



Indo-Bangla Pharmaceuticals Ltd.



*Good Health
Good Life*



ANNUAL REPORT 2021



MISSION

“TO PROVIDE INNOVATIVE AND QUALITY MEDICINES TO IMPROVE THE HUMAN BEINGS IN ARENA OF HEALTH IN NEED FOR BEST TREATMENTS”



VISION

“BE ON THE FOREFRONT OF CHANGING HEALTHCARE ENVIRONMENT TURNING INNOVATIVE SCIENCE TOWARDS ESTEEMED NEW TREATMENT REFERENCES”



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2021/200

BAPLC

Date of issue : April 8, 2021

Renewed Certificate

This is to certify that

INDO-BANGLA PHARMACEUTICALS LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2021.




Secretary-General



Certificate of Registration

This is to certify that the
Quality Management System
of

INDO-BANGLA PHARMACEUTICALS LIMITED

College Road, Barisal-8200, Bangladesh

Has been independently assessed and is
compliant with the requirements of:

ISO 9001:2015

For the following scope of activities:

**Manufacturing, Marketing and Sales of Pharmaceutical Products
i.e. Tablets, Dry Powder, Syrup, Capsule etc.**

Certificate Number: INT-001812 2019

Date of initial registration	22 nd April 2019
Date of this certificate	25 th April 2019
Certificate expiry (subject to the company maintaining its system to the required standard)	24 th April 2022



Authorised Signatory

This certificate is the property of ACM Limited and shall be returned immediately on request.
ACM Limited, 4 Navigation Court, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4FD, UK
info@acmcertbd.com



ক্রমিক নং

2932

দি বরিশাল চেম্বার অব কমার্স এণ্ড ইণ্ডাস্ট্রী

গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের বাণিজ্য মন্ত্রণালয়ের স্বীকৃতিপ্রাপ্ত

(১৯৬১ সনের ট্রেড অরগানাইজেশন অধ্যাদেশ অনুযায়ী)

স্বরোড (নাজিরের পুল), বরিশাল।

সদস্যপদ প্রত্যয়ন পত্র

এতদ্বারা প্রত্যয়ন করা যাইতেছে যে, মেসার্স

ইন্ডোবাংলা হেলথসিউটিক্যালস্‌ লিঃ

কলেজ রোড বরিশাল।

(মালিক / নির্বাহী অংশীদার / পরিচালক প্রতিনিধি / নির্বাহী পরিচালক জনাব

এ.এফ.এস্স (আনোয়ারুল হক)
ব্যবস্থাপনা পরিচালক

একটি প্রকৃত ব্যবসায়ী প্রতিষ্ঠান এবং অত্র চেম্বারের সদস্য। প্রতিষ্ঠানটি অতি সুনামের সহিত

প্রবেশ

ব্যবসায় নিয়োজিত আছে। উক্ত প্রতিষ্ঠানের সদস্যপদ সংখ্যা

৩৫৩

এবং উহার রপ্তানী / আমদানী / ইনভেস্টিং

নিবন্ধন সংখ্যা

প্রতিষ্ঠানটির সদস্যপদ ৩০শে জুন, ২০২০ (৩০/০৬/২০) পর্যন্ত বলবৎ থাকিবে।

বরিশাল
অফিস সীল

সভাপতি

সচিব



বাংলাদেশ ঔষধ শিল্প সমিতি
BANGLADESH ASSOCIATION OF PHARMACEUTICAL INDUSTRIES
Navana Osman@Link (Level-4), 214/D Bir Uttam Mir Shawkat Avenue
Tejgaon-Gulshan Link Road, Dhaka-1208. Fax: 88-02-8823651
Phone: 88-02-58816767, 9889731, 8824163 E-mail: bdass@bol-online.com

CERTIFICATE NO.

1393

CERTIFICATE OF MEMBERSHIP

MEMBERSHIP NO.

B/ASS/MD-2021/73

This is to certify that M/s
Indo-Bangla Pharmaceuticals Ltd.
College Road, Barisal

is a member of Bangladesh Hishad Shilpa Samiti:

This Association is duly licensed by the Ministry of Commerce, Government of the People's Republic of Bangladesh under reference License No. 3 of 1973 and incorporated with the Registrar of Joint Stock Companies, Bangladesh bearing Certificate No. 3898-B of 1972-1973.

This Association is also affiliated with the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Dhaka and International Federation of Pharmaceutical Manufacturers Associations (IFPMA) Geneva.

This Certificate is valid upto 31st December 2021

Ziaul Haq
Secretary
Bangladesh Association of Pharmaceutical Industries



Naymul Hasan
Nazrul Hassan, NP
President
Bangladesh Hishad Shilpa Samiti

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LETTER OF TRANSMITTAL

All Shareholders
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies & Firm

ANNUAL REPORT FOR THE YEAR ENDED JUNE 30, 2021

Dear Sir/Madam (s)

We are pleased to enclose a copy of the Annual Report containing Directors' Report, Auditors' Report along with Audited Financial Statements including Statement of Financial Position as at June 30, 2021, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the Year ended June 30, 2021 along with notes thereon.

We in our endeavor have tried our best to make fair disclosures on our financial & non-financial matter as part of our integrated reporting for your kind perusal and record.

Thanking you.

Very truly yours:

Mohi Uddin QCS
Company Secretary
Dated: 20th November, 2021.

Notice Of The 07th Annual General Meeting

INDO-BANGLA PHARMACEUTICALS LIMITED

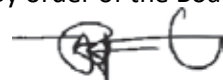
NOTICE OF THE

7TH ANNUAL GENERAL MEETING.

Notice is hereby given that the 7TH ANNUAL GENERAL MEETING of the Members of Indo-Bangla Pharmaceuticals Ltd. will be held on **Thursday 23th December, 2021 at 11:00 a.m.** Under virtual platform through the link <http://ibp2021.digitalagmbd.net> to transact the following business:

- Agenda-1:** To receive, consider and adopt the Audited Financial Statements for the year ended 30th June, 2021 together with the Report of the Directors' and Auditors' thereon.
- Agenda-2:** To declare dividend for the year ended 30th June, 2021.
- Agenda-3:** To elect Directors in terms of the relevant provisions of Articles of Association.
- Agenda-4:** To appoint Statutory Auditors for the year 2021-2022 and to fix their remuneration.
- Agenda-5:** To appoint Compliance Auditors for the year 2021-2022 and to fix their remuneration.
- Agenda-6:** To transact any other business with the permission of the Chair.

By order of the Board



(Mohi Uddin QCS)
Company Secretary.

November 28, 2021

Note:

- I. The Record Date of the Company was Sunday 21 November 2021.
- II. The Annual Report 2020-2021 and Form of Proxy will be available in the company' website: www.indo-banglapharma.com
- III. As per the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-25 dated 8 July, 2020, the Annual General Meeting will be conducted virtually via digital platform. Members/Shareholders can join virtual AGM from laptop, PC, Mobile or Tab with following link at <http://ibp2021.digitalagmbd.net/>
- IV. The link for the virtual AGM and detailed procedures to attend the meeting will be communicated to the shareholder's email ID in due course and it will also be available on Company's website: www.indo-banglapharma.com and Annual Report.
- V. The members are able to submit their question(s)/comment(s) and vote electronically 24 hours before commencement of the AGM and during the AGM.
- VI. The Form of Proxy (scanned copy), duly stamped must be sent through email to the Indo-Bangla Pharmaceuticals Ltd., at info@indo-banglapharma.com not later than 72 hours before the meeting.
- VII. Pursuant to Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated: 20 June 2018, the Annual report 2020-2021 of the Company shall be sent to the respective e-mail address of the shareholders mentioned in their Beneficiary Owners (BO) Accounts with the depository. In case of non-receipt of Annual Report 2020-2021 of the Company through e-mail shareholders may collect the same from the Corporate Office of the Company by submitting written request beforehand. The Annual report 2020-2021 can be found/downloaded at www.indo-banglapharma.com.
- VIII. The Shareholders bearing Folio Numbers are requested to submit their BOID details to credit bonus share through CDBL and also requested to provide update bank account details i.e. 13 digits bank account number, 9 digit bank routing number, 12 Digit Taxpayer's Identification Number (TIN), mailing address, and cell number to Share Department or email to info@indo-banglapharma.com on or before 10 December 2021

PHOTO GALLERY



PHOTO GALLERY



PHOTO GALLERY





ABOUT INDO-BANGLA PHARMACEUTICALS LTD.


Indo-Bangla Pharmaceuticals Limited, the prevalent pharmaceuticals company in the Country, is a reliable name in the pharmaceuticals sector of Bangladesh. Like most local concerns, it made its inauguration in a humble way in 1954, founded by Ramlal Vattracharjjo in the heart of Barisal in the name of Indo-Pak Pharmaceutical Works (IPW). At that time, Indo-Pak Pharmaceutical Works started its business aiming to fulfill the basic healthcare demand of the people of Bangladesh. After independence, the government took control of the company and it was registered in Bangladesh under the privatization act in the name of Indo-Bangla Pharmaceutical Works. Later in 1982, the government sold the company through auction to a reputed businessman of Barisal, late Alhaj Shamsuddin Talukder and late Alhaj Azizul Haque. They started commercial operations with producing high quality medicine at a reasonable price with a goal to reach healthcare services to the doorsteps of the common people of Bangladesh as well as all over the world.

On June 18, 2014, Indo-Bangla Pharmaceutical Works converted into a Private Limited Company under the Companies Act 1994, vide registration no. C116665/14. Subsequently on 21 October 2014, it converted into a Public Limited Company and thereafter became a Publicly Listed Company listed with Dhaka and Chittagong Stock Exchange Ltd., in 2018.

Since its establishment, Indo-Bangla has committed to providing high quality medicines, business success with ensuring ethical standards and responsibility to valuable customers/patients. Our tradition and our values are the foundation of our mission to ensure health, heartiness and happiness for mankind.

We are an ISO 9001:2015 certified company and committed to improving the quality of human life by enabling people to do more, feel better and live longer. We also believe and adhere to values like Quality, Knowledge and Responsibility in all aspects of its operations and earned respect and recognition of its valued customers as well as to emphasize on the quality of product, process and services leading to the growth of the company imbued with good governance practices.

CORPORATE INFORMATION

Registered name of the company	Indo-Bangla Pharmaceuticals Ltd.
Company Logo	
Legal Form	A Private Limited Company incorporated in Bangladesh on June 18, 2014 under The Companies Act, 1994 (Reg. no. C-116665/14) and converted into Public Limited Company on October 21, 2014. The company was listed with Dhaka and Chittagong Stock Exchange on October 2018.
Converted Public Limited Company	21-Oct-14
Commencement of Commercial Operation	18-Jun-2014
Registered Office	729, College Road, Barisal Sadar, Barisal-8200.
Corporate Office	Plot No. # 183 (7th Floor), Block # B, Ahmed Akbar Sobhan Road, Bashundhara R/A, Baridhara, Dhaka-1229.
Factory Address	729, College Road, Barisal Sadar, Barisal-8200.
Tax Identification Number	681332543219
VAT Registration Number	15101029766
Website Address	www.indo-banglapharma.com
E-mail Address	info@indo-banglapharma.com,
Import Identification Number	260306120000319
Export Identification Number	260306210000519
Authorized Capital	BDT 1500 million
Paid-up Capital	BDT 1137 million
Nature of Business	The Company is engaged in manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health). The Company applied for permission for production and selling of veterinary medicine also.
Statutory Auditor	Fames & R., Chartered Accountants
Compliance Auditor	M/S. Harunur Rashid & Associates
Membership	Bangladesh Association of Publicly Listed Companies (BAPLC) Bangladesh Association of Pharmaceutical Industries (BAPI) Barisal Chamber of Commerce and Industry (BCCI)



BOARD OF DIRECTORS

MRS. HAFIZA YEASMIN
Chairman

MRS. HAFIZA YEASMIN, is a Director of the Company since 2014 and has been appointed as Chairman of the company in 2021. She is daughter of late Azizul-huq, Founder of Indo-Bangla Pharmaceuticals Works, converted into a Private Limited Company under the companies Act 1994, on 21 October 2014, after than converted into a Public Limited Company and become Publicly Listed Company in 2018. She has a business experiences of more than 16 years in the pharmaceuticals sector. After coming back from Denmark, she joined in Indo-Bangla Pharmaceuticals Ltd., as a Director and also director in other Private Limited Company.

MR. A F M ANOWARUL HUQ, is a Director of the Company since 2014 and has been appointed as Managing Director in 2014. Further that he has been appointed as Managing Director in 2019 for an another tenure. He is the son of late Azizul Huq, founder of Indo-Bangla Pharmaceuticals Works. Mr. Huq has a prosperous experience of more than 23 years in Pharmaceuticals, Shipping, apparels as well as others family Business.

Mr. Huq was a Former President of Rotary club of Barisal Mid Town; Apex club of Barisal; Chairman of Employers Committee of UCEP, Barisal; Director of the Barisal Chamber of Commerce & Industry; Director of FBCCI

At present he is the member of Ghatail Golf Club (GGC), Bangladesh Association of Publicly Listed Companies (BAPLC), Bangladesh Association of Pharmaceuticals Industries (BAPI), Barisal Chamber of Commerca and Industry (BCCI), lifetime member of Barisal Club Ltd, Barisal; Diabetic Hospital, Barisal; Red Crescent, Barisal; Heart Foundation, Barisal; Anjuman-E Hemayat-E Islam, Barisal.



A F M ANOWARUL HUQ.
Managing Director

BOARD OF DIRECTORS



MD. IFTIKHAR-UZ-ZAMAN
Independent Director

MR. MD. IFTIKHAR-UZ-ZAMAN, is an Independent Director of Indo-Bangla Pharmaceuticals Limited, appointed by the Board of Directors of the Company vide resolution of the meeting of the Board of Directors on 30 January, 2020, subject to confirmation at 6th Annual General Meeting was held on 24 December, 2020.

He is the Chairperson of the Nomination and Remuneration Committee and also the Audit Committee of Indo-Bangla Pharmaceuticals Limited. He also serves as a member of the Board of Directors of this Company.

He was born in 9th June, 1957 and completed Honor's and Master's degree from University of Rajshahi. Mr. Md. Iftikhar-Uz-zaman has more than 34 years of experience in service at Investment Corporation of Bangladesh (ICB) and Janata Bank Limited. He was the Managing Director of Investment Corporation of Bangladesh (ICB) and Deputy Managing Director of Janata Bank Limited. He was previously discharge his responsibilities as Chairman of different Govt./Non-Govt. Organization such as ICB Securities Trading Company Ltd., ICB Capital Management Ltd., ICB asset Management company Ltd., Jagocorporation Ltd., and as Director with Central Depository Bangladesh Limited(CDBL), British American Tobacco Bangladesh Company Ltd., Glaxo Smith Klien Bangladesh Ltd., Linde Bangladesh Ltd., Reneta Ltd., ACI Limited, Bangladesh Institute of Capital Market (BICM), Credit Rating Information's & Service Ltd., Credit Rating Agency of Bangladesh Ltd., Lafarge Surma Cement Ltd., Energypac Power Generation Ltd., Apex Tannery Ltd., Apex footwear Ltd., and many more. He has also completed training courses of Capital Market Development from abroad.

MR. MD. GOLAM RABBANI, has been appointed as a Director on the Board of Directors of Indo-Bangla Pharmaceuticals Limited in 2017 nominated by the Investment Corporation of Bangladesh. He is a Deputy General Manager of Investment Corporation of Bangladesh (ICB). He joined in ICB as a senior officer in 1989. He completed his B.Sc (Honors) & M.Sc degrees in Economics from Jahangirnagar University. Mr. Rabbani during his tenure in ICB served in different Departments, Divisions and Branches including Law, Documentation, Special Fund Management Unit, Public Relations, Investors' Department and contributed a lot for the Corporation as well as to the Investors. Mr. Rabbani during his long service in ICB took part in different training programs among them Investment Banking, Venture Capital, Laws, Rules and Regulations, Land Management and Documentation, Handling of Disciplinary Cases, Public Relations etc. He also took part in different computer training programs. He is the ICB nominated Director of ICB financed projects like Indo-Bangla Pharmaceuticals Ltd. He traveled in Japan, Singapore & India several times.



MR. MD. GOLAM RABBAN
Director

FATIMA PARVIN
Director

MRS. FATIMA PARVIN is a Director of Indo-bangla Pharmaceuticals Ltd., since 2016, Daughter of Dr. Ali Akbar Mia. She obtained L.L.B (Hon's) and L.L.M from the Dhaka International University and has an experience of more than 14 years in the Pharmaceuticals sector. In addition, her present role, she is a member of Audit Committee of the Company and has been playing role to review and recommend to the Board to approve the quarterly and annual financial statements prepared for statutory purpose. She is also the columnist of the Bangladesh Protidin, Daily Samakal, Daily JaiJai Din and Daily Aurthoniti protidin etc.

MANAGEMENT APPARATUS



Board of Directors

1. MRS. HAFIZA YEASMIN -CHAIRMAN
2. A F M ANOWARUL HUQ - MANAGING DIRECTOR
3. MD. GOLAM RABBANI - DIRECTOR
4. MS. FATIMA PARVIN - DIRECTOR
5. MD. IFTIKHAR-UZ-ZAMAN - INDEPENDENT DIRECTOR

Audit Committee

1. MD. IFTIKHAR-UZ-ZAMAN -CHAIRMAN
2. MD. GOLAM RABBANI - MEMBER
3. MS. FATIMA PARVIN - MEMBER

Nomination and Remuneration Committee

1. MD. IFTIKHAR-UZ-ZAMAN -CHAIRMAN
2. MD. GOLAM RABBANI - MEMBER
3. MS. FATIMA PARVIN - MEMBER

Company Secretary

- MOHI UDDIN, QCS COMPANY SECRETARY.

Management Team

1. A F M ANOWARUL HUQ - MANAGING DIRECTOR
2. MOHAMMED ANWAR HOSSAIN -GENERAL MANAGER
3. MD. FARUQUE HOSSAIN - CHIEF FINANCIAL OFFICER
4. MD. ABU TALEB - HEAD OF INTERNAL AUDIT & COMPLIANCE
5. MOHI UDDIN, QCS - COMPANY SECRETARY
6. MR. R I CHOWDHURY - HEAD OF MARKETING
7. MD. SHAH-E-AZAM - PLANT MANAGER
8. MS. DILRUBA BEGUM - HEAD OF QUALITY ASSURANCE DEPT.
9. MD. MIZANUR RAHMAN - HEAD OF ADMINISTRATION

CHAIRMAN'S STATEMENT



MRS. HAFIZA YEASMIN

Chairman

Bismillahir Rahamanir Rahim
The Beloved Shareholders,
Assalamu Alaikum Wa Rahmatullah.

I heartily welcome you all at the 7th Annual General Meeting of the shareholders and thank you for attending this auspicious gathering which is being held as part of Compliance. It is a great pleasure for me to be empowered to submit, on behalf of the Board of Directors, before you the Annual Report 2020-2021 along with the Audited Financial Statements, the Auditors' Report and the Directors' Report thereon for the year ended 30th June, 2021 as required under the Companies Act 1994 and Regulations of Bangladesh Securities and Exchange Commission for your kind review and observation, if any and approval thereof by you at this 7th Annual General Meeting.

You are all aware that, the Company's operational success mostly depends on the factors of socio-economic situation exist nationally and globally where we had to face the prevailing outbreak of Covid-19 engulfing the entire world, not yet known the human civilization as ever.

Now we would like to present before you the Annual Report for the year 2020-2021 showing the financial position, achievement and the notable performance of the Company.

As per condition No. 1(5) (XXV) of the Corporate Governance Code, 2018 issued by Bangladesh Securities and Exchange Commission (BSEC), the management's discussion and analysis representing detail analysis of the Company's position and operation along with a brief discussion of changes the financial statements for the year ended 2020-2021, among others, centering on: Turnover amounting to Tk. 782,239,281 for the year ended 30th June, 2021 as compared to Tk. 866,097,783 for the previous year, decreased by 9.68%

Earnings per share (EPS) stood Tk. 1.18 for the year ended 30th June, 2021 which was Tk. 1.37 in the year 2019-2020. Net Profit after tax stood Tk. 134,728,407 for the year ended 30th June, 2021 which was Tk. 156,243,664 in the year 2019-2020, decreased by 13.77%

Net Asset Value (NAV) per share stood Tk. 14.29 for the year ended 30th June, 2021 which was Tk. 13.61 in the year 2019-2020, increased by 4.99%

Dividend payout stood Tk. 49,314,488 for the year ended 30th June, 2021 which was Tk. 47,866,358 in the year 2019-2020, increased by 3.03%

Indo-Bangla Pharmaceuticals Ltd., strive all, for top quality health care products at the low cost reaching the lowest rungs of the economic class of people in the country. Our business policy and our priority is to drive long term value for investors through renewed focus on innovation and improving performance of Company to ensure maximum shareholders return and believe that the future the management of the Company would be ensured by your dynamic cooperation and suggestion. Bangladesh is inching ahead in doing business climate index and other socioeconomic indicators and had made remarkable progress in the growth rate of GDP and has already entered the socio-economic classification of Lower Middle Income Group targeting to reach higher Middle Income Group by 2021 and Higher Income Group by 2041 As a result GDP growth continues, the per capita income would rise leading to higher health care expenditures by families as well as the government. This is expected to augment the demand for pharmaceuticals at a higher rate than the existing level.

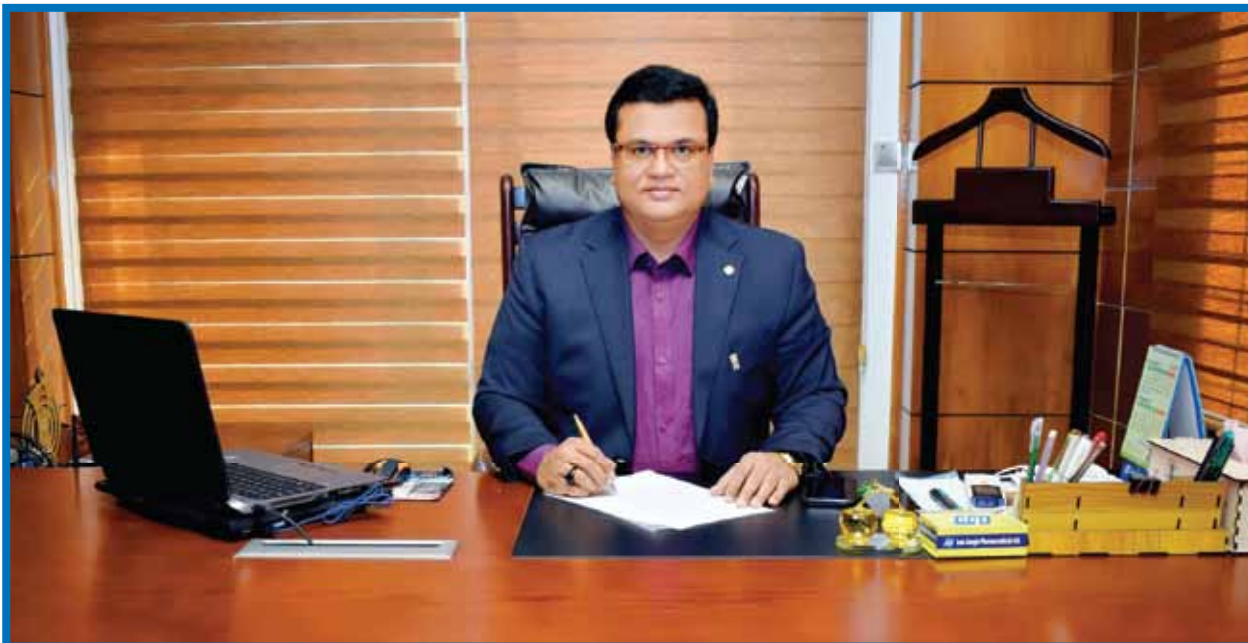
We hope the year 2021-2022 will be the successful year for Indo-Bangla Pharmaceuticals Limited. I remain confident that we are taking the right action to continue to grow the business and deliver value for money to our valued shareholders. Thank you for your continued support to us.

On behalf of the Board of Directors, I sincerely show my immense impression for the dedication, commitment and skills of the employees of all level and acknowledge for the contributions made by the managements. It is their efforts that drive the business forward, delivering excellent performance and strong growth across our business. We are grateful to our valued customers, well-wishers, valued Shareholders, healthcare professionals, Suppliers, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Central Depository Bangladesh Limited (CDBL), Registrar of Joint Stock Companies and Firms (RJSC), National Board of Revenue (NBR), Government agencies and all concerned for their continued support.

Thanking you all with best wishes and kindest regards.

Sd/-
(HafizaYeasmin)
Chairman

MESSAGE FROM THE MANAGING DIRECTOR



WE STRIVE FOR PROTECTION OF OUR SHAREHOLDERS CAPITAL AS WELL AS ENSURE HIGHEST RETURN AND GROWTH OF THEIR ASSETS.

4.99%

Rise in Net Asset Value
BDT 151.58 million



9.68%

Fall in Sales Revenue
BDT 83.83 million



1.44%

Rise in Dividend
Total BDT 49.32 million



Bismillahir Rahamanir Rahim

Dear Shareholders, Colleagues, Ladies and Gentlemen
Assalamu Alaikum Wa Rahmatullah.

