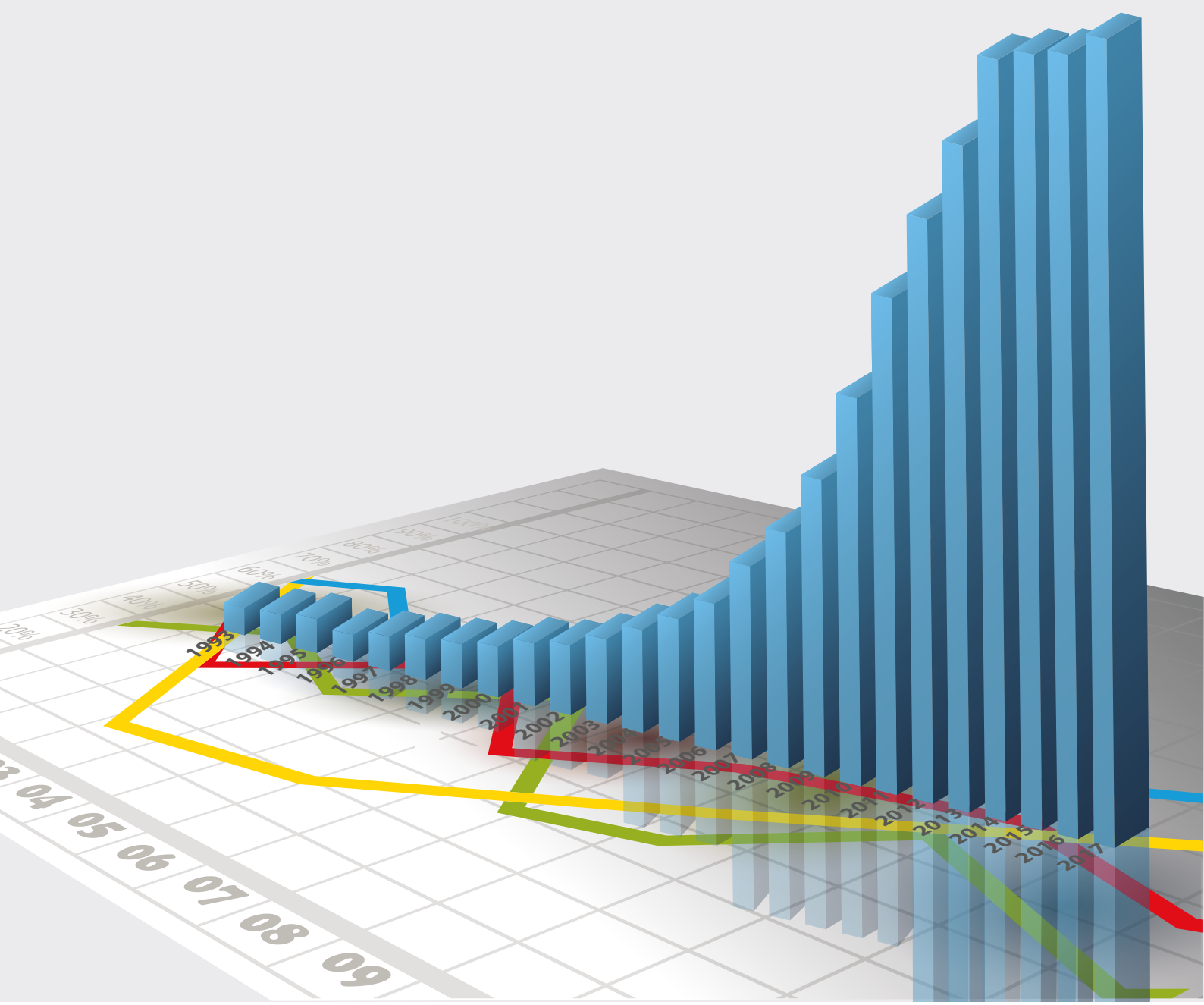


# Renata Annual Report

2017-2018





Syed Humayun Kabir  
Founder Chairman  
(1931 - 2015)



# Renata Limited

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Fax : 880-2-8001446  
Email : [renata@renata-ltd.com](mailto:renata@renata-ltd.com)  
Website : [www.renata-ltd.com](http://www.renata-ltd.com)

Corporate Headquarters: Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh

## TRANSMITTAL LETTER

The Shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firms  
Dhaka Stock Exchange Ltd.

Sub: Annual Report for the year ended June 30, 2018

Dear Sir/Madam (s)

We are pleased to enclose a copy of our Annual Report and Audited Accounts including a Statement of Financial Position, a Statement of Comprehensive Income, and notes and annexes as needed for the year that ended June 30, 2018. We hope you enjoy reviewing the Report and seeing how Renata has grown as a company over the past year.

Yours sincerely,

Md. Jubayer Alam  
Company Secretary  
October 27, 2018

# RENATA LIMITED

Corporate Headquarters: Plot # 1, Milk Vita Road  
Section-7, Mirpur, Dhaka-1216

October 27, 2018

## NOTICE

NOTICE is hereby given that the 45th Annual General Meeting of Renata Limited will be held at Corporate Headquarters Premises, Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 on Saturday, December 15, 2018 at 11.00 a.m. to transact the following business :

## AGENDA

- Agenda-1: To receive, consider, and adopt the Audited Accounts of the Company for the year ended June 30, 2018 together with Reports of the Auditors and the Directors.
- Agenda-2: To declare dividend for the year which ended on June 30, 2018 (See note ii).
- Agenda-3: To elect Directors, in accordance with the relevant provisions of the Articles of Association of the Company.
- Agenda-4: To appoint Auditors for the year 2018-2019 and to fix their remuneration.
- Agenda-5: To appoint Corporate Governance Auditors for the year 2018-2019 and to fix their remuneration.

By Order of the Board



(Md. Jubayer Alam)  
Company Secretary

## NOTES:

- The 'Record Date' (in lieu of Book Closure) is Thursday, November 15, 2018. The Shareowners whose name will appear in the Share Register of the Company and in the Depository Register on that Date will be eligible to attend the meeting and qualify for the Dividend to be declared at the AGM.
- The Directors have recommended @ 95% cash dividend for year 2017-2018 and stock dividend (bonus share) @ 15% for the year ended June 30, 2018.
- 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 deposited at the Registered Office of the Company at Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 not later than 48 hours before the time fixed for the Meeting.
- Members are requested to notify change of address, if any, to the Company. For BO A/C holders, the same to be rectified through their respective Depository Participants.
- Admission into the Meeting Room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.
- The Annual Report 2017-2018 is available in Company's website, [www.renata-ltd.com](http://www.renata-ltd.com).

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

# Annual General Meeting 2016-2017



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# Company Profile

## **Year of Incorporation**

1972 as Pfizer Laboratories (Bangladesh) Limited, subsidiary of Pfizer Corporation, USA

## **Change of Name**

1993 Renamed as Renata Limited after divestment of shareholdings by Pfizer Corporation, USA

## **Field of Business**

Manufacturing, Marketing & Distribution of Human Pharmaceuticals, Animal Health Medicines, Nutritionals, and Vaccines

## **Contract Manufacturing**

General products for UNICEF and SMC

## **MHRA Certificate**

Medicines and Healthcare products Regulatory Agency, UK has issued a Certificate of GMP Compliance of a Manufacturer to Renata Limited for our Potent Products Facility at section 7, Mirpur, Dhaka & Rajendrapur General Facility, Rajendrapur, Gazipur, Bangladesh

## **Marketing & Distribution Rights**

- Evans Vanodine International (UK): Animal farm disinfectants
- Zinpro Corporation (USA)
- Biomin Holding GmbH (Austria): Animal nutritional products
- Bomac (New Zealand): Animal health products
- Novus (USA): Animal health products
- Indian Herbs Overseas
- Blue Seas Life Sciences
- Dongbu Farm Hannong Co. Ltd., Korea
- Vaxxinova International BV, Netherland
- Intron Life Sciences, Thailand
- Carus Laboratories Pte. Ltd., India

## **Investment in Subsidiaries**

- 99.99% Shareholding in Renata Agro Industries Limited
- 99.99% Shareholding in Purnava Limited
- 99.99% Shareholding in Renata Oncology Limited
- 100% Shareholding in Renata (UK) Limited



## CORPORATE HEADQUARTERS

Plot # 1, Milk Vita Road, Section-7  
Mirpur, Dhaka-1216, Bangladesh

## MANUFACTURING SITES

Plot # 1, Milk Vita Road, Section-7  
Mirpur, Dhaka-1216, Bangladesh

Noyapara, Bhawal Mirzapur  
Rajendrapur, Gazipur, Bangladesh

## BANKERS

Standard Chartered Bank  
The Hongkong and Shanghai Banking Corporation Limited (HSBC)  
Citibank, N.A.  
Commercial Bank of Ceylon  
Bank Asia Limited  
Eastern Bank Limited  
The City Bank Limited  
BRAC Bank Limited  
Agrani Bank Limited  
Sonali Bank Limited  
United Commercial Bank Limited  
Prime Bank Limited

## AUDITOR

S. F. Ahmed & Co., Chartered Accountants

## LEGAL ADVISORS

Dr. M. Zahir and Associates  
Vertex Chambers

# Our Values

## **Customer Focus**

Customer satisfaction is the main reason behind all our activities.

## **Integrity**

We conform to the highest ethical standards.

## **Social Responsibility**

We make active efforts to improve the welfare of our community.

## **Building Leaders**

Renata cannot grow without leadership in all spheres of our activities. Therefore creating leaders is a key priority.

## **The Corporate Family**

We recognise that people are the cornerstone of Renata's success. We are one big family where each of us expects to be treated fairly and with dignity.

# Our Mission

To provide maximum value to our customers, and communities where we live and work.

## Approach to Quality

The endurance of a company's reputation depends upon the quality of work it does rather than the quantity. Hence, the appreciation of quality must be instinctive, and our commitment to quality must be total.

## Our Vision

To establish Renata permanently among the best of innovative branded generic companies.





Dr. Sarwar Ali  
Chairman

# Chairman's Statement

Welcome to the 45th Annual General Meeting of the company and the Silver Jubilee of Renata Limited.

The last 25 years has been quite a journey for this company. Pfizer (Bangladesh) Limited was the top pharmaceutical company in Bangladesh for most of its existence. However, by the time Pfizer Inc. decided to divest its interest in Bangladesh, a variety of factors had contributed to a marked decline in the fortunes of their subsidiary. So, when Renata Limited appeared on the scene, the company was in a precarious position in terms of sales, profit, costs, cash, and market-share. Fortunately, the story turns out well.

Table No. 1 shows the progress achieved by the company in 25 years. The numbers speak for themselves and hence no further explanation is required.

Table No. 1		
Renata		
	1993	2017-2018
Sales (Taka Crores)	33	1,860
Net Profit (Taka Crores)	1	320
Size of Team	554	6798
Market Cap (USD Mn)	\$ 1	\$ 1,000

We thank our long-term shareholders for being with us on this exciting journey.

Sales during the year 2017-18 grew modestly by 16%, however, due to intelligent cost-savings, net profit for the period rose by 22%.

The bulk of the cost-savings stemmed from two areas, viz., utilities and savings on interest expenditure. Since its inception, our manufacturing site at Rajendrapur operated on diesel and furnace oil generators. During the end of 2017, after much effort, we were able to connect the site to the National Grid, resulting in a considerable reduction of expenditure on electricity. We hope to achieve further cost savings in the coming years by accessing power that is generated from a wider variety of sources.

The reduction in financial costs occurred essentially due to two factors: First, our long-term borrowing is effectively zero. Second, we completely ceased using overdraft facilities, relying exclusively on UPAS for financing imports. As a result, we were unaffected by the rise in bank interest rates.

On the revenue side, we continue to perform well in our core businesses. However, as it has been mentioned over the years, the paucity of new products in the pharmaceutical business is making it difficult to maintain growth in the mid-to-high double digits. For example, in the Bangladesh pharmaceutical market, the share-of-growth (SOG) attributed to new products was just 14%. Even a decade ago, new products would have been the key driver of growth.

There also has been in a shift in the contribution of key therapeutic classes to the overall market. For example, it is well-known that the Bangladesh pharmaceutical market is driven by three disease classes, viz., gastroenterological, infection, and pain. As shown in Tables No 2(a) and 2(b), the

market share and share-of-growth, related to the medicine for these three conditions, has been falling over the last five years.

Table No. 2(A)					
Market Share					
	2014	2015	2016	2017	2018
Gastroenterological	16.03%	16.05%	16.06%	15.84%	15.55%
Anti-Infectives	17.58%	16.83%	16.49%	14.88%	14.17%
Pain	9.63%	9.46%	9.27%	9.01%	8.86%
<b>SUBTOTAL</b>	<b>43.24%</b>	<b>42.35%</b>	<b>41.82%</b>	<b>39.73%</b>	<b>38.58%</b>

Table No. 2(B)				
Share of Growth				
	2015	2016	2017	2018
Gastroenterological	16.21%	16.08%	14.74%	11.79%
Anti-Infectives	11.12%	15.36%	6.81%	4.89%
Pain	8.22%	8.62%	7.69%	6.93%
<b>SUBTOTAL</b>	<b>35.56%</b>	<b>40.07%</b>	<b>29.23%</b>	<b>23.61%</b>

In a sense, the gradual decline of this trio is not surprising. Most of the molecules here are quite old, and there has been little new development in global R&D for these conditions.

Growth in the market is now coming from a wide range of therapeutic classes, none of which dominates or drives the market as a single group. For example, the share-of-growth attributed to cardiac care products has increased from 1.8%-3.1% in the last five years. However, in terms of sales, this therapeutic class contributes just over 1% in terms of market share.

The key implication for pharmaceutical companies is that, as growth is emanating from many therapeutic classes, the sales teams must be divided into speciality groups to retain focus on promoting key brands. It goes without saying that there is no scope of reducing the size of sales teams in the foreseeable future.

Tables No 2(A) and 2(B) however do not tell the full story. While it is true that the relative importance of these three therapeutic classes is declining, there are still molecules within these groups that are dominating and driving growth in the market. Tables No 3(A) and 3(B) demonstrate this point.

Table No. 3(A)					
Exceptional Performers					
	2014	2015	2016	2017	2018
<b>Gastroenterological</b>					
<i>Esomeprazole</i>	4.60%	5.09%	5.36%	5.71%	6.04%
<b>Anti-Infectives</b>					
<i>Cefuroxime+Clauvulanic</i>	0.74%	1.10%	1.50%	1.57%	1.77%
<b>Pain</b>					
<i>Ketorolac</i>	1.12%	1.02%	0.89%	0.82%	0.80%

Table No. 3(B)				
Share of Growth				
	2015	2016	2017	2018
<b>Gastroenterological</b>				
<i>Esomeprazole</i>	8.85%	6.29%	7.46%	10.23%
<b>Anti-Infectives</b>				
<i>Cefuroxime+Clauvulanic</i>	3.91%	2.83%	1.90%	4.39%
<b>Pain</b>				
<i>Ketorolac</i>	0.28%	0.44%	0.46%	0.64%



Contained in these therapeutic categories are single products that are among the largest in the local market. The sales of such products are greater than those of several smaller therapeutic classes put together. So, for example, Esomeprazole, a blockbuster product, even from a very large base has increased market share from 4.6% to 6.04% in the last five years. The share of growth accounted for by this product therefore has risen from 8.85% to 10.23%. Similarly, in the field of anti-infectives, Cefuroxime plus Clavulanic Acid is the clear front-runner in terms of growth. The situation is less clear-cut in the area of pain. While the market share of Ketorolac has fallen, its share-of-growth has more than doubled in the last five years.

In essence, while the market is shifting away from its traditional areas of growth, the change is by no means seismic. Moreover, there are stalwarts within the market which continue to dominate and thrive. Thus, companies such as Renata that have a sizeable number of stalwarts in their portfolio, plus products in areas such as cardiology, diabetes, oncology, sex-hormones, etc., shall continue to dominate the market.

Unlike the pharmaceutical business, the animal health industry has a steady stream of exciting products. However, the animal health industry in Bangladesh is closely linked with the local poultry business, which exhibits extreme volatility. Towards the end of 2017, the poultry industry suffered decline in both price and volume. Data from hatcheries and feed-mills confirm the fall in volume. However, the fact that prices also fell must mean that consumers switched from chicken to other foods. The cattle and dairy business, while growing well, is not nearly as large to compensate for the drop in the poultry business. The first six months of 2018 has been nothing but a disaster for this industry.

We have stressed over the years that a company of our size cannot maintain high growth, relying solely on the local market. It is for this reason we have spent a considerable amount of time and resource in preparation of entering the largest markets in the world. I am happy to report that there are plenty of developments here. Table No. 4 shows the products that have received approval in regulated markets:

Table No. 4		Registrations	
Hydrocortisone Tablets 10mg and 20 mg	UK	Ireland	
Colcicine Tablets 500 mcg	UK	Ireland	
Dypiridamole 200mg Capsules	UK	Ireland	
Glycopyrrolate Tablets 1mg and 2mg		USA	
Risperidone Tablets .25mg, .5mg, 1mg, 2mg, 3mg, and 4mg		USA	
Metoprololol Tartrate Tablets 10mg and 20mg		USA	

Of these products Hydrocortisone has already been shipped to the UK. The business in Ireland shall begin soon. We also expect to receive approvals for six more products for UK and Ireland in the next few months. The business in US should begin in 2019. A contract-manufacturer has been identified in New Jersey, the raw-materials have been ordered, and a marketing-partner has been selected.

Product-development activities have been significantly scaled up at Renata. Apart from a growing pool of in-house talent, we have also outsourced product-development to laboratories in other countries.

I am delighted to note that akin to our Potent Product Facility in Mirpur, the Rajendrapur General Facility also passed an inspection by the Medicines and Healthcare products Regulatory Agency (MHRA) of the UK without any major observations. These two factories shall be the frontline supplier for our markets in Europe.

I now take a brief look at our constituent businesses.

**Animal Health:** The business grew by 9% compared to industry growth of 7%. However, most of this growth occurred during the last six months of 2017. During the first half of 2018, the industry actually contracted. Our performance was similarly dismal. Aside from a deep recession in the poultry market, the demand for most types of farmed fish has also fallen. The interaction of the twin recessions has no doubt made a bad situation worse. While the situation is dire at the moment, it must be remembered that these industries tend to go through business-cycles. Poor financial returns lead to farm closures, thereby creating product-shortages and a rise in prices. The increased prices in turn attract new entrants and the health of the industry rebounds. So, we are hopeful that the situation shall improve in due course of time.


**Pharmaceutical:** Our business grew by 17.8% against the industry growth of 14.7%. While this growth is encouraging, we must bear in mind, that incremental revenue is contingent upon a disproportionately large increase in promotional expenditure. Falling returns on investment has precipitated consolidation in the industry world-wide. We are seeing signs of the same happening in Bangladesh.

Higher environmental standards have caused widespread closure of chemical-synthesis factories in China and a rise in prices of Active Pharmaceutical Ingredients (API).

Regulatory standards are being upgraded all over the world, including Bangladesh. We welcome this development not only because people need access to medicine that is safe and efficacious, but also because it puts companies such as ours at a competitive advantage.

**Contract-Manufacturing:** We continue to grow in this new area of operation. Our revenue in this segment grew by 17% supplying Oral Rehydration Salt (ORS) and birth control pills, and micronutrient powders to Social Marketing Company (SMC), UNICEF, and the Government of Bangladesh. While our business grew with SMC and UNICEF, the main tender for the Government's family planning programme was delayed by a few months leading to a short-fall from our revenue target. However, we are optimistic that a tender shall be called very soon.

**Outlook for 2018-19:** If the poultry industry does not bounce back, then our Animal Health business, which usually grows at around 15%-20% per annum, shall deliver a performance that is well below par. There might also be depreciation in the value of Taka, raising our import costs. However, we are hopeful of compensating increases in pharmaceutical and contract-manufacturing, as well as further reductions in financial and utility costs. In essence, we expect 2018-19 to be a good year.



Dr. Sarwar Ali  
Chairman

October 27, 2018



# চেয়ারম্যানের প্রতিবেদন

কোম্পানীর ৪৫তম বার্ষিক সাধারণ সভা এবং রেনাটা লিমিটেডের রজতজয়ন্তীতে আপনাদের স্বাগতম।

গত ২৫ বছর যাবৎ কোম্পানির যাত্রাটা ছিল বেশ। ফাইজার (বাংলাদেশ) লিমিটেড তৎকালীন সময়ে বাংলাদেশের শীর্ষ স্থানীয় ফার্মাসিউটিক্যাল কোম্পানি ছিল। কিন্তু সেই সময় বিভিন্ন কারণে এর অঙ্গ-সংগঠনগুলোর ব্যবসায় মন্দা দেখা দেয়ায় ফাইজার ইনকর্পোরেটেড বাংলাদেশ থেকে কার্যক্রম গুটিয়ে নেয়ার সিদ্ধান্ত নেয়। এমতাবস্থায় রেনাটা লিমিটেড এর সূচনা হয় এক অনিশ্চিত ভবিষ্যতের মধ্যে দিয়ে যখন কোম্পানির বিক্রয়, মুনাফা, খরচ, নগদ অর্থ এবং বাজার ছিল অত্যন্ত ঝুঁকিপূর্ণ। সৌভাগ্যক্রমে গল্পের শেষটা হয়েছে চমৎকার।

টেবিল-১ কোম্পানি ২৫ বছরের অর্জন দেখানো হয়েছে। সংখ্যাই যেখানে কথা বলে, সেখানে ব্যাখ্যা নিশ্চয়োজন।

টেবিল নং-১		
রেনাটা		
	১৯৯৩	২০১৮
বিক্রয় (কোটিতে)	৩৩	১,৮৬০
নীট মুনাফা (কোটিতে)	১	৩২০
জনবল	৫৫৪	৬৭৯৮
বাজার মূলধন (মিলিয়ন)	\$ ১	\$ ১,০০০

আমরা ধন্যবাদ জানাই আমাদের দীর্ঘ মেয়াদি শেয়ারহোল্ডারদের এই সাফল্যমণ্ডিত যাত্রায় আমাদের সাথে থাকার জন্য।

২০১৭-১৮ সালে আমাদের বিক্রয় প্রবৃদ্ধি হয়েছে মোটামুটি ১৬%, তথাপিও বুদ্ধিদীপ্ত ব্যবস্থাপনায় ব্যয় সাশ্রয়ের কারণে আমাদের সামগ্রিক মুনাফার প্রবৃদ্ধি হয়েছে ২২%।

মূলতঃ দুটি ক্ষেত্র থেকে বেশি ব্যয় সংকোচন সম্ভব হয়েছে, যার একটি ইউটিলিটি এবং অন্যটি হলো সুদ বাবদ ব্যয়। শুরু থেকেই রাজেন্দ্রপুর ফ্যাক্টরিগুলোকে ডিজেল ও ফার্নেস অয়েল চালিত জেনারেটর দিয়ে উৎপাদন কাজ করা হতো। ২০১৭ সালের শেষের দিকে অনেক প্রচেষ্টার পর এই ফ্যাক্টরিগুলোকে জাতীয় গ্রীডের সাথে সংযোগ করতে সক্ষম হয়েছি, ফলে বিদ্যুৎ খাতে ব্যয় যথেষ্ট পরিমাণে হ্রাস পেয়েছে। আমরা আশাবাদী আগামীতে বিদ্যুৎ উৎপাদনের অন্যান্য উৎসগুলোকে ব্যবহার করে এই খাতে আরও ব্যয় সংকোচন করা সম্ভব হবে। আর্থিক খাতে ব্যয় মূলতঃ দুটি কারণে হ্রাস পেয়েছে: প্রথমতঃ আমাদের দীর্ঘ মেয়াদি ঋণ কার্যতঃ শূন্য হয়েছে। দ্বিতীয়তঃ আমরা ওভারড্রাফ্ট নেয়া বন্ধ করে UPAS পদ্ধতিতে আমদানির উপর জোর দিয়েছি। ফলে, আমরা ব্যাংক এর সুদের হার বৃদ্ধির প্রভাব থেকে রক্ষা পেয়েছি।

আয়ের দিক থেকে আমরা আমাদের মূল ব্যবসায় ধারাবাহিক ভাবে ভালো করেছি। যদিও গত কয়েক বছর যাবৎ বলে আসছি যে, ফার্মাসিউটিক্যালে নতুন প্রোডাক্ট না আসায় এই ব্যবসায় মধ্যম থেকে উচ্চ মানে দুই ডিজিটের প্রবৃদ্ধিটি অর্জন করা কঠিন হয়ে পড়েছে। উদাহরণস্বরূপঃ বাংলাদেশের ফার্মাসিউটিক্যাল মার্কেটে নতুন পণ্যের বাজার প্রবৃদ্ধির অংশীদারিত্ব ছিল মাত্র ১৪%। এমনকি এক যুগ আগেও নতুন পণ্যের প্রবৃদ্ধিই ছিল মার্কেটের মূল চালিকা শক্তি।

সামগ্রিক বাজারের উপর প্রধান থেরাপিউটিক শ্রেণিগুলোর প্রভাবে অবদানের পরিবর্তনও লক্ষ্যনীয়। উদাহরণস্বরূপঃ বিষয়টি আমাদের সবার জানা যে, বাংলাদেশের ফার্মাসিউটিক্যালের বাজার মূলতঃ তিন শ্রেণির রোগের ওষুধের উপর নির্ভরশীল, যথা-পরিপাকতন্ত্রীয় সমস্যাজনিত রোগ, সংক্রামণজনিত রোগ এবং ব্যথাজনিত রোগ। টেবিল নং-২(এ) এবং ২(বি)তে দেখানো হয়েছে যে, বিগত পাঁচ বছরে এই তিন শ্রেণির রোগের সাথে সম্পর্কিত ওষুধের বাজারে প্রবৃদ্ধি ও অংশীদারিত্বের প্রবৃদ্ধি কমেছে।

টেবিল-২(এ)		বাজার অংশীদারিত্ব				
		২০১৪	২০১৫	২০১৬	২০১৭	২০১৮
পরিপাকতন্ত্রীয়	১৬.০৩%	১৬.০৫%	১৬.০৬%	১৫.৮৪%	১৫.৫৫%	১৫.৫৫%
সংক্রামণ	১৭.৫৮%	১৬.৮৩%	১৬.৮৯%	১৪.৮৮%	১৪.১৭%	১৪.১৭%
ব্যথা	৯.৬৩%	৯.৮৬%	৯.২৭%	৯.০১%	৮.৮৬%	৮.৮৬%
উপসমষ্টি	৪৩.২৪%	৪২.৩৫%	৪১.৮২%	৩৯.৭৩%	৩৮.৫৮%	৩৮.৫৮%

টেবিল-২ (বি)		অংশীদারিত্বের প্রবৃদ্ধি				
		২০১৫	২০১৬	২০১৭	২০১৮	
পরিপাকতন্ত্রীয়	১৬.২১%	১৬.০৮%	১৪.৭৪%	১১.৭৯%		
সংক্রামণ	১১.১২%	১৫.৩৬%	৬.৮১%	৪.৮৯%		
ব্যথা	৮.২২%	৮.৬২%	৭.৬৯%	৬.৯৩%		
উপসমষ্টি	৩৫.৫৬%	৪০.০৭%	২৯.২৩%	২৩.৬১%		

এক অর্থে, এই তিন ওষুধের ক্রমাগত নিম্নমুখীতায় অবাক হবার কিছু নেই। এখানে অধিকাংশ মলিকিউল অনেক পুরনো এবং এগুলোর উন্নয়নে বিশ্ব ব্যাপি খুব কমই গবেষণা হয়েছে। বর্তমান বাজারে যে প্রবৃদ্ধি হয়েছে সেটা বিভিন্ন থেরাপিউটিক শ্রেণি থেকে সম্মিলিত ভাবে এসেছে এবং কোনো একক শ্রেণির ওষুধ বাজারকে প্রভাবিত করতে পারছে না। উদাহরণস্বরূপঃ গত পাঁচ বছরে হৃদরোগ নিরাময় ওষুধের প্রবৃদ্ধি ১.৮% থেকে বেড়ে হয়েছে ৩.১%। যদিও বিক্রয়ের দিক থেকে এই থেরাপিউটিক শ্রেণির অবদান ছিল মোট বাজারের ১% মাত্র।

মূলতঃ ফার্মাসিউটিক্যাল কোম্পানিগুলোর জন্য করণীয় বিষয় হলো, যেহেতু বিভিন্ন থেরাপিউটিক শ্রেণি থেকে বাজারের প্রবৃদ্ধি হচ্ছে, সেহেতু বিক্রয় বিভাগের উচিত তাদের দলকে বিশেষায়িত দলে বিভক্ত করে প্রধান ব্রান্ডগুলোকে প্রমোট করা। এটি বলার অপেক্ষা রাখে না যে, নিকট ভবিষ্যতে বিক্রয় বিভাগের লোকবল কমানোর কোনো সুযোগ আছে।

যদিও টেবিল নং-২(এ) এবং ২ (বি) দ্বারা সবকিছু তুলে ধরা সম্ভব নয়, তবুও এটি সত্য যে তুলনামূলক ভাবে গুরুত্বপূর্ণ এই তিনটি থেরাপিউটিক শ্রেণীর প্রবৃদ্ধি নিম্নমুখী, তারপরও এই শ্রেণির মধ্যে এমন কিছু মলিকিউলস আছে যা বাজারকে প্রভাবিত করছে এবং সেগুলো প্রবৃদ্ধির চালিকা শক্তিও বটে।

টেবিল নং-৩(এ) এবং ৩ (বি) তে তা দেখানো হলো।

টেবিল নং-৩(এ)		ব্যতিক্রমী পারফরমারস্				
		২০১৪	২০১৫	২০১৬	২০১৭	২০১৮
পরিপাকতন্ত্রীয়						
ইসোমিথ্রাজল	৪.৬০%	৫.০৯%	৫.৩৬%	৫.৭১%	৬.০৪%	
সংক্রামণ						
সেফোরক্সিম+ক্লাজোনিক এসিড	০.৭৪%	১.১০%	১.৫০%	১.৫৭%	১.৭৭%	
ব্যথা						
কিটোরোলাক	১.১২%	১.০২%	০.৮৯%	০.৮২%	০.৮০%	

টেবিল নং-৩(বি)		অংশীদারিত্বের প্রবৃদ্ধি				
		২০১৫	২০১৬	২০১৭	২০১৮	
পরিপাকতন্ত্রীয়						
ইসোমিথ্রাজল		৮.৮৫%	৬.২৯%	৭.৪৬%	১০.২৩%	
সংক্রামণ						
সেফোরক্সিম+ক্লাজোনিক এসিড		৩.৯১%	২.৮৩%	১.৯০%	৪.৩৯%	
ব্যথা						
কিটোরোলাক		০.২৮%	০.৪৪%	০.৪৬%	০.৬৪%	

এই থেরাপিউটিক বিভাগগুলোর মধ্যে একটি একক প্রোডাক্ট আছে যেটি বর্তমান স্থানীয় বাজারে সবচেয়ে বড়। উক্ত প্রোডাক্টের বিক্রয় অনেকগুলো ছোট ছোট থেরাপিউটিক শ্রেণির প্রোডাক্টস এর সম্মিলিত বিক্রয়ের চেয়ে বেশি। উদাহরণস্বরূপ বলা যায়, ব্লকবাস্টার প্রোডাক্ট ইসোমিথ্রাজল বাজারের বড় অংশ জুড়ে থাকা সত্ত্বেও গত পাঁচ বছরে এর বাজার অংশীদারিত্ব বেড়েছে ৪.৬% থেকে ৬.০৪%। স্বাভাবিক ভাবেই এই প্রোডাক্টের প্রবৃদ্ধি বেড়ে ৮.৮৫% থেকে ১০.২৩% হয়েছে। একইভাবে সংক্রামক রোগ নিরোধকের ক্ষেত্রে সেফোরক্সিম প্রাস ক্লাভোনিক এসিড প্রবৃদ্ধি বিবেচনায় এগিয়ে আছে। ব্যথানাশক ওষুধের ক্ষেত্রে বাজারের প্রবৃদ্ধিটা স্পষ্ট নয়। যদিও ক্রিটোরোলক এর বাজার অংশীদারিত্ব কমেছে, তবে এই ক্ষেত্রে গত পাঁচ বছরে প্রবৃদ্ধিটা দিগুণ হয়েছে।

মূলতঃ বাজারের প্রবৃদ্ধি যখন তার প্রথাগত ক্ষেত্র থেকে দূরে সরে যাচ্ছে, তখন এই পরিবর্তন কোনো ভাবেই অস্বাভাবিক নয়। উপরন্তু এই বাজারেই বলিষ্ঠ প্রোডাক্ট আছে যেগুলো বাজারের প্রবৃদ্ধির ধারাকে অব্যাহত রাখতে পারে। রেনাটাতোও বেশ কিছু নির্ভরযোগ্য প্রোডাক্ট আছে, যেমন- কার্ডিওলজি (হৃদরোগ), ডায়াবেটিস, ক্যান্সার, হরমোন ইত্যাদি রোগজনিত ওষুধ যেগুলো বাজারে ধারাবাহিক ভাবে প্রাধান্য বজায় রাখবে।

ফার্মাসিউটিক্যাল ব্যবসায় না থাকলেও, পশুস্বাস্থ্য শিল্পে রেনাটার বেশ কিছু আকর্ষণীয় প্রোডাক্টস আছে। যদিও বাংলাদেশে পশুস্বাস্থ্য শিল্পটি স্থানীয় পোল্ট্রি ব্যবসার সাথে ঘনিষ্ঠভাবে জড়িত, যার ব্যবসার সম্ভাবনা সব সময় অনিশ্চয়তার মধ্যে থাকে। ২০১৭ সালের শেষের দিকে পোল্ট্রি শিল্প তার উৎপাদিত পণ্যের মূল্য ও উৎপাদনের নিম্নমুখী ধারায় রয়েছে। হ্যাচারী ও ফিড মিলগুলো থেকে প্রাপ্ত উপাদান উপরোক্ত বক্তব্যকে সমর্থন করে। যেহেতু পণ্যের মূল্য ও উৎপাদন উভয়ই কমেছে, তার অর্থ ভোক্তারা মুরগি ছেড়ে অন্য খাদ্যের প্রতি ঝুঁকছে। গবাদি পশু ও দুগ্ধ ব্যবসা ভাল ভাবে বেড়ে উঠলেও তা দিয়ে পোল্ট্রি শিল্পের ক্ষতি পোষানোর জন্য যথেষ্ট না। ২০১৮ সালের প্রথম ছয়মাস ছিলো এই শিল্পের জন্য একটি দুর্ভোগপূর্ণ সময়।

আমরা উদ্বিগ্ন ছিলাম এই ভেবে যে, রেনাটার মতো একটি কোম্পানি শুধুমাত্র স্থানীয় বাজারের উপর নির্ভর করে বছরের পর বছর উচ্চ মাত্রায় এই প্রবৃদ্ধিকে ধরে রাখতে পারবে না। তাই আমরা বিশ্বের বৃহত্তম বাজারে প্রবেশের প্রস্তুতির লক্ষ্যে যথেষ্ট পরিমাণ সময় ও অর্থ ব্যয় করেছি। এ ক্ষেত্রে আশানুরূপ অগ্রগতির খবর দিতে পেরে আমি আনন্দিত। টেবিল নং-৪ (এ), বৈদেশিক নিয়ন্ত্রিত বাজারে অনুমোদন পেয়েছে এমন প্রোডাক্টগুলো দেখানো হলো।

টেবিল-৪	নিবন্ধন
হাইড্রোকর্টিসোন ট্যাবলেট ১০ মি.গ্রাম এবং ২০ মি.গ্রাম	ইউকে আয়রন্যান্ড কলকিসিন ট্যাবলেট ৫০০ মি.গ্রাম
ডাইপিরিডামল ২০০ মি.গ্রাম ক্যাপসুল	ইউকে আয়রন্যান্ড
গ্লাইকোপাইরোলেট ট্যাবলেট ১ মি.গ্রাম ও ২ মি.গ্রাম	ইউএসএ
রিসপিরিডন ট্যাবলেট ২৫ মি.গ্রাম, ৫ মি.গ্রাম, ১ মি.গ্রাম, ৩ মি.গ্রাম এবং ৪ মি.গ্রাম	ইউএসএ
মেটোপ্রলল টারট্রেট ট্যাবলেট ১০ মি.গ্রাম এবং ২০ মি.গ্রাম	ইউএসএ

এই প্রোডাক্টগুলোর মধ্যে হাইড্রোকর্টিসোন ইতিমধ্যে যুক্তরাজ্যে রফতানি হয়েছে। আয়ারল্যান্ডের ব্যবসা শীঘ্রই শুরু হবে। আমরা আশা করছি আগামী কয়েক মাসের মধ্যেই যুক্তরাজ্য ও আয়ারল্যান্ড এর জন্য আরও ৬টি প্রোডাক্ট অনুমোদন পাবো। ২০১৯ সালে মার্কিন যুক্তরাষ্ট্রেও আমাদের ব্যবসা শুরু হবে। চুক্তিভিত্তিক উৎপাদনের জন্য নিউজার্সিতে একটি কোম্পানি পাওয়া গেছে, কাঁচামাল আমদানির অর্ডারও দেয়া হয়েছে এবং সেই প্রোডাক্ট বিপণনের জন্য পার্টনারও নির্ধারণ করা হয়েছে।

