management, Bangladesh Institute of Health Services (BIHS).



DIRECTOR'S PROFILE

Md. Abdus Salam FCA, FCS Independent Director

Mr. Md. Abdus Salam FCA, FCS is a former President of the Institute of Chartered Accountants of Bangladesh (ICAB) and Vice President of the Institute of Chartered Secretaries of Bangladesh (ICSB). He also served both ICAB and ICSB Institutes as the Council Member. He obtained his Bachelor of Honours and Master Degree in Accounting from the University of Dhaka in 1975 and 1976 respectively and qualified as Chartered Accountant from the Institute of Chartered Accountants of Bangladesh in 1989 and became Fellow of the Institute in 1994. He was awarded Burmah Eastern and the BCIC scholarships to pursue his CA Course.

He has been rendering services to the Institute in various capacities and as a member of different standing and non-standing Committees, including Board of Studies, the Technical & Research Committee, Editorial Board and Review Committee for published Accounts & Reports. He was elected to Dhaka Regional Committee of the Institute and served as the Secretary in 2000 and in one of regular Faculty Members of the Institute. He was also the Technical Adviser of the IDA Technical Assistance project for Chartered Accountants titled "Development of Accounting and Auditing Standard in Bangladesh" financed by the World Bank. He is a Fellow Member of the Institute of Chartered Secretaries of Bangladesh. He was Vice president for the term 2005-2006 and the Treasurer for the term 2004-2005 of the Institute of Chartered Secretaries of Bangladesh. He has

been serving as elected Councilor of the said Institute since its establishment in 1997. He is a Charter Member and Best Past President of the Lions Club of Dhaka Meghna for the term 1993-94. He is a Life Member of Dhaka University Accounting Alumni Association, Bangladesh Economic Association and Bangladesh Computer Society. He attended various national and international seminars/conferences in United Kingdom, Australia, Canada, Saudi Arabia, UAE, Thailand, India, Pakistan, Sri Lanka and Nepal.

Mr. Salam in his career served in a number of Government autonomous bodies and multilateral international development organizations including Bangladesh Power Development Board as Additional Director of Accounts, General Manager Finance in National Tea Company and as Mission Team Leader and Consultant/Expert for UNDP, ADB, World Bank, CIDA, DFID, NORAD, SIDA, EC, DANIDA in a number of projects in the fields of financial management, auditing and governance. He has completed an assignment as the National Finance Expert with the PEDPII of Asian Development Bank.

He was the Member of the Board of Directors of Islami Bank Bangladesh Ltd., Director of Coal Power Generation Company Ltd., Electricity Generation Company Ltd. (Govt. Body), Dhaka Stock Exchange and Chittagong Stock Exchange, and Member of South Asian Federation of Accountants (a SAARC body).



Strategic

Objectives

- To serve humanity by-Providing the highest quality of products and services;
- To maintain the ethical standard in all its functions;
- To follow WHO-cGMP requirement from procurement to finished goods;
- Marching onward for sustainable growth and continuous improvements;
- To ensure consumers' satisfaction;
- To ensure welfare oriented health services;
- To establish a set of managerial succession and adopting technological changes to ensure successful development of the Company;
- To emerge as a healthier and stronger Medical Service at the top of the pharmaceutical sector;
- To invest in the thrust and priority sectors of the economy;
- To pay more importance in human resources as well as financial capital;
- To ensure lucrative career path, attractive facilities and excellent working environment;
- To ensure zero tolerance on negligence in compliance of regulatory issues;
- To provide impeccable and progressively better customer services using changed technologies;
- To train and develop human resources continuously and provide adequate logistics to satisfy customers' need;
- To motivate team members taking part in the job with sense of belongingness;
- To strengthen corporate governance practice culture;
- To ensure Corporate Social Responsibilities (CSR) through all activities.

Core Values and Code of Corporate-Philosophy

We carry some core values and codes of corporate-philosophy that are practiced as follows:

01. Trust in Almighty Allah;
02. Highest Principle of Honesty, Integrity and Conscience;
03. Equity and Justice;
04. Environmental Consciousness;
05. Adoption of Changed Technology and Advancement;
06. Proper Delegation, Transparency and Accountability;
07. Human Interest is the first priority that is attached to the country's growth and prosperity;
08. Employees are trained with the object of developing leaders to be next successors;
09. Emphasize on creativity and innovation to achieve organizational excellence;
10. Employees have an obligation to know and understand not only the guidance contained in the Code of Conduct but also the spirit on which it is built;
11. Recognize the rights of shareholders in creating wealth, jobs and the sustainability of a financially sound enterprise;
12. Ensure timely and accurate disclosure of all material information regarding the entity;
13. Ensure strategic guidance of the company, effective monitoring of management and the Board's accountability to the company and the shareholders;
14. Monitor and assess how risk is minimized and how performance is maximized;
15. Customers Satisfaction;
16. Team Work in adherence with the truth and transparency;
17. In accordance with the agreed Code of Conducts, the Company:-
 - a. Acts with integrity, competence, dignity and in an ethical manner while dealing with stakeholders as a whole;
 - b. Acts and encourages others to behave in a professional and ethical manner;
 - c. Endeavors to maintain and improve the competence of all in the business;
 - d. Uses reasonable care and exercise independent professional judgment;
 - e. Not restrains others from responding their professional obligations.

Our Guiding Principles

The spirit of the company is derived from some of our guiding principles as follows:-

ETHICAL PRINCIPLES



COMMITMENTS



চেয়ারম্যানের বিত্তি



বিসমিল্লাহির রাহমানির রাহীম

সম্মানিত শেয়ারহোল্ডারগণ,

আসসালামু আলাইকুম ওয়া রাহ্মাতুল্লাহ।

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর ৩৫ তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে জানাই প্রাণঢালা শুভেচ্ছা ও মোবারকবাদ। আজকের এ অনুষ্ঠানে ০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ অর্থ বছরে কোম্পানির আর্থিক অবস্থা, অর্জন সমূহ এবং উল্লেখযোগ্য তৎপরতার বিবরণ আপনাদের সামনে পেশ করা হবে, ইনশাআল্লাহ।

আমি আনন্দের সাথে জানাচ্ছি যে, আলোচ্য সময়ে কোম্পানির নিম্নলিখিত উল্লেখযোগ্য অগ্রগতি অর্জিত হয়েছে:-



আমাদের কৌশলগত ও অভীষ্ট লক্ষ্যের ওপর দৃঢ় ও অটুট থাকায় বাজারে ক্রমবর্ধমান বিক্রয় বৃদ্ধির হার বজায় থাকাসহ অন্যান্য সকল মাইলফলক অর্জিত হয়েছে। আমরা উচ্চ গুণগত মান সম্পন্ন ওষুধ বাজারজাতকরণে নিরলসভাবে কাজ করে যাচ্ছি।

আপনাদের অবগতির জন্য কোম্পানির কিছু গুরুত্বপূর্ণ কৌশলগত অগ্রগতি নিম্নে তুলে ধরা হলো:-

এপিআই প্রকল্প

কোম্পানি মুন্সিগঞ্জ জেলার গজারিয়ায় অবস্থিত বিএসসিআইসি এপিআই শিল্প পার্কে বাংলাদেশ সরকারের শিল্প মন্ত্রণালয় থেকে একটি শিল্প প্লটের বরাদ্দ পেয়েছে। আপনারা জেনে আনন্দিত হবেন যে, ইতোমধ্যে বেশ কয়েকটি এপিআই মলিকিউলস প্রোডাক্ট ডেভেলপমেন্ট (পিডি) পর্যায়ে চূড়ান্ত হয়েছে এবং আগামী ২০২০ সালের ফেব্রুয়ারি-মার্চ নাগাদ পরীক্ষামূলক উৎপাদন শুরু হবে।

বায়োটেক প্রকল্প

ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. বায়োটেক প্রোডাক্ট উৎপাদনের সিদ্ধান্ত গ্রহণ করেছে। এ প্রকল্পে বায়োটেক পণ্য উৎপাদনে ইবনে সিনা ফার্মার সাথে কাজ করার জন্য “কিউবিডি ফার্মা সার্ভ ইন” নামীয় মার্কিন যুক্তরাষ্ট্রের একটি প্রতিষ্ঠানকে নিয়োগ দেয়া হয়েছে। যৌথ কারিগরি সহযোগিতা প্রাপ্তির জন্য একটি অভিজ্ঞ প্রতিনিধি

দল চীনের কয়েকটি বায়োটেক প্রতিষ্ঠান পরিদর্শন করে এসেছেন। দুটি চীনা কোম্পানি এতদসংক্রান্ত প্রযুক্তি বিনিময় করতে সম্মত হয়েছে এবং তাদের সাথে একটি সমঝোতা স্মারক সম্পাদিত হয়েছে।

মার্কিন যুক্তরাষ্ট্রে ওষুধ রপ্তানি

মার্কিন যুক্তরাষ্ট্রের ফার্মা মার্কেটে প্রবেশ করা একটি বড় চ্যালেঞ্জ। বাধা বিপত্তি সত্ত্বেও ফলাফল অর্জনে কোম্পানি সন্ধ্যা সকল প্রকার প্রচেষ্টা অব্যাহত রেখেছে। অবিরাম চেষ্টার ফলে ইবনে সিনা ফার্মা মার্কিন যুক্তরাষ্ট্রে রফতানির প্রথম চালান (ওটিসি পণ্য) পাঠাতে সক্ষম হয়েছে। আশা করি, এর ধারাবাহিকতা অব্যাহত থাকবে। ওটিসি প্রোডাক্টের সাথে তৃতীয় পক্ষীয় পণ্য উৎপাদনকারী প্রতিষ্ঠানের মাধ্যমে পরবর্তী ধাপে মার্কিন যুক্তরাষ্ট্রে রফতানির কৌশলগত কার্যক্রম গ্রহণ করা হবে। উল্লেখ্য যে, ইবনে সিনা ফার্মা বাংলাদেশের এক সৌভাগ্যবান কোম্পানি যারা মার্কিন যুক্তরাষ্ট্রের এফডিএ তে নিবন্ধিত হয়েছে এবং এ কাজটি দুবছর আগেই সম্পন্ন হয়েছে।

পরিচালকমন্ডলী শেয়ারহোল্ডারগণের মতামত, গঠনমূলক সমালোচনা ও পরামর্শকে গুরুত্ব সহকারে মূল্যায়ন করেন এবং এটিকে অগ্রগতি ও সাফল্য অর্জনের মূল চালিকাশক্তি হিসেবে গণ্য করেন।

আমি কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ ও সর্বস্তরের কর্মকর্তা-কর্মচারীগণকে তাঁদের নিরলস শ্রম, অর্থবহ সহযোগিতা, আনুগত্য ও কর্তব্য নিষ্ঠার জন্য আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি।

আমি আরও ধন্যবাদ জ্ঞাপন করছি আমাদের সম্মানিত ক্রেতাসাধারণ, শুভাকাজক্ষী, চিকিৎসক, ব্যাংকার, সরবরাহকারী, ঢাকা স্টক এক্সচেঞ্জ লি., চট্টগ্রাম স্টক এক্সচেঞ্জ লি., বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিমিটেড, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানি, জাতীয় রাজস্ব বোর্ড, শ্রম অধিদপ্তর, সরকারি সংস্থাসমূহ এবং কোম্পানির ব্যবসার সাথে সংশ্লিষ্ট সবাইকে তাঁদের অব্যাহত সহযোগিতার জন্য। পরিশেষে আমি কোম্পানির ভবিষ্যৎ অগ্রগতি ও উন্নতির জন্য এবং সর্বোপরি দেশ ও জাতির কল্যাণের জন্য মহান আল্লাহ পাকের দরবারে দোয়া করছি। আমিন।



শাহ আবদুল হান্নান
চেয়ারম্যান

CHAIRMAN'S ADDRESS

Bismillahir Rahmanir Rahim

The Beloved Shareholders

Assalamu Alaikum Wa Rahmatullah

We are delighted to welcome you all at the 35th Annual General Meeting of The IBN SINA Pharmaceutical Industry Ltd. In this auspicious occasion we would furnish before you the Annual Report for the year 2018-19 showing the financial position, achievement and the notable performance of the Company. In Sha Allah.

I am pleased to place the following focused key performance achieved in the year under review:-

Revenue	Operating Profit	Profit after Tax	Earnings per Share
5,263,963,344	488,896,972	336,266,870	10.76

Keeping in view of sustainable sales growth and milestone of other performance indicators, we emphasize to retain the meritorious employees and extend them the opportunity to perform their highest level of ability. Harmonious working environment, free of employee discrimination is strictly ensured. We train the employees round the year to grow individual best potential and thereby enriching the human capital of the Company.

Some of the key strategic progress of the Company is cited below for your information:-

API Project

Since getting allotment letter for an Industrial Plot in Govt. API Park at Gajaria, Munsiganj, the IPI management had remained pursuant to the terms of API Park Authority. The management kept continuous efforts ongoing and striving to finish the project work within scheduled time. Finally it has come to a shape and you will be elated to learn that a number of good API molecules have been finalized at Product Development (PD) level and waiting to start trial production by February-March 2020.

Biotech Project

IBN SINA Pharma have earmarked for setting up of a Biotech Project. PD Lab. work and animal house set-up work is now going on. For setting up of a compliant manufacturing Biotech facility, an American firm QbD Pharma Serve Inc. has been appointed for working with

IBN SINA Pharma. Meanwhile, a high level management team has visited a number of the Chinese Biotech facilities in order to find out Technical Collaboration. Two Chinese companies have agreed for Technology Transfer and IBN SINA Pharma entered into an MOU agreement with them.

USA Export

Entering into US Pharma market always counts as a challenge. In spite of uncountable hurdles, the management kept its exercise ongoing with all possible means. As a result of its strong determination and striving constantly, IBN SINA Pharma has got the fruit and has already exported first consignment to USA. After successful staging of the first lot of OTC products manufactured by IBN SINA Pharma into US market, the management of the Company is very much hopeful that it will be continued. In addition to OTC products, prescription products are in next line of export to USA as well. IBN SINA Pharma has been working to affect the export of prescription products by third party manufacturing. It is mentionable that, IBN SINA Pharma is one of the fortunate companies in Bangladesh to get registration in US FDA and it was achieved two years back.

The Board of Directors accepts with gratitude the reviews, criticism and suggestions of our valued shareholders and consider them as a catalytic factor in attainment of the success and continued progress of the Company.

I sincerely acknowledge the contribution made by the management and employees of all level for their determined effort to bring this success. I also wish to thank and express my gratitude to our valued customers, well-wishers, healthcare professionals, bankers, suppliers, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Bangladesh Securities and Exchanges Commission, Central Depository Bangladesh Ltd., Registrar of Joint Stock Companies and Firms, National Board of Revenue (NBR) Bangladesh, Government Agencies and all concerned.

Lastly I pray to Almighty Allah to bless us with success and help us in our endeavor marching towards a bright future and benevolence to our people as a whole. Ameen.



Shah Abdul Hannan
Chairman



পরিচালকমণ্ডলীর
প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহীম

সম্মানিত শেয়ারহোল্ডারগণ,

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহি ওয়া বারাকাতুহু।

কোম্পানির পরিচালকমণ্ডলীর পক্ষ থেকে আপনাদের সবাইকে ৩৫তম বার্ষিক সাধারণ সভায় আন্তরিক শুভেচ্ছা ও স্বাগত জানাচ্ছি। ০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ সমাপ্ত অর্থ বছরের কার্যক্রমের ওপর পরিচালকমণ্ডলীর প্রতিবেদন এবং নিরীক্ষক কর্তৃক নিরীক্ষিত আর্থিক বিবরণী সমূহ আপনাদের মূল্যবান দিক নির্দেশনা, মতামত ও সদয় বিবেচনার জন্য পেশ করা হল। আলোচ্য সময়ে কোম্পানির ব্যবসায়িক সাফল্যের জন্য মহান রাব্বুল আলামীনের দরবারে শুররিয়া আদায় করছি।

মূল কার্যক্রম

কোম্পানির মূল কার্যক্রম হচ্ছে সর্বোচ্চ মান সম্পন্ন এ্যালোপ্যাথিক, ইউনানী ও হারবাল ওষুধ উৎপাদন করে বাংলাদেশ ও বহির্বিদেশে বাজারজাতকরণের মাধ্যমে আন্তর্জাতিক মানের স্বাস্থ্যসেবা প্রদানের লক্ষ্যে মানব কল্যাণে ভূমিকা রাখা।

শিল্প সম্ভাবনা ও সম্ভাব্য ভবিষ্যৎ উন্নয়ন

আলোচ্য অর্থ বছরে ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. সর্বক্ষেত্রে তথা উৎপাদনশীলতা ও ব্যবসা পরিচালনায় উত্তম নীতি সংরক্ষণ ও উন্নয়নকে অগ্রাধিকার দেয়ার প্রত্যয়ে অবিচল থাকার চেষ্টা অব্যাহত রেখেছে। আলহামদুলিল্লাহ।

একটি প্রতিযোগিতামূলক ব্যবসায়িক পরিবেশে কোম্পানি প্রতিযোগিতামূলক দরে সর্বোচ্চ গুণগত মানসম্পন্ন পণ্য দিয়ে ভোক্তার পাশে থাকতে সক্ষম হয়েছে। কোম্পানি উন্নত প্রযুক্তির ওপর নির্ভর করে ভবিষ্যৎ চ্যালেঞ্জ মোকাবিলা করার লক্ষ্যে চাহিদামাফিক পণ্য পরিবেশনার মাধ্যমে ব্যবসা সম্প্রসারণের ওপর গুরুত্ব আরোপ করে থাকে। সম্ভাব্য ভবিষ্যৎ উন্নয়নে ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর দৃষ্টিভঙ্গি প্রতিবেদনের ৪৬ পৃষ্ঠায় উল্লেখ করা হয়েছে।

ব্যবসায়িক পর্যালোচনা

আলোচ্য অর্থ বছরে কোম্পানিকে জাতীয় ও আন্তর্জাতিক বাজারে কঠিন চ্যালেঞ্জের সম্মুখীন হতে হয়েছে। পরিচালকমণ্ডলী প্রতিযোগিতামূলক পরিস্থিতি মোকাবেলা ও সর্বোচ্চ মুনাফা অর্জনের লক্ষ্যে মানসম্পন্ন নতুন নতুন ওষুধ উৎপাদনের ব্যবস্থা গ্রহণ করেছেন। কোম্পানি বস্তগত উন্নয়ন, আর্থিক ব্যবস্থাপনা নিয়ন্ত্রণে সাফল্যের সাক্ষর রেখেছে। ফলে মানসম্মত ওষুধ উৎপাদন, মান নিয়ন্ত্রণ, যুগোপযোগী বিতরণ প্রক্রিয়া, সময়পোযোগী বিকল্প কর্মকৌশল প্রয়োগ করে রোগী ও ভোক্তাগণের কাছে ওষুধ পৌঁছানো অবধি অর্থবহ ভূমিকা রাখা সম্ভব হয়েছে।

২০১৮-১৯ অর্থ বছরে EPS দাঁড়িয়েছে ১০.৭৬ টাকা যা ২০১৭-১৮ অর্থ বছরে ছিল ১৪.৪৮ টাকা এবং আলোচ্য অর্থ বছরে শেয়ার প্রতি নীট এসেট ভালু ৪৭.৩২ টাকা যা ২০১৭-১৮ অর্থ বছরে ছিল ৩৯.২৮ টাকা। নীট সম্পদ মূল্য (NAV) ১,৪৭৮,২৯৬,৩৯৫ টাকা, যা পূর্ববর্তী অর্থ বছরে ছিল ১,২২৭,২০৮,৫৭৮ টাকা। শেয়ার প্রতি নীট চলতি নগদ প্রবাহ (NOCFPS) ১৩.৮৭ টাকা। যা পূর্ববর্তী অর্থ বছরে ছিল ৬.১৬ টাকা। উল্লেখ্য যে, আলোচ্য বছরে ব্যবসায়িক আয় এবং অন্যান্য আদায়যোগ্য আয় বৃদ্ধির কারণে NOCFPS বৃদ্ধি পেয়েছে।

উৎপাদন কার্যক্রম ও প্রযুক্তি ব্যবহার

ইবনে সিনা ফার্মা প্ল্যান্টের উৎপাদন ক্ষমতা, কর্মদক্ষতা, উৎপাদনশীলতা ও গুণগত মান বৃদ্ধির লক্ষ্যে উন্নত প্রযুক্তি সংযোজন, গবেষণা পরিচালনা ও প্রশিক্ষণ কার্যক্রম অব্যাহত রেখেছে। আলোচ্য বছরে ফার্মা ও ন্যাচারাল মেডিসিন ডিভিশনে সর্বাধুনিক ও উন্নত মানের মেশিনারিজ ক্রয় এবং বেশ কিছু নতুন প্রোডাক্ট বাজারজাতকরণের মাধ্যমে সার্বিক বিনিয়োগ বৃদ্ধি পেয়েছে যা কোম্পানির অভ্যন্তরীণ উৎস ও ব্যাংক বিনিয়োগের মাধ্যমে নির্বাহ করা হয়েছে।

বিক্রয় প্রবৃদ্ধি অর্জন

আলোচ্য বছরে ওষুধ বিক্রয় বৃদ্ধির লক্ষ্যে কোম্পানির বিক্রয়, বিতরণ নেটওয়ার্ক ও মার্কেটিং ব্যবস্থাপনা আরও শক্তিশালী করা হয়েছে। যা ওষুধ বাজারে আমাদের অবস্থানকে আরও সুদৃঢ় করেছে। আলোচ্য অর্থ বছরে ১৩.০২% বিক্রয় প্রবৃদ্ধি অর্জিত হয়েছে। সর্বমোট বিক্রয় অর্জিত হয়েছে ৫,২৬৩.৯৬ মিলিয়ন টাকা, বিগত বছরে বিক্রয় হয়েছিল ৪,৬৫৭.৩৫ মিলিয়ন টাকা। মার্কেটিং, বিক্রয় ও বিতরণ বিভাগের সমন্বিত প্রচেষ্টা, সকল পর্যায়ে সুদৃঢ় মনোবল ও আস্থার পরিবেশ এবং প্ল্যান্টের সমন্বিত ব্যবস্থাপনায় এ অর্জনের ধারাবাহিকতা অব্যাহত রাখা সম্ভব হয়েছে।

বাংলাদেশ ফার্মাসিউটিক্যাল মার্কেট প্রবৃদ্ধি অর্জন

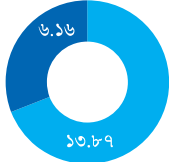
ফার্মাসিউটিক্যাল শিল্প বাংলাদেশের একটি গুরুত্বপূর্ণ খাত। যা বর্তমানে দেশের অর্থনীতিতে উল্লেখযোগ্য অবদান রাখছে। ২০১৮-১৯ অর্থ বছরে বাংলাদেশ ফার্মাসিউটিক্যাল মার্কেট এর প্রবৃদ্ধি হয়েছিল ১০.৬৫%। এ সময়ে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. ১৩.০২% প্রবৃদ্ধি অর্জন করেছে।

আর্থিক ফলাফল

০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ অর্থ বছরের আর্থিক ফলাফলের সার সংক্ষেপ নিম্নরূপ:

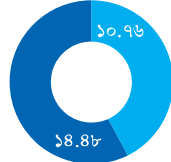
বিবরণ	টাকায়	
	২০১৮-১৯	২০১৭-১৮
করপূর্ব মুনাফা	৪৫২,১৪১,৫৫৭	৫৬১,৪২৩,৬১৮
বাদ ও আয়কর	১১৫,৮৭৪,৬৮৭	১০৯,১২৬,৯০৪
কর পরবর্তী মুনাফা	৩৩৬,২৬৬,৮৭০	৪৫২,২৯৬,৭১৪
পূর্ববর্তী সময় অবক্টনকৃত মুনাফার জের	৮২৫,৩২৭,২৮২	৪৮৬,৬৪৩,৭৫২
রিটেইন্ড আর্নিস	১,১৬১,৫৯৪,১৫২	৯৩৮,৯৪০,৪৬৬
নীট সম্পদ মূল্য	১,৪৭৮,২৯৬,৩৯৫	১,২২৭,২০৮,৫৭৮
শেয়ার প্রতি আয় (সমষ্টিত-২০১৭-১৮)	১০.৭৬	১৪.৪৮
শেয়ার প্রতি নীট সম্পদ মূল্য	৪৭.৩২	৩৯.২৮
শেয়ার প্রতি নীট চলতি নগদ প্রবাহ	১৩.৮৭	৬.১৬

শেয়ার প্রতি নীট চলতি নগদ প্রবাহ



■ ২০১৮-১৯ ■ ২০১৭-১৮

শেয়ার প্রতি আয়



■ ২০১৮-১৯ ■ ২০১৭-১৮

স্থায়ী সম্পদ

কোম্পানি বিগত বছরগুলোর সফলতার ধারাবাহিকতা বজায় রেখেছে। আলোচ্য সময়ে কারখানার সম্প্রসারণ, জমি ক্রয়, মেশিনারীজ সংগ্রহ ও স্থাপন, ওরাল সলিড ডোজেজ এক্সটেনশন প্লান্ট স্থাপন, এপিআই কারখানা স্থাপনে কার্যকর ব্যবস্থা গ্রহণ, গাজীপুর জেলার শ্রীপুর উপজেলার মাওনায় শিল্পপার্ক স্থাপনের জন্য ভূমি ক্রয় ও উন্নয়ন কার্যক্রম সহ স্থায়ী সম্পদ অর্জনে উল্লেখযোগ্য বিনিয়োগ করা হয়েছে। স্থায়ী সম্পদের বিস্তারিত বিবরণ আর্থিক বিবরণীর ১৪৮ পৃষ্ঠায় বিবৃত হয়েছে।

উন্নত কাঁচামাল ও ওষুধের গুণগত মান

মানব কল্যাণের লক্ষ্যে ইবনে সিনা ফার্মা তার উৎপাদিত ওষুধের গুণগত মান রক্ষায় প্রতিশ্রুতিবদ্ধ। এ লক্ষ্যে মূল উপাদানের সঠিক মান ও উৎসের সন্ধান এবং উন্নত কাঁচামাল সংগ্রহ, সংরক্ষণ ও সঠিক মাত্রার ওষুধ প্রস্তুত করার লক্ষ্যে ইবনে সিনা ফার্মায় টোটাল কোয়ালিটি ম্যানেজমেন্ট (TQM) সিস্টেম কার্যকর রয়েছে। বিশ্বমানের যন্ত্রপাতির মাধ্যমে উৎপাদন ও কঠোর মান নিয়ন্ত্রণের মধ্য দিয়ে উৎপাদিত ওষুধ গ্রাহকের দোরগোড়ায় সশ্রমী মূল্যে পৌঁছানোর জন্যে কোম্পানি নিরলস চেষ্টা চালিয়ে যাচ্ছে।

নতুন ওষুধ বাজারজাতকরণ

ফার্মা ডিভিশন

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. প্রচলিত ওষুধের পাশাপাশি নতুন ওষুধ বাজারজাত করছে যা কোম্পানির প্রবৃদ্ধি অর্জনে যথেষ্ট ভূমিকা রেখে যাচ্ছে। এরই ধারাবাহিকতায়,

২০১৮-১৯ অর্থ বছরে ৯ টি জেনেরিকের মোট ১৩ টি নতুন ওষুধ বাজারজাত করা হয়েছে।

এ বছরে বাজারজাতকৃত প্রোডাক্টগুলোর মধ্যে ইলুকা পাউডার ফর সাসপেনশন, লিনাক্স প্লাস ২.৫/৫০০, লিনাক্স প্লাস ২.৫/৭৫০, লিনাক্স ২.৫/১০০০ ট্যাবলেট, কেরানিল ৬% ক্রিম, কেরানিল ১২% ক্রিম, গ্যাভিসল সাসপেনশন, নিপ টিএস আই ড্রপস, ডার্মাস্টিন ক্রিম ও ডার্মাস্টিন অয়েন্টমেন্ট চিকিৎসক মহলে বিশেষভাবে সমাদৃত হয়েছে। এ প্রোডাক্টগুলোর মধ্যে গ্যাভিসল ২০০ মিলি বর্তমানে প্রতি মাসে সর্বোচ্চ বিক্রিত পণ্য।

ন্যাচারাল মেডিসিন ডিভিশন

আধুনিক বিশ্বে বিশেষ করে উন্নত ও উন্নয়নশীল দেশগুলোতে হলিস্টিক চিকিৎসার ক্ষেত্রে পার্শ্ব প্রতিক্রিয়ামুক্ত ন্যাচারাল তথা হারবাল, ইউনানী ও আয়ুর্বেদিক মেডিসিনের গুরুত্ব ও চাহিদা উত্তরোত্তর বৃদ্ধি পাচ্ছে। প্রতিষ্ঠাকাল থেকেই দি ইবনে সিনা ন্যাচারাল মেডিসিন ডিভিশন উন্নতমানের ভেষজ উপাদান ব্যবহার করে গুণগত মান সম্পন্ন ইউনানী ও হারবাল প্রোডাক্ট উৎপাদন ও বাজারজাতকরণ করে আসছে যা চিকিৎসক ও ভোক্তাগণের আস্থা অর্জনে সক্ষম হয়েছে। সময়ের অগ্রগতির সাথে সাথে ইবনে সিনা ন্যাচারাল মেডিসিন নিত্য নতুন ওষুধ বাজারজাত করছে।

আলোচ্য অর্থ বছরে ন্যাচারাল মেডিসিন তিনটি নতুন প্রোডাক্ট বাজারজাতকরণ করেছে, এগুলো হলোঃ- ভল্টাসিন অয়েন্টমেন্ট, রেকটো অয়েন্টমেন্ট ও ববকেয়ার অয়েন্টমেন্ট।

বিক্রয় ও বিতরণ

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড এর বিক্রয় ও বিতরণ বিভাগটি সুসজ্জিত ও সময়োপযোগী। এ বিভাগে নিয়োজিত দক্ষ, পরিশ্রমী ও মেধা সম্পন্ন জনশক্তি নিয়ে প্রতিযোগিতা ও যুগোপযোগী বিতরণ কার্যক্রম সম্পাদন করছে। কোম্পানির উৎপাদিত ওষুধ সরবরাহের লক্ষ্যে বিতরণ বছরে নিজস্ব প্রায় ৬০ টি পরিবহন রয়েছে। তাছাড়া ১৯টি সেল্‌স ডিপোর মাধ্যমে ভোক্তা সাধারণের দোরগোড়ায় জরুরী জীবন রক্ষাকারী ওষুধ যথাসময়ে সরবরাহ নিশ্চিত করছে। আধুনিক প্রযুক্তি যথা কম্পিউটার নেটওয়ার্ক Automation System ব্যবহার করে সুফল ভোগের পাশাপাশি কাস্টমার সার্ভিস ত্বরান্বিত করা হচ্ছে।

রপ্তানি

কোম্পানি প্রতিনিয়ত রপ্তানী বাজার সম্প্রসারণে সর্বাঙ্গিক প্রচেষ্টা চালাচ্ছে। আলোচ্য অর্থ বছরে কোম্পানির রপ্তানী সংক্রান্ত বিবরণী প্রতিবেদনের ১০৬ পৃষ্ঠায় উল্লেখ করা হয়েছে।

মানব সম্পদ

কোম্পানি তার সুদূরপ্রসারী লক্ষ্য ও উদ্দেশ্যকে বাস্তবায়ন করার জন্য নিরন্তর প্রচেষ্টা চালিয়ে আসছে। জনশক্তি পরিকল্পনা প্রণয়ন, জনবল নিয়োগ, কর্মী মূল্যায়ন, পদোন্নতি ইত্যাদি কর্মকাণ্ডের মাধ্যমে হেড অফিস, ফিল্ড ও ফ্যাক্টরীর সকল পর্যায়ে একটি সুসমন্বিত অনুকূল কর্মপরিবেশ তৈরীর ইতিবাচক প্রয়াস

অব্যাহত রাখা হয়েছে। বর্তমানে কোম্পানি ফার্মা ডিভিশন, ন্যাচারাল মেডিসিন ডিভিশন ও সেফালোসপোরিন ডিভিশনে কর্মরত তিন সহস্রাধিক দক্ষ ও মেধাবী মানব সম্পদ নিয়ে সার্বিক কার্যক্রম পরিচালনা করে যাচ্ছে।

লিগ্যাল, ট্রেনিং এন্ড ডেভেলপমেন্ট

কোম্পানি পরিচালনা, কোম্পানির সম্পদ- জমি-জমা ইত্যাদি আহরণ ও রক্ষণাবেক্ষণ এবং কোম্পানির মানব সম্পদ সহ সার্বিক ব্যবস্থাপনার ক্ষেত্রসমূহকে আইনানুগ রাখা, শ্রম বিরোধসমূহের আইনী নিষ্পত্তি, মামলা- মোকদ্দমাসমূহ সুষ্ঠুভাবে পরিচালনার জন্য কার্যকর পদক্ষেপ নেয়া হয়েছে।

কোম্পানির বিপুল সংখ্যক জনশক্তির দক্ষতা উত্তরোত্তর বৃদ্ধি সহ তাঁদের মেধা ও যোগ্যতার যুগোপযোগী উৎকর্ষ সাধনে নানামুখী প্রশিক্ষণের ব্যবস্থা গ্রহণ করা হয়েছে। উল্লেখ্য, আলোচ্য সময়ে কোম্পানির বিভিন্ন স্তর ও বিভাগে কর্মরত সর্বমোট ১১২১ জনকে নিজস্ব ব্যবস্থাপনায় প্রশিক্ষণ দেয়া হয়েছে এবং ক্ষেত্র বিশেষে বিভিন্ন পেশাদার দেশী-বিদেশী প্রতিষ্ঠানে প্রশিক্ষণের জন্য প্রেরণ করা হয়েছে। প্রশিক্ষণোত্তর কর্মক্ষেত্রে এর প্রভাব ও কার্যকারিতা মূল্যায়ন (Effectiveness Evaluation) করা হয়। একটি প্রশিক্ষণ নীতিমালার আলোকে আগামীতে পুরো জনবলকে পর্যায়ক্রমে Need-Based Training কর্মসূচির আওতায় আনার পরিকল্পনা নেয়া হয়েছে।

'কর্পোরেট গভর্নেন্স কোড' প্রতিপালন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন ইস্যুকৃত 'কর্পোরেট গভর্নেন্স কোড' (নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80, Dated 3 June, 2018) প্রতিপালনের মাধ্যমে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর কার্যক্রম পরিচালনায় কোম্পানি অঙ্গীকারবদ্ধ। আলোচ্য অর্থ বছরে কোম্পানির জন্য প্রযোজ্য "কর্পোরেট গভর্নেন্স কোড" যথাযথভাবে অনুসরণ করা হয়েছে। কমপ্লায়ান্স অডিটর কর্তৃক নিরীক্ষিত রিপোর্ট বার্ষিক প্রতিবেদনের ৮১ পৃষ্ঠায় Annexure-B এবং Annexure-C তে সন্নিবেশিত হয়েছে।

শ্রম আইনের প্রতিপালন

শ্রমবান্ধব পরিবেশ বজায় রাখার লক্ষ্যে কোম্পানি বাংলাদেশ শ্রম আইন, ২০০৬ (সংশোধিত শ্রম আইন, ২০১৩) ও শ্রম বিধি যথাযথভাবে প্রতিপালন করছে। বাংলাদেশ শ্রম বিধিমালা, ২০১৫ এর আলোকে যথাক্রমে অংশগ্রহণকারী কমিটি, সেইফটি কমিটি ও ক্যান্টিন ব্যবস্থাপনা কমিটি গঠিত হয়েছে। তাছাড়া গঠন করা হয়েছে যৌন নিপীড়ন বিরোধী কমিটি। কমিটিগুলো বিধিবদ্ধ প্রক্রিয়ায় শ্রমিক-কর্মচারীগণের স্বার্থে কাজ করে যাচ্ছে।

দূষণমুক্ত পরিবেশ

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. পরিবেশ আইনের প্রতি শ্রদ্ধাশীল এবং এ লক্ষ্যে সংশ্লিষ্ট সকল কার্যক্রম গ্রহণ করেছে। ক্রমবর্ধমান মানবসৃষ্ট দূষণ ও বিপর্যয়ের কারণে সৃষ্ট পরিবেশ ও জনস্বাস্থ্য ঝুঁকিমুক্ত রাখার লক্ষ্যে ইবনে সিনা ফার্মা তার সকল ফ্যাক্টরী ঢাকা মহানগর থেকে ৫৬ কিলোমিটার দূরে