It is a pleasure to welcome you all at this 7th Annual General Meeting of Indo-Bangla Pharmaceuticals Limited and thank you for attending the auspicious gathering which is being held as part of Compliance of the Regulations of the Companies Act, Bangladesh Securities and Exchange Commission and other provisions of Corporate Culture. As required, the Audited Financial Statements pertaining to the FY 2020-2021 along with Independent Auditor's Report and related report from the Audit Committee of the Board which is Chaired by an Independent Director, Report of the Directors on the operation and management of the affairs of the Company, proposals of the Management/Board of Directors on statutory requirement as well as future outlook etc., as embodied therein, have been sent to you in advance. I hope everyone has received the Annual Report and had the opportunity to review the operational results of the Company as well as the consolidated position thereof. I believe the Shareholders have had the satisfaction despite the operational threats faced by the industrial, commercial, economic and social disorder created by

the devastating Covid -19 that spared all over the World. Our efforts, dedication, hard work and determination to serve the nation and the people strengthen by ethical and moral fuel led us to attain the results and hold on to our position.

You are all aware that during the initial outbreak of COVID-19 in Bangladesh, health service across the country went through tremendous crisis. In this period the various operational hazards faced by the Company due to the devastating Covid-19 prevailed through the year, as a result the Turnover amounted to Tk. 782,239,281 for the year ended 30th June, 2021 as compared to Tk. 866,097,783 for the previous year, decreased by 9.68%.

On behalf of my fellow board members, I express my earnest thanks and profound gratitude to you all for your enormous support and coordination. It is a great pleasure for me to be empower to submit, on behalf of the Board of Directors, the Annual Report 2020-2021 containing the Directors' Report and Financial Statements for your kind review and observation, if any and approval thereof by you at this 7th Annual General Meeting.

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 (BSEC), the management's discussion and analysis representing detail analysis of the Company' position and operation along with a brief discussion of changes the financial statements for the year ended 2020-2021, among others, centering on: -

Turnover amounting to Tk. 782,239,281 for the year ended 30th June, 2021 as compared to Tk. 866,097,783 for the previous year, decreased by 9.68%

- ⇒ Earnings per share (EPS) stood Tk. 1.18 for the year ended 30th June, 2021 which was Tk. 1.37 in the year 2019-2020.
- ⇒ Net Profit after tax stood Tk. 134,728,407 for the year ended 30th June, 2021 which was Tk. 156,243,664 in the year 2019-2020, decreased by 13.77%
- ⇒ Net Asset Value (NAV) per share stood Tk. 14.29 for the year ended 30th June, 2021 which was Tk. 13.61 in the year 2019-2020, increased by 4.99%
- ⇒ Dividend payout stood Tk. 49,314,488 for the year ended 30th June, 2021 which was Tk. 47,866,358 in the year 2019-2020, increased by 3.03%
- ⇒ Enriching Product portfolio by introducing 4 new products.

You are aware that worlds' most of the country have been badly affected by the Corona pandemic and Bangladesh is no exception to that, for which Economy and Companies all are affected at certain ranges. Indo-Bangla Pharmaceuticals Limited also effected by COVID-19 pandemic since its outbreak, is mostly dependent on India and China for raw materials, with 80 per cent of Raw Materials coming from these two countries. We opened several L/C to import raw materials with different banks on regular basis, but the shipment was delayed and the import of raw materials remained suspended since the beginning of this year amid the outbreak of coronavirus thus the supply chain disrupted, production hampered as well as reduced sales by the ongoing coronavirus crisis, has triggered uncertainties of a shortage of raw materials resulting in decreasing in earnings Per Share (EPS).

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 note no. 2.06 of the notes to the Financial Statements and other explanatory information.

Changes in Accounting Policies and estimation

No changes in accounting policies and estimation which effect on financial performance or results and financial position as well as cash flow in absolute figure for such changes was observed in the year under review and description on the issue is stated in the notes to the Financial Statements and other explanatory information of the Annual Report.

Comparative Analysis of Financial Performance and Operational Performance

Comparative analysis of financial performance or result and financial position as well as cash flows for current financial year with immediate preceding five years has been explained with reason thereof in the page no. 34 of the Annual report, 2021.

The financial and Economic scenario of Bangladesh and Global Position as under:

The global economy has been in its lowest point since the great depression due to covid-19 surge all over the world. The major economies were stunned with 50% decline in global consumption pattern. Economic growth is expected to shrink by 3% according the International Monetary Fund impacting unemployment, stocks and more.

Bangladesh was one of the fastest growing economics in the world in the immediate past few years with a steady growth performance that has helped to reduce poverty and social inequities. GDP growth was 8.2% in 2019 and remain positive at 3.8% in 2020 despite the grim effect of the Covid-19 pandemic prevailed internationally. According to the International Monetary fund, this is the 3rd height growth in the world and the height in Asia in 2020.

Opportunities in Pharmaceuticals Sector in Bangladesh

The pharmaceutical industry in Bangladesh is moving forward with great potential as 98% of the country's total demand for medicine is being met by domestic pharmaceuticals. In addition to meeting the domestic demand, the companies also export medicines to several countries of the world. According to the Export Promotion Bureau (EPB) figures, medicine worth U\$\$ 130 million have been exported so far in 2019 which was \$103.46 million the previous year, the growth rate being 25.56 per cent. The export volume during 2018 was U\$\$ 103.46 with a growth rate of 7.10 per cent. Global certification and adoption of new technologies along with efforts to make local medicine familiar abroad and cash incentives against exports of medicine are the key reasons for the sharp rise in exports earnings. The export earnings to a new high, exports to the United States of America played an important role and it is a great achievement and milestone for Bangladesh.

With a market value of about 3 billion, it currently accounts for about 1.83 percent of Bangladesh's GDP that contributes to the country's pharmaceutical industry. At present, 90% of the country's total pharmaceutical market is under local manufacturers and the remaining 10% is under multi-national institutions. Bangladesh currently manufactures more than 450 generic drugs for 5,300 registered brands as well as meet the demand of 4% of the country's anti-cancer drugs. About 80 per cent of the medicines currently manufactured in Bangladesh are generic drugs, and the remaining 20 per cent are patented drugs.

Challenges in near future

As a least developed country, Bangladesh would get patent exemption on pharmaceutical products till 2033 as per the TRIPS agreement with the World Trade Organization. However, since Bangladesh is looking forward to graduating from LDC by 2026, Bangladesh is likely to lose the patent exemption facility 7 years before the expiration date. Which may stop the development of the pharmaceutical industry in Bangladesh because if Bangladesh loses the benefits of the TRIPS agreement, pharmaceutical companies will have to enact new patent laws. As a result, manufacturing of many types of generic medicine is likely to cease.

Therefore, I would like to promise you that, our hard effort to increase the company's growth, wealth as well as to maximize the shareholder's equity will continue as before. Our effective and efficient management with skilled labor stands the main value drivers force of company. We strongly believe that the growth of the company, market stability as well as exercise good corporate governance of the Company will gradually rise in future by utilizing our optimum capacity through better corporate strategy.

I conclude by expressing my thanks to all employees of Indo-Bangla Pharmaceuticals Limited for the hard work they have put in during the last year. On behalf of the Board, I convey my sincere appreciation to our valued Business Partners, the Healthcare Professionals and Institutes, Suppliers and Government Authorities for their trust and continued support to the Company.

Finally, 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.



(A F M Anowarul Huq)
Managing Director

RELATIONSHIP BETWEEN BUSINESS ETHICS & CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

The Board of Directors of Indo-Bangla Pharmaceuticals Limited and the Management of the Company are committed for achieving high standards of Corporate Governance through increasing transparency, accountability and compliance with Bangladesh Securities and Exchange Commission's Notification dated 30 June, 2018.

Corporate Governance involves decision making processes for any corporate body as a going concern for the benefit of all concerned, present and future. These decisions may be categorized as policy & strategic, operational and executing, performance & evaluation and sharing of the accretion assets between present & future cohorts. The involvement of the entrepreneur in all these areas invokes decision making governance on a continuous basis, the degree of involvement being variable with the extent of delegation of authority top down and reporting for accountability bottom up of the Management echelon. These aspects of governance are shared by the Board of Directors, Executive Management, operational participants and workers and others in fulfillment of the common goals that converge in increasing the benefits of all stakeholders.

To this end entire corporate governance efforts are blended with "good governance practices" as ethically and morally acceptable standards under a given socio politico environmental phenomenon of our society in which we work, live and exist. The organisms through which the corporate governance functions are carried out are:

Corporate Governance Principle

- **Transparency:** Business operation and other activities are transparent in all respect.
- **Accountability:** All concerned parties, including the Board of Directors and Management of Indo-Bangla Pharmaceuticals Limited, are aware of their duties and responsibilities.
- **Rule of Law:** Management and Operations are governed in line with the relevant Laws, Regulations, Terms of References (ToR), and Board of Directors decisions.
- **Participation:** Recognition of the right of the shareholders as well as stakeholders to participate in the Company's activities.
- **Value of Money:** All investments and resources utilization meet targeted financial and economic returns.

BOARD OF DIRECTORS

Constitution

The Board of Directors consist of Five (5) members including the Independent Directors with versatile knowledge, professional skills and experience which provides a balancing character in decision making process. There is a clear division of responsibilities between the Chairman's functions and that of Managing Director. The Chairman is mainly responsible for chairing the Board Meeting as well as the Annual General Meeting. On the other hand, the Managing Director is responsible for implementing and coordinating the Company's corporate and commercial programs to achieve its business objectives.

The present members of the Board of Directors are as follows:

Name	Position
Mrs. Hafiza Yeasmin	Chairman
Mr. A F M Anowarul Huq	Managing Director
Md. Golam Rabbani	Director
Mrs. Fatima Parvin	Director
Md. Iftikhar-Uz-Zaman	Independent Director

During the year under review the board held 9 (nine) meetings to transact various agenda.

The Board is re-constituted every year at each Annual General Meeting when one-third of the members retire and seek re-election. A director is liable to be removed if the conditions of the Articles of Association and the provisions of the Companies Act 1994 are not fulfilled.

ROLE AND RESPONSIBILITIES:

The main role of the Board of Directors, which is the highest level of authority, is to provide general superintendence, oversee the operations and control the affairs of the company through appropriate delegation and accountability processes via the lines of command. However, the Board of Directors hold the ultimate responsibility & accountability with due diligence for conducting the activities of the company as per provisions of law in the interest of the shareholders, the stakeholders, the state and the society. The Board of Directors, in fulfillment of its responsibility hold periodic meetings, at least once a quarter and provide appropriate decisions/ directions to the Executive Management. Such meetings usually consider operational performance, financial results, review of budgets, capital expenditure proposals for BMRE or new projects/divisions/product lines, procurement of funds by issue of shares or borrowing, procurement of raw materials, plant & machinery, pricing of products/ discounts, recruitment, training and promotion of officers, approval of audited accounts and distribution of dividends and other interest of the stakeholders including the employees and workers.

The Board of Directors take special care in designing and articulating productivity and compensation plans of employees and workers and rewarding them appropriately on the basis of quality and quantity of performance as an incentive. Board also remains responsible for removal of operational hazards to life and health of workers, friendly environmental work condition and social relationship as demanded of good citizen in a country. The Board has authorized the formation of a number of Committees to implement the stated policies and activities. The Committees are: Audit Committee, NRC Committee. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are in place for detection of errors frauds and other deficiencies. The other responsibilities include inter alia, not being limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government and any other interest groups and detect or remove any scope of insider trading in the company's stock. The Audit Committee also ensures compliance of requirements of BSEC and other agencies. The details about Audit Committee including composition, responsibilities, meetings, reporting and activities carried by the Audit Committee is disclosed in the Annual Report in "Report of the Audit Committee".

RELATIONSHIP WITH SHAREHOLDERS AND GENERAL PUBLIC:

The shareholders as owners, are required to be provided with material information on the company's operation quarterly, half-yearly and annually, the latter at the AGM. They are also provided routine services by the Company Affairs Division in matters of their various queries, shares related queries, payment of dividends etc. The Board is however responsible to the public for publication of any price sensitive information as per BSEC regulation. A qualified Chartered Secretary is in charge for all these responsibilities as Company Secretary.

RELATIONSHIP WITH SUPPLIERS:

As the company has to import plant and machinery and almost all the raw materials from abroad, it maintains cordial and mutually beneficial interest with its international as well as local suppliers. This has enabled the company to avoid any legal disputes in international/local courts and enhanced the company's image as a good customer

RELATIONSHIP WITH GOVERNMENT:

In its role on accountability to the government, the Board of Directors ensure payment of all dues to government in the form of import duty, custom duty and port charges, VAT, Corporate Taxes and other levies as and when they become due on the basis of actual operations and make sure to avoid corruption. This has enabled the Company to enhance its contribution to the National Exchequer on a progressive rate year after year.

RELATIONSHIP WITH FINANCIERS/BANKERS:

The Board oversees the Financial transactions and ensures to meet company's commitments to the lenders without default. This has resulted in securing lower interest rates from them.

CORPORATE SOCIAL RESPONSIBILITIES (CSR):

The Board of Directors is also awoken of the Corporate Social Responsibilities (CSR) especially in the areas of gender equality, race, religion, regional equality, non-employment of child labor, human rights, environmental pollution, social-marketing, social activities.

CODE OF CONDUCT:

The Board has laid down a "Code of Conduct" for the Board members of the Company based on the recommendation of the Nomination and Remuneration Committee. The Board members have certified that they have read, received, understood and affirmed compliance with the codes as framed to ensure and practice sound corporate governance of the Company.

SEPARATE ROLE OF THE CHAIRMAN AND MANAGING DIRECTOR

The positions of Chairman of the Board and the Managing Director of the Company are filled by different individuals who are member of the Board. The Chairman of the Board

elected from the non-executive directors of the company as per requirement of Bangladesh Securities and Exchange Commission (BSEC). Mrs. Hafiza Yeasmin is the Chairman of the Company and responsible for the functions of the Board while Mr. A F M Anowarul Huq is the Managing Director serves as the Chief Executive Officer of the Company.

Chairperson’s core responsibilities:

- Determines board strategic declaration;
- Provides leadership for the Board;
- Encourages a culture of openness to foster a high-performing team of Directorship that operates effectively;
- Facilitates the relationship between the Board and the Managing Director;
- Maintains effective communication between the Board, Management of the Company and shareholders generally.

Managing Director’s core Responsibilities:

- Provides leadership for the management;
- Oversees the realization by the Company of the objectives determined by the Board;
- Provides information to the Board as is necessary to enable the Board to monitor the performance of Management;
- Leads the Management of the Company’s relationship with its stakeholders;
- Puts in place programs for Management development and succession;
- Establishes and maintains proper internal controls and risk mitigation;
- Discharges such duties and authorities as may be delegated in writing to him by the Board of Directors.

CHIEF FINANCIAL OFFICER, COMPANY SECRETARY AND HEAD OF INTERNAL AUDIT AND COMPLIANCE

The Company has appointed Mr. Md. Faruque Hossain as Chief Financial Officer, Mr. Mohi Uddin, QCS as Company Secretary and Mr. Md. Abu Taleb as Head of Internal Audit of the company as per requirement of Bangladesh Securities and Exchange Commission (BSEC).

BOARD OF DIRECTOR’S COMMITTEE: AUDIT COMMITTEE

The Board has formed an Audit Committee of the Board consisting of three (3) member to assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and ensuring a good monitoring system within the business.

The Board of Directors has formed an Audit Committee of the Board, the committee comprised of Mr. Md. Iftikhar-Uz-Zaman, Independent Director, Mr. Md. Golam Rabbani, Director and Mrs. Fatima Parvin, Director. All the members of the Committee are Non- Executive Directors and the

Chairman of Audit Committee is an Independent Director.

The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee shall also co-ordinate with the Internal and external Auditors as and when required. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are in place for detection of errors frauds and other deficiencies. The other responsibilities include inter alia, not being limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government and any other interest groups and detect or remove any scope of insider trading in the company’s stock. The Audit Committee also ensures compliance of requirements of BSEC and other agencies. exercise such other powers as may be delegated/directed by the Board of Directors from time to time.

The Audit Committee of Indo-Bangla Pharmaceuticals Limited is comprised of 3 (three) Members of the Board of Directors including 1 (one) Independent Directors. The composition of the present members of Audit Committee as follows:

Name	Position
Md. Iftikhar-Uz-Zaman Independent Director	Chairman
Md. Golam Rabbani	Member
Mrs. Fatima Parvin	Member

Mr. Mohi Uddin, QCS Company Secretary is the Secretary to the Audit Committee. The number of the meeting held during year ended June 30, 2021 were 4 (four). The details of the Audit Committee including background, composition, responsibilities, meeting, reporting and activities carried out by the Audit Committee is disclosed in this Annual Report in “Report of the Audit Committee”

NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors formed a Nomination and Remuneration Committee of the Board comprising of three Non-Executive Directors namely MD. Iftikhar-Uz-Zaman, Independent Director, Md. Golam Rabbani, Director and Mrs. Fatima Parvin, Director. The Chairman of the Committee is an Independent Director. The terms of reference of the Nomination & Remuneration Committee inter alia include to determine the Company’s policy on specific remuneration packages for executive directors, to review, recommend and/or approve remuneration to whole-time Directors, to review and approve the Remuneration Policy of the Company, to formulate criteria for evaluation of Independent Directors and the Board, to devise a by the Board of Directors from time to time.

The Nomination and Remuneration Committee of Indo-Bangla Pharmaceuticals limited is comprised of 3 (three) Members of the Board of Directors including 1 (one) Independent Director. The composition of the present members

Nomination & Remuneration Committee (NRC) as follows:

Name	Position
Md. Iftikhar-Uz-Zaman	Chairman
Md. Golam Rabbani	Member
Mrs. Fatima Parvin	Member
In attendance	- Chairman - Managing Director - External Advisor by invitation - Any Non-Executive Director are shall be entitled to attend the committee's meetings.

Mr. Mohi Uddin, QCS Company Secretary is the Secretary to the nomination & Remuneration Committee. The number of the meeting held during year ended June 30, 2021 were 2(two).

EXECUTIVE MANAGEMENT:

The Executive Management is led by the Managing Director who is appointed by the Board of Directors for a term of 5 years (renewable) with the approval of shareholders in the Annual General Meeting. The Managing Director is supported by professional, well educated, trained and experienced team consisting of Directors, General Managers and a host of Senior Executives in the hierarchy of management. The Board has approved an organogram with modern features ensuring clear lines of delegation of authority and reporting for accountability for effective decision making evaluation of performance on merit for both rewarding and disciplinary action. The Executive Management is responsible for preparation of budgetary segment plans/ sub segment plans for every cost/profit centers and are held accountable for performance therefore. The Executive Management is aided by committee(s)/sub-committee(s) in carrying out its functions. policy on Board Diversity, to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and to discharge such other functions.

OTHERS GOVERNANCE APPARATUS:

The Company, in its efforts for Corporate Good Governance Practices, uses a series of top ranking professional service providers including Legal experts, Bankers, Insurers and Technical experts who continuously assist the Board of Directors and the Executive Management in properly discharging their duties to all the shareholders, stakeholders, the Government and the public as highlighted below:

INDEPENDENT DIRECTOR

In compliance of the BSEC Regulations on Good Governance, the Board of Directors as empowered by the Regulations, appointed Mr. Md. Iftikhar-Uz-Zaman, former Managing Director of Investment Corporation of Bangladesh (ICB). He joined ICB in 1983 as Senior Officer. During his 34 years long professional career he rendered his duties as

the CEO of ICB Capital Management Ltd. (ICML), GM of ICB, Chairman of ICB Securities Trading Company Ltd. (ISTCL) & ICB Asset Management Company Ltd. (IAMCL), DMD of Janata Bank Ltd. & ICB. Independent Director with an expectation that his expertise would help contribute to the further disclosure and protect the interest of the stakeholders, investors in general and smaller investors in particular.

FINANCIAL AUDITOR

The role of the auditors in certification of the financial statement is the most significant aspect of Corporate Governance and protection of interest of investors. As evident from the Annual Reports, the company rigidly follows the Companies Act, Rules of Bangladesh Securities and Exchange Commission, listing regulation, code of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Standard of Auditing (ISA) with legally required disclosures of Accounts and Financial Statements.

All this has been possible due to the high level capability and integrity of M/s. Fames & R., Chartered Accountants whose unchallenging performance has played a very trustworthy role in the protection of interest of the investors.

Pursuant to the Companies Act-1994 every Company shall, at each Annual General Meeting appoint an auditor to hold office from conclusion of the Annual General meeting until the next Annual General Meeting. As per Regulation-15 (2) Dhaka & Chittagong Stock Exchange (Listing) Regulation-2015, The issuer of listed securities shall not appoint any firm of chartered accountants as its statutory auditors for a consecutive period exceeding three years. In this connection, M/s. Fames & R, Chartered Accountants, the present Statutory Auditor of the company has not been completed a consecutive period of three years, thus M/s. Fames & R, Chartered Accountants, being eligible to re-appointment for performing the auditing of financial statements of the Company. Therefore, the Board of Directors recommended the appointment of M/S. FAMES & R. Chartered Accountants, as the Statutory Auditor of the Company for the Financial Year 2021-2022 and to continue the next Annual General Meeting subject to approval of the shareholders at the forthcoming 7th Annual General Meeting of the company."

COMPLIANCE AUDITOR

The compliance auditors is responsible in certification on compliance of conditions of Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards of Institute of Chartered Secretaries of Bangladesh. Therefore, the Board of Directors recommended the appointment of M/S. Harunur Rashid & Associates, as the Compliance Auditor of the Company for the Financial Year 2021-2022 and to continue the next Annual General Meeting subject to approval of the shareholders at the forthcoming 7th Annual General Meeting of the company."

LEGAL ADVISERS:

In order to avail the best legal services for Good Corporate Governance, the company has appointed Mr. Shahadat Hossain and Mr. Humayun Kabir to support the Company's Good Governance efforts.

BANKERS:

The degree of efficient business operation largely depends on the quality of efficiency of banking services received by the company. Efficient banking service brings down cost of operations. On the other hand, cost of financial services and interest on the lending by the banks are also required to be the minimum. With this end of view, the company has established long term business relationship with the banks namely First Security Islami Bank Ltd., Sonali Bank Ltd., Dutch-Bangla Bank Ltd., Pubali Bank Ltd., Mercantile Bank Ltd., and Islami Bank Ltd., who provide most efficient service at minimum cost that benefit the shareholders. The company has neither ever defaulted in any commitment with its Bankers nor did get entangled in legal dispute at any court premises.

INSURER

Insurance services cover certain operational risks which are required by law/business practices to be covered by legitimate insurance service providers for protection of the interest of the company and the investors. To this end, the company has to select insurer with the most efficient, reputed and financially sound history so that claims, if any, are settled promptly and the premium rates are market competitive. The company, based on these considerations, is maintaining insurance business relationships with the highly reputed and publicly listed insurance companies namely Islami Insurance Ltd., The company has not yet faced any dispute over any claims and the company enjoys special premium rates which protects the interest of the investors.

INTERNAL AUDIT AND CONTROL:

The Indo-Bangla Pharmaceuticals Limited considers that internal audit is one of the important regular function of the Company. The Company has an independent internal audit department under control of the Audit Committee of the Board. Department of Internal Audit and Control gives effort to bring a methodical disciplined approach to evaluate and improve the effectiveness of the organization's risk management process, system of the internal control and governance.

SHAREHOLDERS' RELATIONSHIP:

Corporate Governance issues include how major policy decisions are made in business corporations, how various stakeholders can influence the process, who is held accountable for performance and what performance standards are applied. In a nutshell power and influence are crucial in corporate governance.

As shareholders belong to the most important stakeholders, ownership structure has an impact on the balance of

power among shareholders. Though sponsors usually hold majority shares required for ordinary resolutions, public shareholders have a definite role and influence in the passing of special resolutions required for changes in the business object, sale of business/productive assets, merger and amalgamation, winding up or dissolution and amendments to Memorandum and Articles of Association for protection of minority interest up to 56.18% of the shareholdings. The position of shareholders as on 30th June, 2021 indicates that the sponsors of the company do not hold the required shareholdings (75%) for passing special resolutions. This allows the public shareholders (individuals & institutions) to play an effective role in protecting their legal corporate rights. The Company holds regularly as per law the Annual General Meeting with adequate notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes and resolutions are passed with consensus and unanimity. All reasonable and practicable suggestions are implemented with good grace. Special Resolutions are passed in General Meeting with due notices periods. All enquiries are attended by the Company Secretary. Where necessary, Internal Audit Committee investigates matters of significant merit for consideration by the Management Committee/Managing Director/Audit Committee of Board/Board of Directors as the case may be. The Shareholders as owners are provided with material information on the Company's operation quarterly and annually. They are also provided routine services by the Company Secretary in any company matters which is permissible. The Board is however responsible to the Shareholders as well as investors for publication of price sensitive information as per regulations of Bangladesh Securities and Exchange Commission.

Total No of Shares	11,37,37,140	100%
General Public	4,91,16,228	43.18%
Sponsor & Director	4,98,45,013	43.83%
Foreigners	1,41,521	0.12%
Institutions	1,46,34,378	12.87%

The Company has also a web site to provide permissible information, notices, price sensitive information, financial reports, disclosures and others for the Shareholders and interested investors.

DIVIDEND DISTRIBUTION POLICY:

Ethics is an ingredient of Good Governance and involves a determination of what is right and what is wrong and deals

with things to be sought and things to be avoided with way of life and the end of life. Ethics invokes the management of the environment within which we function from a perspective broader than, but obviously inclusive of, the current cohort. Since the corporate environment is in theory an infinitely lived entity owned by finitely lived shareholders, a governance ethic must represent a system that serves the needs of the current ownership while preserving the ability of the corporation to sustain itself and benefit future cohorts.

The corporate ethic must necessarily promote efficiency in coexisting with the environment to generate the quality of life for a current cohort and yet also provide an equity that does not disadvantage a future cohort by the decisions of a current cohort.