রেনাটাতোও প্রোডাক্ট ডেভেলপমেন্ট এর কাজ উল্লেখযোগ্য ভাবে বৃদ্ধি পেয়েছে। নিজস্ব মেধাবী সম্ভবনাময় লোকবল প্রস্তুত করার পাশাপাশি অন্যান্য দেশের ল্যাবরেটরীগুলোতেও প্রোডাক্ট ডেভেলপমেন্ট এর আউটসোর্স করছি। আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, আমাদের মিরপুরের পোটেন্ট প্রোডাক্ট ফ্যাসিলিটি ও রাজেন্দ্রপুরের জেনারেল ফ্যাসিলিটি কোনো বড় ধরনের অবজারভেশন ছাড়াই UK-MHRA-এর পরিদর্শনে সফল ভাবে উত্তীর্ণ হয়েছে।

ইউরোপে আমাদের বাজারের জন্য এই দু'টি কারখানা প্রধান সরবরাহকারী হিসাবে গণ্য হবে।

এখন আমি আমাদের মূল ব্যবসা নিয়ে আলোকপাত করবো:

#### পশুস্বাস্থ্য:

এই শিল্পের ৭% প্রবৃদ্ধির তুলনায় আমাদের প্রবৃদ্ধি হয়েছে ৯%। যদিও এই প্রবৃদ্ধির বেশির ভাগই ২০১৭ সালের শেষ ছয় মাসে ঘটেছে। প্রকৃতপক্ষে ২০১৮ সালের প্রথমার্ধেই এই শিল্পের সংকোচনের শুরু এবং আমাদের অবস্থাও ছিল অনুরূপ। বাজারের গভীর মন্দার পাশাপাশি বেশির ভাগ খামারের ভিন্ন জাতের মাছের চাহিদাও কমে যায়। এই দ্বৈত মন্দার কারণে সন্দেহাতীত ভাবে পরিস্থিতি খারাপ থেকে অধিকতর খারাপ আকার ধারণ করে। যদিও এই মুহূর্তে পরিস্থিতি খারাপের মধ্যে আছে, তবে আমাদের মনে রাখা দরকার যে এই শিল্প একটা ব্যবসায়ীক চক্রের মধ্যে দিয়ে যাচ্ছে, ফলে প্রোডাক্ট এর স্বল্পতা দেখা দেবে এবং মূল্যও বৃদ্ধি পাবে। মূল্য বেড়ে গেলে নতুন বিনিয়োগকারীরা আবার উৎসাহিত হবে এবং এই শিল্পটি আবার ঘুরে দাঁড়াবে। সুতরাং আমরা আশাবাদী যে, একটা নির্দিষ্ট সময়ের মধ্যেই এই পরিস্থিতির উন্নতি হবে।

#### ফার্মাসিউটিক্যাল:

এই শিল্পের ১৪.৭% প্রবৃদ্ধির বিপরীতে আমাদের প্রবৃদ্ধি হয়েছে ১৭.৮%। যদিও এই প্রবৃদ্ধি আশাব্যঞ্জক, তবে আমাদের মনে রাখতে হবে যে, এই ক্রমবর্ধমান আয়ের সাথে বিপণন ব্যয়ও বাড়তে থাকবে। বিনিয়োগ সাপেক্ষে আয় কমে যাওয়ায় বিশ্বব্যাপী এই শিল্পে একত্রিকরণের সৃষ্টি হচ্ছে। আমরা বাংলাদেশেও একই ঘটনার লক্ষণ দেখতে পাচ্ছি।

কারখানার পরিবেশগত মানদণ্ড বাড়ানোর ফলে চীনে কেমিক্যাল সিনথিসিস কারখানাগুলো বন্ধ হয়ে যাচ্ছে এবং ফার্মাসিউটিক্যাল অ্যাক্টিভ (API) এর মূল্য বেড়েছে।

বাংলাদেশসহ বিশ্বে নিয়ন্ত্রক সংস্থাগুলোর মানদণ্ড উন্নত করা হচ্ছে। আমরা এই উন্নয়নকে স্বাগত জানাই, কারণ মানুষের নিরাপদ ও কার্যকরী ওষুধ সেবনের অধিকার রয়েছে। তাছাড়া এটি আমাদের মতো কোম্পানিগুলোকে টেকসই প্রতিযোগিতামূলক সুবিধা প্রদান করবে।

#### চুক্তিভিত্তিক উৎপাদন:

এই ক্ষেত্রে আমাদের ব্যবসা ধারাবাহিকভাবে বৃদ্ধি অব্যাহত রয়েছে। ওআরএস, জন্ম নিয়ন্ত্রণের বড়ি ও পুষ্টিগুণ পাউডার এসএমসি, ইউনিসেফ ও বাংলাদেশ সরকারকে সরবরাহ করে। এই ক্ষেত্রে আমাদের আয় ১৭% বৃদ্ধি পেয়েছে। এসএমসি, ইউনিসেফের সাথে আমাদের ব্যবসা বৃদ্ধি পেয়েছে, তবে সরকারের পারিবারিক পরিকল্পনা কর্মসূচির প্রধান দরপত্র প্রকাশে কয়েক মাস বিলম্ব করায় আমাদের আয়ের লক্ষ্য মাত্রা থেকে কিছুটা কম হয়েছে। যাই হোক, আমরা আশাবাদী যে খুব শীঘ্রই একটি দরপত্র আহ্বান করা হবে।

#### দৃশ্যপট ১৯১৮-১৯২০:

পোল্ট্রি শিল্প যদি আগের অবস্থায় ফিরে না আসে তবে আমাদের পশুস্বাস্থ্য ব্যবসা (যা সচারাচর বছরে ১৫%-২০% বৃদ্ধি পায়) আশানুরূপ বৃদ্ধি পাবে না। তবে, আমরা আশাবাদী যে, ফার্মাসিউটিক্যাল ও চুক্তি-ভিত্তিক উৎপাদনে ব্যবসা বৃদ্ধি করে এবং সেই সাথে আর্থিক ও ইউটিলিটি খাতে সাশ্রয়ের মাধ্যমে এই ক্ষতি পুষিয়ে নিতে পারবো। এই বিবেচনায় আমরা একটি সুন্দর ২০১৮-১৯ অর্থবছর প্রত্যাশা করছি।



ডাঃ সারওয়ার আলী  
চেয়ারম্যান  
অক্টোবর ২৭, ২০১৮

# The Board of Directors



## **Dr. Sarwar Ali, Chairman**

### **Current Responsibilities**

Chairman, Board of Directors, Renata Limited  
Trustee, Liberation War Museum  
Executive President, Chhayanaut  
Chairman, Board of Management, BIRDEM Hospital  
Vice President, Bangladesh Diabetic Association

### **Past Responsibilities**

Director, Renata Limited  
Managing Director, Renata Limited  
Medical Director, Pfizer (Bangladesh) Limited  
President Bangladesh Employers' Federation  
International Councilor of IPPNW  
Secretary General, Bangladesh Medical Association  
Member, Dhaka University Senate

### **Education**

MBBS, Dhaka Medical College

## **Kaiser Kabir, CEO & Managing Director**

### **Current Responsibilities**

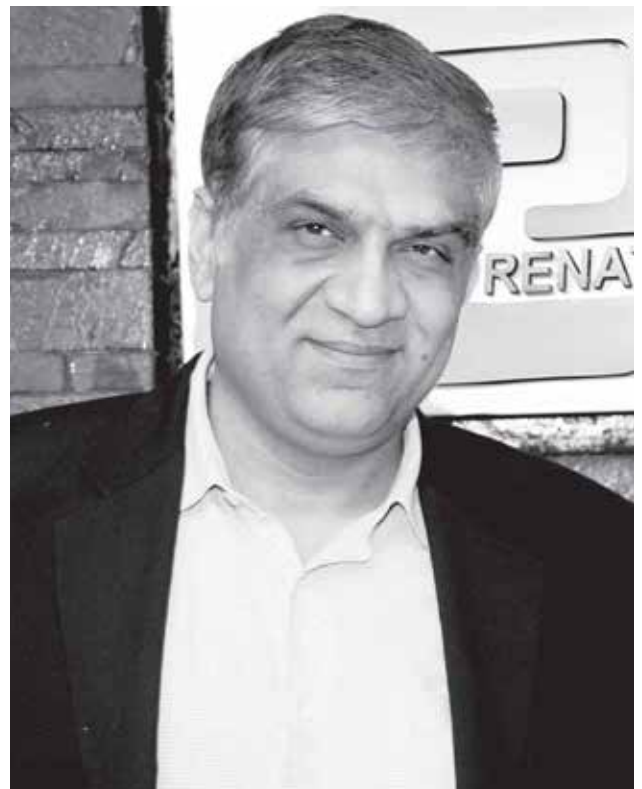
CEO & Managing Director, Renata Limited  
Chairman, Renata Agro Industries Limited  
Chairman, Purnava Limited  
Chairman, Renata Oncology Limited  
Board Member, Sajida Foundation  
Board Member, BRAC  
Director, BRAC Bank Limited  
Vice President, Bangladesh Association of Pharmaceutical Industries

### **Past Responsibilities**

Board of Directors, GAIN  
Member, Finance & Audit Committee  
Member, Nominations Committee  
Managing Director, BRAC-Renata Agro Industries Limited  
Executive Director, Sajida Foundation  
National Macroeconomist, Financial Sector Reform Project  
Consultant, The World Bank, RMB  
Research Officer, Institute of Economics & Statistics, University of Oxford

### **Education**

MPhil in Economics, University of Oxford, UK  
Postgraduate Diploma in Economics with Distinction,  
University of East Anglia, UK  
Bachelor of Arts in Economics and International Relations,  
Claremont McKenna College, USA





**A. Hasanat Khan, Director**

**Current Responsibilities**

Director, Renata Limited

Senior Consultant, Eshna Consulting Team Ltd

**Past Responsibilities**

MD, BOC Bangladesh Ltd

President, Foreign Investors Chamber of Commerce & Industries

Committee Member, MCCI

Committee Member, Employers Federation

Chief, Productivity Services Wing, ILO

President, Rotary Club of Dhaka

Engineering Consultant, IFC-SEDF

CEO, Consortium for Industrial & Engineering Services

Director, System Engineering Ltd

**Education**

M.Sc. Tech (UK)

C. Eng. M. I. Mech. E. (UK)

Life Member ASME (USA)

**Zahida Fizza Kabir, Director**

**Current Responsibilities**

Director, Renata Limited

Executive Director, Sajida Foundation

Board Member, Action Aid Bangladesh

**Past Responsibilities**

Director of Programs, Sajida Foundation

Senior Program Officer, Sajida Foundation

**Education**

Masters Degree in International and Intercultural Management,

School for International Training, Vermont, USA

Bachelor's Degree in Social Work,

University of the Philippines

Post graduate diploma on "Organizational leadership",

Saïd Business School, University of Oxford







**Sajeda Farisa Kabir, Director**

**Current Responsibilities**

Director, Renata Limited  
Associate Director, Human Rights and Legal Services Program, BRAC  
Founding Partner, Vertex Chambers, Dhaka, Bangladesh

**Past Responsibilities**

Counsel Barrister, Temple Court Chambers Dhaka Annexe, Dhaka, Bangladesh  
Senior Regional Manager, Human Rights and Legal Services Program, BRAC

**Education**

Post Graduate Diploma in Professional Legal Skills, City University, London, UK  
LLB (Honours), Cardiff Law School, University of Wales, UK  
Professional Qualifications  
Barrister (of Lincoln's Inn)  
Advocate, Supreme Court of Bangladesh  
Lawyer (New South Wales), Australia

**Manzoor Hasan, OBE, Independent Director**

**Current Responsibilities**

Director, Renata Limited  
Executive Director, Centre for Peace and Justice, BRAC University  
Chair, Action Aid International Bangladesh

**Past Responsibilities**

Director, Institute of Governance Studies, BRAC University  
Regional Director, Asia-Pacific, Transparency International, Germany  
Executive Director, Transparency International Bangladesh  
Barrister, Dr. Kamal Hossain and Associates, Bangladesh  
Barrister, 6 King's Bench Walk, Temple, London, England

**Education**

The Honourable Society of Lincoln's Inn, England  
London School of Economics, England

**Honours**

Her Majesty Queen Elizabeth II awarded Manzoor Hasan with the Officer of the Order of the British Empire (OBE) on 14th June, 2003 for the service given to Transparency International Bangladesh





### **Kazi Sanaul Hoq, Director**

#### **Current Responsibilities**

Director, Renata Limited (From September 06, 2017)  
 Managing Director, Investment Corporation of Bangladesh  
 Chairman, ICB Capital Management Ltd.  
 Director of British American Tobacco Bangladesh Co. Ltd. (BATBC),  
 Linde Bangladesh Limited, GlaxoSmithKline Bangladesh Ltd. (GSK),  
 Bangladesh Krishi Gobeshona Endowment Trust (BKGET),  
 Heidelberg Cement Bangladesh Limited,  
 Credit Rating Information and Services Ltd. (CRISL),  
 Standard Bank Limited, National Tea Company Limited,  
 Apex Tanary Limited, Central Depository Bangladesh Ltd. (CDBL) and  
 some other.

#### **Past Responsibilities**

Managing Director, Rajshahi Krishi Unnayan Bank (RAKUB)  
 Managing Director (Current Charge), Agrani Bank Ltd.  
 Deputy Managing Director, Agrani Bank Ltd.  
 General Manager, Bangladesh Development Bank Limited (BDBL)  
 General Manager, Rajshahi Krishi Unnayan Bank (RAKUB)  
 CEO, ICB Securities Trading Company Ltd.

#### **Education**

B.Com (Honors) Accounting, University of Dhaka  
 M.Com (Accounting), University of Dhaka

### **Tanya Tazeen Karim, Independent Director**

#### **Current Responsibilities**

Director, Renata Limited  
 Architect Partner, Tanya Karim NR Khan & Associates  
 Board Member: Bangladesh Womens' Chamber of Commerce &  
 Industry(BWCCI)  
 Director: Vantage Engineering & Construction Ltd.  
 MD: Urban Bangla Ltd.  
 Visiting Lecturer: Adjunct Faculty, University of Asia Pacific.  
 Member: Women Architects, Engineers, Planners  
 Association(WAEPA)

#### **Past Responsibilities & Achievements**

EC Member: Women Architects, Engineers, Planners  
 Association(WAEPA)  
 Board Member & Member of Development Committee of Presidency  
 University Foundation.  
 Founder Member: UW2SDA (Urban Water, Wastelands Society &  
 Design Alliance), presently ISUS (Institute for Sustainable Urban  
 Studies) also attached to the 'Swaraswati Program' for exchange  
 program of Environmental Expertise among selected universities of  
 USA, India and Bangladesh.

#### **Education**

B. Arch from Bangladesh University of  
 Engineering & Technology(BUET) Management  
 Course for Women Entrepreneurs from IBA





**Md. Jubayer Alam, Company Secretary**

**Current Responsibilities**

Company Secretary, Renata Limited

**Past Responsibilities**

Human Resources Manager, Renata Limited

Training Manager, Renata Limited

Regional Sales Manager, Novartis (BD) Limited

**Education**

LLB from Atish Dipankar University of Science and Technology

MBA (Major in HRM) from Stamford University

MBA (Major in Marketing) from Stamford University

Masters in Psychology from University of Dhaka

**THE AUDIT COMMITTEE**

Mr. Manzoor Hasan - Independent Director • Chairman, Audit Committee

Mr. Kaiser Kabir - CEO & Managing Director • Member

Mrs. Tanya Tazeen Karim - Independent Director • Member



# Management Team

Chief Executive Officer &  
Managing Director

Director, Pharmaceutical Sales

Director, Manufacturing

General Manager, Marketing, Pharmaceutical

General Manager, Animal Health

General Manager, International Regulatory Affairs

General Manager, Projects

General Manager, International Business

Heads of Quality Assurance

Head of Finance

Head of Information Technology

Head of Human Resources Division

# Corporate Governance

# Directors' Report

## TO THE MEMBERS

The Directors of Renata Limited are pleased to present their Annual Report along with the Audited Financial Statements of the Company for the year which ended on June 30, 2018.

## BUSINESS ACTIVITIES

Turnover during 2017-18 was Taka 18,603.7 million registering a growth of 16.0% over last year's turnover of Taka 16,043.4 million. Profit after tax was Taka 3,200.5 million – a growth of 21.9%. Earnings per Share (EPS) stood at Taka 45.65 against Taka 37.30 of 2016-17.

## NEW PHARMACEUTICAL PRODUCTS

Renata introduced 17 new formulations during the year 2017-18

Sl.	Brand Name	Generic	Division	Developed by
1	Neogest Tablet	Dienogest 2mg	Pharmaceutical	Renata
2	Preroid 5mg Tablet	Ulipristal Acetate INN 5mg	Pharmaceutical	Renata
3	Tigover 5mg Tablet	Flunarizine	Pharmaceutical	Renata
4	Tigover 10mg Tablet	Flunarizine	Pharmaceutical	Renata
5	Renaspirin 100gm Powder	Carbasalate calcium & Ascorbic acid	Animal Health	Renata
6	Cal-D-Mag 500ml Injection	Calcium, Phosphorus, Magnesium, Dextrose & boric acid	Animal Health	Renata
7	Melocam 10ml Injection	Meloxicam	Animal Health	Renata
8	Fevenil 10ml Injection	Tolfenamic acid	Animal Health	Renata
9	Genta-Col 100gm Powder	Gentamicin & Colistin	Animal Health	Renata
10	Renaflox 10% Solution	Ciprofloxacin	Animal Health	Renata
11	Renasol AD3E 100ml Injection	Vitamin A, D & E	Animal Health	Renata
12	Micronid 10gm Powder	Erythromycin, Sulphadiazine & Trimethoprim	Animal Health	Renata
13	Kol Suspension	Activated Charcoal	Animal Health	Carus Laboratories Pte. Ltd., India
14	Cal-Boost gel	Ionic Calcium & Magnesium	Animal Health	Carus Laboratories Pte. Ltd., India
15	DCAD Minus	Magnesium & Aluminum sulphate	Animal Health	Carus Laboratories Pte. Ltd., India
16	ORT-Calf	Oral Saline	Animal Health	Carus Laboratories Pte. Ltd., India
17	Heparen	Levocarnitine & Choline Chloride	Animal Health	Carus Laboratories Pte. Ltd., India

## CAPITAL EXPENDITURE

The following capital expenditure made by the Company during the year amounted to Taka 1,202.3 million.

### Taka in millions

	2017-18
Freehold Land	16.00
Building	223.20
Plant and Machinery	844.10
Automobile	39.40
Office Equipment	70.60
Furniture & Fixtures and others	9.00
<b>Total</b>	<b>1,202.30</b>

The investments were funded from internally generated cash and bank loans.

## DIVIDEND

While there is reasonable profit available for distribution, the investment pipeline is also rich. Hence the Directors deem it necessary to retain adequate funds to finance the capital expenditures for capacity building to sustain the growth of the company.

The Board of Directors is pleased to recommend a cash dividend of Taka 9.50 per ordinary share of Taka 10 each. This dividend will entail a payment of Taka 665,294,709. The Board of Directors also recommend for declaration of Stock Dividend (Bonus Shares) in the ratio of one Bonus Share for every 6.67 shares held for which an amount of Taka 105,046,533 will have to be transferred to Share Capital Account.

## CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review Renata paid Taka 4,300 million to the National Exchequer in the form of Corporate Income Tax, Import Duties and Value Added Tax (VAT)

## DIRECTORS

The Directors retiring by rotation under Articles 109, 115 and 116 of the Articles of Association of the Company Dr. Sarwar Ali and Mrs. Sajeda Farisa Kabir who, being eligible, offer themselves for re-election.

## AUDITORS

The Company's Auditor Messrs S. F. Ahmed & Co., Chartered Accountants retire at the 45th Annual General Meeting and being eligible may offer themselves for reappointment as auditor for the year 2018-19 with re-fixation of their remuneration.

## CONSOLIDATION OF ACCOUNTS

The Company is consistently following the Code of International Accounting Standard as adopted by the Institute of Chartered Accountants of Bangladesh. According to Bangladesh Accounting Standard-27, (BAS-27) the Company has presented all the relevant consolidated financial statements with those of its subsidiaries.

## ADDITIONAL STATEMENT

The Directors are pleased to make the following additional statements in respect of the Report prepared under section 184 of the Companies Act 1994.

We report,

- The financial statements prepared by the management for the year 2017-18 give a true and fair view of the state of company about the results of its operations, cash flows and changes in equity.

## Financial Results

The Directors take pleasure in reporting the following financial results of the Company for the year 2017-18

	2017-18 Taka	2016-17 Taka
Profit before tax	4,333,061,344	3,691,714,958
Less: Provision for tax	1,136,110,811	1,079,572,544
Net Profit after tax	3,196,950,533	2,612,142,414
Add/(Less) Other comprehensive income	3,588,029	13,368,239
Total Comprehensive income	3,200,538,562	2,625,510,653
Add: Unappropriated profit brought forward	11,070,871,580	9,327,724,886
Add: Depreciation of revaluation surplus	635,885	635,885
	<b>14,272,046,027</b>	<b>11,953,871,424</b>

### APPROPRIATION RECOMMENDED

Dividend proposed:

a) Cash dividend @ 9.50 Taka per share	665,294,709	791,655,033
b) Stock dividend (Bonus Share) in the ratio of one bonus share for every 6.67 shares held ( 6.67 :1B)	105,046,533	91,344,811
	770,341,242	882,999,844
Balance of unappropriated profit carried forward	13,501,704,785	11,070,871,580
	<b>14,272,046,027</b>	<b>11,953,871,424</b>

- b) Proper books of accounts have been maintained by the company as required by applicable Laws, Rules and Standard.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that accounting estimates are based on reasonable and prudent judgments.
- d) In preparation of the financial statement, the International Accounting Standard, as applicable in Bangladesh has been followed and there has been no departure from the policies.
- e) The system of internal control and internal check are in effect and monitored properly.
- f) The company has sound and strong operational strengths and ability to continue as a going concern. As such, there is no doubt of its continuity.
- g) There is no significant deviation from last year in operating results.
- h) The key operating and financial data for preceding five years have been shown in the Financial Highlights.
- i) A statement that minority shareholders have been protected from abuse actions by, or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress.
- j) A statement where key operating and financial data at least preceding 5 (Five) years shall summarized in ANNEXURE-E
- k) The Directors, have recommended cash dividend of Taka 9.50 per share of Taka 10 each and Stock dividend (bonus share) in the ratio of one share for every 6.67 shares are held.
- l) During the year five board meeting were held and the attendance by each Director are given below:
- |  |         |
|--|---------|
| 1. Dr. Sarwar Ali<br>Chairman of the Board       | 5 times |
| 2. Mr. Syed S. Kaiser Kabir<br>Managing Director | 5 times |
| 3. Mrs. Zahida Fizza Kabir<br>Director           | 3 times |
| 4. Mrs. Sajeda Farisa Kabir<br>Director          | 3 times |
| 5. Mr. A. Hasanat Khan<br>Director               | 5 times |

- |  |         |
|--|---------|
| 6. Mr. Md. Iftikhar-Uz- Zaman(up to 6.09.17)<br>Director | 1 time  |
| 7. Mr. Kazi Sanaul Hoq ( From 06.09.17)<br>Director      | 4 times |
| 8. Mr. Manzoor Hasan<br>Independent Director             | 4 times |
| 9. Mrs. Tanya Tazeen Karim<br>Independent Director       | 4 times |

All non-executive Directors including independent Director's shall receive Tk. 10,000 to attend the Board meeting and other sub-committee meeting as attended fees.

m) The pattern of Shareholding

(i) Parent/ Subsidiary / Associated companies:

The Shareholding information as on 30th June 2018 and other related information are set out in note- 7.

(ii) Directors Name	No. of Shares
Dr. Sarwar Ali	3,872
Mr. Syed S. Kaiser Kabir	83,389
Mrs. Zahida Fizza Kabir	20,333
Mrs. Sajeda Farisa Kabir	10,185
Mr. A. Hasanat Khan	-
Mr. Kazi Sanaul Hoq	-
Mr. Manzoor Hasan	-
Mrs. Tanya Tazeen Karim	-

(iii) <b>Company Secretary</b>	
Mr. Jubayer Alam	1,076

(iv) <b>Chief Financial Officer (CFO)</b>	
Mr. Khokan Chandra Das	-

(v) <b>Head of Internal Audit</b>	
Mr. ATM Muniruzzaman	212

(vi) <b>Executives:</b>	
Mr. Khalil Musaddeq	4,844
Dr. Sayma Ali	9,580
Mr. Monowarul Islam	-
Mr. Sirajul Hoque	4849
Mr. S.M. Anisur Rahman	-

(vii) **Shareholders holding 10% or more voting interest:**

Sajida Foundation	35,715,518
Business Research International Corp.	15,227,512

## STATUS OF COMPLIANCE

Compliance status of the condition imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities Exchange Ordinance, 1969 is shown in Annexure-C.

## PERSONNEL

The Directors record their appreciation for the contribution made by the employees for their efforts.

## ACKNOWLEDGEMENT

The Board wishes to thank the Shareholders, Officials of the Drug Administration and other Government officials, Doctors, Chemists, Medical Institutions, Bankers, the Securities and Exchange Commission, the Dhaka Stock Exchange Limited and all our well-wishers for their continued support.

On behalf of the Board of Directors



Dr. Sarwar Ali  
Chairman  
October 27, 2018



**Renata Limited**

Corporate Headquarters: Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, GPO Box No. 303, Bangladesh

PABX : 8001450-54  
Fax : (880)-2-8001446  
E-mail : renata@renata-ltd.com  
Website : www.renata-ltd.com

## **The CEO and CFO's certification to the Board**

October 27, 2018

The Board of Directors  
Renata Limited

**Subject: Declaration on Financial Statements for the year ended on June 30, 2018**

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 June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Renata Limited for the year ended on June 30, 2018 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 June 30, 2018 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,



Syed S. Kaiser Kabir  
CEO & Managing Director



Khokan Chandra Das  
Chief Financial Officer

## ANNEXURE-B

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



কে. এম. হাসান এন্ড কোং  
**K. M. HASAN & CO.**  
Chartered Accountants

Hometown Apartments (7<sup>th</sup>, 8<sup>th</sup> & 9<sup>th</sup> Floor)  
87, New Eskaton Road, Dhaka-1000  
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website: www.kmhasan.com



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### **Report to the Shareholders of Renata Limited on compliance on the Corporate Governance Code**

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

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

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



Place: Dhaka  
Dated: 05 November 2018

For K. M. HASAN & Co.  
Chartered Accountants

Md. Amirul Islam FCA, FCS  
Senior Partner

## ANNEXURE-C

[(As per condition No. 1(5)(xxvii)]

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

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

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	✓	-	-
<b>1(2)</b>	<b>Independent Directors</b>			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓	-	-
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 and 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 also 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 an 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 of directors 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) term only.	✓	-	No such event occurred
<b>1(3)</b>	<b>Qualification of Independent Director</b>			

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓	-	-
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company 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;	-	-	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's degree in economics or commerce or business or law;	-	-	N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	✓	-	-
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;	✓	-	-
1(3)(c)	The independent director(s) 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 event occurred
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) 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.	-	-	No such event occurred
<b>1(5)</b>	<b>The Directors' Report to the Shareholders</b>			
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;	-	✓	-

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	No such event occurred
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 through any other instruments;	-	-	N/A
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;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	-	-	N/A
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	-
1(5)(xi)	A statement that 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)	A statement that proper books of account of the issuer company have been maintained;	✓	-	-
1(5)(xiii)	A statement that 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)	A statement that 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)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	-	-
1(5)(xvi)	A statement that 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)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof 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 event occurred
1(5)(xix)	A statement where 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;	-	-	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)	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-</b>			

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 their spouses and minor children (name-wise details);	✓	-	-
1(5)(xxiii)(c)	Executives;	✓	-	-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	✓	-	-
1(5)(xxiv)	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -</b>			
1(5)(xxiv)(a)	a brief resume of the director	✓	-	-
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	✓	-	-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	-	-
1(5)(xxv)	<b>A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief disscission of changes in financial statements, among others, focusing on:</b>			
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 fianacial performance or results and financial position as well as cash flows for current financial year with immediately 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;	-	-	To be complied with
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	-	-	To be complied with
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	-	-	To be complied with
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;	-	-	To be complied with
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; and	✓	-	-
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)	<b>Meetings of the Board of Directors</b>			
	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)	<b>Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	-	Under process of compliance



# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company	-	-	To be complied with
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
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;	✓	-	-
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	✓	-	-
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.	✓	-	-
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;	✓	-	-
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓	-	-
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
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 a 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).	-	-	No such event occurred
<b>3(2)</b>	<b>Requirement to attend Board of Director's Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓	-	-
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
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;	✓	-	-
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 violation of the code of conduct for the company's Board or its member;	✓	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	-
<b>4</b>	<b>Board of Director's Committee. For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			



# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4(i)	Audit Committee;	✓	-	-
4(ii)	Nomination and Remuneration Committee	✓	-	-
<b>5</b>	<b>Audit Committee</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
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 of Directors 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)(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 members 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;	-	-	No such event occurred
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)(a)	The Board of Directors 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.	✓	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	-	✓	
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year. Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	-	✓	-
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.	✓	-	-
<b>5(5)</b>	<b>The Audit Committee shall:</b>			
5(5)(a)	Oversee the financial reporting process;	✓	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	✓	-	-

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 purpose stated in relevant offer document or prospectus approved by the Commission:	-	-	N/A
<b>5(6)(a)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	-	-
<b>5(6)(a)(ii)</b>	<b>The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -</b>			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	-
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal internal audit and compliance process or in the financial statements; control system;	-	-	No such event occurred
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	No such event occurred
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	✓	-	-
<b>5(6)(b)</b>	<b>Reporting to the Authorities: -</b>			
	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 event occurred
<b>5(7)</b>	<b>Reporting to the Shareholders and General Investors</b>			

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 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.	✓	-	-
<b>6</b>	<b>Nomination and remuneration Committee (NRC).</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	NRC Committee reconstituted on 27th October, 2018
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).	✓	-	-
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	-
6(2)(b)	All member 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;	-	-	N/A
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;	-	-	Noted
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.	✓	-	-
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
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;	-	-	To be complied
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	-	-	To be complied
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-	-	Noted

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	Noted
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);	✓	-	To be complied
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.	✓	-	To be complied
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	Noted
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	-	Noted
6(5)(b)(i)	Formulating the ceiteria for determining qualifications, positive atteibutes 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:	-	-	To be complied
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;	-	-	To be complied
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	-	To be complied
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;	-	-	To be complied
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	To be complied
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 ceiteria laid down, and recommend their appointment and removal to the Board;	-	-	Noted
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	-	To be complied
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	-	-	To be complied
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-	-	To be complied
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.	-	-	To be complied
<b>7</b>	<b>External or Statutory Auditors</b>			
7(1)	The issuer 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 system design and implementation;	✓	-	-
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓	-	-
7 (1) (iv)	Broker –dealer services;	✓	-	-
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓	-	-
7 (1) (iv)	Broker –dealer services;	✓	-	-

# STATUS OF COMPLIANCE

OF THE CORPORATE GOVERNANCE GUIDELINE (CGG), 2018

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7 (1) (v)	Actuarial services;	✓	-	-
7 (1) (vi)	Internal audit services or special audit services;	✓	-	-
7 (1) (vii)	Any services 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	✓	-	-
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 (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	-	-
<b>8</b>	<b>Maintaining a website by the Company</b>			
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 regulations of the concerned stock exchange(s)	✓	-	-
<b>9</b>	<b>Reporting and Compliance of Corporate Governance</b>			
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 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.	-	-	To be complied
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.	✓	-	-



CEO & Managing Director

## ANNEXURE-D

### AUDIT COMMITTEE REPORT FOR THE YEAR ENDED JUNE 30, 2018

The Audit Committee consists of the following members:

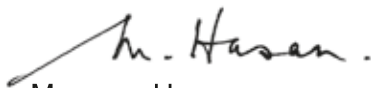
Mr. Manzoor Hasan	Independent Director	Chairman, Audit Committee
Mr. Syed S. Kaiser Kabir	CEO & Managing Director	Member
Mrs. Tanya Tazeen Karim	Independent Director	Member

The scope of Audit Committee was defined as under:

- a) To review the quarterly, half yearly and the audited financial statements and management letter if any;
- b) To recommend to the Board of Directors the quarterly, half yearly and the audited financial statements for approval;
- c) To review the internal audit findings and monitor the progress of potential issues;
- d) To review the statement of all related party, transactions submitted by the management; and
- e) To recommend the appointment of M/S S.F. Ahmed & Co., Chartered Accountants as external Auditors of the Company for the year 2018-2019.

#### Activities carried out during the period

The committee reviewed the internal audit reports, financial statements and the external audit report. The committee didn't find any material deviation, discrepancy or any adverse finding/observation in the area of reporting.