স্থাপন করেছে। এছাড়া উৎপাদনকালীন অভ্যন্তরীণ দূষণ ও বর্জ্য নিঃসরণে রাষ্ট্রীয় সংস্থা পরিবেশ অধিদপ্তর ও ওষুধ প্রশাসন অধিদপ্তরের বিধিমালা অনুসরণ করে ETP ও অন্যান্য নিরাপত্তা কার্যক্রম পরিচালনা করে যাচ্ছে।

কমপ্লায়ান্স অডিটর নিয়োগ

০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ অর্থ বছরের জন্য কমপ্লায়ান্স অডিটর হিসেবে নিয়োগপ্রাপ্ত এম মুহসীন এন্ড কোং চার্টার্ড সেক্রেটারীজ ইন প্রাকটিস ৩৫ তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন। এম মুহসীন এন্ড কোং চার্টার্ড সেক্রেটারীজ গত তিন বছর অর্থাৎ ২০১৬-১৭, ২০১৭-১৮ এবং ২০১৮-১৯ পর্যন্ত কমপ্লায়ান্স অডিটর হিসেবে দায়িত্ব পালন করেন।

২০১৯-২০ অর্থ বছরের জন্য কমপ্লায়ান্স অডিটর হিসেবে নিয়োগ প্রাপ্তির জন্য ২টি স্বীকৃত কমপ্লায়ান্স অডিট ফর্ম আত্রহ (Expression of Interest) প্রকাশ করেছে। কমপ্লায়ান্স অডিটর নিয়োগের বিষয়টি অডিট কমিটি বিশদভাবে পর্যালোচনা করে মেসার্স ইতরাত হোসেন এন্ড এসোসিয়েটস-কে কোম্পানির কমপ্লায়ান্স অডিটর হিসেবে নিয়োগদানের জন্য সুপারিশ করেন। এ ব্যাপারে বোর্ড সার্বিক দিক পর্যালোচনা পূর্বক মেসার্স ইতরাত হোসেন এন্ড এসোসিয়েটস কে ২০১৯-২০ অর্থ বছরের জন্য কোম্পানির কমপ্লায়ান্স অডিটর নিয়োগদানের জন্য প্রস্তাব করছেন। বিষয়টি ৩৫ তম বার্ষিক সাধারণ সভায় কোম্পানির শেয়ারহোল্ডারগণের বিবেচনা ও চূড়ান্ত অনুমোদনের জন্য পেশ করা হবে।

বিধিবদ্ধ তথ্য সম্বন্ধে পরিচালকমণ্ডলীর ঘোষণা

সম্মানিত শেয়ারহোল্ডারগণ ও স্টেকহোল্ডারগণের প্রতি জবাবদিহির দৃষ্টিভঙ্গি নিয়ে সুচারুরূপে কোম্পানি পরিচালনা করা হচ্ছে 'কর্পোরেট গুড গভর্নেন্স এর মূল উদ্দেশ্য। পরিচালকগণ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর Corporate Governance Code অনুসারে নিম্নে উল্লিখিত বিষয়সমূহের মান নিশ্চিত করেনঃ-

- ক. কোম্পানির শিল্প দৃষ্টিভঙ্গি এবং সম্ভাব্য ভবিষ্যৎ উন্নয়ন সম্পর্কিত বিষয় বার্ষিক প্রতিবেদনের ৪৬ পৃষ্ঠায় বর্ণিত হয়েছে;
- খ. সেগমেন্ট বা পণ্য ভিত্তিক Performance সম্পর্কিত তথ্য বার্ষিক প্রতিবেদনের ১২৮ পৃষ্ঠায় বর্ণিত হয়েছে;
- গ. অভ্যন্তরীণ ও বহিরাগত ঝুঁকির কারণসহ ঝুঁকি ও অনিশ্চয়তা সম্পর্কিত প্রতিবেদন, স্থায়ীত্বের প্রতি হুমকি ও পরিবেশের ওপর নেতিবাচক প্রভাব সম্পর্কে প্রতিবেদনের ৭৭ পৃষ্ঠায় বর্ণিত হয়েছে;
- ঘ. Cost of Goods Sold, Gross Profit Margin এবং Net Profit Margin সম্পর্কিত তথ্য বার্ষিক প্রতিবেদনের ৪৭ পৃষ্ঠায় বর্ণিত হয়েছে;
- ঙ. কোম্পানির ব্যবসা সংশ্লিষ্ট পক্ষের লেনদেন সম্পর্কিত তথ্য প্রতিবেদনের ১৪৫ পৃষ্ঠায় বর্ণিত হয়েছে;
- চ. ইন্ডিপেনডেন্ট পরিচালকসহ পরিচালকমণ্ডলীর ভাতা (Remuneration) সম্পর্কিত তথ্য প্রতিবেদনের ১৪১ পৃষ্ঠায় বর্ণিত হয়েছে;
- ছ. কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক

বিবরণী সম্পর্কিত বিভিন্ন কার্যক্রমের চিত্র, ফলাফল, পরিচালনা নীতিমালা, নগদ অর্থ প্রবাহ এবং তারল্যের পরিবর্তন যুক্তিযুক্ত ও দূরদর্শী বিবেচনার ভিত্তিতে উপস্থাপিত হয়েছে;

জ. কোম্পানির হিসাব বহি সমূহ যথাযথভাবে সংরক্ষিত হয়েছে;

ঝ. আর্থিক বিবরণী সমূহ প্রস্তুতকালে বাংলাদেশে প্রযোজ্য আন্তর্জাতিক হিসাব মান (IAS ও IFRS) অনুসরণ করা হয়েছে এবং যথাযথভাবে উপস্থাপন করা হয়েছে;

ঞ. অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থার কার্যকর প্রয়োগ ও তত্ত্বাবধান নিশ্চিত করা হয়েছে;

ট. চলমান প্রতিষ্ঠান হিসেবে কোম্পানির সক্ষমতা প্রমাণিত;

ঠ. কোম্পানির পরিচালনাগত ব্যাপারে পূর্ববর্তী বছরের তুলনায় কোন বিচ্যুতি নেই;

ড. পাঁচ বছরের পরিচালনা ও আর্থিক ফলাফল সমূহ ৪৭ পৃষ্ঠায় বর্ণিত হয়েছে;

ঢ. পরিচালকমণ্ডলীর সভায় উপস্থিতির বিবরণ ৬১ পৃষ্ঠায় বর্ণিত হয়েছে;

ণ. কোম্পানির শেয়ার হোল্ডিং প্যাটার্ন ৫৭ ও ১৩৬ পৃষ্ঠায় বর্ণিত হয়েছে;

ত. কোয়ার্টারলী হিসাব ও বার্ষিক হিসাবের সাথে উল্লেখযোগ্য পার্থক্য নেই;

থ. কোম্পানির ব্যবস্থাপনা পরিচালক প্রদত্ত পরিচালনার (Management) সংশ্লিষ্ট পর্যালোচনা ও বিশ্লেষণ সম্পর্কিত তথ্য প্রতিবেদনের ৪৪ পৃষ্ঠায় বর্ণিত হয়েছে;

দ. BSEC এর নোটিফিকেশন অনুসারে ব্যবস্থাপনা পরিচালক এবং চিফ ফাইন্যান্সিয়াল অফিসার কর্তৃক আলোচ্য বছরে তাঁদের দায়িত্ব ও কর্তব্য সম্পর্কিত ঘোষণা প্রতিবেদনের ১১০ পৃষ্ঠায় বর্ণিত হয়েছে;

ধ. নমিনেশন ও রেম্যুনেরেশন কমিটি কর্তৃক প্রদত্ত প্রতিবেদন ৭৫ পৃষ্ঠায় বর্ণিত হয়েছে;

ন. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের প্রোফরমা অনুযায়ী কর্পোরেট গভর্নেন্স কমপ্লায়াস রিপোর্ট প্রতিবেদনের ৮২ পৃষ্ঠায় উপস্থাপিত হয়েছে;

IAS, IFRS সহ অন্যান্য আরোপযোগ্য আইন ও নীতি সমূহের যথাযথ বাস্তবায়ন

কোম্পানি আইন, ১৯৯৪ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন বিধি, ১৯৮৭ অনুসরণ পূর্বক কোম্পানি যাতে তার যাবতীয় আর্থিক লেনদেনের হিসাব সংরক্ষণ করাসহ সঠিক আর্থিক অবস্থা প্রকাশ করে, তা নিশ্চিত করার দায়িত্ব কোম্পানির পরিচালকমণ্ডলীর। সকল আর্থিক হিসাব প্রণয়নে International Financial Reporting Standard (IFRS) সহ অন্যান্য আরোপযোগ্য নীতি সমূহের পূর্ণ অনুসরণ পূর্বক প্রস্তুত করার প্রক্রিয়া নিশ্চিত করা হয়। আর্থিক হিসাব প্রস্তুত প্রক্রিয়ায় পরিচালকগণের করণীয় সম্পর্কিত পৃথক একটি রিপোর্ট ৮০ পৃষ্ঠায় দেয়া হয়েছে।

আর্থিক প্রতিবেদন ও জবাবদিহি

আলোচ্য অর্থ বছরের প্রথম প্রান্তিক, অর্ধ-বার্ষিক ও তৃতীয় প্রান্তিকের আর্থিক হিসাব প্রস্তুত, আর্থিক বছর শেষে বার্ষিক হিসাব এবং কার্যক্রমের একটি যথাযথ মূল্যায়ন ও প্রকাশের দায়িত্ব

পরিচালকমণ্ডলী পালন করে যাচ্ছেন। পরিচালকমণ্ডলী কর্তৃক গঠিত অডিট কমিটি এসব প্রতিবেদনের তথ্যবলীর সঠিকতা, যথার্থতা, স্বচ্ছতা ও পূর্ণাঙ্গতা নিয়মিত নিরীক্ষা করে থাকেন।

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৮-১৮৩/এডমিন/০৩-৩৪, তারিখ ২৭ সেপ্টেম্বর, ২০০৯ এবং ঢাকা স্টক এক্সচেঞ্জ লিমিটেড ও চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেড এর লিপিং রুলস অনুযায়ী ২০১৮-১৯ অর্থ বছরের প্রথম প্রান্তিক, অর্ধবার্ষিক ও তৃতীয় প্রান্তিক এর অনির্দিষ্ট হিসাব কোম্পানির ওয়েব সাইট, খবরের কাগজ ও অনলাইন নিউজ পোর্টালের মাধ্যমে প্রকাশ করা হয়েছে এবং কোম্পানি যথারীতি ও নিয়মিতভাবে BSEC, DSE, CSE সহ অন্যান্য নিয়ন্ত্রণকারী প্রতিষ্ঠান সমূহে প্রেরণ করে।

ব্যবসা সংশ্লিষ্ট পক্ষগণের সাথে লেনদেন

ব্যবসায় সংশ্লিষ্ট পার্টিসমূহের সাথে লেন-দেন International Accounting Standard IAS-24 ও ব্যবসায়িক নীতিমালা অনুসরণ করে বাণিজ্যিক ভিত্তিতে করা হয়েছে। আলোচ্য অর্থ বছরের সংশ্লিষ্ট পার্টিসমূহের সাথে লেন-দেনের প্রকৃতি, ধরন, মান ইত্যাদি বিস্তারিতভাবে আর্থিক প্রতিবেদনের ১৪৫ পৃষ্ঠায় উপস্থাপন করা হয়েছে।

ক্ষুদ্র বিনিয়োগকারীগণের স্বার্থ সংরক্ষণ

২০১৮-১৯ অর্থবছরে ক্ষুদ্র বিনিয়োগকারী শেয়ারহোল্ডারগণের স্বার্থ সুরক্ষিত।

অস্বাভাবিক লাভ-ক্ষতি

২০১৮-১৯ অর্থ বছরে অস্বাভাবিক লাভ-ক্ষতি পরিলক্ষিত হয়নি।

পরিচালকমণ্ডলীর ধারণকৃত শেয়ার

কোম্পানির পরিচালকমণ্ডলীর নাম ও তাঁদের নামের বিপরীতে ধারণকৃত শেয়ার সংক্রান্ত বিবরণী প্রতিবেদনের ৫৭ পৃষ্ঠায় বর্ণিত হয়েছে।

অডিট কমিটি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ৩ জুন ২০১৮ এর নির্দেশনা মোতাবেক পরিচালকমণ্ডলী কর্তৃক গঠিত ২ জন ইনডিপেন্ডেন্ট পরিচালকসহ অভিজ্ঞতা সম্পন্ন ৩ (তিন) সদস্য বিশিষ্ট অডিট কমিটি কাজ করছে। কমিটি তার রিপোর্টে BSEC ও বোর্ড কর্তৃক প্রদত্ত দায়িত্ব সম্পাদন, অভ্যন্তরীণ নিরীক্ষা পদ্ধতি, বার্ষিক আর্থিক প্রতিবেদন প্রস্তুতি এবং বহিঃস্থ নিরীক্ষকগণের পর্যবেক্ষণগুলোর বিশদ আলোচনা ও পর্যালোচনা করেছেন। রিপোর্টিং এর কোন পর্যায়ে ন্যূনতম ত্রুটি, অমিল অথবা সত্য পরিপন্থী তথ্য না থাকায় আর্থিক অবস্থার প্রতিবেদন বাস্তব ও স্বচ্ছ হিসেবে গণ্য হয়েছে। অডিট কমিটির একটি রিপোর্ট ৭৩ পৃষ্ঠায় সন্নিবেশিত হয়েছে।

সুবিধাভোগী ব্যবসা নিষিদ্ধ করণ বিধিমালা প্রতিপালন

কোম্পানি তার সব পরিচালক, সকল কর্মকর্তা-কর্মচারী এবং এর সাথে সংশ্লিষ্ট সবার জন্য শেয়ার লেনদেন এর ক্ষেত্রে BSEC

এর বিধি অনুসারে সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ বিধিমালা প্রতিপালনকল্পে একটি নীতি নির্ধারণ করেছে। এ নীতিমালা যথাযথভাবে প্রতিপালিত হচ্ছে।

কর্পোরেট সামাজিক দায়বদ্ধতা (CSR) নীতি

কর্পোরেট সামাজিক দায়বদ্ধতাকে সামনে রেখে কোম্পানির Good Governance Practice নিয়মিত ও ধারাবাহিক প্রতিপালনের লক্ষ্যে পরিচালকমণ্ডলী অনুমোদিত কর্পোরেট সামাজিক দায়বদ্ধতা (CSR) নীতি অনুযায়ী কাজ করে যাচ্ছে। এ নীতি সুষ্ঠুভাবে কার্যকর করার জন্য বোর্ড তিন সদস্য বিশিষ্ট একটি উপ-কমিটি গঠন করেছে। বোর্ড গঠিত CSR উপ-কমিটি আলোচ্য অর্থ বছরে কোম্পানি কর্তৃক গৃহীত CSR নীতিমালা অনুসারে কর্পোরেট সামাজিক দায়বদ্ধতা কার্যক্রম পর্যবেক্ষণ ও পর্যালোচনা করেছে, যা প্রতিবেদনের ৬৮ পৃষ্ঠায় সন্নিবেশিত হয়েছে।

ইন্ডিপেনডেন্ট পরিচালক

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধি অনুযায়ী দু'জন ইন্ডিপেনডেন্ট পরিচালক যথাক্রমে জনাব মো. রফিকুল ইসলাম খান, এফসিএ ও জনাব মো. আব্দুস সালাম, এফসিএ, এফসিএস দায়িত্ব পালন করছেন।

আইনের প্রতি শ্রদ্ধা

রাষ্ট্রীয় আইন ও বিধি বিধানের যথাযথ অনুসরণ ও প্রতিপালনে সর্বোচ্চ অগ্রাধিকার প্রদান করা হচ্ছে এবং করণীয় বিষয়সমূহ যথাসময়ে ও যথাযথভাবে নিশ্চিত করা হচ্ছে। কোম্পানি আইন প্রয়োগকারী ও নিয়ন্ত্রণকারী সংস্থা সমূহের বিধি বিধান মেনে চলতে বদ্ধপরিকর।

বিধিবদ্ধ পরিশোধ সমূহ

কোম্পানিতে কর্মরত কর্মকর্তা-কর্মচারীগণের এবং রাষ্ট্রীয় সকল বিধিবদ্ধ দেনা সমূহ যথাযথভাবে হালনাগাদ পরিশোধিত হয়েছে।

উল্লেখযোগ্য আর্থিক বিবরণীর তথ্যাদি

BSEC এর নির্দেশনা অনুযায়ী গত ৫ বছরের উল্লেখযোগ্য আর্থিক কার্যক্রম ও ফলাফলের সংক্ষিপ্ত বিবরণী প্রতিবেদনের ৪৭ পৃষ্ঠায় বর্ণিত হয়েছে।

কোম্পানির কর্মকর্তা ও কর্মচারীগণের জন্য কল্যাণমূলক কার্যক্রম

আলোচ্য অর্থ বছরে কোম্পানির কর্মকর্তা ও কর্মচারীগণের জন্য কল্যাণমূলক কার্যক্রমের বিবরণী প্রতিবেদনের ৭০ পৃষ্ঠায় সন্নিবেশিত হয়েছে।

শ্রমিক মুনাফা অংশীদারিত্ব তহবিল (WPPF)

শ্রম আইন, ২০০৬ (সংশোধিত শ্রম আইন, ২০১৩) অনুযায়ী, কোম্পানির মুনাফার ৫% অর্থাৎ ২২,৬৯২,১৩৬ টাকা যথাসময়ে শ্রমিক অংশীদারিত্ব ও শ্রমিক কল্যাণ তহবিলে প্রদান করা হবে।

একটি ফার্মাসিউটিক্যাল ইনসিটিউটস (এপিআই) প্রকল্প

২৮ এপ্রিল ২০১৯, রোববার পরিচালকমণ্ডলীর ২৬৪তম সভায় সংশ্লিষ্ট নিয়ন্ত্রক সংস্থার অনুমোদন সাপেক্ষে “ইবনে সিনা এপিআই লিমিটেড” নামে দি ইবনে সিনা ফার্মাসিউটিক্যাল

ইন্ডাস্ট্রি লিমিটেড এর সম্পূর্ণ মালিকানাধীন একটি সাবসিডিয়ারি কোম্পানি গঠন করার সিদ্ধান্ত গৃহীত হয়েছে। একটি ডি ফার্মাসিউটিক্যাল উপাদান উৎপাদন ও বাজারজাতকরণের উদ্দেশ্যে ইবনে সিনা এপিআই লিমিটেড নামে মুন্সিগঞ্জ জেলার গজারিয়ায় বিএসসিআইসি এপিআই শিল্প পার্কে বাংলাদেশ সরকারের শিল্প মন্ত্রণালয় থেকে বরাদ্দপ্রাপ্ত প্লটে একটি ডি ফার্মাসিউটিক্যাল উপাদান উৎপাদনকারী প্লান্ট স্থাপন করা হবে।

ইবনে সিনা কনজুমার প্রোডাক্টস লি. এ বিনিয়োগ

জনসাধারণের সুখম খাদ্য ও পুষ্টি চাহিদা পূরণের লক্ষ্যকে সামনে রেখে প্রতিষ্ঠিত হয়েছে “ইবনে সিনা কনজুমার প্রোডাক্টস লি.”।

আলোচ্য অর্থ বছরে “ইবনে সিনা কনজুমার প্রোডাক্টস লি.” এ পরিশোধিত মূলধন ১০ কোটি টাকার ৪০% শেয়ারের ধারক হিসেবে ৪ কোটি টাকা প্রদান করা হয়েছে। যা কোম্পানির স্থায়ী সম্পদের ১,৮২৩,৯৬৫,৮৩০/- টাকার ২.১৯%। দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড এর সহযোগী প্রতিষ্ঠান ইবনে সিনা কনজুমার প্রোডাক্টস লি. এ মূলধন বিনিয়োগের পরিমাণ কোম্পানির মোট প্রকৃত সম্পদের ১% এর বেশী হওয়ায়, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং- SEC / CMRRCD / 2008-183 / Admin / 03-30; Dated June 1, 2009 অনুযায়ী বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডারগণ কর্তৃক অনুমোদনের জন্য পেশ করা হল।

অভ্যন্তরীণ নিয়ন্ত্রণ

অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুষ্ঠু ভিত্তির ওপর প্রতিষ্ঠিত আছে এবং গৃহীত ব্যবস্থা যথাযথভাবে কাজ করেছে। পরিচালকমণ্ডলী সময়ে সময়ে অভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি মূল্যায়ন ও উন্নয়নের জন্য প্রয়োজনীয় পরিবর্তন আনয়ন করে থাকেন। পুঁজির সর্বোত্তম ব্যবহার, সর্বোচ্চ উৎপাদনশীলতা এবং স্বচ্ছতা নিশ্চিত করার জন্য একটি সুদৃঢ় অর্থনৈতিক ও অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা কার্যকর রয়েছে।

চলমান প্রতিষ্ঠান

পরিচালকমণ্ডলী কোম্পানির ব্যবসায়িক গতিপ্রকৃতি বিশ্লেষণের মাধ্যমে মহান আল্লাহর রহমতে নিশ্চিত হয়েছেন যে, আগামী দিনগুলোতে ব্যবসায়িক কার্যক্রম চালিয়ে নেয়ার মত যথেষ্ট সম্ভতি কোম্পানির রয়েছে। চলমান নীতিমালার আলোকেই কোম্পানির আর্থিক বিবরণীসমূহ প্রস্তুত করা হয়েছে। কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষের বিবেচনায় এরূপ কোন ঘটনা বা পরিস্থিতি সম্পর্কিত বৈষয়িক উদ্বেগ বা অনিশ্চয়তা সৃষ্টি হয়নি, যার দ্বারা কোম্পানি চলমান প্রতিষ্ঠান হিসেবে এর ভবিষ্যৎ কার্যক্রম চালিয়ে যাওয়ার ক্ষেত্রে সক্ষমতার বিষয়ে কোনরূপ সন্দেহ সৃষ্টি করতে পারে।

শেয়ার বাজারে কোম্পানির অবস্থান

আলোচ্য সময়ে কোম্পানির শেয়ার ঢাকা স্টক এক্সচেঞ্জ লি. ও চট্টগ্রাম স্টক এক্সচেঞ্জ লি. এ অতিমাত্রায় বৃদ্ধি বা অবমূল্যায়িত

হয়নি। শেয়ারহোল্ডারগণ সর্বদা ইবনে সিনা ফার্মার শেয়ারের ওপর আস্থাশীল। উভয় স্টক এক্সচেঞ্জে প্রতি ১০ টাকার অভিজিত মূল্যের শেয়ার সর্বনিম্ন ২৩১.১০ টাকা থেকে সর্বোচ্চ ৩৪৫.০০ টাকায় ট্রেডিং হয়েছে।

জাতীয় কোষাগারে অবদান

সামাজিক অঙ্গীকারের অংশ হিসেবে কোম্পানি নিয়মিতভাবে জাতীয় কোষাগারে অবদান রাখছে। কোম্পানি জাতীয় রাজস্ব কোষাগারে কর ও ভ্যাট বাবদ ০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ পর্যন্ত ৯৭০,৬৪৬,৭৫২ টাকা প্রদান করে জাতীয় অর্থনীতি বিকাশে উল্লেখযোগ্য অবদান রেখেছে। এটি আলোচ্য অর্থ বছরে বিক্রয়লব্ধ অর্থের ৩৪.০৪% এর সমান।

ঝুঁকি ও অনিশ্চয়তা ব্যবস্থাপনা

কোম্পানির অভ্যন্তরীণ ও বহিঃস্থ ঝুঁকি সম্পর্কিত সম্ভাব্য সবক্ষেত্রে শক্তিশালী ঝুঁকি ব্যবস্থাপনা নীতি বিদ্যমান রয়েছে। এর বিবরণী প্রতিবেদনের ৭৭ পৃষ্ঠায় দেয়া আছে।

নৈতিকতা পরিপালন

কোম্পানি নৈতিকতার ওপর সর্বোচ্চ গুরুত্ব দিয়ে থাকে। যাতে আইন কানুন ও পেশাদারিত্ব বজায় রেখে সংশ্লিষ্ট কর্মকর্তা ও কর্মচারীবৃন্দ সঠিক ও সুচারুভাবে স্বীয় দায়িত্ব পালন করতে সক্ষম হন।

কর্মকর্তা-কর্মচারী-শ্রমিক সুসম্পর্ক

ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রিতে কর্মরত সর্বস্তরের কর্মকর্তা-কর্মচারী-শ্রমিকগণের মাঝে কাজের প্রতি একাগ্রতা, নিষ্ঠা, গভীর আন্তরিকতা, অর্থবহ সহযোগিতা ও মর্যাদাপূর্ণ ভ্রাতৃপ্রতিম সুসম্পর্ক বিরাজ করছে যা কোম্পানির উন্নয়ন ও উৎপাদনের গতিশীলতা বৃদ্ধিতে প্রতিনিয়ত শক্তি যোগাচ্ছে।

নমিনেশন ও রেম্যুনেরেশন (NRC) কমিটি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড (BSEC / CMRRCD / 2006-158 / 207 / Admin / 80 তারিখ ৩ জুন, ২০১৮) এর ৬নং শর্ত অনুসারে গত ২৬ জুন, ২০১৯ তারিখে অনুষ্ঠিত পরিচালকমণ্ডলীর ২৬৬তম সভায় নিম্নোক্ত ব্যক্তিবর্গের সমন্বয়ে একটি Nomination and Remuneration (NRC) কমিটি গঠন করা হয়।

মো. আব্দুস সালাম-এফসিএ, এফসিএস

ইনডিপেন্ডেন্ট পরিচালক

চেয়ারম্যান

কমডোর (অব.) এম. এ. রহমান

পরিচালক

সদস্য

মো. রফিকুল ইসলাম খান-এফসিএ

ইনডিপেন্ডেন্ট পরিচালক

সদস্য

জনাব মো. শহীদ ফারুকী-এফসিএস Nomination and Remuneration (NRC) কমিটির সেক্রেটারি হিসেবে দায়িত্ব পালন করছেন। আলোচ্য অর্থ বছরে NRC কমিটির কার্যক্রমের বিবরণ প্রতিবেদনের ৭৫ পৃষ্ঠায় সন্নিবেশিত হয়েছে।

পরিচালকমণ্ডলীর ভাতা

ইনডিপেন্ডেন্ট পরিচালক সহ পরিচালকমণ্ডলীর সম্মানী ও ভাতা বাবদ ব্যয়ের পরিমাণ আর্থিক প্রতিবেদনের ২৭ নং নোটে উল্লেখ করা হয়েছে, যা বার্ষিক প্রতিবেদনের ১৪১ পৃষ্ঠায় বর্ণিত হয়েছে।

পারিশ্রমিক নীতি

সম্মানী বিষয়ে সিদ্ধান্ত নেয়ার ক্ষেত্রে মুদ্রাস্ফীতি, প্রাইস ইনডেক্স এবং অপরাপর প্রতিযোগী কোম্পানি সমূহের সাথে সামঞ্জস্য রেখে কর্মকর্তা, কর্মচারীগণের বেতন-ভাতা-মঞ্জুরী ইত্যাদি নির্ধারণ করা হয়। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের জারিকৃত কর্পোরেট গভর্নেন্স কোড অনুসারে NRC কমিটির সুপারিশ মোতাবেক কার্যনিবাহী পরিচালকগণের মূল্যায়ন ও সম্মানী বোর্ডের অনুমোদন সাপেক্ষে প্রদানের পদ্ধতি অনুসরণ করা হয়।

পরিচালক নির্বাচন

কোম্পানির সংঘ বিধির ২৮ ধারা অনুসারে এ সভায় পরিচালক সর্ব জনাব প্রফেসর ড. এ. কে. এম. সদরুল ইসলাম এবং জনাব কাজী হারুন-অর-রশীদ অবসর গ্রহণ করেছেন।

অবসর গ্রহণকারী পরিচালকবৃন্দ পুনর্নির্বাচনের যোগ্য। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন প্রদত্ত নির্ধারিত পদ্ধতিতে পরিচালকমণ্ডলীর সংক্ষিপ্ত জীবন বৃত্তান্ত প্রতিবেদনের ১৪ পৃষ্ঠায় পরিচালকদের প্রোফাইলে সন্নিবেশিত হয়েছে।

দুই জন পরিচালকের পদ শূণ্য ঘোষণা

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (নোটিফিকেশন নং BSEC / CMRRCD / 2009-193 / 217 / Admin / 90, Dated 21 May 2019) এর ৪ নং শর্ত মোতাবেক কোম্পানির পরিশোধিত মূলধনের ধারণকৃত শেয়ার ন্যূনতম ২% না থাকায় ০৯ জুন ২০১৯, রোববার অনুষ্ঠিত পরিচালকমণ্ডলীর ২৬৫ তম সভায় প্রফেসর ডা. শাহ মো. বুলবুল ইসলাম এবং কর্ণেল (অব.) প্রফেসর ডা. জেহাদ খান এর পরিচালক পদ শূণ্য ঘোষণা করা হয়। বিষয়টি শেয়ারহোল্ডারগণের অবগতির জন্য পেশ করা হল।

পরিচালকমণ্ডলী তাঁদের কর্মকালীন সময়ে কোম্পানিতে মূল্যবান অবদান ও আন্তরিক সেবা প্রদানের জন্য কৃতজ্ঞতা প্রকাশ করছে।

হুইসেল ব্লোইং পলিসি

হুইসেল ব্লোইং পলিসির মাধ্যমে কোম্পানি সকল পর্যায়ের স্বচ্ছতা নিশ্চিত করা সহ যেকোন ধরনের জালিয়াতি ও ঝুঁকি ব্যবস্থাপনায় সাহায্য করে থাকে। এ নীতি অনুসরণে কোম্পানির যেকোন কর্মকর্তা বা কর্মচারী অন্য কর্মকর্তা বা কর্মচারীর অস্বাভাবিক ও অসঙ্গতিপূর্ণ কার্যকলাপ সম্পর্কে কতৃপক্ষকে কোম্পানির স্বার্থে অবহিত করে থাকেন।

আর্থিক বিবরণী প্রস্তুত পরবর্তী ঘটনাবলী

০১ জুলাই ২০১৮ থেকে ৩০ জুন ২০১৯ পর্যন্ত সময়ের আর্থিক বিবরণী প্রস্তুত-পরবর্তী সময়ের প্রয়োজনীয়তা অথবা আর্থিক বিবরণীতে প্রকাশযোগ্য কোন ঘটনা ঘটেনি।

লভ্যাংশ প্রদানের নীতি

ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর ব্যবস্থাপনা কর্তৃপক্ষ একান্তভাবে বিশ্বাস করে যে, কোম্পানির কার্যক্রমের ফলস্বরূপ চলমান সময়ে শেয়ারহোল্ডারগণকে যেমন সর্বোচ্চ সুবিধা তথা মুনাফা প্রদান করতে হবে তেমনিভাবে অর্জিত মুনাফার একাংশ সঞ্চয় রূপে স্থিত রাখতে হবে যাতে ভবিষ্যতেও কোম্পানির সার্বিক সম্প্রসারণ ও শেয়ারহোল্ডারগণকে ক্রমবর্ধমান সুবিধা প্রদানের সামর্থ্য বজায় থাকে। এ বিবেচনায় কোম্পানি বর্তমান ও ভবিষ্যৎ বিনিফিসিয়ারীগণের চাহিদা ও স্বার্থের মাঝে ভারসাম্যপূর্ণ গুরুত্ব প্রদান করে লভ্যাংশ ঘোষণা করে থাকে।

লভ্যাংশ

পরিচালনা পরিষদ ২০১৮-১৯ অর্থবছরে ১০ টাকা অভিহিত মূল্যের প্রতিটি শেয়ারের জন্য ৩০% নগদ লভ্যাংশ প্রদানের সুপারিশ করেছেন।

রিজার্ভ এন্ড সারপ্লাস

৩০ জুন ২০১৯ তারিখে কোম্পানির রিজার্ভ এন্ড সারপ্লাস ১,১৬৫,৯৮৬,২৬২ টাকায় উন্নীত হয়েছে যা পূর্ববর্তী ২০১৭-১৮ অর্থবছরে ছিল ৯৪৩,৩৩২,৫৭৬ টাকা।

নিরীক্ষক নিয়োগ

কোম্পানির নিরীক্ষক এস, এফ আহমেদ এন্ড কোং চার্টার্ড একাউন্টেন্টস ২০১৮-১৯ অর্থ বছরের নিরীক্ষা কার্য সম্পাদন করেছেন। এস, এফ আহমেদ এন্ড কোং চার্টার্ড একাউন্টেন্টস এ সভায় অবসর গ্রহণ করেছেন। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন (BSEC / CMRRCD / 2009-193 / 104 / Admin, Dated the 27 July, 2011) অনুসারে বর্তমান নিরীক্ষক পুনরায় কোম্পানির নিরীক্ষক হিসেবে নিয়োগ প্রাপ্ত হওয়ার যোগ্য নন।

২০১৯-২০ অর্থ বছরের জন্য নিরীক্ষক হিসেবে নিয়োগ প্রাপ্ত হওয়ার নিমিত্তে ২টি স্বীকৃত চার্টার্ড একাউন্টেন্টস ফার্ম নিয়োগপ্রাপ্ত হওয়ার ইচ্ছা (Expression of Interest) প্রকাশ করেছেন। নিরীক্ষক নিয়োগের বিষয়টি অডিট কমিটি বিশদভাবে পর্যালোচনা করে মালেক সিদ্দিকী ওয়ালী চার্টার্ড একাউন্টেন্টস-কে কোম্পানির নিরীক্ষক হিসেবে নিয়োগদানের জন্য সুপারিশ করেন। এ ব্যাপারে বোর্ড সার্বিক দিক পর্যালোচনা পূর্বক মালেক সিদ্দিকী ওয়ালী চার্টার্ড একাউন্টেন্টসকে ২০০,০০০ টাকা

অডিট ফি ধার্য করে ২০১৯-২০ অর্থবছরের জন্য কোম্পানির নিরীক্ষক হিসেবে নিয়োগদানের জন্য প্রস্তাব করেন। বিষয়টি ৩৫তম বার্ষিক সাধারণ সভায় কোম্পানির শেয়ারহোল্ডারগণের বিবেচনা ও চূড়ান্ত অনুমোদনের জন্য পেশ করা হবে।

শেয়ারহোল্ডারগণের সাথে যোগাযোগ ও সম্পর্ক

কোম্পানি আইন মোতাবেক কোম্পানি যথারীতি নিয়মিত বার্ষিক সাধারণ সভা আয়োজন করে আসছে, যার মাধ্যমে শেয়ারহোল্ডারগণকে আর্থিক ফলাফল, অগ্রগতি, গৃহীত গুরুত্বপূর্ণ কার্যক্রম ও উন্নয়ন সম্পর্কে অবহিত করা হয়। ফলে শেয়ারহোল্ডারগণ ও সংশ্লিষ্ট প্রতিষ্ঠান কোম্পানি সম্পর্কে বিভিন্ন প্রয়োজনীয় তথ্য যথাসময়ে অবহিত হচ্ছেন। শেয়ারহোল্ডারগণ শেয়ার বিভাগ থেকে টেলিফোন, মোবাইল ফোন, ই-মেইল ও ওয়েব সাইটের মাধ্যমে প্রতিনিয়ত প্রয়োজনীয় তথ্যাদি সংগ্রহ করতে পারছেন।

কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন

পরিচালকমণ্ডলী ওষুধ শিল্পের সাথে সংশ্লিষ্ট স্বাস্থ্য মন্ত্রণালয়, ওষুধ প্রশাসন অধিদপ্তর, ওষুধ শিল্প সমিতি, সম্মানিত চিকিৎসক ও কেমিস্টগণের অকুণ্ঠ সমর্থনের জন্য আন্তরিক ধন্যবাদ জানাচ্ছে।

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লি. ও চট্টগ্রাম স্টক এক্সচেঞ্জ লি. এর সার্বিক সহযোগিতার কথা পরিচালকমণ্ডলী কৃতজ্ঞচিত্তে স্মরণ করছে।

পরিচালকমণ্ডলী ব্যবসায়িক সফলতায় আন্তরিক অবদান রাখা সহ সব পর্যায়ের ক্রেতা-ভোক্তা, পৃষ্ঠপোষক ও শুভানুধ্যায়ীকে সার্বিক সহযোগিতার জন্য আন্তরিক মোবারকবাদ জানাচ্ছে। পাশাপাশি কর্মকর্তা ও কর্মচারীগণের গভীর আন্তরিকতা, অর্থবহ সহযোগিতা, আনুগত্য ও কর্তব্য নিষ্ঠার জন্য ধন্যবাদ জ্ঞাপন করছে।

সম্মানিত শেয়ারহোল্ডারগণ পরিচালকমণ্ডলীর ওপর যে আস্থা ও বিশ্বাস রেখেছেন তা তাঁদেরকে গভীরভাবে উৎসাহিত ও অনুপ্রাণিত করেছে। এটি বজায় রাখতে ব্যবস্থাপনা কর্তৃপক্ষ, কর্মকর্তা ও কর্মচারীগণ দৃঢ় প্রতিজ্ঞ।

দেশ ও জাতির অব্যাহত উন্নয়নে আমাদের সব অকৃত্রিম ও নিরলস প্রয়াস আল্লাহপাক কবুল করুন। সবশেষে গণপ্রজাতন্ত্রী বাংলাদেশ, দেশের জনসাধারণ ও কোম্পানির উত্তরোত্তর উন্নতি, সমৃদ্ধি ও সার্বিক অগ্রগতির জন্য মহান আল্লাহ রাকবুল আলামীনের দরবারে রহমত কামনা করছি।

পরিচালকমণ্ডলীর অনুমোদনক্রমে ও পক্ষে,

প্রফেসর ড. এ.কে.এম. সদরুল ইসলাম
ব্যবস্থাপনা পরিচালক

প্রফেসর ড. চৌধুরী মাহমুদ হাসান
পরিচালক

মো. শহীদ ফারুকী, এফসিএস
কোম্পানি সেক্রেটারী

DIRECTORS' REPORT

Bismillahir Rahmanir Raheem

Distinguished Shareholders,

Assalamu Alaikum Wa Rahmatullah

We have the pleasure to welcome you on behalf of the Board of Directors at the 35th Annual General Meeting of The IBN SINA Pharmaceutical Industry Ltd. and present before you to receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 30 June 2019 together with the Auditors' Report and Directors' Report thereon, for your valuable guidance, opinion and consideration. We express our gratitude to the Almighty Allah for the Company's business achievement in 2018-19.