As an environmental ethic analogy, those living today naturally believe in dividend payouts today with less regard for the consequence tomorrow and those living tomorrow would prefer dividend payouts tomorrow without regard for the sacrifices we make today to allow their greater consumption tomorrow.

Based on the above concept, the company is committed to show a stable policy of distribution (cash outlay) of the accretion wealth (profits) between the current and the future generation of shareholders. This would enable the company to enhance its capital wealth and sustain for perpetuity of existence, benefiting both the present cohorts and the progeny. Future generation of shareholders. This would enable the company to enhance its capital wealth and sustain for perpetuity of existence, benefiting both the present cohorts and the progeny.

CORPORATE SOCIALIZATION:

In order to play a model role for Good Governance characteristics in the corporate sector, the company has become members of chamber

- Barisal Chamber of Commerce & Industries (BCCI).
- Dhaka Stock Exchange Ltd. (DSE)
- Chittagong Stock Exchange Ltd. (CSE)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Central Depository Bangladesh Limited (CDBL).
- Bangladesh Association of Pharmaceutical Industries (BAPI)

These memberships have provided scope to the company for improvement of Corporate Governance Practices for the benefit of the shareholders as well as stakeholders.

SECRETARIAL STANDARD:

Indo-Bangla Pharmaceuticals Ltd., try their best maintaining of the Secretarial Standard on meetings of the Board of Directors, Members (shareholders), Minutes and Dividend issued by the Institute of Chartered Secretaries of Bangladesh. A qualified Chartered Secretary is in charge for maintaining of the Secretarial Standard.

COMPLIANCES:

Indo-Bangla Pharmaceuticals Ltd., has an established procedure to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

Publication of Price Sensitive Information (PSI)		
During the reviewed period, Indo-Bangla Pharmaceuticals Limited have published in national daily and online newspapers for following information as Price Sensitive Information and Notice to the Stakeholders:		
Disclosure	Publication date	Newspaper for publication
Major financial indicators for the year ended June, 2020 and 6th AGM related disclosure	28 October, 2020	<ul style="list-style-type: none"> • The Bangladesh Today • The Daily Share Biz • Sharebazar News
Publication of First Quarter (Q1) financial result period ended 30 September, 2020	12 November, 2020	<ul style="list-style-type: none"> • The Bangladesh Today • The Daily Share Biz • Aurthoshuchak
Notice for the 6th Annual General Meeting	10 December, 2020	<ul style="list-style-type: none"> • The Bangladesh Today • The Daily Share Biz • Stockmarketbd
Annual Report disbursement notice	10 December, 2020	<ul style="list-style-type: none"> • The Bangladesh Today • The Daily Share Biz • Stockmarketbd
Publication regarding Virtual AGM	27 December, 2020	<ul style="list-style-type: none"> • The Bangladesh Today • The Daily Share Biz • Aurthoshuchak
Publication of Second Quarter (Q2) financial result period ended 31 December, 2020	27 January, 2021	<ul style="list-style-type: none"> • The Bangladesh Today • The Daily Banik Barta • Pujibazar Report
Publication of Third Quarter (Q3) financial result period ended 31 March, 2021	30 April 2021	<ul style="list-style-type: none"> • The Business Standard • The Daily Share Biz • Sunbd.com



Since 1954 Indo-Bangla is working for the healthcare development of Bangladesh to ensure health, heartiness and happiness for mankind.

www.indo-banglapharma.com



WE OFFER

Indo- Bangla Pharma currently produces more than 90 brands and applied for 15 new Brand. Indo-Bangla Pharma's portfolio encompasses various the categories, including analgesics, respiratory, cardiovascular, central nervous system, dermatology, gastrointestinal etc. The company has sound expertise with specialized and advanced drug delivery systems that have created strong differentiation. Many of its brands remain consistent leaders in their respective therapeutic categories and the company continuously reviews and expands its product portfolio in order to ensure that people have access to newer, better treatment options at affordable cost. The expanding portfolio, including high value, differentiated, and difficult to copy products will continue to drive strong growth in the coming days.



MANUFACTURING CAPABILITIES

In line of International standards, our state of the manufacturing facilities is spread across a 37.40 decimals area located near the heart of Barisal city, Barisal, which houses facilities for manufacturing tablets, capsules, intravenous fluids, liquids, suppositories, injectable as well as the bulk paracetamol production unit. There are also water purifying and liquid nitrogen generation facilities. Currently being Constructing with large capacity to provide to the emergent demand.



Total Quality Management

QUALITY COMPLIANCE:

To preserve and improve patient health by consistently delivering high quality, safe and effective specialty pharmaceutical products and services, that meet or exceed customer expectations. IBPL is committed to successful deploying our company's Quality Policy to all aspects of our activities - assuring continued high quality, usefulness and effectiveness of products for our customers. Having an experienced workforce, equipped with continuing education and training in emerging Quality techniques and philosophy.

QUALITY CONTROL:

We have a separate Galenical laboratory for R & D, equipped with all the necessary machineries & equipment of current GMP standard in small scale for the team to develop products.

IBPL Quality Control Department guide and support in analytical development. Quality Control Department is equipped with highly sophisticated instruments like UPLC, Gas Chromatography, Atomic absorption spectrophotometer, FTIR, etc. A highly sophisticated microbiology laboratory has been setup to cater to the need for quality control of regular products as well as control of all the different biological products that the company produces.

RESEARCH & DEVELOPMENT

"As commitment to discovery and development of drug, IBPL has an ironic and unique pipeline that is persistently surfacing."

A part from the hundreds of different drug contenders and new technologies under our investigation in our laboratories, we significantly identify and strictly prioritize those with the greatest potential to deliver new standards of care-critical for our commitment to produce the best therapies.

our intent to develop drugs that accurately target biological processes in patients with specific disease profiles, with companion diagnostics to identify those people who will receive most benefit.

We proactively utilize external resources and specialist excellence at every stage of the R&D process – enabling us to deliver as many innovative new drugs as possible. In the drug discovery & development phase, we partner and collaborate with public and private organizations to harness complementary capabilities to medical science.



OUR PEOPLE

Indo-Bangla Pharmaceuticals' success and accomplishments story lies on 357 strong & skilled workforces, who have stood by the company through thick and thin. The IBPL workforce is charged with the life-force from highly skilled and dedicated professionals. People are our most valuable assets and we always recognize that the essence of this company and their collective resolve to excel - will propel us forward to reach new heights. We seek to provide a workplace that inspires people to be the best they can be. Our ability to transform ourselves is driven by a strong emphasis on employee empowerment at every level.

PRODUCT MANAGEMENT:

The Product Management Department lies in the center of all marketing activities. A dedicated team with excellent professional background comprising Pharmacists, Biochemists, MBAs and Microbiologists work in this department. They formulate the strategies to uphold the market share of company's products, select and introduce new products to keep the company growing and develop promotional materials for the sales people to win in the market.

MARKETING:

The marketing Department plays an important part, as they do the implementation part of all strategies. A large team with highly skilled sales people work throughout the country to bring in success for the company. Team spirit remains as the key to success of the sales department of Indo-Bangla Pharmaceuticals Ltd.

Corporate Social Responsibility



CORPORATE SOCIAL RESPONSIBILITIES

As our strategic commitment; corporate social Responsibility (CSR) is an integral part of our company and continually guided by ethical values to operate responsibly in socio-economic context. We truly believe one can only be affluent if one generates value not just for the company but also for the society. We contribute to society by supporting the communities to achieve sustainability and growth by improving the health and well being.

The company believes in enriching the lives of people by providing innovative high quality medicines with affordable price. We strongly believe in stirring the lives of people of employees by giving them the scope of growth and achievement, providing fair employment conditions and having a safe & health environment.




We support charitable projects in area of healthcare through Rotary, support various Mosque, School and NGOs in selected programs, arrange & participate medical camps and consistently reach out beyond the boundaries of our company to touch societies in which we work. We assist and provide aid in the event of disasters and other emergency situations.



We demonstrate our commitment towards environment by following environment friendly practices across the organization and ensuring manufacturing facilities continuously reducing impact on the environment.

PRODUCT PORTFOLIO



Group	Trade Name	Generic Name
	 <p>Protobit 20 Omeprazole 20mg Each Capsule Contains Omeprazole BP 20 mg (as enteric coated pellets) ibp 100 Capsules</p>	Omeprazole BP (Enteric Coated Pellets)
	Capsule Indonix 20	Esomeprazole Magnesium Trihydrate USP equivalent to Esomeprazole 20mg (as enteric coated pellets)
Analgesics- Antipyretics	 <p>প্যারামল প্লাস ParamolPlus 500mg & 65mg .</p>	Paracetamol BP Caffeine BP
	Tablet Paramol 500 mg	Paracetamol BP
	Suspension Paramol	Paracetamol BP
		
Anthelmintic	Tablet Albendox 400mg	Albendazole USP
Anti-Asthmatic Preparations	Tablet Indokast 10	Montelukast Sodium

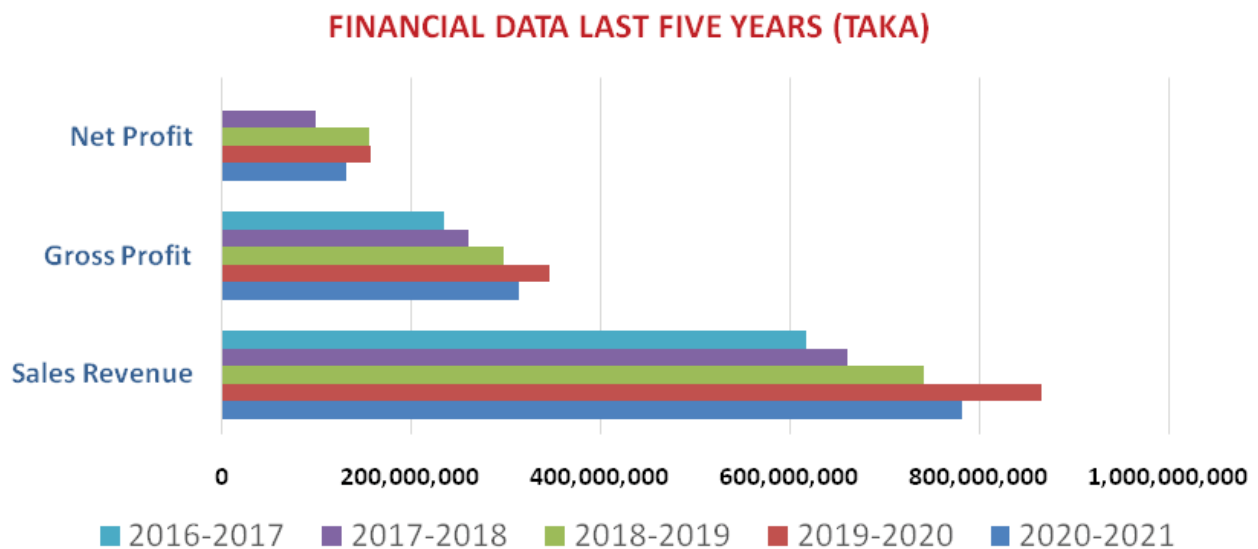
Group	Trade Name	Generic Name
Gastrokinetic & Antiemetic Preparations	Tablet I-Pedom 10mg	Domperidone Maleate BP
	 	
Antiprotozoal Preparations	 Tablet Metrol 400 mg	Metronidazole BP
	Tablet Metrol 200 mg	Metronidazole Benzoate BP
Non-Hormone Sex Stimulant Drugs	Tablet Makmaul Sanagra -50mg	Sildenafil Citrate BP
	Tablet Makmaul Sanagra -100mg 	Sildenafil Citrate BP

Non-steroidal Anti-inflammatory Drugs Preparation	Tablet Inket 	Ketorolac Tromethamine USP
	Capsule I-Cin 25 mg	Indomethacin BP
	Capsule Indofenac-TR	Diclofenac Sodium BP Timed Release Pellets
	Tablet Indoprox E Plus	Naproxen BP & Esomeprazole Magnesium Trihydrate BP
	Tablet Indofenac-50	Diclofenac Sodium BP
ORS Preparations	I-B Oral Saline	Sodium Chloride BP Trisodium Citrate Dihydrate BP Potassium Chloride BP Glucose Anhydrous BP
STEROIDS	Tablet Daxtrin 0.5 mg	Dexamethasone BP
	Tablet I-Solone 5 mg	Prednisolone BP
Vitamins & Minerals	Tablet Riboflavine	Riboflavin BP
	Tablet Calfresh-M 	Calcium Carbonate BP, Vitamin D3, Magnesium Oxide BP, Zinc Oxide BP, Cupric Oxide Ph.Gr., Manganese Sulphate Manahydrate BP, Boron Citrate Ph.Gr.

CORPORATE OPERATIONAL RESULTS

Summary of key operating and financial data for the least preceding 5 (Five) years are as follows:

Financial Highlights.



Operational Result	Amount in Taka				
	2020-21	2019-20	2018-19	2017-18	2016-17
Turnover	782,239,281	866,097,783	740,714,183	659,971,100	616,711,210
Gross Profit	312,936,000	346,450,050	296,550,952	260,400,732	234,910,917
Profit from Operation	177,952,858	222,667,522	178,281,873	153,178,111	132,222,600
Net Profit before tax	169,343,500	217,005,550	180,778,346	151,529,230	135,957,956
Net Profit after Tax	134,728,407	156,243,664	155,226,689	98,493,999	88,372,671
Net Operating Cash Flow per Share	1.33	1.54	1.70	1.20	1.09
Financial Position	2020-21	2019-20	2018-19	2017-18	2016-17
Non-Current Assets	1,295,291,134	1,126,809,674	818,523,321	654,019,821	536,553,973
Current Assets	595,555,779	612,456,404	767,224,351	565,947,614	541,115,957
Shareholder's Equity	1,625,418,375	1,517,598,176	1,374,627,332	1,036,100,643	937,606,643
Current Liability	157,253,535	126,947,217	144,361,259	116,617,191	101,883,096
Non-Current Liability	108,175,003	94,720,685	66,759,081	67,249,601	38,180,191
Key Financial Ratio	2020-21	2019-20	2018-19	2017-18	2016-17
Current Ratio	3.79	4.82	5.31	4.85	5.31
Quick Ratio	1.71	1.89	2.36	2.40	2.75
Debt to Equity Ratio	0.096	-	-	-	-
Net Income Ratio (%)	17.22%	18.04%	20.96%	14.92%	14.33%
Return on Equity (%)	8.57%	10.80%	12.88%	9.98%	9.89%
Earnings Per Share	1.18	1.37	1.39	1.35	1.21

DIRECTOR'S REPORT TO THE SHAREHOLDERS

To the Members for the 12th months period ended 30 June, 2021



Bismillahir Rahmanir Rahim
Distinguished Shareholders,
Assalamu Alaikum Wa Rahmatullahi Wa Barakatuhu,

In terms of provisions of section 184 of the Companies Act 1994, Rule 12 (and the Schedule there under) of the Bangladesh Securities and Exchange Rules, 1987, BSEC Notification dated 3 June, 2018, International Accounting Standards-1 as adopted by The Institute of Chartered Accountants of Bangladesh and Finance Act, it is the pleasure of the Board of Directors to submit the Audited Financial position, Statements of Profit or Loss & other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity along with the Auditors Report thereon Report to the Share-holders for the reporting period ended June 30, 2021 for your valued consideration in the following paragraph:

OPERATIONS AND STATE OF AFFAIRS OF INDO-BANGLA PHARMACEUTICALS LIMITED

As per condition No. 1(5) (XXV) of the Corporate Governance Code, 2018 issued by Bangladesh Securities and Exchange Commission (BSEC), the management's discussion and analysis representing detail analysis of the Company' position and operation along with a brief discussion of changes the financial statements for the year ended 2020-2021, among others, centering on: -

- Turnover amounting to Tk. 782,239,281 for the year ended 30th June, 2021 as compared to Tk. 866,097,783 for the previous year, decreased by 9.68%
- Earnings per share (EPS) stood Tk. 1.18 for the year ended 30th June, 2021 which was Tk. 1.37 in the year 2019-2020.
- Net Profit after tax stood Tk. 134,728,407 for the year ended 30th June, 2021 which was Tk. 156,243,664 in the year 2019-2020, decreased by 13.77%
- Net Asset Value (NAV) per share stood Tk. 14.29 for the year ended 30th June, 2021 which was Tk. 13.61 in the year 2019-2020, increased by 4.99%
- Dividend payout stood Tk. 49,314,488 for the year ended 30th June, 2021 which was Tk. 47,866,358 in the year 2019-2020, increased by 3.03%
- Enriching Product portfolio by introducing 4 new products.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT.

The pharmaceutical industry in Bangladesh is moving forward with great potential as 98% of the country's total demand for medicine is being met by domestic pharmaceuticals. In addition to meeting the domestic demand, the companies also export medicines to several countries of the world.

Manufacture of pharmaceuticals is now one of the largest capital-intensive white-collar industries in the country, which has grown tremendously over the past few decades. So that the country can continue to produce a wide range of medicines at competitive costs and enjoys comparative advantage in the sector as cheap labor and raw materials, a favorable World Trade Organization (WTO) regime and adequate supply of skilled manpower.

A few decades ago, the country was dependent on imported medicines as well as drugs produced by multinational companies for meeting domestic demands. But now around 97 per cent of medicines are produced locally while imported medicines mainly belong to hi-tech genres. And the market share of the local manufactures is currently around 90 percent and 10 percent is controlled by foreign companies. It also mentioned that current export of Bangladeshi medicines to 147 countries, including Europe.



PHARMACEUTICALS INDUSTRY GEARING UP FOR THE FUTUR

According to the Department of Drug Administration currently the number of Pharmaceuticals companies stands at 273. The pharmaceuticals market of Bangladesh is expected to surpass \$6 billion by 2025 with an absolute growth of 114 per cent from its 2019 levels. The pharmaceutical market has been witnessing excellent growth in recent years, and it is expected to have a compound annual growth rate of more than 12 per cent during the 2019-2025 period. Market players estimate that the local market size of the sector was about Tk. 25,000 crore (\$3 billion) in 2019. In 2012, it stood at about Tk. 9,390 crore and in 2017 it hit Tk. 18,755.6 crore, according to the IMS Health Care Report.



The country's domestic pharmaceutical market size has been expanding during the current decade at a rate of around 15% and is expected to be worth Tk. 400 billion and 500 billion by the year 2022-2023 as Bangladesh's economy is growing with increased per capita income in 2019-20 of \$2554, while life expectancy increased to 73 years, Life expectancy of people has significantly increased — the average life expectancy of 66.4 years in 2002 rose to 73 years in 2021. Improved healthcare facilities and diagnosis with modern technology and rapid growth of chronic diseases due to change in lifestyle and environment factors are other reasons for the growth of domestic drug market.

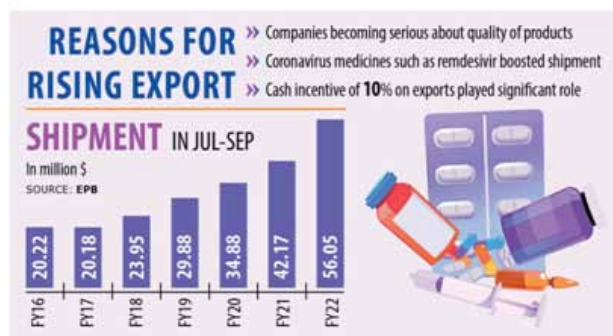
OPPORTUNITIES IN PHARMACEUTICALS SECTOR

With a market value of about 3 billion, it currently accounts for about 1.83 percent of Bangladesh's GDP that contributes to the country's pharmaceutical industry. According to a report by the Directorate General of Drug Administration (DGDA), there are currently 257 licensed pharmaceutical factories in Bangladesh. From which, 150 factories are continuing to operate as usual, meeting about 98 percent of the total demand of the country. At present, 90% of the country's total pharmaceutical market is under local manufacturers and the remaining 10% is under multinational institutions. Bangladesh currently manufactures

more than 450 generic drugs for 5,300 registered brands as well as meet the demand of 4% of the country's anti-cancer drugs. About 80 per cent of the medicines currently manufactured in Bangladesh are generic drugs, and the remaining 20 per cent are patented drugs.

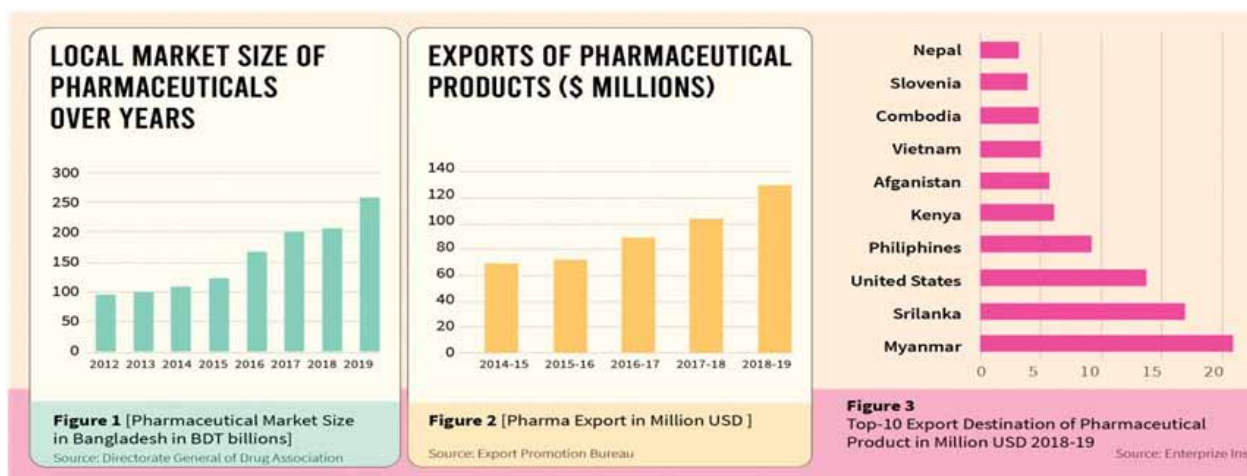


Over the past five years, the pharmaceutical industry in Bangladesh has been growing at a CAGR of 15.6% every year. In 2018, the pharmaceutical market size of Bangladesh was about 2.42 billion dollars, which increased to 3 billion dollars in 2019. According to a finding by Research-And Markets, the pharmaceutical market size will see a growth of 114% and will reach more than 6 billion dollars by the year 2025. In addition, Bangladesh has been able to earn 136 million in the 2019-20 fiscal year by exporting medicines to about 147 countries around the world. At present, the pharmaceutical industry in Bangladesh is trying to capture about 10% of the world market. 6 organizations of the country have already been able to get approval from the top regulatory bodies like World Health Organization (WHO), WTO, and WIPO.



According to the Export Promotion Bureau (EPB) figures, medicine worth U\$\$ 130 million have been exported so far in 2019 which was \$103.46 million the previous year, the growth rate being 25.56 per cent. The export volume during 2018 was U\$\$ 103.46 with a growth rate of 7.10 per cent. Global certification and adoption of new technologies along with efforts to make local medicine familiar abroad and cash incentives against exports of medicine are the key reasons for the sharp rise in exports earnings.

The export earnings to a new high, exports to the United States of America played an important role and it is a great achievement and milestone for Bangladesh. According to Bangladesh Association of Pharmaceutical Industries (BAPI), approximately 1,200 pharmaceutical products received registration for export in the last two years.



All the associated factors are in favor for the rapid growth Bangladesh pharmaceutical market and it is expected to grow with a CAGR of 15.6% during 2019-2025 period. The share of generic drugs is expected to surpass 85% by the 2025, which will further strengthen the dominance of local pharmaceutical companies in the market. In addition to this, the presence of leading multinational pharmaceutical companies is also increasing in Bangladesh, which is indicating towards the competitive landscape in upcoming years.

- **Bangladesh Pharmaceutical Market Opportunity: More Than US\$ 6 Billion by 2025**
- **Share of Local Pharmaceutical Companies: >90%**
- **Share of Generics Drugs in Pharmaceutical Market: >75%**
- **Leading Drugs Market Insight by Availability, Dosage & Price Analysis**
- **Number of Ongoing Clinical Studies: > 300 Clinical Studies**
- **Pharmaceutical Exports Opportunity: > US\$ 450 Million by 2025**
- **Contribution to GDP 1.33%**

SCOPE TO GROW IN FUTURE

According to Business Communications Company (BCC) Inc, a US-based research organization, the global market for generic drugs is expected to reach \$533 billion by 2021 from \$352 billion in 2016 at a compound annual growth rate (CAGR) of 8.7%."Bangladesh is going to be a major global hub for high quality low cost generic medicine and vaccine. In reaping the benefits, Bangladesh needs to develop the knowledge and capacity to grab a bigger share of the global pharmaceutical market. Local drugs manufacturers of Bangladesh mainly produce generic drugs of the total amount, 80.0% are generic and 20.0% patented drugs.

Challenges in Near Future

As a least developed country, Bangladesh would get patent exemption on pharmaceutical products till 2033 as per the TRIPS agreement with the World Trade Organization. However, since Bangladesh is looking forward to graduating from LDC by 2026, Bangladesh is likely to lose the patent exemption facility 7 years before the expiration date. Which may stop the development of the pharmaceutical industry in Bangladesh because if Bangladesh loses the benefits of the TRIPS agreement, pharmaceutical companies will have to enact new patent laws. As a result, manufacturing of many types of generic medicine is likely to cease. If domestic manufacturers want to maintain production of these medicines, they may have to pay royalties on patents. As a result, the overall price of medicine in Bangladesh may increase. Otherwise companies will face patent violations and exports will be severely hampered. One of the biggest issues in Bangladesh's pharmaceutical industry is that the country's pharmaceutical companies are not paying much attention to research. As a result, there is a lack of innovation in the domestic pharmaceutical sector. Apart from this, one of the major threats in the pharmaceutical industry of Bangladesh is counterfeit and substandard medicines. Although there

are strict standards on the quality of medicines exported abroad, there is a large supply of counterfeit medicines in the domestic market. As a result, quality producers are losing huge dividends every year. In addition, most of the raw materials used in the manufacture of medicines have to be imported from outside the country which if produced in the country, the pharmaceutical industry will be able to be more self-sufficient, and manufacturing costs can be further reduced.

