

Annual Report 2019-20



Quality
We Assure



The **IBN SINA**
Pharmaceutical Industry Ltd.



*In the name of Allah the most
gracious, the most merciful*

Annual Report	04	12	Corporate Management
Letter of Transmittal	05	13	Corporate Profile
বিজ্ঞপ্তি	06	14	Directors' Profile
Notice	07	22	Strategic Objectives
Our Success	08	23	Core Values and Code of Corporate Philosophy
Awards and Recognitions	09	24	Our Guiding Principles
Vision & Mission	10	25	চেয়ারম্যানের বিবৃতি
Forward Looking Statement	11	27	Chairman's Address



CONTENTS



পরিচালকমন্ডলীর প্রতিবেদন	28	58	Value Added Statement
Directors' Report	36	59	Market Value Added Statement
Statement from the Managing Director	44	60	Economic Value Added Statement
IBN SINA Looks for Faster Growth	46	61	Attendance at Board Meeting
Key Financial Highlights	47	62	Corporate Governance
Performance Indicators	48	68	Corporate Social Responsibility (CSR) Activities
Shareholders' Information 2019-20	56	73	Report of the Audit Committee
Pattern of Shareholdings	57	75	Report of the Nomination and Remuneration Committee

Internal Control and Risk Management Process	77	91	The Pharma Plant
Statement of Directors' Responsibilities for Financial Report	80	95	Natural Medicine Division
Auditor's Compliance Report	81	97	Cephalosporin Division
Compliance Status	82	98	QC and QA
Quality Policy	87	99	Product Development (PD)
Health, Safety and Environment	88	100	Marketing
Our Approach to the Sustainability	89	101	Strategic Marketing
Company Organogram	90	102	Marketing, NMD



CONTENTS



Strategic Marketing, NMD	103	111	The Consolidated Financial Statements
Human Resource Department	104	149	The Financial Statements
Information Technology	105	188	The Financial Statements of IBN SINA API Limited
Global Market	106	196	Annual Report Review Checklist
35th Annual General Meeting	107	200	Corporate Governance Disclosure Checklist
Photo Gallery	108	202	Virtual Annual General Meeting (AGM) Logistics
Declaration by MD and CFO	110	205	Proxy Form



Annual Report

For the year ended 30 June 2020

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 medicine which we commonly refer to as our corporate footprint.

The sustainable 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 obviously sustainable.

Letter of Transmittal

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

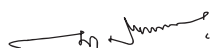
Disclosure of Annual Report for the year ended 30 June, 2020.

Dear Sir(s)

Enclosed please find a copy of the Annual Report together with the Audited Statement of Financial Position as at 30 June, 2020 and the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June, 2020 along with the notes thereon and all related Consolidated and Subsidiary Company Financial Statements for your kind information and record.

Thank you,

Yours sincerely,



Md. Shahid Farooqui, FCS
Company Secretary

Dated: 17 September, 2020



বিজ্ঞপ্তি

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড

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

৩৬তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড-এর সম্মানিত শেয়ারহোল্ডারগণকে জানানো যাচ্ছে যে, আগামী ১২ নভেম্বর ২০২০, বৃহস্পতিবার সকাল ৯ : ৩০ টায় কোম্পানির ৩৬তম বার্ষিক সাধারণ সভা বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের আদেশ নং এসইসি/এসআরএমসি/৯৪-২৩১/২৫, তারিখ ০৮ জুলাই ২০২০ অনুসারে ডিজিটাল (ভার্চুয়াল) প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিত হবে। সভায় নিম্ন বর্ণিত বিষয়সমূহ আলোচনা করা হবে :

আলোচ্যসূচি

১. ২০১৯-২০ অর্থ বছরের নিরীক্ষিত হিসাব এবং তার ওপর নিরীক্ষক ও কোম্পানির পরিচালকমন্ডলীর প্রতিবেদন গ্রহণ এবং অনুমোদন;
২. ২০১৯-২০ অর্থ বছরের প্রস্তাবিত লভ্যাংশ অনুমোদন;
৩. ২০২০-২১ অর্থ বছরের জন্য অডিটর নিয়োগ এবং তাঁদের পারিশ্রমিক নির্ধারণ;
৪. ২০২০-২১ অর্থ বছরের জন্য কমপ্লায়ান্স অডিটর নিয়োগ এবং তাঁদের পারিশ্রমিক নির্ধারণ;
৫. পরিচালক নির্বাচন;
৬. সাবসিডিয়ারি কোম্পানি “ইবনে সিনা এপিআই লি:” এ বিনিয়োগ অনুমোদন।

কোম্পানির সম্মানিত শেয়ারহোল্ডারগণকে উক্ত সভায় যথাসময়ে অংশগ্রহণ করার জন্য অনুরোধ করা যাচ্ছে।

বোর্ডের আদেশক্রমে

তারিখ

১৭ সেপ্টেম্বর ২০২০

(মোঃ শহীদ ফারুকী, এফসিএস)
কোম্পানি সেক্রেটারী

টীকা:

- ক. রেকর্ড ডেট (১২ অক্টোবর ২০২০, সোমবার) এ কোম্পানির শেয়ার রেজিস্টার অথবা ডিপজিটরি রেজিস্টারে যে সকল শেয়ারহোল্ডারগণের নাম রেকর্ডভুক্ত থাকবে তাঁরাই কেবল বার্ষিক সাধারণ সভায় অংশগ্রহণ, ভোট প্রদান এবং লভ্যাংশ পাবার যোগ্য বলে বিবেচিত হবেন;
- খ. সভায় অংশগ্রহণ ও ভোট প্রদানে উপযুক্ত কোন সদস্য/সদস্য্য তাঁর পক্ষে অন্য কোন ব্যক্তিকে সভায় অংশগ্রহণ ও ভোটদানের জন্য প্রক্সি নিয়োগ করতে পারবেন। সভা অনুষ্ঠানের নির্ধারিত সময়ের অন্তত পক্ষে ৭২ ঘন্টা পূর্বে প্রক্সি ফরম ২০.০০ টাকার রেভিনিউ স্ট্যাম্প সহকারে যথাযথভাবে পূরণ করে কোম্পানির রেজিস্টার্ড অফিসে ই-মেইল shareipi@ibnsinapharma.com এর মাধ্যমে জমা দিতে হবে;
- গ. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের আদেশ নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৮/এডমিন/৮১, তারিখ ২০ জুলাই ২০১৮ অনুসারে, বার্ষিক প্রতিবেদন ২০১৯-২০ এর সফট কপি কোম্পানিতে সংরক্ষিত স্ব-স্ব শেয়ারহোল্ডারগণের ই-মেইলের মাধ্যমে প্রেরণ করা হবে এবং কোম্পানির ওয়েবসাইটেও (www.ibnsinapharma.com) পাওয়া যাবে;
- ঘ. শেয়ারহোল্ডারগণ বার্ষিক সাধারণ সভা শুরু ২৪ ঘন্টা পূর্ব থেকে এবং এজিএম চলাকালীন সময়ে ভার্চুয়াল লিংক/ই-মেইল (shareipi@ibnsinapharma.com) এর মাধ্যমে প্রশ্ন ও মন্তব্য করতে পারবেন। শেয়ারহোল্ডারগণ ১৬ সংখ্যার বিও আইডি/ফলিও নাম্বার সহ সংশ্লিষ্ট পরিচয় নির্দেশক তথ্য নিশ্চিত করে লিংক (<http://bitly.com/ipivirtualagm-2020>) এ লগইন করতে পারবেন;
- ঙ. ১২ নভেম্বর ২০২০, বৃহস্পতিবার সকাল ৯ : ৩০ টায় মিটিং শুরুর পূর্বেই শেয়ারহোল্ডারগণকে সিস্টেমে লগইন করার অনুরোধ করা যাচ্ছে। উল্লেখ্য, সকাল ৯: ১৫ টায় সরাসরি সম্প্রচার কার্যক্রম শুরু হবে। ভার্চুয়াল সভায় যুক্ত হতে প্রয়োজনে ০১৭০৯-৬৪৫০৮১ নাম্বারে যোগাযোগ করুন;
- চ. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিজ্ঞপ্তি নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪, তারিখ ২৪ অক্টোবর ২০১৩ এবং স্টক এক্সচেঞ্জের লিস্টিং রুলস মোতাবেক ৩৬তম বার্ষিক সাধারণ সভায় কোন ধরনের উপহার/উপহার কুপন/খাদ্য বস্তু বিতরণ করা হবে না।



Notice

The IBN SINA Pharmaceutical Industry Ltd.

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

NOTICE OF THE 36th ANNUAL GENERAL MEETING

Notice is hereby given that the **36th ANNUAL GENERAL MEETING** of the Shareholders of The IBN SINA Pharmaceutical Industry Ltd. will be held on **Thursday, 12 November 2020** at 9:30 AM through **Digital (Virtual) Platform** pursuant to the BSEC's Order No. SEC/SRMIC/94-231/25 dated July 08, 2020 to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June, 2020 together with the Auditors' Report and Directors' Report thereon.
2. To approve proposed Dividend for the year 2019-20.
3. To appoint Statutory Auditors for the financial year 2020-21 and to fix-up their remuneration.
4. To appoint Compliance Auditors for the financial year 2020-21 and to fix-up their remuneration.
5. To elect Directors.
6. To approve the investment in the subsidiary company, "IBN SINA API LIMITED"

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

By order of the Board

(Md. Shahid Farooqui, FCS)
Company Secretary

Dated :
17 September, 2020

Notes:

- a. The Shareholders whose names will appear in the Share Register of the Company or Depository Register (CDBL) on the "Record Date" i.e. Monday, 12 October 2020 respectively are eligible to attend/participate and vote in the Annual General Meeting (AGM) and entitled to the dividend.
- b. A Member entitled to attend and vote in the Annual General Meeting, may appoint a proxy to attend and vote in his/her stead. The Proxy Form must be affixed with the revenue stamp of Tk. 20.00 and be sent through email to IBN SINA Registered Office at shareipi@ibnsinapharma.com at least 72 hours before the scheduled time of the meeting.
- c. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report 2019-20 will be sent to the Shareholder's respective email addresses as available with us. The Annual Report 2019-20 will also be available in the Company's website at: www.ibnsinapharma.com.
- d. The Members will be able to submit their questions/comments through virtual link/e-mail (shareipi@ibnsinapharma.com) 24 hours before commencement of the AGM and during the AGM. For logging into the system, the Members need to put their 16-digit Beneficiary Owner (BO) ID/Folio number and other credentials as proof of their identity by visiting the link <http://bitly.com/ipivirtualagm-2020>.
- e. Shareholders are requested to login to the system prior to starting of the meeting at 09:30 AM on Thursday, 12 November 2020. The webcast will start at 09:15 AM. Please contact at **01709-645081** for any queries in accessing the virtual meeting.
- f. In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013 and listing regulations of Stock Exchanges, **No Gift/Gift Coupon/Food Box shall be distributed at the ensuing 36th AGM.**



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, 2017 and 2018 for Corporate Governance Excellence. Our strong promise, determination and practice in adopting Global Best Practices in Corporate Governance rendered this success consecutively.

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

Awards & Recognitions

2018

Gold Award in the Pharmaceutical and Chemical Companies Category from ICSB for Corporate Governance Excellence



2017

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



2016

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

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

2015



2014

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

2011

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

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

2013



VISION

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.

MISSION

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.

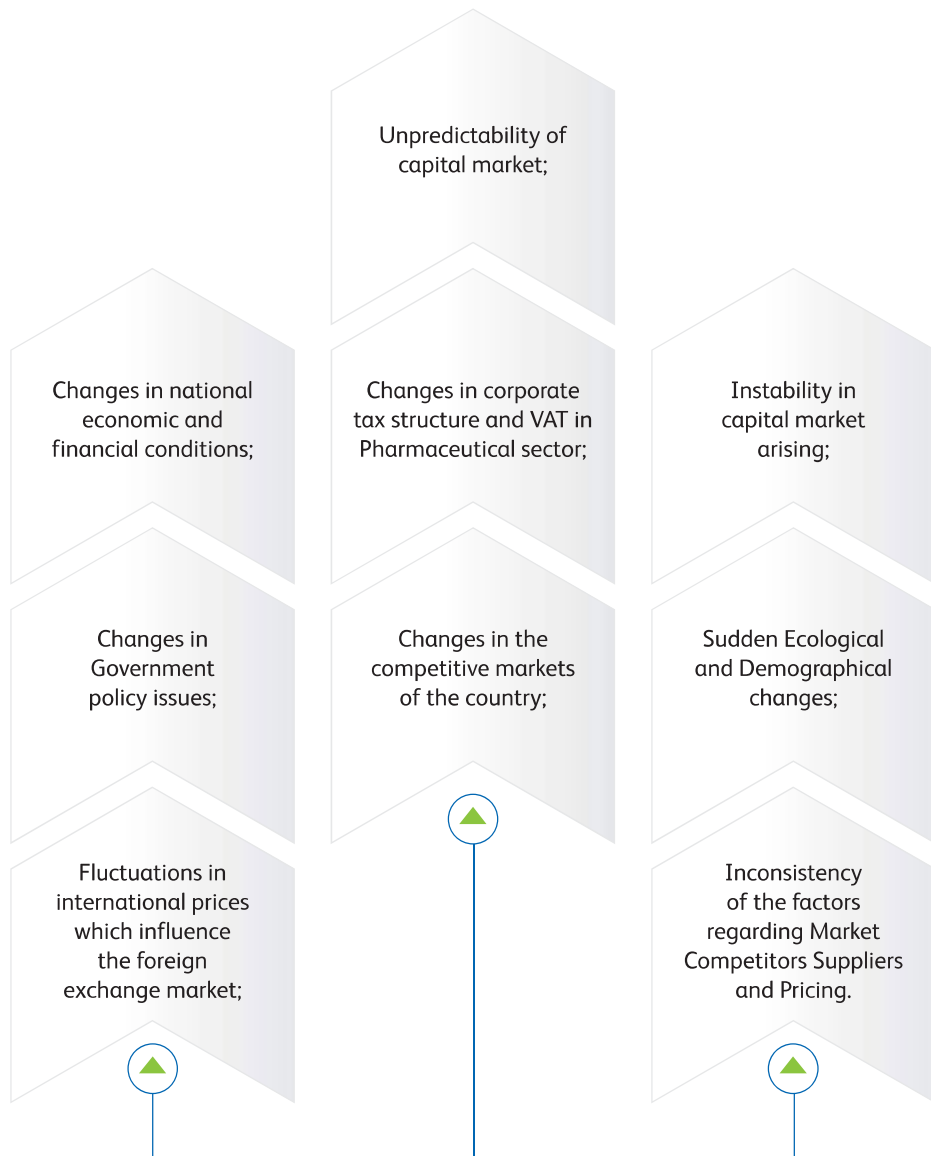


Board-approved vision and mission statements of the Company

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

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:

Forward Looking Statement



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
Kazi Harun-Or-Rashid	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

Malek Siddiqui Wali
Chartered Accountants
9-G, Motijheel
C/A, Dhaka-1000

Compliance Auditors

Itrat Hussain & Associates
The Glass House (13th floor)
38, Gulshan Avenue
Gulshan-1, Dhaka-1212
Bangladesh

Bankers

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

Registered Office

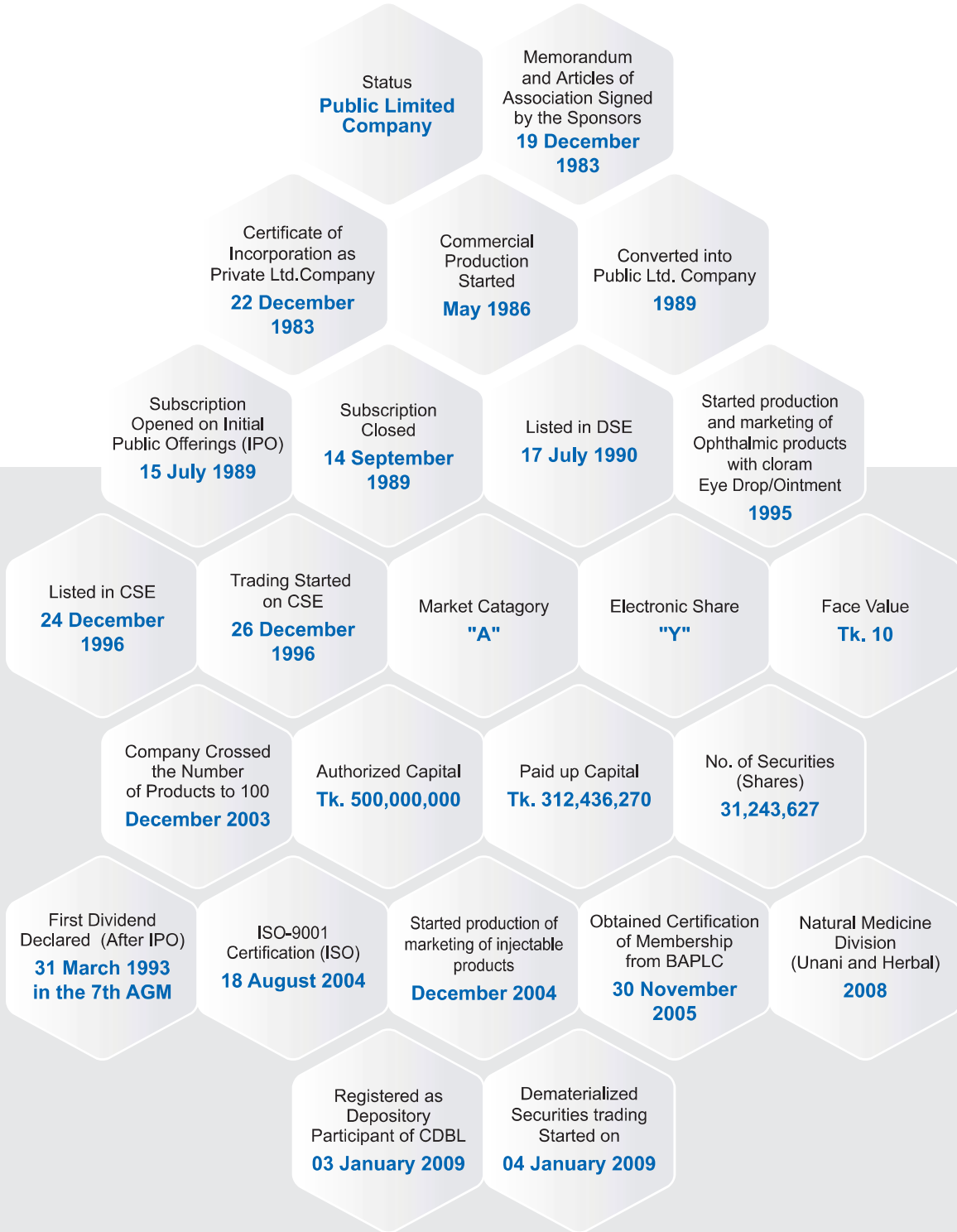
Tanin Center, 3 Asad Gate
Mirpur Road, Mohammadpur
Dhaka-1207, Bangladesh.

Corporate Website

www.ibnsinapharma.com

Corporate Profile

Nature of Business: Manufacturing and Marketing of Pharmaceutical Products and Natural Medicine





Shah Abdul Hannan
Chairman

Director's Profile

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; Chairman, Manarat International University Trust.

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



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

→ Director's Profile

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 Graduation in Marine Engineering from Manadon Engineering College 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 of Manarat International School, College & University. Founder & Chairman of 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 Abaci Investment Co. Ltd & Founder of Shubondhon Cooperative Co. Ltd.



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

Director's Profile

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, The IBN SINA Consumer Products Ltd., IBN SINA API Ltd., IBN SINA Hospital Sylhet Ltd. and IBN SINA Diagnostic Center, Lalbag Ltd.



Prof. Dr. Choudhury Mahmood Hasan
Director, Technical

→ Director's Profile

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. Continue with 30th June 2020. 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 her 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 285 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), Elected Vice President of FBAS, for 3 Years from 2019 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.



Kazi Harun-Or-Rashid
Director, Finance

Director's Profile

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.



Prof. Abu Nasser Muhammad Abdus Zaher
Director

→ Director's Profile

Abu Nasser Muhammad Abdus 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 Abdus 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).



→ **Md. Rafiqul Islam Khan, FCA**
Independent Director

Director's Profile ←

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, Dosh 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).



Md. Abdus Salam FCA, FCS
Independent Director

→ Director's Profile

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 code of corporate-philosophy that are practiced as follows:

01. Trust in Almighty Allah;
02. 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 Retention;
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.





 Trustworthiness	 Integrity	 Legitimacy	 Objectivity
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ETHICAL PRINCIPLES





 Professional competence and diligence	 Faith-driven conduct	 Loyalty	 Law abiding
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Our Guiding Principles

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

 Regulators	 Shareholders	 Community	 Customers
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COMMITMENTS

 Employees	 Stakeholders	 Environment	 Patrons
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চেয়ারম্যানের বিবৃতি



বিসমিল্লাহির রাহমানির রাহীম

সম্মানিত শেয়ারহোল্ডারগণ,

আসসালামু আলাইকুম ওয়া রাহ্মাতুল্লাহি।

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর ৩৬তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে জানাই প্রাণঢালা শুভেচ্ছা ও মোবারকবাদ। আজকের এ অনুষ্ঠানে ২০১৯-২০ অর্থ বছরে কোম্পানির আর্থিক অবস্থা, অর্জন সমূহ এবং উল্লেখযোগ্য তৎপরতার বিবরণ আপনাদের সামনে পেশ করা হবে, ইনশাআল্লাহ।

ইবনে সিনা ফার্মা কাজক্ষত অর্জনের মধ্য দিয়ে আরও একটি বছর অতিবাহিত করেছে। আমাদের গৃহীত বস্তুনিষ্ঠ কর্ম-কৌশল, বিক্রয় ও মুনাফার লক্ষ্যমাত্রা অর্জনে অগ্রগতির ধারাবাহিক সাফল্য অব্যাহত রাখতে সক্ষম হয়েছে। দেশব্যাপী সেলস ডিপোগুলোকে মডেল ডিপোতে রূপান্তর, পণ্যের সমৃদ্ধি ও বহুমুখীকরণ, উৎপাদন সক্ষমতা বৃদ্ধি ইত্যাদির ফলে অভ্যন্তরীণ বাজারের বিস্তৃতির পাশাপাশি আন্তর্জাতিক বাজারের পরিধি বেড়েছে।

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

বিক্রয়	পরিচালনা মুনাফা	কর পরবর্তী মুনাফা	শেয়ার প্রতি আয়
৬,১১১,৬২৮,৬৩৯	৬২৭,৯০৪,১৮৫	৩৯২,৫২৭,৩১০	১২.৫৬

ওপরের সূচক সমূহ কোম্পানির ক্রমবর্ধমান উন্নয়নের চিত্র প্রকাশ করছে। আগামীতে অধিকতর সাফল্য অর্জনের ব্যাপারে আমরা দৃঢ় প্রতিজ্ঞ ও আশাবাদী।

বাংলাদেশের অর্থনৈতিক প্রবৃদ্ধির চালিকা শক্তি হিসেবে ওষুধ শিল্প উল্লেখযোগ্য ভূমিকা পালন করছে। ২০১৯-২০ অর্থ বছরে বাংলাদেশ মজবুত অর্থনৈতিক প্রবৃদ্ধি ধরে রাখতে সক্ষম হয়েছে। ২০১৯-২০ অর্থ বছরে ৪.৩০% শিল্প প্রবৃদ্ধি সহ দেশের অর্থনৈতিক প্রবৃদ্ধি ৮.১% যেখানে ইবনে সিনা ফার্মার প্রবৃদ্ধি ১৭.৬২%।

২০১৯-২০ অর্থ বছর ছিল আমাদের জন্য চ্যালেঞ্জের বছর। অনেক অভ্যন্তরীণ ও বহিঃ চ্যালেঞ্জ থাকা সত্ত্বেও উন্নত প্রযুক্তি ব্যবহারের মাধ্যমে অবিচ্ছিন্নভাবে দক্ষতার সাথে ফ্যাক্টরী পরিচালনা নিশ্চিত করে কারখানার উৎপাদন সক্ষমতা উল্লেখযোগ্য হারে বৃদ্ধি করা হয়েছে। বাজারে এ প্রতিযোগিতা নিশ্চিত করতে আমরা পিছিয়ে নেই।

আগামীর বৃহৎ সুযোগ সমূহের সন্ধ্যাবহারের লক্ষ্যে ইবনে সিনা ফার্মা সর্বাঙ্গিক ভূমিকা পালনের জন্য সর্বদা প্রস্তুত রয়েছে। আমরা আশাবাদী আমাদের প্রস্তাবিত সহযোগী ও সহায়ক (Subsidiary) কোম্পানি/প্রকল্পগুলো নিকট ভবিষ্যতে উৎপাদন ও মুনাফা অর্জনে উন্নতির শিখরে অবস্থান করবে।

এ্যাকটিভ ফার্মাসিউটিক্যাল ইনড্রিয়েন্টস (এপিআই) প্রকল্প

ফার্মাসিউটিক্যাল পণ্যের চাহিদা বৃদ্ধির সাথে সাথে এপিআই পণ্যের চাহিদাও বৃদ্ধি পেয়েছে। দেশীয় মার্কেটের পাশাপাশি রপ্তানি বাজার সম্প্রসারিত হয়েছে। এপিআই পণ্যের চাহিদা বৃদ্ধি বিবেচনায় এনে আমদানী নির্ভরতা কমিয়ে আনার লক্ষ্যে নিরবিচ্ছিন্ন ওষুধের কাঁচামাল সরবরাহের সুবিধার্থে বাংলাদেশ

সরকার মুন্সিগঞ্জ জেলার গজারিয়ায় এ্যাকটিভ ফার্মাসিউটিক্যাল ইনড্রিয়েন্টস (এপিআই) শিল্প পার্ক স্থাপন করেছে। বাংলাদেশ সরকার ২০১৮ সালকে “ফার্মাসিউটিক্যাল পণ্য বর্ষ” ঘোষণা করেছে। এর ফলে বাংলাদেশ থেকে এপিআই পণ্য বিদেশে রপ্তানির অব্যাহত সুযোগ সৃষ্টি হয়েছে।

কোম্পানি মুন্সিগঞ্জ জেলার গজারিয়ায় এ্যাকটিভ ফার্মাসিউটিক্যাল ইনড্রিয়েন্টস (এপিআই) প্লান্ট প্রতিষ্ঠার জন্য ১.৫২ (এক দশমিক পাঁচ দুই) একর জমির একটি প্লট বরাদ্দ পেয়েছে। প্রকল্পের নির্মাণ কাজ ইতোমধ্যে শুরু হয়েছে এবং প্রত্যাশিত সময়ের মধ্যে বাণিজ্যিক উৎপাদন শুরু হবে, ইনশাআল্লাহ।

ইবনে সিনা পলিমার প্রকল্প

আপনারা জেনে আনন্দিত হবেন যে, কোম্পানির পরিচালকমন্ডলী “ইবনে সিনা পলিমার ইন্ডাস্ট্রি লি.” নামে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড এর একটি সাবসিডিয়ারি কোম্পানি প্রতিষ্ঠার সিদ্ধান্ত গ্রহণ করেছে। ইবনে সিনা পলিমার ইন্ডাস্ট্রি লি. যথাযথ কর্তৃপক্ষের অনুমোদন সাপেক্ষে চকপাড়া, মাওনা, শ্রীপুর, গাজীপুরে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. ও ইবনে সিনা ট্রাস্টের যৌথ বিনিয়োগে প্লাস্টিক ও পলিমার জাতীয় পণ্য এবং পেট বোতল উৎপাদন ও বাজারজাত করবে।

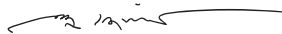
আমরা আশাকরি, ২০২০-২১ অর্থবছর ইবনে সিনা ফার্মার জন্য সুসংবাদ বয়ে আনবে। আমি দৃঢ়তার সাথে বলতে চাই ব্যবসায়িক প্রবৃদ্ধি অর্জন ও শেয়ারহোল্ডারগণের স্বার্থ সংরক্ষণের লক্ষ্যে আমরা উপযুক্ত পদক্ষেপ গ্রহণ করেছি। আমাদের প্রতি আপনাদের গভীর আস্থা ও বিশ্বাসের জন্য আন্তরিক ধন্যবাদ জ্ঞাপন করছি।

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

আমি সাফল্য অর্জনে অবদান রাখার জন্য কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ ও সর্বস্তরের দক্ষ কর্মকর্তা-কর্মচারীগণের অর্থবহ সহযোগিতার জন্য আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। সকলের আন্তরিক প্রচেষ্টা ব্যবসায়িক প্রবৃদ্ধি অর্জনকে শক্তিশালী করেছে। আমরা যে সাফল্য অর্জন করেছি তা মহান আল্লাহর রহমতে সকলের সম্মিলিত প্রচেষ্টার কারণেই সম্ভব হয়েছে। আমি সংশ্লিষ্ট সবার অবদানের কথা কৃতজ্ঞতার সাথে স্বীকার করছি।

আমি আরও কৃতজ্ঞতা জ্ঞাপন করছি আমাদের সম্মানিত ক্রেতাসাধারণ, শুভাকাঙ্ক্ষী, চিকিৎসক, ব্যাংকার, সরবরাহকারী, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লি., চট্টগ্রাম স্টক এক্সচেঞ্জ লি., সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিমিটেড, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ এন্ড ফার্ম, 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 36th 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 2019-20 showing the financial position, achievement and the notable performance of the Company. In Sha Allah.

IBN SINA Pharma conducted another year of excellent performance. We continued our growth momentum, meeting sales and profit targets and achieving remarkable success in consistent pursuit of our strategic objectives. We expanded our domestic market through reforming the depots countrywide as model depots, enriched and diversified our product portfolio, enhanced the manufacturing capacities in different technical aspects.

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

Revenue	Operating Profit	Profit after Tax	Earnings per Share
6,191,628,639	627,904,185	392,527,310	12.56

All the indicators mentioned above shows that the company is progressing and doing well. We hope it will perform even better in the years to come.

The Pharma industry plays a fundamental role as driving force of economic growth of Bangladesh. The economic growth of Bangladesh remains strong in FY 2019-20. Bangladesh economy grew 8.1% in the fiscal year 2019-20 with industry growth 4.30% where our company growth 17.62%.

The year 2019-20 was challenging one for us. Despite of many internal and external challenges, we have significantly increased our productivity by upgrading technology and constantly adhering to ensure efficient factory management in all aspects. To ensure this competitiveness in the market, we don't lag behind.

The future is of great opportunities, IBN SINA Pharma is ready to play significant role. We are hopeful that following our proposed Associate and Subsidiary companies/projects will attain a new pinnacle of production and profitability in near future:-

Active Pharmaceutical Ingredients (API) Project

With the demand growth of pharmaceuticals product, the demand of API products is also eventually expanding in the domestic market as well as new export frontiers. Considering the demand growth of API products, the Government of Bangladesh has taken initiatives to establish The Active Pharmaceutical Ingredients (API) industrial park in Gazaria, Munshigonj with a view to facilitate a steady supply of raw

materials of drugs to shrink import dependency. The Government has announced Pharmaceuticals "The product of the year 2018." This will accelerate immense opportunity for Bangladesh to export APIs to foreign countries.

The Company has got allotment of a plot comprising of 1.52 acres of land to establish Active Pharmaceutical Ingredient (API) industry in Gazaria, Munshigonj. The construction work of the project has already been started which is expected to be completed and commercially launched within the reasonable time.

IBN SINA Polymer Project

You will be happy to know that the Board of Directors of the Company has decided to form a subsidiary company named IBN SINA Polymer Industry Ltd. in order to produce and market plastic/polymer related products and/or pet-bottles etc. under joint investment of The IBN SINA Pharmaceutical Industry Ltd. and IBN SINA Trust subject to approval by the concerned regulatory authorities.

We hope 2020-21 will continue to be another good year for the IBN SINA Pharma. I remain confident that we are taking the right actions to continue to grow the business and deliver value for our shareholders. Thank you very much for your continued trust on us.

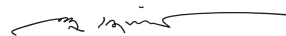
The Board of Directors accepts with gratitude the reviews, criticism and suggestions of our valued shareholders and consider them as a catalytic factor in attainment of the success and continued progress of the Company.

I sincerely show my immense impression for the dedication, commitment and skills of the employees of all level and gratitude as acknowledgement for the contribution made by the management to bring this success. It is their efforts that drive the business forward, delivering excellent performance and strong growth across our business. The success we have achieved is only possible because of the collective efforts of all concerned. I thankfully acknowledge their contribution to the company.