Manzoor Hasan  
Chairman  
Audit Committee

## ANNEXURE-E

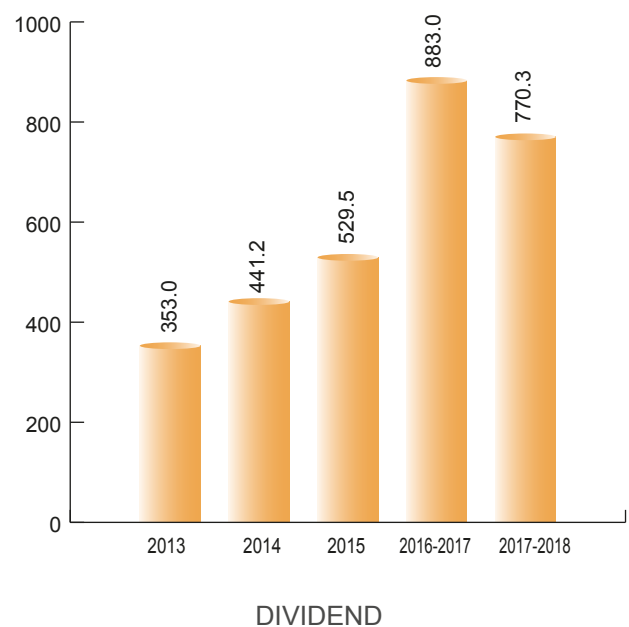
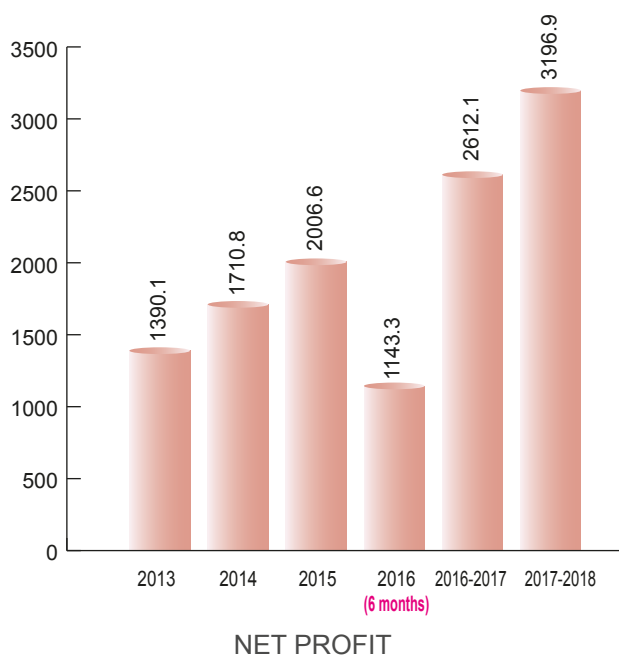
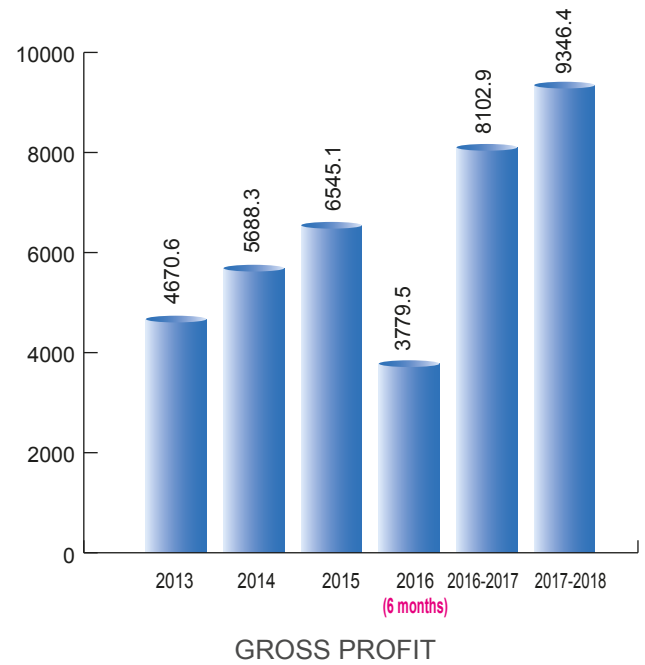
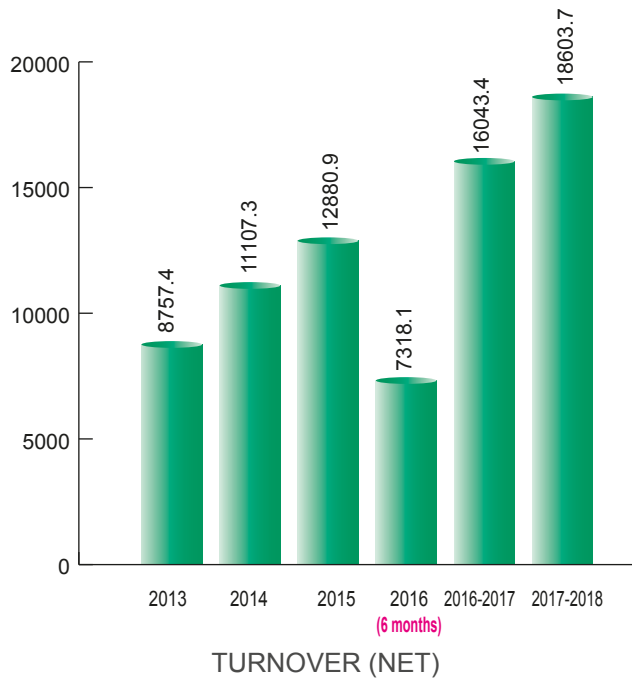
### RENATA LIMITED FINANCIAL HIGHLIGHTS

Figures in Taka (Thousands)

Particulars	2017-2018	2016-2017	2016 (6 months)	2015	2014	2013
<b>Balance Sheet</b>						
<b>Shareholder's Equity</b>						
Share capital	700,310	608,965	529,535	529,535	441,279	353,023
Proposed stock dividend	105,047	91,345	-	79,430	88,256	88,256
Proposed cash dividend	665,295	791,655	-	450,105	353,023	264,767
Revaluation surplus	154,808	155,285	156,282	156,520	156,999	157,477
Tax holiday reserve	-	-	-	315,027	296,337	249,497
Unappropriated profit	13,501,704	10,827,285	9,857,260	7,875,242	6,414,819	5,182,094
Shareholder's fund	15,127,164	12,474,535	10,543,077	9,405,859	7,750,713	6,295,114
Long term & deferred liabilities	1,209,209	1,233,238	1,196,986	1,084,703	1,528,677	1,153,678
<b>Total</b>	<b>16,336,373</b>	<b>13,707,773</b>	<b>11,740,063</b>	<b>10,490,562</b>	<b>9,279,390</b>	<b>7,448,792</b>
<b>Application of Funds</b>						
Property, plant & equipment-WDV	10,746,707	10,245,093	9,672,963	9,419,128	8,964,172	8,374,267
Investment & non-current assets	143,069	143,069	251,263	235,464	233,027	199,433
Current assets	9,921,903	7,736,183	6,836,121	6,483,183	5,296,370	4,208,713
Current liabilities	(4,475,306)	(4,416,572)	(5,020,284)	(5,647,213)	(5,214,179)	(5,333,621)
<b>Total</b>	<b>16,336,373</b>	<b>13,707,773</b>	<b>11,740,063</b>	<b>10,490,562</b>	<b>9,279,390</b>	<b>7,448,792</b>
<b>Financial Results</b>						
Turnover (Gross)	21,339,459	18,335,157	8,394,975	14,735,200	12,674,236	10,034,450
Turnover (Net)	18,603,709	16,043,431	7,318,104	12,880,957	11,107,281	8,757,406
Gross profit	9,346,470	8,102,926	3,779,587	6,545,154	5,688,310	4,670,630
EBITDA	5,239,795	4,523,432	2,285,037	3,542,645	3,200,601	3,146,433
Profit before taxation	4,333,061	3,691,715	1,887,698	2,731,512	2,330,923	1,885,359
Profit after taxation	3,196,951	2,612,142	1,143,353	2,006,641	1,710,863	1,390,164
Total comprehensive income	3,200,539	2,625,511	1,137,138	2,008,012	1,720,209	1,393,928
Dividend	770,342	883,000	-	529,535	441,279	353,023
<b>Financial Performance</b>						
Number of shares	70,031,022	60,896,541	52,953,514	52,953,514	44,127,929	35,302,343
Earning per share (Taka)	45.65	37.30	16.33	28.65	24.43	19.85
Dividend per share (Taka)	11.00	14.50	-	10.00	10.00	10.00
Dividend payout %	24.10%	33.80%	-	26.39%	25.79%	25.39%
Effective dividend rate %	0.85%	1.25%	-	0.81%	1.02%	1.39%
Price earnings ratio (PER)	28.40	31.02	72.59	43.03	40.28	36.37
Market price per share on 30 June	1,296.50	1,157.10	1,185.20	1,233.00	984.00	722.00
Price/Equity ratio (Times)	129.65	115.71	118.52	123.30	98.40	72.20
Return on shareholder's fund %	21.13%	20.94%	10.84%	21.33%	22.07%	22.08%
Current ratio (Times)	2.22	1.75	1.36	1.15	1.02	0.79
Net operating cash flow per share (Taka)	37.54	50.25	20.54	28.43	24.51	13.09
Net asset value per share (Taka)	216.01	178.13	150.55	134.31	110.68	89.89
<b>Number of employees</b>	<b>6,798</b>	<b>6,087</b>	<b>5,965</b>	<b>5,473</b>	<b>5,002</b>	<b>4,334</b>

# Financial Trend

TAKA (MILLIONS)



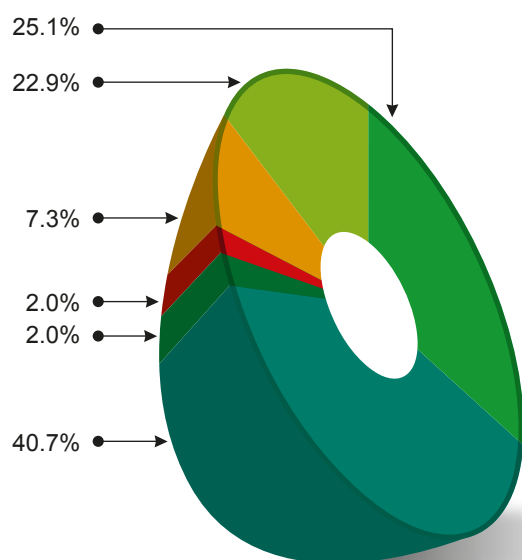
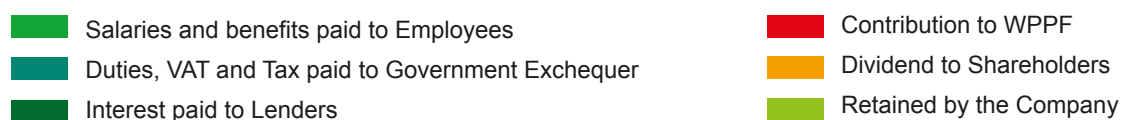


# Statement of Value Addition

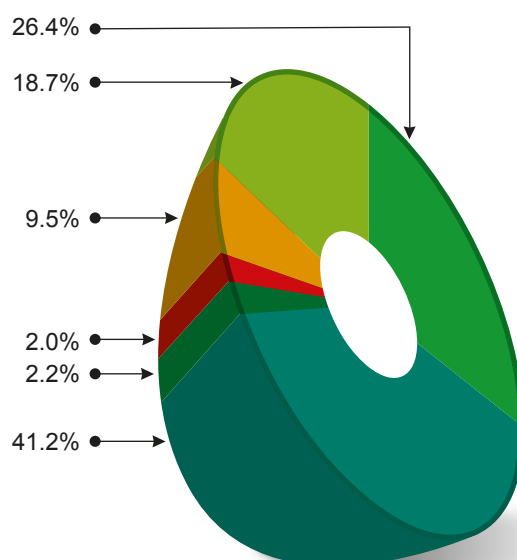
	2017-18 Taka	%	2016-17 Taka	%
Turnover and other income	18,736,717,319		16,079,390,589	
Less: Materials cost & Expenses	8,159,130,443		6,824,904,595	
<b>Value Added</b>	<b>10,577,586,876</b>		<b>9,254,485,994</b>	

## Application:

Salaries and benefits paid to employees	2,656,611,564	25.1%	2,442,438,833	26.4%
Duties, VAT and Tax paid to Government Exchequer	4,300,175,653	40.7%	3,816,161,101	41.2%
Interest paid to Lenders	207,196,059	2.0%	199,157,898	2.2%
Contribution to WPPF	216,653,067	2.0%	184,585,748	2.0%
Dividend to Shareholders	770,341,242	7.3%	882,999,844	9.5%
Retained by the Company	2,426,609,291	22.9%	1,729,142,570	18.7%
<b>Total</b>	<b>10,577,586,876</b>	<b>100.0</b>	<b>9,254,485,994</b>	<b>100.0</b>



2017-2018



2016-2017

# Corporate Social Responsibility

At Renata, corporate social responsibility means caring for our employees, assisting disadvantaged members of our society, and building a sustainable environment. Details of our various initiatives can be found below:

## HEALTHCARE FOR EMPLOYEES AND THEIR FAMILIES

The Renata health program covers all permanent employees, their spouses, and children. This comprehensive program includes surgery, hospitalization, as well as routine doctor visits.

Expenditure during 2017-18

Type of care	Taka
General	24,479,545
Gynecology	13,532,585
Accident	10,055,148
Oncology	9,357,764
Cardiovascular	6,934,926
Pediatrics	6,585,581
Dentistry	1,544,227
Gastroentology	840,227
Skin & Dermatology	732,682
Others	6,227,987
<b>Total</b>	<b>80,290,672</b>

## SUPPORT TO CHARITABLE ORGANIZATIONS

**BRAC**, an international development organization based in Bangladesh, is the largest non-governmental development organization in the world, in terms of number of employees as of September 2016. Established by Sir Fazle Hasan Abed in 1972 after the independence of Bangladesh, BRAC is present

in all 64 districts of Bangladesh as well as 13 other countries in Asia, Africa, and the Americas. The objective of the BRAC was economic development, education, public health and disaster relief. BRAC Health has reached the under-privileged and deprived community through its frontline community health workers (CHWs); adopting a door to door service delivery approach. BRAC's international operations replicated the models used in Bangladesh to provide healthcare services to the community people..

Expenditure during the year 2017-18

**Taka 3,000,000**

**HOPES (Helping Organization for Promising and Energetic Students)** runs a scholarship program for meritorious students. Renata Limited sponsored students for studying Medicine under the aegis of this programme.

Expenditure during 2017-18

**Taka 100,000**

**Poverty Fighter Foundation (PFF)** is a dedicated non-profit organization working to reduce poverty in Bangladesh. Renata support their program aiming to empower children through education.

Expenditure during the year 2017-18

**Taka 100,000**

**Centre for Cancer Prevention and Research (CCPR)** is a voluntary organization working in Bangladesh for cancer prevention and control.

Expenditure during 2017-18

**Taka 100,000**

Combined Military Hospital (CMH) to open an In-vitro fertilization center aiming to offer a comprehensive range of fertility treatment.

Expenditure during 2017-18

**Taka 200,000**

Dr. Faria Faisal Memorial Foundation for free medical camp.

Expenditure during 2017-18

**Taka 50,000**

<b>Title/Organization</b>	<b>Taka</b>
BRAC	3,000,000
Helping Organization for Promising and Energetic Students	100,000
Poverty Fighter Foundation (PFF)	100,000
Centre for Cancer Prevention and Research	100,000
Combined Medical Hospital	200,000
Dr. Faria Faisal Memorial Foundation	50,000
<b>Total</b>	<b>3,550,000</b>

## FINANCIAL ASSISTANCE TO EX-EMPLOYEES AND THEIR CHILDREN

From time to time Renata Limited provided financial assistance to ex-employees and their children.

Expenditure during 2017-18

**Taka 700,000**

### **TOTAL CSR EXPENDITURE**

**Taka 84,540,672**

**2.64% of net profit**

# Product Portfolio

## PHARMACEUTICAL PRODUCTS:

### ANTIMICROBIALS:

Trade Name	Generic Name	Formulation	Strength	Pack Size
Alsporin	Cephalexin	Tablet	250mg	10x10's
Alsporin	Cephalexin	Tablet	500mg	10x10's
Amoxi IM/IV	Amoxicillin Trihydrate	Injectable	500mg	Vial 500mg
Bactipront	Co-Trimoxazole	Tablet	480mg	10x10's
Bactipront	Co-Trimoxazole	Tablet	960mg	10x10's
Bactipront	Co-Trimoxazole	Oral Suspension	240mg/5ml	Bottle 60ml
Bactamox	Amoxicillin Trihydrate	Tablet	250mg	10x10's
Bactamox	Amoxicillin Trihydrate	Tablet	500mg	5x10's
Bactamox	Amoxicillin Trihydrate	Ped. Drops	125mg/1.25mL	Bottle 15ml
Bactamox	Amoxicillin Trihydrate	DPS	125mg/5ml	Bottle 100ml
Bactamox IM/IV	Amoxicillin Trihydrate	Injectable	500mg	1's
Cebuten	Ceftibuten Dihydrate	Capsule	400mg	2x4's
Ceftizone IM	Ceftriaxone	Injectable	250mg	Vial 250mg
Ceftizone IM	Ceftriaxone	Injectable	500mg	Vial 500mg
Ceftizone IM	Ceftriaxone	Injectable	1gm	Vial 1gm
Ceftizone IV	Ceftriaxone	Injectable	250mg	Vial 250mg
Ceftizone IV	Ceftriaxone	Injectable	500mg	Vial 500mg
Ceftizone IV	Ceftriaxone	Injectable	1gm	Vial 1gm
Ceftizone IV	Ceftriaxone	Injectable	2gm	Vial 2gm
Ceftipime	Cefepime HCL	Injectable	500mg	Vial 500mg
Ceftipime	Cefepime HCL	Injectable	1gm	Vial 1gm
Ceftipime	Cefepime HCL	Injectable	2gm	Vial 2gm
Cefotax IM/IV	Cefotaxime Sodium	Injectable	250mg	Vial 250mg
Cefotax IM/IV	Cefotaxime Sodium	Injectable	500mg	Vial 500mg
Cefotax IM/IV	Cefotaxime Sodium	Injectable	1gm	Vial 1gm
Cefazid IM/IV	Ceftazidime	Injectable	250mg	Vial 250mg
Cefazid IM/IV	Ceftazidime	Injectable	500mg	Vial 500mg
Cefazid IM/IV	Ceftazidime	Injectable	1gm	Vial 1gm
Cloxicap	Cloxacillin	Capsule	500mg	10x10's
Cloxisyrup	Cloxacillin	Suspension	125mg/5ml	Bottle 100ml
Cloxiject IM/IV	Cloxacillin	Injectable	250mg	Vial 250mg
Cloxiject IM/IV	Cloxacillin	Injectable	500mg	Vial 500mg
Doxicap	Doxycycline Hydrochloride	Capsule	50mg	5x10's
Doxicap	Doxycycline Hydrochloride	Capsule	100mg	10x10's
Covan	Vancomycin	Injectable	500mg	Vial 500mg
Covan	Vancomycin	Injectable	1g	Vial 1g
Diamine Penicillin	Benzathine Pen. G	Injectable	12,00,000 units	Vial 12 lac units
Erythrox	Erythromycin Stearate	Tablet	250, 500mg	5x10's
Erythrox	Erythromycin Ethyl-succinate	DPS	125mg/5ml	Bottle 100ml
Furocef IM/IV	Cefuroxime Sodium	Injectable	250, 750mg	Vial 250, 750mg
Furocef IM/IV	Cefuroxime Sodium	Injectable	1gm	Vial 1gm
Furocef IV/IM	Cefuroxime Sodium	Injectable	1.5gm	Vial 1.5gm
Furocef	Cefuroxime Axetil	Tablet	125mg	2x5's
Furocef	Cefuroxime Axetil	Tablet	250mg	2x8's
Furocef	Cefuroxime Axetil	Tablet	500mg	2x6's
Furocef	Cefuroxime Axetil	DPS	125mg/5ml	Bottle 70ml
Flontin	Ciprofloxacin Hydrochloride	Tablet	250mg	2x10's
Flontin	Ciprofloxacin Hydrochloride	Tablet	500mg	3x10's
Flontin	Ciprofloxacin Hydrochloride	Tablet	750mg	2x10's

\*DPS= Dry Powder for Suspension

Trade Name	Generic Name	Formulation	Strength	Pack Size
Flontin	Ciprofloxacin Hydrochloride	DPS	250mg/5ml	Bottle 60ml
Flontin IV	Ciprofloxacin Lactate	IV Infusion	2mg/ml	Vial 100ml
Flustar	Flucloxacillin Sodium	Capsule	250mg	12x4's
Flustar	Flucloxacillin Sodium	Capsule	500mg	7x4's
Fluster	Flucloxacillin sodium	Dry syrup	100 ml	1x1's
Furoclav	Cefuroxime 500mg + Clavulanic Acid 125 mg	Tablet	500mg	2x4's
Furoclav	Cefuroxime 250mg + Clavulanic Acid 62.5 mg	Tablet	250mg	2x6's
Gatlin	Gatifloxacin HCL	Tablet	400mg	5x6's
Iropen IV	Imipenem/Cilastatin	Injectable	500mg	Vial 500mg
Levoking	Levofloxacin Hemihydrate	Tablet	500mg	5x6's
Levoking	Levofloxacin Hemihydrate	Tablet	750mg	3x6's
Levoking	Levofloxacin Hemihydrate	Oral Solution	125mg/5ml	Bottle 100ml
Meropen IV	Meropenem	Injectable	250mg	Vial 250mg
Meropen IV	Meropenem	Injectable	500mg	Vial 500mg
Meropen IV	Meropenem	Injectable	1gm	Vial 1gm
Orcef	Cefixime	Tablet	200mg	2x6's
Orcef	Cefixime	Tablet	400mg	1x6's
Orcef	Cefixime	DPS	100mg/5ml	Bottle 70ml/50ml/40ml/30ml
Orcef DS	Cefixime	DPS	200mg/5ml	Bottle 50ml
Orcef	Cefixime	Capsule	200mg	2x8's
Orcef	Cefixime	Capsule	400mg	1x6's
Palcef	Cefdinir	Capsule	300mg	2x5's
Palcef	Cefdinir	DPS	125mg/5ml	Bottle 60ml
Palcef DS	Cefdinir	DPS	250mg/5ml	Bottle 30ml
Polycef	Cephadrine	Capsule	250mg	5x4's
Polycef	Cephadrine	Capsule	500mg	7x4's
Polycef	Cephadrine	DPS	125mg/5ml	Bottle 100ml
Polycef DS	Cephadrine	DPS	250mg/5ml	Bottle 100ml
Polycef	Cephadrine	Injectable	250mg	Vial 250mg
Polycef	Cephadrine	Injectable	500mg	Vial 500mg
Polycef	Cephadrine	Injectable	1g	Vial 1g
Polycef PD	Cephadrine	Paed. Drops	125mg/1.25ml	Bottle 15ml
Pronapen	Procaine penicillin + Penicillin G	Injectable	4,00,000 units 8,00,000 units	Vial 4 lac & Vial 8 lac units
Qcin	Clindamycin	Capsule	150mg	5x6's
Qcin	Clindamycin	Injectable	300mg/2ml	1x5's
Qcin	Clindamycin	Capsule	300mg	5x6's
Qcin	Clindamycin	Injectable	600mg/4ml	1x5's
Renamycin	Oxytetracycline	Capsule	250mg	60's
Renamycin	Oxytetracycline	Injectable	50mg/ml	Vial 10ml
Relexid	Pivmecillinam	Tablet	200mg	3x10's
Trucef	Cefpodoxime Proxetil	DPS	40mg/5ml	Bottle 50ml
Trucef DS	Cefpodoxime Proxetil	DPS	80mg/5ml	Bottle 50ml
Trucef PD	Cefpodoxime Proxetil	Ped. Drops	20mg/ml	Bottle 15ml
Tazopen	Piperacillin + Tazobactam	IV Infusion	2.25gm	1x1's
Tazopen	Piperacillin + Tazobactam	IV Infusion	4.5gm	1x1's
Toplon	Gemifloxacin	Tablet	320mg	1x6's
Vcap	Neomycin Sulphate+ Polymyxin B Sulphate+ Nystatin+Metronidazole	Soft Gelatin Capsule	35000 I.U.+ 35000 I.U. 100000 I.U.+ 200mg	1x6's
Zithrin	Azithromycin	Capsule	250mg	3x5's
Zithrin	Azithromycin	Tablet	250mg, 500mg	3x5's
Zithrin	Azithromycin	DPS	200mg/5ml	Bottle 15ml/20ml/30ml/35ml/50ml
Zithrin	Azithromycin	IV Infusion	500mg	Vial 500mg

\*DPS= Dry Powder for Suspension



Trade Name	Generic Name	Formulation	Strength	Pack Size
<b>ANTI-HYPERTENSIVE</b>				
Cardipin	Amlodipine	Tablet	5mg	6x10's
Cardipin Plus	Amlodipine+Atenolol	Tablet	5mg+50mg	6x10's
Minipril	Enalapril	Tablet	5mg/10mg	10x10's
Evascon	Diltiazem	Tablet	30mg/60mg	10x10's
Alphapress	Prazosin Hydrochloride	Tablet	1mg & 2mg	10x10's
Ostan	Losartan Potassium	Tablet	25mg, 50mg	3x10's, 5x10's
Ostan Plus	Losartan Potassium+ Hydrochlorothiazide	Tablet	50/100mg+12.5/25mg	3x10's
Plagrin	Clopidogrel	Tablet	75mg	3x10's
Plagrin Plus	Clopidogrel+ Aspirin	Tablet	75mg+75mg	3x10's
Metaloc	Metoprolol Tartrate	Tablet	50mg	10x10's
Metaloc	Metoprolol Tartrate	Tablet	100mg	5x10's
Pendoril-2	Perindopril	Tablet	2mg	2x10's
Pendoril-4	Perindopril	Tablet	4mg	2x10's
Pendoril Plus-2	Perindopril + Indapamide	Tablet	2mg + 0.625mg	2x10's
Pendoril Plus-4	Perindopril + Indapamide	Tablet	4mg + 1.25mg	2x10's
Valzide-80	Valsartan + Hydrochlorothiazide	Tablet	80mg + 12.5mg	4x5's
Valzide-160	Valsartan + Hydrochlorothiazide	Tablet	160mg + 12.5mg	4x5's
Bisoren-2.5	Bisoprolol Fumarate	Tablet	2.5mg	3x10's
Bisoren-5	Bisoprolol Fumarate	Tablet	5mg	3x10's
Bisoren Plus 2.5	Bisoprolol+Hydrochlorothiazide	Tablet	2.5mg+6.25mg	3x10's
Bisoren Plus 5	Bisoprolol+Hydrochlorothiazide	Tablet	5mg+6.25mg	3x10's
Uritone-20	Furosemide+ Spironolactone	Tablet	20mg + 50mg	3x10's
Uritone-40	Furosemide+ Spironolactone	Tablet	40mg + 50mg	3x10's
Valdipin	Amlodipine+Valsartan	Tablet	80mg	3x10's
Valdipin	Amlodipine+Valsartan	Tablet	160mg	3x10's
Azisan	Azilsartan Medoxomil Potassium	Tablet	40mg, 80mg	1x10's
<b>LIPID LOWERING AGENT</b>				
Zostin	Simvastatin	Tablet	10mg	3x10's
Taven	Atorvastatin	Tablet	10mg/20mg/40mg	3x10's
Fenobate	Fenofibrate	Capsule	200mg	5x6's
Rolip	Rosuvastatin Calcium	Tablet	5mg, 10mg	3x10's
<b>ANTI-DIABETIC</b>				
Bigmet-500	Metformin HCL	Tablet	500mg	10x10's
Bigmet-850	Metformin HCL	Tablet	850mg	10x10's
Glicron CR	Gliclazide CR pellets	Capsule	30mg	3x10's
Glicron	Gliclazide	Tablet	80mg	3x10's
Mepid	Glimepiride	Tablet	1mg	3x10's
Mepid	Glimepiride	Tablet	2mg	3x10's
Mepid	Glimepiride	Tablet	4mg	3x10's
Sitamet	Metformin+Sitagliptin	Tablet	500mg+50mg	1x10's
<b>HAIR REGROWTH</b>				
Regain 5%	Minoxidil	Solution	5%	60ml
Regain 2%	Minoxidil	Solution	2%	60ml
<b>EYE-EAR AND TOPICAL PREPARATIONS</b>				
Renamycin Eye/ Ear ointment	Oxytetracycline HCL + Polymyxin-B-Sulfate	Ointment	5mg/gm	3.5gm
Renamycin otic Solution	Oxytetracycline HCL + Benzocaine	Solution	5mg/ml	Vial/Bottle 5ml
Renamycin topical Oint.	Oxytetracycline HCL + Polymyxin-B-Sulfate	Topical ointment	30mg/gm	Tube 5gm

Trade Name	Generic Name	Formulation	Strength	Pack Size
Deltasone-N Eye/ Ear drops	Prednisolone + Neomycin	Drops	0.5%	Bottle 5ml
<b>ANTIGOUT</b>				
Feburen	Febuxostat	Tablet	40mg	3x10's
Feburen	Febuxostat	Tablet	80mg	1x10's
<b>NSAIDS</b>				
Flexicam	Piroxicam	Capsule	10mg	10x10's
Flexicam IM	Piroxicam	Injection	20mg/ml	Amp. 2ml
Celox-R	Celecoxib	Capsule	100mg	5x10's
Celox-R	Celecoxib	Capsule	200mg	5x10's
Ceclofen	Aceclofenac	Tablet	100mg	5x10's
Dysmen	Mefenamic Acid	Tablet	250mg	10x10's
Dysmen	Mefenamic Acid	Tablet	500mg	5x10's
Rolac	Ketorolac	Tablet	10mg	4x14's
Rolac	Ketorolac	Injectable	10mg/1ml	1x 5's
Rolac	Ketorolac	Injectable	30mg/1ml	1x6's
Rolac	Ketorolac	Injectable	60mg/2ml	1x2's
Recox	Etoricoxib	Tablet	120mg	2x10's
Recox	Etoricoxib	Tablet	60mg	3x10's
Recox	Etoricoxib	Tablet	90mg	2x10's
Cartilage Plus	Gulcosamine Sulfate+ Chondroitin Sulfate	Tablet	250mg+200mg	5x6's
Xenapro 250	Naproxen	Tablet	250mg	5x10's
Xenapro 500	Naproxen	Tablet	500mg	5x6's
Rapidol	Tramadol Hydrochloride	Injectable	100mg/2ml	1x5's
Maxolax	Baclofen	Tablet	10mg	3x10's
Maxolax	Baclofen	Tablet	5mg	3x10's
<b>ANTIULCER AGENTS</b>				
Norma-H	Ranitidine	Tablet	150mg	10x10's
Prazole	Omeprazole	Capsule	20mg	6x10's
Maxpro	Esomeprazole	Tablet	20mg	10x14's
Maxpro	Esomeprazole	Tablet	40mg	4x10's
Maxpro	Esomeprazole	Capsule	20mg	10x10's
Maxpro	Esomeprazole	Capsule	40mg	10x6's
Maxpro	Esomeprazole	Injectable	40mg	1x1's
Maxpro HP	Esomeprazole+Amoxicillin+ Clarithromycin	Capsule+Tablet+ Tablet	20mg+500mg+ 500mg	14x4's
Protonil	Pantoprazole	Tablet	20mg	5x10's
Protonil	Pantoprazole	Tablet	40mg	3x10's
Profast	Rabeprazole	Tablet	20mg	6x10's
<b>ANTI-PARASITIC &amp; ANTI-PROTOZOAL AGENTS</b>				
Xanita	Nitazoxanide	Tablet	500mg	3x6's
Xanita	Nitazoxanide	DPS	100mg/5ml	Bottle 30ml
Xanita	Nitazoxanide	DPS	100mg/5ml	Bottle 60ml
Delentin	Pyrantel Pamoate	Tablet	125mg	10x10's
Delentin	Pyrantel Pamoate	Suspension	50mg/ml	Bottle 10ml
Alentin	Albendazole	Tablet	200mg	2x40's
Alentin DS	Albendazole	Tablet	400mg	1x 25's
Protogyn	Tinidazole	Tablet	500mg	10x10's
Protogyn	Tinidazole	Tablet	1gm	5x4's

\*DPS= Dry Powder for Suspension

Trade Name	Generic Name	Formulation	Strength	Pack Size
<b>ANTI-FUNGAL AGENT</b>				
Lucan-R	Fluconazole	Capsule	50mg	5x8's
Lucan-R	Fluconazole	Capsule	150mg	2x6's
Lucan-R	Fluconazole	Capsule	200mg	2x6's
Lucan-R	Fluconazole	DPS	50mg/5ml	Bottle 35ml
Conasyd	Tioconazole	Cream	1% dermal	Tube 10gm
<b>ANTI-TUBERCULOSIS AGENT</b>				
Streptomycin	Streptomycin Sulfate	Injectable	1gm	Vial 1gm
<b>ANTI-SPASMODIC</b>				
Ranicon	Oxyphenyclimine HCL	Tablet	5mg	50x10's
Algin	Tiemonium	Tablet	50mg	10x10's
Algin	Tiemonium	Injectable	5mg/2ml	1x5's
Algin	Tiemonium	Syrup	10mg/5ml	100ml
<b>STEROID</b>				
Deltasone	Prednisolone	Tablet	5mg	25x10's, 50x10's
Deltasone	Prednisolone	Tablet	10mg	10x10's
Deltasone	Prednisolone	Tablet	20mg	5x10's
Deltasone	Prednisolone	Oral Solution	5mg/5ml	Bottle 100ml
Deltasone	Prednisolone	Oral Solution	5mg/5ml	Bottle 50ml
Dexatab	Dexamethasone	Tablet	0.5mg	25x10's
Dexa IM/IV	Dexamethasone	Injectable	5mg/ml	10's
<b>COSMETIC HEALTH CARE PRODUCT: (ANTI-ACNE AGENT)</b>				
Trinon Cream	Isotretinoin	Cream	0.025%, 0.05% w/w	Tube 10gm
Caress Cream	Benzoyl Peroxide	Cream	2.5%, 5% w/w	Tube 15gm
<b>ANTI-OSTEOPOROTIC</b>				
Ivana	Ibandronic Acid	Tablet	150mg	1's
<b>VITAMINS &amp; MINERALS</b>				
Beconex	Vitamin B-Complex	Capsule	-	Bottle 30's
Beconex	Vitamin B-Complex	Syrup	-	Bottle 100ml
Beconex	Vitamin B-Complex	Syrup	-	Bottle 200ml
Beconex	Vitamin B-Complex	Injectable	-	Vial 10ml
Beconex ZI	Iron+Vitamin B-Complex & Zinc	Syrup	-	Bottle 100ml
Beconex ZI	Iron+Vitamin B-Complex & Zinc	Syrup	-	Bottle 50ml
Becosules	Vitamin B-Complex + Vit-C	Capsule	-	16x6's
Becosules Gold	Vitamin B-Complex + Vit-C	Capsule	-	15x6's
Chewrol	Iron + Folic Acid	Chewable Tablet	100mg + 350mcg	5x6's
Calcin	Calcium Carbonate	Tablet	500mg	5x10's
Calcin-D	Calcium+Vit-D	Tablet	500mg+200IU	6x10's, Pot 15's, Pot 30's
Calcin-O	Calcium Orotate	Tablet	400mg	3x10's
Calcin-O DS	Calcium Orotate	Tablet	740mg	3x10's
Calcin-M	Calcium Carbonate+Vit-D+Mineral	Tablet	-	4x10's, Pot 30's
E-gel	Vitamin E	Soft Gelatin Capsule	200mg	10x10's
E-gel DS	Vitamin E	Soft Gelatin Capsule	400mg	5x10's
Ferix	Carbonyl Iron, Folic Acid and Zinc	Capsule	50mg+500mcg+61.8mg	6x10's
Kiddi	Multivitamin+Codliver oil	Syrup	-	Bottle 100ml
Kiddi	Multivitamin+Codliver oil	Syrup	-	Bottle 200ml
Pushtikona	Micronutrient Powder	Powder in Sachet	-	1x30's

Trade Name	Generic Name	Formulation	Strength	Pack Size
Mazic 20	Zinc Sulfate Monohydrate	Tablet	20mg	3x10's
Mazic Jr	Zinc Sulfate Monohydrate	Syrup	4.05mg/5ml	Bottle 100ml
Mazic	Zinc Sulfate Monohydrate	Syrup	10mg/5ml	Bottle 100ml
Mazic DS	Zinc Sulfate Monohydrate	Syrup	20mg/5ml	Bottle 100ml
Neurobest	Vit B1+B6+B12	Tablet	100mg+200mg +200mcg	6x10's
Neurobest	Vit B1+B6+B12	Injectable	100mg+100mg +1mg	2x5's
Lucent	Calcitriol	Soft Gelatin Capsule	0.25mcg	3x10's
Calciferol	Cholecalciferol	IM Injection	200000 IU/ml	1's

## ANTI-OXIDANT

Proxid	Antioxidant (Vit A,C,E)	Tablet	-	Bottle 20's
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## ANTI-ALLERGIC

Fenadin	Fexofenadine HCL	Tablet	60mg	3x10's
Fenadin	Fexofenadine HCL	Tablet	120mg	5x10's
Fenadin	Fexofenadine HCL	Tablet	180mg	2x10's
Fenadin	Fexofenadine HCL	Suspension	30mg/5ml	Bottle 30ml
Fenadin	Fexofenadine HCL	Suspension	30mg/5ml	Bottle 50ml
Allermine	Chlorpheniramine Maleate	Syrup	2mg/5ml	Bottle 100ml
Tiramin	Cetirizine	Tablet	10mg	10 x10's

## CNS-PRODUCT

Gaba	Gabapentin	Tablet	300mg	3x10's
Gaba-P	Pregabalin	Capsule	25mg	5x6's
Gaba-P	Pregabalin	Capsule	50mg	3x10's
Gaba-P	Pregabalin	Capsule	75mg	3x10's
Renxit	Flupentixol+Melitracen	Tablet	0.5mg+10mg	10x10's
Norry	Bromazepam	Tablet	3mg	5x10's
Cabretol	Carbamazepine	Tablet	200mg	5x10's
Cabretol	Carbamazepine	CR Tablet	200mg	5x10's
Cabretol	Carbamazepine	Syrup	100mg/5ml	Bottle 100ml
Sperid	Risperidone	Tablet	1mg	5x10's
Sperid	Risperidone	Tablet	2mg	5x10's
Denixil	Clonazepam	Tablet	0.5mg, 2mg	5x10's, 3x10's
Midzo	Midazolam	Tablet	7.5mg	3x10's
Midzo	Midazolam	Injection	15mg/3ml	1's

## HORMONE

Normens	Norethisterone Acetate	Tablet	5mg	10x10's
Bredicon	Desogestrel	Tablet	75mcg	1x28's
Criptine	Bromocriptine Mesilate	Tablet	2.5mg	1x30's
Emcon 1	Levonorgestrel	Tablet	1.5mg	1x1's
Letrol	Letrozole	Tablet	2.5mg	2x5's
Ovulet 50	Clomifene Citrate	Tablet	50mg	1x10's
Ovulet 100	Clomifene Citrate	Tablet	100mg	1x5's
Medrogest	Medroxyprogesterone Acetate	Tablet	5mg, 10mg	3x10's
Thyrox 50	Levothyroxine Sodium	Tablet	50mcg	3x30's
Menorest	Tibolone	Tablet	2.5mg	1x28's
Desolon	Desogestrel+Ethinylestradiol	Tablet	0.15mg+0.03mg	1x21's
Giane 35	Cyproterone Acetate + Ethinylestradiol	Tablet	2.0mg+ 0.035mg	1x21's
Nandron	Nandrolone Phenylpropionate	Injection	25mg/ml	1x5's
Nandron	Nandrolone Decanoate	Injection	50mg/ml	1x1's

Trade Name	Generic Name	Formulation	Strength	Pack Size
Gestrenol	Allylestrenol	Tablet	5mg	5x10's
Regumen	Lynestrenol+Ethinylestradiol	Tablet	2.5mg+0.05mg	1x21's
Estracon	Conjugated Estrogens	Tablet	0.625mg	3x10's
Microgest	Natural Micronized Progesterone	Capsule	100mg	3x10's
Microgest	Natural Micronized Progesterone	Capsule	200mg	3x10's
Novelon	Drospirenone and Ethinylestradiol	Tablet	3mg & 0.03mg	1x21's
Novelon lite	Drospirenone and Ethinylestradiol	Tablet	3mg & 0.02mg	1X24's
Danzol	Danazol	Capsule	100mg & 200mg	3 x10's, 2x10's
Cabolin	Cabergoline	Tablet	0.5mg	2x2's
Indula	Misoprostol	Tablet	200mcg	3x10's
Mif	Mifepristone	Tablet	200mg	1x3's
Androcap	Testosterone undecanoate	Capsule	40mg	3X10's
Gynova	Micronized estradiol	Tablet	2mg	3X10's
5X	Ulipristal Acetate	Tablet	30mg	1's
Mercazole	Carbimazole	Tablet	5mg	6X10's
AB Kit	Mifepristone+Misoprostol	Tablet	200mg+200mcg	1X5's