INDO-BANGLA LOOKS FOR A BETTER FUTURE

Indo-Bangla Pharmaceuticals Ltd., is a reliable name in the pharmaceuticals sector of Bangladesh, works relentlessly to move forward with a targeted vision to be on the forefront of changing healthcare environment turning innovative science towards esteemed new treatment preferences. Indo-Bangla steps forward with the pre-determined vision to achieve excellence in manufacturing and marketing of pharmaceuticals products and trying to extending its business in abroad as well. New technology, new invention, new products as well as new project are the rhythm of life of pharmaceuticals Company. Since, Indo-Bangla Pharmaceuticals Ltd., is well aware of the adoption new technology and has taken a number of ambitious initiatives and business strategy to meet the upcoming demand.

TECHNOLOGY AND QUALITY CONTROL

Indo-Bangla Pharmaceuticals Ltd., is striving to upgrade and adopt new technology in production, quality control, distribution and administration of its products to produce new generation drugs as the faster growth of new and lifesaving drugs to customers/patients During the year (2020-2021). The company invested a substantial amount in improving its Laboratory facilities, R&D Scale-up facilities etc. Indo-Bangla Pharmaceuticals Limited places total emphasis on maintaining and improving of quality of its products following GMP standards of WHO by following strictly laid down criterion at every level of production and handling. Indo-Bangla Pharmaceuticals Limited also follows-up withdrawals from market of all expiry dated products through close inspection and surveillance. The quality control facilities include a high standard laboratory, computerizing equipment's and tools and a term of high qualified research personnel who are able maintain high standards.

RISK AND CONCERNS

Different types of risk and concern in Pharmaceuticals industries are- Tariffs and international trade restrictions, Insufficient raw material production facilities, Absence of bioequivalence test facility, Lack of modern drug testing laboratory. Marketing strategy- Pharmaceutical industries are now in high-end development trend that is being carried out by leading companies. Increasingly, many companies are competing with new pharmaceutical industries. As a result, the success of pharmaceutical industries largely depends on the efficiency and effectiveness of the highly trained and qualified medical promotion officers.

Problems regarding export, Contest in the Bangladeshi pharmaceutical market, Rivalry among existing firms, Threat of new entrants, Threat of substitute products, bargaining power of buyers, Bargaining power of suppliers. Changes in the existing global or national policies can have either positive or negative impacts for the company. Any insufficiency or price hike of raw materials due to change in policy in the international market might hamper the production and profitability. Changes in currency exchange rates might also affect the pricing and thereby the profitability of the Company. Similarly, risks factors of the industry depend on the Government polices as well. However, the industry is also exporting abroad. Currently, formulations are exported to 92 countries around the world. The major destinations for Bangladeshi medicines are Myanmar, Sri Lanka and Kenya, while nearly 50 countries import Bangladeshi medicines regularly.

PROJECT AT KALIAKOIR, GAZIPUR.

In order to meet increased demand of existing products as well as to achieve long term sustainable growth of the Indo-Bangla Pharmaceuticals Ltd., by including new technology and produce new generation drugs, Indo-Bangla Pharmaceuticals Ltd., has undertaken a courageous step in setting up of a new production plant at kaliakoir, Gazipur, which is under construction as well as conceptual designs of new project has been started and civil work had also been started.

In this connection company purchased 145.43 decimal land at 1st phase out of 1028 decimal land for which "Bainanama Agreement" was made earlier for purchase of 1028 Decimal Land and in 2021 Indo-Bangla Pharmaceuticals Ltd., executed another register Sale Deed for the purchase of land measuring 1.612 Acres (161.21 Decimal) as 2nd phase situated at Fulbaria, Kaliakoir, Gazipur.

**OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY:
FINANCIAL RESULTS**

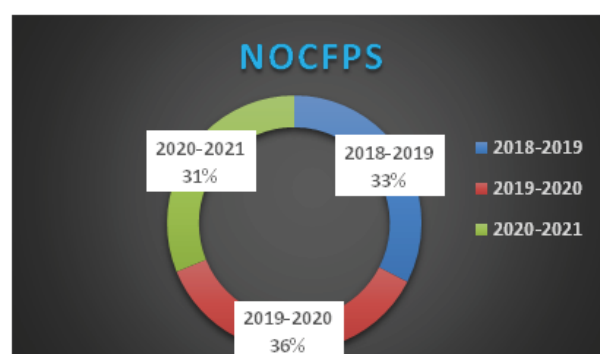
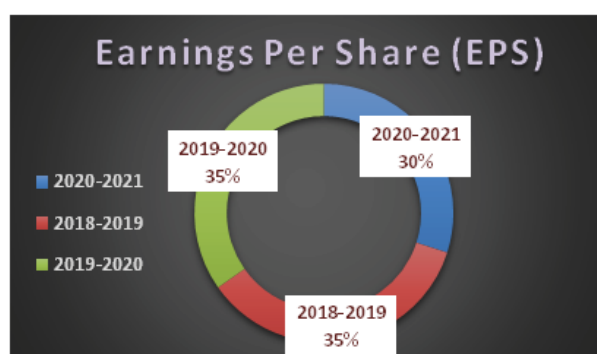
The operating financial results of the Company for the year 2020-2021 as compared to previous year are summarized hereunder:

Particular	2020-2021 Taka	2019-2020 Taka	% ↑ ↓
Turnover	782,239,281	866,097,783	9.68% ↓
Gross Profit	312,936,000	346,450,050	9.67% ↓
Financial Expenses	3,814,169	-	- ↑
Non-Operating Income	(142,183)	5,188,305	102.74% ↓
Net Profit Before Tax (NPBT)	169,343,500	217,005,550	21.96% ↓
Provision for Taxation	34,615,093	60,761,886	43.03% ↓
Net Profit After Tax (NPAT)	134,728,407	156,243,664	13.77% ↓
Gross Margin (Turnover)	40.01%	40.00%	0.02% ↑
Net Margin Before Tax	21.65%	25.05%	13.57% ↓
Net Margin After Tax	17.22%	18.03%	4.49% ↓
Earnings Per Share (EPS) BDT.	1.18	1.37	13.86% ↓

The Gross Profit and Net Profit (BT) decreased during FY 2020-2021 at 9.68% and 13.77% respectively over the previous year. However, the Cost of Goods Sold decreased at 9.68% over previous year which decrease Gross Profit and Operating Profit of the Company. The Net Profit After Tax, decreased by 13.77% over the previous year. The Earning per Share of Tk. 1.18 is the basic earning dividing by the weighted average number of shares outstanding at the end of the Period.

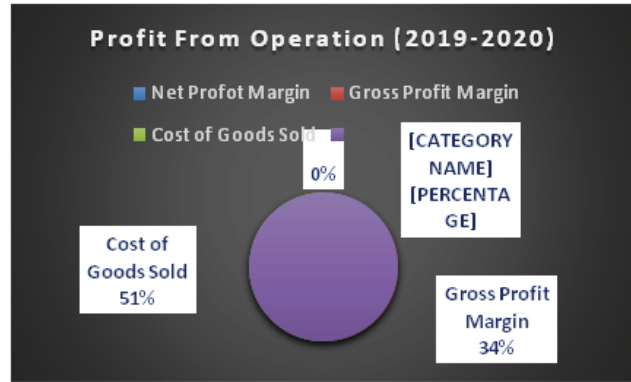
Discussion on EPS & NOCFPS

The Company's Standalone Revenues from operations were TK. 782.23 million for the year ended 30th June, 2021 as compared to TK. 866.09 million for the previous year, a decrease by 9.68% The company has made Net Profit of TK. 134.72 million on standalone basis for the year under review as compared to TK. 156.24 million for the previous year. Earnings Per Share (EPS) of Tk. 1.18, NAV per share of Tk. 14.29, and NOCFPS of Tk. 1.33 for the year ended on June 30, 2021 as against Tk. 1.37 Tk. 13.61 and Tk. 1.54 respectively for the same period of the previous year.



DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN SHOWN BELOW:

Profit from Operation	30-June-2021		30-June-2020	
	Amount	Percentage	Amount	Percentage
Turnover	782,239,281	100.00	866,097,783	100.00 ↑
Cost of Goods Sold	469,303,281	59.99	519,647,733	60.00 ↑
Gross Profit	312,936,000	40.01	346,450,050	40.00 ↓
Net Profit for the year	134,728,407	17.22	156,243,664	18.04 ↓



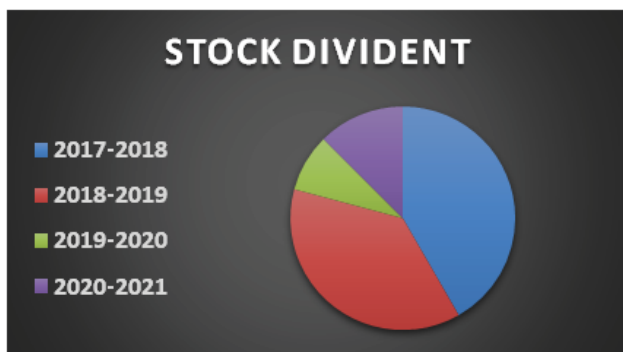
APPROPRIATION OF PROFIT.

The Board of Directors recommended the appropriation of the net profit earned during the year 2020-2021 in the following manner:

Details	Amount (Tk.)	Amount (Tk.)
Net Profit after Tax year ended 30 June, 2021	134,728,407	
Total Paid Up Capital as at 30 June 2021	1,137,371,400	
Less: Director & Sponsors (See details of Sponsors & Directors)	(49,845,0130)	
General Public other than Directors & Sponsors:	638,921,270	
Add: Investment Corporation of Bangladesh(ICB)	153,000,000	
General Public and ICB:	791,921,270	
(A) 4% Cash Dividend for all shareholders excluding the Sponsors & Directors (638,921,270*4%)	25,556,850	
(B) 3% Stock Dividend for all General Shareholders and ICB excluding the Sponsors & Directors (791,921,270*3%)	23,757,638	
Dividend (7%) Payable for the Year ended 30 June 2021 (A+B)		49,314,488
Net Un appropriate Profit		8,54,13,919

DIVIDEND

The Company has invested a substantial amount for expansion of capacity as well as diversification of products and business. However, the Board of Directors at its Board meeting held on 28 October, 2021 has recommended 7% dividend (4% Cash Dividend for all shareholders excluding the Sponsors & Directors and 3% Stock Dividend for all General Shareholders and ICB excluding the Sponsors & Directors for the year ended 30th June, 2021. The cash Dividend to be payable to the General Shareholders of TK. 25.55 million.



SEGMENT WISE REPORTING

The company operates only in one segment, which is manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health). The Company applied for permission for production and selling of veterinary medicine also.

DISCUSSION ON CONTINUITY OF EXTRAORDINARY GAIN OR LOSS

Extraordinary gains or losses refer to irregular and infrequent gain or loss and which is not part of the Company's ordinary/day to day operations. As for the Company, there was no such gain or loss during the year ended June 30, 2021.

RELATED PARTY TRANSACTION

Related Parties Transaction

The company carried out a number of transactions with related parties. The following are the related parties transactions of the Indo-Bangla Pharmaceuticals Ltd has been disclosed as required by BAS 24 Related Party Disclosures.

(a) Remuneration

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mr. A.F.M Anowarul Huq	Managing Director	Remuneration	4,800,000	2,400,000

(b) Board meeting fee

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mr. Aziza Yeasmin	Chairman	Board Meeting Fee	85,000	50,000
Mr. A.F.M Anowarul Huq	Managing Director		85,000	50,000
Mrs. Aysha Siddika	Director		80,000	-
Mrs. Hafiza Yeasmin	Director		-	-
Md. Amin-Ur-Rashid	Director		-	15,000
Sayeda Huq	Director		85,000	45,000
Fatima Parvin	Director		85,000	50,000
Mst. Shahanaz Akter	Director		-	15,000
Md. Mizanur Rahman	Director		30,000	45,000
Md. Golam Rabbani	Director (Represented of ICB)		65,000	30,000
Md. Iftikhar-Uz-Zaman	Independent Director		70,000	-
S.M. Harun-Or-Rashid	Independent Director		5,000	15,000
Md. Monirujjaman	Independent Director		65,000	45,000
Md. Firoz khan	Independent Director		-	10,000

(c) Short Term Loan

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mr. A.F.M Anowarul Huq	Managing Director	Temporary Loan	26,800,000	-

SIGNIFICANT VARIANCE OF FINANCIAL STATEMENTS

No significant variation occurred between quarterly and final results of the Company during the year ended June 30, 2021.

BOARD OF DIRECTORS SIZE

The number of members of the Board of Directors stands at 5 (including one Independent Director) which are within the limits given by the BSEC Notification.

SL	Name	Position	Remarks
1.	Mrs. Aziza Yeasmin	Chairman	Membership was vacated due to resignation from the Board on 28 October 2021.
2.	Mr. A F M Anowarul Huq	Managing Director	Continuing
3.	Mrs. Hafiza Yeasmin	Chairman	Continuing, Appointed as Chairman on 28 October, 2021
4.	Mrs. Aysha Siddika	Director	Membership was vacated due to resignation from the Board on 28 October 2021.
5.	Mrs. Sayeda Huq	Director	Membership was vacated due to resignation from the Board on 28 October 2021.
6.	Mr. Md. Golam Rabbani	Director	Continuing
7.	Mrs. Fatima Parvin	Director	Continuing
8.	Md. Mizanur Rahman	Director	Membership was vacated due to resignation from the Board.
9.	Mr. Md. Iftikhar-Uz-Zaman	Independent Director	Continuing
10.	Mr. Md. Monirujjaman	Independent Director	Membership was vacated due to resignation from the Board on 28 October 2021.

SL	Name	Position
1.	Mrs. Hafiza Yeasmin	Chairman
2.	Mr. A F M Anowarul Huq	Managing Director
3.	Mr. Md. Golam Rabbani (Nominated By ICB)	Director
4.	Mrs. Fatima Parvin	Director
5.	Mr. Md. Iftikhar-Uz-Zaman	Independent Director

DIRECTORS INVOLVED IN OTHER COMPANIES

SL	NAME	POSITION	DIRECTORSHIP/OWNERSHIP WITH OTHER COMPANIES.	
			COMPANIES	POSITION
1	Mrs. Hafiza Yeasmin	Chairman	-	-
2	Mr. A F M Anowarul Huq	Managing Director	-	-
3.	Mr. Md. Golam Rabbani (Nominated By ICB)	Director	-	-
4.	Mrs. Fatima Parvin	Director	-	-
5.	Mr. Md. Iftikhar-Uz-Zaman	Independent Director	- Wata Chemicals Ltd. - Aman Feeds Ltd. - Metro Spinning Ltd. - Aman Cotton Ltd.	Independent Director

ELECTION OF DIRECTORS

Md. Golam Rabbani, Director retires as per Article-55, 56, 57 of the Articles of Association of the company, being eligible, Md. Golam Rabbani, Director have offered himself for re-election. Brief resume and other information of the above mentioned directors are depicted in Annexure-II

DIRECTOR'S REMUNERATION

Director's remuneration is shown in the note no.34(a) of the notes to the Financial Statements. There is no remuneration for Independent Directors.

REMUNERATION

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mr. A.F.M Anowarul Huq	Managing Director	Remuneration	4,800,000	2,400,000

APPOINTMENT OF INDEPENDENT DIRECTOR

The Board of Directors has appointed Mr. Md. Iftikhar-Uz-Zaman as an Independent Director for the in its meeting dated 31st January, 2020 for the period of three years which will be approved by Shareholders in AGM. Brief resume and other information of the above mentioned director is depicted in Directors Biography.

APPOINTMENT OF STATUTORY AUDITORS

The existing Auditors of the company M/s Fames & R., Chartered Accountants, will retire at the conclusion of the ensuing Annual General Meeting. As per the requirement of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018, every public listed company shall not appoint any firm of Chartered Accounts as its statutory Auditors for a consecutive period exceeding the three years. Since M/s Fames & R., is eligible for reappointment, they have expressed their interest to perform the audit of the Company's financial statement for the year 2021-2022. Therefore, the Board of Directors proposed, M/s Fames & R., Chartered Accounts to engage as Statutory Auditors subject to approval at the 7th Annual General Meeting to be held on December 23 by the members of the company upto the 8th Annual General Meeting to be held 2022.

Thus, the Board of Directors unanimously recommended the appointment of M/S. FAMES & R Chartered Accountants, as the Statutory Auditor of the Company for the Financial Year 2021-2022, and to continue the next Annual General Meeting at a fees of tk. 2,50,000.00 (Two Lac Fifty Lac) only, subject to approval of the shareholders at the forthcoming 7th Annual General Meeting of the company.

APPOINTMENT OF COMPLIANCE AUDITORS

As per the requirement of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018, the Company shall obtain a certificate from a practicing Professional Accountant or Secretary other than its Statutory Auditors or Audit firm on yearly basis. Since, the existing Auditors of the company M/s Shafiq Basak & Co., Chartered Accountants retires at this Annual General Meeting and being eligible, have offered themselves for not reappointment as Compliance Auditors of the company for the year 2021- 2022.

Thus, the Board of Directors unanimously recommended the appointment of M/S. Harunur Rashid & Associates, as the Compliance Auditor of the Company for the Financial Year 2021-2022, and to continue the next Annual General Meeting at a fees of tk. 30,000.00 (Thirty Thousand) only, subject to approval of the shareholders at the forthcoming 7th Annual General Meeting of the company to be held on 23 December, 2021 by the members of the company.

COMPANY SECRETARY, CHIEF FINANCIAL OFFICER, HEAD OF INTERNAL AUDIT & COMPLIANCE

As per corporate governance code of BSEC, the company has allocated the responsibilities of the officials as follows:

SL	Name	Position
1.	Mohi Uddin QCS	Company Secretary
2.	Md. Faruque Hossain	Chief Financial Officer
3.	Md. Abu Taleb	Head of Internal Audit and Compliance

AUDIT COMMITTEE

Indo-Bangla Pharmaceuticals Limited has an Audit Committee as a sub-committee of the Board of Directors in order to assist the Board of Directors in ensuring and fulfilling its oversight responsibilities in compliance with Condition-5 of the Notification of Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018. All members of the audit committee are "financially literate" and having the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement.

The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee shall also co-ordinate with the Internal and external Auditors as and when required. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are

in place for detection of errors frauds and other deficiencies. The other responsibilities include inter alia, not being limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government and any other interest groups and detect or remove any scope of insider trading in the company's stock. The Audit Committee also ensures compliance of requirements of BSEC and other regulatory. During the year 2020-2021 under review, the Committee held four meetings.

The Audit Committee of Indo-Bangla Pharmaceuticals Limited is comprised of 3 (three) Members of the Board of Directors including 1 (one) Independent Directors. The composition of the present members of Audit Committee as follows:

SL	Name	Position
1.	Md. Iftikhar-Uz-Zaman (Independent Director)	Chairman
2.	Md. Golam Rabbani, Director	Member
3.	Mrs. Fatima Parvin, Director.	Member
4.	Mr. Mohi Uddin, QCS	Secretary

MEETING & ATTENDANCE OF AUDIT COMMITTEE

During the year 2020-2021 under review, the Committee held four meetings. The attendance of the Member at these meeting is outlined below:

SL	Position	No. of Meeting held whilst a Committee Member	Meetings Attend	Remarks
Md. Iftikhar-Uz-Zaman (Independent Director)	Chairperson	4	3	Continuing
Md. Monirujjaman	Member	4	4	Membership was vacated due to resignation from the Board.
Mrs. Fatima Parvin	Member	4	4	Continuing
Md. Golam Rabbani	Member	4	-	Appointed as a member of the Audit Committee on 28 October 2021.
Mohi Uddin	Secretary	4	4	Continuing

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board of Directors of Indo-Bangla Pharmaceuticals Ltd., has duly constituted a Nomination and Remuneration Committee (NRC), as per the requirement of the Corporate Governance Code of Bangladesh securities and Exchange Commission (BSEC) to shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives as well as a policy for formal process of considering remuneration of directors, top level executives. The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors and defined in the charted of the NRC formulated in accordance with the Notification of the Bangladesh Securities and Exchange Commission's Corporate Governance Code, 2018

The Nomination and Remuneration Committee of Indo-Bangla Pharmaceuticals Ltd., is comprised of three (3) non-executive Directors of the Board including an Independent Director. The Chairperson of the Committee is an Independent Director of the Company the composition of the present NRC is as follows:

SL	NAME	POSITION
1.	Md. Iftikhar-Uz-Zaman, Independent Director	Chairman
2.	Md. Golam Rabbani, Director	Member
3.	Mrs. Fatima Parvin, Director	Member
4 .	In Attendance	-Chairman -Managing Director -External Advisers – by invitation -Any Non-Executive Director shall be entitled to attend the Committee's meetings.
5.	Mr. Mohi Uddin, QCS	Secretary

Mr. Mohi Uddin, QCS Company Secretary is the Secretary to the nomination & Remuneration Committee. The number of the meeting held during year ended June 30, 2020 were 2 (two). Mr. Mohi Uddin, Company Secretary attends the Committee's meeting as the Secretary of the Committee. The Managing Director and Head of Human Resources and Administration attends the meeting by invitation. The Chief Financial Officer attends the meeting as and when invited.

MEETING & ATTENDANCE OF NOMINATION AND REMUNERATION COMMITTEE (NRC)

During the year 2020-2021 under review, the Committee held four meetings. The attendance of the Member at these meeting is outlined below:

Name of the Member	Position	No. of Meeting held whilst a Committee Member	Meetings Attend	Remarks
Md. Monirujjaman (Independent Director)	Chairperson	2	2	Membership was vacated due to resignation from the Board.
Mrs. Sayeda Huq	Member	2	2	Membership was vacated due to resignation from the Board.
Md. Mizanur Rahman	Member	2	1	Membership was vacated due to resignation from the Board.
Mrs. Fatima Parvin	Member	2	1	Appointed as a member of the Audit Committee on 18 July 2021.
Md. Iftikhar-Uz-Zaman (Independent Director)	Chairperson	2	-	Appointed as a member of the Audit Committee on 28 October 2021.
Md. Golam Rabbani	Member	2	-	Appointed as a member of the Audit Committee on 28 October 2021.
Mohi Uddin, QCS	Secretary	2	2	Continuing

MAINTAINING WEBSITE

Listing Regulation, 2015 of the Dhaka and Chittagong Stock Exchange and Bangladesh securities and Exchange Commission (BSEC) Notification on Corporate Governance Code and Financial Reporting and Disclosure emphasized the functional website of the issuer as one of the means to communicate with the investors and other stakeholders. Indo-Bangla Pharmaceuticals Limited is compliant with the rules and regulations and updated all relevant information within the stipulated time-lines.

PARTICULARS (AFFAIRS OF THE COMPANY)	STATUS ON WEBSITE
Code of Conduct for Board Members	Available
Quarterly and Annual Financial Statements	Available
The Directors Report	Available
Price Sensitive Information (PSI)	Available
Shareholding Position	Available
Status of Compliance with the Corporate Governance Code	Available
Dividend Distribution Policy	Available
Annual Report	Available
contract Information for Investor Relations	Available

SUBSIDIARY COMPANY

The company has no subsidiary company.

CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board, keeping in view its accountability to the stakeholders and to the society. In accordance with the requirement of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018, a statement in pursuance to Clause 1 (5), resume of the Directors who shall be appointed, Audit Committee

Report as per clause 5 (7), Certificate from the CEO & CFO to the Board, Certificate on Compliance of Condition of Corporate Governance Code & Status of Compliance in depicted in the Annexure-I, II, III, IV, A, B & C respectively.

GOING CONCERN

While approving the financial statements, the directors have made appropriate inquiries and analyzed the significant financial, operating as well as other indicators for enabling them to understand the ability of the Company to continue its operation for a conceivable period. Directors are confident and have as on able expectation that the Company has adequate resources to continue its operation consistently for the predictable future. Therefore, the company adopted the going concern basis in preparing the financial statement.

MANAGEMENT GRATITUDE

Finally, on behalf of the Board, I would like to take this opportunity to thank all the employees of Indo-Bangla Pharmaceuticals Ltd., for their tremendous efforts. I would also like to express sincere gratitude to the shareholders as well as all Stakeholders of the company for their continued support.

The Board is also grateful to the Officers, Staff, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers, BSEC, DSE, CSE, CDBL and the Government of Bangladesh and other business partner for their cooperation extended to the Company during the year.

Thanking you.

On behalf of the Board of Directors

Sd/-

(Mrs. Hafiza Yeasmin)

Chairman

MANAGEMENT'S DISCUSSION & ANALYSIS

Pursuant to the Corporate Governance Code 2018 [Condition # 1 (5) (xxv)] of the Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis for the year ended 30 June, 2021 has been depicted hereunder:

OVERVIEW:

Financial Year 2020-2021 was a year for survival for many pharmaceuticals due to face unprecedented fallout from Covid-19 encompassing slow economic activity, liquidity challenges, and lastly major disruption in supply chain. The ongoing coronavirus pandemic across the world has severally affected the production, import which started in January, 2020. Supply of materials from China, India and some other countries was on hold for a long period due to the shutdown of their factories for ongoing Covid-19. During the Covid-19 period the Company accorded first priority to ensuring employee health, safety and welfare and then ensuring the financial health of our clients.

ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS:

Indo-Bangla Pharmaceuticals Ltd., follows International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) along with prevailing local rules and regulations applicable for preparation of financial statements. Detail description of accounting policies and estimation used for preparation of the financial statements of Indo-Bangla Pharmaceuticals Ltd., are disclosed in the Notes No. 2.05, 2.06, 2.07, 2.08 and 2.09 to the Standalone Financial Statements (Page No. 84-85).

CHANGES IN ACCOUNTING POLICIES AND ESTIMATION:

Indo-Bangla Pharmaceuticals Ltd., has been following consistent policies and estimation and there is no such changes in accounting policies or estimation which has material impact on financial statements.

OPERATIONS AND STATE OF AFFAIRS OF INDO-BANGLA PHARMACEUTICALS LIMITED

The Indo-Bangla Pharma's Standalone Revenues from Operations Were Tk. 782.23 million for the year ended 30th June, 2021 as compared to Tk. 866.09 million for the previous year, a decrease by 9.68%. Net Profit after tax decreases 13.77% to Tk. 134.73 million on standalone basis for the year under review as compared to Tk. 156.24 million for the previous year. Earnings Per Share (EPS) stood at Tk. 1.18 against Tk. 1.37.

COMPARATIVE ANALYSIS OF FINANCIAL AND OPERATIONAL PERFORMANCE:

The Directors' Report provides the analysis of financial performance and position during the year under review and also a detail comparison of financial performance and position as well as cash flows are presented as part of the financial statements including notes. However, major areas of financial performance, financial position as well as cash flows with immediate preceding five years are presented as follows:

Financial Position	Amount in Taka				
	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Turnover	782,239,281	866,097,783	740,714,183	659,971,100	616,711,210
Gross Profit	312,936,000	346,450,050	296,550,952	260,400,732	234,910,917
Profit from Operation	177,952,858	222,667,522	178,281,873	153,178,111	132,222,600
Net Profit before tax	169,343,500	217,005,550	180,778,346	151,529,230	135,957,956
Net Profit after Tax	134,728,407	156,243,664	155,226,689	98,493,999	88,372,671
Net Operating Cash Flow per Share	1.33	1.54	1.70	1.20	1.09
Financial Position	2020-21	2019-20	2018-19	2017-18	2016-17
Non-Current Assets	1,295,291,134	1,126,809,674	818,523,321	654,019,821	536,553,973
Current Assets	595,555,779	612,456,404	767,224,351	565,947,614	541,115,957
Shareholder's Equity	1,625,418,375	1,517,598,176	1,374,627,332	1,036,100,643	937,606,643
Current Liability	157,253,535	126,947,217	144,361,259	116,617,191	101,883,096
Non-Current Liability	108,175,003	94,720,685	66,759,081	67,249,601	38,180,191
Key Financial Ratio	2020-2021	2019-20	2018-19	2017-18	2016-17
Current Ratio	3.79	4.82	5.31	4.85	5.31
Quick Ratio	1.71	1.89	2.36	2.40	2.75
Debt to Equity Ratio	0.096	-	-	-	-
Net Income Ratio (%)	17.22%	18.04%	20.96%	14.92%	14.33%
Return on Equity (%)	8.57%	10.80%	12.88%	9.98%	9.89%
Earnings Per Share	1.18	1.37	1.39	1.35	1.21

KEY FINANCIAL HIGHLIGHTS

The key financial performance indicators of the company are sales revenue, cost of goods sold, gross profit, operating profit, profit before tax, earnings per shares, net asset value per share, and NOCFPS. Our sales revenue for the year 2020-2021 decreased by 9.68% to BDT 782.23 million (2019-2020: BDT 866.09 million). However, the Cost of Goods Sold decreased at 9.68% over previous year which decrease Gross Profit and Operating Profit of the Company.

The company has made Net Profit of TK. 134.72 million on standalone basis for the year under review as compared to TK. 866.09 million for the previous year. Earnings Per Share (EPS) of Tk. 1.18, NAV per share of Tk. 14.29, and NOCFPS of Tk. 1.33 for the year ended on June 30, 2021 as against Tk. 1.37, Tk. 13.61 and Tk. 1.37 respectively for the same period of the previous year.

RISK MANAGEMENT

in the financial statements of the year 2020-2021, we have applied accounting principles and policies in respect of all the areas consistently. All the provisions considered for preparation of the financial statements against the expenditure required to settle the obligation at the date of statement of financial position. We are always concerned that about any credit risk, liquidity risk, market risk and interest rate risk which can affect our business and shareholders value. Management has a credit policy in place and exposure to credit risk in monitored on an ongoing basis. Credit risk exposures from financial assets are very nominal and with regards to liquidity risk, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through dynamic cash flow forecasting and ensuring sufficient liquidity to meet all obligation in time. Interest rate risk arises due to changes in interest rates on borrowings.

FINANCIAL AND ECONOMIC SCENARIO OF BANGLADESH AND THE GLOBAL (IN BRIEF):

Bangladesh has an impressive track record of growth and poverty reduction. It has been among the fastest growing economies in the world over the past decade, supported by a demographic dividend, strong ready-made garment (RMG) exports, and stable macroeconomic conditions. Continued recovery in exports and consumption will help growth rates pick up to 6.4 percent in fiscal year 2021-22.

Bangladesh tells the world a remarkable story of poverty reduction and development. From being one of the poorest nations at birth in 1971 with per capita GDP tenth lowest in the world, Bangladesh reached lower-middle-income status in 2015. It is on track to graduate from the UN's Least Developed Countries (LDC) list in 2026. Poverty declined from 43.5 percent in 1991 to 14.3 percent in 2016, based on the international poverty line of \$1.90 a day (using 2011 Purchasing Power Parity exchange rate). Moreover, human development outcomes improved along many dimensions.

Bangladesh, like other countries, faces the daunting challenge of fully recovering from the COVID-19 pandemic which has constrained economic activities and reversed some of the gains achieved in the last decade. The COVID-19 pandemic decelerated economic growth in 2020. The pace of poverty reduction slowed down, exports declined, inequality increased across several dimensions and the poverty rate in 2020 increased to 18.1 percent from 14.4 percent. Nevertheless, strong remittance inflows and a rebound in export market has helped the economy to start recovering gradually.

To recover fully and achieve its growth ambitions of achieving upper-middle income status, Bangladesh needs to address the challenge of containing COVID-19. Vaccinating the population will reduce the incidence of the disease and mortality and enable the full resumption of economic activities. Bangladesh also needs to address the challenge of creating jobs/employment opportunities through a competitive business environment, increased human capital and skilled labor force, efficient infrastructure, and a policy environment that attracts private investments.

Other development priorities include diversifying exports beyond the RMG sector; deepening the financial sector; making urbanization more sustainable and strengthening public institutions. Addressing infrastructure gaps would accelerate growth and reduce spatial disparities in opportunities across regions and within cities. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

OPPORTUNITIES IN PHARMACEUTICALS SECTOR

With a market value of about 3 billion, it currently accounts for about 1.83 percent of Bangladesh's GDP that contributes to the country's pharmaceutical industry. According to a report by the Directorate General of Drug Administration (DGDA), there are currently 257 licensed pharmaceutical factories in Bangladesh. From which, 150 factories are continuing to operate as usual, meeting about 98 percent of the total demand of the country. At present, 90% of the country's total pharmaceutical market is under local manufacturers and the remaining 10% is under multinational institutions. Bangladesh currently manufactures more than 450 generic drugs for 5,300 registered brands as well as meet the demand of 4% of the country's anti-cancer drugs. About 80 per cent of the medicines currently manufactured in Bangladesh are generic drugs, and the remaining 20 per cent are patented drugs.

Challenges in Near Future

As a least developed country, Bangladesh would get patent exemption on pharmaceutical products till 2033 as per the TRIPS agreement with the World Trade Organization. However, since Bangladesh is looking forward to graduating from LDC by 2026, Bangladesh is likely to lose the patent exemption facility 7 years before the expiration date. Which may stop the development of the pharmaceutical industry in Bangladesh because if Bangladesh loses the benefits of the TRIPS agreement, pharmaceutical companies will have to enact new patent laws. As a result, manufacturing of many types of generic medicine is likely to cease. If domestic manufacturers want to maintain production of these medicines, they may have to pay royalties on patents. As a result, the overall price of medicine in Bangladesh may increase. Otherwise companies will face patent violations and exports will be severely hampered. One of the biggest issues in Bangladesh's pharmaceutical industry is that the country's pharmaceutical companies are not paying much attention to research. As a result, there is a lack of innovation in the domestic pharmaceutical sector. Apart from this, one of the major threats in the pharmaceutical industry of Bangladesh is counterfeit and substandard medicines. Although there are strict standards on the quality of medicines exported abroad, there is a large supply of counterfeit medicines in the domestic market. As a result, quality producers are losing huge dividends every year. In addition, most of the raw materials used in the manufacture of medicines have to be imported from outside the country which if produced in the country, the pharmaceutical industry will be able to be more self-sufficient, and manufacturing costs can be further reduced.

Future plan or projection or forecast:

The Management of Indo-Bangla Pharmaceuticals Limited is very sincere in adoption of necessary feasible plans and strategy in respect of sustainability in its performances & financial position and to continue the operations for foreseeable future.

DIVIDEND DISTRIBUTION POLICY

Indo-Bangla Pharmaceuticals Ltd.



1.0 OBJECTIVE

The objective of the Dividend Distribution Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

Dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

The philosophy of the Company is to maximize the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilize its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholders.

2.0 REGULATORY FRAMEWORK

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance. It becomes mandatory for Indo-Bangla Pharmaceuticals Limited (the Company) to have a Dividend Distribution Policy (the Policy) and to disclose in the Company's website and in the Annual Report.

The Board of Directors (the Board) will consider the directive while declaring/ recommending dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

The Board of Directors of the Company has adopted this Policy for Shareholders of the Company for dividend distribution and management of unpaid and unclaimed dividend.

3.0 DEFINITIONS

"the Act" shall be means Companies Act 1994 including the Rules made thereunder, as amended from time to time.

"Applicable Laws" shall mean the Companies Act, 1994 and Rules made thereunder, Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Securities and Exchange Commission of Bangladesh (BSEC); as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend

"the Company" means Indo-Bangla Pharmaceuticals Ltd.

"AGM" means Annual General Meeting

"Board" means Board of Directors of Indo-Bangla Pharmaceuticals Ltd.

"Shareholders" means Members whose name is registered in the Member Register of the Company.

"Shares" means Ordinary Equity Shares.

"Dividend" shall mean Dividend as defined under Companies Act, 1994.

"Policy or this Policy" shall mean the Dividend Distribution Policy.

4.00 TYPES OF DIVIDEND

The Act deals with two types of dividend - Interim and Final.

- **Interim dividend** is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.

- **Final dividend** is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend final dividend to the shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed prior to holding of the Annual General Meeting.

5.00 DECLARATION OF DIVIDEND

Subject to the provisions of the Act, dividend shall be declared and paid out of:

- Profits of the Company for the year for which the dividend is to be paid after setting off carried over previous losses and depreciation not provided in the previous year(s);
- Undistributed profits of the previous financial years after providing for depreciation in accordance with law and remaining undistributed.
- Out of A and B both.

Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board of Directors at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

6.0 PARAMETERS/FACTORS TO BE CONSIDERED WHILE RECOMMENDING/DECLARING DIVIDEND:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and amount of profit to be retained in business. The circumstances for dividend pay-out decision depends on various external and internal factors, which the Board of Directors shall consider while recommend/ declaring dividend including the following:

6.01 EXTERNAL FACTORS:

- The Board shall endeavor to retain a larger portion of profits to build up reserves, in case of Adverse Economic Scenario.
- The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.
- The Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to declaration of dividend in order to ensure compliance with the applicable laws.
- Dividend distribution tax or any tax deduction at source as required by tax regulations, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.
- Other factors beyond control of the Management like natural calamities, fire, etc. effecting operations of the Company may impact the decision with regard to dividend declaration.

6.02 INTERNAL FACTORS:

- Profitability: Profit earned during the financial year and the retained profit of the previous years or losses suffered in the past years.
- Availability and Liquidity of Funds
- Accumulated Reserves
- Earnings Per Share (EPS).
- Working capital requirement of the Company.
- Corporate actions including mergers, acquisition and additional investments including expansion of new projects.
- Investment in technology, learning and development and Research and Development.
- Future Capital Expenditure needs for the existing businesses
- Expansion/Modernization of the business
- Cost of raising funds from alternate sources
- Cost of servicing outstanding debts
- Funds for meeting contingent liabilities
- Mergers and Acquisitions
- Such other factors and/or material events as deemed appropriate by the Board.

Apart from the above factors, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

7.00 FINANCIAL PARAMETERS FOR DECLARING DIVIDEND

The Company is committed to deliver sustainable value to its stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits among the shareholders in the form of dividend. To keep investment attractive and to ensure capital appreciation for the shareholders, the Company shall also endeavor to provide consistent return over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company in particular shall also be considered. Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend pay-out.

8.00 UTILIZATION OF RETAINED EARNINGS

Subject to the provisions of the Act and other applicable laws the Board of Directors of the Company may retain its earnings in order to make better use of the funds available and increase the value of the shareholders in the long run. The retained earnings of the Company may be utilized as under:

- Issue of fully paid-up bonus shares
- Declaration of Dividend-Interim or Final
- Augmenting internal resources
- Funding for capital expenditure/expansion plans/acquisition
- Diversification of Business/ capacity Expansion;
- Repayment of debt
- Any other permitted use as per Acts and regulations may be decided by the Board.

9.00 PARAMETERS FOR VARIOUS CLASSES OF SHARES

At present, the Company has only one class of shares - Equity Shares. There is no privilege amongst Equity Shareholders of the Company with respect to dividend distribution.

10.00 CIRCUMSTANCES IMPACTING DIVIDEND PAYMENT

The Company has been paying dividend to its shareholders for last three years and shall endeavor to continue with the dividend payment. Given here in below are some of the circumstances in which shareholders of the Company may or may not expect dividend pay-out:

11.00 SHAREHOLDERS OF THE COMPANY MAY EXPECT DIVIDEND PAY-OUT UNDER THE FOLLOWING CIRCUMSTANCES:

- Adequate profits and liquidity;
- Accumulated profits not warranted for immediate business needs.

11.00 SHAREHOLDERS OF THE COMPANY MAY NOT EXPECT DIVIDEND PAY-OUT UNDER THE FOLLOWING CIRCUMSTANCES:

- When the Company undertakes or propose to undertake a significant expansion project requiring higher allocation of capital;
- Non availability of profits for dividend distribution;
- Significantly higher working capital requirements adversely impacting free cash flow;
- When the Company undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- In the event of inadequacy of profits or the Company incurred losses;
- Adverse economic/market scenario expected in near future;
- Any Rules, directive or guidance issued by Bangladesh securities and Exchange Commission(BSEC) on declaration and distribution of dividend.

12.00 UNCLAIMED/UNPAID/UNDISTRIBUTED DIVIDEND

Pursuant to the Bangladesh securities and Exchange Commission's directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021, the Company shall maintain a dedicated Bank Account for dividend, where unpaid or unclaimed dividend shall be kept for a period of 3(three) years from the date of declaration or the approval date or record date. After elapse of the aforesaid period, if any dividend remains unpaid/unclaimed/undistributed/unsettled, such Dividend along with accrued interest, if any, shall be transferred to a Fund maintained by Bangladesh Securities and Exchange Commission (BSEC).

13.00 PROCEDURE FOR CLAIMING UNPAID DIVIDEND

The Company shall follow the procedures as mentioned below for claiming of unpaid or unclaimed Dividend are as follows:

- ✓ Shareholders are required to make an Application for unpaid Dividend in the format set out (Annexure-A) in this policy. The Application Form shall be available on the Company's website.
- ✓ Shareholders may apply in person and/or authorized person at the Share Department of the Company or submit their application via email to info@indo-banglapharma.com.
- ✓ Unpaid Dividend will be paid upon verification of the shareholders' relevant BO ID information, cell phone number, signature and email address maintain with the Central depository Bangladesh Limited(CDBL). If the said information/documents satisfied, then unclaimed dividend will be paid through issuance of warrant/BEFTN/other banking channels within 15 (fifteen) working days.
- ✓ For the avoidance of doubt, all dividend payment shall be subject to applicable taxes and shall not bear any interest or whatsoever.

14.00 DISCLOSURE

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.indo-banglapharma.com. If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

15.00 EFFECTIVE DATE

This Policy has been approved by the Board of Directors of the Company at its meeting held on 17 June, 2021 and shall be effective and applicable for dividend, if any, declared for the Financial Year 2020-21 onwards.

16.00 AMENDMENTS/MODIFICATIONS

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

STATEMENT OF DIRECTORS ON FINANCIAL REPORTS

Annexure- I To the Directors Report

In accordance with the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006- 158/207/Admin/80 dated 03 June, 2018 the Directors also report that:

- The financial statements together with notes thereon have been drawn up in conformity with the Companies Act, 1994 and The Securities and Exchange Rules 1987. The Financial Statement of the Company present true and fair view of the Company's state of affairs, result of its operations, cash flows and changes inequity.
- Proper books of accounts of the company as required prevailing Law have been maintained.
- Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- The Financial Statement was prepared in accordance with International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Accounting Standard (BAS).
- The internal control system is sound in design and is effectively implemented and monitored.
- Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- There is no significant doubt about the Company's ability to continue as a going concern.
- There is no significant deviation from the last year's operating result of the Company.
- The system of internal control is sound and has been implemented and monitored effectively.
- Remuneration of Directors including Independent Director have been shown in Note No. 34 in the Notes of standalone Account.
- The key operating and financial data for the last five years. (Page 34)

Board Meeting and Attendance: The number of Board meeting and the Attendance of Directors during the year 2020-2021 were as follows:

Name of the Directors	Position	Meeting held	Attended
Mrs. Aziza Yeasmin***	Chairman	9	9
Mr. A.F.M Anowarul Huq	Managing Director	9	9
Mrs. Hafiza Yeasmin	Director	9	0
Mrs. Aysha Siddika***	Director	9	8
Mrs. Sayeda Huq***	Director	9	9
Mrs. Fatima Parvin	Director	9	9
Md. Golam Rabbani	Director	9	7
Md. Mizanur Rahman	Director	9	3
Mr. Md. Monirujjaman***	Independent Director	9	7
Mr. Md. Iftikhar-Uz-Zaman	Independent Director	9	7
Mr. S. M. Harun Or Rashid****	Independent Director	9	1

***Resigned on 28 October 2021**Resigned on 12 December, 2019.*Resigned on 29 April, 2021.

DIRECTORS PROFILE

Who are seeking appointment

Annexure- II
To the Directors Report



MD. GOLAM RABBANI
DIRECTOR

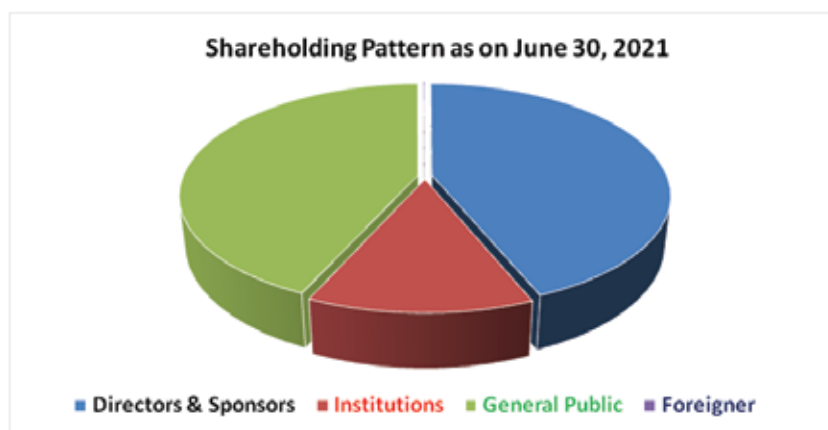
MR. MD. GOLAM RABBANI, has been appointed as a Director on the Board of Directors of Indo-Bangla Pharmaceuticals Limited in 2017 nominated by the Investment Corporation of Bangladesh. He is a Deputy General Manager of Investment Corporation of Bangladesh (ICB). He joined in ICB as a senior officer in 1989. He completed his B.Sc (Honors) & M.Sc degrees in Economics from Jahangirnagar University. Mr. Rabbani during his tenure in ICB served in different Departments, Divisions and Branches including Law, Documentation, Special Fund Management Unit, Public Relations, Investors' Department and contributed a lot for the Corporation as well as to the Investors. Mr. Rabbani during his long service in ICB took part in different training programs among them Investment Banking, Venture Capital, Laws, Rules and Regulations, Land Management and Documentation, Handling of Disciplinary Cases, Public Relations etc. He also took part in different computer training programs. He is the ICB nominated Director of ICB financed projects like Indo-Bangla Pharmaceuticals Ltd. He traveled in Japan, Singapore & India several times.

BOARD OF DIRECTORS	1. MRS. HAFIZA YEASMIN	- CHAIRMAN
	2. A F M ANOWARUL HUQ	- MANAGING DIRECTOR
	3. MD. GOLAM RABBANI	- DIRECTOR
	4. MS. FATIMA PARVIN	- DIRECTOR
	5. MD. IFTIKHAR-UZ-ZAMAN	- INDEPENDENT DIRECTOR

SHAREHOLDING PATTERN

Annexure- III
Pattern of Shareholding
as on June 30, 2021

	Name of the Shareholders	Status	Share held	%
A.	Parent/Subsidiary /Associated Companies and otherrelated parties	-	-	-
B. Directors & Sponsors:				
1.	Mrs. Aziza Yeasmin	Chairman	2,452,074	2.16%
2.	Mr. A F M Anowarul Huq	Managing Director	15,207,756	13.37%
3.	Mrs. Hafiza Yeasmin	Director	2,452,074	2.16%
4.	Mrs. Aysha Siddika	Director	2,452,074	2.16%
5.	Mrs. Fatima Parvin	Director	3,009,753	2.65%
6.	Mrs. Sayeda Huq	Director	2,447,182	2.15%
7.	Investment Corporation of Bangladesh Represent by Md. Golam Rabbani	Director	15,300,000	13.45%
8.	Mr. Md. Iftikhar-Uz-Zaman	Independent Director	-	-
09.	Mr. Md. Monirujjaman	Independent Director	-	-
10.	Mr. Md. Bellal Khan	Sponsor	3,448,306	3.03%
11.	Mr. Md. Amin-Ur-Rashid	Sponsor	3,075,794	2.70%
			49,845,013	43.83
C. Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children;				
	Mr.A F M Anowarul Huq	Chief Executive Officer	15,207,756	13.37%
	Md. Faruque Hossain	Chief Financial Officer	-	-
	Mohi Uddin QCS	Company Secretary	-	-
	Md. Abu Taleb	Head of Internal Audit and Compliance	-	-
D. Executives:				
	Mohammed Anwar Hossain	General Manager	-	-
	Mr. Shah-E-Azam	Plant Manager	-	-
	Mr. Mizanur Rahman	Head of Admin.	-	-
	Mr. R I Chowdhury	Head of Marketing	-	-
E. Shareholders holding 10% or more voting interest in the company				





REPORT OF AUDIT COMMITTEE FOR THE YEAR 2020-2021

Annexure- IV
To The Directors' Report

Indo-Bangla Pharmaceuticals Limited has an Audit Committee as a sub-committee of the Board of Directors in order to assist the Board of Directors in ensuring and fulfilling its oversight responsibilities in compliance with Condition-5 of the Notification of Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018. All members of the audit committee are "financially literate" and having the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of Indo-Bangla Pharmaceuticals Limited is comprised of 3 (three) Members of the Board of Directors including (One) Independent Directors. The composition of the present members of Audit Committee as follows:

Md. Iftikhar-Uz-Zaman (Independent Director)	Chairperson
Md. Golam Rabbani	Member
Mrs. Fatima Parvin	Member

Mohi Uddin, Company Secretary attends the Audit Committee's meeting as the Secretary of the Committee. The Managing Director and Head of Internal Audit and compliance (HIAC) attends the meetings by invitation as specified in ToR of the Audit Committee.

THE SCOPE OF AUDIT COMMITTEE WAS DEFINED AS UNDER:

Role of the Audit Committee directly from the Board of Directors oversight function and the purpose, authority, composition, duties and responsibilities of the Audit Committee are outlined in its terms of references, some of main responsibilities of the Audit Committee are as follows

- Review and recommend to the Board to approve the quarterly and annual financial statements prepared for statutory purpose;
- Monitor and oversee choice of accounting policies and principles, internal audit and Compliance process, management process, auditing manner, hiring and performance of external auditors;
- Reviewing the corrective measures taken by the Management as regards the incidents relating to the deficiencies, fraud in internal control or other similar issues detected by Internal and External Auditors and inform the Board on a regular basis.
- Review statement of significant related party transactions submitted by the management.
- Carry on a supervision role to safeguard the systems of governance and independence of statutory auditors and
- Review and consider the report of internal auditors and statutory auditors' observations on internal control.

AUTHORITY

The Audit Committee is a committee of the Board as a sub-committee of the Board and responsible to the Board; the Committee has delegated authority from the Board in respect of the functions and power set out in its Terms of Reference. It is authorized to seek any information it requires from and require the attendance at any of its meetings of any Director, Member of Management. The Committee is also authorized to have any information and advice from the Company's Legal Advisors, Statutory Auditor and Compliance Auditor if required.