Main Objective of the Company

The Company's main objective was to play the role usually offering the healthcare services of highest standard through production and marketing of quality Allopathic, Unani and Herbal medicines in Bangladesh and abroad.

Industrial Prospects and Future

Sustainable Development

IBN SINA Pharma tried to maintain the continuity of its productivity and best ethical standard of business affairs preferring the principles of sustainable development in the year under review. Alhamdulillah.

The Company has been able to hold its customer satisfaction upright providing the quality products with competitive price in the competitive business environment. The Company gives the utmost importance in extending business activities through supply of products as per demand keeping in view of future challenge depending on the modern technology. The Company's outlook in terms of future sustainable development has been mentioned in the page no 46 of the Annual Report.

Business Analysis

The year under review, in spite of severe competition prevailed in the national and international business arena, we have been able to maintain an overall progressive growth trend due to timely action taken by the Board of Directors managing the finance efficiently through visionary steps and ensuring proper investment procedures.

As a result, it became easy and usual to produce quality

medicine and deliver the same at the door steps of the customers. The Company has played a significant role in applying modern technology ensuring quality control, smooth distribution and delivery of the medicine to the patients and customers.

In the year 2018-19 EPS stood Tk. 10.76 which was Tk. 14.48 in 2017-18. In the year under review Net Asset Value per share is Tk. 47.32 which was Tk. 39.28 in 2017-18 and in the year 2018-19 Net Asset Value stood Tk. 1,478,296,395 which was Tk. 1,227,208,578 over the last corresponding year. NOCFPS per share stood Tk. 13.87 in the year under review which was previously Tk. 6.16. It is mentionable that the increase in NOCFPS arose due to the increase in collection of Trade and Other Receivables in the current year.

Production Activity via Technology Utilization

Procurement of modern technology, research and training are being continued in order to enrich the production capacity of the factory by increasing efficiency and skills in terms of quality and quantity as well. In the year under review, the overall investment was increased by launching some new sophisticated products and installing some latest machinery & equipment in both Pharma and Natural Medicine factory. These investments were funded by own sources and institutional finance keeping the balanced financial leverage.

Achievement of Sales Growths

The year under review the company's distribution network and marketing management were strengthened more in view of the attainment of the increased sales of products. This help to fortify our position in the pharmaceutical market. During the year 13.02% sales growth was achieved compared to the preceding year. In the year 2018-2019 overall sales achievement stood at Tk. 5,263.96 million which was Tk. 4,657.35 million in the last year. This was attained by coordinated efforts of sales, marketing and factory.

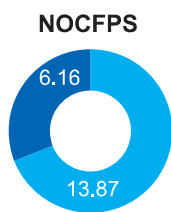
Bangladesh Pharma Market

In the year under review, the growth of pharmaceutical market of Bangladesh stood 10.65%. The IBN SINA Pharmaceutical Industry Ltd. achieved 13.02% growth which is good with respect to the growth of pharma market of Bangladesh.

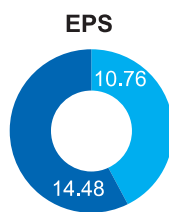
Financial Results

The financial results of 2018-19 are summarized below:

Particulars	Amount in Taka	
	2018-19	2017-18
Profit Before Tax	452,141,557	561,423,618
Less: Income Tax	115,874,687	109,126,904
Profit After Tax	336,266,870	452,296,714
Retained Earnings (net) as per Last Accounts	825,327,282	486,643,752
Retained Earnings	1,161,594,152	938,940,466
Net Asset Value (NAV)	1,478,296,395	1,227,208,578
Earnings per Share (EPS) [Adjusted EPS, 2017-18]	10.76	14.48
Net Asset Value (NAV) per Share	47.32	39.28
Net Operating Cash Flow per Share	13.87	6.16



■ 2018-19 ■ 2017-18



■ 2018-19 ■ 2017-18

Fixed Assets

Keeping the continual achievement of last years' success, mentionable investments were made in procurement and development of land for establishment of API industry, Industrial Park at Maona, Sreepur, Gazipur, factory expansion including Solid Dosage Extension Building, Bio-tech, Natural Medicine Plant, purchase of new machineries, vehicles, power extension as well as other developments in respect of fixed assets for the Company. The detail particular of fixed assets added during the year under review has been stated in the Page no. 148 of the Financial Statements.

The Qualitative Standard of Medicine and Raw Materials

Being engaged for the welfare of the human being, IBN SINA is committed to maintain the qualitative standard of medicine. For this purpose, highest efforts are given to identify genuine sources, collecting of best quality raw materials and their proper storing and also producing prescribed standard medicine for which there is an effective Total Quality Management (TQM) system in the company. Relentless endeavor is being given to deliver the quality medicine with competitive price at the door steps of the customers through sourcing of standard and quality raw materials and producing them with state of the art machineries.

Marketing of New Medicines

Pharma Division

The IBN SINA Pharmaceutical Industry Ltd. is regularly introducing new products along with existing products which contributed remarkably in the achievement of company's sales growth. In consequences of such IBN SINA Pharma launched 13 new medicine of 9 generics in 2018-2019. In the year under review some of the marketed products specially accepted by the doctors are Iluca power for suspension, Linax plus 2.5/500, Linax plus 2.5/750, Linax plus 2.5/1000 tablet, Keranil 6% cream, Keranil 12% cream, Gavisol suspension, Nep TS eye drops, Dermastin cream & Dermastin ointment. Among these products Gavisol suspension 200 ml is now contributing highest revenue per month.

Natural Medicine Division

The general acceptability and consumption of natural medicine is being increased mentionable in the country and globally in comparison with synthetic (Allopathic) medicine. IBN SINA Natural Medicine Division has earned the trustworthiness and credibility from the physicians as well as consumers. Since its establishment it is dedicated to marketing qualitative standard Unani, Herbal and consumer products assuring quality raw materials.

In the year 2018-19, the important and essential products marketed are Voltasin Ointment, Recto Ointment and Bobcare Ointment Each of the same has been appreciated by the physicians.

Sales and Distribution

Sales and Distribution Department of The IBN SINA Pharmaceutical Industry Ltd. is very time befitting and well equipped futuristic. The manpower engaged in this department are experienced, skilled having knowledge of modern distribution channel management technology serving diligently. There are 60 vehicles of various types to distribute the medicine countrywide. Alongside of this, timely distributing of the lifesaving goods at the door steps of the consumers is being ensured through 19 sales Depots. Smooth communication and customer service has been accelerated adding modern technology like software, automation and networking facilities.

Export Activities

The Company is giving utmost effort in expanding the export market. The export related performance statement for the year under review is given in the page no. 106 of the Annual Report.

Human Resources Development

The IBN SINA Pharmaceutical Industry Ltd. has been striving to establish long awaited goals and objectives of the Company. The HRD Department is endeavoring to create an emphatic balanced complimentary working environment in all sides of head office, field levels and factory through various activities like human resources planning, recruitment, training, personnel evaluation, promotion, etc. At present about to three thousand employees with skills and integrity are giving their diligent efforts to run the total activities of the Company effectively and efficiently.

Legal, Training and Development

The Law Section of the Company is vigilant all the time to properly face the litigations sued against the Company, legally mitigation of industrial disputes, keeping the Company compliant of overall legal management activities. In order to develop skill as well as efficiency of all level of employees increasingly, Training and Development department initiated the various professional training programmes. Last year, total 1121 employees in different levels were taken under training programme of in-house and in different local & foreign professional training organisations. A plan was taken to bring the total manpower of the company in the same platform gradually of Need-based Training Manual adopting an appropriate training policy.

Corporate Governance Compliance Report

IBN SINA Pharma is committed to run the organisation in adherence to the code of corporate governance (Notification No. BSEC / CMRRCD / 2006 -158 / 207 / Admin / 80, Dated: 3 June 2018) issued by the Bangladesh Securities and Exchange Commission (BSEC). During the year under review the code applicable for IPI was duly followed. The compliance of the corporate governance code certified by the Compliance Auditors and status of compliance of the Company is reflected respectively in "Annexure- B" and "Annexure- C" of the Annual Report page no. 81.

Compliance to the Labor Laws

In order to maintain labour friendly atmosphere in all aspects, the Company duly comply with The Bangladesh Labour Act, 2006 (As amended 2013) and other laws and regulations as applicable to the Company. As per The Bangladesh Labour Rules, 2015 some committees like Participatory Committee, Safety Committee and Canteen

Management Committee were formed. Besides this, Sexual Harassment Protection Committee has also been formed. These committees are serving for the wellbeing of the workers within the purview of the provisions.

Pollution Free Environment

In order to protect from risk of human health and environment, caused by increasing manmade pollution; IBN SINA is trying its best to keep pollution free environment and follow the required laws and rules of Directorate General of Drug Administration and Department of Environment of the Government in the factory and its surrounding as well.

Compliance Auditors Appointment

M. Mohashin & Co., Chartered Secretaries, compliance auditors of the Company audited the status of compliance of the Company for the year 2018-19. M. Mohashin & Co., Chartered Secretaries retire at this meeting. M. Mohashin & Co., Chartered Secretaries had performed as compliance auditors of the Company last 3 years from 2016-17, 2017-18, 2018-19.

The company has received Expression of Interest (EoI) to be appointed as compliance auditors from two (2) recognized Chartered Secretaries firms. The profile of these two Audit Firms was reviewed by the Audit Committee and recommended to appoint M/s. Itrat Hussain & Associates, Chartered Secretaries in Practice, as compliance auditors of the Company for the next financial year. After review and discussion over the profile and particulars of the said firms, the Board of Directors has endorsed in favor of M/s. Itrat Hussain & Associates, Chartered Secretaries in Practice to be appointed as compliance auditors for the financial year 2019-20 subject to approval by the Shareholders in the 35th AGM of the Company to be held on Thursday 14 November 2019.

Disclosures from the Directors about Additional Compliance Information

The objective of Corporate Good Governance is to run the Company effectively and legitimately with a sense of accountability and transparency to the shareholders and the society as a whole. The Company is complying with the "Corporate Governance Code" of Bangladesh Securities and Exchange Commission.

The Board of Directors has confirmed the standard of corporate good governance incorporating the following additional statements in the Annual Report:

(a) The industry outlook and possible future development of the company is stated in the page no. 46 of the Annual Report.

(b) The information about the segment-wise or product-wise performance is stated in the page no. 128 of the Annual Report.

(c) The report regarding the risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment is stated in the page no. 77 of the Annual Report.

(d) The information about the cost of goods sold, gross profit margin and net profit margin is stated in the page no. 47 of the Annual Report.

(e) The detail discussion on the business related party transaction of the Company is stated in the page no. 145 of the Annual Report.

(f) A statement of remuneration paid to the directors including independent directors is stated in the page no. 141 of the Annual Report.

(g) The financial statements prepared by the management present fairly the state of affairs of the Company, results of its operations, cash flow and changes of equity.

(h) The Books of Accounts of the Company have been properly maintained.

(i) Principles of accounting have been followed in preparing the statement of accounts and estimates related to accounting have been made reasonably and with prudence.

(j) IAS and IFRS applicable in Bangladesh have been followed in preparing the financial statements.

(k) The internal control system was proper and effective application and monitoring was confirmed.

(l) The ability of the Company as a going concern has been proved.

(m) There have been no remarkable deviations in the operational affairs as compared to the previous year.

(n) Preceding five years' key operational and financial data have been summarized in page. 47.

(o) The attendance in Board of Directors meetings has been described in page. 61.

(p) The shareholding pattern of the Company has been presented in page. 57.

(q) There is no mentionable deviation in between quarterly and annual accounts.

(r) The management discussion and analysis given by the Managing Director of the Company is stated in the page no. 44 of the Annual Report.

(s) Declaration or Certification by the Managing Director and Chief Financial Officer to the Board of Director's as required by the notification of BSEC is disclosed in the page no. 110 of the Annual Report.

(t) A statement of Remuneration and Nomination Committee is stated in the page no. 75 of the Annual Report.

(u) The report of compliance on the Corporate Governance Code audited by Compliance Auditors has been incorporated as per proforma prescribed by BSEC which is shown in "Annexure-C" and page. 82 of Annual Report.

Implementation of IAS, IFRS and Other Applicable Laws and Regulations

The Board of Directors of the Company is entrusted to ensure the disclosure of the actual financial position and preparation and maintenance of all types of Statutory Statements as per the Bangladesh Securities and Exchange Commission (BSEC) and Companies Act-1994. The Board of Directors is absolutely responsible to prepare all types of financial reports in line with International Accounting Standard (IAS), International Financial Reporting Standard (IFRS) and other applicable rules and regulations. The role and responsibilities of the Directors in the presentation of the financial report has been stated in page no. 80 of the Annual Report.

Financial Report and Accountability

The Board of Directors discharged their due responsibilities through timely preparation and publication of 1st quarter, half yearly, 3rd quarter and annual financial report at the end of each financial period and the affairs of the Company performed in the year under review. Audit Committee, sub-committee of Board examined the fairness, exactness and transparency and completeness of these reports before placement of the same to the Board for their approval.

The Company published the report (un-audited accounts) of 1st Quarter, half yearly and 3rd quarter accounts as per notification of Bangladesh Securities and Exchange Commission (BSEC) and the Listing Rules 2015 of Dhaka Stock Exchange Ltd (DSE) and Chittagong Stock Exchange (CSE) through Company's Website, Newspapers and Online News Portal and submitted the same timely to BSEC, DSE, CSE and other regulatory authorities.

About the Related Party Transactions

The business related party transaction of the Company is being made based on the business principle and as per International Accounting Standard IAS-24. During the year under review, the standard, nature and the manner of related party transactions in the ordinary course of business carried out arm's length basis at commercial rates with its related parties were reflected transparently in the financial statements which is given in the page no. 145 of the Annual Report.

Minority Shareholders' Interest Protection

During the year under review, the minority shareholders' interest has duly been protected with effective means of redress. No abusive actions either directly or indirectly with regard to the interest of controlling shareholders was observed.

Un-usual Profit and Loss

In the year 2018-19, there is no un-usual profit and loss was observed.

Directors' Shareholding Position

Particulars of shares as against the name of the Directors of the Company have been stated in the page no. 57 of the Annual Report.

Audit Committee

As per BSEC's notification no. BSEC / CMRRCD / 2006-158 /207 / Admin /80 dated 3 June, 2018, the Audit Committee consisting of three members including two Independent Directors having prominent reputation and versatile knowledge and experience has been working effectively. The Audit Committee had detailed discussion and analysis on its report as directed by BSEC and the Board with regard to internal audit system, preparation of annual financial report and the observations of external auditors. As there was no evidence of smallest mistakes, dissemblance or information contrary to the truth, the financial report was considered as realistic and transparent. Report of the Audit Committee is presented in the page no. 73 of the Annual Report.

Beneficiary Insider Trading Prohibition Policy

The Company has outlined the Beneficiary Insider Trading Prohibition Policy regarding the trading of Company's share for its directors, employees and concerned persons. The policy is being followed accordingly.

Policy for Corporate Social Responsibility (CSR)

In view of the corporate social responsibility of the company, the Board of Directors has approved a CSR

policy for implementation of good governance practice on a regular basis. A three member committee has been formed to implement this policy. The CSR activities as per CSR policy taken by the Company in the year under review are being carried out by the CSR committee; a sub-committee of the Board has been stated in the page no. 68 of the Annual Report.

Independent Director

As per notification no-BSEC / CMRRCD / 2006 -158 / 207 / Admin / 80 dated 3 June, 2018 of Bangladesh Securities and Exchange Commission (BSEC), Mr. Rafiqul Islam Khan, FCA and Mr. Md. Abdus Salam FCA, FCS have been performing the duties as Independent Directors.

Respect to the Laws

The laws of the state and other applicable rules and regulations of the Company and the affairs, thereon have duly been complied with the highest preference and timely actions thereon have been ensured. The Company is committed to abide by the rules of regulatory bodies and other legislative authorities as always.

Statutory Payments

All statutory payments in relation to the employees and the government have duly been made up-to-date.

Compliance to the Laws of the Capital Market

Since listing in both the Stock Exchanges, the Company strictly abides by all the laws, regulations and directions circulated time to time by Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE).

The Key Information of the Financial Statements

As per direction of the Bangladesh Securities and Exchange Commission (BSEC), the key information of the financial statements of Preceding five years' have been summarized in the page no. 47 of the Annual Report.

Welfare Activities for the Company's Officers and Workers

The welfare activities for the Company's officers and workers were taken during the year under review are briefly represented in the page no. 70 of the Annual Report.

Workers' Profit Participation and Welfare Fund

In the year under review 5% of the Company's profit i.e. Tk. 22,692,136 will be transferred to the workers' profit participation fund and welfare fund as per Labor Law 2006 (As amended in 2013).

Active Pharmaceutical Ingredients (API) Project

The Board of Directors of The IBN SINA Pharmaceutical Industry Ltd. in its 264th Meeting held on 28.04.2019 has decided to form a wholly owned "subsidiary company" in the name of "IBN SINA API Ltd." in the BSCIC API Industrial Park, Gozaria, Munshiganj, allotted by the Ministry of Industry, Govt. of Bangladesh in favour of The IBN SINA Pharmaceutical Industry Ltd. to produce and market "Active Pharmaceutical Ingredients" (API) subject to obtaining necessary approval from the regulatory authorities concerned.

Investment in The IBN SINA Consumer Products Ltd.

The IBN SINA Consumer Products Ltd. was established in Singair, Manikganj keeping in view of fulfilling the demand of balanced food and nutrition for the populations of Bangladesh.

As of 30 June 2019, out of total paid up capital Tk. 10 crore, IBN SINA Pharma invested Tk. 4 crore for holding of 40% Shares of The IBN SINA Consumer Products Ltd. This investment stands 2.19% of tangible assets Tk. 1,823,965,830/- (Property Plant and Equipment and Capital Work-in-Progress), therefore, it is recommended by the board that approval of the shareholders in this AGM is required pursuant to the BSEC's Notification no. SEC / CMRRCD / 2008-183 / Admin / 03-30; Dated June 1, 2009 for the capital investment exceeding 1% of total tangible assets of The IBN SINA Pharmaceutical Industry Ltd. to its Associate Company, The IBN SINA Consumer Products Ltd.

Internal Control

Internal control system of The IBN SINA Pharmaceutical Industry Ltd. is founded on specified set code approved by the Board. The Board of Directors incorporates necessary norms and practices of internal control system for development and control. An effective internal control system is in action to ensure the transparency, highest productivity and maximum utilization of resources.

A Going Concern

By the grace of the Almighty Allah, the Board of Directors after analysis of the business trend of the Company has confirmed that the Company has enough ability to carry on business activities in the coming days as a Going Concern and the financial statements have been prepared on the basis of going concern assumption. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

Company's Position in the Share Market

In the year under review, the market share of the Company did not face ups and downs significantly in either Dhaka Stock Exchange Ltd. (DSE) or Chittagong Stock Exchange Ltd. (CSE). The shareholders had always been confident on IBN SINA shares. In the year 2018-19, The company shares were traded in the both stock exchanges at minimum of Tk. 231.10 to maximum of Tk. 345.00 as against the face value of Tk.10.

Contribution to the National Exchequer

The Company had made a significant contribution in the year 2018-19 towards the National Exchequer by paying Tk. 970,646,752 as Income Tax and VAT. This is equivalent to 34.04% of the sales in the year under review.

Risk Management

In order to control all matters involving risks and uncertainties, the Company has a strong management process. This has been described in details in page. 77 of this Annual Report.

Code of Ethics and its Implementation

Highest emphasis is given on the implementation of code of ethics and principles so that the concerned officials and personnel can take appropriate decision complying the required laws and professional manner.

Workers-Officers Relationships

There exists devotion to work and respectful harmonious relationships among all levels of officers and employees in The IBN SINA Pharmaceutical Industry Ltd. which has accelerated the Company's progress and productivity.

Nomination and Remuneration Committee

In accordance with the condition 6 of Bangladesh Securities and Exchange Commission's Code of Corporate Governance, BSEC / CMRRCD / 2006 -158 / 207 / Admin / 80 dated 3 June 2018, the Board in its 266th meeting held on 26.06.2019 formed the Nomination and Remuneration Committee (NRC) with the following composition:

Mr. Md. Abdus Salam FCA, FCS

Independent Director
Chairman

Commodore (Retd.) M. A. Rahman

Non-Executive Director
Member

Mr. Md. Rafiqul Islam Khan FCA

Independent Director
Member

Md. Shahid Farooqui, FCS acts as the Secretary of NRC. The report from the Nomination and Remuneration Committee (NRC) about their activities performed during the year under review is mentioned in the page no. 75 of the Annual Report.

Directors' Remuneration

This information is incorporated in the Notes. 27 of the Notes to the Financial Statements on the page 141 with reference to the "Directors Fees and Remuneration" figures relating to the Board of Directors including Independent Directors.

Wage-Remuneration Policy

The salary and wages of the employees are usually determined considering the prevailing inflation, price index and in commensuration with the existing salary structure in other competitors' companies. The procedure of evaluation and determining the honorarium of the functional directors are being followed within the criteria recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board as per corporate governance code of BSEC.

Election of Directors

Prof. Dr. A.K.M. Sadrul Islam and Mr. Kazi Harun-or-Rashid retire from the office in this Annual General Meeting as per clause 28 of Articles of Association of the Company. As per law, the retired directors are eligible to be re-elected to act as Director. The brief resume along with the required information of the directors to be re-elected are available under the Directors' Profile of this Annual Report.

Casual Vacancy of two (2) Directors

In view of holding less than minimum 2% shares of the paid-up capital of the Company, the directorship (Shareholding Directors) of Prof. Dr. Shah Md. Bulbul Islam and Colonel (Retd.) Prof. Dr. Zehad Khan be and is hereby ceased from the Company and resolved this issue of casual vacancy as such pursuant to the BSEC's Notification No. BSEC / CMRRCD / 2009 -193 / 217 / Admin / 90 Dated May 21, 2019 by the Board of Directors in its 265th Meeting held on 09.06.2019.

In the said Board meeting, the Board of Directors gratefully acknowledged their valuable contributions and services to the Board during their tenure.

Whistle Blowing Policy

Company's Whistle Blowing Policy ensures to establish transparency in all aspects and also in terms of minimizing the risk management and detecting any forgery or embezzlement.

Events After the Reporting Period

Events After the Reporting Period for the year 2018-19, no necessity arose for later adjustment or no subject pecuniary thereto happened which is mentionable in the financial statements.

Dividend Policy

The management of the company sincerely believes that at the end of yearly operation of the company, the highest benefit i.e. dividend is given to the shareholders after retaining a portion of earnings so that the company can maintain the ability for future expansion and also extending facilities to the shareholders in future. Keeping this policy in mind, the company declares dividends giving importance on a balance between the present expectation of the shareholders and that of potential beneficiaries considering all relevant applicable laws and best practice in this connection.

Dividend

Based on the overall performance as reflected in the Financial Statements for the year 2018-19 of the Company, the Board of Directors proposed cash dividend of 30% as against per share of Tk.10 each.

Reserves and Surplus

In the year 2018-19, Company's reserves and surplus rose to Tk. 1,165,986,262 which was Tk. 943,332,576 in the previous year.

Appointment of Statutory Auditors

S F Ahmed & Co., Chartered Accountants, statutory auditors of the Company, audited the Accounts for the year 2018-19. S F Ahmed & Co., Chartered Accountants retire at this meeting. As per BSEC/CMRRCD/2009-193/104/Admin Dated the 27 July, 2011 notification, the existing Auditors is not eligible for re-appointment as statutory auditors.

The Company has received Expression of Interest (EoI) to be appointed as statutory auditors from two (2) recognized Chartered Accountants firms. The profile of these two Audit Firms was reviewed by the Audit Committee and suggested to appoint M/s. Malek

Siddiqui Wali, Chartered Accountants as Statutory Auditors of the company for the next financial period. After review and discussion over the profile and particulars of the said firms, the Board of Directors has recommended in favor of M/s. Malek Siddiqui Wali, Chartered Accountants to be appointed as statutory auditors for the financial year 2019-20 with a remuneration of Taka 2 (two) Lac only subject to approval by the Shareholders in the 35th AGM of the company to be held on Thursday 14 November 2019.

Relation and Communication with the Shareholders

The Company has been arranging regular Annual General Meetings (AGM) as per Companies Act, 1994 through which shareholders are informed about the Company's progress, important activities and the development activities under taken during the year under review. As a result, the shareholders, concerned organizations and the people get various information about the Company in due time. The shareholders of the Company are able to collect all required information from our Share Department through landphone, mobile phone and e-mail service.

Recognition and Compliments

The Board of Directors extends its heart-felt gratefulness

to the Ministry of Health, Directorate General of Drug Administration, respected Doctors, Chemists, Patrons and all concerned with the pharmaceutical industry for their all out support to us. The Board of Directors remembers the co-operation of Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchanges Ltd. (DSE) and Chittagong Stock Exchanges Ltd. (CSE) gratefully. The Board thanks the Financial Institutions for their support.

The Board of Directors wishes all levels of officers, employees, buyers, consumers, patrons, well wishers and all concerned for their sincere contribution towards our business success. We are also grateful to our beloved shareholders for their comprehensive support to the company.

The shareholders' trustworthiness to the Board of Directors make them confident and deeply inspired. The management and employees of all levels are committed to uphold this.

May Allah Subhanahu Wa Taa'la accept all our efforts for the development of our Company, Nation and the Country. We pray to the Almighty Allah for His blessings for continual overall progress and prosperity of our beloved country People's Republic of Bangladesh and the Company.

Allah Hafiz.

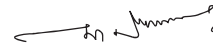
Approved by the Board of Directors and signed on its behalf.



Prof. Dr. A.K.M. Sadrul Islam
Managing Director



Prof. Dr. Choudhury Mahmood Hasan
Director



Md. Shahid Farooqui FCS
Company Secretary



Statement from the Managing Director (Management's Discussion and Analysis)

Bismillahir Rahmanir Rahim

Dear Shareholders

Assalamu Alaikum Wa Rahmatullah

By the grace of Almighty Allah, The IBN SINA Pharmaceutical Industry Ltd. has completed its journey of 35 years with achievement records in Pharma business. This year, similar to the successful track records, we have been able to maintain revenue at a reasonable level in the financial year 2018-19. We acknowledge with gratitude the continued trust and support of our valued shareholders, patrons, physicians, regulatory authorities, and the end users of Company's products.

As per condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the management's discussion and analysis representing detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements for the year 2018-19, among others, centering on:-

- Turnover amounted to Tk 5,263.96 Million increased by 13.02 % over the year 2017-18;
- Earnings per share (EPS) stood Tk. 10.76 which was Tk. 14.48 in the year 2017-18;
- Enriching product portfolio by introducing 13 new products with 9 generics in Pharma and 3 Natural Medicine (Herbal and Unani);
- Contribution to the National Exchequer in the form of VAT, AIT and Corporate Tax of Tk 970.65 Million;

Accounting Policies and Estimation for Preparation of Financial Statements

The accounting policies and estimation for the preparation of financial statements of the Company has been mentioned in details in the page no. 121 of the Annual Report.

Changes in Accounting Policies and Estimation

No changes in accounting policies and estimation which have the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes was observed in the year under review and the description on the issue is stated in the page no. 122 of the Annual Report.

Comparative Analysis of Financial Performance and Operational Performance

Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years has been explained with reasons thereof in the page no. 47 of the Annual Report.

Comparison of Financial Performances and Financial Position as well as Cash Flows with Peer Industry Scenario:

The Company is diversified business conglomerate having several production plants. It is noted that the Industry growth as per IMS report 10.65%; on the other hand the Company's national growth 13.02%.

The Financial and Economic Scenario of the Bangladesh and Global Position as well is briefly placed as under:

The market-based economy of Bangladesh is one of the fastest growing economies in the world. The financial sector of Bangladesh is the second largest in the subcontinent, it is reflected the strategic importance of Bangladesh in this region. As of 2019, Bangladesh's GDP per capita income is estimated as per IMF data at US\$4,992 (PPP) and US\$1,888 (nominal).

The Bangladesh government continues to pursue foreign investment in various thrust sectors including pharmaceuticals. Other industries which have shown very strong growth hold the pharmaceutical industry as well. It has been projected by Bangladesh Government in its Seventh Five-Year Plan to achieve GDP growth rate of 7.8 percent in the fiscal year 2018-19.

The nation is marching ahead in achieving the government's Seventh Five-Year Plan, we are on strong foot steps towards this upward growth despite the probable challenges like natural calamities, lack of skilled workers, financial sector vulnerabilities and the slow pace of infrastructural reforms.

Risk and Concerns Issues Related to the Financial Statements

The risks and concerned issues related to the financial statements, explaining such risk and mitigation plan thereof is described in the page no. 129 & 146 of the Annual Report.

The Justification of Future Plan/Projection/Forecast for Company's Operations, Performances and Financial Position

The Company has taken an ambitious plan to step forward with a long term vision in order to achieve excellence in the manufacturing and marketing of Pharma & Herbal products and extending its business to abroad. The plan includes developing of new production facilities and diversifying of product ranges at one side and targeting annual sales of more than thousands crore taka on the other side within next 3 years.

Among the new projects, Oral Solid Dosage (OSD) extended facility has been entered into operation and the new Lyo-Injection line & Prefilled Syringes facility will come into operation in February 2020. New liquid project work is now going on. It will be taken into operation in the early 2021 with advanced products range.

We are expecting to start trial production in the Govt. API project in February-March 2020. Once commercial production will start, Company's in-house API demand & the national demand as a whole for a number of API raw materials will be met from this facility.

The most important breakthrough that IBN SINA Pharma achieved the export of its 1st consignment of Over-the-counter (OTC) products to USA. In fact it was a dream and finally it has come into the reality. Hopefully the export of the Company's products to US Pharma market will be continued in the coming days as well.

The next most important breakthrough will be into the field of Biotechnology. The management of the Company appointed an US Consultant in this regard & had signed MOU with two Chinese Companies for technical collaboration. Setting up of one R&D Lab. and an animal house for Biotech Project have been started.

The work progress of the IBN SINA Pharma Industrial Park at Godhulia, Mauna, Gazipur is satisfactory. The management has been thinking to undertake a massive work plan here and it will be started soon.

While, concluding, I would like to express my sincere appreciation to you all, our valued customers, shareholders, the suppliers, bankers, business partners, the healthcare professionals and our regulatory authorities for their trust and continued support to the Company and to all the employees of the Company for their hard endeavor.

We pray to Almighty Allah for His blessings for the Company's bright success in future.



Prof. Dr. A.K.M. Sadrul Islam
Managing Director

IBN SINA Looks for Faster Growth

a journey towards excellence

Going beyond the conventional approach, IBN SINA Pharma now looks for a faster growth with diversified new product ranges. It has evoked a new arena for IBN SINA Pharma to step forward echoing to the global development in medical sciences. In fact, Medical Sciences are developing very fast, and creating new demands for new technology and new facility. IBN SINA Pharma is well aware of the requirement and has undertaken a number of ambitious projects and earmarked dynamic business strategies to meet the upcoming challenges.

API Projects

API Project is one of the priority projects of IBN SINA Pharma. Civil construction work of R&D cum Pilot Production is now at final stage. Construction of API Production Building has also been started simultaneously.

Our Indian and US Consultants have been working on API synthesis. Technology of Pilot synthesis for a number of API molecules are now ready for implementation.

Liquid Products Manufacturing Project:

This is the 2nd priority project. IBN SINA Pharma is one of the major producer of liquid finished products. Present facility of liquid production is insufficient to meet market demand. Therefore, it has been proposed to put priority on liquid production building in the new project list.

IBN SINA Industrial Park, Mouna, Gazipur

In order to achieve a long term sustainable growth of the IBN SINA Pharma by including new generation drugs and adapting new technology, IBN SINA Pharma has undertaken a courageous step in setting up of an Industrial Park of its own namely "IBN SINA Industrial Park" at Mouna, Gazipur. The Park will include eight production projects mostly for the production of life saving drugs including Biotech & Oncology (Anti-Cancer) Drugs manufacturing units.

Biotech (Bio-similar) Products Manufacturing Project:

Biotech products are the new class of products to IBN SINA Pharma. It includes the fastest growing drug products and encompasses all categories of drugs

including insulin, anti-cancer, CV drugs, etc. Bio-similar drugs market in Bangladesh is growing very fast and most of the big companies are now working with Biotech facility.

Management of IBN SINA Pharma is now very much sincere to set up a Biotech facility and signed MOU with two Chinese companies for Technology Transfer. Meanwhile an earmark has been made to set up a Biotech Laboratory including an animal house.

Valuka Project: Commitment towards US-FDA Compliant Production Facility

Last year, we informed that IBN SINA Pharma is now an US-FDA registered company. First phase of US marketing has been started with OTC products. It will be continued gradually with prescription products as well by third party manufacturing.

In order to shift the third party manufacturing to IBN SINA's own plant, the IBN SINA Management has undertaken a plan for setting up of the most compliant and state-of-the-art production facility at Valuka, Mymensing. The objective of this specialized compliant facility is to obtain US FDA certification.