### ANTI-CANCER

Metorax	Methotrexate	Tablet	2.5mg, 10mg	3x10's
Proscan	Flutamide	Tablet	250mg	3x10's
Sofenib	Sorafenib	Tablet	200mg	3x4's
Erloren	Erlotinib	Tablet	100mg	1x7's
Erloren	Erlotinib	Tablet	150mg	1x7's
Tyrokin	Imatinib	Tablet	400mg	1x10's

### OXYTOCIC

Arbecin	Carbetocin	IV/IM Injection	1ml	1X1's
Oxyton	Oxytocin	Injection	5 I.U.	2x5's

### ANTI-FIBRINOLYTICS

Xamic	Tranexamic Acid	Capsule	500mg	2x10's
Xamic	Tranexamic Acid	Injectable	500mg/5ml	1x5's

### ANTI-ASTHMA

Trulax	Levosalbutamol	Syrup	1mg/5ml	Bottle 100ml
Totifen	Ketotifen	Tablet	1mg	10x10's
Totifen	Ketotifen	Syrup	1mg/5ml	Bottle 100ml
Odmon	Montelukast	Chewable Tablet	4mg	3x10's
Odmon	Montelukast	Tablet	5mg	1x10's
Odmon	Montelukast	Tablet	10mg	2x10's

### EXPECTORANT

Topex	Guaiphenesin Pseudoephedrine	Syrup	131.25mg/5ml	Bottle 100ml
Recof	Ambroxol Hydrochloride	Syrup	15mg/5ml	Bottle 100ml
Recof PD	Ambroxol Hydrochloride	Paed. Drops	6mg/ml	Bottle 15ml
Detus	Dextromethorphan+Pseudoephedrine+Triprolidine	Syrup	10mg+30mg+1.25mg	Bottle 100ml

### GASTROPROKINETIC AGENTS

Domiren	Domperidone	Tablet	10mg	15x10's
Domiren PD	Domperidone	Paed. Drops	5mg/ml	Bottle 15ml
Domiren	Domperidone	Suspension	5mg/5ml	Bottle 60ml

### ORAL REHYDRATION SALINE

Saline-R	ORS Salt	Powder	10.25gm/500 ml	Sachet 20's
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### NARCOTIC ANALGESIC

Fentanyl	Fentanyl Citrate	IV Injection	100mcg/2ml	1x5's
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Trade Name	Generic Name	Formulation	Strength	Pack
<b>ANTIPIRETIC/ ANALGESIC</b>				
Pyralgin	Paracetamol	Tablet	500mg	50x10's
Pyralgin	Paracetamol	Suspension	120mg/5ml	Bottle 60ml
Pyra Plus	Paracetamol+Caffeine	Tablet	500mg+65mg	15x10's
<b>AMINO ACID SUPPLEMENT</b>				
Protemin	5% Composite Amino Acid Solution with D-sorbitol	IV Infusion	-	Bottle 500ml
<b>ANTIEMETIC</b>				
Emeren	Ondansetron	Tablet	4mg	3x10's
Emeren	Ondansetron	Tablet	8mg	3x10's
Emeren	Ondansetron	Injectable	8mg/4ml	1x5's
Emeren	Ondansetron	Syrup	4mg/5ml	Bottle 50ml
<b>ANESTHETIC</b>				
Neos-R	Neostigmine	Injectable	5ml, 1ml	1x5's
Kain	Ketamine	Injectable	50mg/ml	1's
Sivicaïne Heavy	Bupivacaine+Dextrose	Injectable	5mg+80mg	1x5's
Epidron	Ephedrine	Injectable	5mg	1x5's
<b>ANTIVIRAL</b>				
Enteca	Entecavir	Tablet	0.5mg	1x10's
Buviren	Sofosbuvir	Tablet	400mg	1x6's
<b>OTHERS</b>				
Normanal	Diosmin + Hesperidin	Tablet	450mg + 50mg	3x10's
Tegarid	Tegaserod	Tablet	6mg	3x10's
Titolax	Lactitol Monohydrate	Powder	10gm	Sachet 10's
Honycol	Liquid Sugar & Glycerol	Linctus	(0.75 ml+1.93 ml)/5ml	Bottle 100ml, 200ml
Mez IV	Metronidazole	IV Infusion	0.5% W/V	Bottle 100ml
Tolter	Tolterodine Tartrate	Tablet	1mg & 2mg	3x10's
Phenocept	Mycophenolate Mofetil	Tablet	500mg	3x10's
Feristar	Iron Sucrose	Injectable	100mg Iron/5ml	1's
Erecta	Sildenafil	Tablet	50mg	1x4's
Erecta	Sildenafil	Tablet	100mg	1x4's
Tritin	Trimebutine Maleate	Tablet	100mg	3x10's
<b>ANIMAL HEALTH PRODUCTS</b>				
<b>ANTIBIOTIC</b>				
Renamycin AF Tablet	Oxytetracycline USP	Tablet	500mg	5 x 4's
Renamycin Injectable Solution	Oxytetracycline USP	Injection	50mg/ml	10ml
Renamycin-100 with PVP	Oxytetracycline USP	Injection	100mg/ml	10ml, 100ml
Renamycin LA	Oxytetracycline USP	Long Acting Injection	200mg/ml	10ml
Pronapen 40 lac	Procaine Penicillin BP	Injection	3MIU+1MIU	Vial 40 lac
Streptopen	Benzyl Penicillin Sodium	Injection	1.5MIU+ 0.5MIU+2.5gm	Vial 0.5g, 2.5g
	Procaine Penicillin BP			
	Benzyl Penicillin Sodium			
Gentaren	Gentamicin Sulphate	Injection	100mg/ml	10ml & 100ml
Renamox	Amoxycillin	Tablet	500mg	20's
Amcox	Amoxycillin+Cloxacillin	Injection	1.25gm+1.25gm	Vial 2.5gm
Rena-CT	Colistin, Trimethoprim	Powder	9.60gm+20gm	100gmX10's
Tilmisin	Tilmicosin	Solution	25mg	100ml
<b>CEPHALOSPORIN</b>				
Renacef	Ceftriaxone	Injection	1gm, 2gm	Vial 1gm & 2gm



Trade Name	Generic Name	Formulation	Strength	Pack
<b>SULPHONAMIDES</b>				
Diadin	Sulphadimidine Sodium BP	Injection	333mg/ml	30ml, 100ml
Diadin	Sulphadimidine BP	Bolus	5gm	10 x 2's
Sulpha Plus	Sulphadiazine USP Sulphadimidine BP Sulphapyridine USP Streptomycin Sulphate USP	Bolus	1.583gm+ 1.583gm+ 1.583gm+ 0.313gm	10 x 2's
Sulpha -3	Sulphadiazine USP Sulphadimidine BP Sulphapyridine USP	Bolus	1.666gm+ 1.666gm+ 1.666gm	10 x 2's
Renatrim	Sulphadiazine + Trimethoprim	Bolus	1000mg+200mg	10 x 2's
<b>ANTHELMINTIC</b>				
Helmex	Albendazole USP	Tablet	600mg	5 x 4's
Nitronex 34%	Nitroxynil BP	Injection	340mg/ml	10ml, 30ml
Tremacid	Oxyclozanide BP	Tablet	1000mg	5 x 4's
Renadex	Triclabendazole + Levamisole	Tablet	900mg+600mg	10 x 2's
<b>ANTIPROTOZOAL</b>				
Ectridor	Imidocarb Dipropionate	Injection	133.26mg/ml	10ml
Renamet Bolus	Metronidazole	Bolus	2gm//Bolus	5 x 4's
<b>ANTI-HISTAMINIC</b>				
Dellergen	Promethazine HCL USP	Injection	50mg/ml	10ml
Dellergen	Promethazine HCL USP	Bolus	150mg/Bolus	10 x 4's
Renacin	Clorpheniramine Maleate	Injection	10mg/ml	10ml, 100ml
<b>NSAID</b>				
Renafen	Ketoprofen	Injection	100mg/ml	5ml, 10ml
Pyralgin	Paracetamol	Tablet	2gm	10 x 2's
Fevenil	Tolfenamic Acid	Injection	40mg/ml	10ml
<b>GLUCOCORTICOID</b>				
Predexanol - S	Prednisolone Anhydrous USP Dexamethasone Trimethyl Acetate USP	Injection	7.5mg+2.5mg/ml	10ml
<b>APPETIZER &amp; RUMENOTORIC</b>				
Anorexon	Cobalt Sulphate BP Dried Ferrous Sulfate USP Thiamine Mononitrate USP Vitamin B12 USP Choline Bitartrate BP	Tablet	50mg+ 100mg+ 25mg+ 20mcg+ 9.1mg	15 x 4's
Anorexon DS	Cobalt Sulphate BP Dried Ferrous Sulfate USP Thiamine Mononitrate USP Vitamin B12 USP Choline Bitartrate BP	Bolus	100mg+ 200mg+ 50mg+ 40mcg+ 18.2mg	10 x 4's
Rumenton	Antimony Potassium Tartrate USP Ferrous Sulphate USP	Bolus	2gm+2gm	10 x 2's
Stomavet	Ammonium Bi-carbonate BP Nuxvomica Powder BP Sodium Bi-carbonate BP Gentian Powder BP Ginger Powder BP	Powder	5gm+ 1.4gm+ 13gm+ .3gm+ .3gm	20g x 20

Trade Name	Generic Name	Formulation	Strength	Pack
<b>METABOLIC</b>				
Cal-D-Mag (with phosphorus)	Calcium Gluconate USP Dextrose USP Magnesium Hypophosphate BP Chlorocresol (as preservative) BP	Injection	20.8+20.0+5.0+0.1mg/ml	200ml
Vitaphos	Toldimphos Cyanocobalamine (Vit B12) BP	Injection	200mg+0.05mg/ml	30ml
Catophos	Butaphosphan Cyanocobalamine (Vit B12) BP	Injection	100mg+0.05mg/ml	100ml, 30ml
Levabon Rumen E	Saccharomyces Cerevisiae	Powder	100cfu/gm	20kg
Rumen E	Saccharomyces Cerevisiae	Powder	100cfu/gm	100g

### HORMONE PRODUCTS

Ovurelin	Gonadorelin (as Acetate)	Injection	100mcg/ml	20ml
Ovuprost	Cloprostenol (as Sodium)	Injection	250mcg/ml	20ml

### VITAMIN-MINERAL INJECTION

Hemovit	Iron+Copper+ cobalt+Vitamin B-complex	Injection	15mg+0.2mg+ 0.7mg+202.86mg/ml	10ml
Renasol AD <sub>3</sub> E	Vitamin A, D <sub>3</sub> & E	Injection	0.5MIU+0.075MIU+ 50mg/ml	10ml, 30 ml

### POULTRY PRODUCTS

Enrocin	Enrofloxacin	Oral Solution	100mg/ml	100ml, 1L
Micronid	Erythromycin Thiocyanate Sulphadiazine USP Trimethoprim USP	Powder	180mg+150mg+30mg/gm	10g, 100g
Sultrik	Sulfachloropyridazine+ Trimethoprim	Powder	100mg+20mg/gm	100g
Mycostop	Tylosin BP	Powder	200mg/gm	100g, 1kg
Doxivet	Doxycycline USP	Powder	100mg/gm	100g
Renatrim	Sulphadiazine BP Trimethoprim BP	Suspension	400mg+80mg/ml	100ml
Renamox 15%	Amoxycillin	Powder	150mg/gm	100g, 500g, 1kg
Renamox 30%	Amoxycillin	Powder	300mg/gm	100g, 500g, 1kg
Renaquine 10%	Flumequine INN	Powder	100mg/gm	100g
Renaquine 20%	Flumequine INN	Liquid	200mg/ml	100ml
Renagard 45%	Tiamulin Hydrogen Fumarate	Powder	450mg/gm	100g
Renaflox	Ciprofloxacin	Powder	200mg/gm	100g
NDoxi	Doxycycline+Neomycin	Powder	150mg+ 150mg/gm	100g

### ANTHELMINTIC

Avinex	Levamisole HCL USP	Powder	300mg/gm	10g, 100g
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### ANTI-COCCIDIAL

Coxicure	Sulphaclozine Sodium Monohydrate INN	Powder	300mg/gm	100g
Renazuril Suspension	Toltrazuril	Suspension	25mg/ml	100ml

### ELECTROLYTE

Renalyte	Vitamin A Sodium Bi-carbonate BP Sodium Chloride BP Dextrose BP Potassium Chloride BP	Powder	2MIU+ 500gm+ 266gm+ 179.6gm+ 50gm/kg	1kg
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Trade Name	Generic Name	Formulation	Strength	Pack
<b>NUTRITION PRODUCTS</b>				
Rena WS	Vit B Complex+A+D+E+C	Powder	111.52+0.1MIU+0.025MIU+20mg+300mg/gm	10g, 50g, 100g, 1kg
Rena B+C	Vitamin B Complex & Vit. C	Powder	22.12mg+5mg/gm	100g, 500g, 1kg
Rena C	Ascorbic Acid	Powder	999.00mg/gm	100g, 1kg
Rena K	Menadione Sodium bisulphite	Powder	100mg/gm	10g
Renasol AD <sub>3</sub> E	Vitamin A, D <sub>3</sub> + E	Oral Solution	0.1MIU+0.02MIU+20mg/ml	100ml, 1L
Renavit DB	Vitamin & Mineral Premix	Powder		100g, 500g, 1kg
Renavit DB Plus	Vitamin & Mineral Premix	Powder		1kg
Rena Sel-E	Vitamin E + Selenium	Oral Solution	80mg+0.6mg/ml	100ml, 1L
<b>NUTRITIONAL PREMIX</b>				
Rena Breeder	Vitamin+Mineral	Powder	44.99gm+68.42gm/kg	2.5kg
Rena Broiler	Vitamin+Mineral	Powder	41.73gm+72.38gm/kg	2.5kg
Rena Grower	Vitamin+Mineral	Powder	31.06gm+52.36gm/kg	2.5kg
Rena Layer	Vitamin+Mineral	Powder	35.38gm+47.59gm/kg	2.5kg
Rena Fish	Vitamin+Mineral	Powder	43.75gm+53.55gm/kg	1kg
<b>IMPORTED</b>				
Availa 4	Zinc+Manganese+Copper+Cobalt+AminoAcid	Powder	51.5mg+28.6mg+18.0mg+1.8mg+204.8mg/gm	10gm, 100gm & 500gm
Availa Z/M	Zinc+Manganese Chealeted with AA	Powder	40mg+40mg/gm	500gm
Biotronic SE	Formic Acid+Propionic Acid	Powder	23mg+5mg/ml	25kg
Biotronic SE Forte Liquid	Formic Acid+Propionic Acid+Lactic Acid	Oral Solution	23mg+5mg+1mg/ml	100ml, 1L
Mycofix Plus 3.0	SBM+Epoxidase+Esterase+Phytogenic+Phycophytic	Powder	NA	1kg & 25kg
Mycofix Select 3.0	SBM+Epoxidase+Phytogenic+Phycophytic	Powder	NA	1kg & 25kg
Mycofix ECO 3.0	SBM+Phytogenic	Powder	NA	1kg & 25kg
Mycofix Secure	Smectite with Bentonite	Powder	100%	25kg
Biomim Phytase 5000	Phytase Enzyme	Powder	5000FTU/gm	25kg
Rena Phytase 400	Phytase Enzyme	Powder	400FTU/gm	1kg
Lisovit	Muramidase+Peroxidase+FOS+Vitamin E+C	Powder	NA	10gm, 100gm & 1kg
Vigest	Vitamin+Mineral+Amino Acid	Oral Solution	3.58mg+0.078mg+67.33mg/ml	500ml, 2L
Poultry TMO	Zinc+Manganese+Copper+Iron+Iodine+Selenium+MHA	Powder	32mg+32mg+8mg+5mg+1.2mg+0.15mg+400mg/gm	25kg
Mintrex PSe	Zinc+Manganese+Copper+Selenium+MHA	Powder	40mg+40mg+20mg+3mg+540mg/gm	25kg
Cibenza DP 100	Special Protease Enzyme	Powder	0.6MIU/gm	25kg
Poultry Star Sol	Pro & Prebiotic	Powder	NA	10gm
Poultry Star me	Pro & Prebiotic	Powder	NA	25kg
NephCare Liquid	Nephrotonic	Oral solution	NA	100ml
Digesterom PEP MGE	Phytogenic Growth Promoter	Powder	NA	25kg
Digesterom PEP 125	Phytogenic Growth Promoter	Powder	NA	25kg
Ozinc	Organic Zinc	Solution	85mg/ml	100ml
RenA Tox	Liquid Toxinbinder	Solution	NA	100ml, 1L

Trade Name	Generic Name	Formulation	Strength	Pack
Rena Calp	Calcium+Phosphorous	Solution	24.02mg+8.39mg/ml	1L, 5L
Renaliv	Herbal Liver Tonic	Solution	NA	1L
Rescure	Herbal Expectorant	Solution	NA	100ml, 1L
FAM 30	Iodophore	Liquid	27.5mg/ml	100ml, 1L,
GPC8	Gluataraldehyde+QAC	Liquid	120mg+40mg/ml	100ml, 1L,
Shift	Trisodium based Detergent	Solution	113mg/ml	1L, 25L
Renazyme CS	Xylanase, Cellulase, Beta-glucanase, Amylase, Protease, Mannanase, Pectinase	Solution	10000 IU, 200000 IU, 1400 IU, 7000 IU, 10 IU, 100 IU, 5 IU	100ml
Availa Zn 120	Zinc amino acid complex	Powder	120mg/gm	100gmX10's
GasFree	Saponin+Glycocompound	Powder		100gmX10's

## VACCINES

### LIVE VACCINES

IZOVAC Clone	Live Attenuated NDV	Eye Drop/ Via Drinking Water	Clone 106EID <sup>50</sup>	1000 Dose
IZOVAC Gumboro 2	Live Intermediate IBDV	Eye Drop/ Via Drinking Water	winterfield 2512 103EID <sup>50</sup>	1000 Dose
IZOVAC Gumboro 3	Live Intermediate Plus IBDV	Eye Drop /Via Drinking Water	winterfield 2512 102.7EID <sup>50</sup>	1000 Dose
IZOVAC B1 Hitchner	Live Attenuated NDV	Eye Drop/ Via Drinking Water	B1 Hitchner 106.5EID <sup>50</sup>	1000 Dose
IZOVAC H120 LaSota	Live Attenuated NDV	Eye Drop/ Via Drinking Water	lasota 106EID <sup>50</sup>	1000 Dose
IZOVAC LaSota	Live Attenuated IBV	Eye Drop/ Via Drinking Water	H120 106EID <sup>50</sup>	1000 Dose
IZOVAC LaSota	Live Attenuated NDV	Eye Drop/ Via Drinking Water	lasota 106EID <sup>50</sup>	1000 Dose
IZOVAC Marek	Virus in oil emulsion Turkey		Marek's disease	
Bivalent+Diluent	Herpes Virus, Rispens	Suspension	strain FC126	500ml
IIZOVAC ND-EDS-IB-IBD	Virus in oil emulsion ND, EDS, IB, IBD	Suspension	50 PD50, 108 EID50, 106 EID50, 107.5 EID50	500ml

### KILLED VACCINES

IZOVAC ND	Inactivated NDV	Injection	lasota 50 PD <sup>50</sup>	500 Dose
IZOVAC ND-EDS	Inactivated NDV	Injection	lasota 50 PD <sup>50</sup>	500 Dose
	Inactivated EDS		EDS 76 50 108 EID <sup>50</sup>	
IZOVAC Coryza 3	Inactivated Coryza	Injection	H. Paragallinarum A, B & C 5x10 <sup>9</sup>	500 Dose

## AQUA PRODUCTS

Aquastar Pond	Water Probiotic	Powder	NA	500gm, 1kg
Biomin Aquaboost	Amino Acid Complex	Powder	NA	1000gm, 25kg
Hepa Protect Aqua	Flavanoids	Powder	NA	100gm, 25kg
Oxy-Ren	Sodium Carbonate Peroxhydrate	Powder	130mg/gm	1kg
Aquastar grow out	Feed Probiotic	Powder	NA	100gm
Levabon Aqua	Saccharomyces cerevisiae	Powder	10 <sup>12</sup> cfu/gm	100gmX5's
Oxy-Ren	Sodium carbonate peroxyhydrate	Tablet	130mg/gm tablet	1kg
Zeoren	Alluminium sodium silicate	Granular	750mg/gm	10kg
Gas FreeAqua	Yucca	Powder	NA	100g

# Renata Limited Auditors' Report and Financial Statements

as at and for the year ended June 30, 2018

# Independent auditors' report to the shareholders of Renata Limited

We have audited the accompanying financial statements of Renata Limited, which comprise the statement of financial position as at 30 June 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, 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.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In

making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.


## **Opinion**

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of Renata Limited as at 30 June 2018 and the results of its financial performance and its statement of cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

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

Place: Dhaka  
Date: 27 October 2018

  
S. F. Ahmed & Co.  
Chartered Accountants



**RENATA LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

Amount in Taka

	<b>Notes</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	9,578,542,891	9,172,888,570
Capital work-in-progress	6	1,168,163,935	1,072,204,572
Investment in subsidiaries	7	143,069,486	143,069,376
		<b>10,889,776,312</b>	<b>10,388,162,518</b>
<b>Current assets</b>			
Inventories	8	3,757,761,605	3,229,222,893
Trade receivables	9	2,232,499,238	1,995,758,417
Other receivables	10	903,726,174	793,117,602
Advances, deposits and prepayments	11	461,385,755	295,949,018
Investment in shares and others	12	1,509,177,933	804,899,466
Cash and cash equivalents	13	1,057,352,468	617,236,028
		<b>9,921,903,173</b>	<b>7,736,183,424</b>
<b>TOTAL ASSETS</b>		<b>20,811,679,485</b>	<b>18,124,345,942</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	14	700,310,221	608,965,410
Revaluation surplus	15	154,808,121	155,285,034
Available for sale reserve	16	25,223,220	21,635,191
Retained earnings	17	14,246,822,807	11,688,650,069
		<b>15,127,164,369</b>	<b>12,474,535,704</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	18	1,209,208,777	1,137,327,569
Long term loan - net off current portion	19	-	95,910,932
		<b>1,209,208,777</b>	<b>1,233,238,501</b>
<b>Current liabilities</b>			
Short term bank loan and overdrafts	20	2,389,428,525	1,968,852,024
Long term loan - current portion	19	99,662,486	161,200,000
Trade payables	21	222,346,097	180,070,553
Other payables	22	958,330,267	1,357,272,185
Provision for taxation	23	805,538,964	749,176,975
		<b>4,475,306,339</b>	<b>4,416,571,737</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,811,679,485</b>	<b>18,124,345,942</b>
<b>Net asset value per share (NAV)</b>	29	<b>216.01</b>	<b>178.13</b>


The annexed notes 1 to 42 form an integral part of these financial statements.

  
CEO & Managing Director

  
Director

  
Chief Financial Officer  
As per our annexed report of same date.

Place: Dhaka  
Date: 27 October 2018

  
S. F. Ahmed & Co  
Chartered Accountants

**RENATA LIMITED****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

Amount in Taka

	Notes	2017-2018	2016-2017
Turnover	24	18,603,708,906	16,043,431,021
Cost of sales	25	(9,257,239,128)	(7,940,504,696)
<b>Gross Profit</b>		<b>9,346,469,778</b>	<b>8,102,926,325</b>
Administrative, selling and distribution expenses	26	(4,722,567,721)	(4,063,427,289)
Other income	27	133,008,413	35,959,568
<b>Operating profit</b>		<b>4,756,910,470</b>	<b>4,075,458,604</b>
Finance costs	28	(207,196,059)	(199,157,898)
<b>Profit before contribution to workers' participation fund</b>		<b>4,549,714,411</b>	<b>3,876,300,706</b>
Contribution to workers' participation fund		(216,653,067)	(184,585,748)
<b>Profit before tax</b>		<b>4,333,061,344</b>	<b>3,691,714,958</b>
<b>Tax expenses</b>			
Current tax	23	(1,064,469,300)	(891,379,438)
Deferred tax	18	(71,641,511)	(188,193,106)
		<b>(1,136,110,811)</b>	<b>(1,079,572,544)</b>
<b>Net profit after tax for the year</b>		<b>3,196,950,533</b>	<b>2,612,142,414</b>
<b>Other comprehensive income</b>			
Net profit after tax for the year		3,196,950,533	2,612,142,414
<b>Item that may be reclassified to profit or loss</b>			
Unrealized gain/(loss) on quoted shares, net of tax		3,588,029	13,368,239
<b>Total comprehensive income for the year</b>		<b>3,200,538,562</b>	<b>2,625,510,653</b>
<b>Basic earnings per share (EPS)</b>	30	<b>45.65</b>	<b>37.30</b>


The annexed notes 1 to 42 form an integral part of these financial statements.

  
 CEO & Managing Director

  
 Director

  
 Chief Financial Officer  
 As per our annexed report of same date.

 Place: Dhaka  
 Date: 27 October 2018

  
 S. F. Ahmed & Co  
 Chartered Accountants

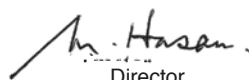
**RENATA LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

Amount in Taka

	Share capital	Revaluation surplus	Available for sale reserve	Retained earnings	Total
<b>Balance at 01 July 2016</b>	<b>529,535,140</b>	<b>156,281,949</b>	<b>8,266,952</b>	<b>9,848,993,073</b>	<b>10,543,077,114</b>
Stock dividend issued	79,430,270	-	-	(79,430,270)	-
Final dividend	-	-	-	(450,104,869)	(450,104,869)
Interim dividend	-	-	-	(243,586,164)	(243,586,164)
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve, net	-	(361,030)	-	-	(361,030)
Depreciation adjustment on revalued assets	-	(635,885)	-	635,885	-
Net profit after tax for the year	-	-	-	2,612,142,414	2,612,142,414
Unrealized gain/(loss) on quoted shares	-	-	13,368,239	-	13,368,239
<b>Balance at 30 June 2017</b>	<b>608,965,410</b>	<b>155,285,034</b>	<b>21,635,191</b>	<b>11,688,650,069</b>	<b>12,474,535,704</b>
<b>Balance at 01 July 2017</b>	<b>608,965,410</b>	<b>155,285,034</b>	<b>21,635,191</b>	<b>11,688,650,069</b>	<b>12,474,535,704</b>
Stock dividend issued	91,344,811	-	-	(91,344,811)	-
Final dividend	-	-	-	(548,068,869)	(548,068,869)
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve	-	158,972	-	-	158,972
Depreciation adjustment on revalued assets	-	(635,885)	-	635,885	-
Net profit after tax for the year	-	-	-	3,196,950,533	3,196,950,533
Unrealized gain/(loss) on quoted shares	-	-	3,588,029	-	3,588,029
<b>Balance at 30 June 2018</b>	<b>700,310,221</b>	<b>154,808,121</b>	<b>25,223,220</b>	<b>14,246,822,807</b>	<b>15,127,164,369</b>



CEO & Managing Director



Director



Chief Financial Officer

**RENATA LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

		Amount in Taka	
	<b>Notes</b>	<b>2017-2018</b>	<b>2016-2017</b>
<b>A. Cash flows from operating activities</b>			
Collection from customers and other income		21,878,310,365	18,983,151,142
Payment of VAT		(2,735,749,606)	(2,291,726,115)
Payment to suppliers, employees and others		(15,298,505,375)	(11,885,657,363)
<b>Cash generated by operations</b>		<b>3,844,055,384</b>	<b>4,805,767,664</b>
Finance costs		(207,196,059)	(199,157,898)
Payment of tax		(1,008,107,311)	(1,087,656,518)
<b>Net cash generated from operating activities</b>	31	<b>2,628,752,014</b>	<b>3,518,953,248</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1,202,387,919)	(1,204,948,013)
Investment in shares and others		(704,278,467)	(696,705,722)
Sale proceeds of property, plant and equipment		540,000	13,765,005
<b>Net cash used in investing activities</b>		<b>(1,906,126,386)</b>	<b>(1,887,888,730)</b>
<b>C. Cash flows from financing activities</b>			
Bank loan received/ (repaid) (net)		263,128,054	(779,255,497)
Dividend paid		(545,637,242)	(685,184,435)
<b>Net cash used in financing activities</b>		<b>(282,509,188)</b>	<b>(1,464,439,932)</b>
<b>D. Net cash inflow for the year (A+B+C)</b>		440,116,440	166,624,586
<b>E. Cash and cash equivalents at the beginning of the year</b>		617,236,028	450,611,442
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>		<b>1,057,352,468</b>	<b>617,236,028</b>
<b>Net operating cash flow per share</b>	32	<b>37.54</b>	<b>50.25</b>



CEO & Managing Director



Director



Chief Financial Officer

# RENATA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2018

#### 1. Reporting entity

##### 1.1 Company profile

Renata Limited (the “Company”) is a Public Limited Company incorporated in Bangladesh in 1972 as Pfizer Laboratories (Bangladesh) Limited under the Companies Act 1913. The Company was listed with Dhaka Stock Exchange Limited on 12 May 1979. Subsequently, the Company was renamed as Renata Limited in 1993. The registered office of the Company is situated at Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216.

##### 1.2 Principal activities

The principal activities of the Company are manufacturing, marketing and distribution of pharmaceutical and animal health products.

#### 2. Basis of preparation of financial Statements

##### 2.1 Reporting framework and compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and other relevant local laws as applicable, and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs).

##### 2.2 Measurement of elements in the financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Renata Limited is historical cost except for few of the property, plant and equipment, financial assets and inventories which are stated in accordance with the policies mentioned in the respective notes.

##### 2.3 Functional and presentational currency and level of precision

The financial statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information is presented in BDT and has been rounded off to the nearest BDT.

##### 2.4 Use of estimates and judgment

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosures requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, net realizable value of inventories, accruals, taxation and provision.

##### 2.5 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

##### 2.6 Going concern

When preparing financial statements, management makes an assessment of Renata Limited's ability to continue as a going concern. Renata Limited prepares financial statements on a going concern basis.

##### 2.7 Accrual basis of accounting

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

## **2.8 Materiality and aggregation**

Renata Limited presents separately each material class of similar items. The Company presents separately items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

## **2.9 Offsetting**

Renata Limited does not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

## **2.10 Date of authorization for issue of the financial statements**

On 27 October 2018 the Board of Directors reviewed the financial statements and authorized them for issue.

## **3. Summary of significant accounting policies**

Renata Limited selects and applies its accounting policies consistently for similar transactions, other events and conditions, unless a BFRS specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all period presented in these financial statements:

### **Changes in accounting policies**

Renata Limited changes its accounting policy only if the change is required by a BFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company's financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

### **Changes in accounting estimates**

Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account.

### **Correction of error in prior period financial statements**

Renata Limited corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

## **3.1 Property, plant and equipment (PPE)**

### **Recognition and measurement**

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits will flow to Renata Limited and the cost of the item can be measured reliably. An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost.

### **Elements of Costs**

- Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

### **Subsequent Costs**

- Costs of day to day servicing [repairs and maintenance] are recognized as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

### **Measurement of property, plant and equipment after recognition**

#### **Cost model**

After recognition as an asset, an item of property, plant and equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

#### **Revaluation model**

After recognition as an asset, an item of property, plant and equipment is to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit



or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings as the asset is used by Renata Limited.

### Depreciation

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate. Depreciation has been charged on straight-line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged from the month the asset is put into use and no depreciation is charged for the month of disposal. Rates of depreciation considering the useful lives of respective assets are as follows:

Asset Type	Depreciation rate (%)	
	30 June 2018	30 June 2017
Buildings	1.54-5	1.54-5
Plant and machinery	5-20	5-20
Automobiles	25	25
Office equipment	10-12.5	10-12.5
Furniture and fixtures	10	10

### Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognised. When the revalued assets are disposed off, the respective revaluation surplus is transferred to retained earnings.

## 3.2 Capital- work- in progress

Capital work in progress represents the cost incurred for acquisition and construction of items of property, plant and equipment that were not ready for use at the end of 30 June 2018 and these were -stated at cost. In case of import components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group, i.e. at the time shipment is confirmed by the supplier.

## 3.3 Impairment of Assets

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on a non-revalued asset is recognised in profit or loss. However, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

Renata Limited assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, Renata Limited estimates the recoverable amount of the asset.

## 3.4 Financial Instruments

### 3.4.1 Financial assets

#### Investment in shares

Investment in shares are classified as available for sale financial assets and initially measured at the fair value of the consideration given (i.e. cost) plus (in most cases) transaction costs that are directly attributable to the acquisition of the financial asset. Investments in shares are re-measured to fair value, without any deduction for transaction costs that may be incurred on sale or other disposal. Gains and losses on re-measurement is recognised as follows:

- Impairment losses are recognised in profit or loss.
- All other gains and losses are recognised in other comprehensive income and held in a separate component in equity. On derecognition, either through sale or impairment, gains and losses previously recognised in other comprehensive income is reclassified to profit or loss, becoming part of the gain or loss on derecognition.

#### Investment in subsidiaries

Separate Financial Statements are to enhance the relevance, reliability and comparability of the information that a parent entity provides in its separate financial statements for a group of entities under its control. An entity must disclose the information to enable users of the financial statements to evaluate the nature of the relationship between the entity and its subsidiaries. Investment in subsidiaries is accounted for in Renata Limited's separate financial statements at cost.

### **Trade Receivables**

Trade receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values. Bad debts are written off when it is established that they are irrecoverable. Specific allowance is made for known doubtful debts. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the financial position date.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **3.4.2 Financial liabilities**

### **Borrowings**

Borrowings are recorded at the amount of proceeds received. Borrowings are re-measured at amortised cost using the effective interest method.

### **Trade payables**

Trade payables are stated at cost which approximates the fair value of the consideration to be paid in the future for goods and services received.

## **3.4.3 Impairment of financial assets**

At each year end, Renata Limited assesses whether there is any objective evidence that a financial asset or group of assets is impaired. Where there is objective evidence of impairment, Renata Limited determines the amount of any impairment loss.

## **3.5 Inventories**

### **Measurement**

Inventories are measured at the lower of cost and net realizable value except for goods in transit which are valued at cost.

### **Cost of inventories**

The cost of inventories are comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of active materials, raw materials and packing materials is assigned by using the first-in, first-out (FIFO) cost formula. Cost of work-in-progress and finished stocks are determined by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The Company uses standard cost method for measurement of cost of finished goods.

### **Recognition as an expense**

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

## **3.6 Other liabilities**

### **Recognition**

A provision is recognised when Renata Limited has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision is recognised.

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

Renata Limited does not recognise a contingent liability. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Renata Limited does not recognise a contingent asset. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to Renata Limited.

### **Measurement of provisions**

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

### **Changes and use of provisions**

Provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

### 3.7 Post-employment benefits

#### Defined contribution plan

The Company operates a recognized provident fund scheme where employees contribute 8.33% up to 5 years and over 5 years 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees. Renata Limited recognises contributions payable as an expense in the period in which the employee provides services. A liability is recognised where contributions arise in relation to an employee's service, but remain unpaid at the period end.

#### Defined benefit plan

The Company had operated an unfunded gratuity plan till 29 December 2015 and thereafter, effective from 30 December 2015, the scheme has been converted to a funded one. Employees are entitled to get gratuity benefit after completion of minimum seven years of service with the Company. The gratuity is calculated on the last drawn basic pay and is payable at the rate of one month's basic pay for every completed year of service while one and half months' basic pay for more than ten years of service. Actuarial valuation of the fund is carried out at 31 December 2016 by a professional actuary.

#### Group insurance scheme

The Company operates a group insurance scheme for its permanent employees.

#### Worker's participation and welfare fund

The Company has created a workers' participation and welfare fund in compliance with "The Bangladesh Labour Act, 2006" (as amended in 2013) and 5% of profit before charging such expenses is transferred to this fund.

### 3.8 Borrowing cost

Renata Limited capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Renata Limited recognises other borrowing costs as an expense in the period in which it incurs them.

### 3.9 Reporting foreign currency transactions

#### Initial recognition

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

#### Subsequent measurement

A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities is translated into Renata Limited's functional currency at each reporting date. Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise.

### 3.10 Revenue recognition

Revenue is recognized upon invoicing the customers for goods sold and delivered net off returns, allowances and trade discounts. Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the Company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the Company.

### 3.11 Taxation

The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the income statement, except in the case it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

#### Current tax

The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## Deferred tax

### Principle of recognition

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

Deferred tax relating to items dealt with directly in equity (such as the correction of an error or retrospective application of a change in accounting policy) is recognised directly in equity.