MEETINGS AND ATTENDANCE

During the year 2020-2021 under review, the Committee held four meetings. The attendance of the Member at these meeting is outlined below:

Name of the Member	Position	No. of Meeting held whilst a Committee Member	Meetings Attend	Remarks
Md. Iftikhar-Uz-Zaman (Independent Director)	Chairperson	4	3	Continuing
Md. Monirujjaman	Member	4	4	Membership was vacated due to resignation from the Board.
Mrs. Fatima Parvin	Member	4	4	Continuing
Md. Golam Rabbani	Member	4	-	Appointed as a member of the Audit Committee on 28 October 2021.
Mohi Uddin	Secretary	4	4	Continuing

The Audit Committee of Indo-Bangla Pharmaceuticals Ltd. is pleased to confirm that the following activities have been carried out during the year:

In accordance with the 'Audit Committee Charter' the Audit Committee worked and evaluated items that was raised for consideration as well as discussed issues related to key events of every every financial period

- Enhance good practices in financial reporting and risk management.
- Ensure establishment of adequate internal controls and compliance with laws and regulations.
- Ensure that the preparation, presentation and submission of financial statements have been made in accordance with the prevailing laws, standards and regulations.

In pursuance with Corporate Governance Code, 2018, the Audit Committee also reviewed the internal audit reports, the interim and annual financial statements and the financial performance of Indo-Bangla Pharmaceuticals Ltd. for the year ended June 30, 2021.

The Committee found adequate arrangement to present a true and fair view of the financial status of the company and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

(Md. Iftikhar-Uz-Zaman)

Independent Director

Chairman of Audit Committee.

Date: 04 November, 2021

REPORT OF NOMINATION AND REMUNERATION COMMITTEE (NRC)

For the year 2020-2021

Annexure- V
To The Directors' Report

The Board of Directors of Indo-Bangla Pharmaceuticals Ltd. has duly constituted a Nomination and Remuneration Committee (NRC), as per the requirement of the Corporate Governance Code of Bangladesh securities and Exchange Commission (BSEC) to shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives as well as a policy for formal process of considering remuneration of directors, top level executives.

The statement of Nomination and Remuneration Committee is prepared as per Corporate Governance Code issued by BSEC.

TERMS OF REFERENCES

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors and defined in the charted of the NRC formulated in accordance with the Notification of the Bangladesh Securities and Exchange Commission's Corporate Governance Code, 2018

COMPOSITION

The Nomination and Remuneration Committee of Indo-Bangla Pharmaceuticals Ltd. is comprised of three (3) non-executive Directors of the Board including one Independent Director. The Chairperson of the Committee is an Independent Director of the Company the composition of the present NRC is as follows:

Name	Designation
1. Md. Iftikhar-Uz-Zaman (Independent Director)	Chairperson
2. Mrs. Fatima Parvin	Member
3. Md. Golam Rabbani	Member

Mr. Mohi Uddin, Company Secretary attends the Committee's meeting as the Secretary of the Committee. The Managing Director and Head of Human Resources and Administration attends the meeting by invitation. The Chief Financial Officer attends the meeting as and when invited.

QUALIFICATION

The members of Nomination and Remuneration Committee of Indo-Bangla Pharmaceuticals Limited possess the adequate knowledge and business management and corporate governance matters.

ROLES AND RESPONSIBILITIES

The roles and responsibilities of the Nomination and Remuneration Committee flow directly from the Board's oversight functions. The purpose, authority, composition, duties and responsibilities of the Nomination and Remuneration Committee are delineated in its Charter. Some of the major responsibilities of the NRC are as follows:

- The Committee shall be independent, responsible and accountable to the Board and the Shareholders.
- Recommend a policy to the Board relating to the remuneration of the Directors, and top level executives;
- Recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- Formulate the criteria for determining qualification and independence of Directors;
- Identify persons who are qualified to become Directors and in top level executives and recommend their appointment and removal;
- Formulate the criteria for evaluation of performance of Independent Directors;
- Assess that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
- Evaluate that remuneration to Directors and top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- Recommend and review annually the Company's human resources and training policies;
- Recommend the remuneration policy of the Company, particularly in relation to the yearly increment principle; and
- Recommend the Code of Conduct for the Chair of the Board, other Board Members and Chief Executive Officer of the Company.
- Reporting to the Board of Directors on the Committee's activities and findings

NOMINATION, RECRUITMENT AND SELECTION STANDARDS

Recruitment and selection processes for Board members identify candidates with the most suitable skills, knowledge, experiences and personal values. The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous. The Board places great emphasis on ensuring its membership reflecting diversity in broader sense. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant personal attributes in the Board is important in providing a range of perspectives, insights and challenges needed to support right decision making.

MEETINGS AND ATTENDANCE

During the year 2020-2021 under review, the Committee held four meetings. The attendance of the Member at these meeting is outlined below:

Name of the Member	Position	No. of Meeting held whilst a Committee Member	Meetings Attend	Remarks
Md. Monirujjaman (Independent Director)	Chairperson	2	2	Membership was vacated due to resignation from the Board.
Mrs. Sayeda Huq	Member	2	2	Membership was vacated due to resignation from the Board.
Md. Mizanur Rahman	Member	2	1	Membership was vacated due to resignation from the Board.
Mrs. Fatima Parvin	Member	2	1	Appointed as a member of the Audit Committee on 18 July 2021.
Md. Iftikhar-Uz-Zaman (Independent Director)	Chairperson	2	-	Appointed as a member of the Audit Committee on 28 October 2021.
Md. Golam Rabbani	Member	2	-	Appointed as a member of the Audit Committee on 28 October 2021.
Mohi Uddin, QCS	Secretary	2	2	Continuing

EVALUATION CRITERIA

The evaluation process is led by the Chairman of the Board and assisted by the Company Secretary. The respective line authority of the Directors, Top level Executives sets the performance measurement criteria based on the respective role profile and responsibilities through the annual appraisal process. The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once a year of its work, functions, performance as well as monitoring of internal control over financial reporting for the preparation of external financial statements and the safeguarding of assets. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

AUTHORITY

The Nomination and Remuneration Committee has carried out its duties with due care, due diligence, transference and independence and as an act of good faith for the betterment of the Company and shareholders.

The Committee has authorized to seek any information if requires from and require the attendance at any of its meetings of any Director, member of Management and all employees are expected to cooperate with any quest made by the Committee.

ACTIVITIES CARRIED OUT DURING FINANCIAL YEAR 2020-2021.

In accordance with the 'Terms of Reference' of Nomination and Remuneration Committee, the Committee carried out the following activities during the financial year 2020-2021.

SELECTION & REMUNERATION CRITERIA OF TOP LEVEL EXECUTIVE

The performance of the Company depends upon the quality of its Directors and Top Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives. The recruitment process for Top Level Executives shall be transparent, non-discriminatory, diversified and in alignment with the Codes of Conduct.

REMUNERATION FOR BOARD OF DIRECTORS.

Each Director shall receive reasonable remuneration from the Company for every meeting attended, plus travelling expenses from and to usual place of residence and an allowance per day for the number of days spent attending, travelling to and returning from Board meetings. The amounts will be determined by the Shareholders at the General Meeting.

- Consider the Terms of Reference (ToR) of NRC as approved by the Board of Directors;
- Formulate the policy relating to the remuneration of the Directors and top-level executives;
- Formulate the criteria for determining qualifications, positive attributes and independence of the Directors;
- Adopt Code of Conduct for the Chairman, Directors and Top-level Executive as per BSEC Notification;
- Criteria for evaluation of performance of Independent Directors;

For and on behalf of the Nomination and Remuneration Committee of Indo-Bangla Pharmaceuticals Ltd.

(Md. Iftikhar-Uz-Zaman)

Independent Director

Chairman of the Nomination and
Remuneration Committee.

28 October 2021

DECLARATION BY CEO AND CFO

Under Condition # 1(5)(xxvi) of CGC

Annexure-A
Report to the Shareholders

The Board of Directors
Indo-Bangla Pharmaceuticals Ltd.
Bashundhara R/A, Baridhara,
Dhaka-1229

Date: 21 October, 2021

Subject: Declaration on Financial Statements for the year ended on 30 June, 2021.

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 Indo-Bangla Pharmaceuticals Ltd. for the year ended on 30th June, 2021 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 30th June, 2021 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,



(A F M Anowarul Huq)
Managing Director



(Md. Faruque Hossain)
Chief Financial Officer

CERTIFICATE ON COMPLIANCE

with the condition No. 1(5)(XVII) of
Corporate Governance Code

Annexure –B

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



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Web : www.shafiqbasak.com
E-mail : basak_sbc@yahoo.com
basak@shafiqbasak.com

CHARTERED ACCOUNTANTS

Partners:

Md. Shafiqul Islam, FCA
Sampad Kumar Basak, FCA
Sarwar Mahmood, FCA
Sheikh Zahidul Islam, MBA, FCA

DHAKA OFFICE - (1):
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skz4sbc@gmail.com
Web : www.shafiqbasak.com

Report to the Shareholders of Indo-Bangla Pharmaceuticals Ltd. on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Indo-Bangla Pharmaceuticals Ltd.** for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 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:

- 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;
- 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;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws;
- The governance of the company is highly satisfactory.

Place: Dhaka
Dated: 12 November, 2021

SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS




Sheikh Zahidul Islam, MBA, FCA
Partner



DHAKA OFFICE - (2): House - 42 (1st Floor), Road - 01, Block - A, Niketan, Gulshan - 01, Dhaka.
Phone : 88-02-99859602-3, 01819-285196, E-mail: mahmoods.bd@gmail.com

In Practice Since 1993

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
1	Board of Directors			
1(1)	Size of the Board of Directors			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	√		
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
1(2)(b)	<i>For the purpose of this clause 'independent director' means a director-</i>			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	who is 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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		

1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFi);	√		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	√		
1(3)	Qualification of Independent Director			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1(3)(b)	Independent Director shall have following qualifications			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	N/A
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	√	-	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		

1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;			No such issue arose
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1(4)(e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	The Directors' Report to Shareholders:			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act No. XVIII of 1994):-			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);			No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;			No such issue arose
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;			No such matter to explain
1(5)(x)	A statement of remuneration paid to the directors including independent directors	√		

1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5)(xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			No such matter to explain
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			The BOD declared dividend
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-	√		
1(5)(xxiii)(a)	Parent or Subsidiary or 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; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-	√		
1(5)(xxiv)(a)	a brief resume of the director	√		

1(5)(xxiv)(b)	nature of his or 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's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	√		
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
1(6)	Meetings of the Board of Directors:			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
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) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
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 company;	-	-	N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The 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)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3(2)	Requirement to attend Board of Directors' Meetings:			

	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board provided that CS, CFO and HIAC shall not attend such part of a meetings of the Board relating to their personal matter.	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that 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 or its members	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee:- For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The 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 and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
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)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent 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 management background and 10 (ten) years of such experience;	√		

5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such Incident arose
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	Role of Audit Committee: The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		
5(5)(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;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(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;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		

5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(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;	√		
5(5)(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;	√		
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)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;			No such Incident arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such Incident arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			No such Incident arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such Incident arose
5(6)(b)	Reporting to the Authorities:			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such reportable incident arose
5(7)	Reporting to the Shareholders and General Investors:			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		Activities of Audit Committee are disclosed in the Annual Report.
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		

6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
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)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such Incident arose
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such Incident arose
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		
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 upon request by any member of the NRC;	√		

6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;	√		
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
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 objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual Report.	√		
7	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
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 services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		

7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	√		
7(1)(ix)	any other service that creates conflict of interest.			No such incident arose
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (AGM or EGM) to answer the queries of the shareholders.	√		
8	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
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 or not.	√		

**Independent Auditors' Report
To the Shareholders
of
INDO-BANGLA PHARMACEUTICALS LTD.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **INDO-BANGLA PHARMACEUTICALS LTD.** which comprise the statement of financial position as at 30 June 2021, 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2.14 (c) of the financial statements, which describes about post employee benefit, The Nomination and Remuneration Committee (NRC), of the company that reviewed all post employee benefits and the policies are under process for final review of the Board. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Risk	Our responses to the risk
<p>Revenue recognition</p> <p>Revenue recognition has significant and wide influence on financial statements.</p> <p>The Company has reported revenue of BDT 78,22,39,281 in the financial statements as on 30th June, 2021.</p> <p>Revenue is recognized when the amounts and the related costs are reliably measured, and the performance obligation is complete through passing of control to the customers. Revenue from the sale of goods is recognized at the time when the goods are dispatched for delivery to the customers.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p>	<p>We read the assessed compliance of company's revenue recognition policy in terms of IFRS 15: Revenue from Contracts with Customers'. Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ We have evaluated and validated the key controls related to the Company's sales process from end to end, from contracts approval and sign-off, recording of sales through to cash receipts and customers' outstanding balances. ▪ We assessed the design and implementation of these controls. We tested a sample of individual sales transactions and traced to dispatch notes and subsequent cash receipt or other supporting documents; ▪ Assessed the sales with VAT returns; ▪ Assessed the design of the processes set up to account for the transactions in accordance with the company policy; ▪ Assessed whether any adjustments are required.
Refer to note 17 to the financial statements	
<p>Measurement of deferred tax liability</p> <p>Company reported net deferred tax liability totaling BDT 10,81,75,003 in the financial statements as at 30 June, 2021.</p> <p>Significant judgment is required in relation to deferred tax liability as their recoverability is dependent on forecasts of future profitability over a number of years.</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 liability and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We also assessed the appropriateness of presentation and disclosures in relation to deferred tax.\</p>
Refer to note 11 to the financial statements	

Other Information

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein of this other information, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 judgments 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statements 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: 28 October, 2021
Place: Dhaka

Sd/-
Md. Abdur Rashid, FCA
Partner
FAMES & R
Chartered Accountants
DVC # 2111040474AS603329

INDO-BANGLA PHARMACEUTICALS LTD.
STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

Particulars	Notes	Amounts in Taka	
		30th June 2021	30th June 2020
ASSETS:			
Non-current Assets:		1,295,291,134	1,126,809,674
Property, Plant and Equipment	3.00	1,229,114,043	1,061,759,460
Capital Work In Progress	4.00	66,177,091	65,050,214
Current Assets:		595,555,779	612,456,404
Inventories	5.00	202,093,690	190,289,732
Trade & Other Receivables	6.00	245,752,165	226,078,126
Advance, Deposits and Prepayments	7.00	125,230,137	182,249,756
Cash and Cash equivalents	8.00	22,479,787	13,838,790
TOTAL ASSETS		1,890,846,913	1,739,266,078
EQUITY AND LIABILITIES			
Shareholders' Equity:		1,625,418,375	1,517,598,176
Share Capital	9.00	1,137,371,400	1,115,070,000
Retained Earnings	10.00	488,046,975	402,528,176
NON-CURRENT LIABILITIES		108,175,003	94,720,685
Deferred Tax Liability	11.00	108,175,003	94,720,685
Current Liabilities:		157,253,535	126,947,217
Short Term Loan	12.00	84,943,000	-
Provision for WPPF	13.00	8,467,175	10,850,277
Trade Payables	14.00	618,229	371,989
Provision for Taxes	15.00	50,716,709	107,770,381
Liabilities for Expenses	16.00	12,508,422	7,954,570
TOTAL OWNER'S EQUITY AND LIABILITIES		1,890,846,913	1,739,266,078
Net Asset Value (NAV) Per Share	25.00	14.29	13.61

Annexed notes form an integral part of these financial statements.

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Date: October 28, 2021

Sd/-
FAMES & R
Chartered Accountants

INDO-BANGLA PHARMACEUTICALS LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June, 2021

Particulars	Notes	Amount In BDT	
		30-Jun-21	30-Jun-20
Net Sales Revenue	17.00	782,239,281	866,097,783
Less: Cost of Sales	18.00	469,303,281	519,647,733
Gross Profit		312,936,000	346,450,050
Less: Operating Expenses:		134,983,141	123,782,527
Administrative Expenses	19.00	42,188,104	36,382,303
Financial Expenses	20.00	3,814,169	-
Selling & Distributing Expenses	21.00	88,980,868	87,400,224
Profit from Operations		177,952,858	222,667,523
Add: Non Operating Income:	22.00	(142,183)	5,188,305
Profit before Contribution to WPPF & Welfare Fund		177,810,675	227,855,828
Less: Contribution to WPPF & Welfare Fund	13.00	8,467,175	10,850,278
Profit before Tax		169,343,500	217,005,550
Less: Income Tax Expenses:		34,615,093	60,761,886
Current Tax	23.00	14,067,112	26,808,614
Deferred Tax	11.00	24,035,175	27,961,604
Short Provision	15.01	(3,487,194)	5,991,668
Net Profit for the year		134,728,407	156,243,664
Earnings per share (EPS)	24.00	1.18	1.37

Annexed notes form an integral part of these financial statements.

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Signed in terms of our separate report of even date annexed.

Dated: Dhaka
Date: October 28, 2021

Sd/-
FAMES & R
Chartered Accountants

INDO-BANGLA PHARMACEUTICALS LTD.**STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2021

Particulars	Share Capital	Retained Earnings	Total Equity
	Note - 09	Note : 10	
Balance as at 01-07-2020	1,115,070,000	402,528,176	1,517,598,176
Issue of share Capital (Bonus)	22,301,400	(22,301,400)	-
Cash Dividend	-	(26,908,208)	(26,908,208)
Net Profit for the period	-	134,728,407	134,728,407
Balance as at 30-06-2021	1,137,371,400	488,046,975	1,625,418,375

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

Particulars	Share Capital	Retained Earnings	Total Equity
	Note - 09	Note : 10	
Balance as at 01-07-2019	1,023,000,000	351,627,332	1,374,627,332
Issue of share Capital (Bonus)	92,070,000	(92,070,000)	-
Cash Dividend	-	(13,272,820)	(13,272,820)
Net Profit for the period	-	156,243,664	156,243,664
Balance as at 30-06-2020	1,115,070,000	402,528,176	1,517,598,176

Annexed notes form an integral part of these financial statements.

Sd/-
Chief Financial OfficerSd/-
Company SecretarySd/-
DirectorSd/-
Managing Director

Place: Dhaka

Date: October 28, 2021

INDO-BANGLA PHARMACEUTICALS LTD.
STATEMENT OF CASH FLOWS
For the year ended 30 June, 2021

Particulars	Notes	Amount in Taka	
		30-Jun-21	30-Jun-20
Cash Flows from Operating Activities			
Cash receipts from customers	26.00	762,565,242	818,823,799
Cash receipts from others income	27.00	625,680	6,426,113
Cash payment to Suppliers	28.00	(419,414,294)	(464,492,478)
Cash payment to Employees		(109,281,153)	(99,507,644)
Cash payment to Others		(67,127,301)	(50,070,916)
Cash Generate from operation		167,368,174	211,178,874
Cash payment against income Tax		(16,347,366)	(35,648,753)
Net Cash generated from Operating Activities	33.00	151,020,808	175,530,121
Cash Flow from Investing Activities			
Acquisition of property, plant and equipment		(134,237,512)	(239,213,724)
Paid for Capital Work In Progress		(66,177,091)	(65,050,214)
Advance paid for L/C Margin Machinery		-	(4,736,000)
Net Cash used in Investing Activities		(200,414,603)	(308,999,938)
Cash Flows from Financing Activities			
Short Term Loan		84,943,000	-
Cash payment to Dividend		(26,908,208)	(13,272,820)
Net Cash Used in Financing Activities		58,034,792	(13,272,820)
Net increase/(Decrease) in Cash and Cash equivalents		8,640,997	(146,742,637)
Cash and Cash Equivalents at beginning of the period		13,838,790	160,581,427
Cash and Cash Equivalent at end of the Period		22,479,787	13,838,790
Net Operating Cash Flows Per Share (NOCFPS)		1.33	1.54

Annexed notes form an integral part of these financial statements.

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Place: Dhaka
Date: October 28, 2021

INDO-BANGLA PHARMACEUTICALS LTD.

Notes to the Financial Statements and other explanatory information

As at and for the year ended June 30, 2021

1.00 REPORTING ENTITY

1.01 Background of the Company

Indo-Bangla Pharmaceuticals Limited was incorporated as a private Limited Company under the Companies Act-1994 on 18 June 2014 vides registration no.C-116665/14 through takeover of M/S. Indo-Bangla Pharmaceutical Works, a proprietorship business since pre-liberation period. The company has been converted into public limited company on 21-10-2014. Registered office of the company and Factory is at Aziz Bhaban, College Road, Barisal. Authorized capital of the company is Tk.1, 500,000,000 divided into 150,000,000 ordinary shares of Tk.10 each. Paid up capital of the company Tk.1, 137,371,400 divided into 113,737,140 ordinary shares of Tk. 10 each.

1.02 Registered Office of the Company

The registered office of the Company and the Factory is located at 729, College Road, Barisal Sadar, Barisal and having its Corporate office at Polt-183 (7th floor) Block-B, Road-4, Ahmed Akbar Sobhan Road, Basundhara R/A, Baridhara, Dhaka-1229.

1.03 Nature of the business

The Company is engaged in manufacturing and selling of all kinds of medicine (excluding Antibiotic), medical preparations drugs & chemicals (Human Health) with due approval of Drug Administration Authority. The company applied for permission for production and selling of veterinary medicine also.

2.00 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

2.01 Presentation of Financial Statements

The Financial Statements of the Company are prepared on a going concern Basis under historical cost convention and in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other laws & regulation in Bangladesh applicable to the Company.

2.02 Going Concern

The company has adequate resources to continue its operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. As such, the directors intended to adopt the going concern Basis in preparing the financial statements.

2.03 Accrual Basis

The financial statements have been prepared, except Statements of Cash Flows, using the accrual Basis of accounting.

2.04 Reporting Period

The financial Statements have been prepared covering one year from July 01, 2020 to June 30, 2021

2.05 Components of the Financial Statements

According to IAS-1 “presentation of the Financial Statements” the complete set of financial statements includes the following components;

- a) Statement of Financial Position as at June 30, 2021;
- b) Statement of Profit or Loss and other Comprehensive Income for the period from 1st July 2020 to 30th June, 2021;

- a) Statement of Changes in Equity for the year ended June30, 2021;
- b) Statement of Cash Flows for the year ended June 30, 2021; and
- c) Notes comprising a summary of significant accounting policies and other explanatory information.

2.06 Accounting Policies & Estimates

The preparation of these financial statements is in conformity with IAS and IFRS which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

2.07 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of “the Framework for the preparation and Presentation of Financial Statements” issued by the International Accounting Standards (IASs) and Bangladesh Securities and Exchange Commission (BSEC) guideline.

2.08 Statement of Cash flows

Statement of Cash flows have been prepared in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS-7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method".

2.09 Applicable accounting standards

The following IAS and IFRS are applicable for the financial statements for the year under review:

IASs:

IAS -1	Presentation of Financial Statements
IAS -2	Inventories
IAS -7	Statements of Cash flows
IAS -8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipments
IAS -19	Employee Benefits
IAS-24	Related Party Disclosures
IAS- 32	Financial Instruments Presentation
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS- 37	Provisions, Contingent Liabilities and Contingent Assets

IFRSs:

IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

2.10 Property, Plant and Equipments

2.10.1 Recognition and Measurement

All Property, Plant and Equipment are stated at cost less accumulated depreciation as per IAS-16 “Property, Plant and Equipments”. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non- refundable taxes.

The cost of replacing part of an item of property, plant and equipments is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The cost of the day to day maintaining cost on PPE is recognized in the Statements of Profit or Loss and other Comprehensive Income as incurred.

2.10.2 Depreciation

Depreciation on Property, Plant and Equipments other than Land has been computed during the year using the reducing balance method. Depreciation has been charged on addition when the related Property, Plant and Equipment are available for use as per management intention. Depreciation has been charged at following rates:

Name of Assets	Rate	Rate
	As at 30 th June 2021	As at 30 th June 2020
Land and Land Development	0%	0%
Building	2.50%	2.50%
Civil Works	5%	5%
Machineries & Equipment	3%	3%
Micro biological Lab	3%	3%
Factory Air Condition	10%	10%
Generator	3%	3%
Furniture & Fixture	10%	10%
Office Equipment	10%	10%
SEP Decoration	10%	10%
Office Decoration	10%	10%
Computer	10%	10%
Air Condition	10%	10%
Transport	10%	10%
Water Plant	10%	10%
ETP Plant	10%	10%

2.10.3 Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

2.10.4 Impairment

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the period and for this reason no provision has been made for Impairment of assets as per IAS 36.

2.11 Revenue Recognition

As per IFRS-15: “Revenue from Contracts form Customers” the company accounts for a contract with a customer only when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- The company can identify each party ‘s rights regarding the goods or services to be transferred ;
- The company can identify the payment terms for the goods or services to be transferred

- (a) The contract has commercial substance (i.e. the risk , timing or amount of the entity `s future cash flows is expected to change as a result of the contract); and
- (b) It is probable that the company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

2.12 Valuation of Current Assets

Trade and Other Receivable

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount has been provided for as bad debt in the current year's account.

Inventories

In compliance with the requirements of IAS-2 "Inventories", the inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous period's practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further cost expected to be incurred to make the sale.

2.13 Provisions:

Provisions where made considering risk and un-certainties at best estimate of the probable expenditure that would require to meet the current obligation at the date of statement of financial position.

2.14 Employees' Benefit

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: "Employee Benefits".

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate.

The company's employee benefits include the following.

a) Short Term Employee Benefit

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

b) Contribution to Workers' Profit Participation and Welfare Funds

This represents 5% of net profit before tax but after charging such expenses by the company as per provisions of the Bangladesh Labor Act, 2006,& Bangladesh Labor (amendment) Act, 2013.

c) Post Employment Benefit

The Nomination and Remuneration Committee (NRC), a sub-committee of Board formed to ensure good governance in the company as per Corporate Governance Code in notification No. BSEC/CMRRCD/2006 of Bangladesh Securities and Exchange Commission reviewed all post employee benefits to comply with IAS 19.

2.15 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc.