We are grateful to our valued customers, well-wishers, healthcare professionals, bankers, suppliers, Bangladesh Securities and Exchanges Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, 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 ৩৬তম বার্ষিক সাধারণ সভায় আন্তরিক শুভেচ্ছা ও স্বাগত জানাচ্ছি। ০১ জুলাই ২০১৯ থেকে ৩০ জুন ২০২০ 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 শুকরিয়া আদায় করছি।

এই প্রতিবেদনটি কোম্পানি আইন ১৯৯৪ এর ধারা ১৮৪ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং-BSEC/CMRRCD/2006-158/207/Admin/80, Dated 03 June 2018 এর শর্তানুসারে প্রস্তুত করা হয়েছে।

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 ভোক্তা সাধারণের 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 বস্তুগত 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।

২০১৯-২০ অর্থ বছরে EPS দাঁড়িয়েছে ১২.৫৬ টাকা যা ২০১৮-১৯ অর্থ বছরে ছিল ১০.৭৬ টাকা এবং আলোচ্য অর্থ বছরে

শেয়ার প্রতি নীট এসেট ভ্যালু ৫৬.৮৮ টাকা যা ২০১৮-১৯ অর্থ বছরে ছিল ৪৭.৩২ টাকা। নীট সম্পদ মূল্য (NAV) ১,৭৭৭,০০৬,৫৯৯ টাকা, যা পূর্ববর্তী অর্থ বছরে ছিল ১,৪৭৮,২৯৬,৩৯৫ টাকা। শেয়ার প্রতি নীট চলতি নগদ প্রবাহ (NOCFPS) ১৫.৯২ টাকা। যা পূর্ববর্তী অর্থ বছরে ছিল ১৩.৮৭ টাকা। উল্লেখ্য যে, আলোচ্য বছরে ব্যবসায়িক আয় এবং অন্যান্য আদায়যোগ্য আয় বৃদ্ধির কারণে শেয়ার প্রতি নীট চলতি নগদ প্রবাহ (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 ১৭.৬২% বিক্রয় প্রবৃদ্ধি অর্জিত হয়েছে। সর্বমোট বিক্রয় অর্জিত হয়েছে ৬১৯১.৬৩ মিলিয়ন টাকা, বিগত বছরে বিক্রয় হয়েছিল ৫,২৬৩.৯৬ 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।

মডেল সেলস ডিপো

উন্নত গ্রাহক সেবা ও উৎপাদন সক্ষমতা কোম্পানির চাবিকাঠি হিসেবে কাজ করে। এ ধারণার আলোকে ইবনে সিনা ফার্মা পর্যাপ্ত পরিবহন ব্যবস্থা ও দক্ষ জনবল এর সমন্বয়ে উন্নত সেলস ডিপো ব্যবস্থাপনার মাধ্যমে বিতরণ ব্যবস্থাকে আধুনিকীকরণ করার উদ্যোগ গ্রহণ করেছে। এর মাধ্যমে কোম্পানি নির্দিষ্ট সময়ে নির্ধারিত স্থানে পণ্য সরবরাহে সক্ষম হবে এবং সর্বনিম্ন ব্যয়ে মান সম্মত গ্রাহক সেবা নিশ্চিত করবে। এ ধারণার আলোকে কয়েকটি ডিপোকে সেলস মডেল ডিপো হিসেবে কার্যকর করা হয়েছে। আশা করা যায়, আগামী ২০২১ সালের মধ্যে পর্যায়ক্রমে সকল ডিপোগুলোর ব্যবস্থাপনা পদ্ধতি উন্নত করার মাধ্যমে মডেল ডিপোর আওতায় আনা সম্ভব হবে, ইনশাআল্লাহ।

বাংলাদেশ ফার্মাসিউটিক্যাল মার্কেট

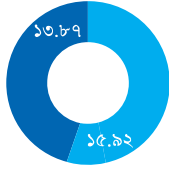
ফার্মাসিউটিক্যাল শিল্প বাংলাদেশের একটি গুরুত্বপূর্ণ খাত। যা বর্তমানে দেশের অর্থনীতিতে উল্লেখযোগ্য অবদান রাখছে। ২০১৯-২০ অর্থ বছরে বাংলাদেশ ফার্মাসিউটিক্যাল মার্কেট এর প্রবৃদ্ধি হয়েছে ৪.৩০%। এ সময়ে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. ১৭.৬২% প্রবৃদ্ধি অর্জন করেছে।

আর্থিক ফলাফল

০১ জুলাই ২০১৯ থেকে ৩০ জুন ২০২০ অর্থ বছরের আর্থিক ফলাফলের সার সংক্ষেপ নিম্নরূপ:

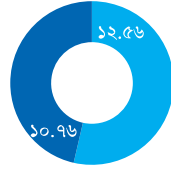
বিবরণ	টাকায়	
	২০১৯-২০	২০১৮-১৯
করপূর্ব মুনাফা	৫৬৫,০৮৩,২৬৮	৪৫২,১৪১,৫৫৭
বাদ ও আয়কর	১৭২,৫৫৫,৯৫৮	১১৫,৮৭৪,৬৮৭
কর পরবর্তী মুনাফা	৩৯২,৫২৭,৩১০	৩৩৬,২৬৬,৮৭০
রিটেইন্ড আর্নিংস	১,৪৬০,৩৯০,৫৮১	১,১৬১,৫৯৪,১৫২
নীট সম্পদ মূল্য	১,৭৭৭,০০৬,৫৯৯	১,৪৭৮,২৯৬,৩৯৫
শেয়ার প্রতি আয়	১২.৫৬	১০.৭৬
শেয়ার প্রতি নীট সম্পদ মূল্য	৫৬.৮৮	৪৭.৩২
শেয়ার প্রতি নীট চলতি নগদ প্রবাহ	১৫.৯২	১৩.৮৭

শেয়ার প্রতি নীট চলতি নগদ প্রবাহ



■ ২০১৯-২০ ■ ২০১৮-১৯

শেয়ার প্রতি আয়



■ ২০১৯-২০ ■ ২০১৮-১৯

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 ১৪৭ 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 লিঃ প্রচলিত ওষুধের পাশাপাশি নিয়মিত নতুন ওষুধ বাজারজাতকরণ করছে যা কোম্পানির প্রবৃদ্ধি অর্জনে যথেষ্ট ভূমিকা রেখে যাচ্ছে। এরই ধারাবাহিকতায়, ২০১৯-২০ অর্থ বছরে ৭ জেনেরিকের মোট ১১ টি প্রোডাক্ট বাজারজাত করা হয়েছে।

এ বছরে বাজারজাতকৃত প্রোডাক্টগুলোর মধ্যে মেরোক্ল্যাভ ২৫০ ট্যাবলেট, মেরোক্ল্যাভ ৫০০ ট্যাবলেট, মুডনর ট্যাবলেট, ফ্যাভিট্যাব ট্যাবলেট, সেফডিরেন ২০০ ট্যাবলেট, সেফডিরেন ৪০০ ট্যাবলেট, নাইট্রোব্যাক ১০০ এসআর ক্যাপসুল, নাইট্রোব্যাক ওরাল সাসপেনশন চিকিৎসক মহলে বিশেষভাবে সমাদৃত হয়েছে। এ প্রোডাক্টগুলোর মধ্যে মেরোক্ল্যাভ ২৫০ ট্যাবলেট 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 পাঁচটি নতুন প্রোডাক্ট বাজারজাতকরণ করেছে, এগুলো হলোঃ- ক্যাপসুল ফওলাদ, ক্যাপসুল এপিক্যাপ, ক্যাপসুল জিরিয়ান, ক্যাপসুল চিরতা, সিরাপ টিফসল।

বিক্রয় ও বিতরণ

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড এর বিক্রয় ও বিতরণ বিভাগটি সুসজ্জিত ও সমন্বিত। এ বিভাগে নিয়োজিত দক্ষ, পরিশ্রমী ও মেধা সম্পন্ন জনশক্তি নিয়ে প্রতিযোগিতা ও যুগোপযোগী বিতরণ কার্যক্রম সম্পাদন করছে। কোম্পানির উৎপাদিত ওষুধ সরবরাহের লক্ষ্যে বিতরণ বহরে নিজস্ব প্রায় ৭৫ 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। আগামীতে “মডেল ডিপো” ধারণার আলোকে ডিপো ব্যবস্থাপনা পদ্ধতিকে উন্নত করার মাধ্যমে কাজক্ষিত বিক্রয় লক্ষ্যমাত্রা অর্জনে এ বিভাগ সর্বদা প্রস্তুত ও প্রতিশ্রুতিবদ্ধ।

রপ্তানি

কোম্পানি রপ্তানি বাজারে নিজস্ব একটি মজবুত অবস্থান সৃষ্টি করতে নিরন্তর প্রচেষ্টা অব্যাহত রেখেছে। আলোচ্য অর্থ বছরে কোম্পানির রপ্তানি সংক্রান্ত বিবরণী প্রতিবেদনের ১০৬ ও ১৩৭ পৃষ্ঠায় উল্লেখ করা হয়েছে।

মানব সম্পদ

কোম্পানি তার সুদূরপ্রসারী লক্ষ্য ও উদ্দেশ্যকে বাস্তবায়ন করার জন্য জনশক্তি পরিকল্পনা প্রণয়ন, জনবল নিয়োগ, কর্মী মূল্যায়ন, পদোন্নতি ইত্যাদি কর্মকাণ্ডের মাধ্যমে হেড অফিস, ফিল্ড ও ফ্যাক্টরির সকল পর্যায়ে একটি সুসম্মিত অনুকূল কর্মপরিবেশ তৈরীর ইতিবাচক প্রয়াস অব্যাহত রেখে চলেছে।

লিগ্যাল, ট্রেনিং এন্ড ডেভেলপমেন্ট

কোম্পানি পরিচালনা, কোম্পানির সম্পদ, জমি-জমা ইত্যাদি প্রতিনিয়ত একটি আইনী সুরক্ষার মাধ্যমে 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 ৭৯০ 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 যুতসই প্রশিক্ষণ নীতিমালার আলোকে আগামীতে পুরো জনবলকে পর্যায়ক্রমে Need-Based Training কর্মসূচির আওতায় আনার পরিকল্পনা নেয়া হয়েছে।

‘কর্পোরেট গভর্নেন্স কোড’ প্রতিপালন

কর্পোরেট গভর্নেন্স কমপ্লায়ান্স অডিটর কোম্পানির কমপ্লায়ান্স স্ট্যাটাস মূল্যায়ন করে সন্তোষজনক প্রতিবেদন পেশ করেছেন।

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 ৮১-৮৬ পৃষ্ঠায় Annexure-C এবং Annexure-D তে সন্নিবেশিত হয়েছে।

শ্রম আইনের প্রতিপালন

শ্রমবান্ধব পরিবেশ বজায় রাখার লক্ষ্যে কোম্পানি বাংলাদেশ শ্রম আইন, ২০০৬ (সংশোধিত শ্রম আইন, ২০১৮) 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 রাখা এবং উৎপাদনকালীন অভ্যন্তরীণ দূষণ ও বর্জ্য নিঃসরণে রাষ্ট্রীয় সংস্থা পরিবেশ অধিদপ্তর ও গুণ্য প্রশাসন অধিদপ্তরের বিধিমালা অনুসরণ করে ETP ও অন্যান্য নিরাপত্তা কার্যক্রম পরিচালনা করে যাচ্ছে।

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 ৫১ ও ১২৮ পৃষ্ঠায় বর্ণিত হয়েছে;

গ. অভ্যন্তরীণ ও বহিরাগত ঝুঁকির কারণসহ ঝুঁকি ও অনিশ্চয়তা সম্পর্কিত প্রতিবেদন, স্থায়ীভূতের 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 ১৪৪ পৃষ্ঠায় বর্ণিত হয়েছে;

চ. ইন্ডিপেন্ডেন্ট পরিচালকসহ পরিচালকমণ্ডলীর ভাতা (Remuneration) সম্পর্কিত তথ্য প্রতিবেদনের ১৪০ 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. হিসাব নীতিমালা অনুসরণ পূর্বক আর্থিক বিবৃতি সমূহ প্রস্তুত করা হয়েছে এবং হিসাব সম্পর্কিত অনুমানগুলো বিচক্ষণতার সাথে যুক্তি সংগতভাবে তৈরি করা হয়েছে।

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

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

ঠ. চলমান প্রতিষ্ঠান হিসেবে কোম্পানির সক্ষমতা প্রমাণিত;

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

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

ণ. পরিচালকমণ্ডলীর সভায় উপস্থিতির বিবরণ ৬১ পৃষ্ঠায় বর্ণিত হয়েছে;

ত. কোম্পানির শেয়ারহোল্ডিং প্যাটার্ন ৫৭ ও ১৩৪ পৃষ্ঠায় বর্ণিত হয়েছে;

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

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

খ. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নোটিফিকেশন অনুসারে ব্যবস্থাপনা পরিচালক এবং চিফ ফাইন্যান্সিয়াল অফিসার কর্তৃক আলোচ্য বছরে তাঁদের দায়িত্ব ও কর্তব্য সম্পর্কিত ঘোষণা প্রতিবেদনের ১১০ পৃষ্ঠায় বর্ণিত হয়েছে;

ন. নমিনেশন ও রেয্যুনেমেন্ট কমিটি কর্তৃক প্রদত্ত প্রতিবেদন ৭৫ পৃষ্ঠায় বর্ণিত হয়েছে;

গ. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের প্রোফর্ম্যা অনুযায়ী কর্পোরেট গভর্নেন্স কমপ্লায়ান্স রিপোর্ট প্রতিবেদনের ৮২-৮৬ 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 Accounting Standard (IAS) এবং 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 যথাযথ মূল্যায়ন ও প্রকাশের দায়িত্ব পরিচালকমণ্ডলী পালন করে যাচ্ছেন। পরিচালকমণ্ডলী কর্তৃক গঠিত অডিট কমিটি এসব প্রতিবেদনের তথ্যাবলীর 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 লিষ্টিং রুলস অনুযায়ী ২০১৯-২০ 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 করেছে।

ব্যবস্থাপনা সংক্রান্ত বিবৃতি এবং পর্যালোচনা

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর কর্পোরেট গভর্নেন্স কোড নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 অনুসারে কোম্পানির চলমান সক্ষমতা, আর্থিক অবস্থা ও অন্যান্য প্রকাশিত বিবৃতিগুলো সম্পর্কে পৃথকভাবে ব্যবস্থাপনা পরিচালকের প্রতিবেদন Annexure-A তে বিস্তারিত আলোচনা করা হয়েছে।

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 ১৪৪ পৃষ্ঠায় উপস্থাপন করা হয়েছে।

ক্ষুদ্র বিনিয়োগকারীগণের স্বার্থ সংরক্ষণ

২০১৯-২০ অর্থবছরে ক্ষুদ্র বিনিয়োগকারী শেয়ারহোল্ডারগণের স্বার্থ সুরক্ষিত।

অস্বাভাবিক লাভ-ক্ষতি

২০১৯-২০ 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 ইনডিপেনডেন্ট পরিচালকসহ অভিজ্ঞতা সম্পন্ন ৩ (তিন) সদস্য বিশিষ্ট অডিট কমিটি কাজ করছে। কমিটি তার রিপোর্টে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন 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 বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন 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 নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ ৩ জুন, ২০১৮ 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।

পুর্জি বাজারের বিধি সমূহ প্রতিপালন

কোম্পানি ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ লি. এ তালিকাভুক্ত হওয়ার পর থেকে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লি. ও চট্টগ্রাম স্টক এক্সচেঞ্জ লি. সহ এতদসংশ্লিষ্ট অন্যান্য কর্তৃপক্ষের সময়ে সময়ে ইস্যুকৃত আইন, বিধি ও নির্দেশনা সমূহ যথাযথভাবে প্রতিপালন করে যাচ্ছে।

উল্লেখযোগ্য আর্থিক বিবরণীর তথ্যাদি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন 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, ২০১৮) অনুযায়ী, কোম্পানির চলতি বছরের মুনাফার ৫% অর্থাৎ ২৮,৬০৭,৮৬০ টাকা যথাসময়ে শ্রমিক অংশীদারিত্ব ও শ্রমিক কল্যাণ তহবিলে প্রদান করা হবে।

সহযোগী ও সাবসিডিয়ারি কোম্পানির পরিচালনা পর্ষদ

কর্পোরেট গভর্নেন্স কোড এর সাথে সঙ্গতি রেখে সাবসিডিয়ারি কোম্পানির পরিচালনা পর্ষদে কোম্পানির প্রতিনিধিত্ব রয়েছে। সে হিসেবে সাবসিডিয়ারি কোম্পানি ইবনে সিনা এপিআই লিমিটেড এর পরিচালনা পর্ষদে একজন ইন্ডিপেনডেন্ট পরিচালক প্রতিনিধিত্ব করছেন। সাবসিডিয়ারি কোম্পানির পরিচালকমণ্ডলীর সভার কার্যবিবরণী দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর পরিচালকমণ্ডলীর সভায় উপস্থাপন করা হয়েছে এবং যথাযথভাবে পর্যালোচনা ও নথিভুক্ত করা হয়েছে। কোম্পানির পরিচালকমণ্ডলী সাবসিডিয়ারি কোম্পানির সাময়িক ও বার্ষিক আর্থিক বিবরণী পর্যালোচনা করেছেন।

নিম্নে ধারাবাহিকভাবে সহযোগী কোম্পানি গুলোর প্রকৃত চিত্র তুলে ধরা হল:-

“ইবনে সিনা এপিআই লি. এ বিনিয়োগ

৩০ জুন ২০২০ পর্যন্ত “ইবনে সিনা এপিআই লি.” এ পরিশোধিত মূলধন ১০ (দশ) কোটি টাকার ৯৯.৯৯% শেয়ারের ধারক হিসেবে ৫ (পাঁচ) কোটি টাকা প্রদান করা হয়েছে। এ বিনিয়োগ কোম্পানির স্থায়ী সম্পদের ২,৩২১,৬৮৭,৩৬৯/- টাকার ২.১৫%। দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড এর সহযোগী প্রতিষ্ঠান ইবনে সিনা এপিআই 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 পরিচালকমণ্ডলী বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডারগণ কর্তৃক অনুমোদনের জন্য সুপারিশ করেছেন। ইবনে সিনা এপিআই লি. সংক্রান্ত বিষয় বার্ষিক প্রতিবেদনের ১৯২ পৃষ্ঠায় বর্ণিত হয়েছে।

ইবনে সিনা কনজুমার প্রোডাক্টস লি.

বাংলাদেশের জনসংখ্যার সুখম খাদ্য ও পুষ্টি চাহিদা পূরণের লক্ষ্যকে সামনে রেখে সিঙ্গাইর, মানিকগঞ্জে প্রতিষ্ঠিত হয়েছে ইবনে সিনা ফার্মার সহযোগী প্রতিষ্ঠান “ইবনে সিনা কনজুমার প্রোডাক্টস লি.”।

প্রকল্প নির্মাণের কাজ প্রায় ৬০% সম্পন্ন হয়েছে। আশা করা যায়, বৈশ্বিক মহামারী করোনা ভাইরাস (কোভিড-১৯) এর প্রতিকূলতা সত্ত্বেও কাজ দ্রুত শেষ হবে এবং শিঘ্রই বাণিজ্যিক কার্যক্রম চালু হবে, ইনশাআল্লাহ।

ইবনে সিনা পলিমার প্রকল্প

দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. এর আরেকটি নতুন উদ্যোগ ইবনে সিনা পলিমার প্রকল্প। বিগত ২২ জানুয়ারি, ২০২০ বুধবার পরিচালকমণ্ডলীর ২৭২তম সভায় ১০ (দশ) কোটি পরিশোধিত মূলধনের ৬৫% উদ্যোগ শেয়ার নিয়ে “ইবনে সিনা পলিমার ইন্ডাস্ট্রি লি.” নামে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লিমিটেড এর একটি সাবসিডিয়ারি কোম্পানি গঠন করার সিদ্ধান্ত নেয়া হয়েছে। ইবনে সিনা পলিমার ইন্ডাস্ট্রি লি. যথাযথ কর্তৃপক্ষের অনুমোদন সাপেক্ষে চকপাড়া, মাওনা, শ্রীপুর, গাজীপুরে দি ইবনে সিনা ফার্মাসিউটিক্যাল ইন্ডাস্ট্রি লি. ও ইবনে সিনা ট্রাস্টের যৌথ বিনিয়োগে প্লাস্টিক ও পলিমার জাতীয় পণ্য এবং পেট বোতল উৎপাদন ও বাজারজাত করবে, ইনশাআল্লাহ।

অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুষ্ঠু ভিত্তির ওপর প্রতিষ্ঠিত আছে এবং গৃহীত ব্যবস্থা যথাযথভাবে কাজ করছে। 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 ১৯২.২০ টাকা থেকে সর্বোচ্চ ২৮১.৫০ 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 ২০১৯ থেকে ৩০ জুন ২০২০ পর্যন্ত ১,০৮০,১৬৮,১০৭/- টাকা প্রদান করে জাতীয় অর্থনীতি বিকাশে উল্লেখযোগ্য অবদান রেখেছে। এটি আলোচ্য অর্থ বছরে বিক্রয়লব্ধ অর্থের ১৭.৪৪% 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 স্ব স্ব 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 রেয়ুমেনেশন (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 একটি Nomination and Remuneration (NRC) কমিটি গঠন করা হয়। আলোচ্য অর্থ বছরে NRC কমিটির কার্যক্রমের বিস্তারিত বিবরণ প্রতিবেদনের ৭৫ পৃষ্ঠায় সন্নিবেশিত হয়েছে।

পরিচালকমণ্ডলীর ভাতা

ইনডিপেনডেন্ট পরিচালক সহ পরিচালকমণ্ডলীর সম্মানী ও ভাতা বাবদ ব্যয়ের পরিমাণ আর্থিক প্রতিবেদনের ২৭ নং নোটে উল্লেখ করা হয়েছে, যা বার্ষিক প্রতিবেদনের ১৪০ 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-মজুরী ইত্যাদি নির্ধারণ করা হয়। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের জারিকৃত কর্পোরেট গভর্নেন্স কোড অনুসারে NRC কমিটির সুপারিশ মোতাবেক কার্যনির্বাহী 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 এ. এন. এম. এ. জাহের এবং প্রফেসর ড. চৌধুরী মাহমুদ হাসান অবসর গ্রহণ করেছেন।

অবসর গ্রহণকারী পরিচালকবৃন্দ পুনর্নির্বাচনের যোগ্য। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন প্রদত্ত নির্ধারিত পদ্ধতিতে পরিচালকমণ্ডলীর সংক্ষিপ্ত জীবন বৃত্তান্ত প্রতিবেদনের ১৪-২১ পৃষ্ঠায় পরিচালকদের প্রোফাইলে সন্নিবেশিত হয়েছে।

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 কর্তৃপক্ষকে কোম্পানির স্বার্থে অবহিত করে থাকেন।

আর্থিক বিবরণী প্রস্তুত পরবর্তী ঘটনাবলী

০১ জুলাই ২০১৯ থেকে ৩০ জুন ২০২০ পর্যন্ত সময়ের আর্থিক বিবরণী প্রস্তুত-পরবর্তী সমন্বয়ের 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 বেনিফিসিয়ারীগণের চাহিদা ও স্বার্থের মাঝে ভারসাম্যপূর্ণ গুরুত্ব প্রদান করে লভ্যাংশ ঘোষণা করে থাকে।

লভ্যাংশ

পরিচালনা পরিষদ ২০১৯-২০ অর্থবছরে ১০ টাকা অভিহিত মূল্যের প্রতিটি শেয়ারের জন্য ৩৮.৫০% নগদ লভ্যাংশ প্রদানের সুপারিশ করেছেন।

রিজার্ভ এন্ড সারপ্লাস

২০১৯-২০ অর্থ বছরে কোম্পানির রিজার্ভ এন্ড সারপ্লাস ১,৪৬৪,৭৮২,৬৯১/- টাকায় উন্নীত হয়েছে যা পূর্ববর্তী ২০১৮-১৯ অর্থ বছরে ছিল ১,১৬৫,৯৮৬,২৬২ টাকা।

নিরীক্ষক নিয়োগ

কোম্পানির নিরীক্ষক মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস ২০১৯-২০ অর্থ বছরের নিরীক্ষা কার্য সম্পাদন করেছেন। মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস এ সভায় অবসর গ্রহণ করেছেন। আইন অনুসারে বর্তমান নিরীক্ষক পুনরায় কোম্পানির নিরীক্ষক হিসেবে নিয়োগ প্রাপ্ত হওয়ার যোগ্য। মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস নিরীক্ষক হিসেবে নিয়োগপ্রাপ্ত হওয়ার ইচ্ছা (Expression of Interest) প্রকাশ করেছেন।

অডিট কমিটি নিরীক্ষা কার্য এবং অডিট ফার্মের প্রোফাইল বিশদভাবে পর্যালোচনা করে আগামী অর্থ বছরের জন্য মালেক সিদ্দিকী ওয়ালী চার্টার্ড একাউন্টেন্টস-কে কোম্পানির নিরীক্ষক হিসেবে নিয়োগদানের জন্য প্রস্তাব করেন।

আইন অনুযায়ী যোগ্য হওয়ায়, পরিচালকমণ্ডলী অডিট কমিটির সুপারিশের সাথে একমত পোষণ পূর্বক মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টসকে ২২০,০০০/- টাকা অডিট ফি ধার্য করে ২০২০-২১ অর্থ বছরের জন্য কোম্পানির নিরীক্ষক হিসেবে নিয়োগদানের জন্য প্রস্তাব করেন। বিষয়টি এ বার্ষিক সাধারণ সভায় কোম্পানির শেয়ারহোল্ডারগণের বিবেচনা ও চূড়ান্ত অনুমোদনের জন্য পেশ করা হবে।

কমপ্লায়াস অডিটর নিয়োগ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ইস্যুকৃত কর্পোরেট গভর্নেন্স কোড অনুযায়ী মেসার্স ইতরাত হোসেন এন্ড এসোসিয়েটস কোম্পানির ২০১৯-২০ অর্থ বছরের কমপ্লায়াস অডিট সম্পন্ন করেছেন। মেসার্স ইতরাত হোসেন এন্ড এসোসিয়েটস এ বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন। কর্পোরেট গভর্নেন্স কোড অনুসারে বর্তমান অডিটর ২০২০-২১ অর্থ বছরের জন্য নিয়োগপ্রাপ্ত হওয়ার যোগ্য হওয়ায় কমপ্লায়াস অডিটর হিসেবে পুনঃ নিয়োগ প্রাপ্ত হওয়ার ইচ্ছা প্রকাশ (Expression of Interest) করেন।

এ ব্যাপারে বোর্ড সার্বিক দিক পর্যালোচনা পূর্বক ৭০,০০০/- (সত্তর হাজার) টাকা অডিট ফি ধার্য করে মেসার্স ইতরাত হোসেন এন্ড এসোসিয়েটস কে ২০২০-২১ অর্থ বছরের জন্য কোম্পানির কমপ্লায়াস অডিটর হিসেবে পুনঃ নিয়োগদানের জন্য প্রস্তাব করেছেন।

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 (www.ibnsinapharma.com) 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 কেমিষ্টগণের 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 রাব্বুল আলামীনের দরবারে রহমত কামনা করছি।

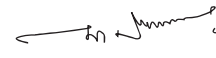
পরিচালকমণ্ডলীর অনুমোদনক্রমে ও পক্ষে,



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পরিচালক, অর্থ



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 36th 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 2020 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 2019-20.

This report has been prepared in compliance with Section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission Notification No. BSEC / CMRRCD / 2006-158 / 207 / Admin / 80 Dated 03 June 2018.

Main Objective of the Company

The Company's main objective is 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 2019-20 EPS stood Tk. 12.56 which was Tk. 10.76 in 2018-19. In the year under review Net Asset Value per share is Tk. 56.88 which was Tk. 47.32 in 2018-19 and in the year 2019-20 Net Asset Value stood Tk. 1,777,006,599 which was Tk. 1,478,296,395 over the last corresponding year. NOCFPS per share stood Tk. 15.92 in the year under review which was previously Tk. 13.87. 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 and 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 strengthen more in view of the attainment of the increased sales of products. This helps to reinforced our position in the pharmaceutical market. During the year 17.62% sales growth was achieved compared to the preceding year. In the year 2019-20 overall sales achievement stood at Tk. 6191.63 million which was Tk. 5,263.96 million in the last year. This was accomplished with the coordinated efforts of all levels of employees engaged in sales, marketing and factory.

Model Depots

Optimum utilization of all resources is the key for better customer service and better productivity. On the concept IBN SINA Pharma has taken initiatives to modernize its distribution system with adequate vehicle and

manpower and with an upgraded depot management system. It will enable the company to ensure product supply in due time in due place resulting better customer satisfaction and with the minimal expenses. This concept already is in function in few depots as Model. IBN SINA expects to bring all other depots under this upgraded depot management system by 2021 gradually.

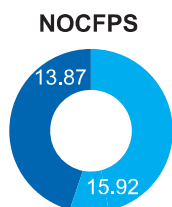
Bangladesh Pharma Market

In the year under review, the growth of pharmaceutical market of Bangladesh stood 4.30%. The IBN SINA Pharmaceutical Industry Ltd. achieved 17.62% growth which is good with respect to the growth of pharma market of Bangladesh.

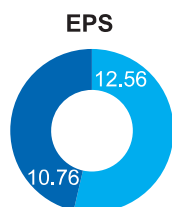
Financial Results

The financial results of 2019-20 are summarized below:

Particulars	Amount in Taka	
	2019-20	2018-19
Profit Before Tax	565,083,268	452,141,557
Less: Income Tax	172,555,958	115,874,687
Profit After Tax	392,527,310	336,266,870
Retained Earnings	1,460,390,581	1,161,594,152
Net Asset Value (NAV)	1,777,006,599	1,478,296,395
Earnings per Share (EPS)	12.56	10.76
Net Asset Value (NAV) per Share	56.88	47.32
Net Operating Cash Flow per Share	15.92	13.87



■ 2019-20 ■ 2018-19



■ 2019-20 ■ 2018-19

Fixed Assets

Retaining the continual achievement of last years' success, remarkable 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. 147 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 IPI launched 11 new products of 7 generics in 2019-20. In the year under review some of the marketed products specially accepted by the doctors are Meroclav 250 tablet, Meroclav 500 tablet, Moodnor tablet, Favitab tablet, Cefdiren 200 tablet, Cefdiren 400 tablet, Nitrobac 100 SR capsule, Nitrobac oral suspension. Among these products Meroclav 250 tablet is now contributing highest revenue per month.

Natural Medicine Division

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

In the year 2019-20, the important and essential five new products marketed are Capsule Faulad, Capsule Apicap, Capsule Jiryan, Capsule Chirata and Syrup Tifisol. Each of them has meanwhile been appreciated by the physicians.

Sales and Distribution

Sales and Distribution Department of the Company is very time befitting and well equipped futuristic. The manpower employed in this department are experienced, skilled having knowledge of modern distribution channel management technology serving diligently. There are 75 vehicles of various types to distribute the medicine countrywide. Besides, 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. This department is ready and committed as always to achieve the desired sales goals using the upgraded depots management system termed 'Model Depot Concept' in the coming days as well.

Export Activities

The Company is very much hopeful to dilate the export market more and to create this expected space, utmost effort is being continual. The export related performance statement for the year under review is given in the page no.106 & 137 of the Annual Report.

Human Resources Development

The HRD Department is endeavoring to create an emphatic balanced complimentary working environment holding the belief in equal and meritocratic employment towards attracting, retaining, developing and promoting the most qualified and competent employees regardless of their race, ethnicity, religion, gender or any other such characteristics. This policy is applicable to our recruitment, placement, promotion, training and retention strategy resulting of which ensuring the development of diverse workforce with skills and integrity 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 790 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

The Corporate Governance Compliance Auditors has issued a Satisfactory Report on the overall level of compliance by the Company.

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- C" and "Annexure- D" of the Annual Report page no. 81-86.

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 2018) and other laws and regulations applicable to the Company. As per The Bangladesh Labour Rules, 2015 the requisite committees like Participatory Committee, Safety Committee, Canteen Management Committee and Sexual Harassment Protection Committee were 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 through ETP 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.

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 (a-u) 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. 51 & 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. 144 of the Annual Report.
- (f) A statement of remuneration paid to the directors

including independent directors is stated in the page no. 140 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 and 134.

(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) 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. 82-86 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), Companies Act-1994 and Bangladesh Financial Reporting Act. (FRA)-2015. 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.

Management Discussion and Analysis

Detailed discussion on the operating and financial performance of the Company along with other disclosures as required under Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) through Notification No. BSEC / CMRRCD / 2006-158 / 207 / Admin / 80 dated June 3, 2018 has been separately reported by the Managing Director in "Annexure-A."

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. 144 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 2019-20, 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 have been working effectively. The Audit Committee had detailed discussion and analysis on its report as directed by BSEC and the Board with regards to internal audit system, preparation of annual financial report and the observations of external auditors. As there was no evidence of slightest 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; sub-committee of the Board has been formed to implement this policy. The CSR activities taken by the Company in the year under review are being carried out by CSR committee 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), two learned and veteran professionals respectively Mr. Md. Rafiqul Islam

Khan, FCA and Mr. Md. Abdus Salam FCA, FCS have been performing the duties as Independent Director.

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 on the same 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) and other related authorities.

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' has 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 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. 28,607,860 will be transferred to the workers' profit participation fund and welfare fund as per Labor Law 2006 (As amended in 2018).

Governance of Board of Directors of Subsidiary and Associate Company

The Company's representation in the subsidiary company's board was in line with the Corporate Governance Code and accordingly an Independent Director of The IBN SINA Pharmaceutical Industry Ltd. was in the Board of the subsidiary company, IBN SINA API Limited. Minutes of the Board meetings of the subsidiary company were placed before the Board of The IBN SINA Pharmaceutical Industry Ltd. and were then duly reviewed and recorded. Board of Directors of the holding Company also reviewed the periodical and annual financial statements of the subsidiary.

Venture wise snapshot are as follows:-

Investment in the IBN SINA API Limited

As of 30 June 2020, out of total paid up capital of Tk 10 (Ten) Crore, IBN SINA Pharma invested Tk. 5 (Five) Crore for holding of 99.99% Shares of IBN SINA API Limited. This investment stands 2.15% of tangible assets Tk. 2,321,687,369/= (Property, Plant and Equipment and Capital Work-in-Progress), therefore, it is recommended by the Board of IBN SINA Pharma that approval of Shareholders in this AGM is required pursuant to BSEC's Notification No. SEC/CMRRCD/2008-183/Admin/03-30 dated June 01, 2009 for capital investment exceeding 1% of total tangible assets of The IBN SINA Pharmaceutical Industry Ltd. to its subsidiary Company, IBN SINA API Limited. The disclosure in this respect may be seen in the page no. 192 of the Annual Report.

The IBN SINA Consumer Products Ltd.

The IBN SINA Consumer Products Ltd. is an associated company of IBN SINA Pharma established in Singair, Manikganj with a view to fulfilling the demand of balanced food and nutrition needs of the populations of Bangladesh.

The construction work of the project has substantially (about 60%) been completed. Despite the fact of various adversities caused by much waving pandemic corona virus (Covid-19), it is expected to be completed and commercially launched soon.

IBN SINA Polymer Project

The IBN SINA Pharmaceutical Industry Ltd. have taken another initiative of IBN SINA Polymer Project. The Board of Directors of The IBN SINA Pharmaceutical Industry Ltd. in its 273rd Meeting held on Tuesday 03.03.2020 has decided to take over the sponsor shares up to 65% where the Board approved Paid-up Capital TK. 10 (Ten) Crore Taka only of the proposed Subsidiary Company named IBN SINA Polymer Industry Ltd. in order to produce and market plastic/polymer related products and/or pet-bottles etc. and establish the same at Chalkpara, Maowna, Sreepur, Gazipur, Bangladesh under joint investment of The IBN SINA Pharmaceutical Industry Ltd. and IBN SINA Trust subject to approval by the concerned regulatory authorities.

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 of control management. 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 basis. 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 2019-20, the company shares were traded in the both stock exchanges at minimum of Tk. 192.20 to maximum of Tk. 281.50 as against the face value of Tk.10.

Contribution to the National Exchequer

The Company had made a significant contribution in the year 2019-20 towards the National Exchequer by paying Tk. 1,080,168,107 as Income Tax and VAT. This is equivalent to 17.44% 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 and 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 and their Report

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 formed the Nomination and Remuneration Committee (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 in the page 140 of Annual Report 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) duly approved by the Board as per corporate governance code of BSEC.

Election of Directors

Prof. ANMA Zaher and Prof. Dr. Choudhury Mahmood Hasan 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 is given under the Directors' Profile of this Annual Report.

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 2019-20, no necessity arose for subsequent adjustment or no pecuniary issues 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

dividend giving importance on a balance between the present expectation of the shareholders and that of potential beneficiaries considering all relevant applicable laws and best practices in this connection.

Dividend

Based on the overall performance as reflected in the Financial Statements for the year 2019-20 of the Company, the Board of Directors proposed cash dividend of 38.50% as against per share of Tk.10 each.

Reserves and Surplus

In the year 2019-20, Company's reserves and surplus rose to Tk. 1,464,782,691 which was Tk. 1,165,986,262 in the previous year.

Appointment of Statutory Auditors

M/S. Malek Siddiqui Wali, Chartered Accountants, statutory auditors of the Company, audited the Accounts for the year 2019-20. M/S. Malek Siddiqui Wali, Chartered Accountants retire at this meeting. As per Law, the existing Auditors are eligible for re-appointment as statutory auditors. M/S. Malek Siddiqui Wali, Chartered Accountants has given their expression of interest to be re-appointed as Statutory Auditors.

The Audit Committee reviewed the performance of audit acted in the last year and profile of the said Audit Firms and recommended in favour of M/S. Malek Siddiqui Wali, Chartered Accountants for reappointment as Statutory Auditors of the Company for the next financial year.

Being eligible as per Law, the Board of Directors has concurred with the recommendation of the Audit Committee to be re-appointed M/s. Malek Siddiqui Wali, Chartered Accountants as statutory auditors of the Company for the financial year 2020-21 and recommended remuneration of Taka 220,000/- (Two Lac Twenty Thousand) taka only subject to approval by the Shareholders in the AGM of the company.

Compliance Auditors Appointment

As per 'Corporate Governance Code' issued by Bangladesh Securities and Exchange Commission (BSEC), M/s. Itrat Hussain & Associates, Chartered Secretaries in Practice, compliance auditors of the company audited the compliance status of the Company for the year 2019-20. M/s. Itrat Hussain & Associates, Chartered Secretaries in Practice retire at this AGM. Being eligible as per 'Corporate Governance Code', the existing Auditors offered themselves to be re-appointed as Compliance Auditors for the year 2020-21.

The Board of Directors recommended for the re-appointment of M/s. Itrat Hussain & Associates, Chartered Secretaries as the Compliance Auditors of the Company for the year 2020-21 fixing the auditor fee of Tk. 70,000/- (Seventy Thousand).

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, e-mail service and website (www.ibnsinapharma.com) as well.

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 Banks and 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 makes 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 at large. We pray to the Almighty Allah for His blessings for continual overall progress and prosperity of our beloved country People's Republic of Bangladesh.

Allah Hafiz.

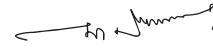
Approved by the Board of Directors and signed on its behalf.



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



Kazi Harun-Or-Rashid
Director, Finance



Md. Shahid Farooqui FCS
Company Secretary

ANNEXURE -A



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

Bismillahir Rahmanir Rahim

Dear Honourable Shareholders

Assalamu Alaikum Wa Rahmatullah

By the grace of Almighty Allah, The IBN SINA Pharmaceutical Industry Ltd. has completed its journey of 36 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 2019-20. 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.

May I take the opportunity to share with you some facts and figures of our company as follows:-

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 2019-20, among others, centering on:-

- Turnover amounted to Tk. 6191.63 Million increased by 17.62% over the year 2018-19;
- Earnings per share (EPS) stood Tk 12.56 which was Tk. 10.76 in the year 2018-19;
- Enriching product portfolio by introducing 11 new products with 7 generics in Pharma and 5 Natural Medicine (Herbal and Unani);
- Contribution to the National Exchequer in the form of VAT, AIT and Corporate Tax of Tk. 1080 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. 123 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. On the other hand, top leading Pharmaceutical companies are mostly private or proprietorship company, therefore, they are not required to disclose their financial data to the Public. For this reason, it is difficult to make comparison of financial performance or results and financial position as well as cash flows with peer industries. However, considering the overall industry scenario, it is observed that the financial results along with Financial Performance and cash flows of the IBN SINA Pharmaceutical Industry Ltd. are consistently growing and sustainable. It is noted that the Industry growth as per IMS report 4.30%; on the other hand the Company's national growth 17.62%.

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 this subcontinent, it is reflected the strategic importance of Bangladesh in this region.

Bangladesh is now on the high way of development. Huge development works have been going on in different sectors. The economy of Bangladesh becomes able now to maintain its economic growth upward. It sustained strong growth in fiscal year 2018-19. The GDP growth rate for 2019-20 officially estimated 8.2 percent.