### Taxable temporary difference

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

### Deductible temporary difference

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

### Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## 3.12 Earnings per share [EPS]

### Basic EPS

Renata Limited calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Renata Limited presents basic earnings per share in the statement of profit or loss and other comprehensive income. The company presents basic earnings per share with equal prominence for all periods presented. Renata Limited presents basic earnings per share, even if the amounts are negative (i.e. a loss per share).

## 3.13 Statement of cash flows

Statement of cash flows has been prepared in accordance with the Bangladesh Accounting Standard BAS-7, 'Statement of Cash Flows' under direct method. Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.14 Operating segments

As there is a single business and geographic segment within which the Company operates, no segment reporting is felt necessary.

## 3.15 Related party disclosures

Relationship between a parent and its subsidiaries is disclosed irrespective of whether there have been transactions between them. Renata Limited discloses key management personnel compensation. The company discloses the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements.

## 3.16 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: those that provide evidence of conditions that existed at the end of the reporting period and non adjusting events: those that are indicative of conditions that arose after the reporting period.

### 3.17 Financial risk management

Renata Limited's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business. Renata Limited's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on Renata Limited's financial performance. Renata Limited's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Renata Limited regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

#### **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of Renata Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Renata Limited's asset portfolio. The credit risk management and control are controlled through the credit policies of Renata Limited which are updated regularly. The Company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

#### **Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

The Company's approach toward managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including the servicing of financial obligations through preparation of the cash forecast prepared based on time line of payment of the financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due date.

#### **Market risk**

Renata Limited takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and currency, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads and foreign exchange rates.

##### **a) Currency risk**

The Company is exposed to currency risk on certain receivables and payables such as receivables from foreign customers and payables for import of raw materials, machinery and equipment. The majority of the Company's foreign currency transactions is denominated in US Dollar and relates to procurement of raw materials, machinery and equipment from abroad.

##### **b) Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Renata Limited takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise.

### 4. Director's responsibilities statement

The Board of Directors of Renata Limited is responsible for the preparation and presentation of the financial statements.

## 5. Property, plant and equipment

Amount in Taka

Particulars	COST/REVALUATION				Rate %	DEPRECIATION				Written down value as at 30 June 2018
	Balance as at 1 July 2017	Addition during the year	Disposal/ adjustment during the year	Balance as at 30 June 2018		Balance as at 1 July 2017	Charge for the year	Disposal/ adjustment during the year	Balance as at 30 June 2018	
Freehold land:										
At cost	1,069,846,142	16,002,579	-	1,085,848,721		-	-	-	-	1,085,848,721
On revaluation	179,132,078	-	-	179,132,078		-	-	-	-	179,132,078
	1,248,978,220	16,002,579	-	1,264,980,799		-	-	-	-	1,264,980,799
Buildings										
At cost	3,070,455,594	114,788,944	-	3,185,244,538	1.54-5	471,139,754	99,040,846	-	570,180,600	2,615,063,938
On revaluation	41,291,251	-	-	41,291,251	1.54-5	13,376,616	635,885	-	14,012,501	27,278,750
	3,111,746,845	114,788,944	-	3,226,535,789		484,516,370	99,676,731	-	584,193,101	2,642,342,688
Plant and machinery	7,170,543,884	571,662,266	5,197,600	7,737,008,550	5 - 20	2,298,657,671	477,363,028	4,061,530	2,771,959,169	4,965,049,381
Automobiles	350,485,145	39,364,132	1,650,000	388,199,277	25	191,955,820	61,235,181	1,650,000	251,541,001	136,658,276
Office equipment	351,910,835	353,507,864	175,000	705,243,699	10 - 12.5	171,938,388	47,352,141	74,411	219,216,118	486,027,581
Furnitures and fixtures	147,304,091	11,102,769	-	158,406,860	10	61,012,199	13,910,495	-	74,922,694	83,484,166
<b>Total 30 June 2018</b>	<b>12,380,969,018</b>	<b>1,106,428,556</b>	<b>7,022,600</b>	<b>13,480,374,974</b>		<b>3,208,080,448</b>	<b>699,537,576</b>	<b>5,785,941</b>	<b>3,901,832,083</b>	<b>9,578,542,891</b>
<b>Total 30 June 2017</b>	<b>11,580,037,422</b>	<b>835,740,152</b>	<b>34,808,556</b>	<b>12,380,969,018</b>		<b>2,610,071,589</b>	<b>632,560,360</b>	<b>34,551,501</b>	<b>3,208,080,448</b>	<b>9,172,888,570</b>

### 5.1 Initially recognised value of fully depreciated assets included in property, plant and equipment is as follows:

	30 June 2018 Taka	30 June 2017 Taka
Building	4,448,824	4,448,824
Plant and machinery	255,034,615	246,082,508
Automobiles	120,400,800	110,932,000
Office equipment	64,678,341	64,157,714
Furniture and fixtures	10,213,981	10,215,781
	<b>454,776,561</b>	<b>435,836,827</b>

### 5.2 The freehold lands of the Company measuring 205.153 acres are located at:

Mirpur, Dhaka	12.000 acres	12.000 acres
Pekua, Cox's Bazar	45.340 acres	45.340 acres
Barisal Sadar	0.290 acres	0.290 acres
Gondogram, Bogra	0.270 acres	0.270 acres
Lakshimpur, Rajshahi City Corporation	0.149 acres	0.149 acres
Dogri Rajendrapur, Gazipur	16.851 acres	16.851 acres
Kashor Gore, Bhaluka, Mymensingh	31.539 acres	31.424 acres
Sagordighi, Tangail	13.805 acres	13.805 acres
Siddikhal, Tangail	1.050 acres	1.050 acres
Ghatail, Tangail	13.234 acres	13.234 acres
Dhamsur, Bhaluka, Mymensingh	26.370 acres	26.370 acres
Turag, Dhaka	0.825 acres	0.825 acres
Sreepur, Gazipur	13.830 acres	13.830 acres
Keranigonj, Dhaka	0.590 acres	0.590 acres
Faridpur Sadar, Faridpur	0.410 acres	0.410 acres
Debipur, Sarishadi, Feni Sadar	0.529 acres	0.365 acres
Chatropur, Mymensingh	0.558 acres	0.558 acres
Phulbaria, Mymensingh	8.503 acres	8.503 acres
Bypass Mor, Digharkanda, Mymensingh	0.035 acres	0.035 acres
Tetulia, Dakshin Surma, Sylhet	0.483 acres	0.483 acres
Betgari, Shajahanpur, Bogra	0.645 acres	0.645 acres
Lohaboy, Bhaluka	4.463 acres	4.463 acres
Narangi, Bhaluka	6.605 acres	6.605 acres
Batabaria and Haratoli, Sadar Dakshin, Comilla	0.580 acres	0.580 acres
Salna, Purabari	0.307 acres	0.307 acres
Sathkhamair, Sreepur	4.379 acres	3.719 acres
Bhobainagar, Kotwali Sadar, Dinajpur	0.803 acres	0.803 acres
Uttam, Rangpur Sadar, Rangpur	0.710 acres	0.710 acres
<b>Total</b>	<b>205.153 acres</b>	<b>204.214 acres</b>



### 5.3 Depreciation for the year has been charged to:

Cost of goods sold (Note-25.2)  
Administrative, selling and distribution expenses (Note-26)

2017-2018 Taka	2016-2017 Taka
587,773,634	545,496,734
111,763,942	87,063,626
<b>699,537,576</b>	<b>632,560,360</b>

5.4 The freehold land and buildings were revalued by a firm of professional valuers in the year 1995 and the increase in net carrying amount as a result of revaluation were shown as addition/valuation in that year.

### 5.5 Gain/(loss) on disposal of property, plant and equipment

Amount in Taka

Original cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	
				2017-2018	2016-2017
7,022,600	5,785,941	1,236,659	540,000	(696,659)	14,137,951

### 6. Capital work in-progress

30 June 2018 Taka	30 June 2017 Taka
1,072,204,572	702,996,708
1,033,231,778	888,522,356
2,105,436,350	1,591,519,064
937,272,415	519,314,492
<b>1,168,163,935</b>	<b>1,072,204,572</b>

This represents mainly construction of buildings for softgel facility, warehouse for sachet filling facility, Rajendrapur raw material store, Rajendrapur power substation, Bhaluka power substation, Faridpur depot, Comilla depot, installation of plant and machinery, their components and other fixed assets procured from foreign and local vendors.

### 6.1 The break down of capitalized property, plant and equipment is as follows:

Buildings	102,819,368	21,975,785
Plant and machinery	514,608,924	491,496,429
Automobiles	-	476,860
Office equipment	316,700,166	2,605,586
Furniture and fixtures	3,143,957	2,759,832
	<b>937,272,415</b>	<b>519,314,492</b>

### 7. Investment in subsidiaries

	No. of shares		
Renata Agro Industries Limited (Note-7.1)	419,949	60,570,476	60,570,476
Purnava Limited (Note-7.2)	24,999	2,499,900	2,499,900
Renata Oncology Limited (Note7.3)	7,999,900	79,999,000	79,999,000
Renata (UK) Limited (Note7.4)	1	110	-
	<b>8,444,849</b>	<b>143,069,486</b>	<b>143,069,376</b>

### 7.1 Investment in subsidiary company - Renata Agro Industries

Renata Limited acquired 99.99% of equity interest in Renata Agro Industries Limited (419,949 ordinary shares of Taka 100 each) on 7 April 2001. Purchase consideration with regard to the acquisition of shares amounted to Taka 60,570,476. Renata Limited and Renata Agro Industries Limited have been operating under common control.



## 7.2 Investment in subsidiary company - Purnava Limited

Renata Limited acquired 99.99% of equity interest in Purnava Limited (24,999 ordinary shares of Taka 100 each) on 16 September 2004. Purchase consideration with regard to the acquisition of shares amounted to Taka 2,499,900 being face value of shares. Renata Limited and Purnava Limited have been operating under common control.

## 7.3 Investment in subsidiary company - Renata Oncology Limited

Renata Limited acquired 99.99% of equity interest in Renata Oncology Limited (7,999,900 ordinary shares of Taka 10 each) on 12 August 2012. Purchase consideration with regard to the acquisition of shares amounted to Taka 79,999,000 being face value of shares. Renata Limited and Renata Oncology Limited have been operating under common control.

## 7.4 Investment in subsidiary company - Renata (UK) Limited

Renata Limited acquired 100% of equity interest in Renata (UK) Limited (1 ordinary share of GBP 1 each) on 9 April 2018. Purchase consideration with regard to the acquisition of the share amounted to GBP 1 being face value of the share. Renata Limited and Renata (UK) Limited have been operating under common control.

## 8. Inventories

	30 June 2018 Taka	30 June 2017 Taka
Finished goods		
- Pharmaceutical	378,798,700	424,026,166
- Animal health	576,840,396	438,425,059
- Contract manufacturing	32,943,887	57,732,598
- Potent product facility	50,380,337	41,433,943
- Cepha facility	128,534,303	135,781,373
- Penicillin facility	27,258,958	38,101,451
	<b>1,194,756,581</b>	<b>1,135,500,590</b>
Work-in-process	227,932,482	182,801,854
Raw materials	354,778,314	453,575,178
Bulk materials	1,059,170,592	642,095,255
Packing materials	470,627,002	374,321,035
Consumable stores, spares and reagent materials	153,857,006	166,739,245
Stock in transit	447,500,656	412,991,688
	<b>3,908,622,633</b>	<b>3,368,024,846</b>
Provision for obsolete inventories	(150,861,028)	(138,801,953)
	<b>3,757,761,605</b>	<b>3,229,222,893</b>

## 9. Trade receivables

Trade receivables- unsecured (Note-9.1)	2,323,377,693	2,066,970,339
Allowances for doubtful receivables	(90,878,455)	(71,211,922)
	<b>2,232,499,238</b>	<b>1,995,758,417</b>

### 9.1 Trade receivables disclosure as per Schedule-XI, Part-I, of the Companies Act, 1994

Receivables due below six months	2,108,147,939	1,933,105,837
Receivables due over six months	215,229,754	133,864,502
	<b>2,323,377,693</b>	<b>2,066,970,339</b>

Trade receivables include Tk. 11,938,300 due from Renata Agro Industries Limited.

## 10. Other receivables

	30 June 2018 Taka	30 June 2017 Taka
Inter-company receivables		
- Renata Agro Industries Limited	604,429	1,755,934
- Purnava Limited	237,494,331	168,494,331
- Renata Oncology Limited	333,674,499	336,299,307
Value Added Tax (VAT) recoverable	269,942,426	245,145,772
Others	62,010,489	41,422,258
	<b>903,726,174</b>	<b>793,117,602</b>

## 11. Advances, deposits and prepayments

### Advances

Loan to employees against motorcycle	148,591,984	90,035,499
Loan to employees against scooter	869,486	1,953,887
Loan to employees against salary	37,840,534	32,011,014
Advance for house rent	11,539,350	10,979,676
Advance VAT	39,075,695	64,710,809
Advance for inventory	41,038,006	7,698,930
Advance for field force	14,834,750	13,683,500
Advance to staff against expenses	31,419,196	20,132,234
Advance to staff against petty expenses	1,173,500	947,500
Advance against tour expenses	8,163,677	7,533,794
	<b>334,546,178</b>	<b>249,686,842</b>

### Deposits

Tender deposits	96,299,939	13,606,948
Mymensingh Palli Biddut Samity	12,256,000	12,256,000
Gazipur Palli Bidyut Samity	10,248,000	10,248,000
Dhaka Electric Supply Co. Limited	2,310,000	2,310,000
Security deposit to Linde Bangladesh Limited	880,000	880,000
Bangladesh Ansar O Gram Protirokkha Bahini (Bangladesh Ansar and VDP)	536,461	-
Titans Gas Transmission and Distribution Co. Limited	331,896	455,811
Radison Water Garden Hotel	200,000	200,000
Meghna Model Service Center	110,000	110,000
Bangladesh Customs House, Dhaka Airport	200,000	200,000
Bangladesh Power Development Board, Bogra	232,534	232,534
Bangladesh Power Development Board, Sylhet	90,000	90,000
Bangladesh Power Development Board, Faridpur	75,000	75,000
Bangladesh Power Development Board, Comilla	40,000	40,000
HammerHead Bangladesh Limited	16,000	-
Bangladesh Petroleum Exploration & Production Co. Ltd.	7,000	7,000
Dhaka Medical College & Hospital	1,540	1,540
Security deposit to G4S Security Services Bangladesh (P) Ltd.	-	946,650
Miscellaneous deposits	-	260,500
	<b>123,834,370</b>	<b>41,919,983</b>

### Prepayments

Insurance premium	3,005,207	4,311,152
Miscellaneous	-	31,040
	<b>3,005,207</b>	<b>4,342,192</b>
	<b>461,385,755</b>	<b>295,949,018</b>

## 12. Investment in shares and others

Investment in shares (Note-12.1)	93,790,433	104,899,466
Investment in FDR	1,415,387,500	700,000,000
	<b>1,509,177,933</b>	<b>804,899,466</b>

## 12.1 Investment in shares

	Market value		Cost
	30 June 2018 Taka	30 June 2017 Taka	30 June 2018 Taka
Square Pharma Limited	56,838,538	52,332,009	31,400,230
British American Tobacco Bangladesh Company Limited	11,234,275	9,195,225	1,964,918
Beximco Pharmaceuticals Limited	9,390,000	-	11,365,280
Shahjibazar Power Co. Ltd.	7,028,100	-	10,885,870
Grameenphone Ltd.	5,055,700	-	4,996,661
ACI Formulations Limited	2,455,500	3,001,500	3,242,427
Central Depository Bangladesh Limited (unquoted)	1,569,450	1,569,450	1,569,450
Islami Bank Bangladesh Limited	133,970	181,254	163,748
BRAC Bank Limited	53,400	48,420	13,905
People's Leasing and Financial Services Limited	11,108	11,669	117,137
International Leasing & Finance Services Limited	15,451	13,149	39,497
EXIM Bank Limited	2,118	2,172	1,494
United Commercial Bank Limited	1,901	2,333	3,423
Social Islami Bank Limited	922	1,193	596
Confidence Cement Limited	-	6,730,000	-
Lafarge Surma Cement Limited	-	6,290,000	-
Southeast Bank Limited	-	5,550,000	-
BSRM Steels Limited	-	5,454,000	-
Baraka Power Limited	-	4,370,000	-
The City Bank Limited	-	3,740,000	-
AB Bank 1st Mutual Fund	-	3,500,000	-
LR Global Bangladesh Mutual Fund One	-	1,560,000	-
Summit Power Limited	-	1,347,094	-
	<b>93,790,433</b>	<b>104,899,466</b>	<b>65,764,636</b>

## 13. Cash and cash equivalents

	30 June 2018 Taka	30 June 2017 Taka
<b>Cash in hand</b>	<b>2,325,000</b>	<b>2,075,000</b>
<b>Cash at bank</b>		
Standard Chartered Bank	383,068,820	389,329,381
Eastern Bank Limited	358,911,717	60,854,262
Bank Asia Limited	91,122,356	45,332,847
Commercial Bank of Ceylon PLC	80,569,502	26,115,893
Sonali Bank Limited	33,003,346	23,881,690
Citibank N. A.	23,078,648	1,732,817
Agrani Bank Limited	21,522,306	8,424,586
The City Bank Limited	18,534,164	1,703,050
BRAC Bank Limited	13,814,459	-
The Hongkong and Shanghai Banking Corporation Limited	2,222,380	43,255,127
Prime Bank Limited	1,594,145	1,345,191
United Commercial Bank Limited	1,239,085	957,219
	<b>1,028,680,928</b>	<b>602,932,062</b>
Balance with City Bank Capital Resources Limited	26,339,461	12,221,437
Balance with ICB Securities Trading Company Limited	7,079	7,529
	<b>26,346,540</b>	<b>12,228,966</b>
	<b>1,057,352,468</b>	<b>617,236,028</b>

## 14. Share capital

	30 June 2018 Taka	30 June 2017 Taka
<b>Authorized share capital</b>		
100,000,000 ordinary shares of Tk.10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
<b>Issued, subscribed and paid up capital</b>		
1,294,260 ordinary shares of Tk.10 each issued for cash	12,942,600	12,942,600
1,724,490 ordinary shares of Tk.10 each issued for consideration other than cash	17,244,900	17,244,900
67,012,272 ordinary shares (57,877,791 ordinary shares as at 30 June 2017) of Tk.10 each issued as bonus shares	670,122,721	578,777,910
	<u>700,310,221</u>	<u>608,965,410</u>

These shares are listed with Dhaka Stock Exchange Limited and quoted at Tk 1,296.50 per share on 30 June 2018.

At 30 June 2018, the shareholding position of the Company was as follows:

Name of the shareholders	Nationality/ Incorporated in	Number of shares	Face value Taka	% of total shareholdings
Sajida Foundation	Bangladesh	35,715,518	357,155,181	51.0%
Business Research International Corp. Inc.	Panama	15,227,512	152,275,120	21.7%
ICB Unit Fund	Bangladesh	3,228,218	32,282,180	4.6%
Shadharan Bima Corporation	Bangladesh	3,063,838	30,638,380	4.4%
Investment Corporation of Bangladesh	Bangladesh	2,509,791	25,097,910	3.6%
Other shareholders	Bangladesh & others	10,286,145	102,861,450	14.7%
		<u>70,031,022</u>	<u>700,310,221</u>	<u>100%</u>

### Classification of shareholders by holdings:

Holdings	30 June 2018				
	No. of shareholders as per folio	No. of shareholders as per BOID	No. of total shareholders	No. of shareholdings	% of total shareholdings
Less than 500 shares	114	2,951	3,065	339,782	0.5%
501 to 5000 shares	48	719	767	1,239,012	1.8%
5,001 to 10,000 shares	10	76	86	605,325	0.9%
10,001 to 20,000 shares	17	46	63	923,254	1.3%
20,001 to 30,000 shares	7	23	30	761,592	1.1%
30,001 to 40,000 shares	-	9	9	333,659	0.5%
40,001 to 50,000 shares	-	10	10	436,414	0.6%
50,001 to 100,000 shares	2	24	26	1,831,717	2.6%
100,001 to 1,000,000 shares	1	16	17	3,815,390	5.4%
Over 1,000,000 shares	2	4	6	59,744,877	85.3%
	<u>201</u>	<u>3,878</u>	<u>4,079</u>	<u>70,031,022</u>	<u>100%</u>

	30 June 2018 Taka	30 June 2017 Taka
<b>15. Revaluation surplus</b>		
Land	179,132,078	179,132,078
Buildings	27,914,634	28,550,519
	<u>207,046,712</u>	<u>207,682,597</u>
Less: Depreciation adjustment on revalued buildings	(635,885)	(635,885)
	<u>206,410,827</u>	<u>207,046,712</u>
Less: Adjustment of deferred tax on revaluation surplus	(51,602,706)	(51,761,678)
	<u><b>154,808,121</b></u>	<u><b>155,285,034</b></u>

The freehold land and buildings were revalued by a firm of professional valuer in the year 1995 and the resulting increase of value of Tk. 220,423,329 has been shown as revaluation surplus.

## 16. Available for sale reserve

Opening balance	21,635,191	8,266,952
Unrealized gain/(loss) on quoted shares, net of tax	3,588,029	13,368,239
	<u><b>25,223,220</b></u>	<u><b>21,635,191</b></u>

## 17. Retained earnings

Opening balance	11,688,650,069	9,848,993,073
Profit for the year	3,196,950,533	2,612,142,414
Stock dividend issued	(91,344,811)	(79,430,270)
Final dividend	(548,068,869)	(450,104,869)
Interim dividend	-	(243,586,164)
Depreciation adjustment on revalued assets	635,885	635,885
	<u><b>14,246,822,807</b></u>	<u><b>11,688,650,069</b></u>

## 18. Deferred tax liabilities

30 June 2018 Taka	30 June 2017 Taka
1,137,327,569	946,889,523
71,881,208	190,438,045
<b>1,209,208,777</b>	<b>1,137,327,569</b>

### Computation of deferred tax for the year ended 30 June 2018

	Carrying amount Taka	Tax base Taka	Taxable/(deductible) temporary difference Taka	Deferred tax liabilities/ (assets) Taka
Property, plant and equipment excluding cost of land	8,492,694,169	3,574,272,099	4,918,422,070	1,229,605,517
Provision for doubtful debt	(92,797,280)	-	(92,797,280)	(23,199,320)
Investment in shares	93,790,433	65,764,636	28,025,797	2,802,580
<b>Deferred tax liabilities/(assets) as at 30 June 2018</b>				<b>1,209,208,777</b>
<b>Deferred tax liabilities/(assets) as at 30 June 2017</b>				<b>1,137,327,569</b>
Increase in deferred tax liabilities/(assets) during the year				<b>71,881,208</b>

### Allocation of deferred tax liabilities/(assets) during the year

Charged to available for sale reserve (OCI)	398,669
Adjustment for reduction of revaluation surplus due to charges of extra depreciation	(158,972)
Charged to profit or loss	71,641,511
	<b>71,881,208</b>

### Computation of deferred tax for the year ended 30 June 2017

	Carrying amount Taka	Tax base Taka	Taxable/(deductible) temporary difference Taka	Deferred tax liabilities/ (assets) Taka
Property, plant and equipment excluding cost of land	8,103,042,428	3,490,217,047	4,612,825,381	1,153,206,345
Provision for doubtful debt	(73,130,747)	-	(73,130,747)	(18,282,687)
Investment in shares	104,899,466	80,860,366	24,039,100	2,403,911
<b>Deferred tax liabilities/(assets) as at 30 June 2017</b>				<b>1,137,327,569</b>
<b>Deferred tax liabilities/(assets) as at 30 June 2016</b>				<b>946,889,523</b>
Increase in deferred tax liabilities/(assets) during the year				<b>190,438,045</b>

### Allocation of deferred tax liabilities/(assets) during the year

Charged to available for sale reserve (OCI)	2,403,911
Adjustment for reduction of revaluation surplus due to charges of extra depreciation	(158,972)
Charged to profit or loss	188,193,106
	<b>190,438,045</b>

<b>19. Long term loan - net off current portion</b>	<b>30 June 2018 Taka</b>	<b>30 June 2017 Taka</b>
The Hongkong and Shanghai Banking Corporation Limited (Note-19.1)	99,662,486	257,110,932
	<b>99,662,486</b>	<b>257,110,932</b>
<b>Less: Current portion</b>		
The Hongkong and Shanghai Banking Corporation Limited	99,662,486	161,200,000
	<b>99,662,486</b>	<b>161,200,000</b>
	-	<b>95,910,932</b>

## 19.1 The Hongkong and Shanghai Banking Corporation Limited

### Details of facility:

- Facility limit : USD 6,811,696.
- Validity : Up to 18 November 2018.
- Terms of repayment : Twenty equal quarterly installments commencing from February 2014.
- Nature of security : i) Registered mortgage over 376.87 decimals industrial land in Rajendrapur where Cepha, Penicillin, and Bottle sheed are situated.  
ii) First Charge over all the present and future inventories, trade receivables, receivables claims, contracts, bills, plant, machinery and equipment of Renata Limited.

## 20. Short term bank loan and overdraft

### Short term bank loan

Eastern Bank Limited (Note-20.1)	189,276,512	112,396,964
The City Bank Limited (Note-20.2)	313,599,925	18,183,750
Standard Chartered Bank (Note-20.3)	446,170,970	529,563,134
Citibank N. A. (Note-20.4)	307,939,988	531,479,144
Bank Asia Limited (Note-20.5)	297,323,828	147,595,001
Commercial Bank of Ceylon PLC (Note-20.6)	835,117,302	335,301,831
	<b>2,389,428,525</b>	<b>1,674,519,824</b>

### Overdraft

Eastern Bank Limited (Note-20.1)	-	98,291,985
The City Bank Limited (Note-20.2)	-	-
Standard Chartered Bank (Note-20.3)	-	-
Citibank N. A. (Note-20.4)	-	-
Bank Asia Limited (Note-20.5)	-	168,928,103
Commercial Bank of Ceylon PLC (Note 20.6)	-	27,112,113
	-	<b>294,332,200</b>
	<b>2,389,428,525</b>	<b>1,968,852,024</b>



The terms and conditions of the facility available for Overdraft, Acceptance, LATR, Revolving, Import and Demand loan are as follows:

## 20.1 Eastern Bank Limited

### **Overdraft**

Purpose : To finance overhead cost and duty payment.  
Facility limit : Tk. 100 million.  
Repayment : Within 365 days from the date of disbursement.

### **Letter of credit/ Acceptance (Sight/ Usance)**

Purpose : To import plant and machinery.  
Facility limit : Combined Tk. 650 million.  
Repayment : Within 180 days from the date of disbursement.

### **Import finance**

Purpose : To import raw materials.  
Facility limit : Combined Tk. 650 million.  
Repayment : Within 180 days from the date of disbursement.

### **Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.
- iii) Registered hypothecation by way of pari passu with RJSC on entire inventory book debts and other floating assets and plant and machinery of the Company in favor of Eastern Bank Limited.

## 20.2 The City Bank Limited

### **Letter of credit/ Acceptance (Sight / Usance)**

Purpose : To import API, excipient, packing materials and finished materials.  
Facility limit : Combined Tk. 320 million.  
Repayment : Within 180 days from the date of disbursement.

### **Import finance**

Purpose : To retire sight Letter of credit documents opened for procurement of API, excipient, packing materials and finished materials.  
Facility limit : Combined Tk. 320 million.  
Repayment : Within 180/150 days from the date of disbursement.

### **Short term loan**

Purpose : For payment of duty and other charges related to import and VAT.  
Facility limit : Tk. 100 million.  
Repayment : Within 180 days from the date of disbursement.

### **Overdraft**

Purpose : To meet the day to day operating, promotional, and marketing expenses.  
Facility limit : Tk. 80 million.  
Repayment : Within 365 days from the date of disbursement.

### **Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited with RJSC on pari passu security sharing basis with the existing lenders.

## 20.3 Standard Chartered Bank

### **Letter of credit**

Purpose	: To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business.
Facility limit	: Combined Tk. 1,200 million.
Repayment	: Within 180 days from the date of disbursement.

### **Loan against Trust Receipt (LATR)**

Purpose	: Retirement of documents of only sight letter of credits.
Facility limit	: Combined Tk. 1,200 million.
Repayment	: Within 180 / 365 days from the date of disbursement.

### **Overdraft**

Purpose	: For working capital purposes.
Facility limit	: Tk. 100 million.
Repayment	: Overdraft to be cleaned up for 4 days in one year.

### **Acceptance**

Purpose	: To provide acceptance against letter of credits issued by the bank.
Facility limit	: Combined Tk. 1,200 million.
Repayment	: Within 180 / 365 days from the date of disbursement.

### **Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.4 Citibank N. A.

### **Letter of credit/ Acceptance (Sight / Usance)**

Purpose	: To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 180 / 360 days from the date of disbursement.

### **Import finance**

Purpose	: To refinance import letter of credits.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 119 days from the date of disbursement.

### **Short term loan**

Purpose	: To finance local purchase of active and raw materials, packing materials, capital machinery, spares and other items required for regular course of business.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 119 days from the date of disbursement.

### **Overdraft**

Purpose	: To finance regular selling, general and administrative expenses.
Facility limit	: Combined USD 980,000.
Repayment	: On demand.

### **Cheque purchase/ Cash management line**

Purpose	: To facilitate the cash management funds of day 0 or day 1.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 7 days from the date of disbursement.

### **Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.5 Bank Asia Limited

### Revolving letter of credit

Purpose	: To import raw materials, machineries and spare parts for the Company.
Facility limit	: Tk. 400 million.
Repayment	: Within 180 days from the date of disbursement.

### Revolving LATR

Purpose	: Retirement of documents of only sight letter of credits.
Facility limit	: Tk. 250 million.
Repayment	: Within 120 days from the date of disbursement.

### Overdraft

Purpose	: For payment of duty VAT, taxes and operating expenses.
Facility limit	: Tk. 350 million.

### Revolving demand loan

Purpose	: For procurement of pharmaceuticals and packing materials from local sources.
Facility limit	: Tk. 400 million.
Repayment	: Within 180 days from the date of disbursement.

### Security

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.6 Commercial Bank of Ceylon PLC

Facility limit	: Tk. 1,500 million.
Repayment	: Within 90 days from the date of disbursement.

### Security

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

	30 June 2018 Taka	30 June 2017 Taka
<b>21. Trade payables</b>		
Payable to suppliers	211,321,607	162,013,856
Toll manufacturing charges (Sharif and NAFCO)	11,024,490	586,697
Payables for consumable-plant	-	17,470,000
	<b>222,346,097</b>	<b>180,070,553</b>
<b>22 Other payables</b>		
VAT, PF, gratuity and other payables	626,937,018	1,104,267,523
Workers' participation fund	256,219,571	226,029,011
Advance from customers	52,491,526	213,008
Royalty payable	15,044,439	12,636,465
Export commission payable	7,637,713	14,126,178
	<b>958,330,267</b>	<b>1,357,272,185</b>
<b>23 Provision for taxation</b>		
Opening balance	749,176,975	945,454,055
Provision made during the year	1,064,469,300	891,379,438
	1,813,646,275	1,836,833,493
Payment made during the year	(1,008,107,311)	(1,087,656,518)
	<b>805,538,964</b>	<b>749,176,975</b>

## 24. Turnover

Amount in Taka

	2017-2018			2016-2017
	Gross Turnover	Less: VAT	Turnover (net)	Turnover (net)
Pharmaceutical products	15,540,237,955	2,252,337,069	13,287,900,886	11,283,715,555
Animal health products	3,776,055,658	312,378,054	3,463,677,604	3,175,185,838
Contract manufacturing	2,023,164,899	171,034,483	1,852,130,416	1,584,529,628
	<b>21,339,458,512</b>	<b>2,735,749,606</b>	<b>18,603,708,906</b>	<b>16,043,431,021</b>

During the year, sale of pharmaceuticals products includes export sales of Tk. 608,245,196 equivalent to US\$ 7,429,526 (Tk.990,112,975 equivalent to US\$ 12,564,971 for the year ended 30 June 2017).

## 25. Cost of sales

	2017-2018 Taka	2016-2017 Taka
Raw materials consumed - (Note-25.1)	6,203,676,595	5,154,347,172
Factory overhead - (Note-25.2)	3,157,949,152	2,803,889,853
Manufacturing costs	9,361,625,747	7,958,237,025
Add: Opening work-in-process	182,801,854	172,750,725
	9,544,427,601	8,130,987,750
Less: Closing work-in-process	227,932,482	182,801,854
Cost of goods manufactured	9,316,495,119	7,948,185,896
Add: Opening finished goods	1,135,500,590	1,127,819,390
Cost of goods available for sale	10,451,995,709	9,076,005,286
Less: Closing finished goods	1,194,756,581	1,135,500,590
	<b>9,257,239,128</b>	<b>7,940,504,696</b>

### 25.1 Raw materials consumed

Opening stock	1,469,991,468	1,570,732,569
Add: Purchase during the year	6,618,261,035	5,053,606,071
Total materials available	8,088,252,503	6,624,338,640
Less: Closing stock	1,884,575,908	1,469,991,468
<b>Raw materials consumed</b>	<b>6,203,676,595</b>	<b>5,154,347,172</b>

## 25.2 Factory overhead

	2017-2018 Taka	2016-2017 Taka
Salaries, wages and other benefits	910,720,373	792,623,720
Electricity and fuel	664,341,621	607,260,342
Consumable stores and supplies	165,223,210	143,158,389
Insurance	6,157,376	10,416,364
Land revenue and taxes	2,708,161	8,487,721
Rent	1,787,326	2,309,723
Automobile expenses	21,925,820	18,764,723
Postage and telephone	13,434,945	11,153,230
Stationeries & Supplies	42,853,117	36,735,763
Uniform for workers	9,884,925	9,893,847
Travelling and moving expenses	56,066,462	45,373,481
Repair and maintenance	388,676,368	336,998,871
Cleaning & security services	54,945,783	49,801,765
Lunch, snacks and tea expenses	157,026,467	130,793,621
Depreciation	587,773,634	545,496,734
Other overhead expenses	74,423,564	54,621,559
	<b>3,157,949,152</b>	<b>2,803,889,853</b>

## 25.3 Purchases, issues and stocks of raw materials

Purchases, issues and stocks of raw materials are of over 3,000 items involving production of 840 finished goods formulations. The measurement is expressed in different units i.e. kilogram, activity, liter, pieces. In view of different units in use, the following table has been presented in value only.

Amount in Taka

Major material group	Opening stocks	Purchase	Consumption	Closing stocks
Bulk materials	642,095,255	3,690,784,969	3,273,709,632	1,059,170,592
Raw materials	453,575,178	1,179,733,227	1,278,530,091	354,778,314
Packaging materials	374,321,035	1,747,742,839	1,651,436,872	470,627,002
	<b>1,469,991,468</b>	<b>6,618,261,035</b>	<b>6,203,676,595</b>	<b>1,884,575,908</b>
Consumable stores	5,635,718	47,187,764	43,570,333	9,253,149
Maintenance stores and spares	161,103,527	526,417,574	542,917,244	144,603,857
	<b>166,739,245</b>	<b>573,605,338</b>	<b>586,487,577</b>	<b>153,857,006</b>
	<b>1,636,730,713</b>	<b>7,191,866,373</b>	<b>6,790,164,172</b>	<b>2,038,432,914</b>

As per Part II of Schedule XI of the Companies Act, 1994 the quantities of raw materials, purchases and stocks should be expressed in quantitative denomination. However, this could not be provided as the Company deals with large number of products both locally made and imported.

Materials available in local market are procured from the local manufacturers. Materials are imported from the following countries either directly from the manufacturers or suppliers approved by the Drug Administration:

India	Japan	Italy	New Zealand
China	Thailand	Denmark	Indonesia
Hong Kong	South Korea	Spain	Argentina
Singapore	United States of America (USA)	Germany	Brazil
Malaysia	United Kingdom (UK)	Austria	Czech Republic

## 26. Administrative, selling and distribution expenses

2017-2018

Taka

2016-2017

Taka

Salaries, wages and allowances	1,745,891,191	1,586,092,011
Electricity and power	72,539,767	48,749,806
Rent, rates and taxes	47,266,155	40,447,761
Insurance	22,491,622	19,557,264
Travelling expenses	333,240,910	285,124,303
Repairs and maintenance	44,527,570	30,958,236
Cleaning & security services	49,661,007	45,066,353
Legal and professional expenses	955,398	1,530,678
Provision for bad debts	19,585,496	15,048,578
Audit fees	930,000	768,750
Directors' fees	370,000	290,000
Membership fees & subscription	3,863,494	4,101,244
Meeting, annual sales conference and corporate expenses	91,581,796	81,204,833
Sales promotion	337,583,924	283,931,253
Field expenses	987,215,843	802,399,784
Depreciation	111,763,942	87,063,626
Stationery	41,802,060	32,738,518
Postage, telex, fax and telephone	50,537,282	52,832,106
Distribution freight	385,641,923	298,029,495
Lunch, snacks, tea and welfare expenses	188,127,373	177,863,707
Other overhead expenses	186,990,968	169,628,983
	<b>4,722,567,721</b>	<b>4,063,427,289</b>

## 27. Other Income

Scrap sales	12,391,098	2,789,276
Dividend income	3,172,004	2,254,835
Interest income	119,991,637	13,874,800
Gain/(loss) from sale of quoted shares	(1,849,667)	2,902,706
Gain/(loss) on disposal of property, plant and equipment (Note - 5.5)	(696,659)	14,137,951
	<b>133,008,413</b>	<b>35,959,568</b>

## 28. Finance costs

Interest expenses	85,503,345	126,216,689
Exchange loss	107,861,495	60,982,043
Bank charges	13,831,219	11,959,166
	<b>207,196,059</b>	<b>199,157,898</b>

## 29 Net asset value per share (NAV)

The computation of NAV is given below:

Equity attributable to the ordinary shareholders	15,127,164,369	12,474,535,704
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	70,031,022	70,031,022
<b>Net asset value per share (NAV)</b>	<b>216.01</b>	<b>178.13</b>

### 29.1 Weighted average number of share outstanding during the year

Opening number of shares	60,896,541
Bonus shares issued in December 2017	9,134,481
	<b>70,031,022</b>

Last year's EPS has been adjusted as per the requirement of BAS-33 "Earnings Per Share".