New Extended Production Facilities

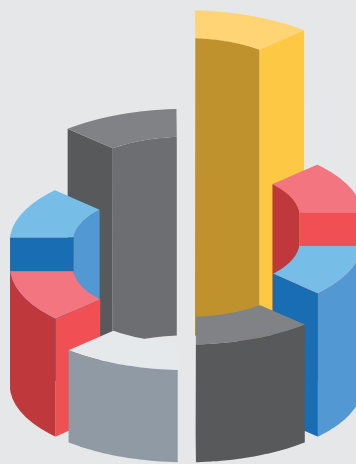
First Phase of the project has been completed and started production. Second Phase is expecting to be completed soon & it will add new products like Lyo-Dry Vial Injection, Prefilled Syringes & Cartridges. Many of the new product categories and dosage forms will be, in fact, for the first time in Bangladesh

Key Financial Highlights

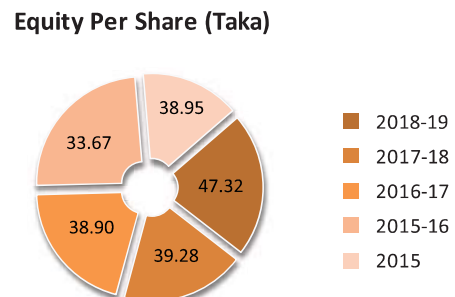
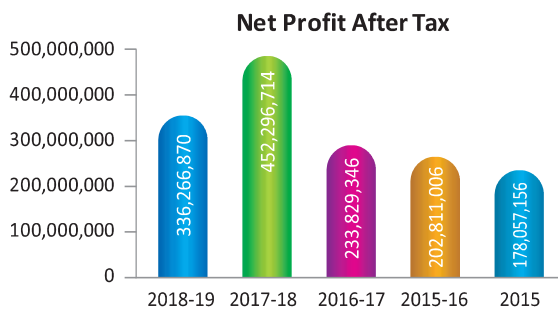
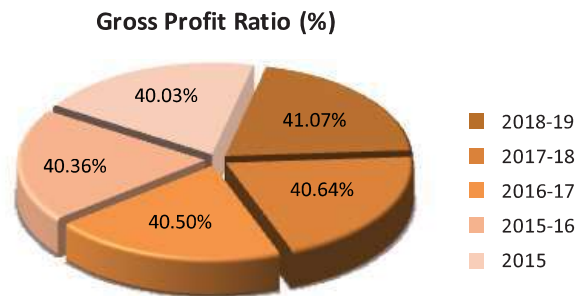
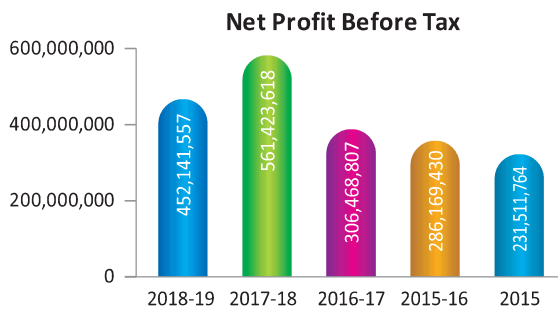
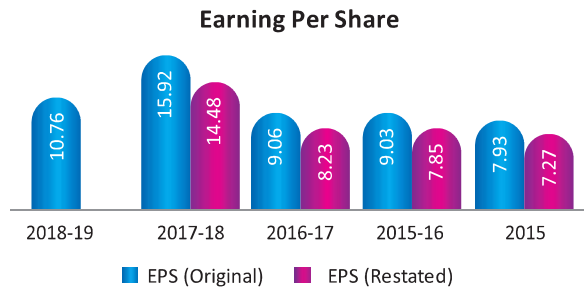
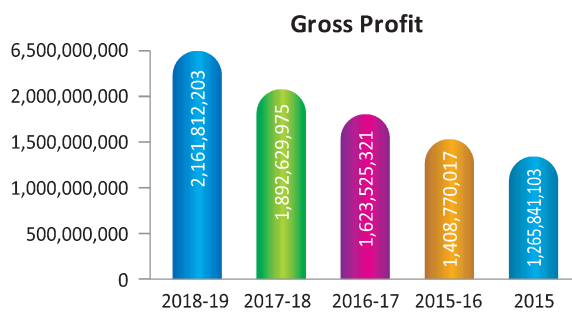
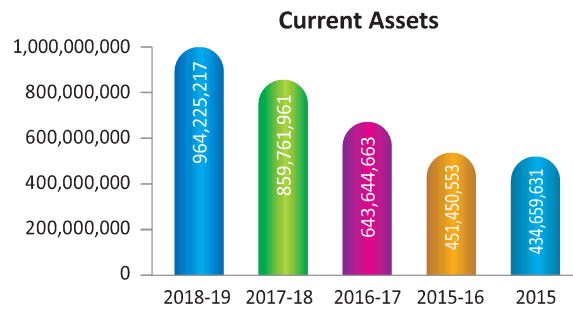
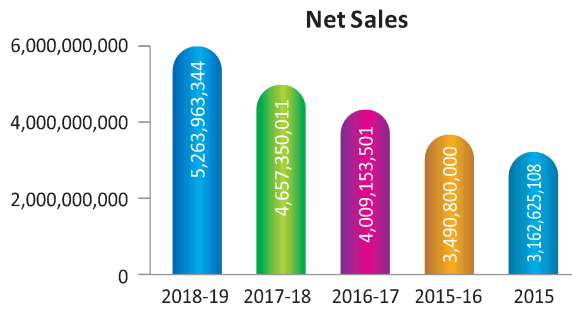
Amount in Taka

PARTICULARS	2014	2015	2015-16	2016-17	2017-18	2018-19
Sales (Net)	2,678,909,367	3,162,625,108	3,490,800,000	4,009,153,501	4,657,350,011	5,263,963,344
Sales Growth (%)	21.29%	18.06%	18.90%	14.85%	16.17%	13.02%
Cost of goods sold (COGS)	1,609,797,641	1,896,784,005	2,082,029,983	2,385,628,180	2,764,720,036	3,102,151,141
COGS Growth (%)	8.92	20.15	17.83	14.58	15.89	12.20
Gross Profit	1,069,111,726	1,265,841,103	1,408,770,017	1,623,525,321	1,892,629,975	2,161,812,203
Gross Profit Ratio (%)	39.91%	40.03%	40.36%	40.50%	40.64%	41.07%
Net Profit before Tax	169,935,002	231,511,764	286,169,430	306,468,807	561,423,618	452,141,557
Net Profit after Tax	127,278,420	178,057,156	202,811,006	233,829,346	452,296,714	336,266,870
Net Profit Ratio	4.75%	5.63%	5.81%	5.83%	9.71%	6.39%
Workers P.P. Fund & Welfare Fund	8,496,750	11,575,588	14,308,471	15,354,783	28,184,657	22,692,136
No. of Share holder	11,381	11,381	10,704	11,249	10,969	11,748
Return on Equity	18.74%	21.38%	23.83%	23.69%	38.79%	24.86%
Current Ratio	1.03	0.81	0.77	0.89	0.81	0.84
Equity per Share (Taka)	31.77	38.95	33.67	38.90	39.28	47.32
Earning per Share (Restated)	5.67	7.21	7.85	8.23	14.48	-
Earning per Share (Orginal)	5.95	7.93	9.03	9.06	15.92	10.76
Price Earning Ratio (Time)	16.89	16.89	25.75	27.36	16.17	24.54
Quoted Price per Share-DSE (Year End)	100.50	100.50	232.50	247.90	257.40	264.10
Dividend per Share	30% Cash & 5% Stock	25% Cash & 10% Stock	12.50% Cash & 5% Stock	25% Cash & 10% Stock	30% Cash & 10% Stock	30% Cash
Reserve & Surplus (Year End)	259,286,963	362,500,119	385,182,808	557,265,854	943,332,576	1,165,986,262
Dividend Yield	3.48%	2.34%	1.51%	1.41%	1.55%	1.14%
Dividend Payout Ratio	58.82%	44.14%	44.56%	38.65%	25.12%	27.87%
Retained Earning	254,894,853	358,108,009	380,790,698	552,873,744	938,940,466	1,161,594,152
Retained Earning (Yearly)	52,434,420	99,470,956	124,224,806	143,455,216	338,683,522	242,535,989
Current Assets	412,684,597	434,659,631	451,450,553	643,644,663	859,761,961	964,225,217
Current Liabilities	400,948,605	534,721,516	584,750,907	726,608,044	1,062,536,232	1,144,311,664
Fixed Assets (Net)	515,907,382	870,486,005	951,723,570	1,116,332,498	1,409,800,123	1,684,778,351
NAV	679,344,704	832,945,668	869,431,627	1,104,963,231	1,227,208,578	1,478,296,395
NOCFPS	8.12	9.60	14.92	4.38	6.16	13.87

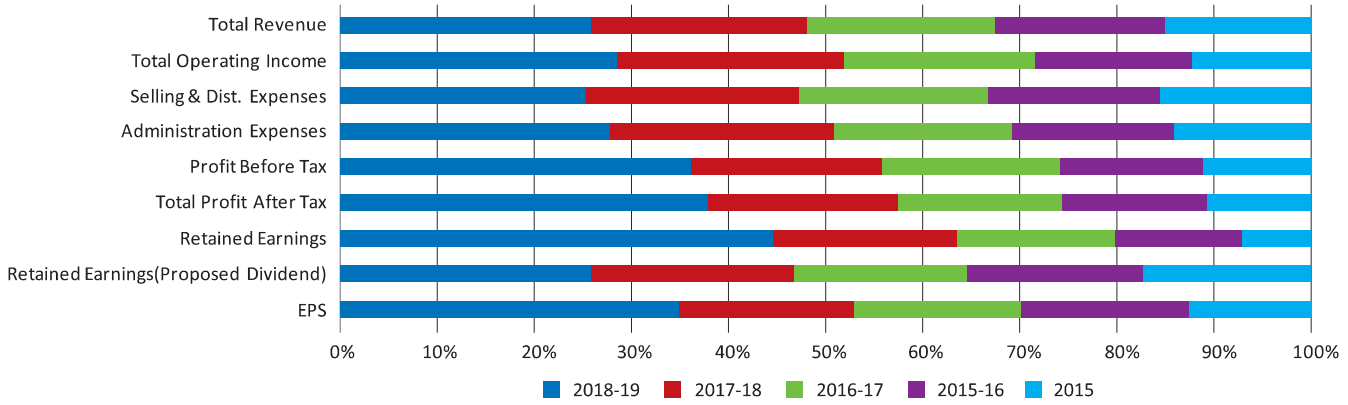
* 2015-16 figures include 06 month (from 01 July 2015 to 31 December 2015) Performance of 2015.



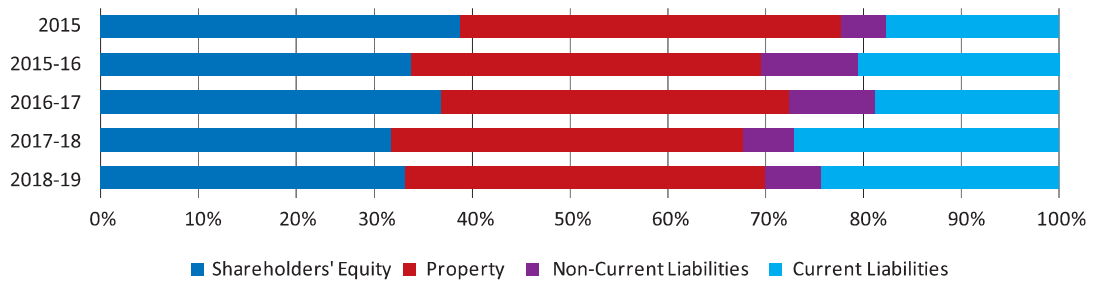
PERFORMANCE INDICATORS



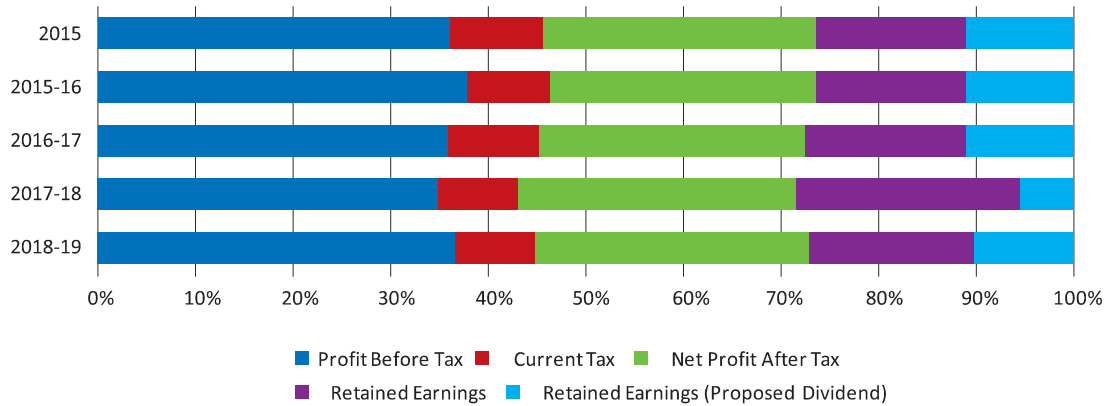
Operating Performance

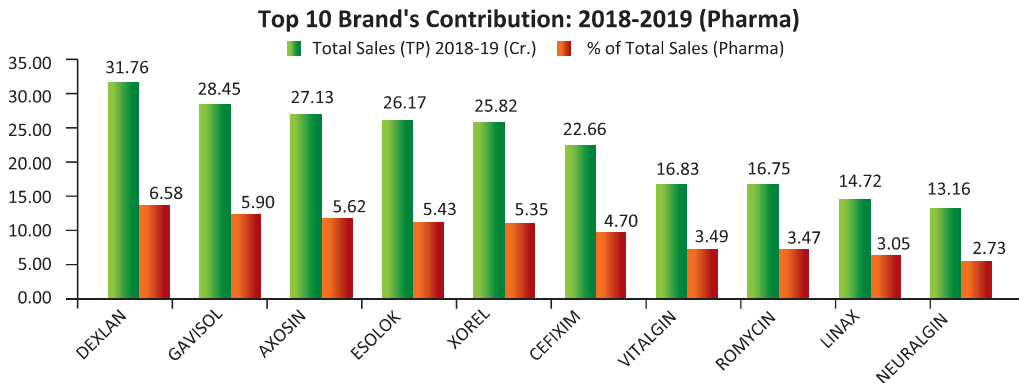
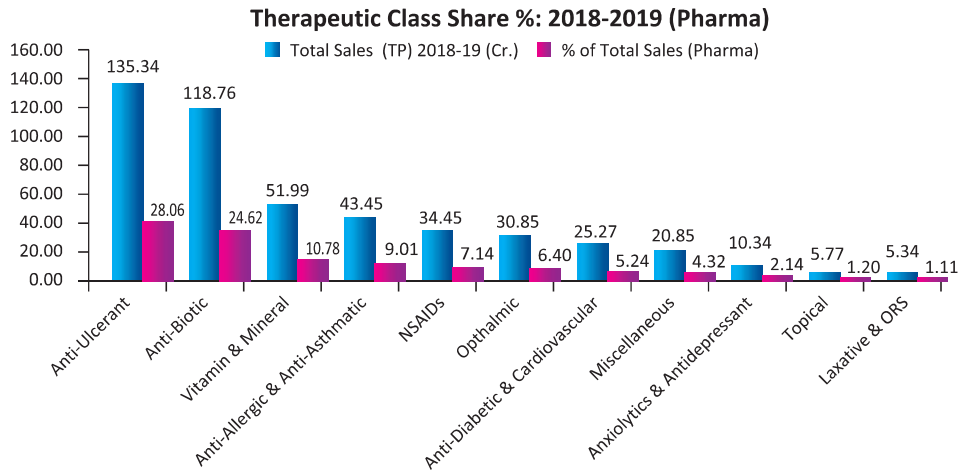
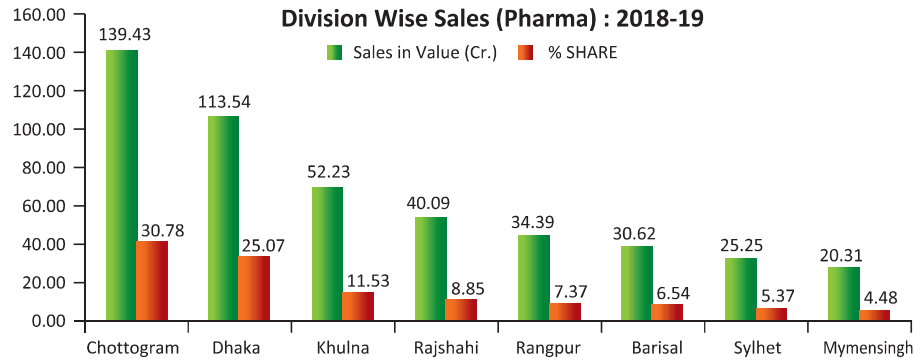
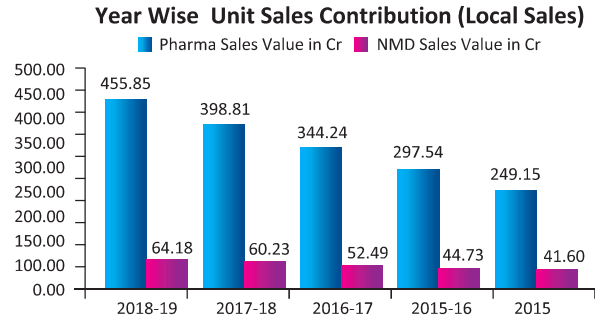
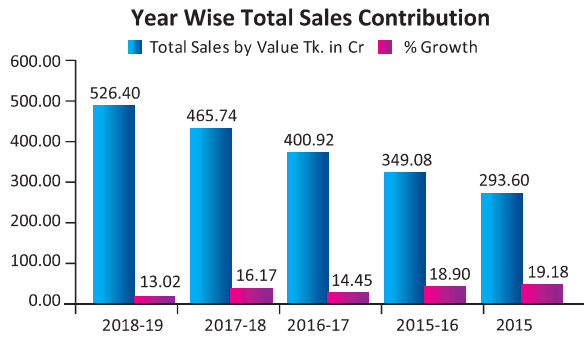


Financial Position Analysis

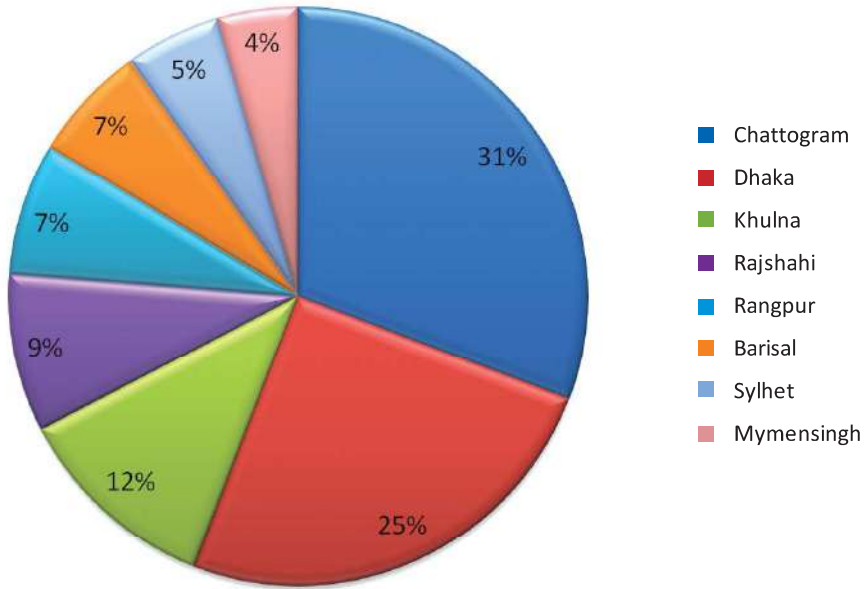


Financial Position Analysis

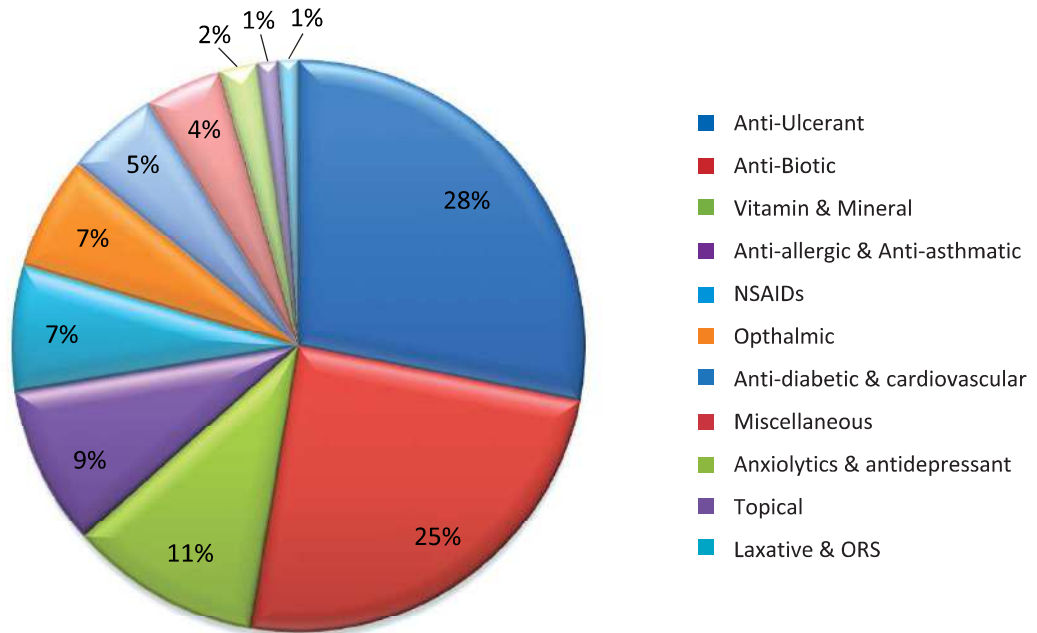




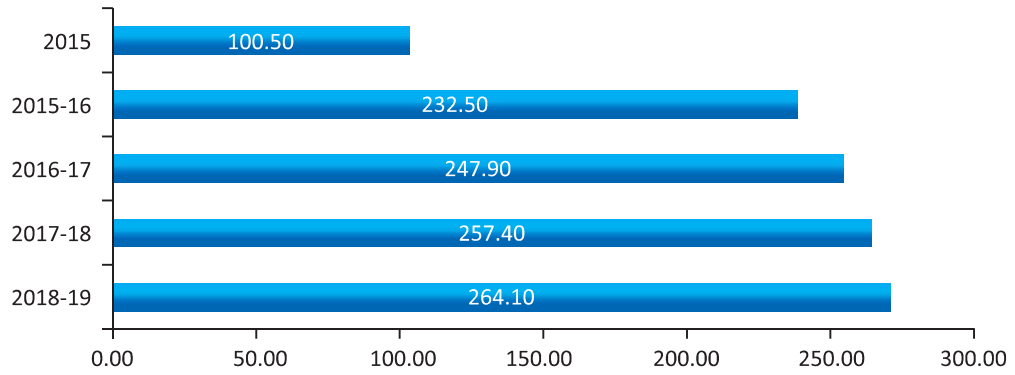
Division Wise Sales: 2018-19



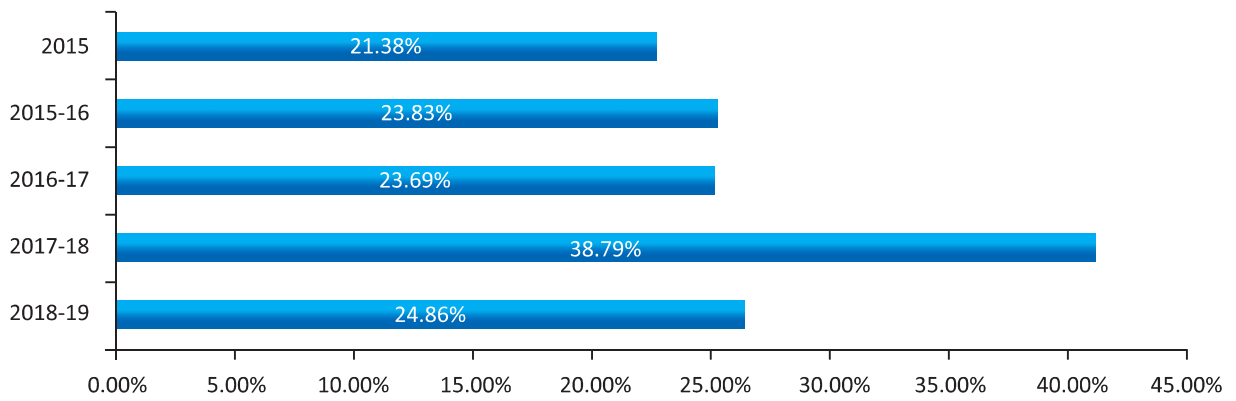
Therapeutic Class Share % : 2018-19 (Pharma)



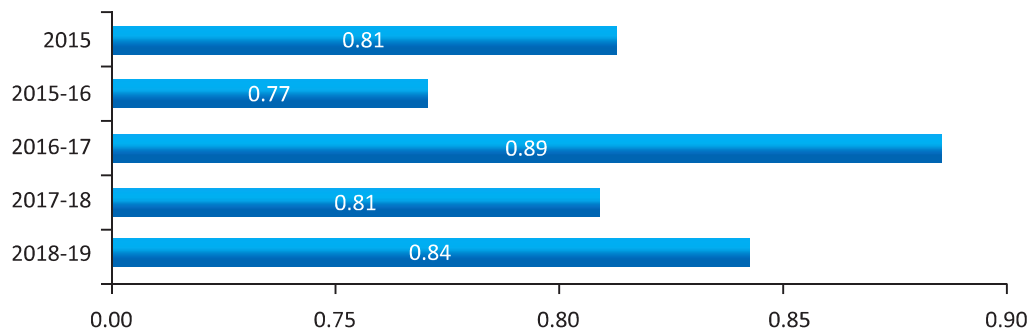
Share Performance



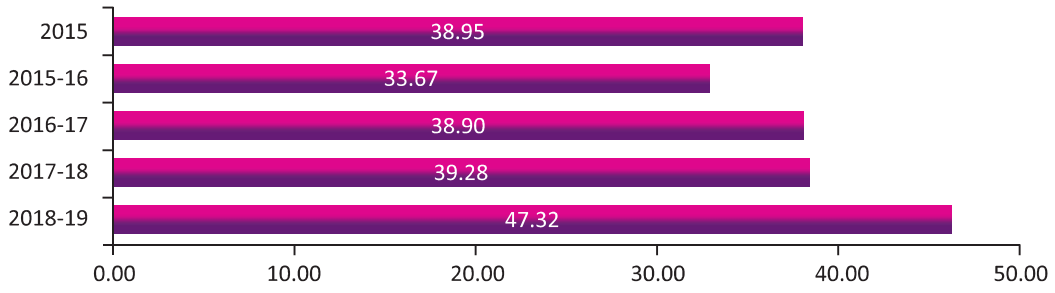
Return on Shareholders' Fund (%)



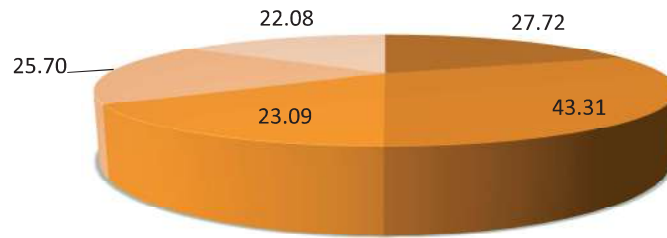
Current Ratio



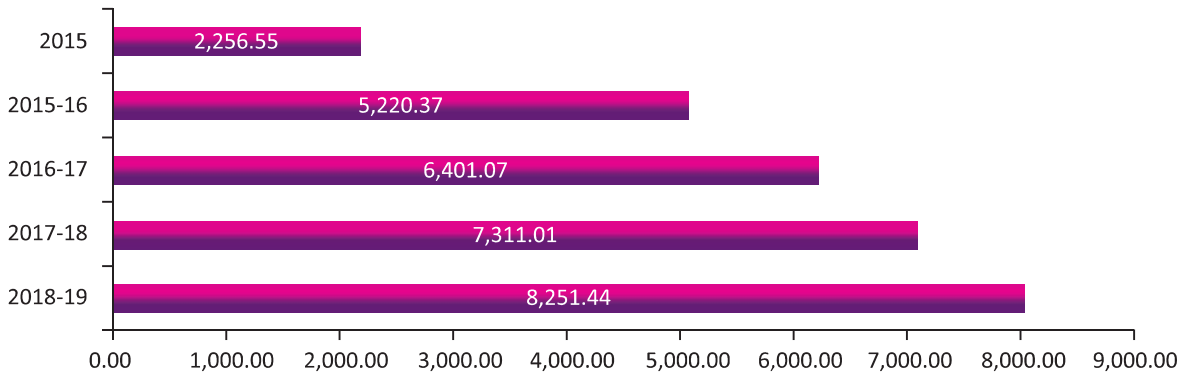
NAV Per Share (Restated)



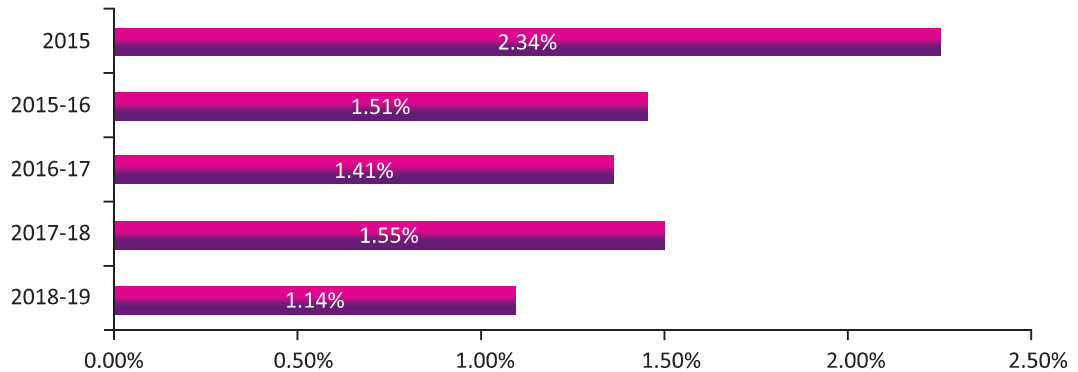
ROCE (%)

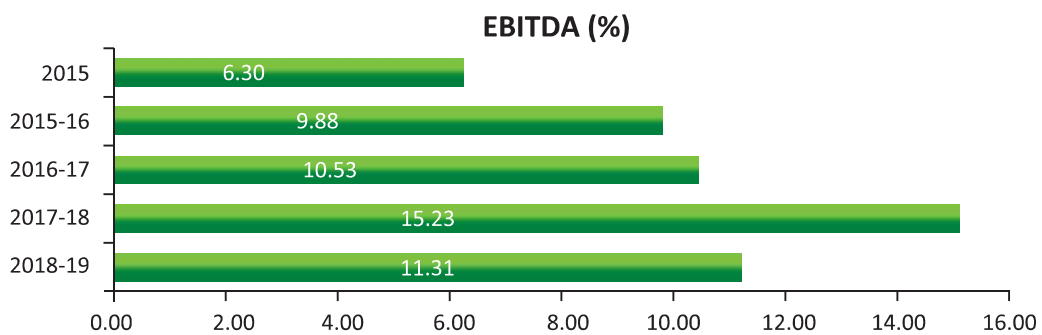
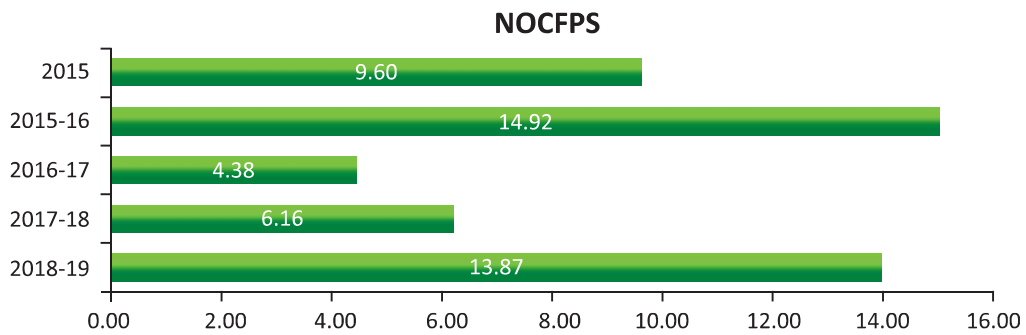
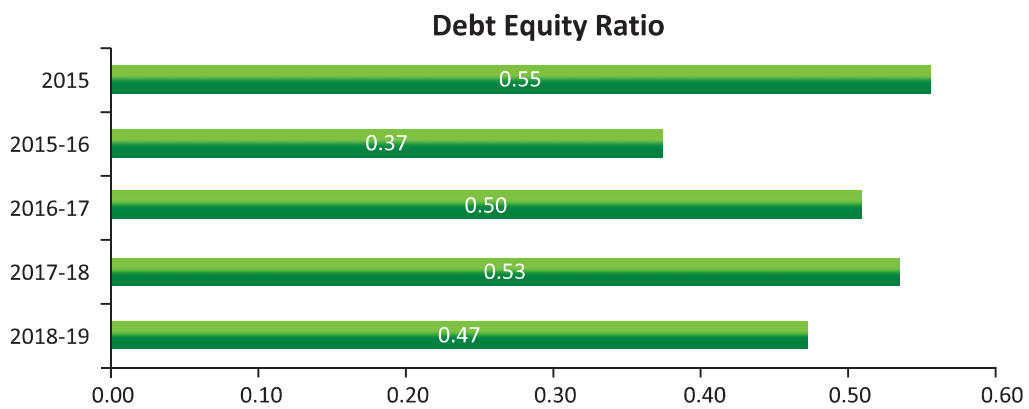
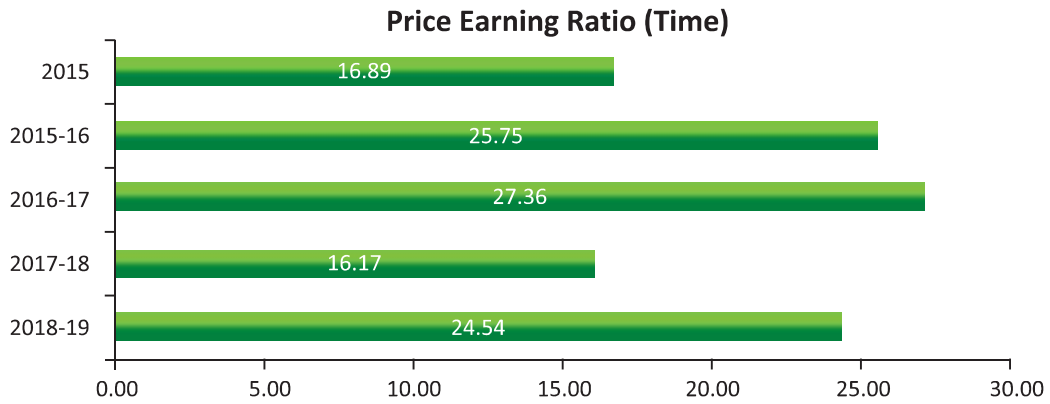


Market Capitalization (BDT mn)



Dividend Yield





Shareholders' Information 2018-19

For the year ended 30th June, 2019

Authorized Capital : Tk. 50,00,00,000
Paid-up Capital : Tk. 31,24,36,270
No. of Share : 31,243,627
 Class of Shares : Ordinary Shares of Tk. 10 each
 Voting Right : One Vote per Ordinary Share
 Market Category : A

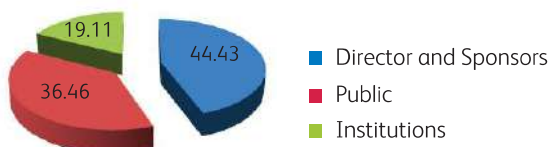
Redressal of investors' complain : During the year under review, the complaints received from the Shareholders have duly been addressed and resolved accordingly.

Stock Exchange Listing

The issued Ordinary Shares of The IBN SINA Pharmaceutical Industry Ltd. are listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

Status of Shareholdings-2019 (June)

Directors and Sponsors : 13,883,056 (44.43%)
 Public : 11,388,874 (36.46%)
 Institutions : 5,971,697 (19.11%)



In Pursuance of BSEC Notification no.-SEC/CMRRCD/2008-183/Admin/03-34 dated 27.09.2009
The Quarterly Reports are given below :-

Quarterly Results

During the year 2018-19 operational results of the Company were announced on-

First Quarter Report	06 November 2018
Half Yearly Report	27 January 2019
Third Quarter Report	28 April 2019

Dividend : Financial Year 2017-18

Board Meeting for the Year 2017-18	25 September 2018
Record Date for the Year 2017-18	22 October 2018
34th Annual General Meeting for the Year 2017-18	22 November 2018
Commencement of Cash Dividend Warrant Distribution for the Year 2017-18	12 December 2018
Completion of Cash Dividend Warrant Distribution for the Year 2017-18	19 December 2018
Stock Dividend (Bonus Share) Credited for the Year 2017-18	02 December 2018

Pattern of Shareholdings

As on June 30, 2019

Particulars	No. of shares held	Percentage
Shares held by :		
(a) Parents / Subsidiary / Associated Companies other related parties :	N/A	-

(b) i) Shares held by Directors	Representative	No. of shares held	Percentage
IBN SINA Trust		13,693,312	43.8275
Shah Abdul Hannan	Rep. IBN SINA Trust		
Commodore (Retd.) M. A. Rahman	Rep. IBN SINA Trust		
Prof. A. N. M. A. Zaher	Rep. IBN SINA Trust		
Prof. Dr. A. K. M. Sadrul Islam	Rep. IBN SINA Trust		
Prof. Dr. Choudhury Mahmood Hasan	Rep. IBN SINA Trust		
Kazi Harun-or-Rashid	Rep. IBN SINA Trust		
Md. Abdus Salam, FCA, FCS (Independent Director)	self	Nil	-
Md. Rafiqul Islam Khan, FCA (Independent Director)	self	Nil	-

(b) ii) Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses	No. of shares held	Percentage	
Shah Abdul Hannan Chairman	self	1,369	0.0044
Commodore (Retd.) M. A. Rahman Director	self	74,979	0.2400
Prof. Dr. A.K.M. Sadrul Islam Managing Director	self	2,765	0.0088
Prof. Dr. Choudhury Mahmood Hasan Director	self	6,939	0.0222
Kazi Harun-or-Rashid Director	self	103,692	0.3319
Md. Abdus Salam, FCA, FCS (Independent Director)	self	Nil	-
Md. Rafiqul Islam Khan, FCA (Independent Director)	self	Nil	-
Company Secretary, his Spouse and minor children	self	Nil	-
Chief Financial Officer, his Spouse and minor children	self	Nil	-
Head of Internal Audit and Copliance, his spouse and minor children	self	Nil	-

(c) Shares held by top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses	No. of shares held	Percentage	
Dr. Md. Rafiqul Huq	self	55	0.0001
Md. Nurullah	self	Nil	-
Md. Abdul Khaleque	self	335	0.0010
Md. Parvez Kabir	self	Nil	-
Md. Ilyus	self	Nil	-

(d) Shareholders holding 10% or more voting right :

N/A -

Note : Total 13,693,312 no. of shares are registered against the name of Six trustees nominated by the IBN SINA Trust. None of the individual Director/Shareholder holds more than 10% share.