2.16 Functional and Presentational Currency:

The financial statements are prepared in Bangladeshi Taka which is the Company's functional currency.

2.17 Income Tax Expenses:

Income Tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity and profit or loss.

Current Income Tax

Current income tax is excepted tax payable on the taxable income for the year and any short fall of provision for previous years. The company (IBPL) is a "Publicly Traded Company"; hence Tax rate is applicable @ 22.5%.

Deferred Tax

Deferred tax expenses is considered for taxable temporary differences may arise for the reporting year, adjustments for prior years accumulated differences and changed in tax rate.

2.18 Earnings per Share

The company calculates Earnings per Share (EPS) in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the Profit or Loss and other Comprehensive Income.

Basic Earnings

This represents profit or loss at the end of the period attributable to ordinary shareholders of the entity.

Basic Earnings Per Share

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the year.

2.19 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IAS-39 "Financial Instruments Recognition and Measurement."

Financial Assets

Financial assets of the company include cash and cash equivalents, Trade receivables and other receivables. The company initially recognizes a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

Financial Liabilities

Financial liabilities of the company include trade payables and liabilities for expenses. The company initially recognizes a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

2.20 Cash and Cash Equivalents

According to IAS-7 'Statement of Cash Flows', cash comprises cash in hand, short term deposit and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

2.21 Events after the Reporting Period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events are those that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting Events are those that are indicative of conditions that arose after the reporting period.

2.22 Authorization date for issuing Financial Statements

The financial statements were authorized by the Board of Directors on October 28, 2021.

2.22 Comparative Information

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

2.23 Segmental Reporting

The company essentially provides similar products to customers across the country and the products essentially have the similar risk profile. As there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.

2.24 Related Party Disclosure

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS-24: Related Party Disclosures has been disclosed in a separate note to the financial statements.

2.25 Leases

The Company has short term lease facilities and recognized them as operating lease facilities by complying with Para 5 of IFRS 16: "Leases, Lease payments and lease receipts under operating lease are recognized as rental expense from lease in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

2.26 General

The figure has been rounded off to the nearest taka.

Particulars	Amount in Taka	
	30-Jun-21	30-Jun-20
3.00 Property, Plant and Equipment		
These have arrived at as under:		
(A) At Cost		
Opening balance	1,149,037,824	801,514,939
Add: Addition during the Period	210,523,726	347,522,885
Less: Disposal during the Period	(8,926,055)	-
Total	1,350,635,495	1,149,037,824
(B) Accumulated Depreciation		
Opening balance	87,278,364	58,380,161
Add: Depreciation Charged for the period	35,901,280	28,898,203
Less: Adjusted during the period	(1,658,192)	-
Total :	121,521,452	87,278,364
WDV as on 30.06.2021 (a-b)	1,229,114,043	1,061,759,460
A schedule of Property, Plant and Equipment is given in Annexure-A		
4.00 Capital Work in Progress		
These have arrived at as under:		
A. Machineries & Equipment:		
Opening balance	65,050,214	67,266,943
Add: Addition during the period	201,088,985	211,648,406
Less: Transfer to Fixed Assets	(199,962,108)	(213,865,135)
Closing Plant & Machinery	66,177,091	65,050,214
B. Land Development:		
Opening balance	-	8,121,600
Earth fill-up	-	33,250
Less: Transfer to Fixed Assets of Land & Land Development		(8,154,850)
	-	-
Total (A+B)	66,177,091	65,050,214

5.00 Inventories :

This consists of the following;

Raw Material	116,561,792	97,025,425
Finished Goods	57,150,657	63,366,292
Work - in - Process	7,822,000	12,376,500
Maintenance of Machine & Consumable Items	2,956,350	3,025,650
Packing Materials	10,926,371	14,495,865
Store-In-Transit	6,676,520	-
	202,093,690	190,289,732

Inventories in hand have been valued at lower of cost or/and net realizable value as per IAS-2 and have been certified by management.

6.00 Trade & Others Receivable:

These have arrived at as under:

Trade Receivable		
Opening balance	226,078,126	178,804,143
Add: Sales during the period	782,239,281	866,097,783
Total	1,008,317,407	1,044,901,925
Less:Recovery	762,565,242	818,823,799
	245,752,165	226,078,126
Total:	245,752,165	226,078,126

Ageing of Accounts Receivable

More than six months

Less than six month	245,752,165	226,078,126
	245,752,165	226,078,126

The classification of receivables as required by the schedule XI of the Companies Act, 1994 are given below:

Receivable considered good in respect of which the company is fully secured.	-	-
	245,752,165	226,078,126
Receivable considered good in respect of which the company holds no security other than the debtor personal security.		
Receivables considered doubtful bad.	-	-
Receivable due by directors or others or other offers of the company or any of them either severly or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
Receivables due by common under the same management.	-	-
The maximum amount of receivable due by any director or other	-	-
Total:	245,752,165	226,078,126

7.00 Advance, deposit and prepayments:

This consists of the following:

Advance

Advance Income Tax	23,810,831	75,097,055
Advance to Employees	1,825,000	2,025,000
Advance to others	99,594,306	105,127,701
	125,230,137	182,249,756

The classification of Advances, Deposits and Prepayments as required by Schedule-XI, Part-I of the Companies Act, 1994

Advance, Deposit and pre-payments considered good and fully secured;	125,230,137	182,249,756
Advance, deposit and pre-payments considered good and company holds no security other than personal security;	-	-
Advance, deposit and pre-payments considered doubtful and bad;	-	-
Advance, deposit and pre-payments due by directors or other officers;	-	-
Advance, deposit and pre-payments due from companies under common management; and	-	-
Maximum advance, deposit and pre-payments due by Directors or other officers at any time.	-	-
	125,230,137	182,249,756

7.01 Advance Tax paid

Opening	75,097,055	88,094,202
Less: Adjustment Income Tax Expenses Assessment year 2015-2016	20,520,875	
Less: Adjustment Income Tax Expenses Assessment year 2016-2017	18,817,960	
Less: Adjustment Income Tax Expenses Assessment year 2017-2018	-	22,986,703
Less: Adjustment Income Tax Expenses Assessment year 2018-2019	-	24,460,348
Less: Adjustment Income Tax Expenses Assessment year 2019-2020	25,294,755	-
Add: Advance Tax paid during the year	13,347,366	34,449,904
	23,810,831	75,097,055

7.02 Advance to Others

Goods and services	1,025,365	1,205,000
Tour	546,173	485,000
Office Rent	300,000	300,000
Land (Gazipur)	95,000,000	95,000,000
L/C Margin for Raw-materials	117,559	2,335,800
L/C Margin for Machinery	-	4,736,000
Prepaid Insurance	24,917	12,219
VAT current account	2,580,292	1,053,682
	99,594,306	105,127,701

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as inventory, land or any recurring expenses. Subsequent position of Advance to land (Gazipur) Tk. 6,00,00,000/- (Six Crore) as at 30th September 2021.

8.00 Cash and Cash equivalents:

These have arrived at as under:

Cash in Hand	16,287,297	9,942,202
Cash at Bank	6,192,490	3,896,588
Short Term FDR	-	-
	22,479,787	13,838,790

8.01 Cash at Bank

Pubali Bank Ltd. Barishal Sadar Branch A/C 54490	1,260,701	1,705,467
Sonali Bank Ltd. Barishal Corporate Branch A/C. 3953	102,816	144,937
Islami Bank Bangladesh Ltd. Barishal Branch A/C no.10807	19,278	20,197
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.01405	-	196,589
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.01506	-	84,388
Islami Bank Bangladesh Ltd. Bhanga Branch A/C no.79513	-	33,621
One Bank Ltd. Barisal Branch A/C no.02579	2,420	3,455
Mercantile Bank Ltd. rampura Br. A/C: 56998	10,736	12,502
Mercantile Bank Ltd. Elephant road Br. A/C: 88298	1,278	3,000
Dutch-Bangla Bank Ltd. Barisal Branch A/C 1271100014683	20,992	24,682
Dutch-Bangla Bank Ltd. Bashundhara 1471100016286	429,256	449,815
City bank A/C no. 3102631598001	1,629	3,253
First Security Islami Bank Ltd. Bashundhara Br. A/C 302	476,973	1,167,735
First Security Islami Bank Ltd. Bashundhara Br. A/C 315	3,835,023	15,489
Eastern Bank Ltd Principal Branch A/C 1011360459420	31,388	31,458

9.00 Share Capital :

Authorized Capital

150,000,000 Ordinary Shares

of Tk. 10 each

1,500,000,000 **1,500,000,000**

Issued, Subscribed & Paid-up Capital:

73,000,000 Ordinary Shares of Tk. 10each

730,000,000 730,000,000

20,000,000 Shares issued for IPO in 2018

200,000,000 200,000,000

9,300,000 Bonus Shares issued in 2018

93,000,000 93,000,000

9,207,000 Bonus Shares issued in 2019

92,070,000 92,070,000

2,230,140 Bonus Shares issued in 2020

22,301,400 -

113,737,140 Ordinary Shares of Tk. 10 each fully paid up.

1,137,371,400 **1,115,070,000**

10.00 Retained Earnings:

This amount consists of as follows:

Opening balance	402,528,176	351,627,332
Add :Net Profit for the year	134,728,407	156,243,664
Less: IPO Expenses	-	-
Less: Transfer to Share capital	22,301,400	92,070,000
Less: Cash Dividend	26,908,208	13,272,820
	488,046,975	402,528,176

11.00 Deferred Tax Liability:

This amount consists as follows:

Carrying Value of Property, Plant & Equipment (Annexure-A)	1,229,114,043	1061759460
As Tax Base	748,336,251	682,876,720
Temporary Difference	480,777,792	378,882,740
Deferred Tax Liabilities @22.5%	108,175,003	94,720,685
Less: Opening Deferred Tax Liability	94,720,685	66,759,081
Add: Addition during the year Tax Rate Change	9,472,068	-
Add: Sale of Assets Depriation Defferance (B-A) @ 22.5%	1,108,789	-
Deferred Tax Liability/Expenses (Income)	24,035,175	27,961,604

12.00 Short Term Loan:

Opening	-	-
Bai Murabaha (Hypo)	19,800,000	-
Bai Murabaha (LTR)	38,343,000	-
Temporary Loan	26,800,000	-
Total:	84,943,000	-

13.00 Provision for WPPF:

Opening WPPF	10,850,277	9,038,917
Add: Addition during the year	8,467,175	10,850,278
Less:Transfer to WPPF Bank Accounts	(10,850,277)	(9,038,917)
Total:	8,467,175	10,850,277
Profit before contribution for WPPF	177,810,675	227,855,828
Provision for contribution @5% Profit After WPPF(For the year)	8,467,175	10,850,278

14.00 Trade Payables :

Opening balance;	371,989	6,108,271
Add: Purchase during the year	422,058,410	458,416,068
Total:	422,430,399	464,524,339
Less: Adjustment during the year	421,812,170	464,152,350
Closing balance	618,229	371,989

15.00 Provision for Taxes

This has been arrived as at under;

Balance b/d	107,770,381	123,615,998
Add: Short Provision	(3,487,194)	5,991,668
Less: Adjusted Income Tax Expenses Assessment year 2015-2016	23,520,875	-
Less: Adjusted Income Tax Expenses Assessment year 2016-2017	18,817,960	-
Less: Adjusted Income Tax Expenses Assessment year 2017-2018	-	22,986,703
Less: Adjusted Income Tax Expenses Assessment year 2018-2019	-	24,460,348
Less: Tax Payment cash for assesment year 2018-19	-	1,198,848
Less: Adjusted Income Tax Expenses Assessment year 2019-2020	25,294,755	-
Add : Provision during the year	14,067,112	26,808,614
	50,716,709	107,770,381

15.01 Short Provision for Taxes:

Assessment Year 2015-2016	2,586,489	-
Assessment Year 2016-2017	(6,316,296)	-
Assessment Year 2017-2018	-	4,298,292
Assessment Year 2018-2019	-	1,693,376
Assessment Year 2019-2020	242,613	-
	(3,487,194)	5,991,668

16.00 Liabilities for Expenses :

This consists of the following

Telephone Bill	346	346
Electricity Bill	372,404	398,538
Directors Remuneration	400,000	250,000
Salary & Wages	5,704,688	5,256,554
Greatuty	3,720,923	-
Interest on Short Term Loan	1,491,930	-
Audit Fees	287,500	287,500
Others	530,631	1,761,632
	12,508,422	7,954,570

		Amount in BDT	
		30 June 2021	30 June 2020
17.00	Net Sales Revenue:		
	Net Sales revenue	782,239,281	866,097,783
18.00	Cost of Sales :		
	This has been arrived as under;		
	Raw Material Consumed	308,754,533	347,640,353
	Add: Work in process (Opening)	12,376,500	20,585,480
	Less: Work in Process (Closing)	7,822,000	12,376,500
	Total Consumption	313,309,033	355,849,333
	Add: Manufacturing Overhead	76,675,114	68,916,166
	Add: Direct expenses	76,916,039	85,988,425
	Cost of Production	466,900,186	510,753,924
	Add: Finished Goods (Opening balance)	63,366,292	76,485,251
	Finished Goods Available	530,266,478	587,239,175
	Less: Finished Goods (Closing)	57,150,657	63,366,292
	Less: Sample Costs	3,812,540	4,225,150
	Cost of Sales:	469,303,281	519,647,733
18.01	Material Consumed :		
	Opening balance	97,025,425	89,645,280
	Add: Material Purchased	328,290,900	355,020,498
	Import	242,659,429	311,012,229
	Local	85,631,471	44,008,269
	Less: Closing Materials	116,561,792	97,025,425
	Total	308,754,533	347,640,353
18.02	Manufacturing Overhead:		
	Salary & Wages	14,414,550	11,379,576
	Cork & Cap	2,156,350	2,412,530
	Carton & Label	2,854,750	3,185,750
	Hand Glove, Tape, Gum Etc	225,456	235,420
	Quality Control Expenses	750,250	768,550
	Accessories	2,514,230	2,684,120
	Apron & Uniform	625,320	621,530
	Carriage Inward	1,000,907	1,141,095
	Water bill	7,850	7,650
	Washing Expenses	3,565	3,425
	Maintenance of Machine & Consumable Items	15,594,940	17,850,320
	Electricity Bill Factory	4,416,994	2,748,281
	Maintenance of Factory Building	1,025,630	1,125,360
	Insurance Expense	136,802	134,406
	Depreciation (Annexure-A)	30,947,520	24,618,153
	Total	76,675,114	68,916,166

		Amount in BDT	
		30 June 2021	30 June 2020
18.02.1	Maintenance of Machine & Consumable Items		
	Opening balance	3,025,650	4,625,650
	Purchase during the period	15,525,640	16,250,320
	Closing balance	(2,956,350)	(3,025,650)
	Consumption	15,594,940	17,850,320
18.03	Direct expenses :		
	Delivery Charges	718,635	725,680
	Packing Materials	75,134,844	84,174,835
	Medical Bag Expenses	428,630	432,150
	Cost of Literature	131,250	135,620
	Remission Settlement	502,680	520,140
	Total	76,916,039	85,988,425
18.03.1	Packing Materials		
	Opening balance	14,495,865	11,525,450
	Purchase during the period	71,565,350	87,145,250
	Less: Packing Materials(Closing balance)	(10,926,371)	(14,495,865)
	Consumption	75,134,844	84,174,835
19.00	Administrative Expenses		
	Salary & allowance	12,832,446	13,046,776
	Director Remuneration	4,800,000	2,400,000
	Board Meeting Fee	655,000	370,000
	Travelling & Conveyance	2,758,695	2,914,750
	Greatuty	3,720,923	-
	Entertainment	1,956,850	2,215,630
	Office Rent	662,400	662,400
	Printing & Stationery	1,968,450	1,972,860
	News Paper & Megazine	103,650	82,560
	Post & Telegram	423,865	421,560
	License & Legal Fee	750,250	969,449
	Telephone & Mobile Bill	183,216	183,216
	Internet Bill	95,310	95,310
	Audit Fee	287,500	287,500
	Company Secretarial, Regulatory Fee and AGM Expenses	1,597,544	2,136,076
	Electricity Bill & others charge	191,071	92,782
	Maintenance of Transport	1,918,475	1,923,520
	Securities service	765,230	762,520
	Bank Charge	550,924	539,985
	Others expenses	1,012,546	1,025,360
	Depreciation (Annexure-A)	4,953,759	4,280,050
	Total	42,188,104	36,382,303

Notes-18.03.1

	Amount in BDT	
	30 June 2021	30 June 2020
20.00 Financial expenses		
Interest On Bai Murabaha (Hypo)	1,275,184	-
Interest On Bai Murabaha (LTR)	2,538,985	-
Total:	3,814,169	-
21.00 Selling & Distributing Expenses		
Salary & allowance(Including Depot Staff)	43,459,451	40,484,604
Incentive Bonus	3,125,450	3,482,680
TA & DA of Field Staff	3,865,920	3,995,850
Carriage Outward	2,845,785	2,956,410
Packing Materials-Selling & Distribution	3,562,482	3,651,530
Sales Promotion	3,452,860	3,698,240
Training & seminar Expenses	5,012,455	4,991,530
Entertainment for Conference	3,025,150	2,935,620
Gift & Presentation(Promotional Materials)	3,562,450	3,415,360
Sample expense	3,812,540	4,225,150
Travelling & Conveyance	13,256,325	13,563,250
	88,980,868	87,400,224
22.00 Non Operating Income:		
Misc Sales	625,680	3,029,350
Interest on FDR	-	2,137,192
Interest on Bank	-	21,763
Profit/(Loss) on Sale of Fixed Assets	(767,863)	-
	(142,183)	5,188,305
23.00 Current Tax:		
Profit before tax as per account	169,343,500	217,005,550
Accounting depreciation	35,901,280	28,898,203
Tax base depreciation	(142,724,283)	(140,744,617)
Non Operating Income	(625,680)	(5,188,305)
Taxable profit	61,894,817	99,970,830
Current Tax for Operating Income@ 22.5%	13,926,334	24,992,708
Add: Tax on Non Operating Income @ 22.5%	140,778	1,815,907
	14,067,112	26,808,614
24.00 Basic Earnings Per Share :		

This has been calculated in compliance with the requirements of IAS 33: Earnings Per Share, is the basic earning dividing by the weighted average number of ordinary shares outstanding at the end of the Period.

The composition of earnings per shares (EPS) is given below:

Earnings Per Share (EPS)

Net profit for the year	134,728,407	156,243,664
Weighted Average number of ordinary shares outstanding	113,737,140	113,737,140
Earnings Per Share (EPS)	1.18	1.37
Weighted Average Number of Shares		
73000000 Shares	73,000,000	73,000,000
20000000 Shares	20,000,000	20,000,000
9300000 Shares	9,300,000	9,300,000
9207000 Shares	9,207,000	9,207,000
2230140 Shares	2,230,140	2,230,140
Weighted Average Number of Shares	113,737,140	113,737,140

Amount in BDT	
30 June 2021	30 June 2020

25.00 Net Assets Value Per Share :

The composition of net assets value per share is given below:

Total Assets	1,890,846,913	1,739,266,078
Less: Non-Current Liabilities+Current Liabilities	265,428,538	221,667,902
Net Assets Value	1,625,418,375	1,517,598,176
Number of ordinary shares outstanding	113,737,140	111,507,000
	14.29	13.61

26.00 Net Operating Cash Flows Per Share (NOCFPS)

Net Cash from operating activities	151,020,808	175,530,121
Weighted Average Number of Shares	113,737,140	113,737,140
	1.33	1.54

Notes: 33

		Amounts in Taka	
		30 June 2021	30 June 2020
27.00	Cash receipts from customers		
	Opening receivable	226,078,126	178,804,143
	Add: Sales during the year	782,239,281	866,097,783
	Less: Closing receivable	(245,752,165)	(226,078,126)
		762,565,242	818,823,799
28.00	Cash receipts from others income		
	Misc. Sales	625,680	3,029,350
	FDR and Bank Interest	-	3,396,763
		625,680	6,426,113
29.00	Cash payment to suppliers		
	Purchase (RM,spare,packing)	422,058,410	458,416,068
	Opening Accounts Payable	371,989	6,108,271
	Closing Accounts Payable	(618,229)	(371,989)
	Opening Advance goods	(3,540,800)	(3,200,672)
	Closing Advance goods	1,142,924	3,540,800
		419,414,294	464,492,478
30.00	Cash Flow for Acquisition of property, plant and equipment		
	Property, Plant & Equipment addition during the year	210,523,726	347,522,885
	Less: Adjustment:	76,286,214	113,033,161
	Closing Advance L/C Margin for Machinery	-	4,736,000.00
	Opening Advance L/C Margin for Machinery	4,736,000	27,908,618
	Opening WIP Machinery	65,050,214	67,266,943
	Closing Advance for Land	(95,000,000)	(95,000,000)
	Opening Advance for land	95,000,000	100,000,000
	Opening land Development	-	8,121,600
	Sale of Machinery	6,500,000	-
		134,237,512	234,489,724
31.00	Paid for Work In Progress	66,177,091	65,050,214
32.00	Advance paid for L/C Margin Machinery	-	4,736,000
33.00	Reconciliation of Net Profit with cash flows from Operating Activities:		
	Profit before Tax	169,343,500	217,005,550
	Add: Depreciation on property, plant and equipment	35,901,280	28,898,203
		205,244,780	245,903,753
	Add/(Less):		
	Less: Increase in Trade & Other Receivables	(19,674,039)	(46,036,176)
	Less: Increase in Inventories	(11,803,958)	12,577,379
	Add: Increase in Trade Payables	246,240	(5,736,282)
	Add: Increase in Liabilities for Expenses	4,553,851	2,356,497
	Less: Decrease in Liability for contribution to W.P.P.F	(2,383,102)	1,811,360
	Add:Decrease in Advance, Deposit & Prepayments	997,395	302,341
	Add/(Less): Capital Gain or Loss for Sale of Machinery	767,863	-
	Add/(Less): Adjusted Deffered Tax for Tax Rate Change	(10,580,857)	-
	Less: Income Tax Paid	(16,347,366)	(35,648,753)
		151,020,807	175,530,121

34.00 Related parties disclosure:

Key Management Personnel:

As per Schedule-XI, part-II, Para 4 of the Companies Act, 1994, the profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-

No.	Particulars	30.06.2021	30.06.2020
(a)	Managerial Allowances paid or payable during the period to the directors, including managing directors, a managing agent or manager;	4,800,000	2,400,000
(b)	Expenses reimbursed to Managing Agent;	Nil	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate;	Nil	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;	Nil	Nil

(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period;	Nil	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable;	Nil	Nil
(g)	Other allowances and commission including guarantee commission;	Nil	Nil
(h)	Pensions etc.	-	-
	(i) Pensions;	Nil	Nil
	(ii) Gratuities;	Nil	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon;	Nil	Nil
	(iv) Compensation for loss of office;	Nil	Nil
	(v) Consideration in connection with retirement from office.	Nil	Nil
(i)	Share Based payments	Nil	Nil

Related parties Transactions:

The company carried out a number of transactions with related parties. The following are the related parties transactions of the Indo-Bangla Pharmaceuticals Ltd has been disclosed as required by IAS 24 Related Party Disclosures.

(a) Remuneration

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mr. A.F.M Anowarul Huq	Managing Director	Remuneration	4,800,000	2,400,000

(b) Board meeting fee

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mrs. Aziza Yeasmin	Chairman	Board Meeting fee	85,000	50,000
Mr. A.F.M Anowarul Huq	Managing Director		85,000	50,000
Mrs. Aysha Siddika	Director		80,000	-
Mrs. Hafiza Yeasmin	Director		-	-
Md. Amin-Ur-Rashid	Director		-	15,000
Sayedra Huq	Director		85,000	45,000
Fatima Parvin	Director		85,000	50,000
Mst.Shanaj Akter	Director		-	15,000
Mizanur Rahman	Director		30,000	45,000
Md. Golam Rabbani	Director (Represented of ICB)		65,000	30,000
Ifikhar Uz zaman	Independent Director		70,000	-
S.M. Harun Or Rashid	Independent Director		5,000	15,000
Md. Monirujaman	Independent Director		65,000	45,000
Md. Firoz Khan	Independent Director		-	10,000

(c) Short Term Loan

Name	Designation	Nature of Transaction	Amount in (BDT)	
			2020-2021	2019-2020
Mr. A.F.M Anowarul Huq	Managing Director	Temporary Loan	26,800,000	-

35.00 Production Capacity and Utilization

Item	Unit	Production Capacity		Actual Production		Capacity Utilization	
		2021	2020	2021	2020	2021	2020
Tablet	Million Pcs	4,000	3,500	2,698	2,750	67%	79%
Capsule	Million Pcs	750	735	497	550	66%	75%
Liquid/Phs	Million ML	350	350	210	340	60%	97%

36.00 The requirements of schedule XI, Part II, note-5 Para 3, of the company Act.1994.

Employees	2021	2020
Number of employees whose salary was below Tk. 3,000.00	-	-
Number of employees whose salary was above Tk. 3,000.00	357	309

37.00 Disclosure as per Schedule XI, Part – II, Para 8 of the companies Act, 1994.

a) Import of raw materials and packing materials on CIF basis are as follows:

The company did not import any raw and packing materials at CIF price in 2021 and 2020. All purchase of raw materials by the company was at C&F price.

During the period 1st July 2020 to 30th June 2021 total Value of import in respect of raw materials stands equivalent USD **51,28,737** on CIF basis. Details are as follows:

Particulars	Amount In BDT	
	2021	2020
Import of raw Materials	242,659,429	311,012,229
Import of Packing Materials	31,647,086	-
Import of Capital goods	187,279,822	197,872,985
Total:	461,586,337	508,885,214

b) The Company did not incur any expenditure in foreign currency during the financial year on account of royalty, Know-how, professional Consultation fees, Interest and other matters.