### 30. Basic earnings per share (EPS)

The computation of EPS is given below:

Earnings attributable to the ordinary shareholders (net profit after tax for the year)  
Weighted average number of ordinary shares outstanding during the year (Note-29.1)

#### Basic earnings per share (EPS)

Last year's EPS has been adjusted as per the requirement of BAS-33 "Earnings Per Share".

2017-2018 Taka	2016-2017 Taka
3,196,950,533	2,612,142,414
70,031,022	70,031,022
<b>45.65</b>	<b>37.30</b>

### 31 Net cash generated from operating activities

Profit before tax	4,333,061,344
Adjustments for:	
Depreciation and amortization expenses	699,537,576
Provision for bad debts & others	19,371,829
Finance costs	207,196,059
Loss on disposal of property, plant and equipment	696,659
Loss from sale of quoted shares	1,849,667
<b>Cash generated from operations before changes in working capital</b>	<b>5,261,713,134</b>
Adjustments for:	
(Increase)/ decrease in inventories	(528,538,713)
(Increase)/ decrease in trade receivables	(256,407,354)
(Increase)/ decrease in other receivables	(110,608,572)
(Increase)/ decrease in advances, deposits and prepayments	(165,436,737)
Increase/ (decrease) in trade payables	42,275,544
Increase/ (decrease) in other payables	(398,941,918)
<b>Cash generated by operations</b>	<b>3,844,055,384</b>
Finance costs	(207,196,059)
Payment of tax	(1,008,107,311)
<b>Net cash generated from operating activities</b>	<b>2,628,752,014</b>

### 32 Net operating cash flow per share

The computation of net operating cash flow per share is given below:

Net cash generated from operating activities	2,628,752,014	3,518,953,248
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	70,031,022	70,031,022
<b>Net operating cash flow per share</b>	<b>37.54</b>	<b>50.25</b>

### 33. Payments to directors and officers

The aggregate amount paid (except Directors' fees for attending board meetings) during the year to Directors and officers of the Company is disclosed below as required by the Securities and Exchange Rules-1987:

Amount in Taka

	Directors	Officers
Remuneration	10,932,471	486,932,621
House rent	6,415,990	355,453,460
Bonus	4,555,197	190,394,671
Contribution to provident fund	1,093,247	43,200,544
Gratuity	1,366,559	144,094,234
Conveyance allowance and transport	3,055,303	200,664,659
Other welfare expenses	4,602,776	41,782,883
	<b>32,021,543</b>	<b>1,462,523,072</b>



**33.1** During the year, no payment has been made to any non-executive Directors for any special services rendered.

## **34. Contingent liabilities**

**34.1** There are contingent liabilities on account of unresolved disputed corporate income tax assessments involving tax claims by the tax authority amounting to Tk 3,555,060 for the assessment year 2000-01; Taka 11,888,503 for the assessment year 2013-14; Taka 14,478,424 for the assessment year 2014-2015; Taka 14,066,733 for the assessment year 2015-2016 and Taka 26,168,376 for the assessment year 2017-2018 for which appeals are pending with the Commissioner of Taxes (Appeal) and the Hon'ble High Court Division of the Supreme Court.

**34.2** "The Assistant Commissioner of Taxes issued a notice vide letter No. SA-162/2014-2015/82 on 01 September 2014 claiming that during the assessment year 2008-09 (income year 2007), the Company did not deduct VAT on certain accounting heads amounting to Tk. 232,741,698 and tax file reopened accordingly under Section 93 of the Income Tax Ordinance, 1984. Total tax amount was calculated Tk. 69,822,509 on that claimed amount by using the prevailing corporate tax rate 30%. However, the Hon'ble High Court delivered the verdict in favour of the Company on 6 January 2016 but the National Board of Revenue has made leave to appeal to the Supreme Court Appellate Division against the verdict.

## **35. Claims by the Company not acknowledged as receivable**

None as at 30 June 2018.

## **36. Commitments**

On the statement of financial position date, the Company is enjoying unfunded credit facilities from the following banks:

	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>Taka</b>	<b>Taka</b>
Letters of credits (Note 36.1)	1,224,696,950	1,442,662,862
Outstanding guarantees issued by the banks	166,712,184	92,244,970
Capital expenditure commitments	1,709,962,536	454,872,572
	<b>3,101,371,670</b>	<b>1,989,780,404</b>

### **36.1 Letters of credits**

	<b>Limit</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
		<b>Taka</b>	<b>Taka</b>
Standard Chartered Bank	1,700,000,000	119,541,010	263,892,692
Eastern Bank Limited	550,000,000	113,603,930	102,241,542
The City Bank Limited	320,000,000	185,798,488	120,933,774
Citibank N.A.	403,000,000	172,105,108	462,614,116
Commercial Bank of Ceylon PLC	750,000,000	516,163,553	353,248,795
Bank Asia Limited	400,000,000	117,484,861	139,731,943
	<b>4,123,000,000</b>	<b>1,224,696,950</b>	<b>1,442,662,862</b>

## **37. Dividend paid to non-resident shareholders**

Final dividend paid to non-resident shareholder, Business Research International Corp. Inc. for the year 2016-2017 was Tk. 95,337,468 equivalent to US\$ 1,141,903 for their 13,241,315 shares.

## **38. Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994**

### **38.1 Employee Position of Renata Limited as per requirement of schedule XI, part II, Para-3**

The Company engaged 6,798 (6,087 as of June 2017) employees as of June 2018, of which 4,604 (4,150 as of June of 2017) is permanent employees and 2,194 (1,937 as of June 2017) is casual and temporary workers as required. All employees received total salary of above Tk. 36,000 per annum.

## 38.2 Capacity utilization

Production capacity and current utilization as required by the Companies Act 1994, Schedule-XI, para-7. The Company operates multi-products plants. As a result plant utilization is not comparable with capacity due to variation of product mix. However, actual production and utilization for major products groups are as follows:

Major product group/Unit	Capacity (In '000)	2017-2018		2016-2017	
		Actual production (In '000)	Utilization %	Actual production (In '000)	Utilization %
Sterile dry fill (injectable) / Vials	6,500	6,400	98.46%	6,293	96.82%
Sterile liquid (inj) / Vials / Ampoules	11,635	17,084	146.83%	14,232	122.32%
Ointments / Tubes	1,500	480	32.00%	710	47.33%
Capsules and tablets / Cap / Tab	1,595,000	2,068,380	129.68%	1,810,075	124.83%
Oral liquid & dry syrup / Bottles	15,725	23,925	152.15%	21,927	142.61%
Water for injection / Ampoules	6,000	7,828	130.47%	6,395	106.58%
Premix feed supplement / Kg	4,850	6,612	136.33%	6,096	125.69%
Premix feed supplement / Sachets	3,350	6,759	201.76%	5,234	156.24%
Oral saline / Sachets	355,000	580,193	163.43%	440,579	124.11%
Potent Products / Tablets	2,460,000	2,503,323	101.76%	2,893,065	117.84%

## 39 Payments / receipts in foreign currency

### 39.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:

Active, raw and packaging materials  
Machinery and spares

Foreign currency USD	Local currency Taka
73,986,365	6,066,881,941
9,964,385	817,079,547
<b>83,950,750</b>	<b>6,883,961,488</b>

### 39.2 Foreign exchange was earned in respect of the following:

Export of goods on FOB USD 7,429,526

## 40. Related party disclosures

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in the table below in accordance with BAS-24 "Related Party Disclosures".

Name of the party	Relationship	Nature of transactions	Transaction-2017-2018			
			Opening balance Taka	Addition Taka	Adjustment Taka	Closing balance Taka
Renata Agro Industries Limited	Subsidiary	Sale of goods	8,763,730	24,508,700	21,334,130	11,938,300
		Advance payment	1,755,934	21,415,843	22,567,348	604,429
			<b>10,519,664</b>	<b>45,924,543</b>	<b>43,901,478</b>	<b>12,542,729</b>
Purnava Limited	Subsidiary	Sale of goods	-	125,457,333	125,457,333	-
		Advance payment	168,494,331	280,722,023	211,722,023	237,494,331
			<b>168,494,331</b>	<b>406,179,356</b>	<b>337,179,356</b>	<b>237,494,331</b>
Renata Oncology Limited	Subsidiary	Purchase of goods	-	29,066,146	29,066,146	-
		Advance payment	336,299,307	26,699,494	29,324,302	333,674,499
			<b>336,299,307</b>	<b>55,765,640</b>	<b>58,390,448</b>	<b>333,674,499</b>

## 41. General


- 1) All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.
- 2) The comparative information have been disclosed in respect of the year 2017-2018 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current year's financial statements.


## 42. Events after the reporting period

The Board of Directors in their meeting held on 27 October 2018 have recommended total cash dividend @ 95% per share of Taka 10 each aggregating Taka 665,294,709 and stock dividend @ 15% of Taka 10 each aggregating Taka 105,046,533 for the year ended 30 June 2018 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 15 December 2018. The financial statements for the year ended 30 June 2018 do not include the effects of the above cash dividend and stock dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

There are no other material events identified after the statement of financial position date which require adjustment or disclosure in these financial statements.

  
CEO & Managing Director

  
Director

  
Chief Financial Officer

# Renata Agro Industries Limited

Report and Financial Statements as at and for the year ended 30 June 2018

## Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Khalil Musaddeq, Director
- Mr. Manzoor Hasan, Independent Director



# Directors' Report

The financial year ending June 30, 2018 saw the continuation of the cautious but steady progress of Renata Agro in the bid towards gradual diversification of its agro business. Two control sheds were built in our Morchi and Sagordighi farms bringing the total number of sheds to 19 used for both breeder and commercial layer egg production. An additional 6,240 sft open shed was built for housing 4,000 commercial layers to meet the increased demand of Purnava Limited for value added Table Eggs. As before, Omega - 3 and Vitamin - E eggs produced by Renata Agro are being marketed through Purnava Limited.

Table Egg production increased about 26% than that of the previous year. 160 kg Dragon fruit was produced this year. The production of Dragon fruit is expected to increase up to 3 times next year. Milk production was 8,372 liters this year and it is expected to double next year. Renata Agro's breeder farms achieved 90% of its target production for the year despite some stress of low pathogenic AI infections in some of the farms. However, there were no severe outbreak of contagious diseases in any of the farms. This was the result of continuation of strict bio-security protocols and efficient farm management practices. A new breed "Indian River Meat (Lohman)" has been introduced. There is a high demand for the new breed in the DOC market due to its excellent commercial performance.

Approximately 8.6 million pieces of DOCs were hatched in our hatchery this year. Hatching eggs sold was 0.75 million pieces. The cost of DOC production decreased to Taka 43 from last year's Taka 45 per DOC. Cost of production of DOCs decreased despite increased cost of feed, wages, vaccines etc as a result of decreased overhead costs. However, average sales price per DOC in the market decreased from Taka 59 of last year to Taka 38 this year. As a result, even with higher production and

decreased unit cost, a net loss was incurred in the DOC and hatching eggs segment of the business of Taka 45.97 million. However, a profit of Taka 8.79 million and Taka 2.99 million was made from sales of Omega - 3 and Vitamin - E eggs respectively. Thus the net loss before tax of the company from sales of its agro products this year was Taka 34.19 million only.

Renata Agro plans to build a new hatchery building and double the existing hatchery capacity to 3,60,000 pieces of DOCs per week. Additional breeder sheds may also be added to the existing farms incrementally increasing total DOC production. This will decrease overheads and consequently decrease the cost of production of DOCs. Increased DOC production, decreased unit cost of production, and modestly favorable DOC prices in the market is expected to lead to modest to reasonable profits in good years and significantly decreased losses in the bad years. The diversified product portfolio is also expected to increasingly balance losses during lean times, while adding to profits in favorable times. It is our belief that this strategy will increase the chances of Renata Agro going on a path of steady profits in the future.

On behalf of the Board of Directors



Kaiser Kabir  
Chairman  
20 September 2018

# AUDITOR'S REPORT TO THE SHAREHOLDERS OF RENATA AGRO INDUSTRIES LIMITED

We have audited the accompanying financial statements of RENATA AGRO INDUSTRIES LIMITED, which comprise the statement of financial position as at 30 June 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements** Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (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.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

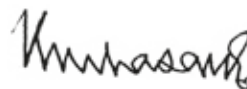
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position as at 30 June 2018 and its financial performance and cash flows for the year then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- (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 account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) the company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.



K.M. HASAN & CO.  
Chartered Accountants

Place: Dhaka, Bangladesh.  
Dated: 20 September 2018

# Renata Agro Industries Limited

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

		Amount in Taka	
	Notes	30 June 2018	30 June 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipments	5	437,916,271	432,655,585
Capital work-in-progress	6	22,337,556	422,679
Investments	7	144,655,454	141,565,199
		604,909,281	574,643,463
<b>Current assets</b>			
Inventories	8	84,257,280	87,401,789
Trade and other receivables	9	27,006,170	20,166,393
Advances, deposits and prepayments	10	24,655,985	20,235,516
Cash and cash equivalents	11	8,113,974	24,024,523
		144,033,409	151,828,221
<b>Total assets</b>		<b>748,942,690</b>	<b>726,471,684</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and reserve</b>			
Share capital	12	42,000,000	42,000,000
Tax holiday reserve		46,643,337	46,643,337
Reserve for unrealized gain		31,523,831	28,227,478
Retained earnings		484,831,000	518,022,859
		604,998,168	634,893,674
<b>Non-current liabilities</b>			
Deferred tax liability	13	8,266,360	9,564,438
Provision for gratuity	14	5,056,423	778,569
		13,322,783	10,343,007
<b>Current liabilities</b>			
Bank overdraft	15	10,879,800	-
Trade and other payables	16	32,295,348	26,740,345
Cost accrual	17	16,856,321	13,860,283
Provision and other liabilities	18	67,890,571	31,739,979
Provision for income tax	19	2,699,699	8,894,396
		130,621,739	81,235,003
<b>Total equity and liabilities</b>		<b>748,942,690</b>	<b>726,471,684</b>

Annexed notes form an integral part of these financial statements



Director

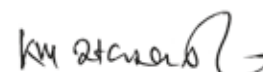


General Manager



Chairman

Signed in terms of our report of even date annexed.



K.M. HASAN & CO.  
Chartered Accountants

Place: Dhaka, Bangladesh.  
Dated: 20 September 2018

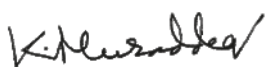


# Renata Agro Industries Limited

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Amount in Taka	
		2017-2018	2016-2017
Revenue	20	384,600,260	560,279,436
Cost of sales	21	(372,766,897)	(365,026,418)
<b>GROSS PROFIT</b>		<b>11,833,363</b>	<b>195,253,018</b>
Administrative expenses	22	(18,930,811)	(16,469,202)
Marketing expenses	23	(12,323,818)	(13,211,764)
Distribution expenses	24	(17,441,571)	(15,841,117)
		(48,696,200)	(45,522,083)
<b>OPERATING PROFIT/(LOSS)</b>		<b>(36,862,837)</b>	<b>149,730,935</b>
Finance income	25	5,157,215	8,402,908
Finance expenses	26	(2,486,706)	(2,057,116)
		2,670,509	6,345,792
<b>Profit before contribution to BPPF</b>		<b>(34,192,328)</b>	<b>156,076,727</b>
Contribution to BPPF		-	(7,432,225)
<b>Profit/(loss) before income tax</b>		<b>(34,192,328)</b>	<b>148,644,502</b>
Provision for tax:			
Deferred tax	13	1,664,339	5,644,291
Current tax	19	(663,870)	(14,864,450)
		1,000,469	(9,220,159)
<b>Net profit after income tax</b>		<b>(33,191,859)</b>	<b>139,424,343</b>
<b>Other comprehensive income</b>			
Unrealized gain/(loss) on marketable securities net off tax		3,296,353	4,853,687
<b>Total comprehensive income</b>		<b>(29,895,506)</b>	<b>144,278,030</b>
<b>Basic Earnings Per Share (EPS)</b>	27	<b>(79.03)</b>	<b>331.96</b>

Annexed notes form an integral part of these financial statements



Director



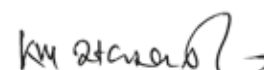
General Manager



Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh.  
Dated: 20 September 2018



K.M. HASAN & CO.  
Chartered Accountants

# Renata Agro Industries Limited


## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018


Amount in Taka

Particulars	Share Capital	Tax Holiday reserve	Reserve for unrealised gain-share	Retained Earnings	Total Equity
Balance as at 01 July 2017	42,000,000	46,643,337	28,227,478	518,022,859	634,893,674
Net Profit for the year ended 30 June 2018	-	-	-	(33,191,859)	(33,191,859)
Unrealized gain during the year	-	-	3,296,353	-	3,296,353
<b>BALANCE AS AT 30 JUNE 2018</b>	<b>42,000,000</b>	<b>46,643,337</b>	<b>31,523,831</b>	<b>484,831,000</b>	<b>604,998,168</b>

### For the year ended 30 June 2017

Particulars	Share Capital	Tax Holiday reserve	Reserve for unrealised gain-share	Retained Earnings	Total Equity
Balance as at 01 July 2016	42,000,000	46,643,337	23,373,791	378,598,516	490,615,644
Net Profit for the year ended 30 June 2017	-	-	-	139,424,343	139,424,343
Unrealized gain during the year	-	-	4,853,687	-	4,853,687
<b>BALANCE AS AT 30 JUNE 2017</b>	<b>42,000,000</b>	<b>46,643,337</b>	<b>28,227,478</b>	<b>518,022,859</b>	<b>634,893,674</b>

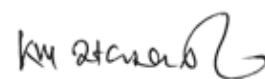
  
Director

  
General Manager

  
Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh.  
Dated: 20 September 2018

  
K.M. HASAN & CO.  
Chartered Accountants

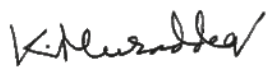
# Renata Agro Industries Limited


## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2018

	Amount in Taka	
	2017-2018	2016-2017
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Collection from customers and others	377,760,483	574,563,426
Payment to suppliers and employees	(327,429,102)	(338,030,801)
Cash paid for operating expenses and others	(9,692,185)	(72,623,178)
Cash generated from operation	40,639,196	163,909,447
Income tax paid	(6,858,567)	(22,584,587)
Financial expenses	(2,486,706)	(2,057,116)
<b>Net cash provided from operating activities</b>	<b>31,293,923</b>	<b>139,267,744</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(41,326,609)	(62,078,730)
Proceed from sale of property, plant and equipments	-	6,065,958
Capital work- in- progress	(21,914,877)	-
Investment in FDR	-	(80,000,000)
Investment	-	13,100,000
Invest income	5,157,215	8,402,908
<b>Net cash used in investing activities</b>	<b>(58,084,271)</b>	<b>(114,509,864)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank overdraft (paid)/received	10,879,800	(10,694,969)
<b>Net cash (used in)/inflows from financing activities</b>	<b>10,879,800</b>	<b>(10,694,969)</b>
Net cash and cash equivalents inflows/(outflows) for the year (A+B+C)	(15,910,550)	14,062,911
Add: Opening cash and cash equivalents	24,024,523	9,961,612
<b>Closing cash and cash equivalents</b>	<b>8,113,974</b>	<b>24,024,523</b>

Annexed notes form an integral part of these financial statements

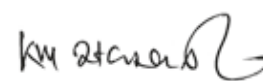
  
Director

  
General Manager

  
Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh.  
Dated: 20 September 2018

  
K.M. HASAN & CO.  
Chartered Accountants

# Renata Agro Industries Limited

## NOTES TO THE FINANCIAL STATEMENTS

### AS AT AND FOR THE YEAR ENDED 30 JUNE 2018

#### 1. STRUCTURE OF THE COMPANY

**1.1 Renata Agro Industries Limited** is a private company limited by shares incorporated on 07 September 1997 in Bangladesh under the Companies Act, 1994. The shares of the company shall be under the control of the Directors of the company.

#### 1.2 Registered Office and Principal Place of Business

The registered office of the Company is situated at Plot No. 01, Section - 07, Milk Vita Road, Mirpur, Dhaka-1216. The farm is located at Barakashar, Bhaluka, Mymensingh.

#### 2. NATURE OF BUSINESS ACTIVITIES

The principal activities of the company are to carry out business for production and sale of various agro based products and poultry breeding & hatching and sale of poultry products. The company commenced its commercial operation from October 1998.

#### 3. PRINCIPAL ACCOUNTING POLICIES

##### 3.1 Basis of Accounting

The financial statements have been prepared under historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

##### 3.2 Compliance with Local Laws

The financial statements have been prepared in compliance with the Companies Act, 1994 and other relevant local laws and rules.

##### 3.3 Component of the Financial Statements

According to the International Accounting Standards "IAS-1", "Presentation of Financial Statements" to complete set of Financial Statements include the following components:

- (a) Statement of Financial Position as at 30 June 2018.
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2018.
- (c) Statement of Changes in Equity for the year ended 30 June 2018.
- (d) Statement of Cash Flows for the year ended 30 June 2018.
- (e) Notes to the Financial Statements as at and for the year ended 30 June 2018.

##### 3.4 Risk and uncertainties for use of estimates in preparation of Financial Statements

The preparation of financial statements in conformity with the International Accounting Standards (IASs) require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and revenues and expenses during the year. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as provision for doubtful accounts, depreciation, taxes, reserves and contingencies.

### 3.5 Transactions with related parties

The Company has carried out following transactions with related parties in the normal course of business.

Name of related party	Relationship	Nature	Balance as at 01 July 2017		Addition during the year		Balance as at 30 June 2018	
			Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Renata Limited	Subsidiary of parent	Sale	2,647,537	-	37,054,046	37,042,883	2,658,700	-
Renata Limited	Parent	Purchase	-	8,763,730	24,508,700	21,334,130	-	11,938,300
Renata Limited	Parent	Advance from Renata	-	1,755,934	21,415,843	22,567,348	-	604,429

### 3.6 Reporting Period

Financial statements of the Company cover the year from 01 July 2017 to 30 June 2018.

### 3.7 Property, Plant & Equipment

Property, Plant and Equipments are stated at cost less accumulated depreciation in accordance with IAS 16 "Property, Plant and Equipment." Cost represents cost of acquisition.

No depreciation is charged on land and land development. Depreciation on all other fixed assets is charged on straight line method in amount sufficient to write off depreciable assets over their estimated useful life. Depreciation is charged for the full year on assets acquisitioned during the year. The rates of depreciation are indicated in **Note-5**.

Depreciation has been allocated on farm overhead expenses, vitamin-E eggs expenses, omega-03 project, administrative expenses, distribution expenses, hatchery expenses, feed expenses and laboratory expenses proportionately. The allocation of depreciation is indicated in **Note-5**.

### 3.8 Inventories

Inventories comprise of parent stock -broiler, parent stock- vitamin-E, parent stock- layer, feed stock, medicine, feed mill ingredient, litter, generator fuel, LP gas, layer eggs-03, omega-03 feed and vitamin-E eggs . All these are stated at cost and considered as realizable value. No due allowance for any obsolete or slow moving items have been accounted for.

### 3.9 Trade and other Receivables

Trade and other receivables have been considered good and collectible, and therefore, no amount was considered doubtful to provide for.

### 3.10 Cash and Cash Equivalents

According to IAS-7 " Statement of Cash Flows ", Cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of IAS-I & IAS-7, cash in hand and bank balance have been considered as cash and cash equivalents.

### 3.11 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flow from operating activities has been presented under direct method.

### 3.12 Trade and other Payables

Liabilities are recognized for amounts to be paid in future for goods and services received, whether or not billed by the

suppliers and service provider.

### **3.13 Revenue from Sales**

Sales comprise the invoice value of goods supplied by the company and consists of local sales of products.

### **3.14 Revenue Recognition**

The revenues are recognized under satisfying all the conditions for revenue recognition as provided in International Financial Reporting Standards (IFRS-15) "Revenue from Contracts with Customers".

- (i) Sales are recognized at the time of delivery of products from the farm whether billed or not.
- (ii) Other sales are recognized at the time of delivery from the farm.

### **3.15 Earnings Per Share (EPS)**

The company calculates Earnings Per Share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of Income Statement and the computation of EPS is stated in Note -27.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

### **3.16 Current tax**

Current tax expense has been made on the basis of the Finance Act, 2018 and the Income Tax Ordinance, 1984.

### **3.17 Deferred tax**

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the carrying amounts of assets and liabilities and its tax base amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal liability / recoverability to and from the income tax authority. Deferred tax also arises due to revaluation of property, plant and equipment. The resulting impact of deferred tax assets / liabilities on revaluation surplus is included in the statement of changes in equity.

### **3.18 Defined contribution plan**

The Company operates a recognized provident fund scheme where employees contribute 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees.

### **3.19 Investment in shares**

Quoted shares are classified as available for sale financial assets and recognized initially at cost. After initial recognition, investments are measured at fair value and any changes in the fair value are recognized in the statement of profit or loss and other comprehensive income under the component of other comprehensive income for the period in which it arises.

## **4. GENERAL**

### **4.1 Going concern**

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing these financial statements.

### **4.2 Figures have been rounded off to the nearest Taka.**

### **4.3 Previous year's figures have been re-arranged / re-grouped and / or re-stated where necessary to conform to the current**

## 5. PROPERTY, PLANT AND EQUIPMENTS

Amount in Taka

Particulars	COST				Rate (%)	DEPRECIATION				Written Down Value as on 30.06.18
	Balance as on 01.07.17	Addition during the year	Adjustment/ Disposal during the year	Balance as at 30.06.18		Balance as at 01.07.17	Charged during the year	Adjustment/ Disposal during the year	Balance as at 30.06.18	
Freehold land and land development	116,681,845	3,110,850	-	119,792,695	-	-	-	-	-	119,792,695
Building on freehold land	273,589,396	18,941,790	-	292,531,186	5.0%	102,810,998	14,624,111	-	117,435,109	175,096,077
Semi pucca building on freehold land	1,741,817	-	-	1,741,817	12.5%	1,741,817	-	-	1,741,817	-
Plant and machinery	229,551,468	17,403,159	-	246,954,627	5.0%	112,038,694	12,347,732	-	124,386,426	122,568,201
Office equipments	10,969,206	1,870,810	-	12,840,016	12.5%	7,372,098	1,425,024	-	8,797,122	4,042,894
Automobiles and trucks	42,616,123	-	-	42,616,123	25.0%	19,608,180	7,360,863	-	26,969,043	15,647,080
Furniture and fixture	3,081,935	-	-	3,081,935	10.0%	2,004,418	308,193	-	2,312,611	769,324
<b>Balance as at 30 June 2018</b>	<b>678,231,790</b>	<b>41,326,609</b>	<b>-</b>	<b>719,558,399</b>		<b>245,576,205</b>	<b>36,065,923</b>	<b>-</b>	<b>281,642,128</b>	<b>437,916,271</b>
<b>Balance as at 30 June 2017</b>	<b>607,716,570</b>	<b>76,581,178</b>	<b>6,065,958</b>	<b>678,231,790</b>		<b>220,547,994</b>	<b>30,055,957</b>	<b>5,027,746</b>	<b>245,576,205</b>	<b>432,655,585</b>

Amount in Taka

### Allocation of depreciation

30 June 2018

30 June 2017

Farm overhead	24,920,629	21,305,710
Vitamin - E eggs expenses	667,944	407,791
Omega-03 Project	1,675,229	1,033,137
Administrative expenses	3,348,511	2,048,737
Distribution expenses	1,023,125	1,103,737
Hatchery expenses	2,873,558	2,862,746
Feed mill	564,224	550,574
Marketing expenses	801,180	427,296
Laboratory expenses	191,523	316,229
	<b>36,065,923</b>	<b>30,055,957</b>

Amount in Taka

## 6. CAPITAL WORK- IN-PROGRESS

30 June 2018

30 June 2017

Opening balance	422,679	14,925,127
Addition during the year	60,130,636	53,927,527
	60,553,315	68,852,654
Capitalized as property, plant and equipments	(38,215,759)	(68,429,975)
<b>Closing balance</b>	<b>22,337,556</b>	<b>422,679</b>

## 7. INVESTMENTS

Investment in share (Note-7.1)	53,433,094	49,770,479
Investment in govt. savings certificates (Note-7.2)	650,000	650,000
Investment in govt. bond ( 5 Years) (Note-7.3)	10,572,360	11,144,720
Investment in FDR	80,000,000	80,000,000
	<b>144,655,454</b>	<b>141,565,199</b>

### 7.1 Investment in share

The following amounts are invested in listed companies for maintaining equivalent amount of Tax holiday reserve @ 10% being exempted on net profit of Renata Agro Industries Limited.

Name of company	Number of share	Cost price of share	Book Value	30 June 2018	30 June 2017
				Fair Value of Share	Fair Value of Share
United Finance Ltd.	38,452	578,923	16.9	649,839	783,689
Bata Shoe Ltd.	2,000	264,501	1,137.2	2,274,400	2,262,600
Square Pharma Ltd.	168,900	13,896,710	293.1	49,504,590	45,579,642
UCBL	18,938	2,600,218	17.6	333,309	409,061
ICB	4,420	1,066,263	151.8	670,956	735,487
	<b>232,710</b>	<b>18,406,615</b>		<b>53,433,094</b>	<b>49,770,479</b>



## 7.2 Investment in Govt. savings certificates ( 5 Years )

<u>Name of Certificate</u>	<u>Certificate No</u>	<u>Maturity Date</u>	<u>30 June 2018</u>	<u>30 June 2017</u>
<b>Purchase Date: 27.06.2011</b>				
BSP 163/11	0757543	27/6/2016	-	100,000
BSP 163/11	0059444	27/6/2016	-	500,000
BSP 163/11	0059445	27/6/2016	-	500,000
BSP 163/11	0059446	27/6/2016	-	500,000
BSP 163/11	0059447	27/6/2016	-	500,000
BSP 163/11	0047938	27/6/2016	-	1,000,000
BSP 163/11	0047939	27/6/2016	-	1,000,000
BSP 163/11	0047940	27/6/2016	-	1,000,000
BSP 163/11	0047941	27/6/2016	-	1,000,000
BSP 163/11	0047942	27/6/2016	-	1,000,000
BSP 163/11	0047943	27/6/2016	-	1,000,000
BSP 163/11	0047944	27/6/2016	-	1,000,000
BSP 163/11	0047945	27/6/2016	-	1,000,000
BSP 163/11	0047946	27/6/2016	-	1,000,000
BSP 163/11	0047947	27/6/2016	-	1,000,000
BSP 163/11	0047948	27/6/2016	-	1,000,000
<b>Purchase Date: 10.08.2014</b>				
BSP 2014/0714	0085345	09/08/2019	500,000	500,000
BSP 2014/0714	0857627	09/08/2019	100,000	100,000
BSP 2014/0714	1434173	09/08/2019	50,000	50,000
			650,000	13,750,000
Encashed during this year			-	(13,100,000)
			650,000	650,000

## 7.3 Investment in Govt. bond ( 5 Years)

Purchase Date: 28.06.2016		
BD0920011055 (Maturity date: 16.07.2020)	11,144,720	11,144,720
Amortization on Gov't Bond	(572,360)	-
	<b>10,572,360</b>	<b>11,144,720</b>

## 8. INVENTORIES

Parent stock- broiler	57,696,997	55,886,240
Parent stock- vitamin E	3,295,228	3,772,418
Parent stock- layer	8,745,613	9,025,869
Material stock- feed	921,877	197,755
Material stock- medicine	4,909,318	6,494,877
Feed mill Ingredient	6,390,711	9,435,516
Litter	351,050	579,184
Generator fuel and LP gas	149,004	579,396
Layer eggs-03	1,014,840	692,220
Omega-03 feed	80,788	43,430
Vitamin-E feed	177,692	182,908
Vitamin-E eggs	500,152	511,976
Cattle feed	24,010	-
	<b>84,257,280</b>	<b>87,401,789</b>

## 9. TRADE AND OTHER RECEIVABLES

Trade receivables (Note- 9.1)	11,226,042	11,721,867
Other receivables (Note - 9.2)	15,780,128	8,444,526
	<b>27,006,170</b>	<b>20,166,393</b>

### 9.1 Aging of trade receivables

Receivables due below six months	7,858,229	7,033,120
Receivables due over six months	3,367,813	4,688,747
	<b>11,226,042</b>	<b>11,721,867</b>

### 9.2 Other receivables

Vitamin-E eggs	824,608	765,397
Omega-03 eggs	2,341,092	1,822,756
Hatching eggs	4,576,452	238,232
Commercial feed	2,274,506	2,844,506
Loan to employee	5,763,470	2,773,635
	<b>15,780,128</b>	<b>8,444,526</b>

Amount in Taka

## 10. ADVANCES, DEPOSITS AND PREPAYMENTS

	30 June 2018	30 June 2017
Advances (Note-10.1)	8,246,730	4,651,549
Prepayments (Note-10.2)	2,470,088	1,644,800
Advance income tax (Note-10.3)	13,939,167	13,939,167
	<u>24,655,985</u>	<u>20,235,516</u>

### 10.1 Advances

Advance to employees	500,054	535,453
General	7,420,602	2,198,384
Farm land rental	-	145,912
Advance for commercial feed factory rent	102,594	454,800
Advance for staff compensation	-	225,000
Advance for calendar	220,280	-
Advance for agent seminar	3,200	1,092,000
	<u>8,246,730</u>	<u>4,651,549</u>

### 10.2 Prepayments

Insurance premium	<u>2,470,088</u>	<u>1,644,800</u>
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### 10.3 Advance income tax

Opening balance	13,939,167	9,939,167
Addition during the year	6,858,567	22,584,587
	<u>20,797,734</u>	<u>32,523,754</u>
Adjustment during the year	(6,858,567)	(18,584,587)
Closing balance	<u>13,939,167</u>	<u>13,939,167</u>

## 11. CASH AND CASH EQUIVALENTS

### Cash in hand

At farm office	2,942,891	2,430,329
At head office	181,196	573,565
	<u>3,124,087</u>	<u>3,003,894</u>

### Balance with Banks:

Pubali Bank Ltd. (A/c- 2844901021428)	1,632,164	3,672,929
Janata Bank Ltd. (A/c- 0197001032897)	142,567	625,175
Islami Bank Bangladesh Ltd. (A/c- 20502740100089118)	1,302,615	1,810,581
Dutch Bangla Bank Ltd. (A/c- 1641100011197)	998,043	671,426
Eastern Bank Limited. (A/c- 010132050000405)	-	13,054,332
Agrani Bank Ltd. (A/c- 0200008969017)	914,498	1,186,186
	<u>4,989,887</u>	<u>21,020,629</u>
	<u>8,113,974</u>	<u>24,024,523</u>

## 12. SHARE CAPITAL

### Authorized Capital

1,500,000 ordinary shares of Tk. 100 each

### Issued and Paid-up Capital

420,000 ordinary shares of Tk. 100 each

150,000,000      150,000,000

42,000,000      42,000,000

At 30 June 2018, shareholdings position of the company are as follows

### Shareholders

### Share Holdings (%)

Renata Limited	99.99	41,994,900	41,994,900
Mr. Syed S. Kaiser Kabir	0.01	5,100	5,100
	<u>100</u>	<u>42,000,000</u>	<u>42,000,000</u>

**Amount in Taka**

**30 June 2018**

**30 June 2017**

**13. DEFERRED TAX LIABILITY**

Opening balance	9,564,438	12,072,342
Other comprehensive income -10% tax on unrealized gain on share	366,261	3,136,387
Charge to the profit or loss account	(1,664,339)	(5,644,291)
Closing balance	<u>8,266,360</u>	<u>9,564,438</u>

**14. PROVISION FOR GRATUITY**

Opening balance	778,569	19,728,569
Addition during the year	<u>6,450,000</u>	<u>5,550,000</u>
	7,228,569	25,278,569
Payment during the year	(2,172,146)	(24,500,000)
Closing balance	<u>5,056,423</u>	<u>778,569</u>