The nation is marching forward in achieving the Vision 2041 by implementing the perspective plans phase-wise, declared by the Honorable Prime Minister Sheikh Hasina, as its base. The socio-economic environment of Bangladesh is likely to be developed from a low-income economy to the first stage of a middle-income economy.

Bangladesh government continues to pursue foreign investment in various thrust sectors including pharmaceuticals. According to Bangladesh Export Promotion Bureau, Bangladesh exported Pharmaceuticals product to 147 countries in the fiscal year 2019-20 of which worth USD \$ 130.00 million as against USD 0.74 million & Euro 0.10 million in 2018-19.

Considering the above facts and circumstances, we are hopeful that the Pharmaceutical market will get new dimension and the Compound Annual Growth Rate (CAGR) will exceed 25% within the year 2025.

Risk and Concerns Issues Related to the Financial Statements

Efficient and effective risk Management is the integral part of today's business. As such, The IBN SINA Pharmaceutical Industry Ltd. is always subject to systematic risks of the industry and market as well.

The risks and concerned issues related to the financial statements, explaining such risk and mitigation plan thereof is described in the page no. 145 of the Annual Report.

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

IPI is a fast growing pharma company. It looks for a faster growth with new products as well as with new dosage forms. Need of new manufacturing facilities is the natural demand to produce new ranges of products. The management has therefore undertaken a number of ambitious and new projects and development activities.

Under successful completion of Cephalosporin and OSD Extension Project, the Company looks for establishing compliant manufacturing facilities in its Mauna, Gazipur premises. It is Ibn-Sina's first Industrial Park aiming at establishing the new projects like Biotech, Sterile, LVP, MDI, Oncology and OSD specialized manufacturing facilities. Designs of layout plans for these facilities are going on. Meanwhile, the construction works of API Project and the Natural Medicine Factory Extension Project have been advanced towards the final stage. These compliant production facilities will certainly uplift the market exposure of IPI to a meridian status.

IBN SINA Pharma management also thriving for business diversification, including pharma backward linkage factories (eg. PET bottles) and export oriented factories. In this respect a company named "IBN SINA Polymer Industry Ltd." has already been formed and necessary steps have been initiated to move the plan into materiality within the befitting time.

While, concluding, I appreciate for the leadership provided by the Board of Directors and Management and also I would like to express my sincere appreciation to you all, our valued customers, shareholders, 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

New Projects & Development Activities

Ibn Sina is a fast growing pharma company. It looks for a faster growth with new products as well as with new dosage forms that are first time in Ibn Sina's products ranges. Need of new manufacturing facilities is the natural demand to produce new ranges of products. The management of IPI is neither oblivious nor procrastinate of the situation; rather being observant of national & international pharma-marketing, the adroit management of IPI has undertaken a number of ambitious and exorbitant new projects & development activities. The management ponders one its activities & turns into a conducive action that reflect its high level of diligence.



Under successful completion of Cephalisporins and OSD Extension Project, The IBN SINA Pharma management looks for establishing compliant manufacturing facilities in its Mauna, Gazipur premises. It is Ibn-Sina's first Industrial Park aiming at establishing the new projects like Biotech, Sterile, LVP, MDI, Oncology and OSD specialized manufacturing facilities. Design of green field layout plans for these facilities are going on. As soon as the layout plan will be approved by the Consultant, civil construction work will be started.

In order to optimize the target to achieving goals, the first phase works comprising of OSD & Biotech Projects have been targeted to complete by next 2(two) years. At most simultaneously, the second phase works for setting up of Oncology & MDI projects will be started. The plans for achieving the goal have already finalized & approved by the Board. These compliant production facilities will certainly uplift the market exposure of IBN SINA Pharma to a meridian status.

The API Project is one of the priority projects of IBN SINA Pharma. Unfortunately the civil construction works have been delayed to an extent due to Covid-19 Force Majeure situation. Nevertheless, the management of IBN SINA Pharma is very much optimistic to achieve the commercial production within shortest possible time. In contrast to initial planning, the production facilities have been revised to higher number of synthesis lines (total 5 production lines) including a couple of higher capacity lines.

The management also looks for business diversification, including pharma backward linkage factories (eg. PET bottles) and export oriented factories. The management has initiated to invest in the dedicated Economic Zone under BEZA in large industries category. Obviously multi-factory industrial complex can be established in the Govt. economic zone. Investment in BEZA is always considered as a privileged investment and the management of IBN SINA reckons rightly for the same.

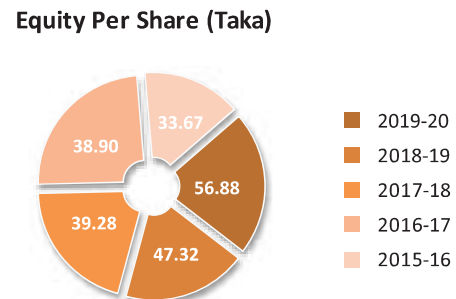
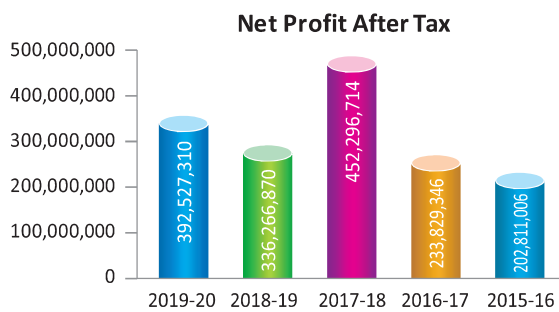
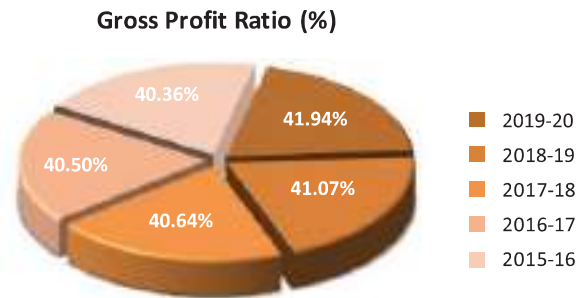
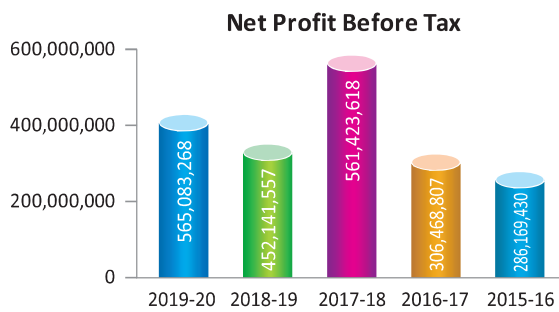
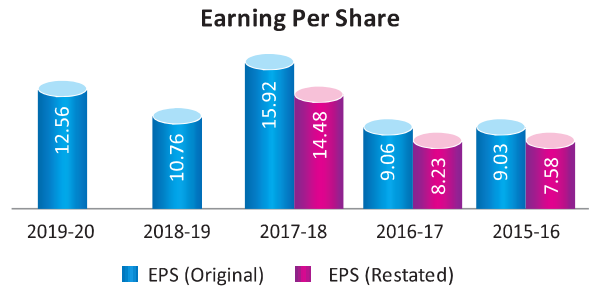
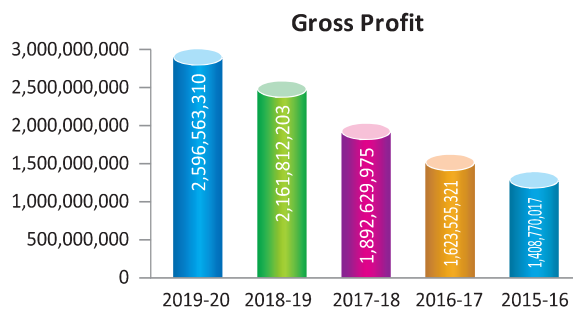
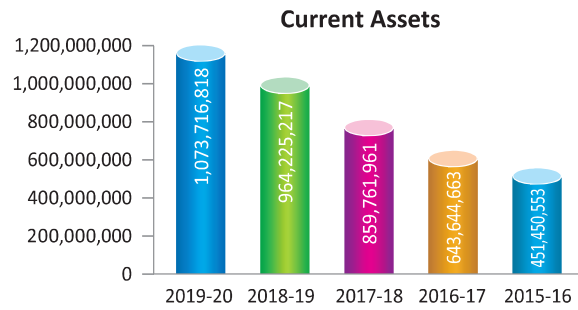
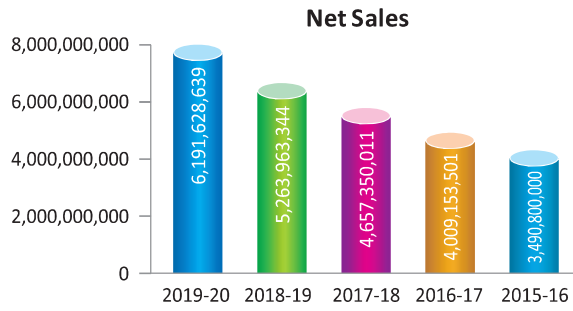
Key Financial Highlights

Amount in Taka

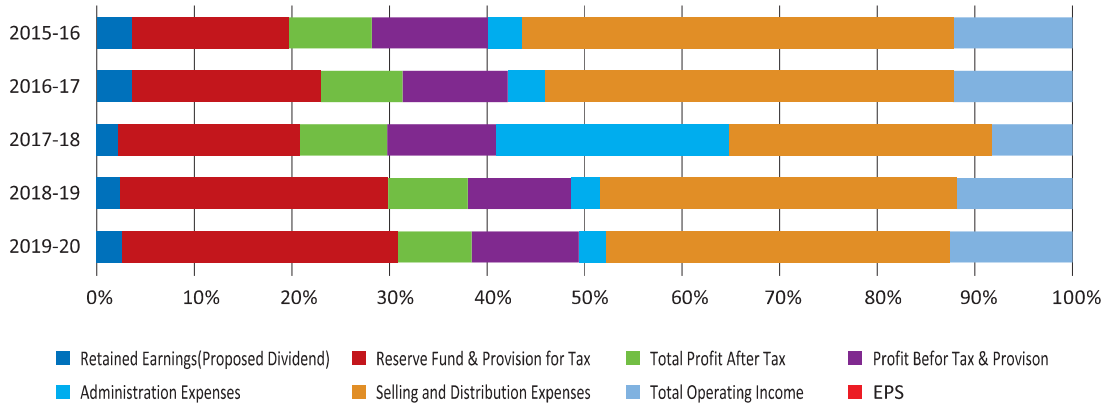
PARTICULARS	2015	2015-16	2016-17	2017-18	2018-19	2019-20
Sales (Net)	3,162,625,108	3,490,800,000	4,009,153,501	4,657,350,011	5,263,963,344	6,191,628,639
Sales Growth (%)	18.06%	18.90%	14.85%	16.17%	13.02%	17.62%
Cost of goods sold (COGS)	1,896,784,005	2,082,029,983	2,385,628,180	2,764,720,036	3,102,151,141	3,595,065,328
COGS Growth (%)	20.15	17.83	14.58	15.89	12.20	15.89
Gross Profit	1,265,841,103	1,408,770,017	1,623,525,321	1,892,629,975	2,161,812,203	2,596,563,310
Gross Profit Ratio (%)	40.03%	40.36%	40.50%	40.64%	41.07%	41.94%
Net Profit before Tax	231,511,764	286,169,430	306,468,807	561,423,618	452,141,557	565,083,268
Net Profit after Tax	178,057,156	202,811,006	233,829,346	452,296,714	336,266,870	392,527,310
Net Profit Ratio	5.63%	5.81%	5.83%	9.71%	6.39%	6.34%
Workers P.P. Fund & Welfare Fund	11,575,588	14,308,471	15,354,783	28,184,657	22,692,136	28,607,860
No. of Share holder	11,381	10,704	11,249	10,969	11,748	11,264
Return on Equity	21.38%	23.83%	23.69%	38.79%	24.86%	24.12%
Current Ratio	0.81	0.77	0.89	0.81	0.84	0.83
Equity per Share (Taka)	38.95	33.67	38.90	39.28	47.32	56.88
Earning per Share (Restated)	7.21	7.85	8.23	14.48	-	-
Earning per Share (Orginal)	7.93	9.03	9.06	15.92	10.76	12.56
Price Earning Ratio (Time)	16.89	25.75	27.36	16.17	24.54	17.84
Quoted Price per Share-DSE (Year End)	100.50	232.50	247.90	257.40	264.10	224.10
Dividend per Share	25% Cash & 10% Stock	12.50% Cash & 5% Stock	25% Cash & 10% Stock	30% Cash & 10% Stock	30% Cash	38.50% Cash
Reserve & Surplus (Year End)	362,500,119	385,182,808	557,265,854	943,332,576	1,165,986,262	1,464,782,691
Dividend Yield	2.34%	1.51%	1.41%	1.55%	1.14%	1.72%
Dividend Payout Ratio	44.14%	44.56%	38.65%	25.12%	27.87%	30.64%
Retained Earning	358,108,009	380,790,698	552,873,744	938,940,466	1,161,594,152	1,460,390,581
Retained Earning (Yearly)	99,470,956	124,224,806	143,455,216	338,683,522	242,535,989	272,239,346
Current Assets	434,659,631	451,450,553	643,644,663	859,761,961	964,225,217	1,073,716,818
Current Liabilities	534,721,516	584,750,907	726,608,044	1,062,536,232	1,144,311,664	1,298,015,548
Fixed Assets (Net)	870,486,005	951,723,570	1,116,332,498	1,409,800,123	1,684,778,351	2,038,773,015
NAV	832,945,668	869,431,627	1,104,963,231	1,227,208,578	1,478,296,395	1,777,006,599
NOCFPS	9.60	14.92	4.38	6.16	13.87	15.92



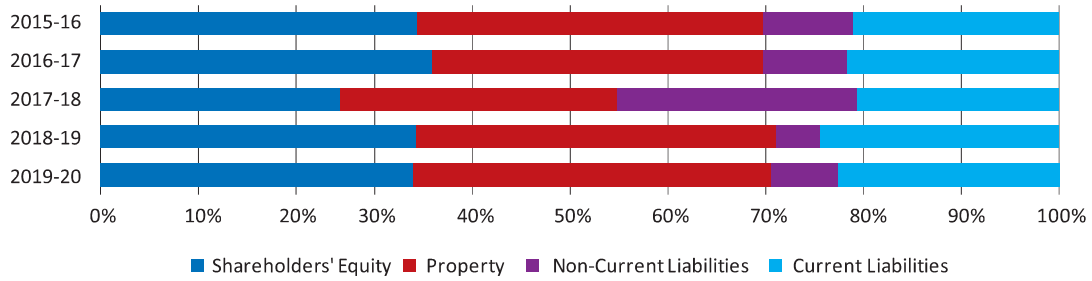
**PERFORMANCE
INDICATORS**



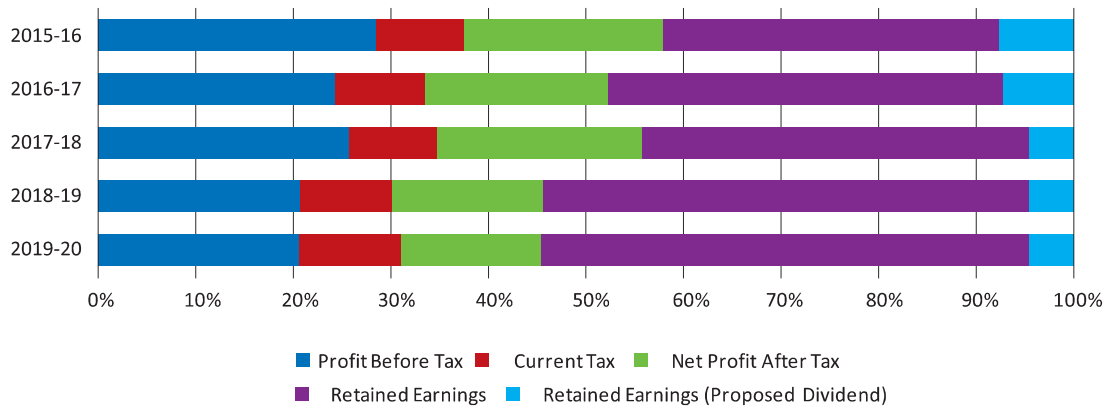
Operating Performance

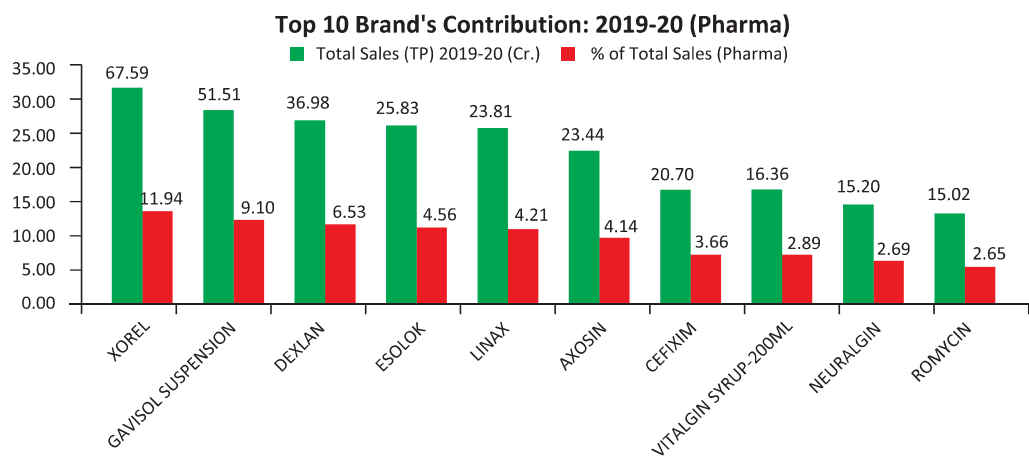
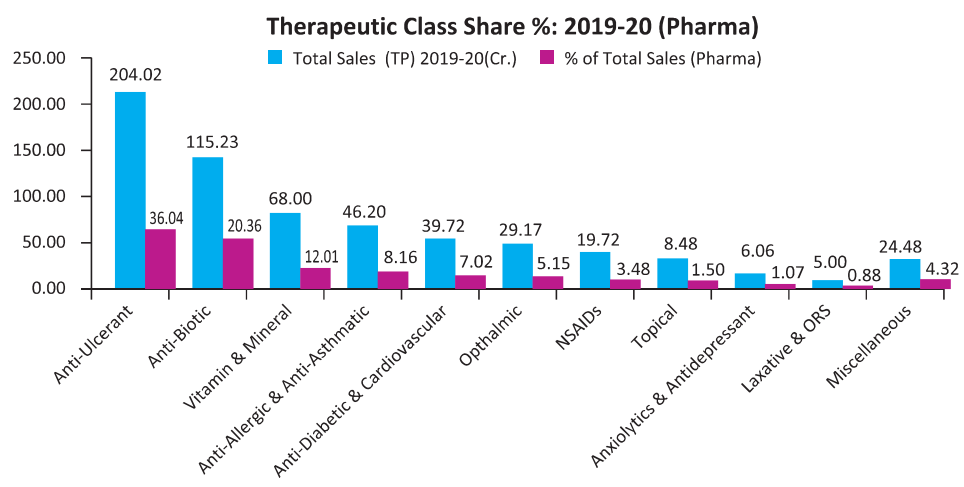
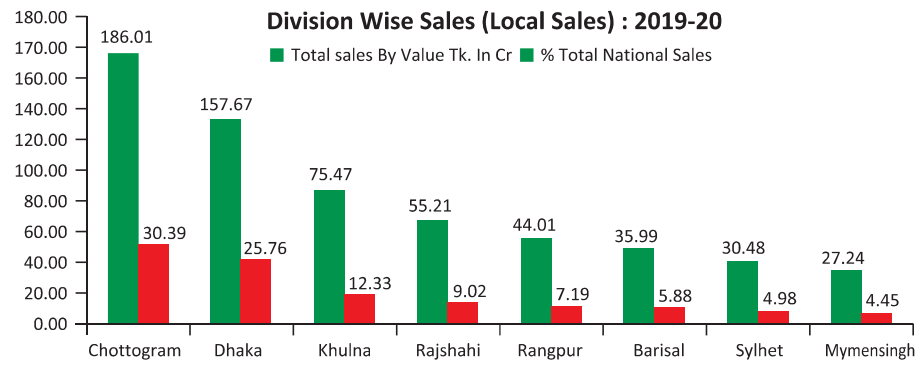
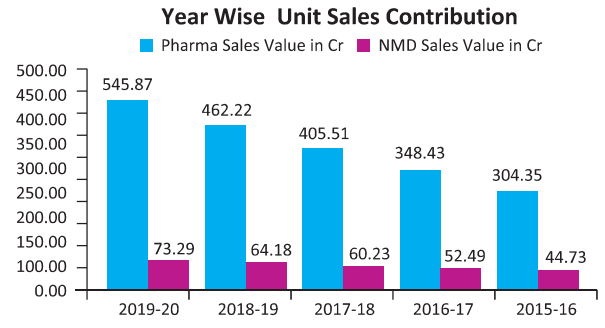
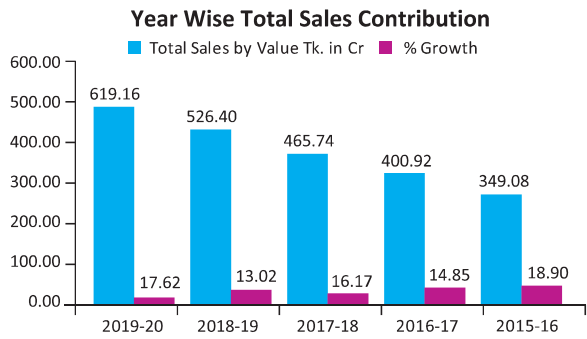


Financial Position Analysis

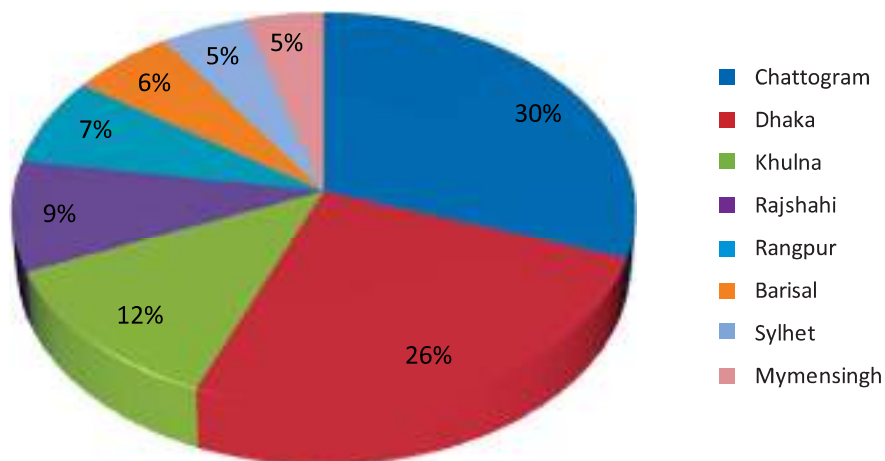


Financial Position Analysis

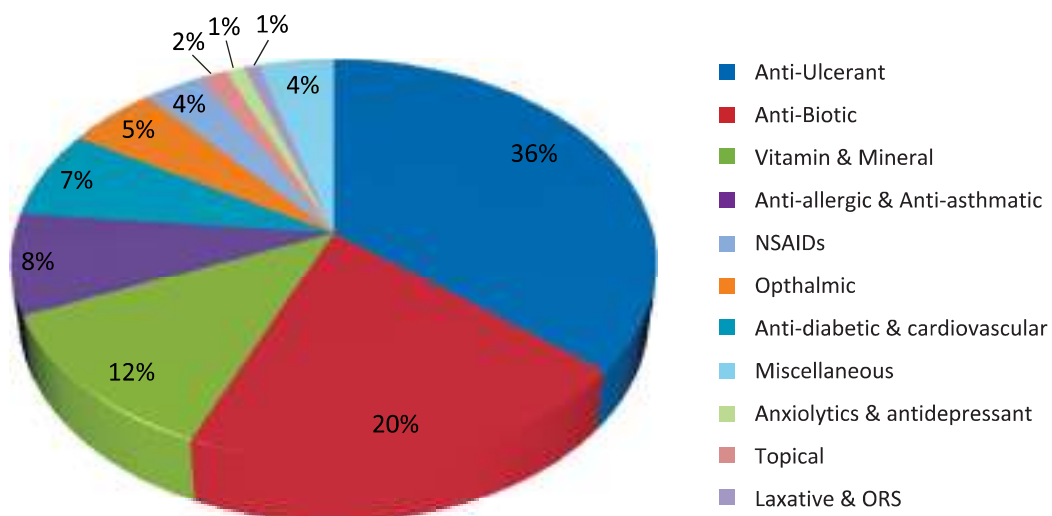




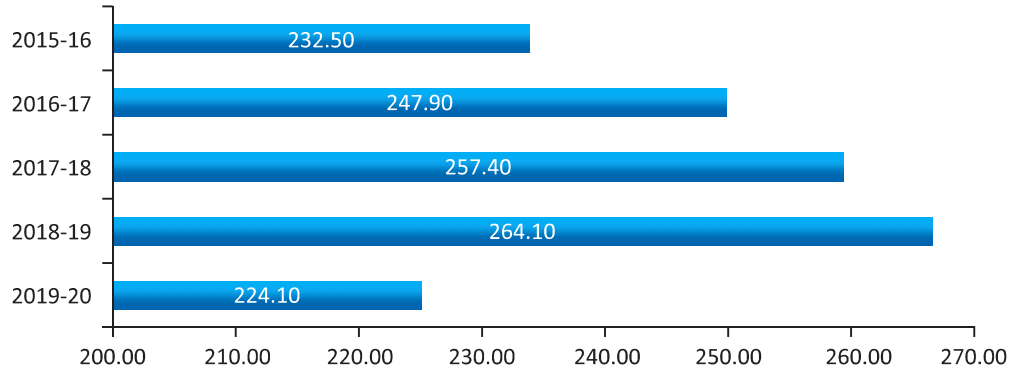
Devision Wise Sales: 2019-20



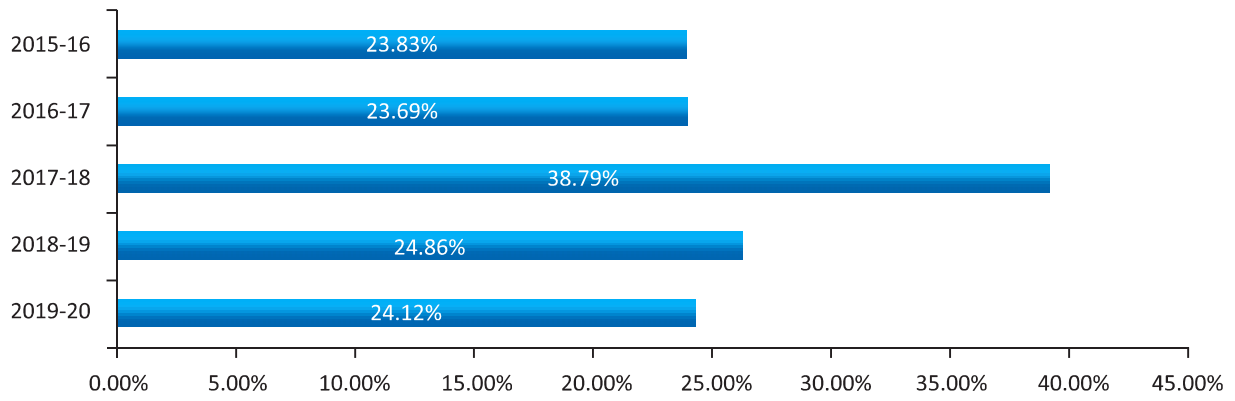
Therapeutic Class Share % : 2019-20 (Pharma)



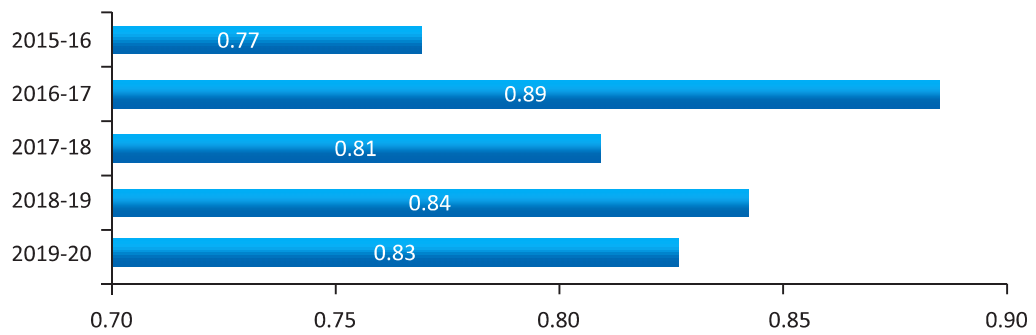
Share Performance



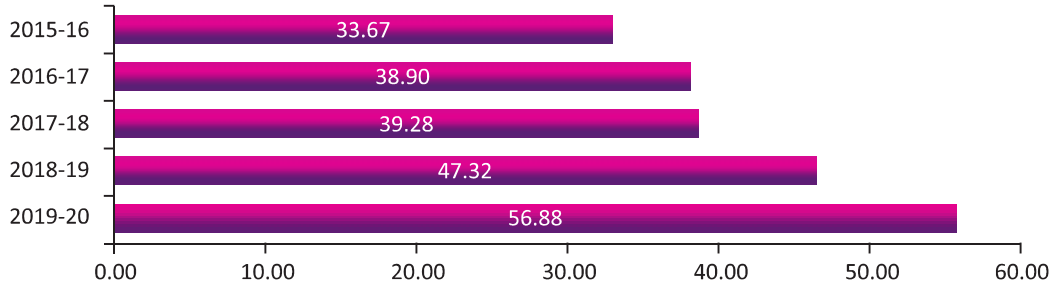
Return on Shareholders' Fund (%)



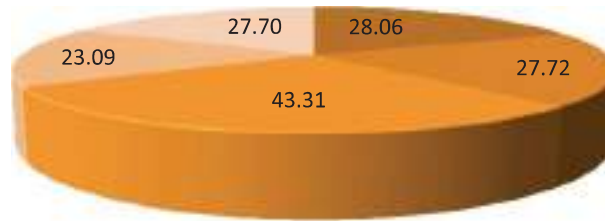
Current Ratio



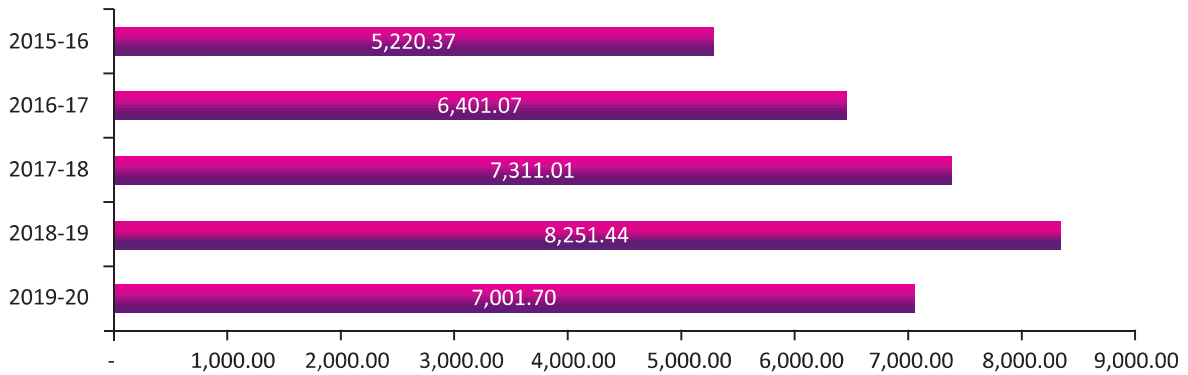
NAV Per Share (Restated)



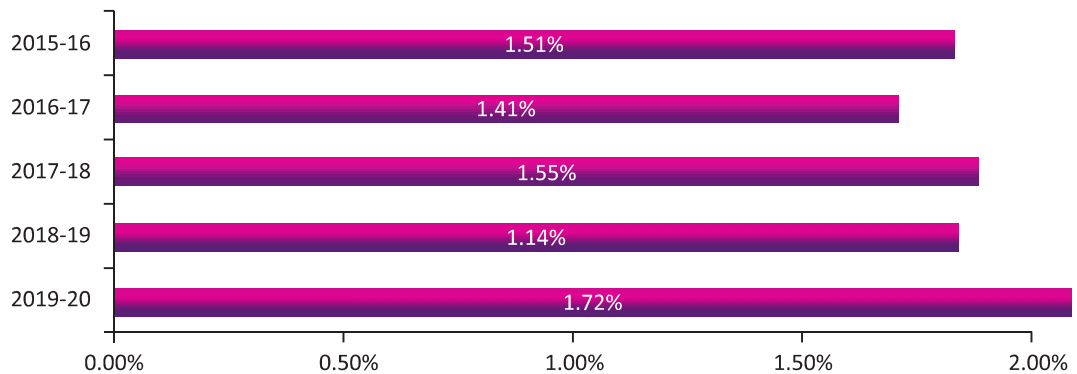
ROCE (%)

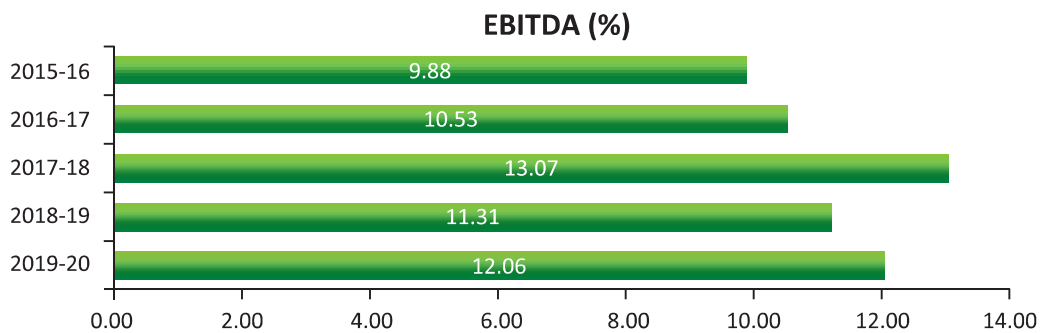
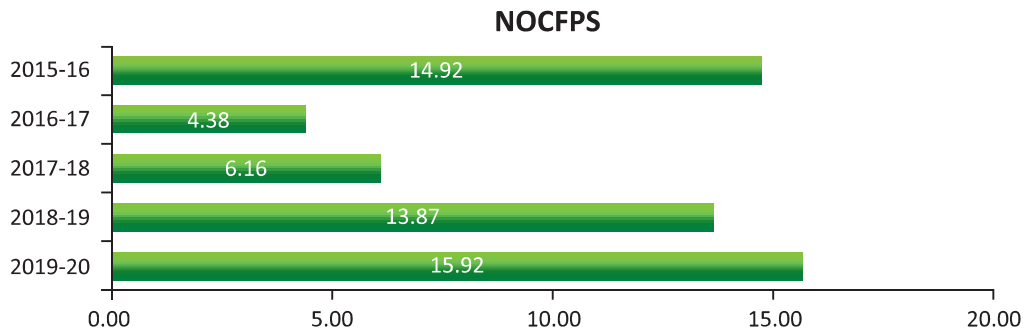
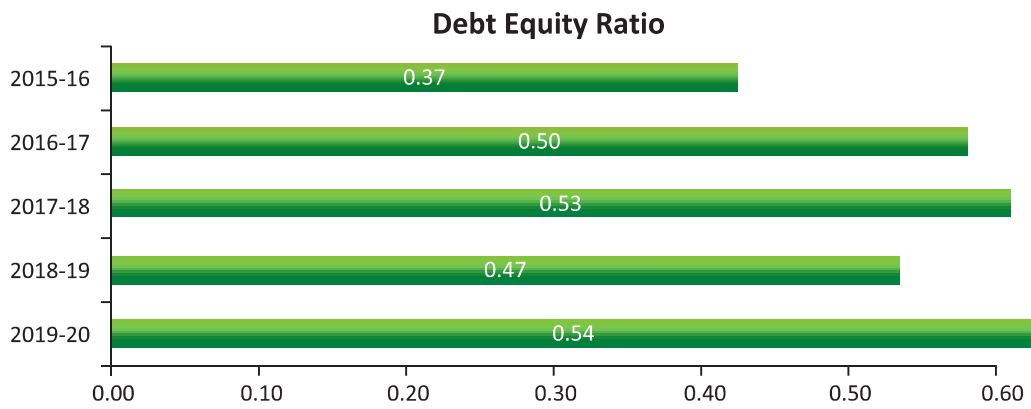
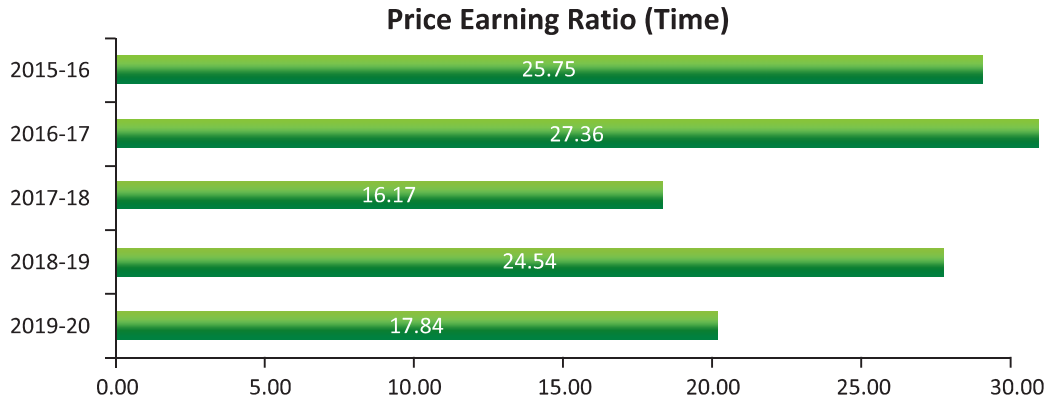


Market Capitalization (BDT mn)



Dividend Yield





Shareholders' Information 2019-20

For the year ended 30th June, 2020

Authorized Capital	: Tk. 5,00,000,000
Paid-up Capital	: Tk. 312,436,270
No. of Shares	: 31,243,627
Class of Shares	: Ordinary Shares of Tk. 10 each
Voting Right	: One Vote per Ordinary Share
Market Category	: A

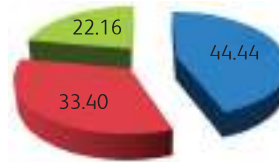
Redressal of investors' complain : During the year under review, the complaints received from the Shareholders have duly been addressed and resolved accordingly.