Value Added Statement

For the year ended 30th June 2019

Amount in Taka

PARTICULARS

2018-19

Percentage (%)

2017-18

Percentage (%)

VALUE ADDED

Turnover & other income

5,266,340,121

4,879,251,490

Less: Material costs & services

2,415,219,832

2,200,746,061

2,851,120,289

100.00

2,678,505,429

100.00

APPLICATIONS

To Employees as salaries, wages & allowances

1,400,997,531

49.14

1,206,934,447

45.06

To Providers of finance as financial charges

14,738,885

0.52

35,856,327

1.34

To National exchequer

970,646,752

34.04

871,178,813

32.52

For replacement of fixed assets as depreciation

128,470,252

4.51

112,239,130

4.19

Dividend to Shareholders

93,730,881

3.29

113,613,192

4.24

For future growth as retained earnings

242,535,989

8.51

338,683,522

12.64

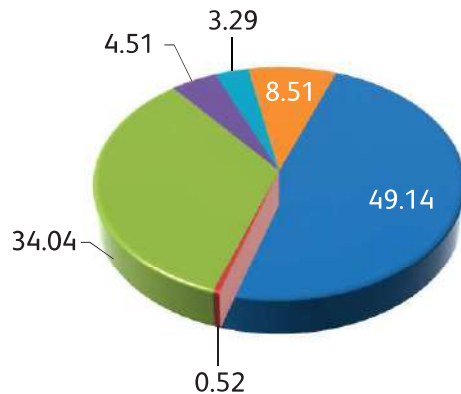
2,851,120,289

100.00

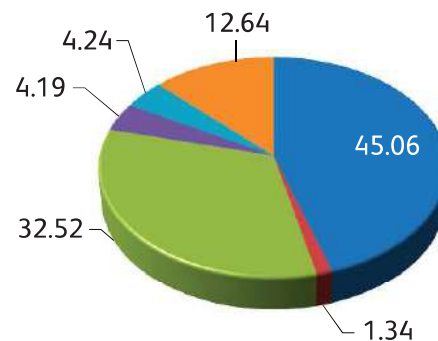
2,678,505,429

100.00

2018-19



2017-18



- To Employees as salaries, wages & allowances
- To Providers of finance as financial charges
- To National exchequer
- For replacement of fixed assets as depreciation
- Dividend to Shareholders
- For future growth as retained earnings

- To Employees as salaries, wages & allowances
- To Providers of finance as financial charges
- To National exchequer
- For replacement of fixed assets as depreciation
- Dividend to Shareholders
- For future growth as retained earnings

Market Value Added (MVA) Statement

Market value added statement reflects the Company's performance evaluated by the market through the share price of the Company. This statement shows the difference between market capitalization and book value of the shares outstanding. In other words, it is the sum of all capital claims held against the Company plus the market value of debt and equity.

The higher MVA is the better indication. A high MVA indicates the Company has created substantial wealth for the shareholders. A negative market value added means the value of management's actions and investments are less than the value of the capital contributed to the Company by the capital market.

The following statement shows how the MVA has been calculated for the year 2018-19 and 2017-18:-

Particulars	in BDT Million	
	2018-19	2017-18
Market Value of Shares Outstanding	4584.93	4059.98
Book Value of Shares Outstanding	173.61	157.73
Market Value Added	4411.32	3902.25



Economic Value Added Statement

For the year ended 30th June, 2019

Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. EVA can also be referred to as economic profit, and it attempts to capture the true economic profit of a company.

Particulars	2018-19	2017-18
Operating Profit	488,896,972	405,832,651
Provision for Income Tax	(115,874,687)	(109,126,905)
Net Operating Profit After Tax (NOPAT)	373,022,285	296,705,746
Charges for Capital		
Capital Employed	1,684,160,188	1,379,200,425
WACC	18.18%	13.29%
Capital Charges	306,221,213	183,343,991
Economic Value Added	66,801,072	113,361,756
Capital Employed		
Total Assets	2,828,471,852	2,441,736,657
Less: Current Liabilities	1,144,311,664	1,062,536,232
Capital Employed	1,684,160,188	1,379,200,425

Attendance At Board Meeting

for the period from 01 July, 2018 to 30 June, 2019

Name of Directors	Position	No. of Board Meetings Held	No. of Meetings Attended
Shah Abdul Hannan	Director	12	11
Commodore (Retd.) M. A. Rahman	Director	12	11
Prof. Dr. A.K.M. Sadrul Islam	Director	12	12
Prof. Dr. Choudhury Mahmood Hasan	Director	12	09
Prof. Dr. Shah Md. Bulbul Islam	Director	11	10
Kazi Harun-or-Rashid	Director	12	12
Prof. A. N. M. A. Zaher	Director	12	00
Col. (Retd.) Prof. Dr. Zehad Khan	Director	11	08
Rafiqul Islam Khan, FCA	Independent Director	12	10
Abdur Raquib M.A (Eco), DU	Independent Director	07	05
Md. Abdus Salam, FCA, FCS	Independent Director	05	05

Leave of absence was duly granted

In Attendance

Md. Shahid Farooqui, FCS	Company Secretary	12	10
Md. Jasim Uddin, FCA	Chief Financial Officer	12	12
Sayed Amimul Ihsan, FCS	Sr. Manager Corporate Affairs	12	12
Md. Abdur Rakib	Head of Internal Audit and Compliance	12	05

Audit Committee (AC) Meeting and Attendance During the Year Under Review

Name of the Audit Committee Members'	Position	No. of Board Meetings Held	No. of Meetings Attended
Rafiqul Islam Khan, FCA	Chairman	09	09
Kazi Harun-or-Rashid	Member	09	04
Abdur Raquib M.A (Eco), DU	Member	09	04
Col. (Retd.) Prof. Dr. Zehad Khan	Member	09	08
Md. Abdus Salam, FCA, FCS	Member	09	05
Md. Shahid Farooqui, FCS	Secretary	09	09

In Attendance

Md. Jasim Uddin, FCA	Chief Financial Officer	09	09
Md. Abdur Rakib	Head of Internal Audit and Compliance	09	09



The objective of corporate good governance of The IBN SINA Pharmaceutical Industry Ltd. is to run the company with the sense of four pillars of governance- fairness, transparency, accountability and independence to the shareholders and the society as a whole. The company is directed and managed under the Code of Conducts approved by the Board in light of the directives given by the concerned regulatory bodies to establish the good governance in the company in discharging of its obligations towards meeting stakeholders' rightful expectations.

The Board of the company believes in efficient and effective performance of business by meeting obligations to the shareholders and other stakeholders following the ethical manner, norms, integrity, accountability and transparency.

The stakeholders associated with the company are responsive to follow the general principles built on company's values and the ethical standards, we are proud of it. Corporate good governance structures encourage creating of values and ensuring of accountability.

The Board of Directors

The Board consists of a Chairman, three Functional Directors, three Non-Executive Directors and two Independent Directors. The Board is the supreme authority while the Executive Committee, the Audit Committee, Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility (CSR) Committee are four wings of the Board working in unison for smooth operation and development of the company. All Directors shown below have full and timely access to all pertinent information and independent professional participation and advice.

Board's Composition

The Board consists of the following eight members having versatile professional acquaintance of knowledge, skills and adequate expertise:

Shah Abdul Hannan

Chairman

Commodore (Retd.) M. A. Rahman

Director and Chairman, Executive Committee

Prof. Dr. A.K.M. Sadrul Islam

Managing Director

Prof. Dr. Choudhury Mahmood Hassan

Director, Technical

Kazi Harun-Or-Rashid

Director, Finance

Prof. A.N.M.A. Zaher

Director

Md. Rafiqul Islam Khan, FCA

Independent Director

Md. Abdus Salam FCA, FCS

Independent Director

Md. Shahid Farooqui FCS is the Secretary to the Board. The Board Meeting is held at least once in a quarter. Number of the meetings held during the financial year 2018-19 was 12 (Twelve).

It may be informed that pursuant to the Condition No. 4 of BSEC's Notification No. BSEC/CMRRCD/2009-193/217/Admin/90 Dated May 21, 2019, the Board in its 265th Meeting held on June 09, 2019 has adopted the creation of casual vacancy of two (2) Directors from the General Shareholders having shareholdings of less than minimum 2% shares of the paid-up capital namely Prof. Dr. Shah Md. Bulbul Islam and Colonel (Retd.) Prof. Dr. Zehad Khan.

Policy on Appointment of Directors

The IBN SINA Pharma does not have its own and separate policy on appointment of Directors. The Company always complies with the regulations of the regulatory authorities regarding appointment of directors. BSEC notifications and Companies Act are strictly followed in this regard. As per the Companies Act, 1994, Directors are subject to retirement. At least one-third of the Directors shall retire by rotation in every AGM. The term of an Independent Director is three years and may be lengthened by another three years. With regards to nomination, removal and casual vacancy of the Directors, the Company follows all relevant rules and regulations of the respective regulatory bodies.

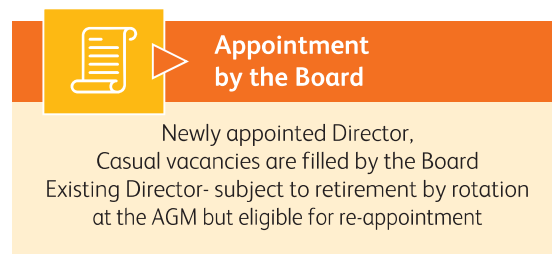
The Directors of the company are:

Nominated Directors

Nominated by the Sponsor Shareholder

Non-Executive Independent Directors

Being appointed/recommended to be appointed following the prescribed qualifications of Independent Directors pursuant to the Corporate Governance Code of BSEC.



Practice of the Board

The Board is accountable for formulation of overall planning, policies and strategies and guidelines of the activities and implementation thereof to achieve the goals and objectives of the Company and ultimately remains accountable to the shareholders.

To pursue transparency, the Board follows the practice of the advance planning in the matter requiring discussion and decision by the Board. The Board is apprised by presentation on finance, sales, marketing, major business segments and operations of the Company.

The Board of Directors of the Company has laid down a Code of Conduct for the Chairperson, Other Board Members and Chief Executive and annual compliance of the code based on the recommendation of the Nomination and Remuneration Committee (NRC) which have been duly recorded.

In accomplishment the affairs of the Company, the Board is guided by Corporate Governance Code as stipulated by BSEC and in compliance with the rules and regulations of Companies Act 1994, Labour Rules, 2015, Memorandum and Articles of Association of the Company and the Service Rule of the Company and other relevant applicable laws and regulations. The Board also remains them responsible for efficient and effective implementation of the policies and strategies adopted time to time.

Adequate Number of Non-Executive Directors

With a view to improve Corporate Governance practice, the company maintains five (5) non-executive directors out of the total eight (8) Directors.

Independent Directors in the Board and their Independence

As per the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), one-fifth of the total Directors of the Board shall be Independent Directors.

Thus, in compliance with the guideline, two (2) Directors out of the total eight (8) Directors are independent, having no interest in the company. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

Chairman of the Board

The Chairman of the Company is elected by the Board of

Directors and the Board considers the Chairman being independent.

Role of the Chairman

The Chairman's primary role is to ensure that the Board is effective in its task of setting and implementing the Company's direction and strategy. As recommended by the NRC, the Board approved the role and responsibility of the Chairman. The principal features of the role of the Chairman comprise the following:

Providing leadership to the Board;
Taking responsibility for the Board's composition and development;
Ensuring proper information for the Board; Planning and conducting Board meetings effectively;
Getting all Directors involved in the Board's work;
Ensuring the Board's focus on key tasks;
Engaging the Board in assessing and improving its performance;
Overseeing the induction and development of Directors; and
Supporting the Managing Director.

The Chairman of the Board and the Managing Director of the Company are different individuals

The position of the Chairman of the Board and the Managing Director of the Company are filled by the different individuals who are the members of the board. There is a clear division of responsibilities between the Chairman's functions and that of Managing Director. The Chairman is mainly responsible for presiding the Board Meeting as well as the Annual General Meeting. The respective roles and the responsibilities of the Chairman and the Managing Director are explicitly defined by the Board of Directors of the Company to enable them in discharging their responsibilities aptly and effectively.

Management Review and Responsibility

The Managing Director is the functional head/Chief Executive Officer of the Company. He is responsible for implementing and coordinating the Company's corporate and commercial activities to achieve the company's business objectives. He is supported by the different functional Committees, Functional Directors, Executive Directors, GMs, Managers and Executives of the Company. Under the active leadership of the Managing the Director, the Company is governed within

the preview of the rules, regulations, guidelines, directions and policies applicable for the Pharma industry and business operations.

The statement from the Managing Director detailing the analysis of the company's position and operations along with a brief discussion of changes analysis in the financial statements, among others during the period under review is given in the page no. 44 of the Annual Report.

Annual Appraisal of the Board's Performance and Disclosure

Appraising a board's performance can clarify the individual and collective roles and responsibilities of its Directors, and provide better knowledge of what is expected of them which can help boards become more effective. Done properly, board appraisals may also improve the working relationship between a company's Board and its management

A Board is a team of knowledge workers, and to do its job, the board needs the same resources and capabilities that any other successful team of knowledge workers needs such as knowledge, information, power, motivation, and time.

Self-evaluation is not an easy issue for any group to deal with. It is particularly difficult in the case of boards because it requires board members to make judgments and decisions about themselves and about issues that affect all stakeholders.

The Board always help the company to formulate policy, guide the implementation process, review the performance of the implemented policies and give suggestion for correction wither deem necessary. In this way Board assess whether the desired outcome have been achieved and by utilizing its resources, within expected timeframe. The Board members have always taken decisions that have benefitted the Company as a whole and they have always performed their duties accordingly.

Annual Evaluation of the Managing Director by the Board

The Board of Directors evaluates the Managing Director based on the performance evaluation criteria duly recommended by the Nomination and Remuneration Committee and approved by the Board along with the goals set for him considering the company vision and mission at the beginning of each year. The annual financial budget and other strategic objectives are discussed, reviewed and finalized by the Board at the

start of the financial year. The Board considers both financial and non-financial goals during the appraisal.

Financial goal includes achievement of budgeted sales and profit and non-financial goal includes development of Human Resource and utilization of other resources of the company.

Training and Development of the Board

The Board recognizes the importance of ensuring that Directors are continuously being developed to acquire or enhance the requisite knowledge and skills to discharge their duties effectively.

All new Directors appointed to the Board attend a formal induction programme to familiarize themselves with the company's strategy and aspiration, understanding of the line of businesses and corporate functions, key financial highlights, audit, compliance and risk management. The programme is conducted by the Company Secretary when they join the board.

Financial and Accounting Knowledge and Expertise of the Directors

Our Board of Directors consists of members who possess a wide variety of knowledge and experience in finance, economy, management, business administration, marketing and law. This ensures that together, they formulate the right policy for the development of the business while having the specialized skills and the ability to foresee developments across a larger perspective and with enough independence to audit the management in a balanced manner.

Among them, two Directors are Fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB), naming Mr. Md. Rafiqul Islam Khan, Mr. Md. Abdus Salam and Mr. Kazi Harun-Or-Rashid, Director Finance, is a graduate of Accounting, from the University of Dhaka. They provide guidance in the matters applicable to accounting and audit-related issues to ensure compliance and consistent financial reporting.

Board and Committee Meetings

The composition of the Board Committees as of 30 June 2019 and the attendance of Directors at the Board and Board Committee meetings held during 2018-2019 have been disclosed detail in the Page no. 61.

Business Objectives and Areas of Business Focus

The company's objectives and business focus have been depicted in the page no. 36 of the Annual Report.

Strategies for Achieving the Business Objectives

The company's Strategies for achieving business focus have been described in the page no. 22.

Whistle Blowing Policy

The company Whistle Blowing Policy ensures to establish transparency in all aspects and also in terms of minimizing the risk management and detecting any forgery or embezzlement.

The Requisite Committees

Audit Committee

The Board has formed an Audit Committee comprising of three (3) members having adequate versatile and financial competence as specified in the Terms of Reference (TOR) prescribed by the BSEC duly approved by the Board. The Committee is empowered, among other things, to examine any matter relating to the financial affairs of the company and to review all audits, internal control and inspection programs, internal policies and adherence to compliance requirements.

The number of the meetings held during the year 2018-19 was 9 (Nine).

The details about the Audit Committee including background, composition, responsibilities, meetings, reporting and activities carried out by the Audit Committee is disclosed in the title of "Report of the Audit Committee" of the page no. 73 of the Annual Report.

Nomination and Remuneration Committee

To cultivate a good governance practice in the Company, the Nomination and Remuneration Committee (NRC) was formed as a sub-committee of the Board in view of the corporate governance code of Bangladesh Securities and Exchange Commission (BSEC). The Committee comprises with the three Directors including two Independent Directors. The number of the meetings held during the year 2018-19 was 02 (Two).

The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives.

Report of the Nomination and Remuneration Committee is stated in the page no. 75 of the Annual Report.

Remuneration of Chairman and directors

The Chairman of the company is a non-executive and hence does not receive any remuneration from the company. Functional Directors including the Managing Director is paid monthly remuneration recommended by the NRC and approved by the Board of the company. A description of remuneration paid to directors is given in the page no. 141.

Executive Committee

The Executive Committee (EC) is a committee consisting of 4 (Four) Directors duly nominated by the Board to execute the powers and functions as accorded by the Board and as per Service Rules of the company. Company Secretary is the Secretary of the Executive Committee. The number of the meetings of EC held during the year 2018-19 was 10 (Ten).

Other Operational Committees

The Managing Director discharges the responsibilities with the help of the following operational committees formed with skills and experienced officials. These committees are being directly monitored and guided by the Managing Director. The evaluation of the performance of the company critically adopts strategic action plan to achieve the targets of the company set by the Board of Directors.

The various committees are as follows:-

01. Development Plan and Monitoring Committee;
02. Quality Assurance Committee;
03. Pharma Marketing Coordination Committee;
04. Natural Medicine Coordination Committee;
05. Budget Monitoring Committee (Pharma & NMD);
06. New Product Monitoring Committee;
07. Disciplinary Committee;
08. Factory Technical Committee;
09. Purchase Committee;
10. Inventory Management Committee, Pharma;
11. Inventory Management Committee, Natural Medicine;
12. Construction Committee;
13. cGMP Compliance Committee;
14. Risk Management and Control Committee.
15. CBA Dealing Committee;

Corporate Affairs Division

The corporate affairs division is vigilant to assist the Board of Directors in discharging of its responsibilities of corporate secretarial functions ensuring the Corporate Good Governance and implementation of the Corporate

Governance Code, norms and standard under the relevant laws and other legal and statutory requirements.

Company Secretary

As part of statutory requirement The IBN SINA Pharmaceutical Industry Ltd. has appointed a qualified Company Secretary with diversified experience in various core fields. He is a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). The Board of Directors clearly defined the roles, responsibilities and duties of the Company Secretary.

Chief Financial Officer

Chief Financial Officer (CFO) of The IBN SINA Pharmaceutical Industry Ltd. is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB). He is responsible to supervise the Accounts and Financial activities of the Company. The Board of Directors clearly specified the roles, responsibilities and duties of the CFO.

Head of Internal Audit and Compliance

The IBN SINA Pharmaceutical Industry Limited has a Head of Internal Audit and Compliance (HIAC). He has completed P-II from the Institute of Chartered Accountants of Bangladesh (ICAB). He is responsible for internal control and audit of the Company. The Board of Directors clearly set out the roles, responsibilities and duties of the Head of Internal Audit and Compliance as recommended by the Audit Committee. HIAC directly reports to the audit committee.

Internal Audit and Compliance

The IBN SINA Pharmaceutical Industry Ltd. considers that internal audit and compliance is one of the important regular functions of the Company. The Company has an independent internal audit and compliance department under the supervision of Audit Committee, a sub-committee of the Board. The roles and responsibilities of the Audit Committee which are substantially supported by the Internal Audit and Compliance is given in the page no. 73 & 74 of the Annual Report.

Statutory Audit

S F Ahmed & Co., Chartered Accountants, House-51, Road-09, Block-F, Banani, Dhaka-1213 is the statutory auditors of the Company. They have conducted the systematic examination of the books of accounts and records of the Company and ascertain, verify and report based on the facts in connection with the financial

operation and the results of the Company. In order to comply with the corporate governance code, the Company did not involve its statutory auditors to perform the services other than statutory services specified as appointed for.

Compliance Audit

In order to ensure the integrity of the corporate governance with accountability for inspiring the confidence of investors, regulators, financier and other stakeholders, the Company is committed to keep them compliant with the requirements of the Corporate Governance Code issued by the BSEC.

The certificate for the compliance status of the Company on the conditions of corporate governance code audited by M. Mohasin & Co., Chartered Secretaries is attached herewith on page no. 81 of this Annual Report.

Corporate Social Responsibility (CSR) Policy

To cultivate a good governance practice in the Company, a policy on the Corporate Social Responsibility (CSR) was approved by the Board in view of the corporate best practice of the world.

To conduct the Corporate Social Responsibility of the Company, CSR Committee is hereby formed comprising of following three members:-

- Prof. Dr. Shah Md. Bulbul Islam**, Chairman
- Prof. Dr. A.K.M Sadrul Islam**, Member
- Kazi Harun-or-Rashid**, Member
- Md. Shahid Farooqui**, FCS, Secretary

The Company hereby declares its "Corporate Social Responsibility Policy" as follows:

- Conducting business in a socially responsible and ethical manner;
- Protecting the environment and the safety of people;
- Supporting human rights maintaining relationship with stakeholders and employees; and
- Engaging, learning, respecting and supporting the communities and cultures with which we work.

These can be achieved through our products and spirits which enrich the quality of human life enabling people's feelings happy in the application of CSR strategy, an effective tool for business success. The core components of CSR practiced in the company are described in the page no. 68 of the Annual Report.

Corporate Social Responsibility (CSR) Activities



Free Medical Treatment Camp

To ensure day night health service to the devoted Muslims (Pilgrims) coming from different parts of the country and abroad, two Medical Camps of Pharma and Natural Medicine were conducted in the Bishwa Ijtema ground, Tongi Gazipur, As per record, thousands of Musullees availed this free treatment facility from the Camp.



Health Issues

"Publication of IBN SINA Health Magazine"

As part of CSR, a monthly IBN SINA Health Magazine sponsored by The IBN SINA Pharmaceutical Industry Ltd. is being delivered to our doctors, patrons and to the people to extend awareness about the various health related matters, It may be noted here that the Magazine contains contemporary important health topics contributed by reputed specialized doctors.



Forestation

As part of the policy to protect and improve the environment we have embarked on a program of tree plantation to extend the greenery and landscape of the country. The afforestation program was taken in the territory of factory and in various places countrywide.

Donation of Medicine

As part of the CSR, Company had donated good volume of medicine valuing Tk. 30 Lac to the People of Bhutan Government through Prime Minister's Welfare Fund (Tahbil).

Social and Environmental Responsibilities

As part of the ongoing commitment to the society and environment, the company is engaged to minimize waste generation and use of material and energy, to use renewable materials and to recycle our waste.

CSR Activities for the Welfare of the Officers and Workers

Welfare Activities for the Company's Officers and workers

Considering the overall welfare, safety and security for the officers and workers, company has formed a Provident Fund (PF), Gratuity and Superannuation Fund. Separate Trustee Board is entrusted to look after these funds. Besides of these, group insurance for workers of factory and full time health service for the workers employed in the factory are also available. Expenditure of the treatment for partial or total physical damage for accidental causes during and out of normal course of service is being endeavored from the company and also a special amount as donation is given to the deceased personnel causing accidental death during and out of normal course of action.

Group Insurance

As per Section- 99 of Bangladesh Labour Laws 2006 as amended in 2015, the Company has established Group Insurance for its employees with the recognized Insurance Company.

Officers-Workers Benevolent Fund

Employees are being facilitated from Officers-Workers Benevolent Fund where financial assistance is required. It recognizes our employees with respect, dignity, caring each other that ensure good atmosphere of employment.



Superannuation Fund

This is a structural pension program approved by the Board for the benefit of its employees in order to mitigate the various specified problems like accidental death, disablement, serious chronic illness etc. during the period under job. During the year under review, total 35 officers and workers were facilitated paying Tk. 3,759,130/= out of which Tk. 1,500,000/= was given to the successors of the deceased members of this Fund.

Medical Expense Provided to the Insolvent Employees

The employees who are not capable of paying the expenditure incurred for their medical treatment for various diseases/accidental causes happened either during in course of service or in any other way are being taken under special consideration for payment of such medical expense. In the year 2018-19 total medical expense endeavored by the Company is about Taka 3,507,965.

Community Improvement

The IBN SINA Pharmaceutical Industry Ltd. believes that this program can be developed

through a combination of supports to individual employee like matching support arrangements between the company and the employees which build team spirit particularly among the employees for participatory activities in community development.

Human Rights

We are committed to upholding the Universal Declaration of Human Rights by the UN and the labor standards set out by the International Labor Organization and Bangladesh Labor Laws-2006 (As amended 2015).



Free Health Care Complex

A free medical center is running 5 (Five) days a week at Shafipur, Gazipur for the underprivileged people especially for Mother and Child inhabitants of the area. It may be mentioned that factory workers are being taken under free medical treatment by the qualified Doctors and Hakims, in the campus.



Employee Training and Education Program

The IBN SINA Pharmaceutical Industry Ltd. considers and desires the education and training as the core theme to promote employees' interest in attracting future potentiality, focuses on the "Right-to-Know" and "Partners-in-leadership" that aim to bring sustainable improvement of the personnel in the Company and for the nation as well.

The training given to the employees in the year 2018-19 in-house and abroad is shown in the page no. 38 of the Annual Report.



Report of the Audit Committee

Dear Shareholder(s)

Assalamu Alaikum Wa-Rahmatullah

The Audit Committee is a sub-committee of the Board of Directors of the IBN SINA Pharmaceutical Industry Ltd. and is responsible to oversee the financial reporting process. The committee assists the Board for ensuring that the financial statements reflect a true and fair view of the state of affairs of the Company and good governance system within the business. The Committee is considered the overseer of the companies for protecting the interest of the stakeholders.

Composition of the Audit Committee

The Audit Committee consists of the following:

Mr. Rafiqul Islam Khan, FCA, Independent Director, Chairman

Mr. Md. Abdus Salam, FCA, FCS, Independent Director, Member

Commodore (Retd.) M. A. Rahman, Director, Member

Mr. Md. Shahid Farooqui, FCS, Company Secretary, Secretary

The Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) attended the meetings on invitation. The Company Secretary acts as the Secretary of the Committee.

Role of Audit Committee

- (a) Oversee the financial reporting process;
- (b) Monitor choice of accounting policies and principles;
- (c) Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- (d) Oversee hiring and performance of external auditors;
- (e) Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- (f) Review along with the management, the annual financial statements before submission to the Board for approval;
- (g) Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;

(h) Review the adequacy of internal audit and compliance function;

(i) Review the Management's Discussion and Analysis before disclosing in the Annual Report;

(j) Review statement of all related party transactions submitted by the management;

(k) Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;

(l) Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external Auditors; and

(m) Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.

Meeting and Attendance of the Audit Committee

During the year 2018-19, Nine meetings of the Audit Committee were held. Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) attended the meetings on invitation to meet instant queries of the Audit Committee. The number of Audit Committee meetings held and the attendance by each member during the year 2018-19 are given as follows:

Name of Members	Designation	Position	Number of meetings held	Number of meetings attended
Mr. Md. Rafiqul Islam Khan FCA	Independent Director	Chairman	9	9
Col. (Ret.) Prof. Dr. Zehad Khan	Director	Member	8	8
Mr. Md. Abdus Salam FCA, FCS	Independent Director	Member	5	5
Mr. Kazi Harun-or-Rashid	Director	Member	4	4
Mr. Abdur Raquib	Independent Director	Member	4	4
Mr. Md. Shahid Farooqui FCS	Executive Director and Company Secretary	Secretary	9	9

The Company's external auditors were present at one meeting during the financial year where matters related to the audit of the Financial Statements for the year Audited as 30 June 2019 were discussed.

Reporting to the Authorities

The Minutes of the Audit Committee Meetings with the observations and the recommendations of the Audit Committee were circulated among the Members of the Committee and to the Board of Directors of the Company for their information and necessary action. It is also required to report to the Bangladesh Securities and Exchange Commission (BSEC) about anything, which has a material impact on the financial condition and results of operation of the Company. But no such thing occurred during the year 2018-19.

External Audit

- a) Make recommendations to the Board, to be placed before the shareholders for approval in the AGM, in relation to appointment, re-appointment and removal of the Company's external auditors.
- b) Oversee the relationship with the External Auditors including:
 - Approval of their remuneration, i.e. fees for audit.
 - Assessing annually their independence and objectivity taking into account the relevant professional and regulatory requirements.
 - Satisfying itself that there is no relationships (such as family, employment, investment, financial or business) between the auditor and the Company (other than in the ordinary course of business).
- c) The Committee also arranged a meeting with the representatives of the External Auditors on September 14, 2019 to review the Annual Financial Statement 2018-19 before submission to the Board for perusal and recommendation.
- d) Review the findings and recommendations made by the external auditors for removal of recurrence irregularities, if any, detected are duly acted upon by the management.

Internal Audit and Compliance

- a) Monitor/evaluate whether internal audit functions are truly independent.
- b) Review the activities, structure and style of conduct of internal audit functions to ensure that no unjustified restrictions or limitations are imposed.
- c) Review and assess the annual internal audit plan.
- d) Review the efficiency and effectiveness of internal audit function.
- e) Review and ensure that appropriate recommendations made by internal auditors to remove irregularities, if any, are duly acted upon by concerned personnel in running the affairs of the Company.

Financial Reporting

- a) The Audit Committee checks whether the financial statements reflect complete and accurate information and determine whether the statement are prepared according to the existing rules and regulations and standards enforced in the Country and as per the relevant International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) prescribed by Bangladesh Securities and Exchange Commission (BSEC);
- b) Discuss with the management and external auditors to review the financial statements before finalization.
- c) Review the quarterly and half-yearly financial statements with

the management before submission to the Board for approval.

- d) Review statements of significant related party transactions submitted by the management.

Deliberations of the Audit Committee in 2018-19

During the year 2018-19, the Audit Committee carried out its regular functions on the areas pertaining to its responsibilities. Some of the issues that are performed during the year under review for improvement of operational performance of the Company are listed below:

- a) The Audit Committee reviewed the Financial Statements of the Company for the year 2018-19, which include Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes of the Financial Statements.
- b) The Committee recommended for the approval of the Annual Financial Statements of the Company to the Board.
- c) The Committee recommended appointment of Company's External Auditors for the year 2019-20.
- d) The activities were persuaded as per approved Annual Audit Plan of the Company for the year 2018-19.
- e) The Audit Committee reviewed the un-audited quarterly and half-yearly financial statements before their submission to the Board for final review and approval.
- f) Reviewed the Auditor's Certification on Corporate Governance Compliance for the year ended 30 June 2019.
- g) Reviewed and ascertained that the internal control system including financial and operational controls, accounting system, and reporting structure are adequate and effective.
- h) Reviewed the periodical reports submitted by the Internal Auditors and recommended to the management regarding proper and prompt resolution of the irregularities/issues stated therein.
- i) Reviewed the actions taken by the management for implementation of Audit Committee observations on the issues deliberated in the Audit Committee reports.
- j) The Committee placed its reports regularly to the Board for reviewing and monitoring the activities recommended on internal control system, compliance with rules and regulation of the regulatory bodies.
- k) Based on the above review and discussion, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the Company.
- l) Discussing and giving an opinion on the status of the Risk Management Process (RMP) and the Company's business Continuation as a going concern.

Appreciation

The Audit Committee expressed their sincere thanks to the members of the Board, Management, Statutory and the Internal auditors for their support in carrying out its duties and responsibilities effectively.

On behalf of the Audit Committee,

Md. Rafiqul Islam Khan FCA
Chairman, Audit Committee
Sunday, September 22, 2019

Report of The Nomination and Remuneration Committee -2019

The Board of Directors of The IBN SINA Pharmaceutical Industry Ltd. has duly constituted a Nomination and Remuneration Committee (NRC), as per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives.

The statement of Nomination and Remuneration Committee is prepared following the Corporate Governance Code issued by the BSEC. This Report covers nomination and remuneration policies, evaluation criteria and activities of the NRC.

The Overview of the Nomination and Remuneration Policies:

The Company inevitably will follow the nomination and remuneration policies and the benchmark of which pursuing the business code of conduct and standards perceptible in the market context and appropriate to meet the present and future needs of the Company.

The broad criteria in this respect for the Executive Directors and Top-Level Executives of the Company are as follows:

a) The Nomination Criteria

- i. The Company policies as well as guidelines and applicable laws/regulations for the Company;
- ii. A prescribed selection process that is transparent in all respects;
- iii. Following a process which is compatible to the recognized standards and the best practices;
- iv. Distinguishing the core competencies of the respective personnel for the different level of management and employees of the Company;
- v. Follow diversity in age, maturity, qualification, expertise and gender disciplines.

b) Recruitment and Selection Standards

The outline of the Company needs for the employees at different levels, as determined by the management. The recruitment and selection of Executive Directors, Top-Level Executives of the Company are made according to the following core guiding principles:

Executive Directors and Top Level Executives: The candidate(s) for Executive Director(s), based on the set criterions of BSEC and Service Rules of the Company. The Board of Directors appoints Executive Director(s) and Top Level Executives, upon nomination and recommendation of the NRC.

Independent Director: The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the businesses.

The Independent Director should have competence of the relevant sector in which Company operates, and necessarily should have the qualifications as required by the Code of BSEC. The Board of Directors appoints Independent Directors upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.

c) Remuneration Criteria

The key features of the Remuneration Criteria recommended by the NRC are as follows:-

- i. The structure, scale and composition of remuneration/honorarium are reasonably considered based on the Company's Policies and Guidelines set by the Board of Directors to attract, retain and motivate the top level executives/executive directors to run the Company efficiently and successfully;
- ii. The context of packages, including remuneration/benefits is categorically laid down which meets the appropriate performance benchmarks as per the Company Policies and Guidelines ratified by the Board as and when required;
- iii. The NRC will recommend the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- iv. No member of the NRC will be allowed to receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Board meetings and Board's sub-committee meetings attendance fees from the Company.

d). Evaluation Criteria

Directors/Executive Directors/Top Level Executives: The respective line authority of the Directors/Executive Directors/Top Level Executives sets the performance measurement criteria based on the respective role profile and responsibilities through the Company's annual appraisal policy/process at a certain time of each calendar year.

Independent Director: The evaluation of performance of the Independent Directors (IDs) is to be carried out according to the criteria of attendance and participation at the Board meetings and committee meetings; participation in the Board meetings and committee meetings and contribution to the improvement of the corporate governance practices of the Company.

Activity Summary of Nomination and Remuneration Committee during the year

Formation of NRC Committee and its Meetings

The Board in its 266th meeting held on 26 June 2019 formed the Nomination and Remuneration Committee (NRC) as per the requirements of BSEC Corporate Governance Code with the following composition:

Mr. Md. Abdus Salam FCA, FCS

Chairman
Independent Director

Commodore (Retd.) M. A. Rahman

Member
Non-Executive Director

Mr. Md. Rafiqul Islam Khan FCA

Member
Independent Director

Md. Shahid Farooqui, FCS acts as the Secretary of NRC. In 2018-19, the Committee met twice. The newly formed NRC noted the nomination and remuneration initiatives ensuring the standards and compliance accordingly. The activities of the NRC during the year were as follows:

- i. Consider the Terms of Reference (ToR) of NRC, as approved by the Board of Directors;
- ii. Formulate a policy relating to the remuneration of the Directors and top-level executives of the Company;
- iii. Formulate the criteria for determining qualifications, positive attributes and independence of the Directors;
- iv. Formulate the criteria for evaluation of performance of Independent Directors;
- v. Adopt a Code of Conduct for the Chairman, Directors and Top-level Executives of the Company.