**15. BANK OVERDRAFT**

Eastern Bank Ltd. Cash Credit (A/C NO: 00405)-Limit 3 Crore	<u>10,879,800</u>	<u>-</u>
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**16. TRADE AND OTHER PAYABLES**

ACE Pharmaceuticals	33,000	192,100
ACI Limited	225,000	186,500
A R Animal Health Ltd.	515,000	514,500
Al-Modena Enterprise	258,400	-
Agro Tech	-	143,760
Arif Traders	186,500	-
Advance Animal Science Ltd.	510	279,065
Akata Packaging	322,000	-
Advance Bio-products Ltd.	-	87,000
Bengal Overseas Ltd.	2,092,660	608,399
Bngladesh Lamps limited	66,000	-
Bhai Bhai Enterprise	3,933,410	4,397,585
Bio Labs	137,400	64,500
Chowdhury Enterprise	-	1,218,000
Delwar Paint and Hardware	34,345	21,868
EMS Enterprise	390,000	-
Expart Power	270,000	-
Energypac Electronic Ltd.	-	14,025
FTDC Trade and Consultation	-	60,000
Glory Computers	1,200	-
Grameen Distribution Ltd.	17,000	17,855
Green Line Enterprise	62,000	260,560
Hazi Abdul Karim	2,252,620	704,150
Haque and Sons Enterprise	718,809	2,338,760
Islam Enterprise	135,000	-
Imperic International Ltd.	-	61,000
Image Industries	758,000	-
Ismail Enterprise	600,000	-
Jamuna Edible Oil Industries Ltd.	477,300	-
K.M. Hasan and Co.	60,000	60,000
Lira UPVC Pipe and Fittings	35,604	-
Mouha Mega Power and Traders	56,100	-
M.S Trading	3,472,500	-

Amount in Taka		
30 June 2018	30 June 2017	
M A Haque Enterprise	-	1,192,943
M/S Pramanic Auto Rice Mills	-	185,760
Nasco Agro Products	-	319,000
Nutec Agro BD. Ltd.	-	38,750
Power Stream	-	174,140
Pharma Care	-	255,000
Renata Limited (Medicine)	11,938,300	8,763,730
Razzak and Brothers	-	320,450
Resun Steel Corporation	-	307,600
Sonali Flowers Ltd.	1,207,600	-
Star Feed	-	4,200
Shahin Kasto Bitan	-	527,932
Saidul Store	-	138,850
Sajedul Islam Poultry Services	-	180,240
Shyamal Bangla Agro Pharma	-	155,000
Safe Life Animal Health Com. Ltd.	280,000	255,000
Taj Ready Feeds	501,690	-
The Print Media	-	13,800
Tanvir Enterprise	-	43,462
Univet Limited	-	130,000
Unic Corporation	-	1,681,025
Unique Cement Industries Ltd.	280,000	-
Univet Ltd.	153,000	-
X-Link Packaging	269,500	472,200
Zuellig Pharma	554,900	351,636
<b>32,295,348</b>	<b>26,740,345</b>	
<b>17. COST ACCRUAL</b>		
Leave encashment & bonus	16,856,321	13,860,283
	<b>16,856,321</b>	<b>13,860,283</b>
<b>18. PROVISION AND OTHER LIABILITIES</b>		
Provision (Note:18.1)	5,634,826	4,573,819
Other liabilities (Note:18.2)	62,255,745	27,166,160
	<b>67,890,571</b>	<b>31,739,979</b>
<b>18.1 Provision</b>		
Chicks carrying cost	4,303,257	3,242,250
Commercial feed carrying cost	1,331,569	1,331,569
	<b>5,634,826</b>	<b>4,573,819</b>
<b>18.2 Other liabilities</b>		
Renata limited (Land)	-	1,755,934
Advance from renata	604,429	-
Payable others	2,300,000	-
Payables to employees (Note-18.2.1)	12,581,786	17,151,189
Agent security deposit (Note-18.2.2)	10,245,870	7,499,837
Employee tax payable	127,300	1,500
Employee providend fund (Note-18.2.3)	36,322,536	645,206
Annual bonus payable (Note- 18.2.4)	73,824	112,494
	<b>62,255,745</b>	<b>27,166,160</b>
<b>18.2.1 Payables to employees</b>		
Beneficiary's profit participation fund (Note-18.2.1.1)	7,216,746	13,029,873
Beneficiary's welfare fund (Note-18.2.1.2)	5,365,040	4,121,316
	<b>12,581,786</b>	<b>17,151,189</b>

		Amount in Taka	
		30 June 2018	30 June 2017
<b>18.2.1.1 Beneficiary's Profit Participation Fund (BPPF)</b>			
Opening balance		13,029,873	11,684,646
Addition during the year		-	7,432,226
		13,029,873	19,116,872
Transfer to BWF		(1,486,445)	-
Payment during the year		(4,326,682)	(6,086,999)
Closing balance		<b>7,216,746</b>	<b>13,029,873</b>
<b>18.2.1.2 Beneficiary's Welfare Fund (BWF)</b>			
Opening balance		4,121,316	4,706,909
Addition during the year		1,486,445	-
		5,607,761	4,706,909
Payment during the year		(242,721)	(585,593)
Closing balance		<b>5,365,040</b>	<b>4,121,316</b>
<b>18.2.2 Agent security deposit</b>			
Opening balance		7,499,837	7,377,421
Deposit during the year		3,716,000	1,156,500
		11,215,837	8,533,921
Refund to the agent		(969,967)	(1,034,084)
Closing balance		<b>10,245,870</b>	<b>7,499,837</b>
<b>18.2.3 Employee providend fund</b>			
Opening balance		645,206	-
Addition during the year		35,287,330	27,970,899
		<b>35,932,536</b>	<b>27,970,899</b>
Adjustment/Payment during the year		390,000	(27,325,693)
		<b>36,322,536</b>	<b>645,206</b>
<b>18.2.4 Annual bonus payable</b>			
Opening balance		112,494	-
Addition during the year		7,922,106	6,806,128
		<b>8,034,600</b>	<b>6,806,128</b>
Payment during the year		(7,960,776)	(6,693,634)
		<b>73,824</b>	<b>112,494</b>
<b>19. PROVISION FOR INCOME TAX</b>			
Opening balance		8,894,396	12,614,532
Addition during the year		663,870	14,864,450
		<b>9,558,266</b>	<b>27,478,983</b>
Payment during the year		(6,858,567)	(18,584,587)
Closing balance		<b>2,699,699</b>	<b>8,894,396</b>

		Amount in Taka	
		2017-2018	2016-2017
<b>20. REVENUE</b>			
Broiler		271,323,139	399,418,555
Eggs		1,866,946	2,161,272
Cull birds/ reject bird		29,719,202	56,220,537
Commercial feed		-	19,692,615
Hatching eggs		22,280,020	25,391,780
Commercial broiler		453,670	444,123
Omega-03		36,011,535	33,455,656
Cattle		100,485	98,105
Vitamin-E eggs		17,264,962	13,938,396
Reject bird omega-3 eggs		1,827,017	4,059,134
Reject bird vitamin-E eggs		1,510,313	1,842,946
Others		2,242,971	3,556,317
		<b>384,600,260</b>	<b>560,279,436</b>
<b>21. COST OF SALES</b>			
Cattle feed		531,191	481,218
Feeds and litter		86,654,755	75,139,857
Loss of dead birds		7,682,204	6,655,067
Loss on sale of birds		21,687,735	29,563,835
Farm overhead (Note-21.1)		114,740,613	109,761,245
Omega - 03 project (Note-21.2)		29,051,383	22,900,341
Vitamin-E eggs expenses		15,777,335	11,238,693
Commercial broiler expenses		446,834	433,977
Commercial feed expenses		-	19,954,855
Hatchery expenses		19,055,027	14,918,470
Laboratory expenses		2,617,873	2,515,375
Feeds and feed mill expenses		10,919,436	9,554,032
Medicine and vaccine		16,019,201	17,475,783
Amortization value of birds		47,575,490	44,433,670
Fish project		7,820	-
		<b>372,766,897</b>	<b>365,026,418</b>
<b>21.1 Farm overhead</b>			
Salaries and wages		47,017,410	42,069,543
Telephone bill expenses		185,114	182,991
Guest entertainment		44,423	44,916
Repairs and maintenance		9,054,474	12,443,202
Fuel charges		1,170,311	1,230,937
Medical expenses		277,728	270,835
Donation and subscription		363,153	458,699
Gardening		348,062	1,059,864
Uniform expenses		584,951	408,549
Power (generator fuel)		6,259,700	15,841,730
Electricity consumption		9,292,680	-
Staff lunch and snacks		29,378	61,685
Canteen expenses		5,592,136	4,686,277
Conveyance		191,964	149,238
Carrying expenses		147,773	89,949
Insurance premium		1,811,093	1,245,389

	Amount in Taka	
	2017-2018	2016-2017
Poultry equipment's	636,295	492,183
Laboratory testing expense	73,397	380
Stationery expenses	794,083	983,972
Land revenue tax (farm)	286,740	212,790
Advertisement expenses	2,660	2,550
Union parishad tax	-	40,000
Travelling expenses	15,900	262,866
Rental for farm	257,624	901,637
Sports and games	17,870	21,080
License fees	415,920	110,665
Consultant's fees	115,000	-
Carrying cost	4,264,000	4,130,000
Depreciation	24,920,629	21,305,710
Miscellaneous	570,145	1,053,608
	<b>114,740,613</b>	<b>109,761,245</b>

## 21.2 Omega-03 Project

Salaries and overhead expenses	2,305,354	1,654,678
Fuel expenses	140,579	20,597
Feeds expenses	15,242,297	11,155,475
Litter expenses	115,244	213,409
Eggs box	534,099	388,238
Carriages	-	41,230
Canteen expense	1,995	460
Eggs carrying expense	-	349,915
Conveyance	-	50
Stationery expenses	250,030	115,576
Telephone expense	5,400	3,600
Uniform expenses	12,493	8,239
Repairs and maintenance	8,030	102,376
Layer medicine and vaccine	-	19,500
Layer electricity and fuel	1,318,977	979,212
Loss of dead birds	209,586	181,472
Loss on sale of birds	2,744,687	4,104,738
Amortization value of birds	4,384,458	2,423,254
Lunch and snacks	2,625	3,995
Depreciation	1,675,229	1,033,137
Medical expenses	-	1,190
Miscellaneous	100,300	100,000
	<b>29,051,383</b>	<b>22,900,341</b>

## 22. ADMINISTRATIVE EXPENSES

Salaries and allowance	12,362,913	11,085,513
Repair and maintenance	316,003	264,320
Fuel expenses	579,325	565,834
Stationery expenses	158,920	231,776
Mobile set purchase	22,500	-



Amount in Taka

**2017-2018**      **2016-2017**

Audit fees	81,500	115,000
Telephone bill	134,778	109,976
Uniform expenses	13,680	9,400
Conveyance	170,344	133,615
Games and sports	900	6,020
Donation and subscription	99,800	567,600
Canteen expenses	295,649	311,708
Medical expenses	39,341	99,690
License renewal fees	57,200	85,475
Crockery	-	8,574
Cleaning expense	8,365	10,315
Insurance premium	32,550	26,400
Consultancy expenses	15,750	35,150
Internet / e-mail service	23,671	25,684
Legal fees	78,023	181,006
Vehicle insurance, fitness and road tax	285,713	219,949
Labour bill	-	500
Training expenses	56,000	-
Travelling expenses	400	91,000
Gardening	5,000	-
Amortization on Gov't Bond	572,360	-
Depreciation	3,348,511	2,048,737
Miscellaneous	171,615	235,960
	<b>18,930,811</b>	<b>16,469,202</b>

**23. MARKETING EXPENSES**

	7,706,027	6,775,770
Salaries and allowance	28,018	31,452
Entertainment	23,235	161,665
Canteen expenses	249,498	233,571
Telephone bill expenses	32,075	33,916
Stationery expenses	29,600	12,177
Carriage and conveyance	1,728,722	2,751,775
Traveling expenses	49,185	52,100
Repair and maintenance	141,859	155,583
Fuel expenses	76,879	225
Insurance, road tax and fitness	1,315,575	2,305,596
Business promotional expense	-	2,300
Training expenses	-	3,890
Lunch and snacks	-	560
Courier expenses	-	143,767
Advertisement expenses	51,675	2,844
Medical expense	40,000	-
Subscription	801,180	427,296
Depreciation	50,290	117,277
Miscellaneous expenses	<b>12,323,818</b>	<b>13,211,764</b>

**24. DISTRIBUTION EXPENSES**

	4,139,815	3,731,911
Salary and allowance	6,228	5,880
Medical expenses	273,950	239,510
Canteen expenses		

Amount in Taka
----------------

2017-2018	2016-2017
-----------	-----------

Carriage and conveyance	56,695	58,390
Chicks box	5,498,875	4,892,500
Telephone bill	55,900	49,022
Repair and maintenance	1,346,875	1,176,519
Fuel and lubricant	3,088,172	2,888,981
House rent for chicks	81,400	94,200
Stationery expenses	59,105	25,247
Traveling expenses	58,697	15,000
Chicks carrying expenses	1,035,878	940,692
Uniform for staff	4,600	14,523
Courier expenses	1,265	2,450
Vehicle insurance, fitness and road tax	451,351	345,640
Lunch and snacks	-	570
Subscription	19,000	-
Depreciation	1,023,125	1,103,737
Miscellaneous	240,640	256,345
	<b>17,441,571</b>	<b>15,841,117</b>

## 25. FINANCE INCOME

Interest on savings certificate	-	337,800
Interest- company loan to employees	-	144,542
Interest- Renata subordinate loan	-	986,667
Interest- FDR	3,748,800	1,260,000
Other income (Note-25.1)	1,408,415	5,673,899
	<b>5,157,215</b>	<b>8,402,908</b>

### 25.1 Other Income

Sale of Used Vehicle	-	4,260,000
Coupon Interest	860,000	860,000
Income from Dividend	548,415	553,899
	<b>1,408,415</b>	<b>5,673,899</b>

## 26. FINANCE EXPENSES

Bank charges	123,262	94,973
Interest on overdraft (EBL)	53,286	38,296
Interest on employees provident fund	2,310,158	1,923,847
	<b>2,486,706</b>	<b>2,057,116</b>

## 27. BASIC EARNINGS PER SHARE (EPS)

Profit/(loss) attributable to ordinary shareholders	(33,191,859)	139,424,343
Weighted average number of ordinary shareholders	420,000	420,000
	<b>(79.03)</b>	<b>331.96</b>

## 28. PAYMENTS TO DIRECTORS AND OFFICERS

Amount in Taka

The aggregate amount paid during the year to officers of the company are disclosed below:

	2017-2018	2016-2017
Basic	15,114,861	13,779,600
House rent	6,780,669	6,094,692
Bonus	3,750,849	20,669,400
Contribution to provident Fund	1,341,502	1,377,960
Gratuity	6,210,000	5,400,000
Medical expenses	328,000	306,000
Conveyance allowance and transport	707,000	696,000
	<b>34,232,881</b>	<b>48,323,652</b>

## 29 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994

### 29.1 Employee Position of the Renata Agro Industries Limited as per requirement of schedule XI, Part II, Para-3

The Company engaged 298 employees of which 225 is permanent employees and 73 is casual and temporary.

## 30 Payments / receipts in foreign currency

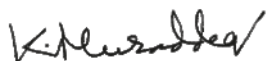
### 30.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:

	Foreign currency EURO	Foreign currency US\$	Local currency Taka
Machinery and spares	111,828	-	11,477,690
Machinery and spares	82,450	-	8,256,535
Day Old Chicks	-	76,800	6,412,800
Day Old Chicks	-	76,800	6,412,800
Day Old Chicks	34,395	-	3,416,330

## 31. EVENTS AFTER THE REPORTING PERIOD

**31.1** The Board of directors in its meeting held on 20 September 2018 approved these audited financial statements of the company for the year ended 30 June 2018 and authorized the same for issue.

**31.2** No material events occurred after the date of statement of audited financial position, non-disclosure of which could affect the ability of the users of these audited financial statements to make appropriate evaluation.



Director



General Manager

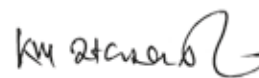


Chairman

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

Place: Dhaka

Dated: 20 September 2018



K.M. HASAN & CO.  
Chartered Accountants

# Purnava Limited

Auditors' Report and Financial Statements for the year ended June 30, 2018

## Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Monowarul Islam, Director
- Mr. Manzoor Hasan, Independent Director

**purnava**<sup>TM</sup>  
inspired by happiness

# Directors' Report

Purnava continues to market products that have unique selling propositions. It has taken considerable effort to create awareness and influence consumer behavior in order to position our products successfully. There are signs that we are making inroads into the market place. According to the survey company 4P, Purnava accounts for 50% of all prescriptions that are generated in the market for herbal products.

Our key products are Nutrilina, Ginera, GoodGut, PrimaVera, O3 Eggs, and Lactohil. In 2018, we launched two more exciting products, viz., SleepEzy (Valerian) and JeeBee (Ginkgo Biloba).

While Purnava continues to operate at a loss, much of this loss is due to low capacity utilization of the new herbal factory at Bhaluka. Next year, there shall be at least five more exciting products which shall hopefully improve capacity utilization and reduce present deficit.

On behalf of the Board of Directors.



Kaiser Kabir  
Chairman  
27 October, 2018

# AUDITOR'S REPORT TO THE SHAREHOLDERS OF PURNAVA LIMITED

We have audited the accompanying financial statements of **PURNAVA LIMITED** which comprise the statement of financial position as at June 30, 2018, 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 a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management of **PURNAVA LIMITED** is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS's) 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.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA's). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements, prepared in accordance with International Financial Reporting Standards (IFRS's), give a true and fair view of the financial position as at June 30, 2018 and its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

## We also report that:

- (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 account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) the Company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



K.M. HASAN & CO.  
Chartered Accountants

Place: Dhaka

Dated: 27 October, 2018

# Purnava Limited

## STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2018

ASSETS	Notes	June 30, 2018 Taka	June 30, 2017 Taka
<b>Non-current assets</b>			
Property, plant and equipment	4	1,849,010	2,227,368
Deferred tax assets	5	1,565,000	-
		3,414,010	2,227,368
<b>Current assets</b>			
Inventories	6	50,016,609	40,309,204
Trade receivables	7	32,876,117	31,189,616
Other receivables	8	4,541,508	4,597,561
Advance, deposits and prepayments	9	9,482,313	18,476,374
Cash and cash equivalents	10	16,987,895	8,333,855
		113,904,442	102,906,610
<b>Total assets</b>		<b>117,318,452</b>	<b>105,133,978</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	11	2,500,000	2,500,000
Retained earnings/(losses)		(127,693,566)	(78,147,698)
		(125,193,566)	(75,647,698)
<b>Current liabilities</b>			
Trade payables	12	-	4,365,853
Other payables	13	240,187,531	171,845,059
Bank overdraft	14	832,173	3,601,928
Provision for taxation	15	1,492,314	968,836
		242,512,018	180,781,676
<b>Total equity and liabilities</b>		<b>117,318,452</b>	<b>105,133,978</b>

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

  
Chairman

  
Director

  
Chief Financial Officer

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

Place: Dhaka  
Dated: 27 October, 2018

  
K. M. HASAN & CO.  
Chartered Accountants



# Purnava Limited

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

	Notes	2017-2018 Taka	2016-2017 Taka
<b>Turnover</b>		248,718,953	159,205,830
Cost of sales	16	(175,305,393)	(113,674,484)
<b>Gross profit</b>		<b>73,413,560</b>	<b>45,531,346</b>
Administrative, selling and distribution expenses	17	(122,714,643)	(104,569,412)
Other income	18	-	929,999
		(122,714,643)	(103,639,413)
<b>Operating profit</b>		<b>(49,301,083)</b>	<b>(58,108,067)</b>
Finance cost		(317,471)	(110,399)
<b>Profit / (Loss) before tax</b>		<b>(49,618,554)</b>	<b>(58,218,466)</b>
Income tax expenses:			
Current tax		(1,492,314)	(968,836)
Deferred tax (expenses) / income	5	1,565,000	-
		72,686	(968,836)
<b>Net Profit / (Loss) after tax</b>		<b>(49,545,868)</b>	<b>(59,187,302)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(49,545,868)</b>	<b>(59,187,302)</b>

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



Chairman



Director



Chief Financial Officer

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

Place: Dhaka  
Dated: 27 October, 2018

  
**K. M. HASAN & CO.**  
Chartered Accountants

# Purnava Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2018

Amount in Taka

PARTICULARS	Share capital	Retained Earnings/(Losses)	Total
Balance as at 01 July 2017	2,500,000	(78,147,698)	(75,647,698)
Net Profit /(Loss) for the year	-	(49,545,868)	(49,545,868)
<b>Balance as at 30 June 2018</b>	<b>2,500,000</b>	<b>(127,693,566)</b>	<b>(125,193,566)</b>

## FOR THE YEAR ENDED JUNE 30, 2017

PARTICULARS	Share capital	Retained Earnings/(Losses)	Total
Balance as at 01 July 2016	2,500,000	(18,960,396)	(16,460,396)
Net Profit /(Loss) for the year	-	(59,187,302)	(59,187,302)
<b>Balance as at 30 June 2017</b>	<b>2,500,000</b>	<b>(78,147,698)</b>	<b>(75,647,698)</b>

  
Chairman

  
Director

  
Chief Financial Officer

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

Place: Dhaka  
Dated: 27 October, 2018

  
**K. M. HASAN & CO.**  
Chartered Accountants

# Purnava Limited

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2018

	2017-2018 Taka	2016-2017 Taka
<b>A. Cash flows from operating activities:</b>		
Collection from customers and others	254,445,120	166,614,548
Payment to suppliers and employees	(302,054,163)	(189,598,004)
Payment of VAT	(8,093,424)	(6,810,498)
<b>Cash outflows from operation</b>	<b>(55,702,467)</b>	<b>(29,793,954)</b>
Finance cost	(317,471)	(110,399)
Payment of tax	(1,334,763)	(968,836)
<b>Net cash used in operating activities</b>	<b>(57,354,701)</b>	<b>(30,873,189)</b>
<b>B. Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(221,504)	(779,146)
Sale of property, plant and equipment	-	930,000
<b>Net cash provided from/(used in) investing activities</b>	<b>(221,504)</b>	<b>150,854</b>
<b>C. Cash flows from financing activities:</b>		
Short term loan	69,000,000	25,084,869
Bank overdraft	(2,769,755)	3,601,928
<b>Net cash provided from financing activities</b>	<b>66,230,245</b>	<b>28,686,797</b>
<b>D. Net increase/(decrease) in cash and cash equivalents for the year (A+B+C)</b>	<b>8,654,040</b>	<b>(2,035,538)</b>
<b>E. Opening cash and cash equivalents</b>	<b>8,333,855</b>	<b>10,369,393</b>
<b>F. Closing cash and cash equivalents (D+E)</b>	<b>16,987,895</b>	<b>8,333,855</b>



Chairman



Director



Chief Financial Officer

Place: Dhaka  
Dated: 27 October, 2018

# Purnava Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

### 1. REPORTING ENTITY

#### 1.1 Company profile

Purnava Limited is a private company limited by share incorporated in Bangladesh on 17 August 2004 under the Companies Act 1994.

#### 1.2 Registered office and principal place of business

The registered office of the company is situated at Plot No.01, Milk Vita Road, Section-07, Mirpur, Dhaka-1216.

#### 1.3 Principal activities

The principal activities of the company are to carry on the business of marketing and distribution of all kinds of consumer goods, consumer durables, food items, sugar confectioneries, edible oils, beverages etc. raw materials, semi-finished items, producers, goods and various other products of local or foreign origin and to engage in the business as traders, importers, exporters, commission agents of all kinds of goods and services including pharmaceutical drugs and medicines.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Reporting period

The financial year of the company covers one year from 01 July 2017 to 30 June 2018 consistently.

#### 2.2 Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with International Accounting Standards (IAS's) and International Financial Reporting Standards (IFRS's) and as per the requirements of the Companies Act 1994.

#### 2.3 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the management continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

#### 2.4 Regulatory compliance

The Company is required to comply with amongst others, the following laws and regulations:

The Companies Act 1994

The Income Tax Ordinance 1984

The Income Tax Rules 1984

The Value Added Tax (VAT) Act 1991

The Value Added Tax (VAT) Rules 1991

## 2.5 Component of the financial statements

According to the International Accounting Standards "IAS"-1, "Presentation of Financial Statements" a complete set of Financial Statements include the following components:

- a) Statement of Financial Position as at June 30, 2018.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2018.
- c) Statement of Changes in Equity for the year ended June 30, 2018.
- d) Statement of Cash Flows for the year ended June 30, 2018.
- e) Notes to the Financial Statements for the year ended June 30, 2018.

## 2.6 Property, plant and equipment and depreciation

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is charged on a straight line method over the estimated useful life of each property, plant and equipment. Details are as follows:

Asset Type	Depreciation Rate (%)	
	June 30, 2018	June 30, 2017
Vehicle	20	20
Furniture & fixture	10	10
Office equipment	10	10

## 2.7 Trade receivable

Trade receivable at the Statement of Financial Position date are stated at amounts which are considered realizable.

## 2.8. Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws prevailing at the balance sheet date and recognized in the Statement of Profit or Loss and Other Comprehensive Income as per IAS-12 "Income Taxes".

## 2.9 Inventories

Inventories are valued at lower of cost and estimated net realizable value. The cost of inventories is valued at weighted average cost method and includes expenditure for acquiring the inventories and bringing them to their existing location and condition.

## 2.10 Cash and cash equivalents

Cash and cash equivalents comprised cash in hand and cash at bank which were held and available for use of the company without any restriction.

## 2.11 Statement of cash flows

Statement of cash flows has been prepared in accordance with the of "IAS"-7, "Statement of Cash Flows " under the direct method.

## 2.12 Revenue

Revenue is recognized upon invoicing the customers for goods sold and delivered net of returns and allowances and trade discounts.

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

## 2.13 Current tax

The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date.

## 2.14 Transactions with related parties

The company has carried on transactions with related parties in the normal course of business.

## 3. GENERAL

1) All the figures in the financial statements represent bangladesh Taka currency (BDT) rounded off to the nearest integer.

2) The comparative information has been disclosed in respect of June 30, 2018 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current year's financial statements.

## 4. PROPERTY, PLANT AND EQUIPMENT

*Amount in Taka*

Particulars	COST				Rate %	DEPRECIATION				Written down value at June 30, 2018
	As at July 01, 2017	Additions during the year	Disposal/ Adjustment during the year	As at June 30, 2018		As at July 01, 2017	Charged during the year	Disposal/ Adjustment during the year	As at June 30, 2018	
Vehicles	5,774,510	-	-	5,774,510	20	4,337,938	488,087	-	4,826,025	948,485
Furniture and fixtures	35,528	-	-	35,528	10	26,825	3,553	-	30,378	5,150
Office equipments	1,061,211	221,504	-	1,282,715	10	279,118	108,222	-	387,340	895,375
<b>Balance as at June 30, 2018</b>	<b>6,871,249</b>	<b>221,504</b>	<b>-</b>	<b>7,092,753</b>		<b>4,643,881</b>	<b>599,862</b>	<b>-</b>	<b>5,243,743</b>	<b>1,849,010</b>
<b>Balance as at June 30, 2017</b>	<b>7,490,103</b>	<b>779,146</b>	<b>1,398,000</b>	<b>6,871,249</b>		<b>5,493,461</b>	<b>548,419</b>	<b>1,397,999</b>	<b>4,643,881</b>	<b>2,227,368</b>

	June 30, 2018 Taka	June 30, 2017 Taka
<b>5. DEFERRED TAX ASSETS</b>		
Opening balance	-	-
Charge to the profit or loss account	1,565,000	-
Closing balance	<b>1,565,000</b>	-
<b>6. INVENTORIES</b>		
Finished goods	40,007,396	32,409,390
Packing materials	9,999,311	7,899,814
Inventory in Transit	9,902	-
	<b>50,016,609</b>	<b>40,309,204</b>
<b>7. TRADE RECEIVABLES</b>		
Trade receivables- unsecured	36,301,627	34,227,773
Less: Allowance for doubtful receivables	(3,425,510)	(3,038,157)
	<b>32,876,117</b>	<b>31,189,616</b>
<b>Trade receivables disclosure as per Schedule-XI, Part-1, of The Companies Act, 1994</b>		
Receivables due under six months	18,024,459	13,902,873
Receivables due over six months	18,277,168	20,324,900
	<b>36,301,627</b>	<b>34,227,773</b>
<b>8. OTHER RECEIVABLES</b>		
Value added tax recoverable	<b>4,541,508</b>	<b>4,597,561</b>
<b>9. ADVANCE, DEPOSITS AND PREPAYMENTS</b>		
<b>Advances</b>		
Advance income tax (Note: 9.1)	1,334,763	991,886
Advances to employee (Note: 9.2)	50,000	229,250
Advance to suppliers	3,062,941	2,732,755
Advance VAT	430,362	171,342
	<b>4,878,066</b>	<b>4,125,233</b>
<b>Prepayments</b>		
Prepaid advertisement	4,604,247	14,351,141
	<b>9,482,313</b>	<b>18,476,374</b>
<b>9.1 Advance income tax</b>		
Opening balance	991,886	2,310,769
Add: Addition during the year	1,334,763	968,836
	<b>2,326,649</b>	<b>3,279,605</b>
Less: Adjustment during the year	991,886	2,287,719
Closing balance	<b>1,334,763</b>	<b>991,886</b>



			June 30, 2018 Taka	June 30, 2017 Taka
<b>9.2 Advance to employee</b>				
Opening balance			229,250	512,500
Add: Addition during the year			212,500	738,250
			441,750	1,250,750
Less: Adjustment during the year			391,750	1,021,500
Closing balance			<b>50,000</b>	<b>229,250</b>
<b>10. CASH AND CASH EQUIVALENTS</b>				
Cash in hand			50,000	50,000
Cash at bank :				
HSBC, gulshan branch,C/A# 001217223011			39,719	8,211,305
Sonali Bank Ltd., custom house branch C/A # 0130502001394			71,975	72,550
Standard Chartered Bank C/A # 01118489201			16,312,990	-
Brac Bank Ltd. #1511203957126001			513,211	-
			<b>16,987,895</b>	<b>8,333,855</b>
<b>11. SHARE CAPITAL</b>				
Authorized capital:				
2,000,000 Ordinary shares of Tk. 100 each			<b>200,000,000</b>	<b>200,000,000</b>
Issued, subscribed, called up & paid up capital				
25,000 Ordinary shares of Tk. 100 each			<b>2,500,000</b>	<b>2,500,000</b>
Shareholding position of the company was as follows				
<u>Name of the shareholders</u>	<u>No. of shares</u>	<u>Face value</u>		
Renata Limited	24,999	100	2,499,900	2,499,900
Mr. Syed S. Kaiser Kabir	1	100	100	100
	<b>25,000</b>		<b>2,500,000</b>	<b>2,500,000</b>
<b>12. TRADE PAYABLES</b>				
Payable to suppliers			-	4,365,853
			-	<b>4,365,853</b>
<b>13. OTHER PAYABLES</b>				
Inter-company payables:				
-Renata Limited			237,494,331	168,494,331
-Renata Agro Industries Limited			2,658,700	2,647,537
Audit fee payable			34,500	34,500
Withholding tax			-	274,931
Withholding VAT			-	393,760
			<b>240,187,531</b>	<b>171,845,059</b>

	June 30, 2018 Taka	June 30, 2017 Taka
<b>14. BANK OVERDRAFT</b>		
Bank Asia Limited	832,173	3,601,928
<b>15. PROVISION FOR TAXATION</b>		
Opening balance	968,836	2,287,719
Add: Provision made during the year	1,492,314	968,836
	<b>2,461,150</b>	<b>3,256,555</b>
Less: Adjustment made during the year	968,836	2,287,719
Closing balance	<b>1,492,314</b>	<b>968,836</b>
	<b>2017-2018 Taka</b>	<b>2016-2017 Taka</b>
<b>16. COST OF SALES</b>		
Opening inventories	40,309,204	61,978,192
Add: Purchase	185,002,896	92,005,496
	<b>225,312,100</b>	<b>153,983,688</b>
Less: Closing inventories	50,006,707	40,309,204
	<b>175,305,393</b>	<b>113,674,484</b>
<b>17. ADMINISTRATIVE, SELLING AND DISTRIBUTION EXPENSES</b>		
Salaries, wages and allowances	36,361,245	27,775,323
Advertisement	15,702,969	19,438,259
Travelling & conveyance	1,114,703	1,399,668
Fuel & lubricants	1,352,821	973,602
Field expenses	12,664,919	15,985,655
Meeting and conference expenses	517,500	1,500,000
Obsolete inventory	1,877,910	5,396,042
Sales promotion	47,426,419	23,460,982
Utilities	566,576	207,314
Research & development	278,425	3,166,892
Insurance	45,963	155,282
Repair & maintenance	1,068,840	793,463
Stationery & supplies	991,179	555,326
Bad debts	387,353	1,046,730
Entertainment	430,232	861,868
Audit fees	34,500	34,500
Medical Expenses	709,215	281,520
Depreciation	599,862	548,419
Other expenses	584,012	988,567
	<b>122,714,643</b>	<b>104,569,412</b>

**2017-2018**  
**Taka**

**2016-2017**  
**Taka**

**18. OTHER INCOME**

Gain on disposal of property, plant and equipment

-

929,999

**19. DISCLOSURE AS PER REQUIREMENT OF SCHEDULE XI, PART II OF THE COMPANY ACT 1994:**

**19.1 Employee Position of the Purnava Limited as per requirement of schedule XI, part II, Para 3**

The company engaged 105 employees of which 96 are permanent employees and 9 are casual and temporary workers as required. Every employees received total remuneration of above TK. 36,000 per annum.

**20. PAYMENTS/ RECEIPTS IN FOREIGN CURRENCY**

**20.1 During the year the following payments were made in foreign currency for imports calculated on CIF basis of**

	Foreign currency US\$	Local currency Taka
Finished goods	240,205	20,223,677
	<b>240,205</b>	<b>20,223,677</b>

**21. RELATED PARTY DISCLOSURE**

Amount in Taka

Name of Party	Relationship	Transaction (2017-2018)				
		Nature of transaction	Opening balance	Addition	Adjustment	Closing balance Taka
Renata Limited	Parent	Purchase of goods	-	125,457,333	125,457,333	-
		Advance received	168,494,331	280,722,023	211,722,023	237,494,331
			<b>168,494,331</b>	<b>406,179,356</b>	<b>337,179,356</b>	<b>237,494,331</b>
Renata Agro Industries Ltd.	Subsidiary of parent	Purchase of goods	2,647,537	37,054,046	37,042,883	2,658,700
			<b>2,647,537</b>	<b>37,054,046</b>	<b>37,042,883</b>	<b>2,658,700</b>

**22. EVENTS AFTER THE REPORTING PERIOD**

22.1 The board of directors in its meeting held on 27 October, 2018 approved the audited financial statement of the company for the year ended 30 June, 2018 and authorised the same for issue.

22.2 No material events occurred after the date of statement of audited financial position, non-disclosure of which could affect the ability of the users of these audited financial statements to make appropriate evaluation.



Chairman



Director



Chief Financial Officer

Place: Dhaka  
Dated: 27 October, 2018

# Renata Oncology Limited

Auditors' Report and Financial Statements for the year ended June 30, 2018

## Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Khokan Chandra Das, Director
- Mr. Manzoor Hasan, Independent Director



# Directors' Report

This subsidiary is essentially a manufacturing operation for Renata Limited. Presently, the market size for this category of products is small, and hence high manufacturing overheads cannot be fully absorbed by the low volumes. However, this subsidiary remains a critical component of our export-strategy. Several products are in the pipeline, so the future of this subsidiary is secure.

On behalf of the Board of Directors



Kaiser Kabir  
Chairman  
October 07, 2018

# AUDITORS' REPORT TO THE SHAREHOLDERS OF RENATA ONCOLOGY LIMITED

We have audited the accompanying financial statements of "Renata Oncology Limited" which comprise the Statement of Financial Position as at June 30, 2018, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

## Management Responsibilities for the Financial Statements

Management of Renata Oncology Limited is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards 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.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In

making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

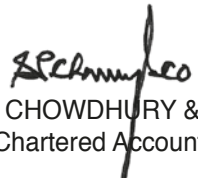
## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Renata Oncology Limited which comprise the Statement of Financial Position as at June 30, 2018, the Statement of Profit and Loss and Other Comprehensive Income and all other related notes for the period then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994 and other applicable laws and regulations.