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-2020 (June)

Directors and Sponsor	: 13,885,056	(44.44%)
Public	: 10,435,176	(33.40%)
Institutions	: 6,923,395	(22.16%)



- Directors and Sponsor
- Public
- Institutions

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

Quarterly Results

During the year 2019-20 operational results of the Company were announced on-

First Quarter Report	09 November 2019
Half Yearly Report	22 January 2020
Third Quarter Report	23 April 2020

Dividend : Financial Year 2018-19	
Board Meeting for the Year 2018-19	19 September 2019
Record Date for the Year 2018-19	14 October 2019
35th Annual General Meeting for the Year 2018-19	14 November 2019
Commencement of Cash Dividend Warrant Distribution for the Year 2018-19	08 December 2019
Completion of Cash Dividend Warrant Distribution for the Year 2018-19	12 December 2019

Pattern of Shareholdings

As on June 30, 2020

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 & Compliance and their spouses	No. of shares held	Percentage	
Shah Abdul Hannan Chairman	self	1,369	0.0044
Commodore (Retd.) M. A. Rahman Director	self	76,979	0.2463
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 Compliance, 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 -

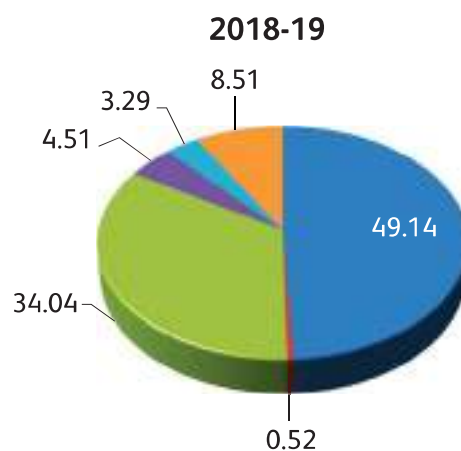
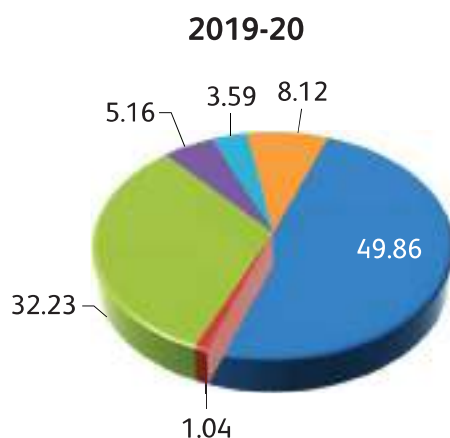
Note : Total 13,693,312 no. of shares are registered against the name of Six trustees nominated by the IBN SINA Trust. None of the individual Director/Shareholder holds more than 10% share.

Value Added Statement

For the year ended 30th June, 2020

Amount in Taka

PARTICULARS	Amount in Taka			
	2019-20	Percentage (%)	2018-19	Percentage (%)
VALUE ADDED				
Turnover & other income	6,194,114,850		5,266,340,121	
Less: Material costs & services	2,842,572,868		2,415,219,832	
	<u>3,351,541,982</u>	<u>100.00</u>	<u>2,851,120,289</u>	<u>100.00</u>
APPLICATIONS				
To Employees as salaries, wages & allowances	1,670,927,736	49.86	1,400,997,531	49.14
To Providers of finance as financial charges	34,913,253	1.04	14,738,885	0.52
To National exchequer	1,080,168,107	32.23	970,646,752	34.04
For replacement of fixed assets as depreciation	173,005,575	5.16	128,470,252	4.51
Dividend to Shareholders	120,287,964	3.59	93,730,881	3.29
For future growth as retained earnings	272,239,346	8.12	242,535,989	8.51
	<u>3,351,541,982</u>	<u>100.00</u>	<u>2,851,120,289</u>	<u>100.00</u>



- 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

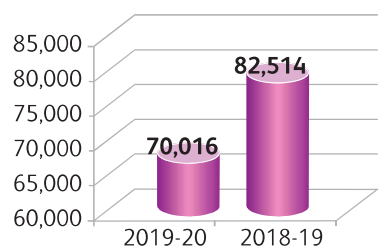
Market Value Added (MVA) Statement

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.

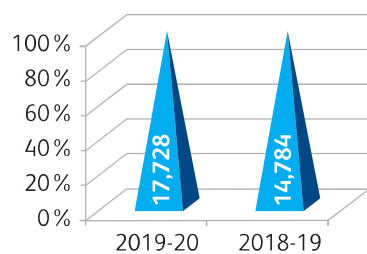
The higher MVA is the better indication. A high MVA indicates the Company has created substantial wealth for the shareholders. A negative market value added means the value of management's actions and investments are less than the value of the capital contributed to the Company by the capital market.

The following statement shows how the MVA has been calculated for the year 2019-20 and 2018-19:-

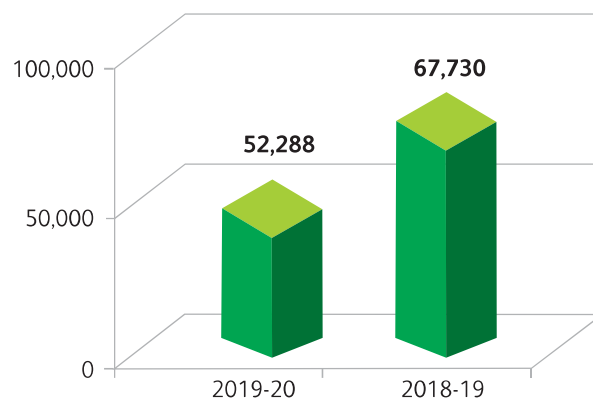
Particulars	in BDT Million	
	2019-20	2018-19
Market Value of Shares Outstanding	70,016	82,514
Book Value of Shares Outstanding	17,728	14,784
Market Value Added	52,288	67,730



Market Value of Shares Outstanding



Book Value of Shares Outstanding



Market Value Added



Economic Value Added Statement

For the year ended 30th June, 2020

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	2019-20	2018-19
Operating Profit	627,904,185	488,896,972
Provision for Income Tax	(172,555,958)	(115,874,687)
Net Operating Profit After Tax (NOPAT)	455,348,227	373,022,285
Charges for Capital		
Capital Employed	2,138,358,740	1,684,160,188
WACC	14.37 %	18.18 %
Capital Charges	307,280,708	306,221,213
Economic Value Added	148,067,519	66,801,072
Capital Employed		
Total Assets	3,436,374,288	2,828,471,852
Less: Current Liabilities	1,298,015,548	1,144,311,664
Capital Employed	2,138,358,740	1,684,160,188

Attendance At Board Meeting

for the period from 01 July, 2019 to 30 June, 2020

Name of Directors	Position	No. of Board Meetings Held	No. of Meetings Attended
Shah Abdul Hannan	Director	09	09
Commodore (Retd.) M. A. Rahman	Director	09	09
Prof. Dr. A.K.M. Sadrul Islam	Director	09	09
Prof. Dr. Choudhury Mahmood Hasan	Director	09	09
Kazi Harun-Or-Rashid	Director	09	08
Prof. A. N. M. A. Zaher	Director	09	00
Md. Rafiqul Islam Khan, FCA	Independent Director	09	08
Md. Abdus Salam, FCA, FCS	Independent Director	09	09

Leave of absence was duly granted

In Attendance

Md. Shahid Farooqui, FCS	Company Secretary	09	09
Md. Jasim Uddin, FCA	Chief Financial Officer	09	09
Sayed Amimul Ihsan, FCS	Sr. Manager Corporate Affairs	09	09
Md. Abdur Rakib	Head of Internal Audit and Compliance	09	09

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
Md. Rafiqul Islam Khan, FCA	Chairman	07	06
Commodore (Retd.) M. A. Rahman	Member	07	06
Md. Abdus Salam, FCA, FCS	Member	07	07
Md. Shahid Farooqui, FCS	Secretary	07	07

In Attendance

Md. Jasim Uddin, FCA	Chief Financial Officer	07	07
Md. Abdur Rakib	Head of Internal Audit and Compliance	07	07



Corporate Governance



The objective of corporate 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 to fulfill the stakeholders' rightful expectations.

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, two 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, independent professional participation and advice.

Board's Composition

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

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 2019-20 was 9 (Nine).

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 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, Company follows all relevant laws, rules and regulations applicable for the company.

The Directors of the company are:

Nominated Directors

Nominated by the Sponsor Shareholders

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.



New Director recommendation

Nominated Director
Nominated by Sponsor/Director/Shareholder
Independent Director
Recommended from various sources



Appointment by the Board

Newly appointed Director,
Casual vacancies are filled by the Board
Existing Director- subject to retirement by rotation at the AGM but eligible for re-appointment



Approval by the Shareholders at the AGM

Approval of appointment of
New Directors and Re-appointment
of existing Directors by rotation

Practice of the Board

The Board is responsible 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 are 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 remains them 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 member 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.

Management Review and Responsibility

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 and other officials of the Company.

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 expecting from them which can help boards become more effective. Board appraisals may also improve the working relationship between a company's Board and its management.

The Board always helps the company to formulate policy, guide the implementation process, review the performance of the implemented policies and give suggestion for correction of withers deem necessary. In this way Board assess whether the desired outcome have been achieved by utilizing its resources within the expected timeframe. The Board members have always taken bonafidedecisions that have benefitted the Company as a whole and the disclosures of their performance in this respect have duly been appraised.

Annual Evaluation of the Managing Director by the Board

The Board of Directors evaluates the activities of Managing Director based on performance evaluation criteria duly recommended by the Nomination and Remuneration Committee and approved by the Board along with the goals set forth 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 outset 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 University of Dhaka.

Board and Committee Meetings

The composition of the Board Committees as of 30 June 2020 and the attendance of Directors at the Board and Board Committee meetings held during 2019-20 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 shown 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 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 the compliance requirements.

The number of the meetings held during the year 2019-20 was 7 (Seven).

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" in 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 of three Directors including two Independent Directors. The number of the meetings held during the year 2019-20 was 02 (Two).

The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences related to Company. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration / honorarium of Directors / Executive Directors and above hierarchy.

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

Remuneration of Chairman and the Directors

The Chairman of the company is a non-executive and hence does not receive any remuneration from the company. Functional Directors including Managing Director is paid monthly remuneration recommended by the NRC and approved by the Board of the company. A description of remuneration paid to the directors is given in the page no. 140.

Executive Committee

The Executive Committee (EC) is a committee consisting of 4 (Four) Directors duly nominated by the Board to execute the discretions 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 2019-20 was 9 (Nine).

Other Operational Committees

The Managing Director performs the responsibilities with the help of the following operational committees formed with skills and experienced senior 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 yearly targets 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. Risk Management and Control Committee;
14. CBA Dealing Committee;

Corporate Affairs Department

The corporate affairs dept. is vigilant to assist the Board of Directors in discharging of their responsibilities with 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 & Professional Level 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 and responsibilities 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 which is run 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

Malek Siddiqui Wali, Chartered Accountants, 9-G, Motijheel C/A, Dhaka- 1000, 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 relating to the financial operation and the results of the Company. In compliance with the corporate governance code, the Company did not involve its statutory auditors to perform the services other than statutory services specified 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 of BSEC. The compliance status of the Company on the conditions of corporate governance code audited by M/s. Ittrat Hussain & Associates, Chartered Secretaries in Practice, The Glass House 38 Gulshan Avenue, Gulshan, Dhaka-1212 and the certificate thereon issued by them is attached herewith on page no. 81 of this Annual Report.

Corporate Social Responsibility (CSR) Policy

To cultivate good governance practice in the Company, a policy on the Corporate Social Responsibility (CSR) has been approved by the Board keeping the corporate best practice of the world in view. To conduct the Corporate Social Responsibility of the Company, a CSR Committee is hereby formed by the Board. Accordingly the CSR committee is working within the purview of the following declared "Corporate Social Responsibility Policy":-

- 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 yearly to extend the greenery and landscape of the country. The afforestation program was taken in the territory of factory and in various places countrywide.

Scientific Seminar on "Coronavirus Disease-An Update". This program is organized by Doctors Society of Bangladesh, Sylhet, & sponsored by The IBN SINA Pharmaceutical Industry Ltd.



Donation of Medicine

As part of the CSR, Company had donated good volume of medicine valuing Tk. 260,697.71/- in different recognized charity events/organizations organized by various charity firms/organizations.

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 2018, 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 26 officers and workers were facilitated paying Tk. 1,692,669/- out of which Tk. 1,200,000/- 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 2019-20 total medical expense supported by the Company is about Taka 2,582,390/-.

Community Improvement

The IBN SINA Pharmaceutical Industry Ltd. believes that this program can be developed through a combination of cares 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 2018).



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 those who are inhabitants of the area. It may be mentioned that factory workers are being taken under free medical treatment by the qualified Doctors and Hakims (Natural Medicine Practitioner), 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 2019-20 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 Statutory Committee of the Company. The Committee acts as 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 Audit Committee is responsible to the Board of Directors the duties of the Audit Committee are clearly set forth in writing. The Committee is considered the overseer of the companies for protecting interest of the stakeholders.

Constitution of the Audit Committee

The Committee consists of three Directors Including two Independent Directors. Jb. Md. Rafiqul Islam Khan FCA, Chairman of the Committee and Jb. Md. Abdus Salam FCA, FCS, are two Independent Directors. Commodore (Retd) M.A. Rahman, a non functional Director is another Member of the Committee. Md. Shahid Farooqui FCS, the Company Secretary acts as the Secretary of the Committee, who is responsible for effective implementation of action plans approved in the meeting. All the members of the Committee have business acumen and are knowledgeable individuals with integrity who are able to ensure compliance with financial, regulatory and corporate laws with the meaningful contribution to business as well.

Meeting and Attendance of the Audit Committee

During the year 2019-20, Seven (7) meetings of the Audit Committee were held. Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) always attended the meeting on invitation to meet instant queries of the Audit Committee. In addition, Heads of different Departments whose audit reports were placed to the Audit Committee were also present in the meetings to respond the issues arose in the reports of Internal Audit and Compliance Division. The number of Audit Committee meetings held and the attendance by each member during the year 2019-20 are given as follows:

Role of the Audit Committee

The role of the Audit Committee have been defined in line with the relevant provision of the Corporate Governance Code issued by BSEC, which are given below:

The Audit Committee shall:

- (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.
- (n) Review the Financial Statements, in particular the investments made by the subsidiary Company.

External Audit

- a) Audit Committee also reviewed the external auditor's audit plan, including its nature and scope, audit report, evaluation of internal controls and coordination between the internal and external auditors.
- b) The Committee also arranged a meeting with the representatives of the External Auditors on September 14, 2020 for review of the Annual Financial Statement 2019-20 before submission to the Board for perusal and recommendation.

Name of Members	Designation	Position	Number of meetings held while a member	Number of meetings attended
Jb. Md. Rafiqul Islam Khan FCA	Independent Director	Chairman	7	6
Commodor (Retd) M.A Rahman	Non Executive Director	Member	7	6
Jb. Md. Abdus Salam FCA, FCS	Independent Director	Member	7	7
Jb. Md. Shahid Farooqui FCS	Executive Director & Company Secretary	Secretary	7	7

- c) Review the findings and recommendations made by the external auditors for removal of recurrence irregularities.
- d) The Audit Committee has recommended the board to re-appoint existing external auditor of the Company- Malek Siddiqui Wali, Chartered Accountants for the position of statutory auditor for the year 2020-21.

Internal Audit and Compliance

- a) The annual and quarterly audit plans including the audit methodology in assessing and rating risks of auditable areas reviewed to ensure adequate scope and comprehensive coverage on the audit activities of the Company.
- b) The Internal Audit reports encompassing the audit issues, audit recommendations and the Management's responses reviewed. Improvement actions suggested by the internal auditors in the areas of internal controls, systems and efficiency enhancements discussed with Management.
- c) The implementation of these recommendations through follow-up audit reports reviewed to ensure all key areas duly addressed.
- d) Audit Committee reviewed annual audit calendar and approved Internal Audit and Compliance review plan 2019-20. The Committee also reviewed individual review report including findings, cause and impact. They also reviewed and monitored action plan arising from the reviews.

Financial Reporting

- a) The quarterly, half-yearly and annual financial results of the Company reviewed and the relevant announcements made to the Stock Exchanges by the Board of Directors.
- b) The quarterly, half-yearly and annual financial statements of IBN SINA API Limited, subsidiary of the Company, duly reviewed by the Committee prior to submission to the Board of Directors for approval.
- c) The quarterly, half-yearly and annual financial statements of the Company reviewed prior to submission to the Board of Directors for approval to ensure the financial reporting and disclosures made in compliance with the relevant laws.
- d) Audit Committee reviewed the quarterly and annual financial statements of the Company with the Finance Director and Managing Director before recommending them to the Board of Directors for approval. The Committee also concluded that the financial statements presented a true and fair view of the Company's financial performance.

Reporting to Shareholders and Other Related Parties

It reports to shareholders and other related parties on annual basis by means of presenting a summary of its activities in the form of 'Audit Committee Report'. During the year under review, the committee met Seven (7) times to discharge its duties and responsibilities and accordingly forwarded their reports to the Board. The Board is of the view that there was no other issue having significant material impact on the company's Financial Statements which needed to be disclosed to the Board or the regulatory authorities.

Deliberations of the Audit Committee in 2019 -20

During the year 2019-20, 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 2019-20, 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 (Name) for the year 2019-20 and audit fees based on review of performance evaluation.
- d) The activities were persuaded as approved annual Audit Plan of the Company for the year 2019-20.
- 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) Audit Committee reviewed the Company's yearly Budgeted before submission to the Board for final review and approval.
- g) Audit Committee Reviewed the yearly internal audit calendar, audit process and effectiveness of internal audit,
- h) Reviewed the Auditor's Certification on Corporate Governance Compliance for the year ended 30 June 2020.
- i) Reviewed and ascertained that the internal control system including financial and operational controls, accounting system, and reporting structure are adequate and effective.
- j) 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.
- k) Reviewed the actions taken by the management for implementation of Audit Committee observations on the issues deliberated in the Audit Committee reports.
- l) 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.
- m) 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.
- n) Discussing and giving an opinion on the status of the Risk Management Process (RMP) and the Company's business Continuation as a going concern;
- o) Audit Committee reviewed the Company's Risk Management including a deep dive into the key functional risks and mitigation plans;
- p) Audit Committee reviewed reports of related party transactions and possible conflicts of interest.
- q) Reviewed the findings of inter audit team and its corrective actions
- r) Assessed the findings of external auditors and compliance of IAS/ IFRS for preparation of Financial Statements.
- s) Reviewed the Financial Statements, in particular the investments made by the subsidiary Company.
- t) Reviewed the adequate internal control system of the Company are in place.
- u) Reviewed the compliance requirements of BSEC guidelines, notification and other laws.

Audit Committee expressed their sincere thanks to all members of Board, team of internal audit, team of accounts & finance and management of the Company for their support.

On behalf of the Audit Committee



Md. Rafiqul Islam Khan FCA
Chairman, Audit Committee
Thursday, September 20, 2020



Report of the Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee (NRC) is working as per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) issued on 03 June 2018. The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors/Executive Directors and above hierarchy. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors, Executive Directors and above.

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

Overview of the Nomination and Remuneration Policies

The Company follows 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 above hierarchy of the Company are as follows:

a) 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; and
- 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 and above of the Company are made according to the following core guiding principles:

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

Independent Director: The Independent Directors 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 are 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 higher 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 recommends the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- iv. No member of the NRC is 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 and above Level Executives: The respective line authority of the Directors/Executive Directors and above sets the performance measurement criteria based on the 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, 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

Nomination and Remuneration Committee is constituted comprising of the following members:

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

Mr. Md. Shahid Farooqui, FCS acts as the Secretary of NRC. During 2019-20, the Committee met twice. The Committee 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 above 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; and
- v. Adopt a Code of Conduct for the Chairman, Directors and above level Executives of the Company.



Md. Abdus Salam FCA, FCS
Chairman
Thursday, 24 September 2020



Internal Control & Risk Management

Internal Control

The internal management control system at The IBN SINA Pharmaceutical Industry Ltd. is based primarily on annual operational planning, ongoing management accounting and control, monthly, quarterly management meetings as well as regular meetings of Audit Committee, Executive Committee, Board of Directors, Nomination and Remuneration Committee and reporting to the Group. At the management meetings, the Management committee discusses business developments including target achievement along with the outlook for the relevant year and any measures that need to be taken.

Risks and Concerns

Organizations are not free from risks that might arise both from internal and external fronts. Like any other business or industry, IBN SINA Pharma operating in a dynamic and competitive market is exposed to risks that may affect its business. The identified risks, which could potentially affect the achievement of strategic, operational, financial and/or compliance objectives, are reported to the Board. Based on the nature and extent of the risk, the management of the Company takes appropriate mitigating measures to avoid, eliminate or reduce risks at functional, business and corporate level on a regular basis to safeguard the Company's assets and to protect shareholders' Interests.

Risk Culture

Risk culture is the way a Company understands, assesses projects and acts to manage and absorb risks. A sound risk culture means the Company is more sensitive to risks and proactive to mitigate or minimize the risks or its effects. The sound and consistent risk culture throughout a Company is a key element of effective risk management of IBN SINA Pharmaceutical Industry Ltd.

Therefore, in order to ensure the sustainability of the Company, risk culture of IBN SINA Pharmaceutical Industry Ltd. has been developed and strengthened to its optimum level and strengthened by ensuring open, respectful atmosphere throughout the Company which encourage employees of any level to raise flag whenever they observe any new risk or any breach of compliance.

Risk Treatment

After the exposed risks are assessed, IBN SINA Pharmaceutical Industry Ltd. always chooses the best option to eliminate or mitigate unacceptable risks. This process is called risk treatment. Proper risk treatment is a vital component of our sound risk culture. Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. The options are included Avoiding the risk, Accepting and retaining the risk, Reducing the likelihood of the risk, Sharing the risk and applied either individually or in combination.

The Risk Management at Board Level

The IBN SINA Pharmaceutical Industry Ltd. risk management framework is robust and its risk management network is spread all over the Company.

It's top to bottom risk management framework helps to maintain good financial health and keeping the risk level of minimum. There are three separate sub-committees of the Board namely: Executive Committee, Audit Committee, Nomination and Remuneration Committee are responsible for risk management and operations of the Company.

Internal Audit

Internal audit department of the Company performs very specific job that is designed to assist in financial audit and inventory audit function. Within the company, two (2) types of internal audit functions are carried out: prepayment audit and post payment audit.

Pre Audit

Bills are sent by the concerned employees of respective department to the pre audit department, through proper channel including software entry through bill processing, before making any payment, If any change or correction is required, the bill is revert back to the same employee. After all necessary corrections, the bill is submitted again to this department. Subsequent to this, if the department is satisfied with the fact that the bill is acceptable, they send the bill to the respective Department/accounts and finance department for making payment.

Post Audit

Following the payment made by the accounts and finance department, all necessary documents are sent to this department for final checking and verification. The bills are sent to the post audit department any time through proper channel. The department communicates and consults with the concerned department head regarding the error or mistake, if any. Moreover, they also conduct inventory audit at Factory and every depot on a regular basis and take the necessary corrective measures accordingly.

Financial Reporting Control

In order to provide assurance on the liability of the financial statements, the company has placed different policies, practices and control mechanism which are designed to identify and solve key financial reporting problems including the risks of changes in accounting standards.

The Managing Director and the Chief Financial Officer (CFO) is jointly required to provide their certification on the true and fair view of the financial statements to the

Board of Directors. Further to that the integrity of the financial statements are supported by the review and recommendation of the Audit Committee and approved by the Board of Directors.

Risk and Mitigation

The core risk areas of the business operations comprises of Environment, health and safety and sustainability, Research practices, Information security, Product quality, Input Prices and Supply Chain Risk, Technology Risk, Changing Economic Conditions, Patient Safety Risk and Third Party Oversight. Some of the risk and their mitigation activities are discussed as follows:

Environment, Health and Safety and Sustainability

The risk level has increased due to greater emphasis on environmental controls from regulators, activists and stakeholders across our direct operations and supply chain. An emerging focus area is post-consumption waste associated with medicines. There are ever-more stringent regulations and standards in the developed as well as developing countries. The IBN SINA risk exposure remains unchanged as we continue to focus on more appropriate control over our supply chain, particularly of our active pharmaceutical ingredient (API)

Product Liability Risk

Pharmaceutical products are usually exposed to high quality control risk. Each product is required to be marketed through a stringent compliance procedure. Manufacturing of products require the flexibility to accommodate the changing local and global regulatory needs. Any deviation from the standards may result in serious market reputational damages and might also create a regulatory barrier. Over the years IBN SINA has been recognized locally and globally for quality standards and manufacturing excellence. Our manufacturing facilities are certified by leading global regulatory agencies. As such IBN SINA Pharma is exposed to less quality control risk. Additionally, the Company has taken adequate insurance coverage to minimize the product liability risk.

Input Prices and Supply Chain Risk

As with other pharmaceutical companies of the country, IBN SINA is largely dependent on imported APIs. Any substantial increase in prices in the international market may affect future profitability of the Company. To mitigate the risk, IBN SINA Pharma imports raw materials from multiple sources, both local and international, at

competitive prices. The Company is not reliant on any single supplier for its materials and therefore, reduces the individual supplier's influence on procurement prices. Moreover, IBN SINA is going to establish API manufacturing plant in the Govt. API Industrial Park to further strengthen its backward linkage facility.

Changing Economic Conditions

Economic advancement and consequent increase in the purchasing power of the people has direct implication on the demand for the products. Any decline in economic growth could, as for any other industry, impact the future demand for pharmaceutical products as well. Bangladesh however, maintained a steady economic progress over the years with substantial uplift in all socio-economic indexes and it is anticipated that the trend will continue in the immediate future.

Patient Safety Risk

The risk level remains high. Developments in data interrogation present potential benefits for Patient safety but the volume of data to be analyzed presents a significant challenge which intensifies when coupled with fragmented regulatory requirements. There are increasing expectations that technology will deliver safer innovative medicines with less risks. IBN SINA's exposure remains unchanged. We have deployed a new operating model for safety activities involving a simpler central safety organization and outsourcing of local pharmacovigilance activities.

Third Party Oversight

The macro risk level has increased due to growing numbers of countries with varying regulation and manufacturing standards requiring local production, which increases the number of third parties we have to assess and continuously oversee.

The IBN SINA exposure remains unchanged. Our third-party risk assessment and mitigation program has been

embedded and continues to be further simplified and refined to make it easier to engage third parties appropriately.

Risks Associated With The Corona Virus Outbreak

The potential impact of the corona virus outbreak on IBN SINA's trading performance and supply continuity remains uncertain. Up to the date of this Report, the outbreak has not had a material impact on the trading results of the Industry. However, we continue to monitor the situation closely, including the potential impacts on trading results, our supply continuity and our employees. The situation could change at any time and there can be no assurance that the corona virus outbreak will not have a material adverse impact on the future results of the Company.

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 the changes in market conditions and the company's activities. The company has exposure to the risks from its use of financial instruments. Credit Risk, Liquidity Risk, Market Risk (Interest Rate Risk, Currency Risk). Details are given in the Annual Report-2019-20, Page no. 145 Notes no. 46.

Conclusion

All the desks are individually responsible for collecting the related data/information and reporting them to the company management as per policy with proper risk analysis and identification of risks, making appropriate recommendations, preparing memoon related issues, monitoring and following-up of implementation status of the decisions of meetingminutes, ensuring regulatory compliance on related issues, assisting in formulation and reviewing of risk appetite and risk related policies/guidelines.



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, 2019 to 30 June, 2020 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 Exchange (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 code of Governance 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.

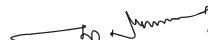
The Board of Directors confirms that International Accounting Standards, as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts.

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, Malek Siddiqui Wali, 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 thereon.



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



Md. Shahid Farooqui, FCS
Company Secretary

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 2020. 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.

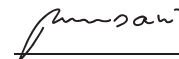
This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards 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**.

For, Itrat Husain & Associates

Dhaka, 17 September, 2020


Itrat Husain FCMA, FCS
Chief Executive

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.	No such situation was occurred		

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;	None		
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.	√		Annexure-A
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 & 82 may be seen

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(6)	Meeting of the Board of Directors and 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.			In Progress
2(b)	At least 1 Independent Director of holding company also be a director of the subsidiary company.	√		
2(c)	Minutes of subsidiary to be placed in the following meeting of holding company.	√		
2(d)	Minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company.	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	√		
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.	√		No such situation is observed
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.	None		
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.	None		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.	None		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.	None		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.	√		
5.6(b)	Reporting to the Authorities	None		
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.	No such case		
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external non-voting expert for valuable advice.	None		
6(2)(g)	The company secretary shall act as the secretary of the committee.	√		In Practice
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.	√		-Do-
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.	√		In practice
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.	√		In Practice
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.	√		Page no. 67 may be seen



Quality Policy



The IBN SINA Pharmaceutical Industry Ltd.
is committed to

serve humanity by manufacturing and providing quality medicines and services to its customers.



maintaining ethical standards in all its 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 is always be a key focus as standardized health, safety and environment (HSE) processes that are embedded across all of our operations. IBN SINA is committed to pursue excellence in Health Safety and Environment conducts its activities safety and in an environmentally responsible manner.

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 throughout 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 related to Healthy Safety and Environment.

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:-

Operating responsibly and ethically

▼

to build a sustainable platform for the future.

Supporting our patients and communities

▼

as per CSR policy of the Company.

Enabling our people

▼

investing in the development of workforce protecting their health and safety.

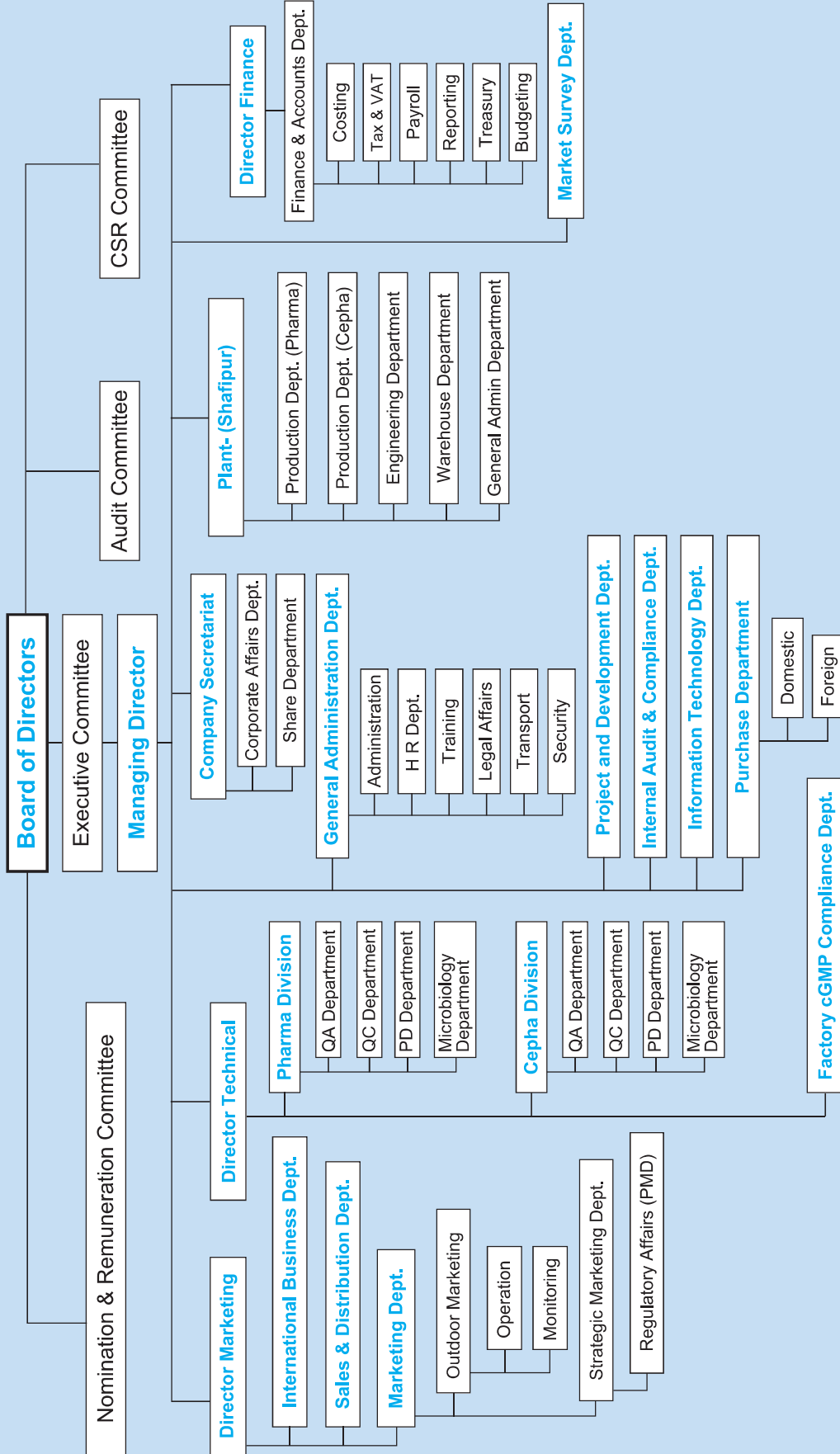
Monitoring and minimizing our environmental impacts

▼

ensuring efficient management of energy resource waste and water consumption in an environmentally friendly manner.

ORGANOGRAM

The IBN SINA Pharmaceutical Industry Limited





The Pharma Plant

The manufacturing plant of The IBN SINA Pharmaceutical Industry Ltd. was founded in 1983 in 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 products. Now it is a big industrial complex having the following establishments & departments and producing more than 450 Pharmaceutical products.

General Pharma Plant

Natural Medicine Division

Cephalosporin Division

PRODUCT SEGMENT

TABLETS

Tablet is the major product ranges in OSD (Oral Solid Dosage) production facilities comprising about 45% of the total pharma production. To fulfill the market demand a new compliance area has been developed where many sophisticated machines like Auto-granulation line, Fette Tablet Compression machine from Germany, Sejong Tablet Compression machine from South Korea, Romaco Blister with auto-cartoning machine from Germany and Roller Compactor for potent and sensitive drug have been incorporated in this area.

Moreover, we have another two dedicated granulation units (one is Auto-granulation), six sophisticated tablet compression machines, six tablet coating machines including IMA tablet coating (from Italy) which is highly sophisticated and faster. Eight blister machines including Heino-Ilsemann (from Germany) blister machine with auto-cartoning. Besides we have two Auto tablet counting filling & sealing machines.