(c) The value of both imported and Indigenous raw materials, Spare parts, Packing materials and Consumption thereof are as follows;

For the year 30 June 2021

Raw Materials:	Imported	Indigenous	Total
Opening balance	79,625,410	17,400,015	97,025,425
Add: Purchase during the year	242,659,429	85,631,471	328,290,900
	322,284,839	103,031,486	425,316,325
Less: Closing balance	98,456,230	18,105,562	116,561,792
Consumption during the year	223,828,609	84,925,924	308,754,533
Percentage of total Consumption during the year	72.49%	27.51%	100%

Spare Parts	Imported	Indigenous	Total
Opening balance	-	3,025,650	3,025,650
Add: Purchase during the year	-	15,525,640	15,525,640
	-	18,551,290	18,551,290
Less: Closing balance	-	2,956,350	2,956,350
Consumption during the year	-	15,594,940	15,594,940
Percentage of total Consumption during the year	0.00%	100.00%	100.00%

Packing Materials	Imported	Indigenous	Total
Opening balance	-	14,495,865	14,495,865
Add: Purchase during the year	31,647,086	39,918,264	71,565,350
	31,647,086	54,414,129	86,061,215
Less: Closing balance	8,325,680	2,600,691	10,926,371
Consumption during the year	23,321,406	51,813,438	75,134,844
Percentage of total Consumption during the year	31.04%	68.96%	100.00%

For the year 30 June 2020

Raw Materials:	Imported	Indigenous	Total
Opening balance	76,325,850	13,119,430	89,445,280
Add: Purchase during the year	311,012,229	44,008,269	355,020,498
	387,338,079	57,127,699	444,465,778
Less: Closing balance	92,526,350	4,499,075	97,025,425
Consumption during the year	294,811,729	52,628,624	347,440,353
Percentage of total Consumption during the year	84.85%	15.15%	100%

Spare Parts	Imported	Indigenous	Total
Opening balance	-	4,625,650	4,625,650
Add: Purchase during the year	-	16,250,320	16,250,320
	-	20,875,970	20,875,970
Less: Closing balance	-	3,025,650	3,025,650
Consumption during the year	-	17,850,320	17,850,320
Percentage of total Consumption during the year	0.00%	100.00%	100.00%

Packing Materials	Imported	Indigenous	Total
Opening balance	-	11,525,450	11,525,450
Add: Purchase during the year	-	87,145,250	87,145,250
	-	98,670,700	98,670,700
Less: Closing balance	-	14,495,865	14,495,865
Consumption during the year	-	84,174,835	84,174,835
Percentage of total Consumption during the year	0.00%	100.00%	100.00%

(d) No amount was remitted during the year in foreign currencies on account of dividend to non-residents shareholders. It is mentioned that the company does not have any non-resident shareholders.

(e) Earnings in foreign exchange classified under the following heads:

Heads	30.06.2021	30.06.2020
i. export of goods on FOB basis	Nil	Nil
ii. Royalty, know-how, professional and consultation fees	Nil	Nil
iii. Interest and dividend	Nil	Nil
iv. Other income	Nil	Nil
Total:	Nil	Nil

38.00 Impact of Covid 19 on Our Business:

Worlds' most of the country have been badly affected by the Corona pandemic and Bangladesh is no exception to that, for which Economy and Companies all are affected at certain ranges whether that is significant or insignificant. Indo-Bangla Pharmaceuticals Limited also effected by COVID-19 pandemic since its outbreak, is mostly dependent on India and China for raw materials, with 80 per cent of Raw Materials coming from these two countries. We opened several L/C to import raw materials with different banks on regular basis, but the shipment was delayed and the import of raw materials remained suspended since the beginning of January this year a mid the outbreak of coronavirus thus the supply chain disrupted, production hampered as well as reduced sales by the ongoing coronavirus crisis, has triggered uncertainties of a shortage of raw materials.

39.00 Events after the Reporting Period

- The company acquired and registered 161.21 decimal land on 15 September 2021 at 2nd phase out of 1028 decimal land for which bayna deed was made earlier. The land is located at Mothajuri, Fulbaria, Kaliakoir, Gazipur.
- The Board of Directors at its board meeting held on 28 October 2021 recommended Cash 4% for all Shareholders excluding the Sponsors & Directors (including ICB) and Bonus 3% for all Shareholders excluding the Sponsors & Directors (Excluding ICB) of the paid up Capital for the year ended 30 June 2021. This dividend is subject to final approval by the shareholders at the forthcoming annual General Meeting (AGM) of the company.

40.00 Financial Risk Management

The management of company has overall 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 risk for its use of financial instruments.

Credit Risk
Liquidity Risk
Market Risk

Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk monitored on an ongoing basis. As at 30 June 2021 substantial part of the receivables are those from its related company and subject to insignificant credit risk. Risk exposures from other financial assets. i.e. Cash at bank and other external receivables are nominal.

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 equivalent to meet expected operational expenses including financial obligation through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short term financing.

Trade and Other Payables (Notes: 14)

Total

Amounts in Taka	
30-Jun-21	30-Jun-20
618,229	371,989
618,229	371,989

Market Risk

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

(a) Currency risk

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw materials, 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.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. The foreign currency loan is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rate risk. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

41.00 Compensation of Key Management Personnel

During the period, Compensation of key management personnel in total has been set below in accordance with the provisions of IAS 24: Related Party Disclosures.

Short-term employee benefits*
Post-employment benefits
Other long-term benefits
Termination benefits
Share-based payments
Total

Amounts in Taka	
30-Jun-21	30-Jun-20
4,800,000	2,400,000
-	-
-	-
-	-
-	-
4,800,000	2,400,000

*Short-term employee benefits comprise of Directors' remuneration that has been fixed up by the BOD having regard to the performance of the individuals and market trends.

Significant Deviation

During the year Sales, net profit after tax, earning per share Decrease because 1.5 Month production and Marketing are all product and 8 (Eight) listed product Temporary ban order of DGDA Memo no: DGDA/ML-032/06/4616 Dated 7th March 2021.

INDO-BANGLA PHARMACEUTICALS LTD.
Schedule of Property Plant & Equipment

As at 30 June 2021

Annexure-A

Particulars	COST			Rate	DEPRECIATION				Written Down Value as on 30.06.2021
	Balance as on 01.07.2020	Addition during the Period	Disposal during the period		Total Cost as at 30.06.2021	Balance as on 01.07.2020	Adjusted during the period	Charge during the period	
Land & Land Development	91,387,613	2,117,000	-	93,504,613	0%	-	-	-	93,504,613
Building	229,892,874	3,025,680	-	232,918,554	2.5%	16,793,505	5,340,091	22,133,596	210,784,958
Civil Works	16,082,250	-	-	16,082,250	5%	81,513	800,037	881,550	15,200,700
Machineries & Equipment	710,616,594	199,962,108	8,926,055	901,652,647	3%	54,478,561	22,961,221	75,781,590	825,871,057
Micro biological Lab	19,074,415	-	-	19,074,415	3%	686,576	551,635	1,238,211	17,836,204
Factory Air Condition	6,525,480	-	-	6,525,480	10%	1,327,935	519,755	1,847,690	4,677,791
Air Compressor	2,325,900	-	-	2,325,900	10%	135,678	219,022	354,700	1,971,200
Generator	10,603,229	-	-	10,603,229	3%	741,607	295,849	1,037,456	9,565,773
Furniture & Fixture	12,430,754	-	-	12,430,754	10%	3,353,860	907,689	4,261,549	8,169,205
Office Equipment	4,962,146	-	-	4,962,146	10%	1,763,681	319,847	2,083,528	2,878,619
SEP Decoration	15,620,100	-	-	15,620,100	10%	2,572,004	1,304,810	3,876,814	11,743,286
Office Decoration	5,932,150	79,000	-	6,011,150	10%	674,127	526,461	1,200,588	4,810,562
Computer	639,990	218,000	-	857,990	10%	153,718	55,894	209,612	648,378
Air Condition	354,170	-	-	354,170	10%	100,456	25,371	125,827	228,343
Transport	18,131,824	5,121,938	-	23,253,762	10%	2,555,914	1,813,688	4,369,602	18,884,160
Water Plant	2,512,960	-	-	2,512,960	10%	1,066,179	144,678	1,210,857	1,302,103
ETP Plant	1,945,375	-	-	1,945,375	10%	793,051	115,232	908,283	1,037,092
Balance as on 30 June, 2021	1,149,037,824	210,523,726	8,926,055	1,350,635,495		87,278,365	1,658,192	121,521,452	1,229,114,043
Balance as on 30 June, 2020	801,514,939	347,522,885	-	1,149,037,824		58,380,161	-	87,278,364	1,061,759,460

Allocation of Depreciation

Factory	30,947,520
Administration	4,953,759
	35,901,279

INDO-BANGLA PHARMACEUTICALS LTD.
Schedule of Property Plant & Equipment

As at 30 June 2020

Annexure-A

Particulars	COST			Rate	DEPRECIATION				Written Down Value as on 30.06.2020
	Balance as on 01.07.2019	Addition during the Period	Disposal during the period		Total Cost as at 30.06.2020	Adjusted during the period	Charge during the period	Total as at 30.06.2020	
Land & Land Development	45,487,485	45,900,128	-	91,387,613	0%	-	-	-	91,387,613
Building	190,766,572	39,126,302	-	229,892,874	2.5%	-	4,962,467	16,793,505	213,099,369
Civil Works	-	16,082,250	-	16,082,250	5%	-	81,513	81,513	16,000,737
Machineries & Equipment	496,751,459	213,865,135	-	710,616,594	3%	-	17,976,300	54,478,561	656,138,033
Micro biological Lab	11,548,735	7,525,680	-	19,074,415	3%	-	355,339	686,576	18,387,839
Factory Air Condition	6,525,480	-	-	6,525,480	10%	-	577,505	1,327,935	5,197,545
Air Compressor	-	2,325,900	-	2,325,900	10%	-	135,678	135,678	2,190,223
Generator	4,352,879	6,250,350	-	10,603,229	3%	-	240,562	741,607	9,861,622
Furniture & Fixture	9,900,194	2,530,560	-	12,430,754	10%	-	821,095	3,353,860	9,076,894
Office Equipment	4,962,146	-	-	4,962,146	10%	-	355,385	1,763,681	3,198,465
SEP Decoration	12,054,850	3,565,250	-	15,620,100	10%	-	1,386,308	2,572,004	13,048,096
Office Decoration	2,106,500	3,825,650	-	5,932,150	10%	-	407,111	674,127	5,258,023
Computer	639,990	-	-	639,990	10%	-	99,688	54,030	486,272
Air Condition	354,170	-	-	354,170	10%	-	28,190	100,456	253,714
Transport	11,606,144	6,525,680	-	18,131,824	10%	-	1,428,542	2,555,914	15,575,910
Water Plant	2,512,960	-	-	2,512,960	10%	-	160,753	1,066,179	1,446,781
ETP Plant	1,945,375	-	-	1,945,375	10%	-	128,036	793,051	1,152,324
Balance as on 30 June, 2020	801,514,939	347,522,885	-	1,149,037,824		-	28,898,203	87,278,364	1,061,759,460
Balance as on 30 June, 2019	686,464,201	126,821,731	11,770,992	801,514,939		1,584,685	21,974,546	58,380,161	743,134,778

Allocation of Depreciation

Factory	24,618,153
Administration	4,280,050
	28,898,203

Digital AGM User Guide

(Shareholder)

ইন্দো-বাংলা ফার্মাসিউটিক্যালস লিমিটেড



৭ম বার্ষিক সাধারণ সভা

তারিখ: বৃহস্পতিবার ২৩ ডিসেম্বর, ২০২১ খ্রি.

সময়: সকাল ১১:০০ ঘটিকা

স্থান: ডিজিটাল প্ল্যাটফর্ম

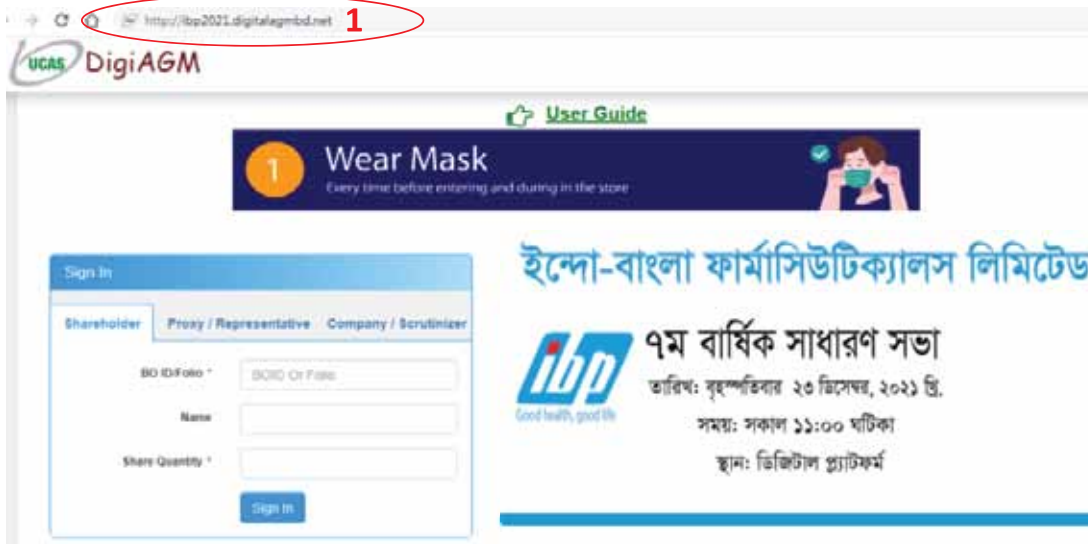
CONDUCTED BY:

United Corporate Advisory Services Limited



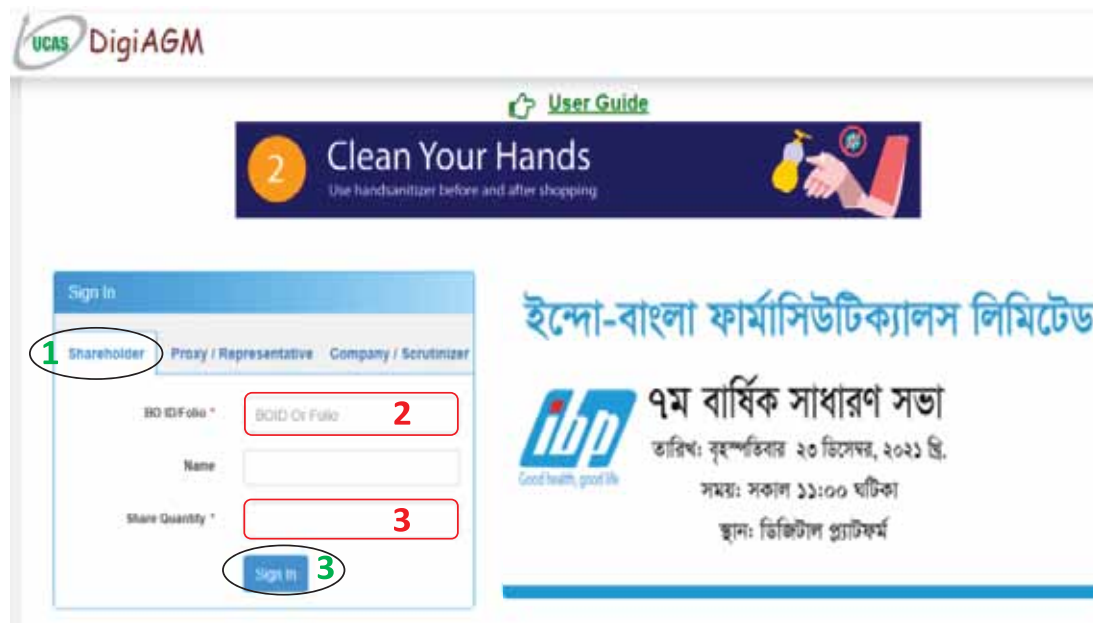
Digital AGM User Guide (Shareholder):

1. Open any web browser (Google Chrome, Microsoft Edge, Internet Explorer and Mozilla Firefox) and please write (<http://ibp2021.digitalagmbd.net>) URL in the URL/Browser box;



Sign In As a Shareholder:

1. Click Shareholder Tab;
2. Please Enter your BO ID/Folio in the BO ID/Folio Textbox;
3. Enter your Holding share quantity in the Share Quantity Textbox as on 'Record Date';
4. Click Sign In Button for Login;



Sign In As Proxy:

1. Click Proxy Tab;
2. Enter Original Shareholder's BO ID/Folio in the BO ID/Folio Textbox;
3. Enter Proxy Shareholder's User ID Textbox;
4. Please click Sign in Button to Login;

UCAS DigiAGM

User Guide

3 Temperature Check
Check the temperature before entering

Sign In

Shareholder: Proxy / Representative 1 Company / Scrutinizer

BO ID/Folio * BOID Or Folio 2

Name

Share Quantity

Proxy User ID 3

Sign In 4

ইন্দো-বাংলা ফার্মাসিউটিক্যালস লিমিটেড

৭ম বার্ষিক সাধারণ সভা
তারিখ: বৃহস্পতিবার ২৩ ডিসেম্বর, ২০২১ খ্রি.
সময়: সকাল ১১:০০ ঘটিকা
স্থান: ডিজিটাল প্রক্সিফর্ম

Sign In As Company/Scrutinizer (DSE, CSE):

1. Click Company/Scrutinizer (DSE, CSE, ACS or FCS) Tab;
2. Enter Company/Scrutinizer User ID in the User ID Text box;
3. Please Enter your Password;
4. Please click Sign in Button to Login;

UCAS DigiAGM

User Guide

4 Keep Safe Distance
Keep 2 metre of safe distance

Sign In

Shareholder: Proxy / Representative 1 Company / Scrutinizer

User ID * User ID 2

Password * Password 3

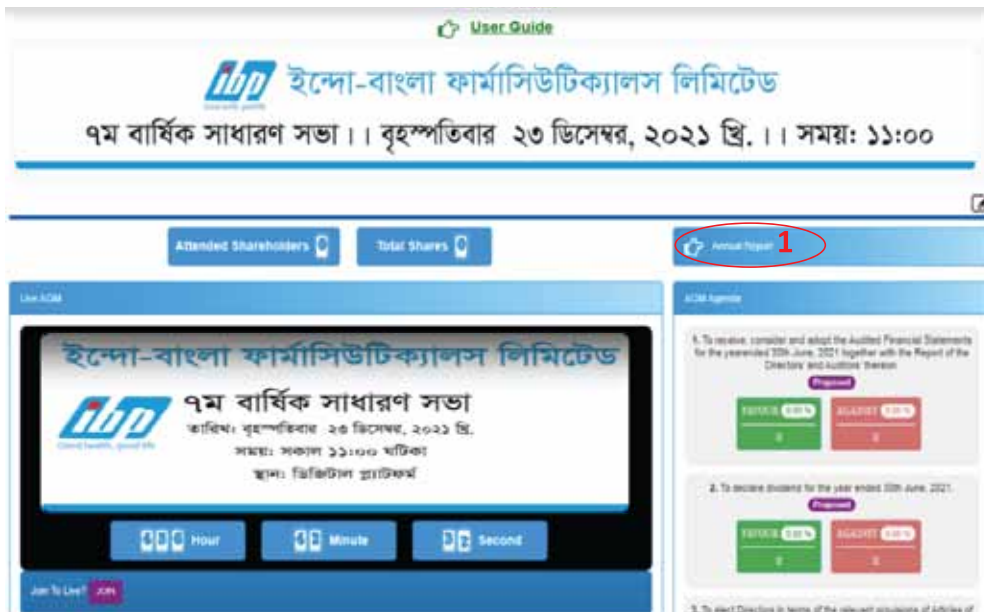
Sign In 4

ইন্দো-বাংলা ফার্মাসিউটিক্যালস লিমিটেড

৭ম বার্ষিক সাধারণ সভা
তারিখ: বৃহস্পতিবার ২৩ ডিসেম্বর, ২০২১ খ্রি.
সময়: সকাল ১১:০০ ঘটিকা
স্থান: ডিজিটাল প্রক্সিফর্ম

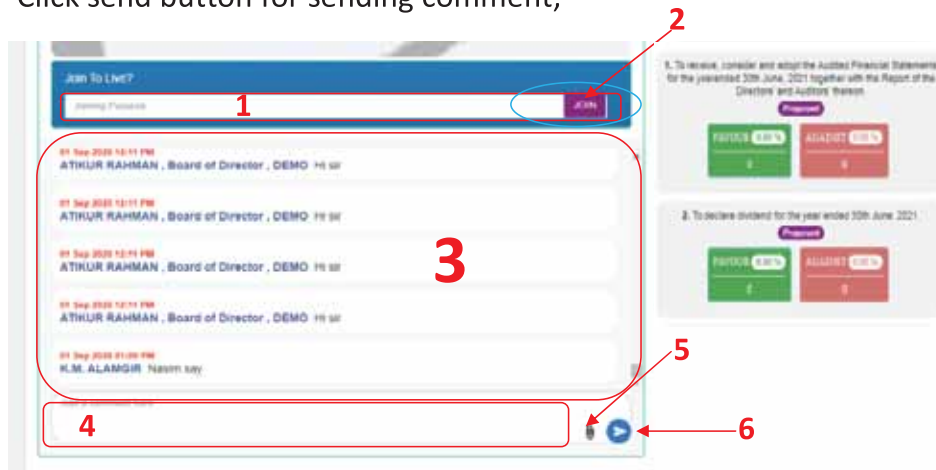
View the Live Streaming, Annual Report:

1. Click Annual Report Link to view company's annual report;



Joining Request & Comments:

1. If you want to join live AGM video for speech or any other reason write joining purpose in the Joining Purpose textbox;
2. Click Join Button for request to join live. You are in waiting list for joining live. You will get a **Video Call** from company when they want you to join;
3. You can see all comments/file in the comment list;
4. Write your opinion/comment/question in the Comment box;
5. Click attachment and select file for attaching any document/image/recording or any other file;
6. Click send button for sending comment;



Voting System:

1. If you want to favor the proposed agenda click Favor/Yes button;
2. If you want to vote against the proposed agenda click Against/No button;

The screenshot displays the IBD AGM voting interface. At the top, there is a 'User Guide' link. The main header features the IBD logo and the text 'ইন্দো-বাংলা ফার্মাসিউটিক্যালস লিমিটেড' (Indo-Bangla Pharmaceuticals Limited). Below this, it states '৭ম বার্ষিক সাধারণ সভা' (7th Annual General Meeting) and provides the date 'বৃহস্পতিবার ২৩ ডিসেম্বর, ২০২১ খ্রি.' (Thursday, 23 December, 2021) and time 'সময়: ১১:০০' (Time: 11:00).

Navigation buttons include 'Attended Shareholders', 'Total Shares', and 'Annual Report'. The main content area is divided into two sections: 'Live AGM' and 'AGM Agenda'.

The 'Live AGM' section shows the IBD logo and the text 'ইন্দো-বাংলা ফার্মাসিউটিক্যালস লিমিটেড' (Indo-Bangla Pharmaceuticals Limited) and '৭ম বার্ষিক সাধারণ সভা' (7th Annual General Meeting). It also provides the date 'তারিখ: বৃহস্পতিবার ২৩ ডিসেম্বর, ২০২১ খ্রি.' (Date: Thursday, 23 December, 2021), time 'সময়: সকাল ১১:০০ ঘটিকা' (Time: 11:00 AM), and location 'স্থান: ডিজিটাল প্রাটফর্ম' (Location: Digital Platform). There are three buttons for 'Hour', 'Minute', and 'Second'.

The 'AGM Agenda' section lists three items for voting:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 30th June, 2021 together with the Report of the Directors and Auditors thereon. This item has two voting options: 'FAVOUR' (green button) and 'AGAINST' (red button). The 'FAVOUR' button is circled in red and labeled '1', and the 'AGAINST' button is circled in red and labeled '2'.
2. To declare dividend for the year ended 30th June, 2021. This item has two voting options: 'FAVOUR' (green button) and 'AGAINST' (red button).
3. To elect Directors in terms of the relevant provisions of Articles of Association. This item has two voting options: 'FAVOUR' (green button) and 'AGAINST' (red button).

Each item in the agenda is marked as 'Proposed'.



INDO-BANGLA PHARMACEUTICALS LTD.

Bashundhara R/A, Baridhara, Dhaka-1229

PROXY FORM

I/We.....
of.....
being ashareholders of Indo-Bangla Pharmaceuticals Limited and entitle to vote, hereby appoint

Mr./Mrs./Miss.....

as my/our proxy to attend and vote for me/us and on my/our behalf att he 6th Annual General Meeting of the Company to be held on **Thursday, 23 December, 2021 at 11:00 a.m.** at virtually by using digital platform and/ or at any adjournment thereof.

As witness my hand this.....day of.....2021.

Revenue
Stamp
Tk. 20.00

(Signature of the Shareholder)

(Signature of Proxy)

BO ID No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held

Dated.....

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly completed must be sent through email to Registered Office at info@indo-banglapharma.com not letter 72 hours before the time fixed for the meeting.
2. Signature of the shareholder(s) should be in accordance with the specimen signature recorded with the company/.



Corporate Office: Plot#183 (7th Floor) Block#B
Ahmed Akbar Sobhan Road, Basundhara R/A, Baridhara
Dhaka-1229. Phone- 09678777995.
E-mail : info@indo-banglapharma.com
Web : www.indo-banglapharma.com
Factory : College Road, Barisal, Phone: 0431-61028, 0431-2174977.