Md. Abdus Salam FCA, FCS

Chairman
Monday, 23 September 2019

Internal Control and Risk Management Process

Internal Control

Internal Control is the mechanism to provide reasonable assurance to Company on an ongoing basis regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies. The primary objective of Internal Control and Compliance is to help the Company perform better and add value with its resources. Through the Internal Control system, Company identifies its weaknesses associated with the process and adopts appropriate measures to overcome that. The main objectives of internal control are as follows:

- a) Operations Objectives: Achievement of company basic mission and vision.
- b) Reporting Objectives: Timely, accurate, and comprehensive reporting, financial and non-financial, internal and external.
- c) Compliance Objectives: Conducting activities and taking specific actions by following applicable laws and regulations.

Internal Audit and Compliance

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. Audit team of the Company has a combination of business, professional and IT knowledge-based personnel. Audit Department is committed to meet the standards of best professional practices. The Company has a strong internal audit team comprised of three segments to carry out the audit activities, namely Head Office Audit, Factory Audit, and all Depot Audit.

Compliance Unit

The Company establishes the best compliance culture throughout the organization by encouraging employees to comply with policies, procedures, and regulation. To establish the Company and uphold the momentum of

compliance culture, three separate segments are under the Compliance Unit, namely- Regulatory Compliance, Internal Compliance and Audit committee recommendation. Compliance unit also ensures required reporting to Management, Audit Committee and Regulators accordingly.

Risk Management Process

Risk is the chance of exposure to the adverse consequences of uncertain future events. This is an integral part of any business. Over our long existence, we have managed to significantly enhance and achieve a very robust and matured stage for our risk management process. The Company risk management process is featured to estimate the likelihood of any uncertain events and provide adequate responses for eliminating the consequence of that event. The overall risk management process is summarized as below:

Identification of Risk

Prepare a list of potential risks by referring to the relevant business critical information, which is obtained from various reporting line and by taking into consideration of various non-financial factors relating to current political and economic situations.

Analysis of the Outcome

Priorities the potential risks by considering the possible likelihood and impact on the Company's current and future prospects.

Design Possible Solutions

Prepare avoidance and contingency plans by establishing controls at different levels of business and also deciding of various strategies to embed the culture at all levels of employee.

Recommend

The responsibility to implement the designed system is delegated to the different department heads.

Implement

The department heads then take all the necessary initiatives for the implementation of the designed system.

Evaluate

The management always monitors the effectiveness of the designed systems through receiving various reports from different departments and if necessary then reanalyze.

Director's awareness and responsibility

Board of Directors declares its awareness and responsibility on the importance of safeguarding shareholders' investment and the Company assets recognizing the importance of risk management and internal controls which also includes the establishment of an appropriate control environment and framework, as well as reviewing its adequacy, integrity and competence.

Risk and Mitigation of Risk

The core risk areas of the business operations comprise Regulatory Risk, Technology Related Risk, Exchange rate risks, Operational Risk, Credit Risk, Distribution risks and Liquidity Risk. Some of these risks and their mitigation measures/plans are discussed as follows:

Regulatory Risk

The Company operates under the Drugs Ordinance 1982, Companies Act 1994, Directorate General of Drug Administration (DGDA) Regulations, Income Tax

Ordinance 1984, Income Tax Rules 1984, Customs Act 1969, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991, Bangladesh Securities and Exchange Rules 1987 and other rules and regulations of the country. Any abrupt changes to the policies made by the regulatory authorities may affect the business of the Company.

Mitigation

The Company is one of the top-ranking pharmaceutical companies of the Country; it is doing business by following all the rules and regulations of the Country. Change in regulations will bring changed strategies for doing the business by the dynamic management of the Company.

Technology Related Risk

The pharmaceutical is dynamic and heavily driven by technology. Hence, the technology always plays a vital role here. Adaptation of better technology can help to gain remarkable core competencies that certainly create competitive advantages like increased productivity; reduce costs, better perception of customers. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the Company, which may cause operational inefficiency.

Mitigation

The Company has a clear intent regarding the adaptation of the latest technology in the Company here and the management is aware of technological changes and always trying to adopt new technology according to its needs.

Exchange rate risk

Exchange rate risk relates to the core business of the Company since it mostly imports materials from abroad in foreign currency. The Company imports raw materials against the payment of foreign currency and the price of raw material in the international market are relatively volatile. Unfavorable volatility or currency fluctuation may affect the profitability of the Company.

Mitigation

The volatility of Taka against Dollar and the recent trend of local currency devaluation may expose foreign currency risk. However, The Company can significantly reduce the foreign currency risk and price escalation risk through forwarding bookings if it is justifiable in terms of cost-benefit analysis. The Company also maintains Economic Order Quantity (EOQ) for its material imports, which provides a considerable cushion against an adverse movement of the exchange rate and price in the international market.

Operational Risk

The Company relies on suppliers for ingredients and various third parties for certain manufacturing-related services to produce material that meets appropriate content, quality, and stability standards of the Company products and after approval, it is being released for commercial distribution. The Company may not be able to produce its drug substance or drug product to appropriate standards without the required support from its suppliers and vendors.

Mitigation

The Company has a good number of vendors and for ingredient and service, The Company has more than one approved vendor. It uses to conduct Vendor audit and its concerned professionals are very conscious regarding the vendor issue. Further, none of the suppliers accounts for a significant amount of total purchases.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk helps users of Financial Statements assess the credit quality of the entity's financial assets and level and sources of impairment loss. Management has a sales policy in place and exposure to credit risk is monitored on an ongoing basis.

Mitigation

To mitigate the credit risk the management of The Company follows robust credit control and collection policies. The Company has dedicated credit collections team who is responsible for any dues and they have been remarkable performances in collecting receivables as per Company's credit and collection policy.

Distribution risk

For any company, the most crucial wing is the distribution channel. Wide distribution network and control over the

network is essential to make the quality product available to the consumer at the right time and price.

Mitigation

The Company has a strong presence all over the country, both in rural and in urban areas. The Company has strong distribution networks in a well-planned manner.

Liquidity Risk

Liquidity risk is the risk that The Company will not be able to meet its financial obligations as 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 sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or bringing damage to the Company's reputation.

Mitigation

Effective liquidity risk management requires both a top-down and a bottom-up approach. Strategy, principles, and objectives are set at Board and Management levels. The Company conducts liquidity management in a manner that maintains stability and flexibility in day-to-day funding activities. Our liquidity risk management starts by managing daily payment of cheque, daily cash inflow, and outflow, the maturity of deposit and our access to other sources of funding as and when required.

Conclusion

The above mitigation measures/plans are to establish for a sound system of risk management supervision and internal control to identify, assess, monitor and manage material risks related to the conduct of the Company's activities. The aims are to constantly improve the management of risk; better understand the reward-to-risk balance, and reduce the risks to an acceptable level.

Statement of Directors' Responsibilities for Financial Report

The Directors are responsible for ensuring that the Company keeps proper books of accounts of all the transactions and the financial statements for the period from 01 July, 2018 to 30 June, 2019 and gives a true and fair view of the state of affairs and profit for the year.

The Directors also ensure that the financial statements have been prepared and presented in accordance with the International Accounting Standards (IAS) and IFRS, as applicable in Bangladesh, the Generally Accepted Accounting Principles (GAAP) and in accordance with the Bangladesh Accounting Standards (BAS) as adopted by the Institute of Chartered Accountants of Bangladesh and provide the information as required by the Companies Act 1994, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Commission Rules 1987 and the regulations of the Dhaka Stock Exchange (DSE) and Chittangong Stock Exchanges (CSE).

It ensures that the estimates and judgments relating to the financial statements were made on a prudent and reasonable basis, so that they reflect in a true and fair manner and reasonably present the Company's true state of affairs.

The Company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on regular basis. To augment those objectives the Board of Directors has formed an Audit Committee as per guidelines of Bangladesh Securities and Exchange Commission (BSEC). They have performed their responsibilities

without any undue interference from any of the Directors.

Internal Audit Department of the Company conducts periodic audits to provide reasonable assurance that the established policies and procedures of the Company are consistently followed.

The Company has adequate resources to continue operational existence for the foreseeable future and therefore, has continued to adopt the going concern basis in preparing the Accounts.

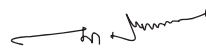
The Board of Directors confirms that International Accounting Standards, as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts.

The Directors also confirm that the annual reports together with Directors' Report and the Financial Statements have been prepared in compliance with the law, rules and regulatory guidance.

The Auditors of the Company, S. F. AHMED & CO., Chartered Accountants, had carried out the Annual Audit to review on the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data and Minutes of the Board, relevant policies and expressed opinion there on.



Prof. Dr. A.K.M. Sadrul Islam
Managing Director



Md. Shahid Farooqui, FCS
Company Secretary

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

COMPLIANCE REPORT

Report to the Shareholders of The IBN SINA Pharmaceutical Industry Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by The IBN SINA Pharmaceutical Industry Limited for the year ended 30 June 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Dhaka
05 October, 2019



M. MOHASHIN & CO.
Chartered Secretaries

ANNEXURE -C

Compliance Status on Corporate Governance Code of BSEC

[As Per Condition No. 1(5)(xxvii)]

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.1	Board Size (number of Directors -minimum 5 and maximum 20)	√		
1.2	Independent Directors:			
1.2(a)	At least one fifth of Directors should be Independent Directors;	√		
1.2(b)(i)	Independent Director does not hold any share or holds less than 1% share of the total paid-up shares;	√		
1.2(b)(ii)	Not a Sponsor of the Company or non-connectivity with the company's sponsor or director or shareholder who holds 1% or more shares on the basis of family relationship.;	√		
1.2(b)(iii)	Who has not been an executive of the company in immediately preceding 2 financial years			
1.2(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2(b)(v)	Not a Member or TREC, Director or Officer of any Stock Exchange	√		
1.2(b)(vi)	Not a Shareholder/Director/Officer of any Member/TREC holder of Stock Exch.	√		
1.2(b)(vii)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	√		
1.2(b)(viii)	Shall not be an Independent Director in more than 5 listed companies;	√		
1.2(b)(ix)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan/advance to a Bank or a Non-Bank Financial Institution.	√		
1.2(b)(x)	Non convicted for a criminal offence involving moral turpitude;	√		
1.2(c)	Appointment of Independent Director shall be by Board and subsequently approved by shareholders in the AGM;	√		
1.2(d)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.			Not Applicable
1.2(e)	Tenure of office of an Independent Director (for a period of 3 years, may be extended for 1 term only);	√		
1.3	Qualification of Independent Director			
1.3(a)	Shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business;	√		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company.	√		
1.3(b)(ii)	Corporate Leader who is or a top level executive of an unlisted company having 100 million paid up capital or of a listed company.	√		
1.3(b)(iii)	Former official of government not below 5th grade of salary			Not Applicable
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.	√		
1.3(b)(v)	Professional like practicing Advocate, Chartered Accountant/Cost Accountant/Chartered Secretary or equivalent qualification	√		
1.3(c)	The Independent Director shall have at least 10 (ten) years of experiences.	√		
1.3(iii)(d)	Relaxation of qualifications of Independent Directors subject to prior approval of the Commission.			Not Applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The posts of Chairperson of the Board and MD/CEO shall be filled by different individuals.	√		
1(4)(b)	MD and/or CEO of a listed company shall not hold the same position in another listed company.	√		
1(4)(c)	The Chairperson shall be elected from among the non-executive directors.	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO.	√		
1(4)(e)	In absence of Chairperson of the Board, for the particular Board Meeting, Chairperson may be elected from one of non-executive directors and to be duly recorded.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)	The Directors' Report to Shareholders			
1.5(i)	Industry outlook and possible future developments in the industry;	√		
1.5(ii)	Segment-wise or product-wise performance;	√		
1.5(iii)	Risks and concerns including internal and external risk factor;	√		
1.5(vi)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin;	√		
1.5(v)	Discussion on continuity of any extra-ordinary activities and their implications;	√		
1.5(vi)	Detail disclosure on related party transactions;	√		
1.5(vii)	Utilization from public issues, rights issues and/or through any others instruments;			Not Applicable
1.5(viii)	Explanation if the financial results deteriorate after going for IPO, RPO, Rights Offer, Direct Listing, etc.;			-Do-
1.5(ix)	Significant variance between Quarterly Financial performance and Annual Financial Statements and explanation thereon;			-Do-
1.5(x)	Remuneration to Directors including Independent Directors;	√		
1.5(xi)	Statement about fairness of financial statements;	√		
1.5(xii)	Maintenance of proper books of account;	√		
1.5(xiii)	Application of appropriate accounting policies and estimates;	√		
1.5(xiv)	Application of International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) as applicable in Bangladesh;	√		
1.5(xv)	Efficiency of Internal control system;	√		
1.5(xvi)	Statement about the interest of minority shareholders have been protected;	√		
1.5(xvii)	Statement about the ability to continue as going concern;	√		
1.5(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained.	√		
1.5(xix)	Key operating and financial data of at least preceding 5 (Five) years;	√		
1.5(xx)	Reason for non declaration of dividend;			Not Applicable
1.5(xxi)	Board's statement to the effect that no bonus shares or stock dividend paid as interim dividend.			-Do-
1.5(xxii)	Number of Board Meetings (no. of Board Meetings held and attendance by each director);	√		
1.5(xxiii)	The pattern of shareholding;			
1.5(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	√		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name wise details);	√		
1.5(xxiii)(c)	Executives;	√		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1.5(xxiv)	Appointment or reappointment of a director, disclosure			
1.5(xxiv)(a)	Brief resume of the Director;	√		
1.5(xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1.5(xxv)	Management discussion and analysis signed by CEO or MD			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		Given in the Annual Report.
1(5)(xxv)(b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes	√		-Do-
1(5)(xxv)(c)	Comparative analysis and financial position as well as cash flow for current financial year with immediate preceding five years explaining reasons	√		-Do-
1(5)(xxv)(d)	Compare financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		-Do-
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		-Do-
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements;	√		-Do-
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation shall be explained to the shareholders in the next AGM;	√		-Do-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(30) shall be disclosed as per Annexure-A;	√		Page no. 110 may be seen
1(5)(xxvii)	Report as well as certificate regarding compliance of conditions of this Code as required under condition no. 9 shall be disclosed;	√		Page no. 81 may be seen

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS).	√		In Practice
1(7)	Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC)	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website	√		
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary.			Not Applicable
2(b)	At least 1 Independent Director of holding company also be a director of the subsidiary company.			-Do-
2(c)	Minutes of subsidiary to be placed in the following meeting of holding company.			-Do-
2(d)	Minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company.			-Do-
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.			-Do-
3	Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3(1)(a)	Board shall appoint MD or CEO, CS, CFO, and HIAC.	√		
3(1)(b)	The positions of the MD,CEO,CS,CFO & HIAC shall be filled by different individuals.	√		
3(1)(c)	MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board and be disseminated to the commission and exchange.			No such situation is observed
3.2	Requirement to attend Board of Directors' Meetings			
3.2	MD or CEO,CS,CFO and HIAC shall attend the meetings of the Board and CS, CFO & HIAC shall not attend such part of which involves their personal matters.	√		In Practice
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3(a)	MD or CEO and CFO to certify that they have reviewed financial statements to the best of their knowledge.	√		
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance	√		
3(3)(b)	MD or CEO and CFO to certify on due diligence in the Report.	√		
3(3)(c)	The certification of the MD/CEO and CFO shall be disclosed in the Annual Report.	√		Page no. 110 may be seen
4	Board of Directors' Committee - Board shall have at least:			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5(i)(a)	Company shall have an Audit Committee as a sub-committee of the Board.	√		
5(i)(b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company.	√		In Practice
5(i)(c)	Audit Committee shall report on its activities to the Board of Directors.	√		-Do-
5.2	Constitution of the Audit committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members.	√		
5(2)(b)	Board shall appoint members of the Audit Committee who shall be non-executive director.	√		
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial.	√		
5(2)(d)	When the term of service of the Committee member expires, Board shall appoint new Committee member immediately or not later than 1 month of vacancy.	√		
5(2)(e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		
5(2)(f)	Quorum shall not constitute without at least 1 independent director.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5.3	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	Absence of chairperson, the remaining members may elect one of them and reason of absence to be recorded in the minutes.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	√		
5.4	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	√		
5(4)(b)	Quorum: presence of 2 or 2/3 members whichever is higher and 1 independent director is must.	√		
5.5	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process.	√		In Practice
5(5)(b)	Monitor choice of accounting policies and principles.	√		-Do-
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced.	√		-Do-
5(5)(d)	Oversee hiring and performance of external auditors.	√		-Do-
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption.	√		
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval.	√		In Practice
5(5)(g)	Review with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	√		-Do-
5(5)(h)	Review adequacy of internal audit function.	√		-Do-
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report.	√		-Do-
5(5)(j)	Review statement of all related party transactions submitted by the Management.	√		-Do-
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee determination of audit fees and evaluate performance of external auditors.	√		
5(5)(m)	Oversee whether IPO/RPO proceeds utilized as per the published Prospectus.			Not Applicable
5.6	Reporting of the Audit Committee			
5.6(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	Shall report immediately the Board on the followings:			
5(6)(a)(ii)(a)	Report on conflicts of interests.			Not Applicable
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.	√		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.			Not Applicable
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			Not Applicable
5,6(b)	Reporting to the Authorities			Not Applicable
5.7	Reporting to the Shareholders and General Investors	√		
6	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the Board of Directors:			
6(i)(a)	The company shall have a NRC as a sub-committee of the Board.	√		
6(i)(b)	NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications and policy for remuneration of directors, top level executives.	√		
6(i)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.	√		In Practice
6.2	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an ID.	√		
6(2)(b)	All members of the Committee shall be non-executive directors.	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board.	√		
6(2)(d)	Board have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.	√		
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external non-voting expert for valuable advice.			No such matter is observed
6(2)(g)	The company secretary shall act as the secretary of the committee.	√		As Per TOR
6(2)(h)	Quorum shall not constitute without at least 1 independent director.	√		-Do-
6(2)(i)	No member of the NRC shall receive any remuneration/advisory, other than Director's fees or honorarium form the company.	√		-Do-

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
6.3	Chairperson of the NRC			
6(3)(a)	Board shall select 1 member of the NRC to be Chairperson of the Committee who shall be an Independent Director.	√		In Practice
6(3)(b)	Absence of chairperson, the remaining members may elect one of them and reason of absence to be recorded in the minutes.	√		-Do-
6(3)(c)	Chairperson of the NRC shall attend the AGM.			To be Complied
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	√		
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting.	√		
6(4)(c)	Quorum: presence of 2 or 2/3 members whichever is higher and 1 independent director is must.	√		As Per TOR
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.	√		-Do-
6.5	Role of NRC			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders.	√		In practice
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	√		-Do-
6(5)(b)(i)	Formulating the criteria for qualification and remuneration of the directors and top level executives considering the following:	√		-Do-
6(5)(b)(i)(a)	Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		-Do-
6(5)(b)(i)(b)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	√		-Do-
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance.	√		-Do-
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		-Do-
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		-Do-
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board.	√		-Do-
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement.	√		-Do-
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies.	√		-Do-
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC at a glance in its annual report.	√		Page no. 75 may be seen
7	External or Statutory Auditors			
7(1)	Issuer company shall not engage its external auditors to perform the following services:			
7(1)(i)	Appraisal or valuation services or fairness opinions.	√		
7(1)(ii)	Financial information systems design and implementation.	√		
7(1)(iii)	Book keeping or other service related to the account ion records.	√		
7(1)(iv)	Broker-dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal/special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		
7(1)(viii)	Certification services on compliance of corporate governance.	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of External Auditors shall remain present in the AGM.	√		
8	Maintaining a website by the company			
8(1)	The company shall have an official website linked with that of the stock exchange.	√		In Practice
8(2)	The company shall keep the website functional from the date of listing.	√		-Do-
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges.	√		-Do-
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding compliance of conditions of Corporate Governance	√		Page no. 81 may be seen
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors report whether the company has complied with these conditions.	√		



Quality Policy



The IBN SINA Pharmaceutical Industry Ltd.
is committed to

serve humanity by manufacturing and providing quality pharmaceutical products and services to it's customers.



maintaining ethical standards in all it's functions following the requirements of cGMP and regulatory authorities.



marching onward for sustainable growth and continual improvement.





Health Safety and Environment

The inherent safety risks relating to the pharmaceutical and chemical industry will always be a key focus as standardized health, safety and environment (HSE) processes are embedded across all of our operations. IBN SINA Pharma is committed to providing a safe and secure workplace that inspires innovation while promoting health, wellness and productivity across our country.

Safety is our top priority. It is integral to our culture. We believe zero harm is possible, through a singular focus and disciplined teamwork.

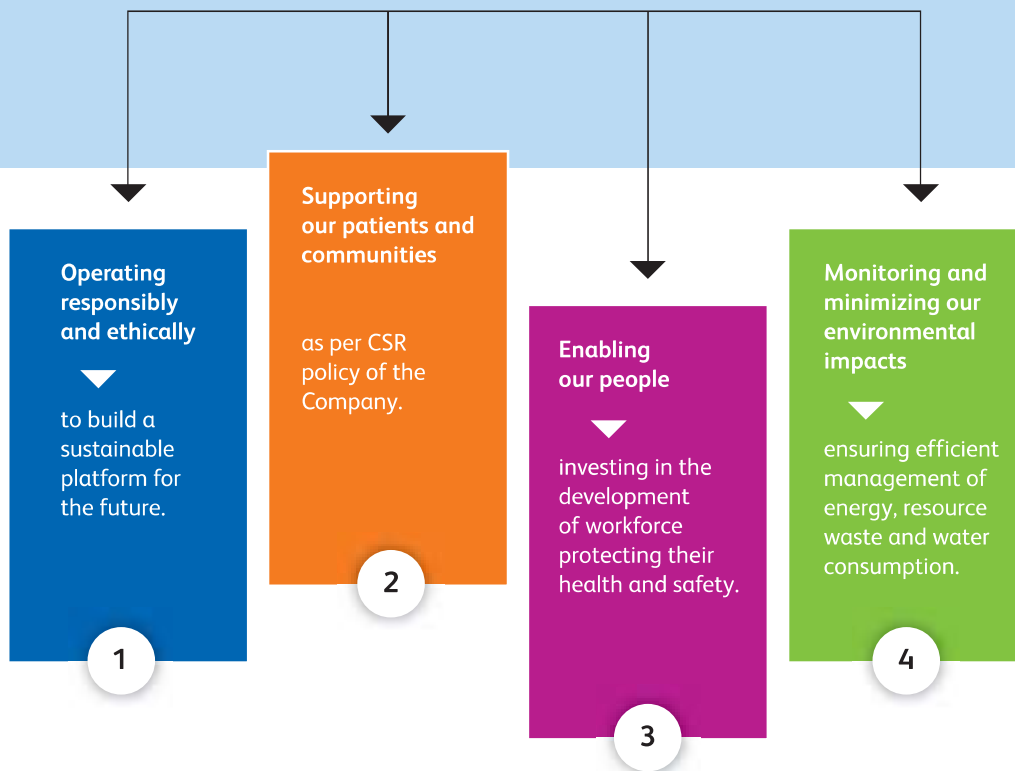
In order to ensure reliable and safe operations, we continue to focus on day-to-day management of operational risks, including risks related to Health, Safety and Environment. To promote safety across of the business operations, executive management meets regularly to review environment and safety performance.

It is in the nature of our industry that our people face many stressful situations in the workplace. We continue to offer comprehensive health and wellness services to our employees. Our employees' physical and emotional wellbeing appears to be in line with the industry norms of the business our country.

Our Approach to the Sustainability

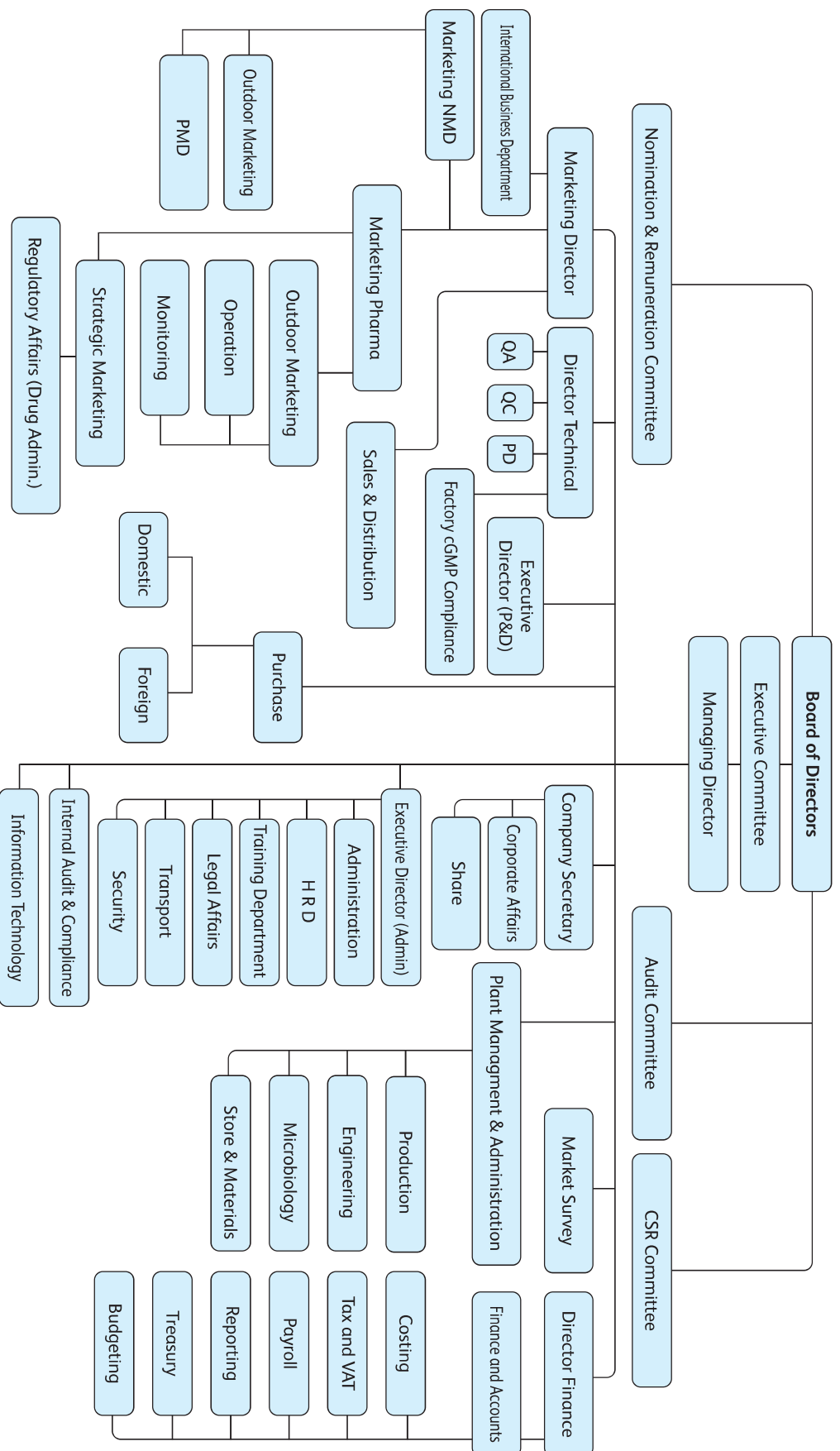
Our approach to sustainability focuses on creating and protecting value, driving growth and innovation, and providing societal value through our core business activities, to make a meaningful contribution to the country. The significant social benefits delivered through our products and services are supported by our CSR activities.

In our sustainability strategy we have prioritized following four key areas:-



ORGANOGRAM

The Ibn Sina Pharmaceutical Industry Limited



The Pharma Plant

The Manufacturing Plant The IBN SINA Pharmaceutical Industry Ltd. was founded in 1983 on a campus of about 14 acres of land, about 56 km away from Dhaka city. Its commercial production was started in May 1986 since its journey with a few productions. The IBN SINA Factory is now a big industrial complex having the following establishments & Departments and about 500 products of different Pharmaceutical dosage form.

Pharma Plant General

Cephalosporin

Lyophilized and pre-filled syringe unit

PRODUCT SEGMENT

TABLETS

Tablets are the major product ranges in OSD Production facilities comprised of about 40% of the total IBN SINA Pharma production. There are three dedicated processing units, eight high speed tablet compression units, six coating units & seven blister packaging units. Another two highly sophisticated tablet compression machine is recently added in our production line. Two new high speed blister machines with auto cartoning line have been

installed in this year. Both the machines have been imported from Germany. Dry granulation unit with roller compactor has been introduced for processing potent and sensitive products. There are two auto tablet counting machine are in operation.

Installation of Auto dust extractor for coating units has increased production efficiency and reduced environment dust contamination.



CAPSULE

Total four high speed Capsule filling machine are in operation. These machines have the versatile capacity of filling pellets and liquid fill in Hard Gelatin Shells in addition to powder fill. These capsule filling machines are sufficient to meet the present market demand.



INJECTABLE (PARENTERAL) PRODUCTS

Injectable product is life saving prestigious products for a company. Prescribing of Parenteral products of a company reflects confidence of doctors about the company. The IPI injection Products are now prescribed by renowned physicians that indicates their confidence on the uncompromising quality of IPI products. IPI produces its products

maintaining the ethical standards in all its functions and follow WHO-cGMP.

The injection production facilities are comprised of class A (ISO class 5) production area and the adjacent areas are of different classification. The sterile ampoules are filled by high tech machine ROTA (Germany) and powder vial are filled by Flexicon (Denmark).

OPHTHALMIC (SINAVISION)

Ophthalmic products of IPI are marketed under the division named "Sinavision" products. These include ophthalmic drops, ointments and gels. All the Ophthalmic products are manufactured under HVAC System in class-A with background class-B. We have a fully automatic ophthalmic Eye Drops production line including automatic washing,

drying, autoclaving and filling sealing facility. As a result, production capacity with quality as per compliance increased considerably. In view of increased demand of eye drops and eye ointment, IPI Management is in the process of installation of one sophisticated eye ointment filling machine and one high speed eye drop filling machine.



LIQUID PRODUCTS

The IBN SINA is one of the leading manufacturers of Liquid pharma products in Bangladesh. It has five production lines including (1) high speed Auto-Glass bottle Line for Syrups, (2) Auto Antanil production Line, another facility is under installations (3) The pediatric drops & suspension line, and (4) High Capacity two pet bottle filing line. Auto PET bottle, a most sophisticated liquid production line. There have bottle feeding unit, rotary bottle washing unit, big light checking unit,

multi head linear liquid filling unit, capping & sealing unit, light checking unit, auto sticker labeling unit and packing line with auto carton strapping unit. It has a production capacity of 120 - 150 bottles per minutes. Introduction of such big line has increased liquid production capacity considerably.

Another dedicated facility for Gavisol suspension (first time in Bangladesh) is under installation.

POWDER FOR SUSPENSIONS (DS) PRODUCTS

Powder for Suspensions are mainly Antibiotic products intended for children and young patients. We have two separate areas for production of powder for suspension. One for general pharma products and another for cephalosporin products.

TOPICALS & CONSUMER PRODUCTS

Some good popular brands of Topical ointments, cream and gels are produced in IPI factory. These products are manufactured with fully automatic Italian Axomatic lamitube filling machine. The popular brand in this area are Fungicort Cream, Fungin, Fungin-B & Neocort ointment etc. In every year a number of generic products are adding with existing products.



SACHET

Unisaline is a popular brand of IPI for ORS. We have a self-contained separate production facility for sachets, lined with three-sophisticated sachet filling machine. The IPI has already started marketing of most popular Unisaline items like Unisaline Fruity Lemon, Unisaline Fruity Orange & Unisaline Fruity Mango in three difference flavors. Other non ORS Sachet brand is Sinalax, which was introduced in Bangladesh by IBN SINA for the first time.

To meet the increased demand of existing sachet products and for some new brands, IPI has set-up independent sachet production area of existing building and installed a sophisticated high capacity sachet-packing machine from China.

Cephalosporin Division

It is our pride to mention that we have been manufacturing cephalosporin drug products in a self contained dedicated and cGMP compliant plant which has enabled us to meet the international compliance requirement. The plant was constructed as a of the art facility under the direct guidance and consultancy of APC Australia with the aim to get GMP accreditation from TGA.

Centrally located at the company premises, the cephalosporin plant is an aesthetic viewed two storied building having 15000 sft. per floor.

Production facility includes four dedicated zones for the production of micro dosing dry injection vials, Tablets, Capsules and Powder for oral suspension. The full facility has been designed with clean room system, the injection production area being class A/B and the oral dosage production area being class-D. The major production machinery includes Romaco micro dosing line, Italy.

Tablets & Capsules machine from Sejoing Korea and the PFS line from CVC, Taiwan. The popular brands in Cephalosporin division are; Axosin, Cefixim, Sinaceph and Merocef.

Quality Assurance: The Ibn Sina Quality strategy outlines the vision for quality. QA plays an important role for continual improvement following quality risk management system. To extend and improve people's lives, we reliably ensure quality medicines by being a proactive efficient and trusted partner through our high performing teams. Quality Assurance plays a role in system development, controlling and auditing of cGMP practices in the plant. We are trying to continual improvement of process performance and product quality throughout the product life cycle for achieving GMP accreditation from local Drug administration as well as stringent regulatory authorities like MCC, ANVISA, TGA, US-FDA, UK-MHRA etc.



State of the Art, self contained cGMP Cephalosporin Drug Manufacturing plant

QC and Microbiology

A modern and well equipped QC laboratory and a microbiology laboratory have been set up at the first floor of Cephalosporin plant. It ensures product quality, safety, purity and efficacy before release a batch for sale. The microbiology lab includes class A/B clean room and adequate different pressure adjustment. The major QC machinery includes HPLC, TOC from shimadzu, Japan, UV from thermo Scientifics USA, FTIR from Broker, Germany and the major microbiology machines includes incubator from moment, Germany, auto clave from Hirayama, Japan and UV visible microplate reader from Biotech, USA.

Environmental and compliant issues in the production of cephalosporin medicines stands first. A group of qualified trained and experienced persons are engaged in the production and control system of the cephalosporin project. We hope that the plant will be accreditation by TGA which will ultimately lead IPI into international compliance drug manufacturing company.

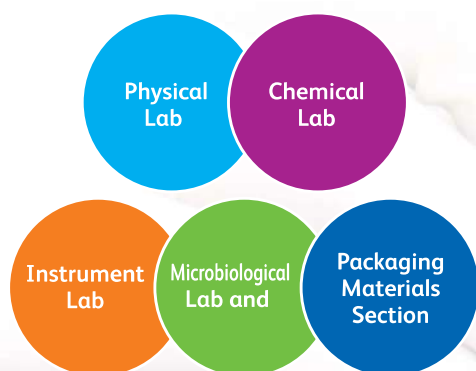


Quality Control (QC) and Quality Assurance (QA)

Our dedication to quality in everything we do is uncompromising, and covers every stage of the development, production, quality control, quality assurance and marketing of our medicines; from the supply of materials through manufacturing and approval. The IBN SINA Pharmaceutical Industry Ltd., impeccable adherence to Good Laboratory Practice (GLP), Good Manufacturing Practice (GMP) and Good Documentation Practice (GDP) is recognized by nationally and internationally as well. The IBN SINA Pharmaceutical Industry Ltd., has three separate production division named General Pharma Division, Cephalosporin Division and Natural Medicine Division. Each division has independent quality assurance and quality control department. All quality assurance and Quality controls are guided by individual management having highly qualified, well trained, motivated and skilled personnel. These departments are independent from production which are directly controlled by Hon'ble Managing Director through Technical Director and Head of Plant.

Quality Control (QC)

It has separate quality control laboratory for each production division. Each laboratory has the following wings-



For conforming the quality of -

- Raw Materials
- Packaging Materials
- Intermediate Products
- Bulk and Finished Products

All laboratories are equipped with modern facilities and sufficient sophisticated equipment.

Quality Assurance

Quality Assurance (QA) is a wide-ranging concept covering all matters that individually or collectively influence the quality of a product. The QA department is responsible for evolving, implementing and monitoring quality assurance activities having an impact on product quality of products.

The IBN SINA quality strategy outlines the vision for quality. QA plays an important role for continual improvement following quality risk management system.