CAPSULE

Two new sophisticated automatic capsule filling machines Pam from India & NJP from China are now in operation. These machines have versatile capacity of filling pellets and powder in hard gelatin capsule shell. Two existing semi-automatic Zanasi-Italy capsule filling machines are used for non-antibiotic and miscellaneous antibiotic production (not for penicillin and cephalosporins product). In view of the increased demand of existing powder fill capsule products & considering the upcoming new products to our product range, the IPI management has installed a high-capacity powder capsule filling machine recently. The machine will also be used for pellets filling.

OPHTHALMIC (SINAVISION)

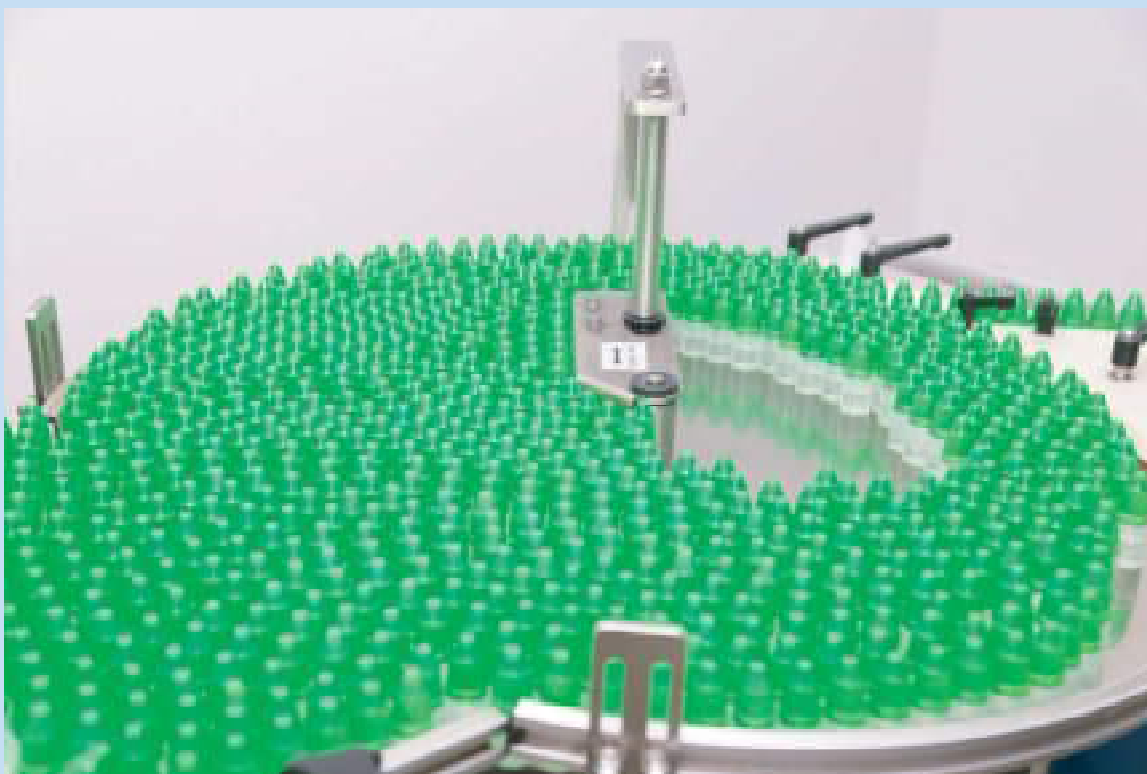
Ophthalmic products are marketed under the division named, Sinavision. These include ophthalmic drops, ointment and gels. All the ophthalmic products are manufactured in class A under HVAC system in the background of class B. We have installed a fully automatic ophthalmic eyedrops production line including automatic washing, drying, autoclaving, filling and sealing. A fully automatic eyedrops filling machine

Idositechno from Spain and an automatic Lamitube filling machine has procured that's under installation. As a result, production capacity with quality as per compliance will be increased considerably.

INJECTABLE (PARENTERAL) PRODUCTS

The injection production facilities comprises class A (ISO class five) production area and the adjacent area are of the different classification and there is a change room facilities as per compliance. The injectable Ampoules are filled by Rota Ampoule filling machine from Germany.

Recently, company has included high-tech sophisticated facility to manufacture injectable powder products, Lyophilized products, Pre-filled syringe, Pen cartridge for insulin products, Biotech products and liquid injectable products. To manufacture the above dosage forms all the necessary machines like vial Washing, sterilizing and dehydrogenation tunnels, Injection Filling line (Tofflon, china), fully CIP & SIP skid-mounted processing system, Pre-filled syringe machine-Spain, Fedegari Autoclave-Italy, VHP, Buchon blister machine - Korea and high capacity WFI, PW, pure steam generation has been installed successfully and Pure nitrogen generation system is under procurement.





Injectable products are life-saving prestigious products for a company. Prescribing of parental products of a company reflects confidence of doctors on the company. The IBN SINA Injectable products are now prescribed by renowned a physician that indicates their confidence of the uncompromising quality of INB SINA products. IBN SINA Produces its product maintaining the ethical standards in all its function and follow WHO-cGMP compliance from procurement to reaching of finished products to the ultimate customers.

SEMISOLIDS PRODUCTS

Some good popular brands of topical ointments, creams and gels are produced in dedicated area. These products are manufactured with automatic Italian Axomatic Lamitube Filling & Sealing Machine that's on-line with emulsifier. Products are Fungicort cream, Fungin cream, Fungin-B cream & Neocort ointment etc. In every year new products are adding with existing.

LIQUID PRODUCTS

The IBN SINA is one of the leading manufacturers of liquid pharma products in Bangladesh. It has five production lines including (1) Auto- Glass Bottle Line for Syrups, (2) Auto-Antanil Production Line, (3) High Capacity PET Line for Syrup and Suspension Products, (4) the Pediatric Drops & Suspension Line, and (5) High Capacity PET Bottle (Vitalgin & Gavisol syp.) filling line.

Auto PET Bottle and other Liquid Production Line are most sophisticated liquid production facilities. There have bottle feeding unit, rotary bottle washing unit, light checking unit, multi head linear liquid filling unit, capping & sealing unit, auto sticker labeling unit and packing line with auto carton shipping unit. It has a production capacity of 120-150 bottles per minute. Introduction of such line has increased liquid production capacity considerably.

POWDER FOR ORAL SUSPENSION PRODUCTS

Powder for suspensions are mainly antibiotic products (Non cephalosporin) intended for pediatric & geriatric patients. We have dedicated area for production of powder for suspensions. The major powder for suspension brands are Bactin, Nitasol, Erymex, Romycin, Iluca etc.

SACHET & CONSUMER PRODUCTS

Unisaline is a popular brand of IBN SINA for ORS (Oral Rehydration Solution). We have self-contained separate production facilities for sachets, lined with three-sophisticated sachet filling machines. The IBN SINA has good market on Unisaline with different flavor like Unisaline Lemon, Unisaline Orange & Unisaline Mango. Many new products including Tasty & Rise ORS are in pipeline. Other non ORS sachet brand is Sinalax, which was introduced in Bangladesh by IBN SINA for the first time.

To fulfill the increased market demand of existing sachet products and for some new brands, IBN SINA has procured highly sophisticated Five Track Sachet filling machine which is under installation.





Natural Medicine Division

Nature is divine. The slogan of the 21st century is "Back to the Nature".

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 Medicines have achieved the goodwill and credibility of the medical professionals and consumers for its efficacy and quality. Following this trend most of the leading pharmaceutical companies have also started marketing of Natural Medicine.

Production Department

To support production with quality we have High Speed Tablet Compression Machine, Automatic Encapsulation Machine, Tube Filling and Sealing Machine, Planetary Mixer and High Speed Sachet Filling Machines. A sophisticated area with required machineries is being developed for manufacturing of probiotic products.

QC and QA 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 Polarimeter, PH meter, Moisture balance etc. We assure the quality of raw materials and finished products. The Quality Assurance Department ensures and monitors quality of products in every step of manufacturing operations. As a result it becomes possible to deliver the quality products to the customers.

Herbarium & Standard Sample

There is a Standard and well furnished Herbarium Plant Profiles in the natural medicine factory. Here, a team of efficient manpower is engaged including qualified Taxonomist for identification of different Raw Materials (Plants, Animals and Minerals). Some rare items like Pearls (Mukta), Silver leaves, Ambar, Jafran, Sandfish (Reghmahi) etc. are also preserved accordingly. 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 enriched this Herbarium archive.

Product Development Department

The Product Development Department of IBN SINA Natural Medicine Division plays the pioneer role in healthcare of Bangladesh maintaining the ethical standard regarding safety of human health issues. They are developing new products to fulfill the new market demand depending on the latest innovation and customers' requirement. Very recently more sophisticated analytical instruments have been introduced in the natural medicine Product Development laboratory.

Experts on relevant field including PhD professional, other experienced and trained personnel and reputed natural medicine consultant and advisor are involved in continuous research for product development.



State of
the Art self
contained cGMP
Cephalosporin Drug
Manufacturing plant



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 state of the art facility under the direct guidance and consultancy of APC Australia with the aim to GMP accreditation from TGA Australia. Zone concept of Current Good Manufacturing Practice (cGMP) is meticulously implemented in the site.

The cephalosporin division is an aesthetic viewed two stored building having 15,000 sft. per floor.

Production Facilities

Production facilities include 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 is being designed as Class A & B area & the oral dosage production area is being classified as Class D area. The major production machinery includes Romaco micro dosing line (from Italy) for dry vial injection, Sejong (from Korea) are for Tablet & Capsules and the PFS line from CVC, Taiwan.

Recently, the manufacturing unit has been modified for producing Clavulanic Acid & Cephalosporin combination products. Another modified system EMS has also been introduced for monitoring the environment of critical manufacturing area automatically.

Quality Control (QC) and Microbiology

A modern and well equipped QC laboratory and microbiology laboratory have been set up at the first

floor of cephalosporin division. It ensures quality, safety, purity & efficacy of starting material and finished product before release 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 Scientific (USA), FTIR from Brokier (Germany) and the major microbiology machines includes incubator from Moment (Germany), Autoclave from Hirayama (Japan) and UV visible micro plate reader from Biotech (USA).

Quality Assurance (QA)

Dedicated QA department is established in cephalosporin division. The QA department is responsible for evolving, implementing and monitoring quality assurance activities having an impact on product quality. QA department has four (04) major sections like Documentation, Compliance & Training, IPQC and Validation.

The main responsibility of documentation section is preparation, issuance, distribution & archival of all quality documents with batch release. Compliance & Training section performs compliance related activities (Deviation, QIR, Market Complain, Change Control, QRM, APQR, Self Inspection etc.) & arrangement of in-house training. IPQC monitor dispensing of RM to finished product packaging to ensure product quality. Validation section performs process validation, calibration & qualification activities of all machine & equipments.

Environmental and compliant issues in the production of cephalosporin medicines stand first. A group of qualified trained and experienced person are engaged in production and control system of the cephalosporin division.

Quality Control (QC) and Quality Assurance (QA)

To achieve this Goal, The IBN SINA Pharmaceutical Industry Ltd. gives the highest emphasis to ensure its product quality following Current Good Manufacturing Practice (cGMP) and Good Laboratory Practice (GLP) strictly in every step of manufacturing operation and in Quality Control (QC) and Quality Assurance (QA). It has three separate manufacturing division e.g General Pharma Division, Cephalosporin Division and Natural Medicine Division. Each Division has independent Quality Assurance and Quality Control department. All Quality Assurance and Quality Control departments are guided by individual management having highly qualified, well trained, motivated and skilled personnel. These departments are independent from productions which are directly controlled by Director Technical.

Quality Control (Q.C)

It has separate Quality Control Department for each Manufacturing division. Each Quality Control Laboratory has the following wings-

Physical Lab

Chemical Lab

Instrument Lab

Microbiological Lab

Packaging Materials Section

On-going stability study Section and

Method Validation Section

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.

The IBN SINA Pharmaceutical Industry Ltd. has dedicated international regulatory affairs section under Quality Control Department to register the products in overseas market such as United States of America, Venezuela, Guatemala, Myanmar, Sri-Lanka, Cambodia, Vietnam, Laos, Kenya, Somalia, Afghanistan, Yemen, Mali, Bhutan, Georgia, Ghana, Mauritius, Senegal, Uganda and Zimbabwe.

Quality Assurance

Another important department is Quality Assurance (QA) whose prime responsibilities are to ensure the quality of products at every step of production operation and release/rejection of finished products. To carry out the QA activities effectively, it has the following sections:

- Separate in process QA Laboratory for each section of production department for proper monitoring of production operation, supervision of production environments, recording and documentation.
- Compliance
- Validation and Calibration
- Documents preparation, distribution and archiving
- Training

To supervise the effectiveness and applicability of the quality assurance system, QA perform the following activities:

- Implementation of cGMP and training
- Change control management
- Deviation management
- Risk assessment & management
- CAPA management
- Conduct Internal audit
- Annual product quality review
- Market complain handling
- Process validation IPQA instrument calibration
- Documents like SOP, BMR, BPR, master list etc preparation, distribution and archiving
- Packing materials checking, approval and controlling
- Retention sample management

For proper co-ordination among the different departments, we developed Quality Operation Management System. Quality is our commitment and we are marching on ward to achieve this goal. Quality management System (QMS) and international standard cGMP are in practice now. We are trying to achieve the recognition of TGA, Australia first and then we shall proceed for other international compliance certification one by one.

Product Development (PD)

Product Development is an important wing of The IBN SINA Pharmaceutical Industry 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 of IPI Ltd. 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 Strategic Marketing Department, 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 cGMP standard for development of new products in an efficient manner.

PD team ensures following activity

Preformulation Study

Pharmaceutical Formulation

Stability Study

Process Development and Validation

Pharmaceutical Analysis

Reformulation

Preparation of Samples for DGDA and Documents

Comparative Dissolution Study with Innovator Products

Technology Transfer to Production, QC & QA

We have developed central PD laboratory and Scale-up area for Process Validation for 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 IBN SINA Pharmaceutical Industry Ltd. in pharmaceutical sector stands as one of the leading pharmaceutical industries in Bangladesh.

Marketing

Marketing Department is very important to achieve goals and objectives of a company in a branded generic pharmaceutical industry as in Bangladesh. Therefore IPI also constructed its Marketing department which is enriched with an indoor marketing team known as Strategic Marketing Department and an outdoor marketing team. Both the teams together have about 2600 well educated and skilled members. These two teams work together to increase prescription and sales by promoting novel ideas and innovative pharmaceutical products persistently round the year.

At field level we have three separate marketing teams for Pharma, Sinavision and Natural Medicine Division. All are dedicated to promote individual groups of products to individual customers.

The Strategic Marketing Department (SMD) intensifies the marketing activity of field forces by providing intellectual promotional support through its dynamic, skilled and well trained professionals. They also organize seminars and symposiums throughout the country to develop strong relationships with doctors and provide relevant clinical papers according to doctors' needs.

Our Marketing Division also has its own modern distribution channel to cover the whole pharmaceutical market within the country. With this distribution network, IPI distributes its medicines to each and every pharmacy and institutions in Bangladesh.

Every business needs in-depth research in its field of interest. Because it helps to keep updated information on behavior patterns of the customers to products and services of a company. IPI also feels the necessity of such research and constructed an organized Market Research team to support Management in decision making in different steps of business.

The Marketing Division is working relentlessly to achieve the goal of the company in an integrated working environment with management, other departments, regulations and most importantly with our valuable customers.

Strategic Marketing

Strategic Marketing of a pharmaceutical company is the core of marketing department that works at all stages from product launching to post marketing surveillance. At all stages of product lifecycle, Strategic Marketing deals with proper planning and strategies to meet company goal as well as customers demand.

Our Strategic Marketing is 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. Strategic Marketing team is also responsible for successful management of existing brands with company's marketing objectives and providing strategic inputs to generate business and stay ahead in the competition.

Preparing annual marketing plan, formulate strategies for specific brands, ensure the growth of existing brands, create promotional materials (literature, pad, sticker, dispensing bag, dongle, banner, festoon etc.), conduct promotional events, analyze market and sales trends and ensure availability of products through distribution channels are also performed by Strategic Marketing team.

Strategic Marketing is 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 sources of information for product's evolution.

Strategic Marketing team intensifies the marketing activity of field forces by providing various medical services including relevant clinical papers according to doctors' 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 to build up image of the company.

Strategic Marketing also monitor competitors' promotional and marketing activity for sustainable development of company.

At a glance, the diverseness of the Strategic Marketing team helps the company to reach the goal and plays key role to maximize sales revenues, market share, and profit margins of the company ultimately.

Marketing

Natural Medicine Division (NMD)

A highly dedicated team of field forces of NMD stay alert in the market to execute marketing strategies and corporate goals approved by the authority. The young and promising marketing team is working hard to execute marketing strategies and programs to expand market size, snatching competitors market share and to 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. This committed marketing team is trying its 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 as the patients rendering quality products, sharing scientific information and knowledge based marketing concept. Product Management Department assists the Marketing Department to achieve its goal through organizing physical/virtual (digital platform) scientific seminars, symposia, doctor's conferences, workshops and training programs among newly recruited and existing marketing field forces. In addition to this, Marketing Department undertakes "capability building program" for different tiers to meet future business needs and to develop future leaders.

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

Strategic Marketing

Natural Medicine Division

Product management is a way to organize the strategic planning, production, marketing and other tasks strategically related to the creation and distribution of a product. It involves the coordination of teams, data, processes, business systems and more. The main responsibility of this department is to identify where the product is going. This department spends a lot of time investigating competitive intelligence, which involves comparing their company's strategy with pharmaceutical competitors. 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, creative, logical and proactive & goal oriented Product Management Department is always trying hard to enrich innovative products line.

Product Management Department plans, designs and conducts fruitful scientific seminars, symposiums, CME, RTC, doctor's conferences regularly throughout the country for expansion of market size. Product Management Department also provides intellectual and 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 prescription and sales with objective to increase market size. By introducing new products and innovative promotional works tools the department is trying to achieve qualified and renowned professor's prescription in different medical disciplines. By vigorous promotional works in the mean time we have established some products as OTC brand.

In a word, product management is essentially a function of the organizational life cycle that deals with the various aspects of bringing products to the market as a marketing oriented company.



Human Resource Department

Our path with believers is as always continuous. The HR family formed of combining ethics, merit and diversity, went another steps ahead. Compliance of labor laws and policies has sharpened our activities. Last 37 years of journey of Ibn Sina Pharma, from personnel management to human resource development has turned it into more dynamic and coordinated.

Mentionable activities like quality strategy, future strategic planning and framing of personnel development policies have been completed this year. Work is underway to implement the rest of the plans systematically. Recruitment, Separation, Final Settlement, Transfer, Promotion, Increment, Exit Interview as part of the far-reaching plan & organizational capacity development, all the activities in this respect are already in the process of storing digitally. At the field level, special planning activities have already been introduced to the officers and employees of the company.

By proper succession planning Pharma Division, Natural Medicine Division and Cephalosporin Unit have already become more efficient, advanced and practical.

The Human Resources Department is vigilant nurturing the ethical business culture to survive in a challenging business environment and keep pace with the overall industry growth. Respecting the moral values of the customers and stakeholders, IBN SINA Pharma has already been recognized as pioneer of the healthcare industry of Bangladesh. Alhamdulillah.



Information Technology

Being an ever expanding, Leading Pharmaceutical company, The IBN SINA Pharmaceutical Industry Ltd. is producing quality products and 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 labour hour. Our Marketing people is now using mobile apps to execute customer 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 quality 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 comes 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 is implementing 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 ensuring 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 at any type of digesters. The total system has been deployed over the own Infrastructure installed on premises of the company.

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



The Ibn Sina Pharmaceutical Industry Ltd. is on its way to transform its local endeavor to international arena with a view to achieving trust and confidence of the healthcare professionals and patients across the globe. Now a day IPI is exporting its products to several countries in Asia, Africa and America. Around one hundred products in different dosage forms are registered with different regulatory bodies in different countries. More strategic business partnership with the prospective counterparts and product registration for the same are also going on.

In order to grab more opportunities in the global generic market, IPI is now focusing on capacity building to get the manufacturing units approved by various international regulatory authorities. It is expected that the export potential will be increased substantially after such International accreditation.

Global Market



35th Annual General Meeting

The 35th Annual General Meeting of the The IBN SINA Pharmaceutical Industry Ltd. was held on 14 November, 2019 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, 2019. In the question and answer session, shareholders were encouraged to ask questions before approving the particular agenda. 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 been discussed. Shareholders put up valuable recommendations which were discussed and scrutinized in the subsequent Board Meeting and proper actions in this respect had duly been taken. The meeting approved 30% Cash dividend as against per share of Tk. 10/- each for the year 2018-19.

1 The Company being gold awarded by ICSB for Corporate Governance "Best Presented Annual Report" in 2018.

2 Technical Director of the Company delivering his speech in the "Grand Product Launching in USA".



3 A team of Sr. Officials along with Managing Director is seen in the event of Annual Picnic, 2020.

4 Partial view of the shareholders in the 35th AGM of the Company.

PHOTO GALLERY

5 Medical Students Scholarship Program.

6 National Conference 2019.



7 IBN SINA Natural Medicine Pavilion at Dhaka International Trade Fair 2020.

8 Scientific Seminar on "Management of Hemorrhagic Stroke". This program is organized by Stroke unit, IBN SINA Hospital & sponsored by The IBN SINA Pharmaceutical Industry Ltd.

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

September 17, 2020

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 2020.

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 2020 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 2020 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
CONSOLIDATED
FINANCIAL
STATEMENTS**



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali
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INDEPENDENT AUDITOR'S REPORT

To The Shareholders of The IBN SINA Pharmaceutical Industry Ltd. Report on the Audit of the Financial Statements

Opinion

We have audited the Consolidated financial statements of **The IBN SINA Pharmaceutical Industry Limited** which comprise the consolidated statement of financial position as at June 30, 2020, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies act 1994, the Securities and Exchange Rules 1987 and other applicable law and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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

Risk	Our response
Revenue recognition	
At the year ended, the company's reported total revenue of Tk. 619.16 Crore. Time of revenue recognition is matter. Considering the other inherent risk of the existence and the accuracy on revenue recognition, the revenue has been selected as key audit matter.	We have tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> ● Policy of revenue recognition. ● Issuance of VAT challan; ● Segregation of duties in invoice creation and modification; and ● Timing of revenue recognition. Our substantive procedures in relation to the revenue recognition comprises the following: <ul style="list-style-type: none"> ● Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period; ● Critically assessing manual journals posted to revenue to identify unusual or irregular items; and ● Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.
Please see the note no. 24 in these financial statements.	

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৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

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Risk	Our response
<p>Valuation of inventory</p> <p>The balance of inventory of the Company at the year-end was Tk. 64.33 Crore held in the company's store.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Management's apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory and related provisions by:</p> <ul style="list-style-type: none"> ● evaluating the design and implementation of key inventory controls operating across the Company in respect of inventory management; ● to attend the physical inventory counts and reconciling the count results to the inventory listings to test the completeness of data; ● to review the inventory costing procedures and methodology. ● 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 and comparison to the associated provision to assess whether inventory provisions are complete; ● reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; and ● 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.
Please see the note no. 8 in these financial statements.	
Measurement and recognition of deferred tax	
<p>The balance of reported deferred tax liability of the company was Tk. 10.90 crore as on June 30, 2020.</p> <p>The risk for the financial statements is that these provisions are not properly measured for all types of temporary difference as per IAS 12: Income Tax.</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.</p> <p>We have assessed the appropriateness of the carrying amounts of net asset value as per tax base and accounting base.</p> <p>We have also assessed the rate of deferred for each temporary difference.</p> <p>Also, we examined the accounting treatment of deferred tax.</p>
Please see the note no. 18 in these financial statements.	

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Risk	Our response
Consolidation of the financial statements	
<p>It is mentioned here that the Company has prepared and published consolidated financial statements of the group as whole by taking consideration of one subsidiary named Ibn Sina API Ltd. with 99.99% of controlling stake and one associate named The Ibn Sina Consumer Products Ltd. with 40% stake for the very first time.</p> <p>The key risk is that whether the consolidated financial statements of the company are prepared in compliance with IFRS 10: Consolidated Financial statements and IFRS 3: Business Combination and provide adequate disclosure in required standard.</p>	<p>We have obtained a good understanding of the structure of the group, the significance (ie materiality) of each component of the group, the mechanics of the consolidation process, and the risk of material misstatement presented by each of the company's financial statements. We have also established materiality level for the group in aggregate, and for the individually significant components. The types of audit procedures that was performed include:</p> <ul style="list-style-type: none">● checking that figures taken into the consolidation have been accurately extracted from the financial statements of the components.● evaluating the classifications of the components of the group - for example, whether the components have been correctly identified and treated as subsidiaries, associates.● reviewing the disclosures necessary in the group financial statements, such as related party transactions and minority interests.● gathering evidence appropriate to the specific consolidation adjustments made necessary by financial reporting standards, including, for example:<ul style="list-style-type: none">● the calculation of goodwill and its impairment review● cancellation of inter-company balances and transactions● provision for unrealised profits, if any, as a result of inter-company transactions <p>fair value adjustments needed for assets and liabilities held by the component.</p>

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Other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

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.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained, and for such internal control as management determines is necessary to enable the preparation of the 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 judgment 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.

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● 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 Statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka;
September 17, 2020



Md. Waliullah
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30th June, 2020

		AMOUNT IN TAKA	
		30 June 2020	30 June 2019
	Notes		
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	04	2,038,773,015	1,684,778,351
Capital Work-In-Progress	05.1	229,297,919	139,187,479
Right of Use Assets	05.2	36,187,596	-
Investment in Marketable Securities (AFS)	06	4,782,505	4,878,355
Investment in associates	07	53,616,435	35,402,449
		2,362,657,470	1,864,246,635
Current Assets			
Inventories	08	643,381,451	522,185,354
Trade and Other Receivables	09	25,344,692	22,585,997
Advances, Deposits & Prepayments	10	205,076,940	248,500,644
Cash & Cash Equivalents	11	199,913,735	170,953,223
		1,073,716,818	964,225,217
TOTAL ASSETS		3,436,374,288	2,828,471,852
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital	12	312,436,270	312,436,270
Tax Holiday Reserve	13	4,392,110	4,392,110
Unrealised Gain on Marketable Securities (AFS)	14	(212,402)	(126,137)
Retained Earnings	15	1,460,390,581	1,161,594,152
Non Controlling Interest		40	-
		1,777,006,599	1,478,296,395
LIABILITIES			
Non-Current Liabilities			
Long Term Finance	16	247,921,809	125,909,408
Retirement Benefit Obligations	17-A	78,797	70,133
Lease Liability	17-B	4,363,520	-
Deferred Tax Liability	18	108,988,015	79,884,252
		361,352,142	205,863,793
Current Liabilities			
Short Term Finance	20	608,475,986	542,029,553
Current Portion Of Long Term Finance	21	106,500,863	23,572,102
Trade And Other Payable	22	479,663,557	406,113,163
Provision for Corporate Tax	23	103,375,142	172,596,846
		1,298,051,548	1,144,311,664
Total Shareholders' Equity And Liabilities		3,436,374,288	2,828,471,852
Net Assets Value (NAV) Per Share	33.01	56.88	47.32

The annexed notes 1 to 47 form an integral part of these financial statements.



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

As per our report of date annexed



Malek Siddiqui Wali
Chartered Accountants

Dated, Dhaka;
September 17, 2020

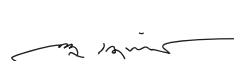
THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30th June, 2020

	Notes	AMOUNT IN TAKA	
		01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
REVENUE	24	6,191,628,639	5,263,963,344
Cost of goods sold	25	(3,595,065,328)	(3,102,151,141)
GROSS PROFIT		2,596,563,310	2,161,812,203
OPERATING EXPENSES		(1,968,659,125)	(1,672,915,230)
Administrative expenses	27	(148,308,216)	(132,265,190)
Selling & Distribution expenses	28	(1,820,350,909)	(1,540,650,041)
OPERATING PROFIT		627,904,185	488,896,972
Financial charges	33.03	(34,913,253)	(14,738,885)
Other income	29	2,486,211	2,376,777
Net profit from operation		595,477,142	476,534,864
Workers' P.P. fund & welfare fund	30	(28,607,860)	(22,692,136)
Share of associate profit/Loss		(1,786,015)	(1,701,171)
PROFIT BEFORE TAX		565,083,268	452,141,557
Income tax expenses:	31	(172,555,958)	(115,874,687)
NET PROFIT AFTER TAX		392,527,310	336,266,870
Other Comprehensive Income:	32	(95,850)	34,268
Change in fair value of Marketable Securities		9,585	(3,427)
Deferred tax			
Total other comprehensive income for the year, net of tax		(86,265)	30,841
Total comprehensive income for the year		392,441,045	336,297,711
Earnings Per Share (EPS)	33	12.56	10.76
Number of Shares used to Compute EPS		31,243,627	31,243,627

i) The annexed notes 1 to 47 form an integral part of these financial statements.

ii) The profit attributable to the non-controlling interest (NCI) is just Tk.4 which is very insignificant as such calculation of profit attributable to parent and NCI was not presented.



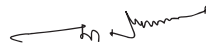
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

As per our report of date annexed

Dated, Dhaka;
September 17, 2020


Malek Siddiqui Wali
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

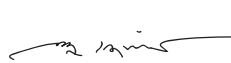
For the year ended 30th June, 2020

Amount in Taka

Particulars	Paid up Capital	Tax Holiday Reserve	Gain on Marketable Securities (unrealized)	Retained Earnings	Non Controlling Interest	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)-2019	-		30,841	336,266,870		336,297,711
Dividend for the period 30 June, 2018 (Cash-30%)		-		(85,209,894)		(85,209,894)
Dividend for the period 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 30 June 2019	312,436,270	4,392,110	(126,137)	1,161,594,152		1,478,296,395
Total Comprehensive Income/(Loss)-2019-2020	-	-	(86,265)	392,527,310		392,441,045
Dividend for the period 30th June, 2019 (Cash -30%)	-	-	-	(93,730,881)		(93,730,881)
Issue during the year					40	40
Balance as at 30 June 2020	312,436,270	4,392,110	(212,402)	1,460,390,581	40	1,777,006,599

The annexed notes 1 to 47 form an integral part of these financial statements.



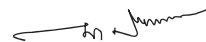
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

As per our report of date annexed



Malek Siddiqui Wali
Chartered Accountants

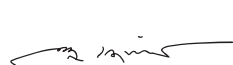
Dated, Dhaka;
September 17, 2020

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30th June, 2020

	AMOUNT IN TAKA	
	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
Cash Flow From Operating Activities:		
Received from revenue and others	6,188,869,944	5,259,427,792
Payment for operation, expenses & others	(5,511,411,599)	(4,689,238,564)
Miscellaneous income	265,275	680,313
Cash generated from operations	677,723,620	570,869,541
Cash payment for Income tax paid	(148,708,639)	(122,765,719)
Payment for Financial charges	(31,469,779)	(14,738,885)
Net cash provided by operating activities	497,545,201	433,364,937
Cash Flow From Investing Activities:		
Acquisition of property, plant and equipment	(612,488,336)	(389,730,586)
Proceeds from sales of motor vehicles	680,772	-
Investment in associates	(20,000,000)	(20,977,337)
Received from bank deposits	915,882	2,471,655
Net cash used in investing activities	(630,891,681)	(408,236,268)
Cash Flows From Financing Activities:		
Payment of dividend	(86,983,147)	(66,456,496)
Long term finance received/(paid) from bank (Net)	122,012,401	44,663,681
Non Controlling Interest	40	-
Short term finance received/(paid) from bank (Net)	128,369,605	(1,207,588)
Net cash flow from financing activities	163,398,899	(23,000,403)
Increase/(decrease) in cash and cash equivalents	30,052,419	2,128,266
Cash and cash equivalents at the opening	170,953,222	170,014,165
Foreign Exchange Fluctuation Gain/(Loss) on FCAD ERQ Accounts	(1,091,906)	(1,189,209)
Cash and cash equivalents at the closing	199,913,735	170,953,222
NOCFPS (Note 33.02)	15.92	13.87

The annexed notes 1 to 47 form an integral part of these financial statements.



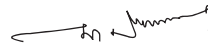
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

As per our report of date annexed

Dated, Dhaka;
September 17, 2020


Malek Siddiqui Wali
 Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Notes to the Consolidated Financial Statements

For the year ended on 30 June 2020

1. Reporting entity

1.1 The company and the group

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).

As the 99.99% shareholder of IBN SINA API Limited The IBN SINA Pharmaceutical Industry Ltd. Started its operation as a group company from 16 September 2019. Hereinafter it is referred as the group as and where applicable for the purpose of preparing consolidated financial statements.

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 Group Structure of IBN SINA Pharmaceutical Industry Limited

The IBN SINA Pharmaceutical Industry Limited holds 99.99% share of IBN SINA API Limited and 40% The IBN SINA Consumer Products Limited.

1.3A Associate companies

The IBN SINA Consumer Products Ltd.

The IBN SINA Consumer Products Ltd. was incorporated in Bangladesh on 14 January 2016 under the Companies Act, 1994. The Company involves in production, processing, storing and other related activities of consumer and agricultural products. The entity holds 40% of its associate's (The IBN SINA Consumer Product Limited) equity shares as at year end.

1.4 Subsidiary companies

IBN SINA API Limited

IBN SINA API Limited was incorporated in Bangladesh on 16 September 2019 under the Companies Act, 1994.

The Company involves in manufacturing, trading and other related activities of Active Pharmaceutical Ingredients (API) and other related products. The entity holds 99.99% of its subsidiary (IBN SINA API Limited) equity shares as at year end.

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) and subsequently adopted by Financial Reporting Council, Bangladesh, the Companies Act, 1994, Securities and Exchange Rules, 1987 and other relevant laws as applicable.

2.2 Other regulatory compliances

The Group 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 2012
- The Value Added Tax Rules 2016
- 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 2018)

2.3 Authorization for issue

The financial statements were authorized for issue by the Board of Directors in its meeting held on 17 September 2020 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 group 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) Consolidated Statement of Financial Position as at 30 June 2020
- (b) Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020
- (c) Consolidated Statement of Changes in Equity for the year ended 30 June 2020
- (d) Consolidated Statement of Cash Flow for the year ended 30 June 2020
- (e) Consolidated 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 group operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the group. 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 (IFRS) 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 Consolidated Financial Statements

The group has prepared separate financial statements and consolidated financial statements for the group separately. In the Consolidated financial statements:

- items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries have been combined;
- the carrying amount of the parent's investment in the subsidiary and the parent's portion of equity of the subsidiary have been offset (eliminated)
- intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group i.e. profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, have been eliminated in full.

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 Group 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 Group's ability to continue as a going concern.

2.12 Reporting period

The reporting period of the group covers 12 (twelve) months from 01st July 2019 to 30th June 2020.

2.13 Comparative information

Comparative information has been disclosed in respect of 2019-2020 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. For the time the company prepared consolidated financial statements. So comparative information only contains parent's financial information.

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 entry, 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 group 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. No estimate of Property, Plant and equipment was revised during the year.

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.

3.2 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.

3.3 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

As per IFRS 15 the Group recognises as revenue the amount that reflects the consideration to which the Group 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 Group recognises revenue when (or as) the Group satisfies a performance obligation by transferring promised goods to a customer. Goods are considered as transferred when (or as) the customer obtains control of those 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 Group expects to be entitled in exchange for those goods. The Group 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.

Dividend income

Dividends is recognized when the group'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.

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 group'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 group 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 group 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 group 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 group's historical experience and informed credit assessment and including forward-looking information.

The group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the group in full, without recourse by The group 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 group 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 of Non-financial assets

The carrying amounts of the Group'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 for an individual asset, the Group 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 group without any restriction. There is insignificant risk of change in value of the same.

3.9 Earnings Per Share (EPS)

8 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 group has commitment to issue ordinary share in future at reporting date. No such commitment is hold by group 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.

- a) Foreign currency monetary items are translated using the closing rate.
- b) 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.
- c) 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 group 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 group makes matching contributions.

The group 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 group'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.

The gratuity is calculated for all the employees prescribed by the rates as per Labor Act 2006 (as amended to 2018) for their service with the group. The gratuity fund is administered by the Board of Trustees.

Superannuation Fund:

The group 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 2019 to 30th June 2020 Company contributed an amount of Tk.1,000,000 (Ten Lac) 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 group 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 group 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 group; 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 group. At the reporting date the group does not have any contingent asset.

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

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 Group 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.

3.17 (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 group.

3.17 (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).

3.18 Events after the reporting period

Events after the reporting period that provide additional information about the group'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.