The quality assurance ensures the following:

- Defining the responsibility and authorization of personnel
- Quality Manual
- Standard Operating Procedures (SOPs)
- Ensure Qualified, Trained and Certified personnel
- Quality Risk Management
- Validation of Facility, Equipment and Process
- Calibration of Equipment
- Batch manufacturing record & Batch packaging record
- Process Control
- Change control management
- Deviation management
- Corrective and Preventive Action execution and follow up
- Market complain handling
- Internal Quality Audit
- Annual Product Quality Review
- Implementation of New regulatory requirements
- Learning's from Health Authority Inspections and Audits

To extend and improve people's lives, we reliably ensure quality medicines by being a proactive efficient and trusted partner through our high performing teams. Quality Assurance plays a role in system development, controlling and auditing of cGMP practices in the plant. We are trying to continual improvement of process performance and product quality throughout the product life cycle for achieving GMP accreditation from local Drug administration as well as stringent regulatory authorities like MCC, ANVISA, TGA, US-FDA etc.

Product Development (PD) Department

Product Development is an important wing of The IBN SINA Pharmaceutical Industry (IPI) Ltd. We have two separate PD Departments for Pharma and Natural medicine divisions. Both are enriched with a number of highly qualified and experienced personnel.

The goal of PD Department is to develop innovative, high quality pharmaceutical products in a cost-effective way maintaining its highly ethical issues regarding human health.

Our experienced PD team is dedicated to develop & introduce quality products according to ICH guidelines and continuous improvement of new and existing product for customer satisfaction, environmental change, technology change and other competitors. The inter department liaison of PD with PMD, QA, QC, Purchase & Production helps a successful introduction of a new product to the valued customers.

PD Department is equipped with highly sophisticated machineries and equipments of GMP standard for development of new products in an efficient manner.

PD team ensures following activity

Preformulation study - To select the compatible excipient by checking bio-chemical action and incompatibility of ingredients with API

Pharmaceutical Formulation - To conversion of the formulation of molecules into a Pharmaceutical dosage form (e.g. Tablet, Capsule and Injectables etc.)

Stability Study - As per ICH guide-line, physical, chemical, and microbiological aspects of formulation are checked to confirm the shelf-life of the product

Process Development and Validation - To optimize the manufacturing processes by which the product can be consistently reproduced on a commercial scale

Pharmaceutical Analysis - The development of analytical methods to characterize the Active Pharmaceutical Ingredient including its chemical and physical properties, stability and the presence of impurities.

Reformulation - improvements or changes in manufacturing processes, formulation, or analytical methods to enhance quality as well as cost effectiveness of the product

Preparation of Sample and Documents - Preparation of samples, protocols and other necessary documents for registration of products from Drug Administration (DA). Preparation of BMR, BPR for all products manufactured following cGMP requirements.

Comparative Dissolution Study with Innovator Products- In-vitro dissolution (F2) testing is the prerequisite step for identifying needs for bioequivalence studies which is confirmed by PD

Technology Transfer to Production, QC & QA - After completion of successful development and process validation of a new product, Formulation & Manufacturing instruction, Product specification & Analytical method is then transfer to Production, Quality Control and Quality Assurance for smooth commercial manufacturing.

We are on the way of developing central PD laboratory and Scale-up area for Process Validation for The IBN SINA Pharmaceutical Industry Ltd. having required space with all modern equipments facility.

PD yields around 20-25 new products in health sector every year. This active participation of The IBN SINA Pharmaceutical Industry Ltd. in pharmaceutical sector stands as one of the leading pharmaceutical industries in Bangladesh.

Marketing

Marketing Department is the key in a Pharmaceutical to attain the mission. Marketing team plays a vital role to retain sustainable growth and development. The team works hard to increase the prescription and sales by promoting the products and building strong relationship to the customer.

The work of marketing team is very much challenging and requires skilled effort. That's why a company needs a very efficient and well trained marketing team. Considering this percept, IBN SINA management also emphasizes to develop a unified Marketing Division to meet the market demand. Our Marketing department is enriched with an established, professional, skilled and well equipped marketing team to promote novel ideas and innovative pharmaceutical products.

In addition with this Marketing team, the integrated Marketing Division has its own modern distribution channel to cover the whole Pharmaceutical market within the country, dynamic product management team, skilled market research team and agile indoor marketing services team.

The Product Management Department (PMD) intensifies the marketing activity of field forces by providing intellectual promotional support through its dynamic, skilled and well trained professionals. They also organize seminar and symposium throughout the country to develop strong relationship with doctors and provide relevant clinical papers according to doctor's need.

IBN SINA Pharma Marketing Division also started its journey in herbal section with a few products back in 2008. By this time Natural Medicine Division of the company became reflection of trust providing quality products and services to its valued customers.

The integrated Marketing Division is working efficiently & relentlessly to achieve the company goal.

Product Management Department, Pharma



Product Management Department (PMD) is the core of marketing in a Pharmaceutical company. PMD deals with the strategic planning to tactical activities of marketing of the products at all stages of product lifecycle. PMD plays an important role for setting a product vision, specifying a product strategy and developing a roadmap meeting both company goals and customers demand.

Our PMD enriched with a group of dynamic, innovative, diversified, skilled and well trained professionals. The team plays a crucial role to enrich the product line of the company by launching new and innovative products. It tries to build a robust product pipeline comprising of established brands in growing therapeutic segments for steady business generation and growth of the organization.

PMD carry out marketing activities through market research and strategic planning and execution of that plans to establish brand. It also involved in monitoring products prescription & sales across the country to enhance market share. The team captures new ideas and suggestions as part of the product database which serve as a good source of information for product's evolution.

PMD team intensifies the marketing activity of field forces by providing all promotional materials (literature, pad, sticker, dispensing bag, dongle, banner, festoon etc.), gift, and relevant clinical papers according to doctor's need. They play an important role in some other potential activities such as training of new and existing field forces. They also organize seminar and symposium on diseases, medicines etc. throughout the country to develop strong relationship with doctors and build up image of the company.

In a nutshell, the diverseness of the PMD team helps to maximize sales revenues market share, and profit margins of the company ultimately.

Natural Medicine Division

The IBN SINA Pharmaceutical Industry Ltd. has established a Natural Medicine Division equipped with latest technological supports in 2008 with a view to facilitate best natural therapeutic service to the people. Within a very short time our Natural Medicine has achieved the goodwill and credibility of the medicine professional and consumers for its efficacy and quality.

Production Department

Some new sophisticated production machineries are recently to support the production requirement with quality. e.g. High Speed Tabletcompression Machine, Automatic Laminated tube filling machine, 7 Track sachet filling machine & Automatic sealing machine etc. Some others machineries under procurement for the new upcoming probiotic products.

Quality Control Department

Quality Control and Quality Assurance Department is well furnished and equipped with the valuable machineries in light of the latest technology such as AASP, HPLC, FTIR, TLC, UV-Visible Spectrophotometer, Digital Polari meter, pH meter, Moisture balance etc. Quality Assurance Department ensured and monitored the quality of products in every step. As a result it becomes possible to deliver the quality products up to the customer's level.

Herbarium

There is a standard and well decorated Herbarium Department in the natural medicine factory. Here, a team of efficient manpower is engaged including a qualified taxonomist to preserve different specimen Raw Materials- Plants, Animals and Minerals. Some rare items like Pearls Silver leaves, Ambar, Jafran, Sand fish (Reghmahi) etc. are also preserved in this Herbarium. Besides this, there is a prescribed album with colorful photographs with evidence of some essential plants as well as sufficient number of reference standard samples have been enriched in Herbarium.

Product Development Department

The Product Development Department of IBN SINA Natural Medicine Division plays the pioneer role in healthcare of Bangladesh. There are developing new products to fulfill the new market demand depending on the latest innovation and customers requirement . Very recently some sophisticated instruments have been introduced in the Natural Medicine Product Development laboratory.

Experts on relevant field including PhD professional, other experienced and trained personnel and recognized natural medicine consultant are involving themselves in continuous research and product development.

Marketing Department

Natural Medicine Division

Field forces of NMD stay alert in the market to execute marketing strategies and corporate goals approved by the authority. The young & promising marketing team is working hard to execute marketing strategies and programs to expand market size and increase the profitability of products or services. The marketing division is composed of motivated marketing team, dedicated sales team and experienced & dynamic indoor marketing service team. The dedicated marketing team is trying best to reach our products and services to each and every corner throughout the country under a strong and dynamic leadership.

This department already has established strong customer relationship and created demand of our products among the doctors as well the patients through quality products, sharing scientific information and knowledge based marketing concept. Product Management Department assists the Marketing Department to achieve its goal through organizing scientific seminars, symposia, doctor's conferences, workshops and training programs among newly recruited and existing marketing field forces

The Marketing Department is striving hard in an organized manner with a vision to reach the leading position in Bangladesh Natural Medicine Market.

Product Management Department

Natural Medicine Division

Product Management Department is an organizational lifecycle function within a company dealing with the planning, forecasting and production or marketing of a product or products at all stages of the product lifecycle. The IBN SNA Natural Medicine Division has adopted a well organized Product Management Department comprised of qualified Unani doctors and Pharmacists to achieve the company's goal according to its Mission and Vision. The young dynamic, self motivated and goal oriented Product Management Department is always trying hard to enrich innovative products line.

Product Management Department plans, designs and conducts fruitful scientific seminars, symposia, CME, RTC, doctor's conferences regularly throughout the country for expansion of market size. Product Management Department also provides intellectual & logistic supports to the field forces such as developing training manual, products manual, booklet, publishing Health Magazine and so on. Product Management team also deals with monitoring products wise sales prescription monitoring with objective to increase market size. By introducing new products and innovative promotional works we are trying to achieve qualified and renowned professor's prescription in different medical disciplines. By vigorous promotional works in the mean time we have made some products as OTC brand.

In a word Product Management Department plays the central and core role in marketing department.

Human Resource Department

Success isn't possible without a great team. At The IBN SINA Pharmaceutical Industry Ltd., nurturing and supporting human talent is of utmost priority to us. The company recognizes its Human Resources as a core part of its business sustainability & growth and sustainable growth is only possible if we foster teamwork, develop talent, enhance leadership capability and maximize the potential of our human resources.

Being an Employer of choice, The IBN SINA Pharma has positioned itself with a performance-driven rewarding work culture where employees are treated with respect and receive expanded opportunities to realize their potentials. To ensure long term sustainability, The IBN SINA Pharma emphasizes on skill and merit base recruitment & selection process, highly competitive remuneration packages, sufficient training and development Programs, career growth with succession planning, high performance culture and satisfying working atmosphere where employees are able to escalate their grievance and receive counseling.

The IBN SINA Pharmaceutical Industry Ltd. has been serving for the mankind for last 35 years. Skilled, motivated, multi-talented & devoted personnel, the asset of the company are working in our Pharma Division, Natural Medicine & Cephalosporin Division. Like many areas of the organization finding ways to maximize efficiency and effectiveness is an ongoing priority for our Human Resource Department.

Our people, our asset. Recruiting right man in right place in perfect time is the core strategy of HRD through bias free hiring process. In order to nurture talents, with the help of T&D team, we provide adequate development opportunities to all our people. The safety of our people is of paramount importance and we are committed to establish a culture of health, safety & environment (HSE) excellence in our organization. A well designed Succession planning is used to asses, develop and retain talents. Our people deserve the best of us and hence we focus on our Benefit Policy to ensure our talent receives benefits and allowances. Rewards and Recognitions are given to recognize employees for their excellence in service, loyalty, ideas, dedication to the vision and values of the organization. We pride on being an Equal Opportunity employer and our code of conduct provides clear guidelines that allow us to build a working environment that is productive, enjoyable, safe and free from harassment and discrimination.



Information Technology

Being an ever expanding, leading pharmaceutical company, The IBN SINA Pharmaceutical Industry Ltd. is producing quality products and is making accuracy in every arena applying its up to date Information Technology. The company already introduced an ERP System where Procurement, Inventory, Production, Costing, HR, Admin, Accounts, Marketing, Sales, Survey and Distribution modules are being incorporated. As a result, the management could provide all sorts of budget and could implement their plan accordingly. The company is now able to find out any type of costing, even to produce a single product or a labor hour. Our marketing people is now using mobile apps to make order which in turn is helping distribution people for preparing invoice and receiving payments. The purchase department is procuring materials in advance and production department is producing goods timely since the marketing department provides sales forecast quarterly, half yearly and annually through ERP. The Accounts and Finance department could implement their Capital and Financial budget, allocate Finance and prepare their Financial Statement based on costing and other related factors come out from ERP. HR department is using ERP for recruitment, promotion, increment, leave, attendance, training and development purposes. Finally, the Company Affairs and Admin department implements policies, rules and regulation in the ERP. The management is now able to view any type of report through ERP by a single click only. IT Department is providing all sorts of security to all the servers of the company deploying Firewall, Anti-Virus and up to date Network Device. The department is more concerned about strong backup system for data recovery in any type of digesters.

IT Department is working for more modernization and time benefiting of this system to cope up the growing demand of the competitive challenging markets with the help of expert management of the company.



Global Market

IBN SINA Pharma is committed to improve its position continuously as a leading pharmaceutical company in Bangladesh and strengthen its presence in the global market. With the global vision in mind, the company is now expanding its horizon to several countries in Asia Pacific region, Middle East, Central America & Africa. Currently the company is exploring distributorship, looking for contract manufacturing and in licensing etc. to expand the business worldwide.

With a view to provide healthcare facilities globally, as of now, IBN SINA Pharma is having its overseas marketing network in Myanmar, Cambodia, Philippines, Sri Lanka, Vietnam, Somalia, Kenya, Mali, Afghanistan, Yemen, and Sierra Leone. The company is also in the process of receiving regulatory approvals and exploring business opportunities in more countries including Laos, Zimbabwe, Ethiopia, Guatemala, Nepal, Bhutan etc.



34th Annual General Meeting

The 34th Annual General Meeting of the The IBN SINA Pharmaceutical Industry Ltd. was held on 22 November, 2018 at EmmaNuelle's Convention Center, Shimanto Square Market (Rifles Square), Dhanmondi, Dhaka. A good number of Shareholders attended the AGM. Mr. Shah Abdul Hannan, Chairman of the Board, presided over the meeting. After recitation from the Holy Quran, the Annual General Meeting was started by the welcome address to the shareholders by the Chairman.

The Annual General Meeting is a forum through which the shareholders are informed of company's activities and progress. The Chairman of the meeting invited comments on Directors' Report and Audited Financial Statements for the year ended 30 June, 2018. In the question and answer session, shareholders were encouraged to ask questions before approving any specific recommendations. The shareholders expressed their views on the important activities of the company, its success and progress in the competitive local and overseas markets.

The Managing Director Prof. Dr. A.K.M. Sadrul Islam thanked the shareholders for their constructive suggestions for the sustainable improvement of the Company. Strategies and future vision of the company had also discussed. Shareholders put up valuable recommendations which were discussed and scrutinized in the Subsequent Board Meeting and proper actions had duly been taken. The meeting approved 10% Stock Dividend and 30% Cash dividend as against per share of Tk. 10/- each for the year 2017-18.

Photo Gallery



The Company being awarded by ICSB for "Best Presented Annual Report" in 2017.

Donation Cheque is being provided to the Bangladesh Sromik Kallyan Foundation, Ministry of Labour and Employment, Govt. of Bangladesh.



Partial view of the shareholders in the 34th AGM of the Company.

Farewell Tribute to the retired officers and employees by Company Management.



Photo Gallery

Managing Director of the Company delivering his speech in the inaugural session of "Regional Conference 2019".



Scientific Seminar on "Natural Medicine; A Global Perspective"

Shareholders registering their name in the registration booth of 34th AGM.



As part of Annual Training Manual in-house training program is going on.

The IBN SINA Pharmaceutical Industry Ltd.
Declaration by Managing Director and Chief Financial Officer

Date: 19 September 2019

The Board of Directors
The IBN SINA Pharmaceutical Industry Ltd.
Tanin Center, 3 Asadgate, Mirpur Road
Mohammadpur, Dhaka-1207

Subject: Declaration on Financial Statements for the year ended on 30 June 2019.

Dear Sirs,

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

- (1) The Financial Statements of The IBN SINA Pharmaceutical Industry Ltd. for the year ended on 30 June 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 30 June 2019 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Prof. Dr. A.K.M. Sadrul Islam
Managing Director



Md. Jasim Uddin FCA
Chief Financial Officer



THE FINANCIAL STATEMENTS



**INDEPENDENT AUDITORS' REPORT
 TO**

THE SHAREHOLDERS OF THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **The IBN SINA Pharmaceutical Industry Ltd.**, which comprise the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view in all material respects of the financial position of the Company as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in notes 1 to 47.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	How our audit addressed the key audit matters
<p>Revenue</p> <p>The company has reported a revenue of Taka 5,263,963,344 for the year ended 30 June 2019.</p> <p>Following the first-time application of the new revenue recognition standard (IFRS 15, Revenue from Contracts with Customers), the company adopted its accounting policies.</p> <p>Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service.</p> <p>Goods are considered as transferred 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 of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).</p>	<p>Our procedures included obtaining an understanding of management's revenue recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue accounting policy as disclosed in Note- 3.4 and 24 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards.</p> <p>For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.</p> <p>With regard to the implementation of IFRS 15 we verified management's conclusion from assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures.</p>



Key Audit Matters	How our audit addressed the key audit matters
<p>See note no 3.4 and 24 to the financial statements</p>	<p>These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We performed enquiries with management to understand their risk assessments and inspected meeting minutes to identify relevant changes in their assessments and estimates.</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <p>Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</p> <p>We conducted substantive testing of revenue recorded over the year using sampling techniques by examining the relevant supporting documents including sales invoices and depot wise sales bank reconciliation report, bank statement and also, we confirmed selected customers' receivable balances at the balance sheet date, selected on a sample basis by considering the amount outstanding with those customers.</p> <p>We specifically put emphasis on those transactions occurring close before or after the balance sheet date to obtain sufficient evidence over the accuracy of cut-off.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>
Valuation of Inventory	
<p>The Company had inventory of Taka 522,185,354 at June 30, 2019, held in different depot, warehouses and across multiple product lines.</p> <p>Inventories consisting of raw materials, work in progress and finished goods are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.</p> <p>Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value.</p>	<p>We tested the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> ● evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of, factory production house, warehouse, and sales depots; ● evaluating internal controls to monitor or keep track of Inventory movement; ● attending inventory count on 30 June 2019 and reconciling the count results to the inventory listings to test the completeness of data; ● comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; ● reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; ● challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow moving/obsolete stock are valid and complete.



Key Audit Matters	How our audit addressed the key audit matters
<p>Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. See note no 3.7 and 08 to the financial statements</p>	<ul style="list-style-type: none"> ● evaluating the correctness of the batch wise costing of final products; ● evaluating the correctness of the valuation of raw materials and packing material as per weighted average method; ● reviewing the calculation of standard labor hours and their regular comparison with actual labor hours of production; and reviewing the process of valuing Work-in-progress.
<p>Measurement of deferred tax Liability</p>	
<p>Company reported net deferred tax liability totaling Taka 79,884,252 as at 30 June 2019. Significant judgement is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years. See note no 3.16(b) and 18 to the financial statements</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</p> <p>We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</p> <p>We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</p> <p>We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
<p>Valuation of defined benefits obligation</p>	
<p>The Company operates a defined benefit schemes which in total are significant in the context of the overall financial position. At year end the company reported a net defined benefits scheme liability of Taka 70,133. The company had a opening balance of liability Taka 17,252,564 and paid during the year Taka 54,608,676.</p> <p>Liability for gratuity is provisioning on the presumption that all the employees are retiring on the balance sheet date rather than actuarial calculation of the gratuity. Therefore, valuation of the benefits payable provision is considered as a key audit matter.</p> <p>See note no 3.11(b) and 17 to the financial statements</p>	<p>Our audit procedures included updating our understanding of the business processes followed by the Company for accounting and valuing their defined benefit plan.</p> <p>We obtained sufficient audit evidence to conclude that the inputs and methodologies used to determine the liability for defined benefit plan.</p> <p>We assessed the design and operating effectiveness of the Company's key controls supporting the identification, measurement and oversight of valuation of the defined benefits payable provision.</p> <p>We examined the basis on which gratuity is payable to the employee and is worked out the liability for gratuity on the presumption that all employees retire on the balance sheet date.</p> <p>We ensured that the basis of computing gratuity is valid; verify the computation of liability on aggregate basis.</p> <p>Employee data used in calculating obligation is also tested and appropriateness and presentation of disclosures against IAS 19: Employee Benefits were assessed.</p>



We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other Information

Management is responsible for the other information. The other information comprises all the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRSs as explained in note 02 and 03, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business for the year.

Dated, Dhaka;
19 September, 2019


S. F. Ahmed Co.
S. F. Ahmed & Co.
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

		AMOUNT IN TAKA	
		30 June 2019	30 June 2018
	Notes		
Assets			
Non-current assets			
Property, plant and equipment	4	1,684,778,351	1,409,800,123
Capital work-in-progress	5	139,187,479	152,905,372
Investment in marketable securities	6	4,878,355	4,415,580
Investment in associate	7	35,402,449	14,853,620
		1,864,246,635	1,581,974,696
Current assets			
Inventories	8	522,185,354	465,017,832
Trade and other receivables	9	22,585,997	18,050,445
Advances, deposits & prepayments	10	248,500,644	206,679,519
Cash and cash equivalents	11	170,953,223	170,014,165
		964,225,217	859,761,961
Total assets		2,828,471,852	2,441,736,657
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	12	312,436,270	284,032,980
Tax holiday reserve	13	4,392,110	4,392,110
Unrealised gain on marketable securities	14	(126,137)	(156,978)
Retained earnings	15	1,161,594,152	938,940,466
		1,478,296,395	1,227,208,578
Liabilities			
Non-current liabilities			
Long term finance	16	125,909,408	81,245,727
Retirement benefit obligations	17	70,133	17,252,564
Deferred tax liability	18	79,884,252	53,493,557
		205,863,793	151,991,847
Current liabilities			
Short term finance	20	542,029,553	552,022,978
Current portion of long term finance	21	23,572,102	14,786,265
Trade and other payable	22	406,113,163	346,935,910
Provision for corporate tax	23	172,596,846	148,791,079
		1,144,311,664	1,062,536,232
Total shareholders' equity and liabilities		2,828,471,852	2,441,736,657
Net assets value (NAV) per share (adjusted NAV of 2017-18)	33.2	47.32	39.28

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



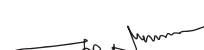
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Signed in terms of our report of even date annexed

Dated, Dhaka;
19 September, 2019



S. F. Ahmed & Co.
Chartered Accountants

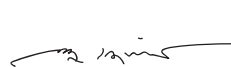
THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2019

		AMOUNT IN TAKA	
		01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
	Notes		
Revenue	24	5,263,963,344	4,657,350,011
Cost of goods sold	25	(3,102,151,141)	(2,764,720,036)
Gross profit		2,161,812,203	1,892,629,975
Operating expenses		(1,672,915,230)	(1,486,797,324)
Administrative expenses	27	(132,265,190)	(119,348,734)
Selling & distribution expenses	28	(1,540,650,041)	(1,367,448,590)
Operating profit		488,896,972	405,832,651
Financial charges		(14,738,885)	(35,856,327)
Other income	29	2,376,777	221,901,479
Net profit from operation		476,534,864	591,877,802
Workers' profit participation fund and welfare fund	30	(22,692,136)	(28,184,657)
Share of associate profit/(loss)		(1,701,171)	(2,269,527)
Profit before tax		452,141,557	561,423,618
Income tax expenses			
Current tax	31	(89,487,419)	(103,964,069)
Deferred tax income/(expense)	19	(26,387,269)	(5,162,835)
		(115,874,687)	(109,126,904)
Net profit after tax		336,266,870	452,296,714
Other comprehensive income			
Change in fair value of marketable securities	32	34,268	(174,420)
Deferred tax		(3,427)	17,442
Total other comprehensive income for the year		30,841	(156,978)
Total comprehensive income for the year		336,297,711	452,139,736
Earnings per share (EPS) (adjusted EPS of 2017-18)	33.1	10.76	14.48
Number of Shares used to Compute EPS		31,243,627	31,243,627

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



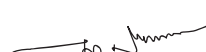
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Signed in terms of our report of even date annexed

Dated, Dhaka;
19 September, 2019



S. F. Ahmed & Co.
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

Amount in Taka

Particulars	Paid up Capital	Tax Holiday Reserve	Unrealised gain on marketable securities	Retained Earnings	Total
Balance as at 01 July 2018	284,032,980	4,392,110	(156,978)	938,940,466	1,227,208,578
Total Comprehensive Income/(Loss)-2018-2019	-	-	30,841	336,266,870	336,297,711
Dividend for the year 30 June 2018 (Cash -30%)	-	-	-	(85,209,894)	(85,209,894)
Dividend for the year 30 June 2018 (Stock -10%)	28,403,290	-	-	(28,403,290)	-
Balance as at 30 June 2019	312,436,270	4,392,110	(126,137)	1,161,594,152	1,478,296,395

Balance as at 01 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)-2018	-	-	(156,978)	452,296,714	452,139,736
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 30 June 2018	284,032,980	4,392,110	(156,978)	938,940,466	1,227,208,578


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Signed in terms of our report of even date annexed

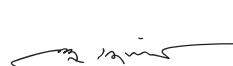
Dated, Dhaka;
19 September, 2019

S. F. Ahmed & Co.
S. F. Ahmed & Co.
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

		AMOUNT IN TAKA	
Notes		01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
	Cash flows from operating activities		
	Received from revenue and others	5,259,427,792	4,652,515,092
	Payment for operating expenses & others	(4,689,238,564)	(4,337,509,651)
	Miscellaneous income	680,313	37,875
	Cash generated from operations	570,869,540	315,043,316
	Cash payment for income tax	(122,765,719)	(86,775,565)
	Payment for financial charges	(14,738,885)	(35,856,327)
	Net cash provided by operating activities	433,364,937	192,411,424
33.4			
	Cash flows from investing activities		
	Acquisition of property, plant and equipment	(389,730,586)	(532,619,231)
	Proceeds from sales of motor vehicles	-	2,703,300
	Investment	(20,977,337)	276,598,589
	Dividend received/IBBI-MPB	-	397,494
	Received from bank deposits	2,471,655	2,861,176
	Net cash used in investing activities	(408,236,268)	(250,058,673)
	Cash flows from financing activities		
	Payment of dividend	(66,456,496)	(60,735,273)
	Long term finance received/(paid) from bank (Net)	44,663,681	(148,250,220)
	Short term finance received/(paid) from bank (Net)	(1,207,588)	239,998,048
	Net cash flow from financing activities	(23,000,403)	31,012,554
	Increase/(decrease) in cash and cash equivalents	2,128,266	(26,634,694)
	Cash and cash equivalents at the opening	170,014,165	197,423,176
29	Foreign exchange fluctuation gain/(loss) on FCAD ERQ accounts	(1,189,209)	(774,317)
	Cash and cash equivalents at the closing	170,953,223	170,014,165
	NOCFPS (adjusted NOCFPS of 2017-18)	13.87	6.16
33.3			

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



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Signed in terms of our report of even date annexed

Dated, Dhaka;
19 September, 2019

S. F. Ahmed & Co.
S. F. Ahmed & Co.
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2019

1. Reporting entity

1.1 The company

The IBN SINA Pharmaceutical Industry Ltd. (the "Company") was incorporated in Bangladesh on 22 December 1983 under the Companies Act, 1913 (replaced by the Companies Act 1994) and it was converted into a Public Limited Company in 1989.

The registered office of the company is at Tanin Center, 3 Asad Gate, Mirpur Road, Mohammadpur, Dhaka-1207. The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

1.2 Nature of business

The Company involves in production of pharmaceutical drugs and natural medicines and selling them in both local and international market.

1.3 Associate companies

The IBN SINA Consumer Products Ltd.

The IBN SINA Consumer Products Ltd. was incorporated in Bangladesh on 14 January 2016 under the Company Act, 1994. The Company involves in production, processing, storing and other related activities of consumer and agricultural products.

2. Basis of preparation of financial statements

2.1 Statement on compliance

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

2.2 Other regulatory compliances

The Company is also required to comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- The Income Tax Ordinance 1984
- The Income Tax Rules 1984
- The Value Added Tax Act 1991
- The Value Added Tax Rules 1991

- The Drugs Act 1940 and the Drug Rules 1946
- The Drugs (Control) Ordinance 1982
- The Customs Act 1969
- The Stamp Act 1899
- The Bangladesh Securities and Exchange Commission Act 1993
- The Bangladesh Securities and Exchange Commission Rules 1987
- DSE/CSE Rules
- Listing Regulations, 2015
- Bangladesh Labour Act, 2006 (as amended to 2013)

2.3 Authorization for issue

The financial statements were authorized for issue by the Board of Directors in its meeting held on 19 September 2019 for publication.

2.4 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

2.5 Accrual basis of accounting

The IBN SINA Pharmaceutical Industry Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.

2.6 Presentations of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements. The financial statements comprise of:

- (a) Statement of Financial Position as at 30 June 2019
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019
- (c) Statement of Changes in Equity for the year ended 30 June 2019
- (d) Statement of Cash Flow for the year ended 30 June 2019
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

2.7 Functional and presentation currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.8 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards requires 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. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

2.9 Investment in associates

An entity in which an investor has significant influence, but which is neither a subsidiary nor an interest in a joint venture is classified as Investment in Associates. Equity Method accounting has been followed to recognize and measure the investment in associates in accordance with International Accounting Standard (IAS) 28 "Investments in Associates. The IBN SINA Pharmaceuticals holds 40% of its associate's (The IBN SINA Consumer Product Limited) equity shares as at year end.

2.10 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.11 Going concern assumption

The financial statements are prepared on the basis of going concern assumption. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

2.12 Reporting period

The reporting period of the company covers 12 (twelve) months from 01st July 2018 to 30th June 2019.

2.13 Comparative information

Comparative information has been disclosed in respect of 2017-2018 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been re arranged wherever considered necessary to ensure comparability with the current period.

3. Significant accounting policies

3.1 Property, plant and equipment

Recognition and measurement

An item shall be recognized as property, plant and equipment's if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Items of property, plant and equipment's are measured at cost less accumulated depreciation as per IAS 16: Property, Plant and Equipment.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for term debt availed for the construction/ Implementation of the PPE, if the recognition criteria are met.

The cost of self-constructed assets includes the cost of material and direct labor and other costs directly attributable to bringing the assets to a working condition inclusive of inward freight, duties and non-refundable taxes for their intended use.

Subsequent costs

The subsequent expenditure is only capitalized as part of assets when the useful life or economic benefit or both of that asset is increased provided that it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of day to day servicing of property, plant and equipments are recognized in the Statement of Profit or loss and other comprehensive income as 'Repair and Maintenance' when it is incurred.

Depreciation on non-current assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provision of IAS 16 "Property, Plant and Equipment". Depreciation is charged on additions made during the year from the month in which those assets are put into ready for use. Depreciation is charged on all the fixed assets except land and land development on reducing balance method at the following rates.

Particular of Assets	Rate of Depreciation
Building	2.5%
Plant & Machinery	10%
Internal Road	10%
Installations	10%
Equipment	10%
Computers	30%
Furniture & Fixtures	10%
Motor vehicles	20%
Spare & Loose Tools	30%
Library Books	30%
Temporary Construction	30%

Depreciation methods, useful lives and residual values are reviewed after each reporting period. Depreciation rate Spare & Loose Tools, Library Books, Temporary Construction was revised during current reporting period due to change in nature of use and revised estimation regarding useful life of the assets. Last year depreciation rate for Spare & Loose Tools, Library Books and Temporary Construction was 20%, 10% and 20% respectively. No estimate other than the those mentioned in this paragraph in respect of Property, Plant and equipment was revised during the year.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

Disposal of property, plant and equipment

An item of Property, Plant and Equipment is removed from the statement of financial position when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of Property, Plant and Equipment is included in the statement of income of the period in which the de-recognition occurs.

Capital work in progress

Property, plant and equipment under construction / acquisition have been accounted for as capital work-in-progress until construction / acquisition is completed and measured at cost.

3.2 Intangible assets and research and development expenditures

Intangible assets are stated at cost less provisions for amortization and impairments, if any. License, patents, know-how and marketing rights acquired are amortized over their estimated useful lives, using the straight line basis, from the time they are available for use. The cost of acquiring and developing computer software for internal use and internet sites for external use are capitalized as intangible assets where the software or site supports a significant business system and the expenditure leads to the creation of a durable asset.

In compliance with the requirements of IAS 38 "Intangible Assets", research, development and experimental costs are usually absorbed as revenue charges as and when incurred. However, the research and development expenditures that is definite to yield benefit to the Company and is material in the Company's and/ local context, are capitalized as per IAS-38.

3.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of

interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

3.4 Revenue

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard 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
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods is considered as transferred 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 of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

Sale of goods

Revenue from the sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Profit on bank deposits

Profit on bank deposits have been accounted on accrual basis.

Dividends

Revenue is recognised when the company's right to receive the payment is established, which is generally the date when shareholders approve the dividend.

3.5 Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the company's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) - debt investment; Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a. it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- a. it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair

value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss. Trade receivables are classified as financial assets measured at amortised cost.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortised cost consist of trade receivables, cash and cash equivalents, and corporate

debt securities. The company measures loss allowances at an amount equal to ECL from trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on The company's historical experience and informed credit assessment and including forward-looking information.

The company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the company in full, without recourse by The company to actions such as realizing security (if any is held).

Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Impairment losses related to trade receivables and others, including contract assets, are presented separately in the notes to the financial statement.

3.6 Impairment

i) Financial assets

The Company recognizes loss allowances for Expected Credit Losses ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Loss allowances measured at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

ii) Non-financial assets

The carrying amounts of the Company's non-financial assets (other than inventories) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.7 Inventories

Inventories consisting of raw materials, work in progress, finished goods are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for

damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.8 Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and with banks on current accounts, deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.9 Earnings Per Share (EPS)

Earnings Per Share (EPS) are calculated in accordance with the International Accounting Standard IAS- 33 "Earnings Per Share".

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the entity by the weighted average number of ordinary shares outstanding during the year. The Basic EPS of previous year has been restated to adjust the effect of bonus issue of shares during the year.

Diluted earnings per share

For the purpose of calculating diluted earnings per shares, an entity adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Diluted EPS is only calculated where the company has commitment to issue ordinary share in future at reporting date. No such commitment is hold by company at reporting date.

3.10 Foreign currency transactions

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates.

- Foreign currency monetary items are translated using the closing rate.
- Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

Amount in FCAD ERQ Account and any other foreign currency balance have been translated into taka at the reporting date at the exchange rate prevailing on that date and gain/(loss) have been accounted for as other income/(loss) in statement of profit or loss and comprehensive income.

3.11 Employee benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. Both of the plans are funded and are recognised/approved under Income Tax Ordinance 1984 from National Board of Revenue (NBR).

(a) Defined contribution plan (provident fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contribution to defined contribution plans are recognised as an employee benefit expense in profit or loss in the period during which related services are rendered by employees. Advance contributions are recognised as an asset to the extent that a cash refund or a reduction in future payment is available.

The IBN SINA Pharmaceutical Industry Ltd. has a separate recognised provident fund scheme. All permanent employees of The IBN SINA Pharmaceutical Industry Ltd. contribute 10% of their basic salary to the provident fund and the company makes matching contributions.

The company recognises contribution to defined contribution plan as an expense when an employee has rendered related services in exchange for such contribution. The legal and constructive obligation is limited to the amount The IBN SINA Pharmaceutical Industry Ltd. agrees to contribute to the fund.

(b) Defined benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligation is to provide the agreed benefits to current and former

employees. The net defined benefit liability/(asset) in respect of a defined benefit plan is recognised in the statement of financial position.

Current service cost, past service cost and gain/loss on settlement and net interest on the net defined benefit liability/(asset) are recognized in profit or loss.

Service cost and gain/loss on settlement are classified as personnel expense and net interest on the net defined benefit liability (asset) is classified as financial expense.

The gratuity is calculated for all the employees prescribed by the rates as per Labor Act 2006 (as amended to 2013) for their service with the company. The gratuity fund is administered by the Board of Trustees.

Superannuation Fund

The company has established a Superannuation Fund in the year 2013 to extend financial help to the employees and their family members as per rules in case of severe diseases, physical disability, death and retirement. During the year from 1st July 2018 to 30th June 2019 Company contributed an amount of Tk. 3,700,000 (Thirty-Seven Lacs) to the Fund and will continue its support in the coming days.

Workers' Profit Participation Fund (WPPF)

The Company provides 5% of its profit before Tax after charging contribution to WPPF in accordance with Bangladesh Labour Act, 2006 (as amended to 2013)

(c) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

3.12 Accruals, provisions and contingencies

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

(b) Provisions

A provision is recognised in the statement of financial position 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 expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provision to be

reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. During the reporting year the company has made sufficient provisions where applicable.

(c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. At the reporting date the company does not have any contingent asset.

Contingent liabilities and assets are not recognised in the statement of financial position of the company.

3.13 Operating Segments

No geographical segment reporting is applicable for the Company as required by IFRS 08: Operating Segments, as the Company operates in a single geographical area and has a single business line of product i.e. manufacturing and selling of medicine.

3.14 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 generating from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.15 Related party disclosures

As per International Accounting Standards IAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the

other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note 36.

3.16 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity in accordance with IAS 12: Income Tax.

(a) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period was 25% as a publicly traded company.

(b) Deferred tax

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with other comprehensive income is recognized as tax relating to other comprehensive income within the statement of profit or loss and other comprehensive income.

Taxable Temporary difference

A deferred tax liability is recognised for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Revaluations to fair value-Investment in marketable securities

The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between carrying amount and tax base. An upward revaluation is therefore given rise to a deferred tax liability.

Deductible temporary difference

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition

of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

3.17 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements as per International Accounting Standards IAS-10: 'Events after the Reporting Period'.

All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed.

3.18 Risk exposure

Interest rate risk

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

Management perception

The Company maintains low debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

Exchange rate risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management perception

Management is optimistic about growth opportunity in

pharmaceutical sector in Bangladesh. Furthermore, there is untapped international market.

Market risks

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

Management perception

Management is fully aware of the market risk, and act accordingly. Market for pharmaceuticals, drugs and medicines in Bangladesh is growing at an exponential rate. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The Company hedges such risks in costs and prices and also takes preventive measures therefore.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Management perception

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

3.19 Compliance with financial reporting standards as applicable in Bangladesh

The Company as per Para-12 of Securities & Exchange Rule-1987, with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	17	Leases	Not Applicable
9	19	Employee Benefits	Complied
10	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
11	21	The Effects of Changes in Foreign Exchange Rates	Complied
12	23	Borrowing Cost	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
15	27	Separate Financial Statements	Not Applicable
16	28	Investments in Associates and joint ventures	Complied
17	29	Financial Reporting in Hyperinflationary Economics	Not Applicable
18	31	Interest in Joint Ventures	Not Applicable
19	32	Financial Instruments: Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	Complied
25	40	Investment Property	Not Applicable
26	41	Agriculture	Not Applicable

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Not Applicable
2	2	Share-based Payment	Not Applicable
3	3	Business Combinations	Not Applicable
4	4	Insurance Contracts	Not Applicable
5	5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
6	6	Exploration for and Evaluation of Mineral Resources	Not Applicable
7	7	Financial Instruments: Disclosures	Complied
8	8	Operating Segments	Complied
9	9	Financial Instrument	Complied
10	10	Consolidated Financial Statements	Not Applicable
11	11	Joint Arrangements	Not Applicable
12	12	Disclosure of Interests in other Entities	Complied
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	Not Applicable
15	15	Revenue from Contracts with Customers	Complied

3.20 Changes in significant accounting policies

Except for the changes below, the Company has consistently applied the accounting policies to all periods presented in these financial statements.

The Company has initially adopted IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments from 1 July 2018.

There is no impact on financial statements on initial application of the standards.

IFRS 15 Revenue from contracts with customers

"IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

The Company has adopted IFRS 15 Revenue from Contracts with Customers retrospectively to each prior period presented in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors from 1 July 2018. The adoption of this standard had no impact on the Company's financial statements.

IFRS 9 Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and Other Comprehensive Income (OCI).

Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI (Fair Value Through OCI) and FVTPL (Fair Value Through Profit and Loss). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities.

For an explanation of how the Company classifies and measures financial instruments and accounts for related gains and losses under IFRS 9, see note 3.5.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 01 July 2018.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 01 July 2018 relates solely to the new impairment requirements.

	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets				
Trade and other receivables,	Loans and receivables	Amortised cost	18,050,445	18,050,445
Cash and cash equivalents	Loans and receivables	Amortised cost	170,014,165	170,014,165
Total			188,064,610	188,064,610
Financial liabilities				
Trade and other payables	Other financial liabilities	Other financial liabilities	346,935,910	346,935,910
Total			346,935,910	346,935,910

Trade and other receivables that were classified as loans and receivables under IAS 39 are now classified at amortised cost. No material impact to the primary financial statements has arisen on the adoption of IFRS 9 and the Company has not restated prior periods on adoption of IFRS 9.

The following table reconciles the carrying amounts of financial assets under IAS 39 to the carrying amounts under IFRS 9 on transition to IFRS 9 on 01 July 2018.

	IAS 39 carrying amount at 30 June 2018	Re-measurement	IFRS 9 carrying amount at 01 July 2018
Financial Assets			
Trade and other receivables			
Brought forward: Loans and receivables	18,050,445	-	18,050,445
Re-measurement			
Carried forward			
Cash and cash equivalents			
Brought forward: Loans and receivables	170,014,165	-	170,014,165
Re-measurement			
Carried forward			
Total	188,064,610	-	188,064,610

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39 - see Note 3.5.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. Credit risk is minimised due to the quality and short-term nature of the Company's trade receivables as well as the fact that the exposure is spread over a large number of customers.

As detailed in note 3.5, no material impact to the primary financial statements has arisen on the adoption of IFRS 9 and the Company has not restated prior periods on adoption of IFRS 9.

3.21 Standards issued but not yet effective

In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this adoption does not have any impact on the financial statements of the Company for annual periods beginning on or after 1 January 2018.

A number of new standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

Of those standards that are not yet effective, IFRS 16 is expected to have a material impact on the Company's financial statements in the period of initial application.

IFRS 16 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying

asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 January 2019. Although early adoption is permitted, the company has not early adopted IFRS 16 in preparing these financial statements.

The most significant impact identified is that, the company will recognise new assets and liabilities for its operating leases of corporate offices and sales depot. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognized.

The company has no finance leases.

As a lessee, the company plans to apply IFRS 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

The company also plans to apply IFRS 16 to all contracts entered into before 1 July 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

The company is currently assessing the impact of initially applying the standard on the elements of financial statements.

	AMOUNT IN TAKA	
	30 June 2019	30 June 2018
4. Property, plant and equipment		
Cost/Revaluation		
Opening balance	2,006,554,756	1,606,348,997
Addition during the year	403,448,480	406,328,044
Disposal/adjustment during the year	-	(6,122,286)
Closing balance	2,410,003,235	2,006,554,756
Accumulated depreciation		
Opening balance	596,754,632	490,016,499
Charged during the year	128,470,252	112,239,130
Disposal/adjustment during the year	-	(5,500,997)
Closing balance	725,224,884	596,754,632
Closing balance of written down value (WDV)	1,684,778,351	1,409,800,123
Details of fixed assets have been shown in Annexure - A .		
5. Capital work-in-progress		
a. Construction work-in-progress (building)		
Opening balance	44,776,558	26,614,186
Add: Addition during the year	7,920,416	18,162,372
	52,696,974	44,776,558
b. Machinery in transit	86,490,505	108,128,815
Closing balance (a+b)	139,187,479	152,905,372

A new building is being constructed in the factory premises located in Shafipur Gazipur to increase the overall production capacity of The IBN SINA Pharmaceutical Industry Ltd. The amount in machinery in transit represents the amount for opening the LC for the procurement of Factory machineries for newly constructed factory building and increasing production capacity for existing factory which are not received yet by the company.

6. Investment in marketable securities		
Exim Bank Limited	497,200	-
Islami Bank Bangladesh Ltd. (IBBL)-Mudaraba Perpetual Bond (MPB)	4,381,155	4,415,580
	4,878,355	4,415,580

The above investment in marketable securities are designated as Fair value through OCI (FVTOCI) by the management. These are measured at fair value and presented as non-current asset. Unrealized gain/(loss) from the above investment were recognized in other comprehensive income. The shares of EBL and IBBL-MPB are listed in Dhaka Stock exchange and Chittagong Stock exchange. The whole investment in shares of both the companies are in DSE only. The market value of each share of EBL and IBBL-MPB was at Tk. 11.3 and Tk. 954.50 on the reporting date June 30, 2019.

Details has been shown in Annexure B

7. Investment in associate		
Opening balance	17,750,000	9,750,000
Add: Addition during the year	22,250,000	8,000,000
	40,000,000	17,750,000
Opening retained earnings	(2,896,380)	(626,853)
Add: Current year loss	(1,701,171)	(2,269,527)
	35,402,449	14,853,620
Proportion of ownership	40%	40%

AMOUNT IN TAKA

08. Inventories

	30 June 2019	30 June 2018
Raw materials	131,765,057	116,704,856
Packing materials	68,796,884	88,525,184
Work-in-process	56,841,205	53,384,884
Finished goods	136,813,352	97,791,850
Physicians' samples	2,492,660	2,012,359
Pad & literature	1,692,200	1,282,397
Spares & stores	142,100	104,937
Indirect materials	214,100	173,749
Printing & stationery	187,451	166,982
Laboratory chemicals	158,332	143,811
Material in Transit	123,082,013	104,726,823
	522,185,354	465,017,832

09. Trade and other receivables

Trade receivables	22,171,979	17,652,951
Other receivable	414,018	397,494
	22,585,997	18,050,445

Amount are receivables from customers mainly different hospitals, medical colleges, clinics, diagnostic centers. No amount was due by the directors (including the Managing Director), managers and other officers of the company or any of them either severally or jointly with any other person.

10. Advances, deposits & prepayments

a. Advances against

Salary	3,447,738	3,354,298
Expenses/works/others	6,069,154	5,778,044
Depot rent	8,481,875	8,476,125
Motor cycles-to employees	7,538,283	7,440,710
Income tax	197,645,296	140,561,229
Head office rent	11,661,000	11,661,000
Others	437,382	318,874
	235,280,728	177,590,280

b. Deposits

Security money	12,595,627	12,691,203
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c. Pre payments

Value Added Tax	624,288	16,114,765
Insurance premium	-	283,271
	624,288	16,398,036
	248,500,644	206,679,519

AMOUNT IN TAKA

11. Cash & cash equivalents

This consists of:

- a. Cash in hand
 b. Cash at banks Note: 11.1
 c. Imprest cash

30 June 2019	30 June 2018
2,533,060	2,022,096
158,670,163	161,089,296
9,750,000	6,902,773
170,953,223	170,014,165

11.1 Cash at banks with

- a. With Islami Bank Bangladesh Ltd.
 In SND Accounts
 In MSA Accounts
 In FCAD ERQ Accounts
 b. With Al-Arafah Islami Bank Ltd. in SND Accounts
 c. With Prime Bank Ltd. in Current Account (Islamic banking branch)
 d. With Shimanto Bank Ltd. in SND Account
 d. With Shahjalal Islami Bank Ltd. in Current Account
 e) With First Security Islami Bank Ltd. in SND Accounts
 f) With Sonali Bank Ltd. in ERQ Account
 g) With Sonali Bank Ltd. in STD Account

53,725,223	94,754,908
705,450	652,984
2,294,260	2,119,091
64,409,542	9,719,329
29,741	31,235
18,045	19,425
9,916	9,916
9,326,872	19,404,430
520,520	358,344
27,630,595	34,019,634
158,670,163	161,089,296

12. Share capital

Authorized capital

50,000,000 ordinary shares of Tk. 10 each

Issued, subscribed & paid-up

31,243,627 ordinary shares as on 30 June 2019 and

28,403,298 ordinary shares as on 30 June 2018 of

Tk. 10 each fully paid up in cash.

500,000,000	500,000,000
312,436,270	284,032,980

Categories of shareholders	Number of shareholders	Number of shares	2018-19	2017-18
			holding %	holding %
Sponsors	1	13,693,312	43.83%	43.83%
Institutions	227	5,971,697	19.11%	17.39%
General Public	11,520	11,578,618	37.06%	38.78%
	11,748	31,243,627	100.00%	100.00%

The distribution schedule showing the number of share holders and their share holdings as on 30.06.2019 are as follows:

Range of holdings	No. of Holders	Total Holdings	Percentage
Less than 500 shares	8,618	1,901,442	6.09%
500 to 5,000 shares	2,667	3,981,883	12.74%
5,001 to 10,000 shares	233	1,652,033	5.29%
10,001 to 20,000 shares	120	1,664,300	5.33%
20,001 to 30,000 shares	45	1,064,083	3.41%
30,001 to 40,000 shares	19	658,092	2.11%
40,001 to 50,000 shares	16	701,355	2.24%
Above 50,000 shares	30	19,620,439	62.80%
	11,748	31,243,627	100.00%

The shares are listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The shares were quoted at Tk. 264.10 in the Dhaka Stock Exchange Limited and at Tk. 263.60 in the Chittagong Stock Exchange Limited on 30.06.2019 respectively.

	AMOUNT IN TAKA	
	30 June 2019	30 June 2018
13. Tax holiday reserve	4,392,110	4,392,110
This represents provision made out of profit of Tax Holiday period in accordance with section 45 (2B) and section 46A (2) of Income Tax Ordinance 1984.		
14. Unrealised gain on marketable securities		
Closing market value of marketable securities	4,878,355	4,415,580
Less: Cost of marketable securities	5,018,507	4,590,000
Unrealised gain before adjustment of deferred tax	(140,152)	(174,420)
Less: Deferred tax on unrealised gain (loss)	(14,015)	(17,442)
Net unrealised gain/(loss) on marketable securities	(126,137)	(156,978)
15. Retained earnings		
Opening Balance	938,940,466	552,873,744
Reclassification adjustment	-	24,144,138
Dividend paid	(113,613,184)	(90,374,130)
Net profit during the year	336,266,870	452,296,714
	1,161,594,152	938,940,466
16. Long term finance		
Al-Arafah Islami Bank Ltd.	149,481,510	96,031,992
Current maturity transferred to current liability Note -21	(23,572,102)	(14,786,265)
	125,909,408	81,245,727

Loan amount represent the amounts which would be due for repayment after 12 (twelve) months from the date of statement of financial position @ 13.50% of profit. The loan was taken from Al-Arafah Islami Bank Ltd. against mortgage of 804 decimal land and 63, 811 square feet factory building located at Shafipur, Gazipur to import capital machinery and motor vehicle under Hire Purchase Shirkatul Melk.

17. Retirement benefit obligations		
Opening balance	17,252,564	13,241,445
Add: Provision made during the year	37,426,245	41,254,812
Less: Transfer to gratuity fund account and Paid to the retired members during the year	(54,608,676)	(37,243,693)
	70,133	17,252,564
18. Deferred tax liability		

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS 12 Income Taxes. Related deferred tax (expense)/income have been disclosed in note 19. The components of deferred tax assets and liabilities are given below:

Particulars	Carrying amount	Tax base value	Taxable (deductible) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	1,684,778,351	1,365,115,149	319,663,202	25%	79,915,801
Gratuity	54,678,809	54,608,676	(70,133)	25%	(17,533)
Unrealised gain on marketable securities	(140,152)	-	(140,152)	10%	(14,015)
For the year 2018-19	1,739,317,008	1,419,723,825	319,452,918		79,884,252
Property, plant and equipment	1,409,800,123	1,172,662,174	237,137,950	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

AMOUNT IN TAKA

	30 June 2019	30 June 2018
19. Deferred tax (expenses)/income		
Closing balance of deferred tax liability	79,884,252	53,493,557
Opening balance of deferred tax liabilities	53,493,557	80,513,227
Total deferred tax expenses/(income)	26,390,696	(27,019,670)
Less: Deferred tax expenses related to other comprehensive income	(3,427)	(32,182,506)
	<u>26,387,269</u>	<u>5,162,835</u>
20. Short term finance	542,029,553	552,022,978
A. From Al-Arafah Islami Bank Ltd.	542,029,553	552,022,978
<p>Loan amount represent the amounts which would be due for repayment within 12 (twelve) months from the date of statement of financial position @ 13.50% of profit and .25% commission per quarter. The loan was taken from Al-Arafah Islami Bank Ltd. against mortgage of 804 decimal land and 63, 811 square feet factory building located at Shafipur, Gazipur to import Pharmaceuticals raw materials, imported goods and to purchase business items from local market under Composite facilities LC/MPI/MPI TR/UPAS/ Baimuajjal agreement.</p>		
21. Current portion of long term finance		
Al-Arafah Islami Bank Ltd.-Secured	23,572,102	14,786,265
	23,572,102	14,786,265
<p>The amounts represent current maturity of long term finance obtained from Al-Arafah Islami Bank Ltd. which are repayable within next 12 (Twelve) months from the reporting date.</p>		
22. Trade and other payable		
Payable to suppliers	201,468,578	171,872,571
Accrued expenses	114,236,046	99,222,546
Deposits from different parties	10,059,893	8,753,025
Others payable	80,348,645	67,087,768
Note-22.1	406,113,163	346,935,910
22.1 Deposit from different parties		
Share money deposit	14,848	14,848
Security money received from employees	10,045,045	8,738,177
	10,059,893	8,753,025
22.1 Others payable		
Unclaimed dividend	57,656,509	38,903,111
Workers' profit participation fund & welfare fund	22,692,136	28,184,657
	80,348,645	67,087,768
23. Provision for corporate tax		
Opening balance	148,791,079	114,155,184
Current tax expense	89,487,419	103,964,069
Note-31	238,278,498	218,119,253
Adjusted during the year	(65,681,652)	(69,328,174)
	172,596,846	148,791,079

AMOUNT IN TAKA

24. Revenue

	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
Local revenue	5,200,271,649	4,590,402,113
Export revenue	63,691,695	66,947,898
	5,263,963,344	4,657,350,011

a. The above sales represent the following :

Product Group	Unit	2018-2019		2017-2018	
		Quantity	Amount	Quantity	Amount
Tablet	Pcs	836,288,856	1,830,660,334	886,124,346	1,659,816,576
Capsule	Pcs	196,728,588	1,161,419,918	198,144,688	1,132,496,056
Dry Syrup / ORS	Bottle	19,234,296	281,178,753	17,989,346	276,976,947
Liquid Bottles	Bottle	21,115,042	1,108,684,408	18,347,438	774,374,864
Drops	Pcs	5,876,710	312,598,361	5,291,726	278,116,722
Ointment	Pcs	4,004,799	124,356,063	3,754,112	131,830,897
Injection	Pcs	4,244,458	445,065,507	3,896,046	403,737,950
Total Value			5,263,963,344		4,657,350,011

b. Timing of revenue recognition

Products transferred at a point in time	5,263,963,344	4,657,350,011
Products and services transferred over time	-	-
	5,263,963,344	4,657,350,011

25. Cost of goods sold

Raw materials consumed	Note-25.1	1,599,796,570	1,433,349,053
Packing materials consumed	Note-25.2	918,972,204	804,571,783
		2,518,768,774	2,237,920,836
Opening work-in-process		53,384,884	43,928,563
Closing work-in-process		(56,841,205)	(53,384,884)
Total Consumption		2,515,312,453	2,228,464,515
Manufacturing expenses	Note-26	646,287,810	592,219,113
Cost of Production		3,161,600,264	2,820,683,628
Opening finished goods		97,791,850	61,978,640
Closing finished goods		(136,813,352)	(97,791,850)
		3,122,578,762	2,784,870,418
Cost of physicians' samples		(20,427,621)	(20,150,382)
		3,102,151,141	2,764,720,036

25.1 Raw materials consumed

Opening stock	116,704,856	88,563,456
Purchases	1,614,856,771	1,461,490,453
Closing stock	(131,765,057)	(116,704,856)
	1,599,796,570	1,433,349,053

25.2 Packing materials consumed

Opening stock	88,525,184	68,253,484
Purchases	899,243,904	824,843,483
Closing stock	(68,796,884)	(88,525,184)
	918,972,204	804,571,783

AMOUNT IN TAKA

**01 July 2018 to
30 June 2019**

**01 July 2017 to
30 June 2018**

26. Manufacturing expenses

Salary, wages & allowances	342,151,172	297,249,847
Travelling & conveyance	2,298,107	2,522,650
Printing & stationery	1,872,979	1,975,771
Repairs & maintenance-building	5,346,861	8,400,721
Repairs & maintenance- machinery & equipment	54,542,049	34,336,520
Repairs & maintenance-vehicle & others	6,526,499	6,833,725
House rent	-	3,018,997
Medical expenses	2,411,091	1,893,249
Power & fuel	75,660,283	92,869,788
Training expenses	528,448	715,025
Insurance premium	6,384,170	5,507,447
Entertainment	654,860	1,095,090
Staff welfare	23,003,948	23,148,223
Telephone, fax, etc.	799,741	759,951
Fees & charges	2,082,940	3,450,227
Donation & subscription	-	70,000
Advertisement	184,743	298,220
News paper & periodicals	36,163	152,374
Staff uniform	1,197,917	1,447,337
Laboratory chemicals & stores	7,394,377	6,253,106
Indirect materials	6,439,400	5,264,261
Depreciation	106,756,214	94,931,278
Sundry expenses	15,850	25,307
	646,287,810	592,219,113

AMOUNT IN TAKA

**01 July 2018 to
30 June 2019**

**01 July 2017 to
30 June 2018**

27. Administrative expenses

Salary, wages & allowances	65,773,500	57,211,507
Directors' remuneration	7,920,000	7,920,000
Directors' meeting fee	1,684,114	1,246,458
Travelling & conveyance	3,174,221	3,684,424
Repairs & maintenance-building & equipment	2,309,758	3,289,911
Repairs & maintenance-vehicle & others	2,336,356	2,887,631
Audit fees	230,000	201,250
Head office rent	17,597,390	16,250,650
Medical expenses	22,514	11,234
Postage & stamp	202,351	136,380
Training expenses	218,205	246,700
Insurance premium	392,180	354,704
Entertainment	1,602,981	2,382,012
Staff uniform	100,967	7,160
Staff welfare	2,629,780	2,640,077
Telephone, fax, etc.	1,068,455	874,413
Fees & charges	2,241,350	2,928,891
Bank Charge	519,908	1,195,409
Donation & subscription	536,240	24,500
Advertisement	1,630,617	1,670,287
News paper & periodicals	203,138	161,422
Printing & stationery	1,497,832	1,036,793
Water, electricity & gas	2,104,556	1,940,103
Annual general meeting expenses	3,256,968	2,417,937
Expenses relating to dividend	160,800	135,297
Depreciation	9,061,247	6,914,391
Sundry expenses	30,630	79,193
Expenses relating to CSR	3,759,130	1,500,000
	132,265,190	119,348,734

AMOUNT IN TAKA

**01 July 2018 to
30 June 2019**

**01 July 2017 to
30 June 2018**

28. Selling & distribution expenses

Salary, wages & allowances	993,072,859	852,473,093
Travelling & conveyance	4,519,769	5,099,089
Head office & sales centres rent	30,546,127	31,381,984
Printing & stationery	6,475,977	7,872,910
Repairs & maintenance-building & equipment	2,789,118	4,305,242
Repairs & maintenance-vehicle & others	15,193,917	18,035,173
Medical expenses	1,074,360	1,379,360
Water, electricity & gas	1,552,040	1,810,873
Postage & stamp	584,271	416,760
Field forces conference expenses	629,800	12,117,232
Insurance premium	2,316,968	2,040,614
Entertainment	1,290,685	1,489,775
Training expenses	2,625,306	2,061,960
Staff welfare	1,703,412	2,083,777
Telephone, fax, etc.	7,332,940	3,838,160
Fees & charges	155,132	223,096
Donation & subscription	10,000	15,000
Advertisement	1,402,281	1,475,830
Incentive	36,377,462	32,471,653
Sales representatives conference	-	3,000,177
Detailing bag & brief case	1,108,998	495,976
Field personnel expenses	187,588,747	160,585,111
Product development expenses	1,860,485	366,314
Product pad & literature	31,494,534	31,304,504
Other promotional expenses	25,908,343	22,747,806
Physicians' samples	24,611,591	24,277,569
Market survey & research	2,509,933	2,853,497
Export expenses	4,688,924	4,233,395
Delivery expenses	137,395,279	126,351,723
Depreciation	12,652,791	10,393,460
Sundry expenses	163,076	5,244
Irrecoverable debts	896,976	132,794
Staff uniform	117,939	107,811
Bad debts	-	1,628
	1,540,650,041	1,367,448,590

AMOUNT IN TAKA

29. Other income

	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
Dividend income	414,018	397,494
Profit on bank deposits	2,471,655	2,861,176
Gain on sale of Motor Vehicles	-	2,082,011
Foreign Exchange Fluctuation Gain/(Loss) on FCAD ERQ Accounts	(1,189,209)	(774,317)
Gain on sale of share	-	217,297,240
Miscellaneous income	680,313	37,875
	2,376,777	221,901,479

30. Workers' profit participation fund & welfare fund

22,692,136	28,184,657
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This represents 5% of net profit before tax after charging the contribution as per provision of the Bangladesh Labour Act, 2006 and is payable to workers as defined in the said Act.

31. Current tax

This represents estimated Income Tax liability for the year made as follows:

Profit before tax	452,141,557	561,423,618
Add: Accounting depreciation	128,470,252	112,239,130
Less: Tax depreciation	(210,995,505)	(133,708,772)
Add: Gratuity provision	37,426,245	41,254,812
Less: Gratuity paid	(54,608,676)	(37,243,693)
Add: Share of loss from associate	1,701,171	2,269,527
Add: Free sample distribution expense	2,708,226	-
Add: Unrealized loss on foreign exchange	1,189,209	-
Less: Income from other sources for separate consideration	(414,018)	(219,776,745)
Business income	357,618,460	326,457,877
(a) Income tax on business income @25%	89,404,615	81,614,469
Dividend income	414,018	397,494
(b) Income tax on dividend income @20%, @25%	82,804	99,374
Capital Gain from sale of shares	-	217,297,240
(c) Income tax on capital gain on shares @10%	-	21,729,724
Gain on sale of motor vehicles	-	2,082,011
(d) Income tax on gain on motor vehicle @25%	-	520,503
Total Current Tax (a+b+c+d)	89,487,419	103,964,069

32. Change in fair value of marketable securities

Closing value of marketable securities	(140,152)	4,415,580
Opening value of marketable securities	(174,420)	4,590,000
	34,268	(174,420)

Details has been shown in Annexure B

AMOUNT IN TAKA

33.1 Earnings per share (EPS)

	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
Earnings attributable to the ordinary shareholders (net profit after tax)	336,266,870	452,296,714
Number of ordinary shares outstanding during the year	31,243,627	31,243,627
	10.76	14.48

Earning Per Share (EPS) increased during the year 2017-2018 due to disposal of investment in shares held under available for sale assets. Gain on sale of share is an irregular income and due to its irregular nature this income did not arise during the year 2018-2019 and hardly could be seen in near future.

33.2 Net Assets Value Per Share (NAV)

Net Assets Value	1,478,296,395	1,227,208,578
Number of Ordinary Shares outstanding during the year	31,243,627	31,243,627
	47.32	39.28

Increase in NAV arise due to increase in revenue and decrease in percentage of operating expenses.

33.3 Net Operating Cash Flow Per Share (NOCFPS)

Net cash provided by operating activities	433,364,937	192,411,424
Divided by number of Ordinary Shares outstanding during the year	31,243,627	31,243,627
	13.87	6.16

Increase in NOCFPS arise due to increase in collection from revenue and others.

33.4 Reconciliation of net profit with cash flows from operating activities

Profit before tax (PBT)	452,141,557	561,423,618
Adjustments:		
Depreciation	128,470,252	112,239,130
Unrealised foreign exchange loss	1,189,209	774,317
Share of associate profit/loss	1,701,171	2,269,527
Gain on sale of share	-	(217,297,240)
Gain on sale of motor vehicles	-	(2,082,011)
Dividend received	(414,018)	397,494
Interest Income	(2,471,655)	(2,861,176)
Change in operating assets		
Increase in inventory	(57,167,521)	(179,870,382)
Increase in accounts receivables	(4,535,552)	(3,407,594)
Decrease in advances, deposits and prepayments	15,262,942	(21,847,729)
Increase/(decrease) in trade and other payable	53,875,588	61,294,244
Increase/(decrease) in retirement benefit obligation	(17,182,431)	4,011,119
Tax paid during the year	(122,765,719)	(86,775,565)
Interest expense	(14,738,885)	(35,856,327)
	433,364,938	192,411,424

34. Value of imports on CIF basis

Materials (raw & packing)	1,093,739	989,467
Components & spare parts	-	4,731
Capital goods	124,636	193,477
	1,218,375	1,187,675

35. Installed capacity, actual production on single shift basis and reasons for short-fall during the year ended 30 June 2019 & 2018

Product Group	Unit	Quantity in Thousand			
		2018-2019		2017-2018	
		Installed	Actual production	Installed	Actual production
Tablet	Pcs	784,284	838,508	769,392	888,543
Capsule	Pcs	217,602	216,347	207,870	221,747
Dry Syrup / ORS	Bottle	33,573	18,347	27,112	13,719
Liquid	Bottle	31,171	24,628	23,192	22,593
Drops	Pcs	5,124	6,513	4,224	5,858
Ointment	Pcs	12,565	4,589	5,332	3,903
Injection	Pcs	18,798	4,604	16,224	4,248

Production was made keeping in view market demand.

36. Related party transactions

During the year, the company carried out transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, relationship, types of transaction and their total value have been set out in accordance with the provisions of IAS 24 "Related Party Disclosures". Transaction with related parties are executed on the same terms as those of other customers of similar credentials and do not involve more than a normal risk.

Name of Related Parties	Relationship	Type of Transaction	Value of Transaction
The IBN SINA Trust	Sponsor shareholder holding 43.83% shares	Dividend payment	37,345,407
The IBN SINA Consumer Products Ltd.	Associate	Acquisition of Share Capital	40,000,000

37. Commitment and contingency

There was no contract for Capital Expenditure remaining to be executed and not provided for at 30 June 2019.

38. Credit Facilities not availed

There was no general nature of credit facilities available to the company under any contract other than trade credit available in the ordinary course of business and not availed of as on 30 June 2019.

39. Brokerage or commission

No brokerage or discount other than usual trade discount against sales was paid during the year. As there was no sales agent, commission therefor was not paid.

40. Payment for export

During the year under review US\$ 7,750 equivalent to Tk. 692,171 have been paid for registration and consultancy fees.

41. Remittance of dividend

As there were no non-resident shareholders, no dividend was remitted to or received from abroad.

42. Foreign earnings

During the year the company (a) earned foreign exchange of US\$ 672,060 and EURO 76,513 equivalent to Tk.56,357,999 and Tk. 7,333,695 respectively on account of export sale, (b) but did not earn or receive any income in respect of royalty, technical know-how, professional & advisory fees, interest & dividend.

43. Acknowledgement of claim and refund

There were aggregating claims of Tk. 48,559,518 in respect of assessment years 1997-98, 2000-2001, 2002-2003, 2003-2004, 2004-2005, 2007-2008, 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017 and 2017-2018 respectively against the Company for Income Tax and there were aggregating refund of Tk. 9,946,383 in favor of the company for Income Tax in different years but no asset or liability was recognized for the claims are refundables. The Company filed Income Tax Reference case with High Court Division of the Supreme Court & Appeals remained pending and have applied for adjustment for remaining cases.

44. Contingent liability

There was no contingent liability other than letters of credit outstanding for importation of raw & packing materials, capital goods as on 30 June 2019.

45. Director's responsibility statement

The Board of Directors take the responsibility for the preparation and presentation of the financial statements.

46. Financial risk management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

(a) Credit Risk (b) Liquidity Risk (c) Market Risk

46.1 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 the exposure to credit risk is monitored on an ongoing basis. As at 30 June 2019, substantial part of the receivables are as follows and subject to insignificant credit risk. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables are also nominal.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	AMOUNT IN TAKA	
	30 June 2019	30 June 2018
Accounts receivable:		
Advance to employees	3,447,738	3,354,298
Advance to supplies	6,069,145	5,778,044
Trade receivable	22,171,979	17,652,951
Other receivables	16,457,540	16,235,709
Security deposit	12,595,627	12,691,203
Imprest cash	9,750,000	6,902,773
Cash at bank	158,670,163	161,089,296
	229,162,193	223,704,274

The aging of trade receivables at the reporting date is as follows:

Trade receivables

Not past due	22,171,979	17,652,951
Past due 1-180 days	-	-
Past due more than 180 days	-	-

To mitigate the credit risk against trade receivables, the company has a system of specific credit line period to the customers. This outstanding period and amount are regularly monitored. The company endeavors to cover the credit risks on all other receivables, where possible, by restricting credit facility and stringent monitoring.

46.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as 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.

The carrying amount of financial liabilities represent the maximum exposure to liquidity risk. The maximum exposure to liquidity risk as at 30 June 2019 was:

	AMOUNT IN TAKA	
	30 June 2019	30 June 2018
Trade and other payables	201,468,578	171,872,571
Security money received from employees	10,059,893	8,753,025
Other current liabilities	80,348,645	67,087,768
	291,877,116	247,713,364

46.3 Market Risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates 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) Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Exposure to fair value movement relates to fixed rate instrument subject to fair value accounting and exposure to cash flow fluctuation relates to variable rate instruments. The Company is primarily exposed to cash flow fluctuation arising from variable rate borrowings. The objective of interest rate management for The IBN SINA Pharmaceutical Industry Ltd. is to reduce financial cost and ensure predictability.

(ii) Currency risk

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

47. Events after the reporting period

The Board of Directors at its 269th meeting held on 19 September 2019 recommended 30% cash dividend to the shareholders for the year ended 30 June 2019 which will be considered for approval by the shareholders at the 35th Annual General Meeting.

Schedule of Property, Plant and Equipment

as at 30 June 2019

Annexure-A
Amount in Taka

Particulars	Cost/Revaluation			Rate	on 01.07.2018	Depreciation			Written down value on 30.06.2019
	Opening balance (01.07.2018)	Addition during the year	Disposal / Adjustment			Total on (30.06.2019)	For the Year	Disposal / Adjustment	
Land & land development	234,787,678	91,322,660	-	-	-	-	-	-	326,110,338
Building	163,979,185	13,100,190	-	2.50%	35,940,636	3,419,300	-	39,359,936	137,719,439
Plant & machinery	1,137,011,466	89,419,923	-	10.00%	356,051,631	79,035,017	-	435,086,648	791,344,741
Internal road	4,842,880	-	-	10.00%	2,534,644	230,824	-	2,765,468	2,077,412
Installations	39,417,514	400,412	-	10.00%	15,145,890	2,462,170	-	17,608,060	22,209,866
Equipment	185,049,287	197,239,434	-	10.00%	52,374,720	21,087,486	-	73,462,206	308,826,516
Computers	34,756,837	1,670,566	-	30.00%	23,180,394	3,657,060.67	-	26,837,454	9,589,949
Furniture & fixtures	55,926,694	2,141,160	-	10.00%	28,910,495	2,831,542	-	31,742,037	26,325,817
Motor vehicles	120,554,392	8,100,000	-	20.00%	62,667,807	12,657,317	-	75,325,124	53,329,269
Spares & loose tools	20,926,243	-	-	30.00%	14,400,329	1,957,774	-	16,358,103	4,568,139
Library books	867,659	-	-	30.00%	639,953	68,312	-	708,265	159,394
Temporary construction	8,434,920	54,134	-	30.00%	4,908,135	1,063,449	-	5,971,584	2,517,470
Total-30 June 2019	2,006,554,755	403,448,480	-		596,754,632	128,470,252	-	725,224,884	1,684,778,351
Total-30 June 2018	1,606,348,997	406,328,044	(6,122,286)		490,016,499	112,239,130	(5,500,997)	596,754,632	1,409,800,123

Allocation of depreciation:

	As at 30.06.2019	As at 30.06.2018
Manufacturing Expenses Note-26	106,756,214	94,931,278
Administrative Expenses Note-27	9,061,247	6,914,391
Selling & Distribution Expenses Note-28	12,652,791	10,393,460
	128,470,252	112,239,130

Investment in Marketable Securities

as at 30 June 2019

Annexure-B
Amount in Taka

Sl No.	Name of Company	Number of Shares/ Bonds	Face Value Per Share/Bond	Total Cost	Average Cost	Market value Per Share/Bond	Total Market value	Unrealised Gain/(Loss)
	Exim Bank Limited	44,000	10	428,507	10	11.30	497,200	68,693
1	Islami Bank Bangladesh Limited Mudaraba Perpetual Bond (MPB)	4,590	1,000	4,590,000	1,000	954.50	4,381,155	(208,845)
			Total Tk.	5,018,507			4,878,355	(140,152)

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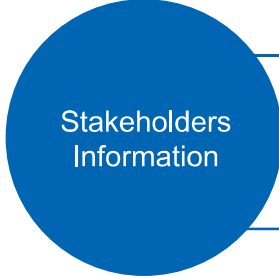
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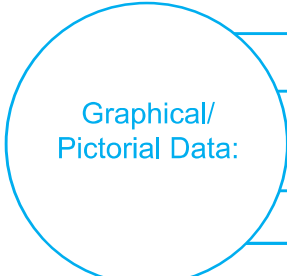
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