3.19 Compliance with financial reporting standards as applicable in Bangladesh

The Group 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	19	Employee Benefits	Complied
9	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
10	21	The Effects of Changes in Foreign Exchange Rates	Complied
11	23	Borrowing Cost	Complied
12	24	Related Party Disclosures	Complied
13	26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
14	27	Separate Financial Statements	Not Applicable
15	28	Investments in Associates and joint ventures	Complied
16	29	Financial Reporting in Hyperinflationary Economics	Not Applicable
17	32	Financial Instruments: Presentation	Complied
18	33	Earnings per Share	Complied
19	34	Interim Financial Reporting	Complied
20	36	Impairment of Assets	Complied
21	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	38	Intangible Assets	Complied
23	40	Investment Property	Not Applicable
24	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	Complied
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	Complied
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
16	16	Lease	Complied

3.20 New accounting standard adopted for the first in the financial statements for the year ended June 30, 2020.

IFRS 16: Lease

Changes to the company's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS 16 Lease.

IFRS 16 supersedes IAS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

The company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 July 2019. Instead, the company applied the standard only to contracts that were previously identified as leases applying IAS 17 at the date of initial application.

The IFRS 16 requires to recognise the present value of minimum lease payment under the lease agreement as

asset and Liability namely "Right to Use of Asset" and "Lease Liability" respectively. The Right to Use of Asset is added by the balance of advance payment at initial application of IFRS 16, which was January 01, 2019. However, IFRS 16 also allows the company to recognise the lease payment as expenses in respect of short term lease agreement and lease for which the underlying asset is of short term (temporary) lease and low value. One lease agreement of the company are fallen in second category. As such, lease (rental) payment was recognised as expenses in the Profit or Loss statement, when they incurred, for short term (temporary) lease and low value lease agreement.

Subsequent Measurement:

The lease liability:

Upon initial recognition, the lease liability is being accounted for using amortised cost. Meaning that the initial liability is added by finance charge at company's incremental borrowing cost less subsequent rental payment on monthly basis.

Right to Use of assets:

The leased assets (Right to Use of Asset) are depreciated over its useful life on monthly basis using straight line depreciation method.

04. CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT

Cost

Opening balance
Addition during the year
Disposal/adjustment during the year

Closing balance

Accumulated depreciation

Opening balance
Charged during the year
Disposal/adjustment during the year

Closing balance

Closing balance of written down value (WDV)

Details of fixed assets have been shown in Annexure - A.

The factory land and land development (803 decimal) and building are pledged as security for long term and short term bank finance of the company.

AMOUNT IN TAKA	
30 June 2020	30 June 2019
2,410,003,235	2,006,554,756
515,570,654	403,448,480
(2,295,519)	-
2,908,464,311	2,410,003,235
725,224,884	596,754,632
146,732,604	128,470,252
(2,266,173)	-
869,691,316	725,224,884
2,038,773,015	1,684,778,351

05.1 CONSOLIDATED CAPITAL WORK-IN-PROGRESS

5. A) Construction work-in-progress (Building)

Opening balance
Less: Excluding for advance against API Industrials Park Services Ltd.
Add: Addition during the year

5.B) Machinery in transit and installation

52,696,974	44,776,558
(22,000,000)	-
18,060,267	7,920,416
48,757,241	52,696,974
180,540,678	86,490,505
229,297,919	139,187,479

i) 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 of existing factory which are not received yet by the company.

ii) For the purposes of expanding company's operation in API project, the company was started to construction of new building in API Park, Gozaria, Munshiganj. To smooth running of the API project, a new company was formed named: IBN SINA API Ltd., a 99.99% owned subsidiary of the company. As such, the building under construction of API project is transferred to the IBN SINA API Ltd. at cost.

05.2 CONSOLIDATED RIGHT OF USE OF ASSETS:

Cost

Opening balance
Addition during the year
Disposal/adjustment during the year

Closing balance

Accumulated depreciation

Opening balance
Charged during the year
Disposal/adjustment during the year

Closing balance

Closing balance of written Down Value (WDV)

Details of fixed assets have been shown in Annexure - A.

-	-
62,623,935	-
-	-
62,623,935	-
-	-
(26,436,339)	-
-	-
(26,436,339)	-
36,187,596	-

AMOUNT IN TAKA

30 June 2020

30 June 2019

06. CONSOLIDATED INVESTMENT IN MARKETABLE SECURITIES (FAIR VALUE):

Exim Bank Limited	378,400	497,200
Islami Bank Bangladesh Ltd. (IBBL)-in MPB	4,404,105	4,381,155
	4,782,505	4,878,355

The above investment in marketable securities are designated as available for sale (AFS) 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 so IBBL-MPB was at Tk. 954.50. Investment in securities of Islami Bank Bangladesh Ltd. which was classified as available for Sale Financial Assets is disposed off in current year. The cumulative gain previously recognized in other comprehensive income is reclassified from equity to profit or loss in current year as a reclassification adjustment.

7. CONSOLIDATED INVESTMENT IN ASSOCIATE

Investment in shares

Opening balance	40,000,000	17,750,000
Add: Addition during the year	20,000,000	22,250,000
	60,000,000	40,000,000

Post acquisition cumulative profit/(loss)

Opening retained earnings balance of loss	(4,597,551)	(2,896,380)
Add: Current year loss	(1,786,015)	(1,701,171)
	(6,383,565)	(4,597,551)
Grant total	53,616,435	35,402,449
Proportion of ownership	40%	40%

Investment in associate have been valued at cast. No loan or advance has been given to associate company.

08. CONSOLIDATED INVENTORIES

Raw materials	163,476,401	131,765,057
Packing materials	100,936,884	68,796,884
Work-in-process	70,297,526	56,841,205
Finished goods	165,834,854	136,813,352
Physicians' samples	3,192,669	2,492,660
Pad & literature	2,293,206	1,692,200
Spares & stores	154,514	142,100
Indirect materials	236,514	214,100
Printing & stationery	219,592	187,451
Laboratory chemicals	184,825	158,332
Material in Transit	136,554,466	123,082,013
	643,381,451	522,185,354

i) The inventory quantity can not be disclosed as some of material contain in liter, some are in pieces , some are in box and some are in kg, gram, mili gram, ton, liter and pcs as such quantity can not be inserted.

ii) There is no damage goods or slow moving item in the inventory list.

iii) As part of loan condition all of the company's, inventory are pledged as security for loan finance of the company.

	AMOUNT IN TAKA	
	30 June 2020	30 June 2019
09. CONSOLIDATED TRADE AND OTHER RECEIVABLES		
Trade Receivables	23,372,019	22,171,979
Other Receivable-Toll	1,972,673	414,018
	25,344,692	22,585,997

i) 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.

ii) Please see note number 46.1(i) for aging of above receivable.

10. CONSOLIDATED ADVANCES, DEPOSITS & PREPAYMENTS

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

a. Advances against

Salary	3,603,066	3,447,738
Expenses/works/others	6,418,614	6,069,154
Depot rent	8,456,125	8,481,875
Motor cycles-to employees	7,466,846	7,538,283
API Industrial Park Services Ltd.	22,000,000	-
Others	560,808	437,382
	48,505,459	25,974,432

b. Income tax

Opening balance	197,645,296	140,561,229
Addition	148,709,459	122,765,719
Adjusted during the year	(212,683,484)	(65,681,652)
	133,671,271	197,645,296

c. Deposits

Security money	22,892,905	24,256,627
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d. Pre payments

Value Added Tax	7,305	624,288
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	205,076,940	248,500,644
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i) The company did not give any advance, deposit and prepayment to the director's of the company, subsidiary, associates and other connected party and employees loan are realized in normal course of business.

10.1 MATURITY ANALYSIS:

Realizable/adjustable with in one year.	193,415,940.37	236,839,643.54
Realizable/adjustable after one year.	11,661,000	11,661,000
	205,076,940	248,500,644

11. CONSOLIDATED CASH & CASH EQUIVALENTS

a. Cash in hand	6,239,585	2,533,060
b. Cash at banks	185,224,150	158,670,163
c. Impress cash	8,450,000	9,750,000
	199,913,735	170,953,223

AMOUNT IN TAKA

11.1 Cash at banks with

	30 June 2020	30 June 2019
a. With Islami Bank Bangladesh Ltd.		
In SND Accounts	88,716,316	53,725,223
In MSA Accounts	728,582	705,450
In FCAD ERQ Accounts	2,125,093	2,294,260
b. With Al-Arafah Islami Bank Ltd. in SND Accounts	49,836,256	64,409,542
c. With Prime Bank Ltd. in Current Account (Islamic banking branch)	29,741	29,741
d. With Shimanto Bank Ltd. in SND Account	17,125	18,045
e. With Shahjalal Islami Bank Ltd. in Current Account	-	9,916
f) With First Security Islami Bank Ltd. in SND Accounts	20,490,249	9,326,872
g) With Sonali Bank Ltd. in ERQ Account	520,520	520,520
h) With Sonali Bank Ltd. in STD Account	22,760,268	27,630,595
	185,224,150	158,670,163

i) The bank reconciliation was performed at the year end and found in order.

ii) Physical cash counting were taken place at the year end and no surpluses or deficit was found.

12. SHARE CAPITAL

Authorized

25,000,000 'A' Class Ordinary Shares of Tk. 10 each	250,000,000	250,000,000
25,000,000 'B' Class Ordinary Shares of Tk. 10 each	250,000,000	250,000,000
	500,000,000	500,000,000

Issued, Subscribed & Paid-Up :

13'693'312 'A' Class Ordinary Shares of Tk. 10 each fully paid up in cash	136,933,120	136,933,120
17,550,315 'B' Class Ordinary Shares of Tk. 10 each fully paid up in cash	175,503,150	175,503,150
	312,436,270	312,436,270

The Shareholdings consist of :

Holders	No. of Holders	Total Holdings	Percentage
Sponsor	1	13,693,312	43.83%
Institutions	189	6,923,395	22.16%
General Public	11,074	10,626,920	34.01%
	11,264	31,243,627	100.00%

The distribution schedule showing the number of share holders and their share holdings as on 30.06.2020 are as follows:

Range of holdings	No. of Holders	Total Holdings	Percentage
Less than 500 shares	8,398	1,864,035	5.97%
500 to 5,000 shares	2,445	3,550,827	11.36%
5,001 to 10,000 shares	207	1,465,475	4.69%
10,001 to 20,000 shares	110	1,478,390	4.73%
20,001 to 30,000 shares	40	931,817	2.98%
30,001 to 40,000 shares	18	624,605	2.00%
40,001 to 50,000 shares	13	572,712	1.83%
Above 50,000 shares	33	20,755,766	66.43%
	11,264	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.224.10 in the Dhaka Stock Exchange Limited on 30.06.2020 and at Tk.223.60 in the Chittagong Stock Exchange Limited on 29.06.2020 respectively.

AMOUNT IN TAKA

13. CONSOLIDATED TAX HOLIDAY RESERVE:

30 June 2020	30 June 2019
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. CONSOLIDATED UNREALISED GAIN ON MARKETABLE SECURITIES

Closing market value of marketable securities	4,782,505	4,878,355
Less: Cost of marketable securities	5,018,507	5,018,507
Unrealised gain before adjustment of deferred tax	(236,002)	(140,152)
Less: Deferred tax on unrealised gain (loss)	(23,600)	(14,015)
Net unrealised gain/(loss) on marketable securities	(212,402)	(126,137)

15. CONSOLIDATED RETAINED EARNINGS

Opening Balance	1,161,594,152	938,940,466
Dividend paid	(93,730,881)	(113,613,184)
Add: Net profit during the year	392,527,310	336,266,870
	1,460,390,581	1,161,594,152

16. CONSOLIDATED LONG TERM FINANCE

i) From Al-Arafah Islami Bank Ltd.-Secured (Under Hire Purchase Shirkatul Melk, HPSM)	333,417,083	149,481,510
Current maturity transferred to current liability		
i) From Al-Arafah Islami Bank Ltd.-Secured (Under Hire Purchase Shirkatul Melk)	(85,495,274)	(23,572,102)
LONG TERM FINANCE - net off current maturity	247,921,809	125,909,408

i) Loan amount represent the amounts which would be due for repayment after 12 (twelve) months from the date of statement of financial position @ 9% of profit.

ii) The loan was taken from Al-Arafah Islami Bank Ltd. against mortgage of 803 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.

iii) HPSM is repayable in 84 monthly equal installment.

iv) Currently all of the company's HPSM and other loans are classified as standard by the Bank.

v) Information regarding loan fall due after five years.

Loan fall due from 2 to 5 years	222,278,055	99,654,340
Loan fall due from 6 to more years	25,643,754	26,255,068

17.A RETIREMENT BENEFIT OBLIGATIONS

Deferred liability represents employees gratuity recognized as liability the movement of which is as below:

Opening Balance	70,133	17,252,564
Provision during the year	62,242,056	37,426,245
Less: Paid during the year/period	(62,233,391)	(54,608,676)
	78,797	70,133

AMOUNT IN TAKA

17.B RIGHT OF USE OF ASSETS:

Cost:

Opening balance
 Addition during the year
 Finance charge
 Charged during the year
Closing balance
 Less : transferred to current maturity

	30 June 2020	30 June 2019
	-	-
	50,332,935	-
	3,443,474	-
	(28,407,300)	-
	25,369,109	-
	(21,005,589)	-
	4,363,520	-

- i) The company has lease against its head office and its training center located in Mohammadpur Dhaka.
 ii) Lease period is upto 30.06.2023.
 iii) Monthly rental payment is Tk.2,384,525.
 iv) Advance amount paid Tk. 12,801,000.
 v) Monthly adjustment Tk. 50,000.

18. CONSOLIDATED DEFERRED TAX LIABILITY

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS/BAS 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 (deductable) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	2,003,446,187	1,565,848,416	437,597,771	25%	109,399,443
Gratuity	62,312,189	62,233,391	(78,798)	25%	(19,699)
Right of Use Assets	10,818,487	12,291,000	(1,472,513)	25%	(368,128)
Unrealised gain on marketable securities	(236,002)	-	(236,002)	10%	(23,600)
For the year 2019-20	2,076,340,860	1,640,372,807	435,810,458		108,988,015
Property, plant and equipment	1,684,778,351	1,365,115,149	319,663,203	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

19. CONSOLIDATED DEFERRED TAX (EXPENSES)/INCOME

Closing balance of deferred tax liability	108,988,015	79,884,252
Opening balance of deferred tax liabilities	79,884,252	53,493,557
Total deferred tax expenses	29,103,763	26,390,696
Less: Deferred tax expenses related to other comprehensive income	(9,585)	(3,427)
	29,094,178	26,387,269

20. CONSOLIDATED SHORT TERM FINANCE

A. From Al-Arafah Islami Bank Ltd. - Secured (Under Composite facilities LC-MPI/TR)	608,475,986	542,029,553
	608,475,986	542,029,553

- i) Loan amount represent the amounts which would be due for repayment within 12 (twelve) months from the date of statement of financial position @ 9% of profit and 0.25% commission per quarter.
 ii) The loan was taken from Al-Arafah Islami Bank Ltd. against mortgage of 803 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.
 iii) Short term loan is repayable with in twelve months.
 iv) Currently all of the company's MPI/UPAS and other loans are classified as standard by the Bank.

		AMOUNT IN TAKA	
		30 June 2020	30 June 2019
21. CONSOLIDATED LONG TERM FINANCE-CURRENT MATURITY:			
This consist of:			
i) From Al-Arafah Islami Bank Ltd.-Secured (Under Hire Purchase Shirkatul Melk)	Note-16	85,495,274	23,572,102
ii) Current portion of lease	Note-17.B	21,005,589	-
Balance as at 30th June		106,500,863	23,572,102

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 date of Balance Sheet.

22. CONSOLIDATED TRADE AND OTHER PAYABLE			
Payable to suppliers			
Accrued expenses		222,341,929	201,468,578
Security money received from employees and others		154,209,677	114,236,046
Others Finance	Note-22.1	10,099,848	10,059,893
		93,012,103	80,348,645
		479,663,557	406,113,163

22.1 CONSOLIDATED OTHER FINANCE :			
This consists of :			
Unclaimed dividend	Note-22.1.1	64,404,243	57,656,509
Workers' profit participation fund & welfare fund		28,607,860	22,692,136
		93,012,103	80,348,645

22.1.1 UNCLAIMED DIVIDEND :			
Opening balance			
Addition during the year		57,656,509	38,903,111
Payment during the year		93,730,881	85,209,894
		(86,983,147)	(66,456,496)
		64,404,243	57,656,509

23. CONSOLIDATED INCOME TAX LIABILITY:			
This is arrived at as follows :			
Opening balance		172,596,846	148,791,079
Prior year tax assessment adjustment		21,488,660	-
Current tax expense		121,973,121	89,487,419
		316,058,626	238,278,498
Adjusted during the year		(212,683,484)	(65,681,652)
		103,375,142	172,596,846

		AMOUNT IN TAKA	
		01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
24. CONSOLIDATED REVENUE:			
This is made up as follows:			
Local revenue		6,120,615,609	5,200,271,649
Export revenue		71,013,030	63,691,695
		6,191,628,639	5,263,963,344

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

24. A. The above sales represent the following :

Product Group	Unit	2019-2020		2018-2019	
		Quantity	Amount	Quantity	Amount
Tablet	Pcs	957,654,131	2,037,136,156	836,288,856	1,830,660,334
Capsule	Pcs	237,737,562	1,301,889,701	196,728,588	1,161,419,918
Dry Syrup / ORS	Bottle	12,568,701	318,082,272	19,234,296	281,178,753
Liquid Bottles	Bottle	26,628,895	1,623,245,317	21,115,042	1,108,684,408
Drops	Pcs	5,958,552	321,865,363	5,876,710	312,598,361
Ointment	Pcs	4,356,298	132,331,340	4,004,799	124,356,063
Injection	Pcs	4,379,433	457,078,489	4,244,458	445,065,507
			6,191,628,639		5,263,963,344

24.B. Timing of revenue recognition

Products transferred at a point in time	6,191,628,639	5,263,963,344
Products and services transferred over time	-	-
	6,191,628,639	5,263,963,344

25. CONSOLIDATED COST OF GOODS SOLD :

This is arrived at as follows:

Raw materials consumed	Note-25.1	1,859,058,769	1,599,796,570
Packing materials consumed	Note-25.2	1,064,310,566	918,972,204
		2,923,369,336	2,518,768,774
Opening work-in-process		56,841,205	53,384,884
Closing work-in-process		(70,297,526)	(56,841,205)
Total Consumption		2,909,913,015	2,515,312,453
Manufacturing expenses	Note-26	738,723,489	646,287,810
Cost of Production		3,648,636,504	3,161,600,264
Opening finished goods		136,813,352	97,791,850
Closing finished goods		(165,834,854)	(136,813,352)
		3,619,615,002	3,122,578,762
Cost of physicians' samples		(24,549,674)	(20,427,621)
		3,596,065,328	3,102,151,141

25.1 RAW MATERIALS CONSUMED:

This is arrived at as follows :

Opening stock	131,765,057	116,704,856
Purchases	1,890,258,769	1,614,856,771
Closing stock	(162,965,057)	(131,765,057)
	1,859,058,769	1,599,796,570

25.2 PACKING MATERIALS CONSUMED :

This is arrived at as follows :-

Opening stock	68,796,884	88,525,184
Purchases	1,096,450,566	899,243,904
Closing stock	(100,936,884)	(68,796,884)
	1,064,310,566	918,972,204

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

26. CONSOLIDATED MANUFACTURING EXPENSES :

Salary, wages & allowances	408,019,518	342,151,172
Travelling & conveyance	1,198,728	2,298,107
Printing & stationery	3,275,448	1,872,979
Repairs & maintenance-building	7,512,065	5,346,861
Repairs & maintenance- machinery & equipment	35,589,390	54,542,049
Repairs & maintenance-vehicle & others	7,908,286	6,526,499
Medical expenses	707,545	2,411,091
Power & fuel	92,311,461	75,660,283
Training expenses	12,500	528,448
Insurance premium	7,179,815	6,384,170
Entertainment	2,014,092	654,860
Staff welfare	29,951,169	23,003,948
Telephone, fax, etc.	1,135,682	799,741
Fees & charges	1,091,828	2,082,940
Donation & subscription	1,450	-
Advertisement	33,637	184,743
News paper & periodicals	35,472	36,163
Staff uniform	2,195,317	1,197,917
Laboratory chemicals & stores	12,745,731	7,394,377
Indirect materials	7,737,742	6,439,400
Depreciation	118,063,612	106,756,214
Sundry expenses	3,000	15,850
	738,723,489	646,287,810

(a) The number of employees employed in the factory throughout the year who received aggregate remuneration less than Tk.36,000 was 0.

(b) The number of employees employed in the factory for part of the year who received aggregate remuneration less than Tk.3,000 per month was 0.

(c) Salary, wages & allowances include P.F. contribution of Tk.8,487,078 and Gratuity of Tk.5,963,210.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

27. CONSOLIDATED ADMINISTRATIVE EXPENSES :

Salary, wages & allowances	79,461,994	65,773,500
Directors' remuneration	9,460,000	7,920,000
Directors' meeting fee	1,047,536	1,684,114
Travelling & conveyance	3,226,405	3,174,221
Repairs & maintenance-building & equipment	2,076,562	2,309,758
Repairs & maintenance-vehicle & others	2,471,167	2,336,356
Audit fees	258,750	230,000
Head office rent	-	17,597,390
Medical expenses	579,822	22,514
Postage & stamp	61,681	202,351
Training expenses	186,395	218,205
Insurance premium	652,065	392,180
Entertainment	2,172,532	1,602,981
Staff uniform	12,897	100,967
Staff welfare	6,642,507	2,629,780
Telephone, fax, etc.	1,082,699	1,068,455
Research & Development	2,800,835	-
Preliminary Expenses	430,093	-
Fees & charges	1,851,431	2,241,350
Bank Charge	421,840	519,908
Donation & subscription	17,500	536,240
Advertisement	2,506,105	1,630,617
News paper & periodicals	197,856	203,138
Printing & stationery	1,094,323	1,497,832
Water, electricity & gas	1,971,229	2,104,556
Annual general meeting expenses	2,916,517	3,256,968
Expenses relating to dividend	216,453	160,800
Depreciation	23,395,521	9,061,247
Sundry expenses	95,500	30,630
Expenses relating to CSR	1,000,000	3,759,130
	148,308,216	132,265,190

(a) The number of employees employed in the administration department throughout the year who received aggregate remuneration less than Tk.36,000 was 0.

(b) Salary, wages & allowances include P.F. contribution of Tk. 2,380,413 and Gratuity of Tk.1,741,671.

(c) The number of employees employed in the administration department for part of the year who received aggregate remuneration less than Tk 3,000 per month was 0.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

28. CONSOLIDATED SELLING & DISTRIBUTION EXPENSES :

Salary, wages & allowances	1,183,446,224	993,072,859
Travelling & conveyance	5,678,986	4,519,769
Head office & sales centres rent	21,549,771	30,546,127
Printing & stationery	7,845,042	6,475,977
Repairs & maintenance-building & equipment	3,579,833	2,789,118
Repairs & maintenance-vehicle & others	15,690,504	15,193,917
Medical expenses	1,295,023	1,074,360
Water, electricity & gas	1,430,932	1,552,040
Postage & stamp	446,995	584,271
Field forces conference expenses	27,909,323	629,800
Insurance premium	3,014,371	2,316,968
Entertainment	1,184,533	1,290,685
Training expenses	5,381,794	2,625,306
Staff welfare	3,151,843	1,703,412
Telephone, fax, etc.	7,299,393	7,332,940
Fees & charges	757,675	155,132
Donation & subscription	-	10,000
Advertisement	774,530	1,402,281
Incentive	34,651,617	36,377,462
Sales representatives conference	463,900	-
Detailing bag & brief case	731,644	1,108,998
Field personnel expenses	237,610,671	187,588,747
Product development expenses	425,759	1,860,485
Product pad & literature	25,093,914	31,494,534
Promotional expenses	24,963,309	25,908,343
Physicians' samples	23,849,665	24,611,591
Market survey & research	3,604,720	2,509,933
Export expenses	8,981,012	4,688,924
Delivery expenses	136,496,051	137,395,279
Depreciation	31,709,810	12,652,791
Sundry expenses	36,357	163,076
Loss on sale of vehicle	1,176,917	896,976
Staff uniform	118,793	117,939
	1,820,350,909	1,540,650,041

(a) The number of employees employed in the selling & distribution department throughout the year who received aggregate remuneration less than Tk.36,000 was 0.

(b) Salary, wages & allowances include P.F. contribution of Tk.33,325,817 and Gratuity of Tk.24,773,318.

(c) The number of employees employed in the selling & distribution department for part of the year who received aggregate remuneration less than Tk.3,000 per month was 0.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

29. CONSOLIDATED OTHER INCOME

Dividend income/IBBL-MPB	-	414,018
Profit on bank deposits	916,702	2,471,655
Gain on sale of Motor Vehicles	680,772	-
Foreign Exchange Fluctuation Gain/(Loss) on FCAD ERQ Accounts	(1,091,906)	(1,189,209)
Toll Charge-Income	1,715,368	-
Miscellaneous income	265,275	680,313
	2,486,211	2,376,777

30. CONSOLIDATED WORKERS' P.P FUND & WELFARE FUND :

28,670,860

22,692,136

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. CONSOLIDATED INCOME TAX EXPENSES:

Current Tax	121,973,121	89,487,419
Deferred Tax income/(expense) Note-19	29,094,178	26,387,269
Prior year tax assessment adjustment	21,488,660	-
	172,555,958	115,874,687

32. CONSOLIDATED CHANGE IN FAIR VALUE OF MARKETABLE SECURITIES

Closing value of marketable securities	(236,002)	(140,152)
Opening value of marketable securities	(140,152)	(174,420)
	(95,850)	34,268

33. CONSOLIDATED EARNINGS PER SHARE (EPS)

Basic earnings per share has been calculated as follows :	392,527,310	336,266,870
Earnings attributable to the Ordinary Shareholders (Net profit after tax)	31,243,627	31,243,627
Divided by number of Ordinary Shares outstanding during the year	12.56	10.76

CONSOLIDATED EARNINGS PER

Earning Per Share (EPS) increased during the year 2019-2020 due to increase in sales and maintaining stable expenses growth.

33.01 Net Assets Value Per Share (NAV)

Net Assets Value	1,777,006,599	1,478,296,395
Divided by number of Ordinary Shares outstanding during the year	31,243,627	31,243,627
Net Assets Value Ratio	56.88	47.32

Net Assets Value Per Share (NAV) increased during the year 2019-2020 due to increase in sales, maintaining stable expenses growth and increase in retaining earning.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

33.02 Net Operating Cash Flow Per Share (NOCFPS)

Net cash provided by operating activities
Divided by number of Ordinary Shares outstanding during the year

497,545,201	433,364,937
31,243,627	31,243,627
15.92	13.87

Increase in NOCFPS arise due to increase in collection from revenue and others.

33.03 Finance Charge

Finance charge for long term finance.
Finance charge for lease

31,469,779	14,738,885
3,443,474	-
34,913,253	14,738,885

Increase in finance charge arose due to increase in long term finance.

34. CONSOLIDATED VALUE OF IMPORTS ON CIF BASIS:

Materials (raw & packing)
Components & spare parts
Capital goods

1,284,315	1,093,739
3,542	-
311,694	-
1,599,551	1,093,739

34.01 Value of import and local purchase

Value of import and local purchase Raw materials consist of 911 items which 60.70% are imported.

Value of import and local purchase Packing materials consist of 2664 items which 7.50% are imported.

35. CONSOLIDATED INSTALLED CAPACITY, ACTUAL PRODUCTION ON SINGLE SHIFT BASIS AND REASONS FOR SHORT-FALL DURING THE YEAR ENDED 30th June, 2020 :

Product Group	Unit	Quantity in Thousand			
		2019-2020		2018-2019	
		Installed	Actual production	Installed	Actual production
Tablet	Pcs	992,526	1,061,401	784,284	838,508
Capsule	Pcs	217,602	254,975	217,602	216,347
Dry Syrup / ORS	Bottle	33,573	16,971	33,573	18,347
Liquid	Bottle	31,171	29,692	31,171	24,628
Drops	Pcs	5,124	6,983	5,124	6,513
Ointment	Pcs	12,235	4,877	12,565	4,589
Injection	Pcs	18,798	5,333	18,798	4,604

Production was made keeping in view market demand.

36. CONSOLIDATED 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 Party	Relationship	Nature of transaction	Transaction		2020	2019
			Dr.	Cr.	Receivable/(Payable)	
1. The IBN SINA Trust	Sponsor Shareholder	Dividend Payment	41,079,936	-	-	-
2. IBN SINA Consumer Products Ltd.	Associate	Acquisition of share	20,000,000	-	53,616,435	35,402,449
3. IBN SINA API Ltd.	Subsidiary (99.99%)	Acquisition of share	50,000,000	-	-	-
		Loan	18,869,560	-	-	-

The company has been allotted a pieces of land (1.52 Akor) by BISIC in API Park,(Gozaria, munshigonj). The company is transferred the right of said land to its 99.99% owned Subsidiary named: IBN SINA API Ltd. at cost.

i) Out of total investment Tk. 5 crore have been transferred as share capital and remaining balance as short-term loan. Subsequently Tk.5 crore have been return to the company as repayment of loan.

ii) IBN SINA API Ltd. Is a wholly wone subsidiary company. That's why the short term loan will be recovered from upcoming capital subscription of company. No additional finance charge was made for this short term loan.

iii) The Factory Land of IBN SINA API Ltd. Was allotted The IBN SINA Pharmaceutical Industry Ltd by BSCIC in the API Park, Gozaria Monshigonj. As per board decision title of will be transferred to IBN SINA API Ltd. Whenever BSCIC gives registration. Installment paid against this land is recorded under IBN SINA API Ltd.

36.1 Transaction with Key management personnel and their compensation :

Particulars	2019-2020	2018-2019
Short term employee benefits	10,032,536	9,274,114
Post-employment benefits	475,000	330,000
Other long term benefits	-	-

Key management personnel compensation includes benefits for employees of the rank of director and above. No remuneration is given to the board of director's apart from attendance fees in connection with board and sub comity meeting during the year 2019-2020 attendance fees in connection with board and sub board committee meeting are Tk. 1,047,536 (2018-2019 Tk. 1,684,114).

Debts due from and due to key management personnel.

There is no debts due from and due to key management personnel of the company.

37. Commitment and contingency. There was no contract for Capital Expenditure remaining to be executed and not provided for at 30th June, 2020.

38. 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 30.06.2020.

39. No brokerage or discount other than usual trade discount against sales was paid during the year.

40. As there was no sales agent, commission therefor was not paid.

41. During the year under review US\$ 28,510 equivalent to Tk. 2,445,947 have been paid for registration and consultancy fees.

41.1 There is no regular employees who received remuneration less than 36,000.00 in aggregate throughout the financial year.

41.2 At the end of this year closing balance of FCAD ERQ account was USD \$18,629.58 out of which USD \$ 12,469.58 in IBBL and USD \$ 6,160 in Sonali Bank Ltd.

42. As there was no non-resident shareholder, no dividend was remitted abroad.

43. During the year the company (a) earned foreign exchange of US\$ 738,458.41 and EURO 94,099.59 equivalent to Tk.61,993,584 and 9,019,446 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.

44. There were aggregating claims of Tk. 52,663,293 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 and 2016-2017, 2017-2018, 2019-2020 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 refundable. 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.

45. There was no contingent liability other than letters of credit outstanding for importation of raw & packing materials, capital goods as on 30.06.2020.

46. CONSOLIDATED 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 30th June 2020, 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:

Accounts receivable:

Advance to employees
Advance to supplies
Trade receivable
Other receivables
Security deposit
Imprest cash
Cash at bank

AMOUNT IN TAKA	
30 June 2020	30 June 2019
3,603,066	3,447,738
6,418,614	6,069,154
23,372,019	22,171,979
18,456,452	16,871,558
22,892,905	12,595,627
8,450,000	9,750,000
185,224,150	158,670,163
268,417,206	229,576,220

The aging of trade receivables at the reporting date is as follows:

Trade receivables

Below 30 days
With in 31-90 days
With in 91-120 days
Above 120 days

14,023,187	13,303,187
5,843,005	5,542,995
3,505,797	3,325,797
-	-
23,372,019	22,171,979

- i) 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.
- ii) All of the company's advance, trade receivable are considered good. All of the receivable are considered collectable and hence no doubtful or bad receivable included under trade receivable.
- iii) The company did not make any advance, deposit, prepayment to the director, subsidiary, associates or other connected party and advance employees are realized in normal course of business.
- iv) Security deposit include advance Tk. 11,661,000 given for head office rent which is adjustable at end of rent agreement .

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 30th June was:

	AMOUNT IN TAKA	
	30 June 2020	30 June 2019
Trade and other payables	222,341,929	201,468,578
Security money received from employees	10,085,000	10,045,045
Other current liabilities	93,012,103	80,348,645
	325,439,032	291,862,269

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. CONSOLIDATED EVENTS AFTER THE REPORTING PERIOD :

The Board of Directors of the company approved the financial statements as on 17/09/2020 and recommended 38.50% cash dividend for the financial year ended June 30, 2020. Except the facts and figures stated above, there is no other entries or notes that has to be disclosed in the financial statements.

Dividend to be Paid (subject to the approval of honorable shareholders)	120,287,964
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CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT

AS AT 30 JUNE 2020

Annexure-A
Amount in Taka

Particulars	Cost/Revaluation			Rate	On 30.06.2019	Depreciation			Written down value on 30.06.2020
	Opening balance (30.06.2019)	Addition during the year	Disposal / Adjustment			Total on (30.06.2020)	For the Year	Disposal / Adjustment	
Land & Land Development	326,110,338	33,232,948	-	344,529,246	-	-	-	-	344,529,246
Building	177,079,375	-	-	177,079,375	2.50%	39,359,936	3,442,986	42,802,922	134,276,453
Plant & Machinery	1,226,431,389	311,693,992	-	1,538,125,381	10.00%	435,086,648	83,056,152	518,142,800	1,019,982,582
Internal Road	4,842,880	-	-	4,842,880	10.00%	2,765,468	207,741	2,973,209	1,869,671
Installations	39,817,926	3,750,944	-	43,568,870	10.00%	17,608,060	2,452,482	20,060,543	23,508,327
Equipment	382,288,721	85,091,162	-	467,379,883	10.00%	73,462,206	32,200,927	105,663,133	361,716,751
Computers	36,427,403	5,577,406	-	42,004,809	30.00%	26,837,454	3,776,076.94	30,613,531	11,391,278
Furniture & Fixtures	58,067,854	7,003,561	-	65,071,415	10.00%	31,742,037	2,907,580	34,649,616	30,421,799
Motor Vehicles	128,654,392	65,678,584	(2,295,519)	192,037,457	20.00%	75,325,124	16,426,607	(2,266,173)	89,485,558
Spares & Loose Tools	20,926,243	3,542,057	-	24,468,300	30.00%	16,358,103	1,458,993	17,817,096	6,651,203
Library Books	867,659	-	-	867,659	30.00%	708,265	47,818	756,083	111,576
Temporary Construction	8,489,054	-	-	8,489,054	30.00%	5,971,584	755,241	6,726,825	1,762,229
TOTAL-30th June, 2020	2,410,003,235	515,570,654	(2,295,519)	2,908,464,331		725,224,884	146,732,604	(2,266,173)	2,038,773,015
TOTAL-30th June, 2019	2,006,554,755	403,448,480	-	2,410,003,235		596,754,632	128,470,252	-	1,684,778,351

Allocation of depreciation:

Allocation to	Note no.	Allocated Depreciation 2020			Allocated Depreciation 2019		
		PPE	ROU	Total	PPE	ROU	Total
Manufacturing Expenses	Note-26	118,063,612	11,157,105	129,220,717	106,756,214	-	106,756,214
Administrative Expenses	Note-27	12,075,048	15,279,234	27,354,283	9,061,247	-	9,061,247
Selling & Distribution Expenses	Note-28	16,430,576	-	16,430,576	12,652,791	-	12,652,791
Total		146,569,236	26,436,339	173,005,575	128,470,252	-	128,470,252

The company has been allotted a pieces of land (1.52 Akor) by BISIC in API Park,(Gozaria, munshigong). The company has transferred the right of said land to its 99.99% owned Subsidiary named: IBN SINA API Ltd. at cost.

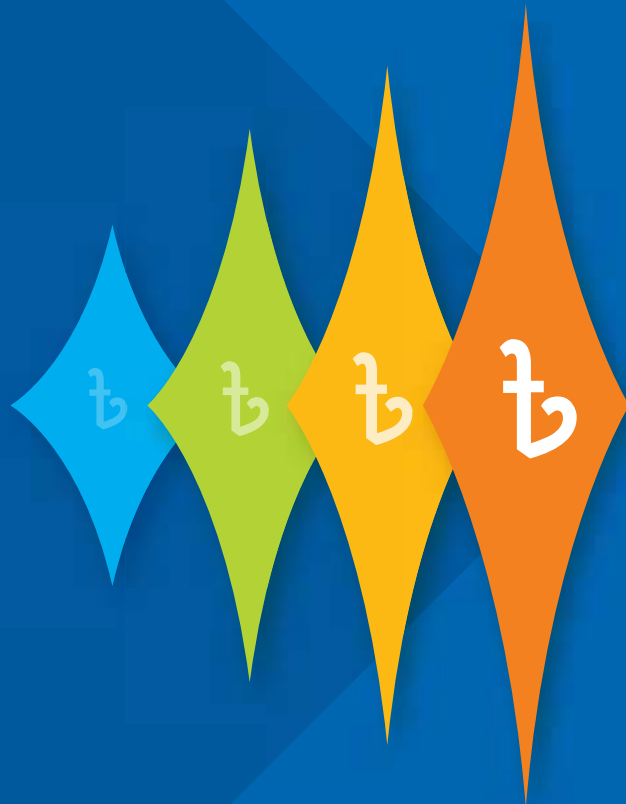
04 Investment of Marketable Securities (Fair Value): 2019-2020

Annexure-B

Sl. No.	Name of Company Mutual Fund/Bond	No. of Shares Held	Face Value per Share	Cost Holding	Average Cost	Quoted Rate per Share as on 30-06-2020	Total Market Value of Shares as on 30-06.2020	Unrealised Gain/(Loss)
1	Exim Bank	44,000	10	428,507	9.74	8.60	378,400	(50,107)
2	Islami Bank Bangladesh Ltd.(IBBL)-in Mddaraba Perpetual Bond (MPB)	4,590	1,000	4,590,000	1,000.00	959.50	4,404,105	(185,895)
				5,018,507			4,404,105	(236,002)

The above Investment in Marketable Securities that are designated as available for sale by the management. These are measured at fair value and presented as non-current asset and unrealized gain/(loss) from the above investment are recognized as other comprehensive income.

	AMOUNT IN TAKA	
	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
Gain/(Loss) On Marketable Securities (Unrealized):		
Unrealized Gain/(Loss) Position (Closing)	(236,002)	(140,152)
Unrealized Gain/(Loss) Position (Opening)	(140,152)	(174,420)
Gain on Marketable Securities during the year	(95,850)	34,268



**THE FINANCIAL
STATEMENTS OF
THE IBN SINA
PHARMACEUTICAL
INDUSTRY LIMITED**



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

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INDEPENDENT AUDITOR'S REPORT

To The Shareholders of The IBN SINA Pharmaceutical Industry Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **The IBN SINA Pharmaceutical Industry Limited** which comprise the Statement of financial position as at June 30, 2020, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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

Risk	Our response
<p>Revenue recognition</p> <p>At the year ended, the company's reported total revenue of Tk. 619.16 Crore.</p> <p>Time of revenue recognition is matter. Considering the other inherent risk of the existence and the accuracy on revenue recognition, the revenue has been selected as key audit matter.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ● Policy of revenue recognition. ● Issuance of VAT challan; ● Segregation of duties in invoice creation and modification; and ● Timing of revenue recognition. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> ● Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period; ● Critically assessing manual journals posted to revenue to identify unusual or irregular items; and ● Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.
Please see the note no. 24 in these financial statements.	

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৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

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Risk	Our response
<p>Valuation of inventory</p> <p>The balance of inventory of the Company at the year-end was Tk. 64.33 Crore held in the company's store.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Management's apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory and related provisions by:</p> <ul style="list-style-type: none"> ● evaluating the design and implementation of key inventory controls operating across the Company in respect of inventory management; ● to attend the physical inventory counts and reconciling the count results to the inventory listings to test the completeness of data; ● to review the inventory costing procedures and methodology. ● 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 and comparison to the associated provision to assess whether inventory provisions are complete; ● reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; and ● 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.
Please see the note no. 8 in these financial statements.	
Measurement and recognition of deferred tax	
<p>The balance of reported deferred tax liability of the company was Tk. 10.90 crore as on June 30, 2020.</p> <p>The risk for the financial statements is that these provisions are not properly measured for all types of temporary difference as per IAS 12: Income Tax.</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.</p> <p>We have assessed the appropriateness of the carrying amounts of net asset value as per tax base and accounting base.</p> <p>We have also assessed the rate of deferred for each temporary difference.</p> <p>Also, we examined the accounting treatment of deferred tax.</p>
Please see the note no. 18 in these financial statements.	

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Risk	Our response
Consolidation of the financial statements	
<p>It is mentioned here that the Company has prepared and published consolidated financial statements of the group as whole by taking consideration of one subsidiary named Ibn Sina API Ltd. with 99.99% of controlling stake and one associate named The Ibn Sina Consumer Products Ltd. with 40% stake for the very first time.</p> <p>The key risk is that whether the consolidated financial statements of the company are prepared in compliance with IFRS 10: Consolidated Financial statements and IFRS 3: Business Combination and provide adequate disclosure in required standard.</p>	<p>We have obtained a good understanding of the structure of the group, the significance (ie materiality) of each component of the group, the mechanics of the consolidation process, and the risk of material misstatement presented by each of the company's financial statements. We have also established materiality level for the group in aggregate, and for the individually significant components. The types of audit procedures that was performed include:</p> <ul style="list-style-type: none">● checking that figures taken into the consolidation have been accurately extracted from the financial statements of the components.● evaluating the classifications of the components of the group - for example, whether the components have been correctly identified and treated as subsidiaries, associates.● reviewing the disclosures necessary in the group financial statements, such as related party transactions and minority interests.● gathering evidence appropriate to the specific consolidation adjustments made necessary by financial reporting standards, including, for example:<ul style="list-style-type: none">▶ the calculation of goodwill and its impairment review▶ cancellation of inter-company balances and transactions▶ provision for unrealised profits, if any, as a result of inter-company transactions fair value adjustments needed for assets and liabilities held by the component.

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Other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

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.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained, and for such internal control as management determines is necessary to enable the preparation of the 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 judgment 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.

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● 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 Statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka;
September 17, 2020

Md. Waliullah
Chartered Accountants

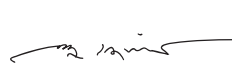
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THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

		AMOUNT IN TAKA	
		30 June 2020	30 June 2019
ASSETS			
Non-Current Assets			
	Notes	2,390,440,833	1,864,246,635
Property, Plant and Equipment	04	2,003,446,187	1,684,778,351
Capital Work-In-Progress	05.1	223,538,590	139,187,479
Right of Use Assets	05.2	36,187,596	-
Investment in Marketable Securities (AFS)	06	4,782,505	4,878,355
Investment in Associate	07	53,616,435	35,402,449
Investment in Subsidiary	7.1	68,869,520	-
Current Assets			
Inventories	08	642,870,107	522,185,354
Trade and Other Receivables	09	25,344,692	22,585,997
Advances, Deposits & Prepayments	10	183,076,120	248,500,644
Cash and Cash Equivalents	11	199,901,663	170,953,223
TOTAL ASSETS		3,441,633,415	2,828,471,852
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
	Notes	1,782,297,140	1,478,296,395
Share Capital	12	312,436,270	312,436,270
Tax Holiday Reserve	13	4,392,110	4,392,110
Unrealised Gain on Marketable Securities	14	(212,402)	(126,137)
Retained Earnings	15	1,465,681,162	1,161,594,152
LIABILITIES			
Non-Current Liabilities			
	Notes	361,352,141	205,863,793
Long Term Finance	16	247,921,809	125,909,408
Retirement Benefit Obligations	17.A	78,797	70,133
Lease Liability	17.B	4,363,520	-
Deferred Tax Liability	18	108,988,015	79,884,252
Current Liabilities			
Short Term Finance	20	608,475,986	542,029,553
Current Portion of Long Term Finance	21	106,500,863	23,572,102
Trade and Other Payable	22	479,634,807	406,113,163
Provision For Corporate Tax	23	103,372,478	172,596,846
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		3,441,633,415	2,828,471,852
Net Assets Value (Nav) Per Share	33.01	57.05	47.32

The annexed notes 1 to 47 form an integral part of these financial statements.



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

As per our report of date annexed

Dated, Dhaka;
September 17, 2020



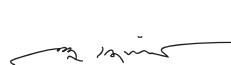
Malek Siddiqui Wali
Chartered Accountants

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

For the year ended 30 June 2020

		AMOUNT IN TAKA	
	Notes	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
REVENUE	24	6,191,628,639	5,263,963,344
Cost of goods sold	25	(3,595,065,328)	(3,102,151,141)
Gross profit		2,596,563,310	2,161,812,203
OPERATING EXPENSES		(1,963,363,011)	(1,672,915,230)
Administrative Expenses	27	(143,012,102)	(132,265,190)
Selling & Distribution Expenses	28	(1,820,350,909)	(1,540,650,041)
OPERATING PROFIT		633,200,299	488,896,972
Financial Charges	33.04	(34,913,253)	(14,738,885)
Other Income	29	2,478,014	2,376,777
Net profit from operation		600,765,059	476,534,864
Workers' P.P. fund and welfare fund	30	(28,607,860)	(22,692,136)
Share of associate profit/(loss)		(1,786,015)	(1,701,171)
PROFIT BEFORE TAX		570,371,185	452,141,557
Income tax expenses	31	(172,553,294)	(115,874,687)
NET PROFIT AFTER TAX		397,817,891	336,266,870
Other Comprehensive Income			
Change in fair value of Marketable Securities	32	(95,850)	34,268
Deferred tax		9,585	(3,427)
Total other comprehensive income for the year		(86,265)	30,841
Total comprehensive income for the year		397,731,626	336,297,711
Earnings Per Share (EPS)	33	12.73	10.76
Number of Shares Used to Compute EPS		31,243,627	31,243,627

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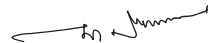
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Managing Director



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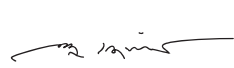
THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2020

Amount in Taka

Particulars	Paid up Capital	Tax Holiday Reserve	Gain on Marketable Securities (unrealized)	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)-2019	-		30,841	336,266,870	336,297,711
Dividend for the period 30 June, 2018 (Cash-30%)		-		(85,209,894)	(85,209,894)
Dividend for the period 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 30 June 2019	312,436,270	4,392,110	(126,137)	1,161,594,152	1,478,296,395
Total Comprehensive Income/(Loss)-2019-2020	-	-	(86,265)	397,817,891	397,731,626
Dividend for the period 30th June, 2019 (Cash -30%)	-	-	-	(93,730,881)	(93,730,881)
Balance as at 30 June 2020	312,436,270	4,392,110	(212,402)	1,465,681,161	1,782,297,140

The annexed notes 1 to 47 form an integral part of these financial statements.



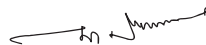
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Director



Company Secretary



Chief Financial Officer

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September 17, 2020

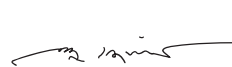


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Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.
STATEMENT OF CASH FLOWS
For the year ended 30th June, 2020

	AMOUNT IN TAKA	
	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
Cash Flow From Operating Activities:		
Received from revenue and others	6,188,869,944	5,259,427,792
Payment for operation, expenses & others	(5,505,796,259)	(4,689,238,564)
Miscellaneous income	265,275	680,313
Cash generated from operations	683,338,960	570,869,541
Cash payment for Income tax paid	(148,708,639)	(122,765,719)
Payment for Financial charges	(31,469,779)	(14,738,885)
Net cash provided by operating activities	503,160,542	433,364,937
Cash Flow From Investing Activities:		
Acquisition of property, plant and equipment	(588,283,918)	(389,730,586)
Proceeds from sales of motor vehicles	680,772	-
Investment in associates	(20,000,000)	(20,977,337)
Process from the transfer of fixed asset to subsidiary	39,045,108	-
Investment in Subsidiary	(68,869,520)	-
Received from bank deposits	908,505	2,471,655
Net cash used in investing activities	(636,519,053)	(408,236,268)
Cash Flows From Financing Activities:		
Payment of dividend	(86,983,147)	(66,456,496)
Long term finance received/(paid) from bank (Net)	122,012,401	44,663,681
Short term finance received/(paid) from bank (Net)	128,369,605	(1,207,588)
Net cash flow from financing activities	163,398,859	(23,000,403)
Increase/(decrease) in cash and cash equivalents	30,040,347	2,128,266
Cash and cash equivalents at the opening	170,953,222	170,014,165
Foreign Exchange Fluctuation Gain/(Loss) on FCAD ERQ Accounts	(1,091,906)	(1,189,209)
Cash and cash equivalents at the closing	199,901,663	170,953,222
NOCFPS (Note 33.02)	16.10	13.87

The annexed notes 1 to 47 form an integral part of these financial statements.


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

As per our report of date annexed

Dated, Dhaka;
September 17, 2020


Malek Siddiqui Wali
Chartered Accountants

THE IBN SINA PHARMACEUTICAL INDUSTRY LTD.

Notes to the Financial Statements

For the year ended on 30 June 2020

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.

1.4 Subsidiary companies

IBN SINA API Limited

IBN SINA API Limited was incorporated in Bangladesh on 16 September 2019 under the Companies Act, 1994. The Company involves in manufacturing, trading and other related activities of Active Pharmaceutical Ingredients and other related 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) and subsequently adopted by Financial Reporting Council, Bangladesh, 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 2012
- The Value Added Tax Rules 2016
- 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 2018)

2.3 Authorization for issue

The financial statements were authorized for issue by the Board of Directors in its meeting held on 17 September 2020 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 2020
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020
- (c) Statement of Changes in Equity for the year ended 30 June 2020
- (d) Statement of Cash Flow for the year ended 30 June 2020
- (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 (IFRS) 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 Subsidiary and Investment in associates

2.9. A Investment in Subsidiary

An investor (parent) controls an investee (subsidiary) when the investor is exposed, or has rights, to variable returns from its involvement with the investee (subsidiary) and has the ability to affect those returns through its power over the investee (subsidiary). A subsidiary company is a company that is owned or

controlled by another company (parent) and whose decision is influenced by another company (parent). Investment in subsidiary has been recorded at cost in the financial statements of the company. The IBN SINA Pharmaceuticals holds 99.99% of its subsidiary (IBN SINA API Limited) equity shares as at year end.

2.9.B 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.

2.9 C Consolidated Financial Statements

The company has prepared separate financial statements and consolidated financial statements for the group separately. In the Consolidated financial statements:

- items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries have been combined;
- the carrying amount of the parent's investment in the subsidiary and the parent's portion of equity of the subsidiary have been offset (eliminated);
- intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group i.e. profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, have been eliminated in full.

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 01 July 2019 to 30 June 2020.

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 it is probable that future economic benefits associated with the item will flow to the entry, 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. No estimate of Property, Plant and Equipment was revised during the year.

Disposal of property, plant and equipment:

An item of Property, Plant and Equipment is removed from the statement of financial position when it is dispose 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, Technical 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 performance obligation by transferring promised goods to a customer. Goods are considered as transferred when (or as) the customer obtains control of those 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.

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 of 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.

- a) Foreign currency monetary items are translated using the closing rate.
- b) 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.
- c) 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.

Sufficient Provision is made in respect of Gratuity liability. And paid them to gratuity fund administer by separate trustee board.

(c) 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 2019 to 30th June 2020 Company contributed an amount of Tk.1,000,000 (Ten Lac) to the Fund and will continue its support in the coming days.

(d) 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 2018)

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 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	19	Employee Benefits	Complied
9	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
10	21	The Effects of Changes in Foreign Exchange Rates	Complied
11	23	Borrowing Cost	Complied
12	24	Related Party Disclosures	Complied
13	26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
14	27	Separate Financial Statements	Not Applicable
15	28	Investments in Associates and joint ventures	Complied
16	29	Financial Reporting in Hyperinflationary Economics	Not Applicable
17	32	Financial Instruments: Presentation	Complied
18	33	Earnings per Share	Complied
19	34	Interim Financial Reporting	Complied
20	36	Impairment of Assets	Complied
21	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	38	Intangible Assets	Complied
23	40	Investment Property	Not Applicable
24	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	Complied
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	Complied
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
16	16	Lease	Complied

3.19 New accounting standard adopted for the first in the financial statements for the year ended June 30, 2020.

IFRS 16: Lease

Changes to the company's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS 16 Lease.

IFRS 16 supersedes IAS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Statement of Financial Position.

The company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of July 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at July 01, 2019. Instead, the company applied the standard only to contracts that were previously identified as leases applying IAS 17 at the date of initial application.

The IFRS 16 requires to recognise the present value of minimum lease payment under the lease agreement as

asset and Liability namely "Right to Use of Asset" and "Lease Liability" respectively. The Right to Use of Asset is added by the balance of advance payment at initial application of IFRS 16, which was July 01, 2019. However, IFRS 16 also allows the company to recognise the lease payment as expenses in respect of short term lease agreement and lease for which the underlying asset is of short term (temporary) lease and low value. One lease agreement of the company are fallen in second category. As such, lease (rental) payment was recognised as expenses in the Profit or Loss statement, when they incurred, for short term (temporary) lease and low value lease agreement.

Subsequent Measurement:

The lease liability:

Upon initial recognition, the lease liability is being accounted for using amortised cost. Meaning that the initial liability is added by finance charge at company's incremental borrowing cost less subsequent rental payment on monthly basis.

Right to Use of assets:

The leased assets (Right to Use of Asset) are depreciated over its useful life on monthly basis using straight line depreciation method.

04. PROPERTY, PLANT AND EQUIPMENT	AMOUNT IN TAKA	
	30 June 2020	30 June 2019
Cost		
Opening balance	2,410,003,235	2,006,554,756
Addition during the year	480,080,458	403,448,480
Disposal/adjustment during the year	(17,109,559)	-
Closing balance	2,872,974,134	2,410,003,235
Accumulated Depreciation		
Opening balance	725,224,884	596,754,632
Charged during the year	146,569,236	128,470,252
Disposal/adjustment during the year	(2,266,173)	-
Closing balance	869,527,947	725,224,884
Closing balance of written down value (WDV)	2,003,446,187	1,684,778,351

Details of fixed assets have been shown in Annexure - A.

The factory land and land development (803 decimal) and building are pledged as security for long term and short term bank finance of the company.

05.1 CAPITAL WORK-IN-PROGRESS

5.1 A) Construction work-in-progress (Building)		
Opening balance	52,696,974	44,776,558
Less: Transferred to IBN SINA API Industry Ltd.	(24,231,068)	-
Add: Addition during the year	14,532,007	7,920,416
	42,997,913	52,696,974
5.1B) Machinery in transit and under installation	180,540,678	86,490,505
Closing Balance	223,538,590	139,187,479

i) 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 of existing factory which are not received yet by the company.

ii) For the purposes of expanding company's operation in API project, the company was started to construction of new building in API Park, Gozaria, Munshiganj. To smooth running of the API project, a new company was formed named: IBN SINA API Ltd., a 99.99% owned subsidiary of the company. As such, the building under construction of API project is transferred to the IBN SINA API Ltd. at cost.

05.2 RIGHT OF USE OF ASSETS:

Cost		
Opening balance	-	-
Addition during the year	62,623,935	-
Disposal/adjustment during the year	-	-
Closing balance	62,623,935.00	-
Accumulated depreciation		
Opening balance	-	-
Charged during the year	(26,436,339)	-
Disposal/adjustment during the year	-	-
Closing balance	(26,436,339.00)	-
Closing balance of written Down Value (WDV)	36,187,596	-

Details of fixed assets have been shown in Annexure - A.

AMOUNT IN TAKA

30 June 2020

30 June 2019

06. INVESTMENT IN MARKETABLE SECURITIES (FAIR VALUE):

Exim Bank Limited
 Islami Bank Bangladesh Ltd. (IBBL)-in MPB
 Details of Marketable Securities have been shown in Annexure - B

378,400	497,200
4,404,105	4,381,155
4,782,505	4,878,355

The above investment in marketable securities are designated as available for sale (AFS) 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 Exim Bank Ltd. 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 so IBBL-MPB was at Tk. 959.50. Investment in securities of Islami Bank Bangladesh Ltd. which was classified as available for Sale Financial Assets is disposed off in current year. The cumulative gain previously recognised in other comprehensive income is reclassified from equity to profit or loss in current year as a reclassification adjustment.

7. INVESTMENT IN ASSOCIATE

Investment in shares

Opening balance	40,000,000	17,750,000
Add: Addition during the year	20,000,000	22,250,000
	60,000,000	40,000,000

Post acquisition cumulative profit/(loss)

Opening retained earnings balance of loss	(4,597,551)	(2,896,380)
Add: Current year loss	(1,786,015)	(1,701,171)
	(6,383,565)	(4,597,551)

Grant total

Proportion of ownership	40%	40%
	53,616,435	35,402,449

Investment in associate have been valued at cost.
 No loan or advance has been given to associate company.

7.1 INVESTMENT IN SUBSIDIARY

Transfer as part of capital subscription	50,000,000	-
Transfer as short term loan	18,869,520	-
	68,869,520	-

- i) Out of total investment Tk. 5 core have been transferred as share capital and remaining balance as short-term loan.
- ii) IBN SINA API Ltd. is a 99.99% owned subsidiary company. No additional finance charge was made for this short term loan.
- iii) The Factory Land of IBN SINA API Ltd. Was allotted to The IBN SINA Pharmaceutical Industry Ltd by BSCIC in the API Park, Gozaria Monshigonj. As per board decision title of will be transferred to IBN SINA API Ltd. Whenever BSCIC gives registration. Installment paid against this land is recorded under IBN SINA API Ltd. at cost value. And hence said land has been transferred to IBN SINA API Ltd. (99.99% owned subsidiary of the company).
- iv) As part of payment for paid up capital of IBN SINA API Ltd. further Tk. 49,999,800 to be paid.

08. INVENTORIES

	AMOUNT IN TAKA	
	30 June 2020	30 June 2019
Raw materials	162,965,057	131,765,057
Packing materials	100,936,884	68,796,884
Work-in-process	70,297,526	56,841,205
Finished goods	165,834,854	136,813,352
Physicians' samples	3,192,669	2,492,660
Pad & literature	2,293,206	1,692,200
Spares & stores	154,514	142,100
Indirect materials	236,514	214,100
Printing & stationery	219,592	187,451
Laboratory chemicals	184,825	158,332
Material in Transit	136,554,466	123,082,013
	642,870,107	522,185,354

i) The inventory quantity can not be disclosed as some of material contain in liter, some are in pieces, some are in box and some are in kg, gram, mili gram, ton, liter and pcs as such quantity can not be inserted.

ii) There is no damage goods or slow moving item in the inventory list.

iii) As part of loan condition all of the company's, inventory are pledged as security for loan finance of the company.

09. TRADE AND OTHER RECEIVABLES

Trade Receivables	23,372,019	22,171,979
Other Receivable-Toll	1,972,673	414,018
	25,344,692	22,585,997

i) 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.

ii) Please see note number 46.1(i) for aging of above receivable.

10. ADVANCES, DEPOSITS & PREPAYMENTS

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

a. Advances against

Salary	3,603,066	3,447,738
Expenses/works/others	6,418,614	6,069,154
Depot rent	8,456,125	8,481,875
Motor cycles-to employees	7,466,846	7,538,283
Others	560,808	437,382
	26,505,459	25,974,432

b. Advance Income tax

Opening balance	197,645,296	140,561,229
Addition	148,708,639	122,765,719
Adjusted during the year	(212,683,484)	(65,681,652)
	133,670,451	197,645,296

c. Deposits

Security money	22,892,905	24,256,627
----------------	-------------------	-------------------

d. Pre payments

Value Added Tax	7,305	624,288
	183,076,120	248,500,644

i) The company did not give any advance, deposit and prepayment to the director's of the company, subsidiary, associates and other connected party and employees loan are realized in normal course of business.

AMOUNT IN TAKA

10.1 MATURITY ANALYSIS:

Realizable/adjustable within one year.
Realizable/adjustable after one year.

30 June 2020	30 June 2019
171,415,120	236,839,644
11,661,000	11,661,000
183,076,120	248,500,644

11. CASH & CASH EQUIVALENTS

This consists of:

- a. Cash in hand
b. Cash at banks Note: 11.1
c. Imprest cash

6,239,585	2,533,060
185,212,078	158,670,163
8,450,000	9,750,000
199,901,663	170,953,223

11.1 CASH AT BANKS WITH

a. With Islami Bank Bangladesh Ltd.		
In SND Accounts	88,716,316	53,725,223
In MSA Accounts	728,582	705,450
In FCAD ERQ Accounts	2,125,093	2,294,260
b. With Al-Arafah Islami Bank Ltd. in SND Accounts	49,824,184	64,409,542
c. With Prime Bank Ltd. in Current Account (Islamic banking branch)	29,741	29,741
d. With Shimanto Bank Ltd. in SND Account	17,125	18,045
e. With Shahjalal Islami Bank Ltd. in Current Account	-	9,916
f. With First Security Islami Bank Ltd. in SND Accounts	20,490,249	9,326,872
g. With Sonali Bank Ltd. in ERQ Account	520,520	520,520
h. With Sonali Bank Ltd. in STD Account	22,760,268	27,630,595
	185,212,078	158,670,163

- i) The bank reconciliation was performed at the year end and found in order.
ii) Physical cash counting were taken place at the year end and no surpluses or deficit was found.

12. SHARE CAPITAL

Authorized

25,000,000 'A' Class Ordinary Shares of Tk. 10 each	250,000,000	250,000,000
25,000,000 'B' Class Ordinary Shares of Tk. 10 each	250,000,000	250,000,000
	500,000,000	500,000,000

Issued, Subscribed & Paid-Up :

13,693,312 'A' Class Ordinary Shares of Tk. 10 each fully paid up in cash	136,933,120	136,933,120
17,550,315 'B' Class Ordinary Shares of Tk. 10 each fully paid up in cash	175,503,150	175,503,150
	312,436,270	312,436,270

The Shareholdings consist of :

Holders	No. of Holders	Total Holdings	Percentage
Sponsor	1	13,693,312	43.83%
Institutions	189	6,923,395	22.16%
General Public	11,074	10,626,920	34.01%
	11,264	31,243,627	100.00%

The distribution schedule showing the number of share holders and their share holdings as on 30.06.2020 are as follows:

Range of holdings	AMOUNT IN TAKA		
	No. of Holders	30 June 2020	30 June 2019
		Total Holdings	Percentage
Less than 500 shares	8,398	1,864,035	5.97%
500 to 5,000 shares	2,445	3,550,827	11.36%
5,001 to 10,000 shares	207	1,465,475	4.69%
10,001 to 20,000 shares	110	1,478,390	4.73%
20,001 to 30,000 shares	40	931,817	2.98%
30,001 to 40,000 shares	18	624,605	2.00%
40,001 to 50,000 shares	13	572,712	1.83%
Above 50,000 shares	33	20,755,766	66.43%
	11,264	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. 224.10 in the Dhaka Stock Exchange Limited on 30.06.2020 and at Tk. 217.10 in the Chittagong Stock Exchange Limited on 29.06.2020 respectively.

13. TAX HOLIDAY RESERVE:

Opening Balance	4,392,110	4,392,110
Addition during the year	-	-
Closing Balance	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	4,782,505	4,878,355
Less: Cost of marketable securities	5,018,507	5,018,507
Unrealised gain before adjustment of deferred tax	(236,002)	(140,152)
Less: Deferred tax on unrealised gain (loss)	(23,600)	(14,015)
Net unrealised gain/(loss) on marketable securities	(212,402)	(126,137)

15. RETAINED EARNINGS

Opening Balance	1,161,594,152	938,940,466
Dividend paid	(93,730,881)	(113,613,184)
Add: Net profit during the year	397,817,891	336,266,870
	1,465,681,162	1,161,594,152

16. LONG TERM FINANCE

Hire Purchase Shirkatul Melk, HPSM)	333,417,083	149,481,510
Current maturity of Long Term Loan	(85,495,274)	(23,572,102)
Non-current maturity of Long Term Loan	247,921,809	125,909,408

Note-21

16.01 Brief Terms & Condition of above loan

- Loan amount represent the amounts which would be due for repayment after 12 (twelve) months from the date of statement of financial position @ 9% of profit.
- The loan was taken from Al-Arafah Islami Bank Ltd. against mortgage of 803 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.
- HPSM is repayable in 84 monthly equal installment.
- Currently all of the company's HPSM and other loans are classified as standard by the Bank.

AMOUNT IN TAKA

16.02 Information regarding loan fall due after five years.

Loan fall due from 2 to 5 years
Loan fall due after 5 years

30 June 2020	30 June 2019
222,278,055	99,654,340
25,643,754	26,255,068
247,921,809	125,909,408

17.A RETIREMENT BENEFIT OBLIGATIONS

Deferred liability represents employees gratuity recognized as liability the movement of which is as below:

Opening balance
Provision during the year
Less: Paid during the year/period

70,133	17,252,564
62,242,056	37,426,245
(62,233,391)	(54,608,676)
78,797	70,133

17.B LEASE LIABILITY

RIGHT OF USE OF ASSETS:

Cost:

Opening balance
Addition during the year
Finance charge
Charged during the year
Closing balance
Less : transferred to current maturity

-	-
50,332,935	-
3,443,474	-
(28,407,300)	-
25,369,109	-
(21,005,589)	-
4,363,520	-

Brief terms & condition of above liability:

- i) The company has lease against its head office and its training center located in Mohammadpur Dhaka.
- ii) Lease period is upto 30.06.2023.
- iii) Monthly rental payment is Tk.2,384,525.
- iv) Advance amount paid Tk. 12,801,000.
- v) Monthly adjustment Tk. 50,000.

18. DEFERRED TAX LIABILITY

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 12 Income Taxes. Related deferred tax (expense)/income have been disclosed in note 19. The components of deferred tax assets and liabilities are given below:

Particulars	Carrying amount	Tax base value	Taxable (deductable) temporary difference	Applicable tax rate	Deferred tax liability
Property, plant and equipment	2,003,446,187	1,565,848,416	437,597,771	25%	109,399,443
Gratuity	62,312,189	62,233,391	(78,798)	25%	(19,699)
Lease	10,818,487	12,291,000	(1,472,513)	25%	(368,128)
Unrealised gain on marketable securities	(236,002)	-	(236,002)	10%	(23,600)
For the year 2019-20	2,076,340,860	1,640,372,807	435,810,458		108,988,015
Property, plant and equipment	1,684,778,351	1,365,115,149	319,663,203	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

		AMOUNT IN TAKA	
		30 June 2020	30 June 2019
19. DEFERRED TAX (EXPENSES)/INCOME			
	Closing balance of deferred tax liability	108,988,015	79,884,252
	Opening balance of deferred tax liabilities	79,884,252	53,493,557
	Total deferred tax expenses	29,103,763	26,390,696
	Less: Deferred tax expenses related to other comprehensive income	(9,585)	(3,427)
		29,094,178	26,387,269
20. SHORT TERM FINANCE			
	A. From Al-Arafah Islami Bank Ltd. - Secured (Under Composite facilities LC-MPI/TR)	608,475,986	542,029,553
		608,475,986	542,029,553
20.01 Brief terms & condition of above loan			
	i) Loan amount represent the amounts which would be due for repayment within 12 (twelve) months from the date of statement of financial position @ 9% of profit and 0.25% commission per quarter.		
	ii) The loan was taken from Al-Arafah Islami Bank Ltd. against mortgage of 803 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.		
	iii) Short term loan is repayable with in twelve months.		
	iv) Currently all of the company's MPI/UPAS and other loans are classified as standard by the Bank.		
21. LONG TERM FINANCE-CURRENT MATURITY:			
	This consist of:		
	i) Hire Purchase Shirkatul Melk (Note-16)	85,495,274	23,572,102
	ii) lease liability (Note-17B)	21,005,589	-
	Balance as at 30th June	106,500,863	23,572,102
	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 date of Statement of Financial Position.		
22. TRADE AND OTHER PAYABLE			
	Payable to suppliers	222,341,929	201,468,578
	Accrued expenses	154,180,927	114,236,046
	Security money received from employees and others	10,099,848	10,059,893
	Others Finance Note-22.1	93,012,103	80,348,645
		479,634,807	406,113,163
22.1 OTHER FINANCE :			
	This consists of :		
	Unclaimed dividend Note-22.1.1	64,404,243	57,656,509
	Workers' profit participation fund & welfare fund	28,607,860	22,692,136
		93,012,103	80,348,645
22.1.1 UNCLAIMED DIVIDEND :			
	Opening balance	57,656,509	38,903,111
	Addition during the year	93,730,881	85,209,894
	Payment during the year	(86,983,147)	(66,456,496)
		64,404,243	57,656,509
23. INCOME TAX LIABILITY:			
	This is arrived at as follows :		
	Opening balance	172,596,846	148,791,079
	Prior year tax assessment adjustment	21,488,660	-
	Current tax expense	121,970,457	89,487,419
		316,055,963	238,278,498
	Adjusted during the year	(212,683,484)	(65,681,652)
		103,372,479	172,596,846

AMOUNT IN TAKA

24. REVENUE:

This is made up as follows:

Local revenue
Export revenue

01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
6,120,615,609	5,200,271,649
71,013,030	63,691,695
6,191,628,639	5,263,963,344

24. A. The above sales represent the following :

Product Group	Unit	2019-2020		2018-2019	
		Quantity	Amount	Quantity	Amount
Tablet	Pcs	957,654,131	2,037,136,156	836,288,856	1,830,660,334
Capsule	Pcs	237,737,562	1,301,889,701	196,728,588	1,161,419,918
Dry Syrup / ORS	Bottle	12,568,701	318,082,272	19,234,296	281,178,753
Liquid Bottles	Bottle	26,628,895	1,623,245,317	21,115,042	1,108,684,408
Drops	Pcs	5,958,552	321,865,363	5,876,710	312,598,361
Ointment	Pcs	4,356,298	132,331,340	4,004,799	124,356,063
Injection	Pcs	4,379,433	457,078,489	4,244,458	445,065,507
			6,191,628,639		5,263,963,344

24.B. Timing of revenue recognition

Products transferred at a point in time
Products and services transferred over time

6,191,628,639	5,263,963,344
-	-
6,191,628,639	5,263,963,344

25. COST OF GOODS SOLD :

This is arrived at as follows:

Raw materials consumed Note-25.1
Packing materials consumed Note-25.2

Opening work-in-process
Closing work-in-process

Total Consumption

Manufacturing expenses Note-26

Cost of Production

Opening finished goods
Closing finished goods

Cost of physicians' samples

1,859,058,769	1,599,796,570
1,064,310,566	918,972,204
2,923,369,336	2,518,768,774
56,841,205	53,384,884
(70,297,526)	(56,841,205)
2,909,913,015	2,515,312,453
738,723,489	646,287,810
3,648,636,504	3,161,600,264
136,813,352	97,791,850
(165,834,854)	(136,813,352)
3,619,615,002	3,122,578,762
(24,549,674)	(20,427,621)
3,595,065,328	3,102,151,141

25.1 RAW MATERIALS CONSUMED:

This is arrived at as follows :

Opening stock
Purchases
Closing stock

131,765,057	116,704,856
1,890,258,769	1,614,856,771
(162,965,057)	(131,765,057)
1,859,058,769	1,599,796,570

25.2 PACKING MATERIALS CONSUMED :

This is arrived at as follows :-

Opening stock
Purchases
Closing stock

68,796,884	88,525,184
1,096,450,566	899,243,904
(100,936,884)	(68,796,884)
1,064,310,566	918,972,204

AMOUNT IN TAKA

24. REVENUE:

This is made up as follows:

Local revenue

Export revenue

01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
6,120,615,609	5,200,271,649
71,013,030	63,691,695
6,191,628,639	5,263,963,344

24. A. The above sales represent the following :

Product Group	Unit	2019-2020		2018-2019	
		Quantity	Amount	Quantity	Amount
Tablet	Pcs	957,654,131	2,037,136,156	836,288,856	1,830,660,334
Capsule	Pcs	237,737,562	1,301,889,701	196,728,588	1,161,419,918
Dry Syrup / ORS	Bottle	12,568,701	318,082,272	19,234,296	281,178,753
Liquid Bottles	Bottle	26,628,895	1,623,245,317	21,115,042	1,108,684,408
Drops	Pcs	5,958,552	321,865,363	5,876,710	312,598,361
Ointment	Pcs	4,356,298	132,331,340	4,004,799	124,356,063
Injection	Pcs	4,379,433	457,078,489	4,244,458	445,065,507
			6,191,628,639		5,263,963,344

24.B. Timing of revenue recognition

Products transferred at a point in time

Products and services transferred over time

6,191,628,639	5,263,963,344
-	-
6,191,628,639	5,263,963,344

25. COST OF GOODS SOLD :

This is arrived at as follows:

Raw materials consumed Note-25.1

Packing materials consumed Note-25.2

Opening work-in-process

Closing work-in-process

Total Consumption

Manufacturing expenses Note-26

Cost of Production

Opening finished goods

Closing finished goods

Cost of physicians' samples

1,859,058,769	1,599,796,570
1,064,310,566	918,972,204
2,923,369,336	2,518,768,774
56,841,205	53,384,884
(70,297,526)	(56,841,205)
2,909,913,015	2,515,312,453
738,723,489	646,287,810
3,648,636,504	3,161,600,264
136,813,352	97,791,850
(165,834,854)	(136,813,352)
3,619,615,002	3,122,578,762
(24,549,674)	(20,427,621)
3,595,065,328	3,102,151,141

25.1 RAW MATERIALS CONSUMED:

This is arrived at as follows :

Opening stock

Purchases

Closing stock

131,765,057	116,704,856
1,890,258,769	1,614,856,771
(162,965,057)	(131,765,057)
1,859,058,769	1,599,796,570

25.2 PACKING MATERIALS CONSUMED :

This is arrived at as follows :-

Opening stock

Purchases

Closing stock

68,796,884	88,525,184
1,096,450,566	899,243,904
(100,936,884)	(68,796,884)
1,064,310,566	918,972,204

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

26. MANUFACTURING EXPENSES :

Salary, wages & allowances	408,019,518	342,151,172
Travelling & conveyance	1,198,728	2,298,107
Printing & stationery	3,275,448	1,872,979
Repairs & maintenance-building	7,512,065	5,346,861
Repairs & maintenance- machinery & equipment	35,589,390	54,542,049
Repairs & maintenance-vehicle & others	7,908,286	6,526,499
Medical expenses	707,545	2,411,091
Power & fuel	92,311,461	75,660,283
Training expenses	12,500	528,448
Insurance premium	7,179,815	6,384,170
Entertainment	2,014,092	654,860
Staff welfare	29,951,169	23,003,948
Telephone, fax, etc.	1,135,682	799,741
Fees & charges	1,091,828	2,082,940
Donation & subscription	1,450	-
Advertisement	33,637	184,743
News paper & periodicals	35,472	36,163
Staff uniform	2,195,317	1,197,917
Laboratory chemicals & stores	12,745,731	7,394,377
Indirect materials	7,737,742	6,439,400
Depreciation	118,063,612	106,756,214
Sundry expenses	3,000	15,850
	738,723,489	646,287,810

(a) The number of employees employed in the factory throughout the year who received aggregate remuneration less than Tk.36,000 was 0.

(b) The number of employees employed in the factory for part of the year who received aggregate remuneration less than Tk.3,000 per month was 0.

(c) Salary, wages & allowances include P.F. contribution of Tk.8,487,078 and Gratuity of Tk.5,963,210.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

27. ADMINISTRATIVE EXPENSES :

Salary, wages & allowances	77,589,271	65,773,500
Directors' remuneration	9,460,000	7,920,000
Directors' meeting fee	1,047,536	1,684,114
Travelling & conveyance	3,226,405	3,174,221
Repairs & maintenance-building & equipment	2,076,562	2,309,758
Repairs & maintenance-vehicle & others	2,471,167	2,336,356
Audit fees	230,000	230,000
Head office rent	-	17,597,390
Medical expenses	579,822	22,514
Postage & stamp	61,681	202,351
Training expenses	186,395	218,205
Insurance premium	652,065	392,180
Entertainment	2,172,532	1,602,981
Staff uniform	12,897	100,967
Staff welfare	6,642,507	2,629,780
Telephone, fax, etc.	1,082,699	1,068,455
Fees & charges	1,851,431	2,241,350
Bank Charge	421,495	519,908
Donation & subscription	17,500	536,240
Advertisement	2,506,105	1,630,617
News paper & periodicals	197,856	203,138
Printing & stationery	1,094,323	1,497,832
Water, electricity & gas	1,971,229	2,104,556
Annual general meeting expenses	2,916,517	3,256,968
Expenses relating to dividend	216,453	160,800
Depreciation	23,232,153	9,061,247
Sundry expenses	95,500	30,630
Expenses relating to CSR	1,000,000	3,759,130
	143,012,102	132,265,190

(a) The number of employees employed in the administration department throughout the year who received aggregate remuneration less than Tk.36,000 was 0.

(b) Salary, wages & allowances include P.F. contribution of Tk. 2,380,413 and Gratuity of Tk.1,741,671.

(c) The number of employees employed in the administration department for part of the year who received aggregate remuneration less than Tk 3,000 per month was 0.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

28. SELLING & DISTRIBUTION EXPENSES :

Salary, wages & allowances	1,183,446,224	993,072,859
Travelling & conveyance	5,678,986	4,519,769
Head office & sales centres rent	21,549,771	30,546,127
Printing & stationery	7,845,042	6,475,977
Repairs & maintenance-building & equipment	3,579,833	2,789,118
Repairs & maintenance-vehicle & others	15,690,504	15,193,917
Medical expenses	1,295,023	1,074,360
Water, electricity & gas	1,430,932	1,552,040
Postage & stamp	446,995	584,271
Field forces conference expenses	27,909,323	629,800
Insurance premium	3,014,371	2,316,968
Entertainment	1,184,533	1,290,685
Training expenses	5,381,794	2,625,306
Staff welfare	3,151,843	1,703,412
Telephone, fax, etc.	7,299,393	7,332,940
Fees & charges	757,675	155,132
Donation & subscription	-	10,000
Advertisement	774,530	1,402,281
Incentive	34,651,617	36,377,462
Sales representatives conference	463,900	-
Detailing bag & brief case	731,644	1,108,998
Field personnel expenses	237,610,671	187,588,747
Product development expenses	425,759	1,860,485
Product pad & literature	25,093,914	31,494,534
Promotional expenses	24,963,309	25,908,343
Physicians' samples	23,849,665	24,611,591
Market survey & research	3,604,720	2,509,933
Export expenses	8,981,012	4,688,924
Delivery expenses	136,496,051	137,395,279
Depreciation	31,709,810	12,652,791
Sundry expenses	36,357	163,076
Loss on sale of vehicle	1,176,917	896,976
Staff uniform	118,793	117,939
	1,820,350,909	1,540,650,041

(a) The number of employees employed in the selling & distribution department throughout the year who received aggregate remuneration less than Tk.36,000 was 0.

(b) Salary, wages & allowances include P.F. contribution of Tk.33,325,817 and Gratuity of Tk.24,773,318.

(c) The number of employees employed in the selling & distribution department for part of the year who received aggregate remuneration less than Tk.3,000 per month was 0.

AMOUNT IN TAKA

29. OTHER INCOME

	01 July 2019 to 30 June 2020	01 July 2018 to 30 June 2019
Dividend income/IBBL-MPB	-	414,018
Profit on bank deposits	908,505	2,471,655
Gain on sale of Motor Vehicles	680,772	-
Foreign Exchange Fluctuation Gain/(Loss) on FCAD ERQ Accounts	(1,091,906)	(1,189,209)
Toll Charge-Income	1,715,368	-
Miscellaneous income	265,275	680,313
	2,478,014	2,376,777

30. WORKERS' P.P FUND & WELFARE FUND :

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.

28,670,860	22,692,136
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31. INCOME TAX EXPENSES:

Current Tax	121,970,457	89,487,419
Deferred Tax income/(expense) (Note-19)	29,094,178	26,387,269
Prior year tax assessment adjustment	21,488,660	-
	172,553,294	115,874,687

31.01 Reconciliation of Effective Tax rate:

Types of income	Income	Effective Tax Rate	Tax
Capital Gain	680,772	15.00%	102,116
Business Income	569,690,413	25.00%	142,422,603
	570,371,185	24.99%	142,524,719
Non Deductible Expenses		1.50%	8,539,915
Under estimation in prior year		3.77%	21,488,660
Total		30.26%	172,553,294

32. CHANGE IN FAIR VALUE OF MARKETABLE SECURITIES

Closing value of marketable securities	(236,002)	(140,152)
Opening value of marketable securities	140,152	(174,420)
	(95,850)	34,268

33. EARNINGS PER SHARE (EPS)

Basic earnings per share has been calculated as		
Earnings attributable to the Ordinary Shareholders (Net profit after tax)	397,817,891	336,266,870
Divided by number of Ordinary Shares	31,243,627	31,243,627
EARNINGS PER SHARE (EPS)	12.73	10.76

Earning Per Share (EPS) increased during the year 2019-2020 due to increase in sales and profit; and maintaining stable expenses growth.

33.01 Net Assets Value Per Share (NAV)

Net Assets Value	1,782,297,140	1,478,296,395
Divided by number of Ordinary Shares Outstanding	31,243,627	31,243,627
Net Assets Value Ratio	57.05	47.32

Net Assets Value Per Share (NAV) increased during the year 2019-2020 due to increase in sales and profit; and consequently increase in retain earning (Net Asset).

33.02 Net Operating Cash Flow Per Share (NOCFPS)

Net cash provided by operating activities	503,160,581	433,364,937
Divided by number of Ordinary Shares outstanding during the year	31,243,627	31,243,627
	16.10	13.87

Increase in NOCFPS arise due to increase in collection from revenue and others.

AMOUNT IN TAKA

30 June 2020

30 June 2019

33.03 Reconciliation of net profit with cash flows from operating activities

Profit before tax (PBT)	570,371,185	452,141,557
Adjustments:		
Depreciation	173,005,575	128,470,252
Unrealised foreign exchange loss	1,091,906	1,189,209
Share of associate profit/loss	1,786,015	1,701,171
Gain on sale of share	-	-
Gain on sale of motor vehicles	-	-
Dividend received	-	414,018
Interest Income	(908,505)	(2,471,655)
Change in operating assets		
Increase in inventory	(120,684,753)	(57,167,521)
Increase in accounts receivables	(2,758,695)	(4,535,552)
Decrease in advances, deposits and prepayments	-	15,262,942
Increase/(decrease) in trade and other payable	64,871,041	53,047,550
Increase/(decrease) in retirement benefit obligation	8,665	(17,182,431)
Tax paid during the year	(148,708,639)	(122,765,719)
Interest expense	(34,913,253)	(14,738,885)
	503,160,542	433,364,937

33.04 Finance Charge

Finance charge for long term finance.	31,469,779	14,738,885
Finance charge for lease	3,443,474	-
	34,913,253	14,738,885

Increase in finance charge arose due to increase in long term finance.

34. VALUE OF IMPORTS ON CIF BASIS:

Materials (raw & packing)	1,284,315	1,093,739
Components & spare parts	3,542	-
Capital goods	311,694	-
	1,599,551	1,093,739

34.01 Value of import and local purchase

Value of import and local purchase Raw materials consist of 911 items which 60.7% are imported.

Value of import and local purchase Packing materials consist of 2664 items which 7.5% are imported.

35. INSTALLED CAPACITY, ACTUAL PRODUCTION ON SINGLE SHIFT BASIS AND REASONS FOR SHORT-FALL DURING THE YEAR ENDED 30th June, 2020 :

Product Group	Unit	Quantity in Thousand			
		2019-2020		2018-2019	
		Installed	Actual production	Installed	Actual production
Tablet	Pcs	992,526	1,061,401	784,284	838,508
Capsule	Pcs	217,602	254,975	217,602	216,347
Dry Syrup / ORS	Bottle	33,573	16,971	33,573	18,347
Liquid	Bottle	31,171	29,692	31,171	24,628
Drops	Pcs	5,124	6,983	5,124	6,513
Ointment	Pcs	12,235	4,877	12,565	4,589
Injection	Pcs	18,798	5,333	18,798	4,604

Production was made keeping in view market demand.

AMOUNT IN TAKA

30 June 2020

30 June 2019

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 Party	Relationship	Nature of transaction	Transaction		2020	2019
			Dr.	Cr.	Receivable/(Payable)	
1. The IBN SINA Trust	Sponsor Shareholder	Dividend Payment	41,079,936	-	-	-
2. IBN SINA Consumer Products Ltd.	Associate	Acquisition of share Capital	20,000,000	-	53,616,435	35,402,449
3. IBN SINA API Ltd.	Subsidiary (99.99%)	Acquisition of share Capital	50,000,000	-	-	-
		Loan	18,869,560	-	18,869,560	-
		Transferr of land	-	14,814,040	-	-
		Transferred to building under construction	-	24,231,068	-	-

The company has been allotted a pieces of land (1.52 Decimal) by BISIC in API Park, Gozaria, munshigong. The company is transferred the right of said land to its 99.99% owned Subsidiary named: IBN SINA API Ltd. at cost.

36.1 Transaction with Key management personnel and their compensation :

Particulars	2019-2020	2018-2019
Short term employee benefits	10,032,536	9,274,114
Post-employment benefits	475,000	330,000
Other long term benefits	-	-

Key management personnel compensation includes benefits for employees of the rank of director and above. No remuneration is given to the board of director's apart from attendance fees in connection with board and sub Committee meeting during the year 2019-2020 attendance fees in connection with board and sub board committee meeting are Tk. 1,047,536 and Tk. 1,684,114 for the year 2018-2019.

Debts due from and due to key management personnel.

There is no debts due from and due to key management personnel of the company.

37. Commitment and contingency. There was no contract for Capital Expenditure remaining to be executed and not provided for at 30th June, 2020. As a part of subscription for share capital the company will pay Tk. 49,999,800 within 30th June 2021.

38. 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 30.06.2020.

39. No brokerage or discount other than usual trade discount against sales was paid during the year.

40. As there was no sales agent, commission therefor was not paid.

41. During the year under review US\$ 28,510 equivalent to Tk. 2,445,947 have been paid for registration and consultancy fees.

41.1 There is no regular employees who received remuneration less than 36,000.00 in aggregate throughout the financial year.

41.2 At the end of this year closing balance of FCAD ERQ account was USD \$ 18,629.58 out of which USD \$ 12,469.58 in IBBL and USD \$ 6,160 in Sonali Bank Ltd.

42. As there was no non-resident shareholder, no dividend was remitted abroad.

43. During the year the company (a) earned foreign exchange of US\$ 738,458.41 and EURO 94,099.59 equivalent to Tk.61,993,584 and 9,019,446 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.

44. There were aggregating claims of Tk. 52,663,293 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 and 2016-2017, 2017-2018, 2019-2020 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 refundable. 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.

45. There was no contingent liability other than letters of credit outstanding for importation of raw & packing materials, capital goods as on 30.06.2020.

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 30th June 2020, 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:

Accounts receivable:

Advance to employees
Advance to supplies
Trade receivable
Other receivables
Security deposit
Imprest cash
Cash at bank

AMOUNT IN TAKA	
30 June 2020	30 June 2019
3,603,066	3,447,738
6,418,614	6,069,154
23,372,019	22,171,979
18,456,452	16,871,558
22,892,905	12,595,627
8,450,000	9,750,000
185,212,078	158,670,163
268,405,134	229,576,220

The aging of trade receivables at the reporting date is as follows:

Trade receivables

Below 30 days
With in 31-90 days
With in 91-120 days
Above 120 days

14,023,187	13,303,187
5,842,995	5,542,995
3,505,797	3,325,797
-	-
23,371,979	22,171,979

i) 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.

ii) All of the company's advance, trade receivable are considered good. All of the receivable are considered collectable and hence no doubtful or bad receivable included under trade receivable.

iii) The company did not make any advance, deposit, prepayment to the director, subsidiary, associates or other connected party and advance employees are realized in normal course of business.

iv) Security deposit include advance Tk. 11,661,000 given for head office rent which is adjustable at end of rent agreement .

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 30th June was:

	AMOUNT IN TAKA	
	30 June 2020	30 June 2019
Trade and other payables	210,650,553	201,468,578
Security money received from employees	10,085,000	10,045,045
Other current liabilities	104,703,479	80,348,645
	325,439,032	291,862,269

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 of the company approved the financial statements as on 17/09/2020 and recommended 38.50% cash dividend for the financial year ended June 30, 2020. Except the facts and figures stated above, there is no other entries or notes that has to be disclosed in the financial statements.

Dividend to be Paid (subject to the approval of honorable shareholders)	120,287,964
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PROPERTY, PLANT AND EQUIPMENT

AS AT 30 JUNE, 2020

Annexure-A
Amount in Taka

Particulars	Cost/Revaluation			Rate	On 30.06.2019	Depreciation			Written down value on 30.06.2019
	Opening balance (30.06.2019)	Addition during the year	Disposal / Adjustment			Total on (30.06.2020)	For the Year	Disposal / Adjustment	
Land & Land Development	326,110,338	-	(14,814,040)	311,296,299	-	-	-	311,296,299	
Building	177,079,375	-	-	177,079,375	2.50%	3,442,986	42,802,922	134,276,453	
Plant & Machinery	1,226,431,389	311,693,992	-	1,538,125,381	10.00%	83,056,152	518,142,800	1,019,982,582	
Internal Road	4,842,880	-	-	4,842,880	10.00%	207,741	2,973,209	1,869,671	
Installations	39,817,926	3,750,944	-	43,568,870	10.00%	2,452,482	20,060,543	23,508,327	
Equipment	382,288,721	82,980,763	-	465,269,484	10.00%	32,042,454	105,504,660	359,764,825	
Computers	36,427,403	5,577,406	-	42,004,809	30.00%	3,776,076.94	30,613,531	11,391,278	
Furniture & Fixtures	58,067,854	6,856,711	-	64,924,565	10.00%	2,902,685	34,644,721	30,279,844	
Motor Vehicles	128,654,392	65,678,584	(2,295,519)	192,037,457	20.00%	16,426,607	89,485,558	102,551,900	
Spares & Loose Tools	20,926,243	3,542,057	-	24,468,300	30.00%	1,458,993	17,817,096	6,651,203	
Library Books	867,659	-	-	867,659	30.00%	47,818	756,083	111,576	
Temporary Construction	8,489,054	-	-	8,489,054	30.00%	755,241	6,726,825	1,762,229	
TOTAL-30th June, 2020	2,410,003,235	480,080,458	(17,109,559)	2,872,974,134		146,569,236	(2,266,173)	2,003,446,187	
TOTAL-30th June, 2019	2,006,554,755	403,448,480	-	2,410,003,235		128,470,252	-	1,684,778,351	

Allocation of depreciation:

Allocation to	Note no.	Allocated Depreciation 2020			Allocated Depreciation 2018-2019		
		PPE	ROU	Total	PPE	ROU	Total
Manufacturing Expenses	Note-26	118,063,612	-	118,063,612	106,756,214	-	106,756,214
Administrative Expenses	Note-27	12,075,048	11,157,105	23,232,153	9,061,247	-	9,061,247
Selling & Distribution Expenses	Note-28	16,430,576	15,279,234	31,709,810	12,652,791	-	12,652,791
Total		146,569,236	26,436,339	173,005,575	128,470,252	-	128,470,252

The company has been allotted a pieces of land (1.52 Decimal) by BISIC in API Park, Gozaria, munshigong. The company has transferred the right of said land to its 99.99% owned Subsidiary named: IBN SINA API Ltd. at cost.

Investment of Marketable Securities (Fair Value): As on June 30, 2020

Sl. No.	Name of Company Mutual Fund/Bond	No. of Shares Held	Face Value per Share	Cost Holding	Average Cost	Quoted Rate per Share as on 30-06-2020	Total Market Value of Shares as on 30-06-2018	Unrealised Gain/(Loss)
1	Exim Bank	44,000	10	428,507	9.74	8.60	378,400	(50,107)
2	Islami Bank Bangladesh Ltd.(IBBL)-in Mddaraba Perpetual Bond (MPB)	4,590	1,000	4,590,000	1,000.00	959.50	4,404,105	(185,895)
				5,018,507			4,782,505	(236,002)

The above Investment in Marketable Securities that are designated as available for sale by the management. These are measured at fair value and presented as non-current asset and unrealized gain/(loss) from the above investment are recognized as other comprehensive income.

AMOUNT IN TAKA

**01 July 2019 to
30 June 2020**

**01 July 2018 to
30 June 2019**

Gain/(Loss) On Marketable Securities (Unrealized):

Unrealized Gain/(Loss) Position (Closing)

(236,002)

(140,152)

Unrealized Gain/(Loss) Position (Opening)

(140,152)

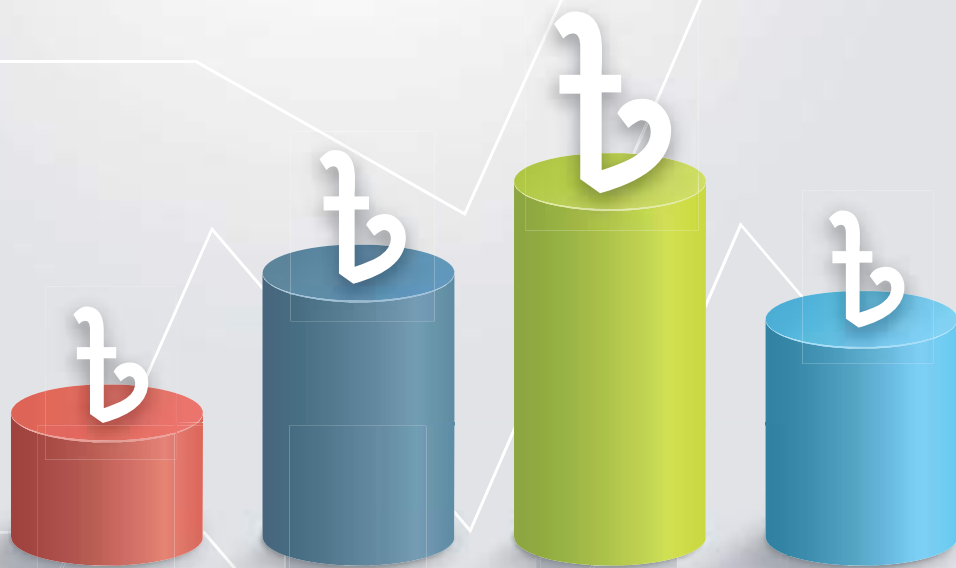
(174,420)

Gain on Marketable Securities during the year

(95,850)

34,268

The Financial Statements of IBN SINA API Limited





মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

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INDEPENDENT AUDITOR'S REPORT To The Shareholders of The IBN SINA API Limited Report on the Audit of the Financial Statments

Opinion:

We have audited the financial statements of **IBN SINA API Limited** which comprise the Statement of financial position as at June 30, 2020, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies act 1994, the Securities and Exchange Rules 1987 and other applicable law and regulations.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Other Information:

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

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.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained, and for such internal control as management determines is necessary to enable the preparation of the 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.

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E-mail: mail@reddysiddiqui.com, Website: www.reddysiddiqui.com



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali
CHARTERED ACCOUNTANTS
9-G, Motijheel C/A, 2nd Floor, Dhaka-1000, Bangladesh.
Extension Office: Property Heights, 1st Floor
12, R.K. Mission Road, Dhaka-1000.

PHONE: 9513471, 9569867
PABX: 9576118-9, 9576128
FAX: +88-02-9516236
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Web: www.msw-bd.com

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 judgment 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.

Associated firm of Reddy Siddiqui LLP, Chartered Accountants & Business Advisors, Park View, 183-189 The Vale, London, W3 7RW, UK
E-mail: mail@reddysiddiqui.com, Website: www.reddysiddiqui.com



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

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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 Statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka;
September 06, 2020

Malek Siddiqui Wali
Chartered Accountants

IBN SINA API LIMITED
STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

Particulars	Notes	AMOUNT IN BDT
		30 June 2020
Non-current assets		
Property, plant and equipment	4	35,326,829
CAPITAL WORK-IN-PROGRESS	4.1	5,759,328
Total non-current assets		41,086,157
Current Assets		
Inventories	5	511,344
Advance	6	22,000,820
Cash and cash equivalents	7	12,072
Total current assets		22,524,236
Total assets		63,610,393
Equity		
Share capital	8	50,000,040
Retained earnings/(Accumulated losses)	9	(5,290,581)
		44,709,459
Current Liabilities		
Loan from IBN SINA Pharma	10	18,869,520
Payable	11	31,414
Total current liabilities		18,900,934
Total equity and liabilities		63,610,393

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

				
Chairman	Managing Director	Director	Company Secretary	Chief Financial Officer

Signed as per our separate report date even annexed

Dated, Dhaka;
September 06, 2020


Malek Siddiqui Wali
Chartered Accountants

IBN SINA API LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30th June, 2020

Particulars	Notes	AMOUNT IN BDT
		September 16, 2019 to June 30, 2020
REVENUE		-
Cost of goods sold		-
GROSS PROFIT		-
OPERATING EXPENSES		(5,296,114)
Administrative expenses	12	(5,296,114)
Selling & Distribution expenses		-
OPERATING PROFIT		(5,296,114)
Financial charges		-
Other income (Bank Profit)		8,197
Net profit from operation		(5,287,917)
Workers' P.P. fund & welfare fund		-
Share of associate profit/Loss		-
PROFIT BEFORE TAX		(5,287,917)
Income tax expenses: Current Tax		(2,664)
NET PROFIT AFTER TAX		(5,290,581)

 Chairman	 Managing Director	 Director	 Company Secretary	 Chief Financial Officer
--	---	--	--	---

Signed as per our separate report date even annexed

Dated, Dhaka;
September 06, 2020


Malek Siddiqui Wali
Chartered Accountants

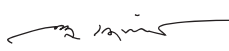
IBN SINA API LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2020

Amount in Taka

Particulars	Share Capital	Share Premium	Retained Earnings/ (Accumulated Losses)	Total
Year ended 30 June 2020				
Opening balance	-	-		-
Issue during the year	50,000,040	-	-	50,000,040
Net profit/(Loss) for the year	-	-	(5,290,581)	(5,290,581)
Closing balance	50,000,040	-	(5,290,581)	44,709,459

These Financial Statements should be read in conjunction with the annexed notes



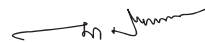
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Dated, Dhaka;
September 06, 2020

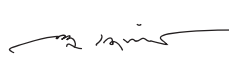



Malek Siddiqui Wali
Chartered Accountants

IBN SINA API LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30th June, 2020

Particulars	AMOUNT IN BDT
	30 Jun-2020
A. Cash flows from operating activities	
Payment for operation, expenses & others	(5,615,340)
	(5,615,340)
B. Cash flows from investing activities	
Acquisition of property, plant and equipment	(24,204,417)
Acquisition of PPE from parent company	(39,045,108)
Bank Profit	7,377
Net cash used in investing activities	(63,242,147)
C. Cash flows from financing activities	
Share Capital	50,000,040
Loans and borrowings	18,869,520
Net cash from financing activities	68,869,560
D. "Net increase/(decrease) in cash and cash equivalents (A+B+C)"	12,073
E. Opening cash and cash equivalents	-
F. Closing cash and cash equivalents	12,073

These Financial Statements should be read in conjunction with the annexed notes

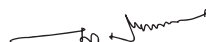



Chairman

Managing Director



Director



Company Secretary



Chief Financial Officer

Signed as per our separate report date even annexed

Dated, Dhaka;
September 06, 2020



Malek Siddiqui Wali
Chartered Accountants

ANNUAL REPORT Review Checklist

Corporate Objectives, Values & Structure

→ Vision and Mission	10
→ Overall strategic objectives	22
→ Core values and code of conduct/ethical principles	23
→ Profile of the Company	12-13
→ Director's profiles and their representation on Board of other companies & Organization Chart	14-21, 90

Management Report and analysis including Directors' Report/ Chairman's Review/ Managing Director's Review etc.

→ A general review of the performance of the company	36
→ Description of the performance of the various activities / products / segments of the company and its group companies during the period under review.	36-43
→ A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	77-79
→ A general review of the future prospects/outlook.	46
→ Information on how the company contributed to its responsibilities towards the staff (including health & safety)	70
→ Information on company's contribution to the national exchequer & to the economy	41

Sustainability Reporting

→ Social Responsibility Initiatives (CSR)	68-72
→ Environment related Initiatives	69
→ Environmental & Social Obligation	68-69
→ Sustainability Initiatives	89

Appropriateness of Disclosure of Accounting policies and General Disclosure	Disclosure of adequate and properly worded accounting policies relevant to Assets, liabilities, Income and Expenditure in line with best reporting standards -----	121-130
	Any specific accounting policies -----	121
	Impairment of Assets -----	125
	Changes in accounting policies/Changes in accounting estimates -----	130


Segment Information	Segment related information bifurcating Segment revenue, segment results -----	128
	Availability of information regarding different segments and units of the entity as well as non-segmental entities/units -----	51, 138

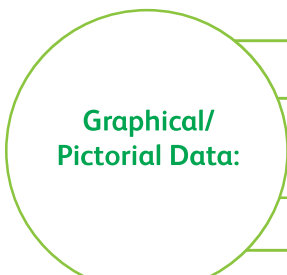
Segment analysis	Segment Revenue -----	51, 138
	Segment Results -----	138
	Revenue -----	138
	Operating profit -----	118

Financial Statements (Including Formats)	Disclosures of all contingencies and commitments -----	144
	Comprehensive related party disclosures -----	39, 128
	Disclosures of Remuneration & Facilities provided to Directors and Managing Director -----	42, 140
	Statement of Financial Position / Balance Sheet and relevant schedules -----	117
	Income Statement / Profit and Loss Account and relevant schedules -----	118
	Statement of Changes in Equity / Reserves & Surplus Schedule -----	119
	Disclosure of Types of Share Capital -----	134
	Statement of Cash Flow -----	120
	Extent of compliance with the core IAS/IFRS or equivalent National Standards -----	39, 129-130
	Disclosures / Contents of Notes to the Accounts -----	121-130

	→	Board of Directors, Chairman and Managing Director-----	63-65, 14-21
	→	Audit Committee (Composition, role, meetings, attendance, etc.) Internal Control & Risk Management -----	65, 73-74. 77-79
	→	Ethics and Compliance -----	24
	→	Remuneration and other Committees of the Board -----	12, 66, 104
	→	Human Capital -----	38, 75
	→	Communication to Shareholders & Stakeholders - Information available on website ----- - Other information -----	12 43
	→	Environmental and Social Obligations -----	69
	→	Management Review and Responsibility -----	64, 80
	→	Disclosure by Board of Directors or Audit -----	62-67

	→	Description of the Risk Management Framework -----	77-79
	→	Risk Mitigation Methodology -----	77-79
	→	Disclosure of Risk Reporting -----	145-146

	→	Distribution of shareholding (Number of shares as well as category wise, e.g. Promoter group, FII etc.)-----	56, 134
	→	Shares held by Directors/Executives and relatives of Directors/Executives -----	57
	→	Redressal of investors' complain -----	56

	→	Earnings per Share -----	49
	→	Net Assets -----	47, 54
	→	Stock Performance -----	53
	→	Shareholders' Funds -----	54
	→	Return on Shareholders' Fund -----	53

Horizontal/Vertical Analysis including following.	→	Operating Performance (Income Statement)	47, 49, 50
	→	Total Revenue	47, 49, 50
	→	Operating profit	47, 49, 50
	→	EPS	47, 49, 50

Statement of Financial Position (Balance Sheet)	●	Any specific accounting policies	121-130
	●	Shareholders Fund	134
	●	Property Plant & Equipment	131, 147
	●	Net Current Assets	47, 117
	●	Long Term Liabilities/Current Liabilities	117, 136-137

Profitability/ Dividends/ Performance and Liquidity Ratios	→	Gross Profit Ratio	47, 49
	→	Earning before Interest, Depreciation and Tax	55
	→	Price Earning Ratio	47, 55
	→	Current Ratio	47, 53
	→	Return on Capital Employed	54
	→	Debt Equity Ratio	55

Statement of Value Added and Its Distribution	→	Government as Taxes	58
	→	Shareholders as dividend	58
	→	Employees as bonus/remuneration	58
	→	Retained by the entity	47, 58
	→	Market Share information of the Company's Product/service	59
	→	Economic value added	60

Additional Disclosures	→	Other disclosures:	142
	→	PESTEL Analysis & Business Model	36
	→	Statekeholder information	57

Corporate Governance Disclosure Checklist

Sl. No.	Particulars	Page No.
1	BOARD OF DIRECTORS, CHAIRMAN AND CEO	
1.1	Company's policy on appointment of directors disclosed	63
1.2	Adequate representation of non-executive directors i.e. one third of the board subject to a minimum of two	64
1.3	At least one independent director on the board and disclosure/affirmation of the board on such director's independence	64
1.4	Chairman to be independent of CEO	64
1.5	Responsibilities of the Chairman of the board appropriately defined and disclosed. Disclosure of independence of Non-Executive Directors	64
1.6	Existence of a scheme for annual appraisal of the boards performance and disclosure of the same	65
1.7	Disclosure of policy on annual evaluation of the CEO by the Board	65
1.8	Disclosure of policy on training (including details of the counting training program) of directors and type and nature of training courses organized for directors during the year existence of a scheme for annual appraisal of the boards performance	65
1.9	At least one director having through knowledge and expertise finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting	65
1.10	Disclosure of number of meetings of the board and participation of each directors (at least 4 meetings are required to be held)	65, 61
1.11	Directors issue a report on compliance with best practices on corporate governance that is reviewed by external auditors	81, 38
2	VISION/MISSION AND STRATEGY	
2.1	Company's vision/mission statements are approved by the board and disclosed in the annual report	10
2.2	Identification of business objectives and areas of business focus disclosed	11, 36
2.3	General description of strategies to achieve the company's business objectives	22
3	AUDIT COMMITTEES	
3.1	Appointment and Composition	66, 73
3.1.1	Whether the audit committee chairman is an independent Non-executive Director and Professionally Qualified	73
3.1.2	Whether it has specific terms of reference and whether it is empowered to investigate/question employees and retain external counsel	66, 73
3.1.3	More than two thirds of the members are to be Non-Executive Directors	66, 73
3.1.4	All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting	66, 73
3.1.5	Head of internal audit to have direct access to audit committee	67
3.1.6	The committee to meet at least 4 times a year and the number of meetings and attendance by individuals members disclosed in the annual report	73

Sl. No.	Particulars	Page No.
3.2	OBJECTIVE AND ACTIVITIES	
3.2.1	Statement of Audit Committees review to ensure that internal controls are well conceived properly administrative and satisfactorily monitored	74
3.2.2	Statement to indicate audit committees role in ensuring compliance with laws, regulations and timely settlements of statutory dues	73
3.3.3	Statement of Audit Committee involvement in the review of external audit function -Ensure effective coordination of external audit function -Ensure independence of external auditors -To review the external auditors findings in order to be satisfied that appropriate action is being taken -Review and approve any non audit work assigned to the external auditor and ensure that such work does not compromise the independence of external auditors -Recommend external auditor for appointment/reappointment	74
3.2.4	Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review	74
3.2.5	Statement on Audit committee involvement in the review and recommend to the board of directors, annual and interim financial release	74
3.2.6	Reliability of the management information used for such computation	66, 74, 78
4	INTERNAL CONTROL & RISK MANAGEMENT	
4.1	Statement of director's responsibility to establish appropriate system of internal control	38
4.2	Narrative description of key features of the internal control system and the manner in which the system is monitored by the board, audit committee or senior management	73-74
4.3	Statement that the directors have reviewed the adequacy of the system of internal controls	39
4.4	Disclosure of the identification of risk the company is exposed to both internally and externally	77, 79, 145
4.5	Disclosure of the strategies adopted to manage and mitigate the risks	77-79, 145
5	ETHICS AND COMPLIANCE	
5.1	Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulation etc	24, 41
5.2	Dissemination/communication of the statement of ethics & business practices to all directors and employees and their acknowledgement of the same	24
5.3	Board's statement on its commitment to establishing high level of ethics and compliance within the organization	41
5.4	Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a hot line reporting of irregularities etc	42
6	REMUNERATION COMMITTEE	
6.1	Disclosure of the charter (role and responsibilities) of the committee	66, 76
6.2	Disclosure of the composition of the committee (majority of the committee should be nonexecutive directors, but should also include some executive directors)	66, 76
6.3	Disclosure of key policies with regard to remuneration of directors, senior management and employees	75
6.4	Disclosure of number of meetings and work performed	66, 75-76
7	HUMAN CAPITAL	
7.1	Disclosure of general description of the policies and practices codified and adopted by the company with respect Human Resource Development and Management, including succession planning, merit based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling	104
7.2	Organizational Chart	90
8	COMMUNICATION TO SHAREHOLDERS AND STAKEHOLDERS	
8.1	Disclosure of the company's policy/strategy to facilitate effective communication with shareholders and other stakeholders	43, 62
8.2	Disclosure of company's policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM	43
9	ENVIRONMENTAL AND SOCIAL OBLIGATIONS	
9.1	Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	67, 69
9.2	Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	88

Virtual Annual General Meeting (AGM) Logistics

Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated 08 July 2020, a listed company can arrange virtual Annual General Meeting, which can be conducted via live webcast by using digital platform. Accordingly, in the light of prevailing COVID-19 situation in Bangladesh, considering the health and safety of all the shareholders, staff and othersthe 36th AGM (Virtual Meeting) of The IBN SINA Pharmaceutical Industry Limited is scheduled to be held on Thursday, 12 November 2020 at 9:30 AM by using digital platform and online shareholders' tools that enable/facilitate shareholders to participate fully, and equally, from any location around the world.



DATE



Thursday
12 November 2020

TIME



9:30 AM

LIVE WEBCAST



<http://bitly.com/ipivirtualagm-2020>



The IBN SINA Pharmaceutical Industry Ltd.

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