## We also report that:

- (i) we have obtained all information and explanations which to the best of our knowledge and belief were necessary along with the bank statement for the purpose of our audit and made due verification thereof and found them satisfactory;
- (ii) in our opinion, proper books of account as required by law were kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been checked by us;
- (iii) the statement of financial position, the statement of profit or loss and other comprehensive income and all other related notes are dealt with by this report are in agreement with the books of account and returns;

Place: Dhaka  
Dated: October 07, 2018

  
S.P. CHOWDHURY & CO.  
Chartered Accountants

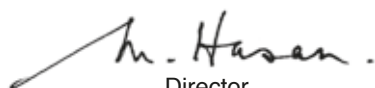
# Renata Oncology Limited

## STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2018

ASSETS	Notes	June 30, 2018 Taka	June 30, 2017 Taka
<b>Non-Current Assets</b>			
Property, plant and equipment	5.00	184,282,939	191,674,516
Capital work-in-progress	6.00	186,128,891	186,128,891
<b>Total non-current assets</b>		<b>370,411,830</b>	<b>377,803,407</b>
<b>Current Assets</b>			
Inventories	7.00	34,640,238	39,136,928
Advances, deposits and prepayments	8.00	5,594,155	5,123,036
Cash & cash equivalents	9.00	1,277,996	2,340,085
<b>Total current assets</b>		<b>41,512,389</b>	<b>46,600,049</b>
<b>Total Assets</b>		<b>411,924,219</b>	<b>424,403,456</b>
<b>Equity &amp; Liabilities</b>			
<b>Shareholders' Equity</b>			
Share capital	10.00	80,000,000	80,000,000
Retained earnings	11.00	(35,702,729)	(27,671,309)
		<b>44,297,271</b>	<b>52,328,691</b>
<b>Non-Current Liabilities</b>			
Deferred tax liability	12.00	28,774,824	23,578,114
<b>Current Liabilities</b>			
Short term bank loan	13.00	4,101,300	-
Trade payables	14.00	961,325	12,020,599
Other payables	15.00	333,708,999	336,424,618
Provision for taxation	16.00	80,500	51,434
<b>Total current liabilities</b>		<b>338,852,124</b>	<b>348,496,651</b>
<b>Total Equity and Liabilities</b>		<b>411,924,219</b>	<b>424,403,456</b>



Chairman



Director



Chief Financial Officer

As per our report of date annexed

Place: Dhaka  
Dated: October 07, 2018

  
**S.P. CHOWDHURY & CO.**  
Chartered Accountants



# Renata Oncology Limited

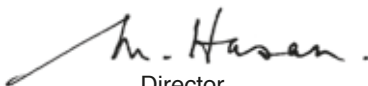
## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

PARTICULARS	Notes	2017-2018 Taka	2016-2017 Taka
Revenue	17.00	29,066,146	32,391,586
Cost of goods sold	18.00	29,066,146	32,391,586
<b>Gross Profit</b>		-	-
Administrative, selling and distribution expenses	19.00	2,793,854	1,521,675
<b>Operating Profit/ (Loss)</b>		<b>(2,793,854)</b>	<b>(1,521,675)</b>
Financial Expenses		11,790	624,928
<b>Profit/ (loss) before income tax</b>		<b>(2,805,644)</b>	<b>(2,146,603)</b>
<b>Tax expenses</b>		<b>5,225,776</b>	<b>12,158,968</b>
Current tax		29,066	32,392
Deferred tax	12.00	5,196,710	12,126,576
<b>Profit/(loss) after tax for the year</b>		<b>(8,031,420)</b>	<b>(14,305,571)</b>
Other Comprehensive Income		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(8,031,420)</b>	<b>(14,305,571)</b>

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




Chairman




Director

As per our report of date annexed

Place: Dhaka  
Dated: October 07, 2018



Chief Financial Officer



**S.P. CHOWDHURY & CO.**  
Chartered Accountants

# Renata Oncology Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2018

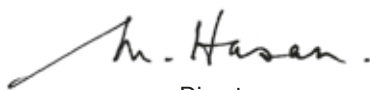
Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance at July 01, 2017	80,000,000	(27,671,309)	52,328,691
Profit/(loss) after tax for the year	-	(8,031,420)	(8,031,420)
<b>Balance as at June 30, 2018</b>	<b>80,000,000</b>	<b>(35,702,729)</b>	<b>44,297,271</b>

## FOR THE YEAR ENDED JUNE 30, 2017

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance at July 01, 2016	80,000,000	(13,365,738)	66,634,262
Profit/(loss) after tax for the year	-	(14,305,571)	(14,305,571)
<b>Balance as at June 30, 2017</b>	<b>80,000,000</b>	<b>(27,671,309)</b>	<b>52,328,691</b>



Chairman



Director

As per our report of date annexed



Chief Financial Officer

Place: Dhaka  
Dated: October 07, 2018

  
**S.P. CHOWDHURY & CO.**  
 Chartered Accountants

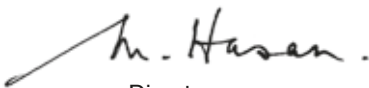
# Renata Oncology Limited

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2018

	2017-2018 Taka	2016-2017 Taka
<b>A. Cash flows from operating activities:</b>		
Collection from customers and other income	29,066,146	32,391,586
Payment to suppliers and employees	(28,707,465)	(7,577,208)
<b>Cash generated from operating activities</b>	<b>358,681</b>	<b>24,814,378</b>
Financing cost	(11,790)	(624,928)
Payment of tax	(43,855)	(766,752)
<b>Net Cash Provided from/(Used In) Operating Activities</b>	<b>303,036</b>	<b>23,422,698</b>
<b>B. Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(2,841,617)	(11,558,639)
<b>Net Cash Provided from/(Used In) Investing Activities</b>	<b>(2,841,617)</b>	<b>(11,558,639)</b>
<b>C. Cash flows from financing activities:</b>		
Loan (repaid)/ received	1,476,492	(12,982,861)
<b>Net Cash Provided from/(Used In) Financing Activities</b>	<b>1,476,492</b>	<b>(12,982,861)</b>
<b>D. Net cash flows for the year (A+B+C)</b>	<b>(1,062,089)</b>	<b>(1,118,802)</b>
<b>E. Opening Cash and cash equivalent</b>	<b>2,340,085</b>	<b>3,458,887</b>
<b>F. Closing Cash and cash equivalent (D+E)</b>	<b>1,277,996</b>	<b>2,340,085</b>



Chairman



Director

As per our report of date annexed



Chief Financial Officer



S.P. CHOWDHURY & CO.  
Chartered Accountants

Place: Dhaka  
Dated: October 07, 2018

# Renata Oncology Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

### 1.00 Company Profile

Renata Oncology Limited (the Company) is a private limited company incorporated on Twelfth August Two Thousand and Twelve under the Companies Act 1994. The authorized capital of the Company is Tk.1,000,000,000 divided into 100,000,000 ordinary shares of Tk.10 each with a paid up capital of the Tk. 80,000,000 divided into 8,000,000 ordinary shares of Tk.10 each. The address of the registered office of the Company is Plot - 1, Milk Vita Road, Section-7, Mirpur Dhaka-1216.

### 1.01 Nature of Business Activities

The principal activities of the Company are manufacturing, marketing and distribution of various oncology based products.

### 2.00 Significant Accounting Policies

**2.01** The financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs) and accrual basis of accounting was followed for both cash and accruals transactions.

### 2.02 Property, Plant and Equipment

Items of property, plant & equipment is recognized where it is probable that future economic benefits will flow to the entity and their cost can be measured reliably.

### 2.03 Measurement at recognition

An items of Property, Plant & Equipment qualifying for recognition is measured at its cost. Cost comprises:

- \* Purchase price, including all non-recoverable duties and taxes but net of discounts.
- \* Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

### 2.04 Subsequent Costs

- \* Repairs and maintenance expenditure is recognized as expenditure when incurred.
- \* Replacement parts are capitalized, provided that the original cost of the items they replace is derecognized.

## 2.05 Depreciation

Depreciation is commenced when the asset is in the location and condition necessary for it to be capable of operating in the manner intended. Depreciation has been charged on straight line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged for the month of acquisition irrespective of the date of acquisition and no depreciation is charged for the month of disposal.

The rates of depreciation and category of property, plant and equipment are as follows:

Asset Type	Depreciation Rate (%)	
	June 30, 2018	June 30, 2017
Building	3%	3%
Plant and machinery	5%-10%	5%-10%
Office equipment	10%-12.50%	10%-12.50%
Furniture	10%	10%

## 2.06 Disposal of property, plant and equipment

An item of property, plant and equipment is removed from the statement of financial position when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of property, plant and equipment is included in the statement of profit or loss and other comprehensive income of the period in which the assets are disposed of.

## 2.07 Capital Work-in-progress

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

## 2.08 Inventories

Inventories are valued at lower of cost and net realizable expect for goods in transit which are valued at cost. Cost of active materials, raw materials and packing materials is valued by using FIFO method and work-in-progress, finished stocks are determined by using FIFO cost formula including allocation.

## 2.09 Provisions and contingent liabilities

Provision is recognized in the financial statements in line was the IAS-37 "Provisions, Contingent Liabilities and Contingent Assets" when:

- \* the Company has a legal or constructive obligation as a result of past event;
- \* a reliable estimate can be made of the amount of the obligation.

## 2.10 Income tax expenses

Income tax expenses comprise current and deferred tax. Income tax expenses is recognized in the income statement expect to the extent that it relates to revaluation to property, plant and equipment which is recognized directly in equity.

## **2.11 Current Tax**

The Current Income Tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date.

## **2.12 Deferred tax**

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the carrying amounts of assets and liabilities and its tax base amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal liability / recoverability to and from the income tax authority. Deferred tax also arises due to revaluation of property, plant and equipment. The resulting impact of deferred tax assets / liabilities on revaluation surplus is included in the statement of changes in equity.

## **2.13 Revenue**

Revenue is recognized upon invoicing the customers for goods sold and delivered net off returns, allowance and trade discount.

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the Company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

## **2.14 Foreign currency transactions**

Foreign currency transactions are accounted for at exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated at rates ruling at the statement of financial position date. All exchange differences are charged / credited to the statement of profit or loss and other comprehensive income.

## **2.15 Financial risk management**

Renata Oncology Limited's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business. Renata Oncology Limited's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on Renata Oncology Limited's financial performance.

Renata Oncology Limited's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Renata Oncology Limited regularly reviews its risk management policies and system to reflect changes in markets, products and emerging best practices.

## **2.16 Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of Renata Oncology Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Renata Oncology Limited's asset portfolio. The credit risk management and control are controlled through the credit policies of Renata Oncology Limited which are updated regularly. The Company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

## **2.17 Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

The Company's approach toward managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensure that it has sufficient cash and cash equivalents to meet expected operational expenses, including the servicing of financial obligations through preparation of the cash forecast prepared based on time line of payment of the financial obligations and according arrange for sufficient liquidity/fund to make the expected payments within due data.

## **2.18 Cash and Cash Equivalent**

Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **i) Cash in Hand**

We could not verify cash in hand as on June 30, 2018 as our appointment was after the closing date. However, we have obtained a cash custody certificate from the Management confirming the balance held by them as on that date.

### **ii) Cash at Bank**

We have checked the bank transactions with bank statement, cheque counterfoils deposit slips etc. and the balance has been agreed with the book of accounts. A balance confirmation certificate has also been obtained from the concerned bank.

## **2.19 Functional and presentation currency**

These financial statement are prepared in Bangladesh Taka, which is the Company's functional currency.

## **2.20 Reporting period**

The financial period of the company covers from July 01, 2017 to June 30, 2018.

## **3.00 Directors responsibility statement**

According to section 183 of Companies Act 1994 the Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

## **4.00 General**

Figures in this report have been rounded off to the nearest Taka.



## 5.00 Property, Plant and Equipment

(Amount in Taka)

Particulars	Cost			Depreciation				Written down value 30.06.2018
	Balance as at 01. 07. 2017	Addition during the Period	Balance as at 30.06.2018	Rate	Balance as at 01. 07. 2017	Charged during the period	Balance as at 30.06.2018	
Building	89,308,438	-	89,308,438	3%	4,235,422	2,679,253	6,914,675	82,393,763
Plant and machinery	112,750,766	2,639,817	115,390,583	5%-10%	9,640,388	7,108,517	16,748,905	98,641,678
Office equipment	1,742,756	50,600	1,793,356	10%-12.50%	281,456	205,104	486,560	1,306,796
Furniture	2,264,831	151,200	2,416,031	10%	235,009	240,320	475,329	1,940,702
<b>Total June 30, 2018</b>	<b>206,066,791</b>	<b>2,841,617</b>	<b>208,908,408</b>		<b>14,392,275</b>	<b>10,233,194</b>	<b>24,625,469</b>	<b>184,282,939</b>
<b>Total June 30, 2017</b>	<b>194,833,546</b>	<b>11,233,245</b>	<b>206,066,791</b>		<b>4,869,164</b>	<b>9,523,111</b>	<b>14,392,275</b>	<b>191,674,516</b>

## 6.00 Capital work-in-progress

Opening balance

Add. Addition during the year

Less: Capitalized as property, plant and equipment

**Closing Balance**

**June 30, 2018**  
**Taka**

**June 30, 2017**  
**Taka**

186,128,891

-

**186,128,891**

-

**186,128,891**

185,803,497

325,394

**186,128,891**

-

**186,128,891**

## 7.00 Inventories

This is made up as follows:

Finished goods

Raw materials

Packing materials

Consumable stores and spares

11,156,001

21,376,379

566,916

1,540,942

**34,640,238**

13,030,596

24,435,908

533,896

1,136,528

**39,136,928**

## 8.00 Advance, deposits & prepayments

Advance for inventory

Advance income tax

Prepaid insurance

4,529,010

897,344

167,801

**5,594,155**

4,088,208

853,489

181,339

**5,123,036**

June 30, 2018 Taka	June 30, 2017 Taka
-----------------------	-----------------------

#### 9.00 Cash & cash equivalent

This is made up as follows:

Cash in hand	-	-
Cash at bank (Bank asia ltd. Dhaka, Bangladesh A/C: 02833000989)	1,277,996	2,340,085
	<b>1,277,996</b>	<b>2,340,085</b>

#### 10.00 Share capital

This is made up as follows:

##### Authorized Share Capital

10,00,00,000 Ordinary Shares of Tk. 10 each	1,000,000,000	1,000,000,000
	<b>1,000,000,000</b>	<b>1,000,000,000</b>

##### Issued, Subscribed & Paid- up Capital

80,00,000 Ordinary Shares of Tk. 10 each fully paid	80,000,000	80,000,000
	<b>80,000,000</b>	<b>80,000,000</b>

Shareholders	No. of Share	Face Value	Amount in Taka
Mr. Syed S. Kaiser Kabir	100	10	1,000
Renata Limited	7,999,900	10	79,999,000
<b>Total:</b>	<b>8,000,000</b>		<b>80,000,000</b>

#### 11.00 Retained earnings

This is made up as follows:

Opening balance	(27,671,309)	(13,365,738)
Add: Net Profit/(Loss) after tax for the year	(8,031,420)	(14,305,571)
<b>Closing balance</b>	<b>(35,702,729)</b>	<b>(27,671,309)</b>

#### 12.00 Deferred tax liability

Opening balance	23,578,114	11,451,538
Addition during the year	5,196,710	12,126,576
<b>Closing balance</b>	<b>28,774,824</b>	<b>23,578,114</b>

Deferred tax liability has been recognized in accordance with the provision of IAS 12 based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and its tax base.

	Carrying amount on balance sheet date	Tax base	Taxable/ (deductible) temporary difference
	BDT	BDT	BDT
<b>For the year ended June 30, 2018</b>			
Property, plant and equipment	184,282,939	102,069,157	82,213,782
<b>Temporary difference</b>	<b>184,282,939</b>	<b>102,069,157</b>	<b>82,213,782</b>
Applicable tax rate			35.00%
<b>Deferred tax liability as on June 30, 2018</b>			<b>28,774,824</b>

**For the year ended June 30, 2017**

Property, plant and equipment	191,674,516	124,308,476	67,366,040
<b>Temporary difference</b>	<b>191,674,516</b>	<b>124,308,476</b>	<b>67,366,040</b>
Applicable tax rate			35.00%
<b>Deferred tax liability as on June 30, 2017</b>			<b>23,578,114</b>

	June 30, 2018 Taka	June 30, 2017 Taka
<b>13.00 Short term bank loan</b>		
This is made up as follows:		
Bank Asia Ltd, Mohakhali Branch, Dhaka, Bangladesh	4,101,300	-
	<b>4,101,300</b>	<b>-</b>
<b>14.00 Trade payables</b>		
This is made up as follows:		
Payable to suppliers	961,325	12,020,599
	<b>961,325</b>	<b>12,020,599</b>
<b>15.00 Other payables</b>		
This is made up as follows:		
Inter-company payables - Renata Limited	Note- 15.01	
Audit fees payable	333,674,499	336,299,307
Withholding VAT payable	34,500	57,500
Withholding income tax payable	-	40,765
	-	27,046
	<b>333,708,999</b>	<b>336,424,618</b>

	June 30, 2018 Taka	June 30, 2017 Taka
<b>15.01 Payables to Renata Limited</b>		
Opening balance	336,299,307	326,273,629
Add. Expenditure made during the year	26,699,494	84,985,349
	<b>362,998,801</b>	<b>411,258,978</b>
Less: Refund/adjustment during the year	29,324,302	74,959,671
<b>Closing balance</b>	<b>333,674,499</b>	<b>336,299,307</b>

The above amount payable to Renata Limited for expenditure incurred for the company on the balance sheet date.

<b>16.00 Provision for taxation</b>		
Opening balance	51,434	19,042
Add: Provision made during the year	29,066	32,392
	<b>80,500</b>	<b>51,434</b>
Less: Tax paid during the year	-	-
<b>Closing balance</b>	<b>80,500</b>	<b>51,434</b>

	2017-2018 Taka	2016-2017 Taka
<b>17.00 Revenue</b>		
This is made up as follows:		
Sales to Renata	29,066,146	32,391,586
<b>Total</b>	<b>29,066,146</b>	<b>32,391,586</b>

<b>18.00 Cost of goods sold</b>			
This is made up as follows:			
Raw materials consumed	Note- 18.01	8,465,531	6,238,995
Salary, wages & allowances		2,093,297	1,982,629
Factory overhead	Note- 18.02	16,632,723	25,910,088
<b>Cost of production</b>		<b>27,191,551</b>	<b>34,131,712</b>
Add: opening stock of finished goods		13,030,596	11,290,470
<b>Cost of goods available for sale</b>		<b>40,222,147</b>	<b>45,422,182</b>
Less: closing stock of finished goods		11,156,001	13,030,596
<b>Cost of goods sold</b>		<b>29,066,146</b>	<b>32,391,586</b>

**2017-2018**  
**Taka**

**2016-2017**  
**Taka**

**18.01 Raw materials consumed**

This is arrived at as follows:

Opening stock	24,969,804	16,628,813
Add: Purchase during the year	5,439,022	14,579,986
<b>Total materials available</b>	<b>30,408,826</b>	<b>31,208,799</b>
Less: Closing stock	21,943,295	24,969,804
<b>Raw material consumed</b>	<b>8,465,531</b>	<b>6,238,995</b>

**18.02 Factory overhead**

Electricity and fuel	375,582	2,777,049
Insurance	349,141	460,339
Rent	-	18,000
Travelling expenses	57,134	5,550
Repair & maintenance	3,229,493	11,765,150
Depreciation	10,233,194	9,523,111
Other overhead expenses	601,857	777,489
Electrical Supplies	151,393	58,463
General expenses	1,634,929	524,937
<b>Total</b>	<b>16,632,723</b>	<b>25,910,088</b>

**19.00 Administrative, selling and distribution expenses**

Salaries, wages and allowances	2,632,765	1,230,675
Meeting & corporate expenses	-	104,976
Traveling expense	57,757	32,461
Audit fee	23,000	34,500
License & fees	22,832	109,063
Other overhead expenses	57,500	10,000
<b>Total</b>	<b>2,793,854</b>	<b>1,521,675</b>

**2017-2018  
Taka**

**2016-2017  
Taka**

**Foreign  
Currency  
US\$**

**Local  
currency  
Taka**

**20.00 Payments in foreign currency**

Active, raw and packaging materials  
Machinery and spares

1,063

88,920

3,632

295,325

**4,695**

**384,245**

**21.00 Disclosure as per requirement of schedule XI, part II of the company act 1994**

**21.01 Employee position of Renata Oncology Limited as per requirement of schedule XI, part II, para 3**

The company engaged 14 employees of which 14 are permanent employees as required.  
All employees received total remuneration of above Tk. 36,000 per annum.

**22.00 Related party disclosures**

Name of Party	Relationship	Nature of transactions	Transaction (2017-2018)			
			Opening balance Taka	Addition Taka	Adjustment Taka	Closing balance Taka
Renata Limited	Parent	Sales of goods	-	29,066,146	29,066,146	-
		Advance received	336,299,307	26,699,494	29,324,302	333,674,499
			<b>336,299,307</b>	<b>55,765,640</b>	<b>58,390,448</b>	<b>333,674,499</b>

**23.00 General**

**23.01 Contingent liabilities**

None as at June 30, 2018

**23.02 Rounding off**

All the figures in the financial statements represent Bangladesh Taka currency (BDT) rounded off to the nearest Taka.

# Renata (UK) Limited

Renata Limited established a subsidiary company in the name of Renata (UK) Limited to fulfill the regulatory requirement ( DIRECTIVE 2001/83/EC OF THE EUROPEAN PARLIAMENT AND THE COUNCIL) to export in UK and the EU countries. The company has not made yet any financial transaction.

# Renata Limited Auditors' Report and Consolidated Financial Statements

For the year ended 30 June 2018



# Independent auditors' report to the shareholders of Renata Limited

We have audited the accompanying consolidated financial statements of Renata Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 30 June 2018 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Bangladesh Financial Reporting Standards, 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.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's

preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the consolidated financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of Renata Limited its subsidiaries as at 30 June 2018 and the results of its financial performance and its statement of cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

## **We also report that:**

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

Dated, Dhaka;  
27 October 2018



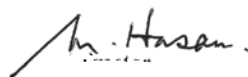
S. F. Ahmed & Co.  
Chartered Accountants

**RENATA LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

		Amount in Taka	
	Notes	30 June 2018	30 June 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	10,202,591,118	9,799,446,048
Capital work-in-progress	6	1,376,630,382	1,258,756,142
Long term investment	7	11,222,360	11,794,720
		<b>11,590,443,860</b>	<b>11,069,996,910</b>
<b>Current assets</b>			
Inventories	8	3,926,675,733	3,396,070,814
Trade and other receivables	9	2,614,278,948	2,326,868,750
Advance, deposits and prepayments	10	501,118,209	339,783,944
Investment in shares and others	11	1,642,611,027	934,669,945
Cash and cash equivalents	12	1,083,732,442	651,934,491
		<b>9,768,416,359</b>	<b>7,649,327,944</b>
<b>TOTAL ASSETS</b>		<b>21,358,860,219</b>	<b>18,719,324,854</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	13	700,310,221	608,965,410
Revaluation surplus	14	154,808,121	155,285,034
Tax holiday reserve	15	46,637,673	46,637,673
Available for sale reserve		56,743,224	49,859,242
Retained earnings	16	14,549,628,623	12,082,218,918
<b>Equity attributable to equity holders of Renata Limited</b>		<b>15,508,127,862</b>	<b>12,942,966,277</b>
Non-controlling interests	17	69,010	74,723
<b>Total equity</b>		<b>15,508,196,872</b>	<b>12,943,041,000</b>
<b>Non-current liabilities</b>			
Long term loan- net off current portion	18	-	95,910,932
Deferred tax liabilities	19	1,244,684,960	1,170,470,120
		<b>1,244,684,960</b>	<b>1,266,381,052</b>
<b>Current liabilities</b>			
Short term bank loan and overdrafts	20	2,405,241,798	1,972,453,954
Long term loan - current portion	18	99,662,486	161,200,000
Trade payables	21	243,664,469	202,413,022
Other payables	22	1,047,598,159	1,414,744,187
Provision for taxation	23	809,811,475	759,091,639
		<b>4,605,978,387</b>	<b>4,509,902,802</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21,358,860,219</b>	<b>18,719,324,854</b>
<b>Net asset value per share (NAV)</b>	29	<b>221.45</b>	<b>184.82</b>

The annexed notes 1 to 41 form an integral part of these financial statements.


  
CEO & Managing Director



  
Chief Financial Officer

As per our annexed report of same date.

Dated, Dhaka  
27 October 2018

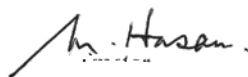
  
S. F. Ahmed & Co.  
Chartered Accountants

**RENATA LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

		Amount in Taka	
	Notes	2017-2018	2016-2017
<b>Turnover</b>	24	19,050,008,040	16,644,965,966
Cost of sales	25	(9,618,291,339)	(8,301,255,277)
<b>Gross profit</b>		<b>9,431,716,701</b>	<b>8,343,710,689</b>
Administrative, selling and distribution expenses	26	(4,896,772,418)	(4,215,040,459)
Other income	27	138,165,628	45,292,475
<b>Operating profit</b>		<b>4,673,109,911</b>	<b>4,173,962,705</b>
Finance costs	28	(210,012,026)	(201,950,341)
<b>Profit before contribution to workers' participation fund</b>		<b>4,463,097,885</b>	<b>3,972,012,364</b>
Contribution to workers' participation fund		(216,653,067)	(192,017,973)
<b>Profit before tax</b>		<b>4,246,444,818</b>	<b>3,779,994,391</b>
<b>Tax expenses</b>			
Current tax	23	(1,066,654,550)	(907,245,115)
Deferred tax	19	(73,608,881)	(194,675,391)
		<b>(1,140,263,431)</b>	<b>(1,101,920,506)</b>
<b>Net profit after tax for the year</b>		<b>3,106,181,387</b>	<b>2,678,073,885</b>
<b>Attributable to:</b>			
Equity holders of Renata Limited		3,106,187,500	2,678,059,501
Non-controlling interests		(6,113)	14,384
<b>Total profit after tax for the year</b>		<b>3,106,181,387</b>	<b>2,678,073,885</b>
<b>Other comprehensive income</b>			
Net profit after tax for the year		3,106,181,387	2,678,073,885
<b>Item that may be reclassified to profit or loss</b>			
Unrealized gain/(loss) on quoted shares, net of tax		6,884,382	18,221,927
<b>Total comprehensive income for the year</b>		<b>3,113,065,769</b>	<b>2,696,295,812</b>
<b>Attributable to:</b>			
Equity holders of Renata Limited		3,113,071,481	2,696,278,000
Non-controlling interests		(5,712)	17,812
<b>Total comprehensive income for the year</b>		<b>3,113,065,769</b>	<b>2,696,295,812</b>
<b>Basic earnings per share</b>	30	<b>44.35</b>	<b>38.24</b>

The annexed notes 1 to 41 form an integral part of these financial statements.


  
CEO & Managing Director



  
Chief Financial Officer

As per our annexed report of same date.

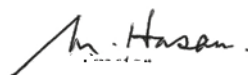
Dated, Dhaka  
27 October 2018

  
S. F. Ahmed & Co.  
Chartered Accountants

**RENATA LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

							Amount in Taka	
Particulars	Attributable to equity holders of Renata Limited						Non-controlling interest	Total equity
	Share capital	Revaluation surplus	Tax holiday reserve	Available for sale reserve	Retained earnings	Equity for Renata Limited		
Balance at 01 July 2016	529,535,140	156,281,949	46,643,337	31,640,743	10,176,639,171	10,940,740,340	56,911	10,940,797,251
Stock dividend issued	79,430,270	-	-	-	(79,430,270)	-	-	-
Final dividend	-	-	-	-	(450,104,869)	(450,104,869)	-	(450,104,869)
Interim dividend	-	-	-	-	(243,586,164)	(243,586,164)	-	(243,586,164)
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve, net	-	(361,030)	-	-	-	(361,030)	-	(361,030)
Depreciation adjustment on revalued assets	-	(635,885)	-	-	635,885	-	-	-
Adjustment for non-controlling interest share of tax holiday reserve	-	-	(5,664)	-	5,664	-	-	-
Net profit after tax for the year	-	-	-	-	2,678,059,501	2,678,059,501	14,384	2,678,073,885
Unrealized gain/(loss) on quoted shares	-	-	-	18,218,499	-	18,218,499	3,428	18,221,927
Balance at 30 June 2017	608,965,410	155,285,034	46,637,673	49,859,242	12,082,218,918	12,942,966,277	74,723	12,943,041,000
Balance at 01 July 2017	608,965,410	155,285,034	46,637,673	49,859,242	12,082,218,918	12,942,966,277	74,723	12,943,041,000
Stock dividend issued	91,344,811	-	-	-	(91,344,811)	-	-	-
Final dividend	-	-	-	-	(548,068,869)	(548,068,869)	-	(548,068,869)
Adjustment of deferred tax liability due to extra depreciation charged to revaluation reserve	-	158,972	-	-	-	158,972	-	158,972
Depreciation adjustment on revalued assets	-	(635,885)	-	-	635,885	-	-	-
Net profit after tax for the year	-	-	-	-	3,106,187,500	3,106,187,500	(6,113)	3,106,181,387
Unrealized gain/(loss) on quoted shares	-	-	-	6,883,982	-	6,883,982	400	6,884,382
Balance at 30 June 2018	700,310,221	154,808,121	46,637,673	56,743,224	14,549,628,623	15,508,127,862	69,010	15,508,196,872

  
CEO & Managing Director

  
M. Hasan

  
Chief Financial Officer

**RENATA LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

		Amount in Taka	
	Notes	2017 - 2018	2016 - 2017
<b>A. Cash flows from operating activities</b>			
Collection from customers and other income		22,607,991,534	19,756,720,701
Payment of VAT		(2,743,843,030)	(2,298,536,613)
Payment to suppliers and employees		(15,968,422,518)	(12,493,486,552)
<b>Cash generated by operation</b>		<b>3,895,725,986</b>	<b>4,964,697,536</b>
Finance costs		(210,012,026)	(201,950,341)
Payment of tax		(1,016,344,496)	(1,111,976,694)
<b>Net cash generated from operating activities</b>	31	<b>2,669,369,464</b>	<b>3,650,770,501</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1,268,692,528)	(1,279,364,528)
Investment in shares and others		(704,278,357)	(763,605,722)
Income from investment		5,157,215	8,402,908
Sale proceeds of property, plant and equipment		540,000	20,760,963
<b>Net cash used in investing activities</b>		<b>(1,967,273,670)</b>	<b>(2,013,806,379)</b>
<b>C. Cash flows from financing activities</b>			
Loan (repaid) / received (net)		275,339,399	(774,246,530)
Dividend paid		(545,637,242)	(685,184,435)
<b>Net cash used in financing activities</b>		<b>(270,297,843)</b>	<b>(1,459,430,965)</b>
<b>D. Net cash inflow for the year (A+B+C)</b>		<b>431,797,951</b>	<b>177,533,157</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>		<b>651,934,491</b>	<b>474,401,334</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>		<b>1,083,732,442</b>	<b>651,934,491</b>
<b>Net operating cash flow per share</b>	32	<b>38.12</b>	<b>52.13</b>

  
 CEO & Managing Director

  
 Chairman

  
 Chief Financial Officer

# RENATA LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2018

#### 1. Reporting entity

##### 1.1 Company profile

Renata Limited (the "Company") is a Public Limited Company incorporated in Bangladesh in 1972 as Pfizer Laboratories (Bangladesh) Limited under the Companies Act 1913. The Company was listed with Dhaka Stock Exchange Limited on 12 May 1979. Subsequently, the Company was renamed as Renata Limited in 1993. The registered office of the Company is situated at Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216.

##### 1.2 Principal activities

The principal activities of the Company are manufacturing, marketing and distribution of pharmaceutical and animal health products.

##### 1.3 Subsidiaries

Subsidiaries are entities controlled by Renata Limited. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The followings are the subsidiaries of Renata Limited:

##### **Renata Agro Industries Limited**

Renata Agro Industries Limited, a subsidiary Company of Renata Limited, was incorporated on 7 September 1997 as a private limited Company under the Companies Act 1994 with authorized share capital of Tk. 150,000,000 divided into 1,500,000 ordinary shares of Tk. 100 each. The Company commenced its commercial operation from October 1998. The principal activities of the Company comprise of poultry breeding and hatching and selling of various agro based products.

##### **Purnava Limited**

Purnava Limited, a subsidiary Company of Renata Limited, was incorporated on 17 August 2004 as a private limited Company under the Companies Act 1994 with authorized share capital of Tk. 200,000,000 divided into 2,000,000 ordinary shares of Tk. 100 each. The Company commenced its commercial operation in 2009. The principal activities of the Company are manufacturing, marketing and distribution of all kinds of consumer goods, consumer durables, food items, edible oils etc. and to engage in the business as traders, importers, exporters, commission agents of all kinds of goods and services including pharmaceutical products.

##### **Renata Oncology Limited**

Renata Oncology Limited, a subsidiary Company of Renata Limited, was incorporated on 12 August 2012 as a private limited Company under the Companies Act 1994 with authorized share capital of Tk. 1,000,000,000 divided into 100,000,000 ordinary shares of Tk. 10 each. The principal activities of the Company are manufacturing, marketing and distribution of drugs and medicines, allopathic and indigenous and particularly produce and prepare biological and non-biological drugs, injectables of all kinds of tablets of all sorts, serum, vaccines syrup both medicated and non-medicated.

##### **Renata (UK) Limited**

Renata (UK) Limited, a subsidiary Company of Renata Limited, was incorporated on 26 September 2013 as a private limited Company under the UK Companies Act 2006. The registered office of the Company is situated at Greenway Business Centre, Harlow Business Park, Harlow, England, CM19 5QE.

#### 2. Basis of preparation of financial Statements

##### 2.1 Reporting framework and compliance thereof

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and other relevant local laws as applicable, and in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs).

##### 2.2 Measurement of elements in the financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Renata Limited is historical cost except for few of the property, plant and equipment, financial assets and inventories which are stated in accordance with the policies mentioned in the respective notes.

### 2.3 Basis of consolidation

The group financial statements include the financial statements of Renata Limited and subsidiaries that it controls. The company prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Consolidation of an investee shall begin from the date the investor obtains control of the investee and cease when the investor loses control of the investee. Intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group are eliminated in full. Profits or losses resulting from intra-group transactions that are recognised in assets are eliminated in full. The company presents non-controlling interests in the consolidated statement of financial position within equity, separately from the equity of the owners of Renata Limited.

### 2.4 Functional and presentational currency and level of precision

The financial statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information is presented in BDT and has been rounded off to the nearest BDT.

### 2.5 Use of estimates and judgment

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosures requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, net realizable value of inventories, accruals, taxation and provision.

### 2.6 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

### 2.7 Going Concern

When preparing financial statements, management makes an assessment of Renata Limited's ability to continue as a going concern. Renata Limited prepares financial statements on a going concern basis.

### 2.8 Accrual basis of accounting

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

### 2.9 Materiality and aggregation

Renata Limited presents separately each material class of similar items. The Company presents separately items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

### 2.10 Offsetting

Renata Limited does not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

### 2.11 Date of authorization for issue of the financial statements

On 27 October 2018 the Board of Directors reviewed the financial statements and authorized them for issue.

## 3. Summary of significant accounting policies

Renata Limited selects and applies its accounting policies consistently for similar transactions, other events and conditions, unless a BFRS specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all period presented in these financial statements:

### Changes in accounting policies

Renata Limited changes its accounting policy only if the change is required by a BFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company's financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.



### **Changes in accounting estimates**

Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account.

### **Correction of error in prior period financial statements**

Renata Limited corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

## **3.1 Property, plant and equipment (PPE)**

### **Recognition and measurement**

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits will flow to Renata Limited and the cost of the item can be measured reliably. An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost.

### **Elements of Costs**

- Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

### **Subsequent Costs**

- Costs of day to day servicing [repairs and maintenance] are recognized as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

### **Measurement of property, plant and equipment after recognition**

#### **Cost model**

After recognition as an asset, an item of property, plant and equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

#### **Revaluation model**

After recognition as an asset, an item of property, plant and equipment is to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings as the asset is used by Renata Limited.

### **Depreciation**

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate. Depreciation has been charged on straight-line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged from the month the asset is put into use and no depreciation is charged for the month of disposal. Rates of depreciation considering the useful lives of respective assets are as follows:



Asset Type	Depreciation rate (%)	
	30 June 2018	30 June 2017
Buildings	1.54-5	1.54-5
Plant and machinery	5-20	5-20
Automobiles	20-25	20-25
Office equipment	10-12.5	10-12.5
Furniture and fixtures	10	5-20

#### **Derecognition of property, plant and equipment**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognised. When the revalued assets are disposed off, the respective revaluation surplus is transferred to retained earnings.

### **3.2 Capital- work- in progress**

Capital work in progress represents the cost incurred for acquisition and construction of items of property, plant and equipment that were not ready for use at the end of 30 June 2018 and these were -stated at cost. In case of import components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group, i.e. at the time shipment is confirmed by the supplier.

### **3.3 Impairment of Assets**

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on a non-revalued asset is recognised in profit or loss. However, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

Renata Limited assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, Renata Limited estimates the recoverable amount of the asset.

### **3.4 Financial Instruments**

#### **3.4.1 Financial assets**

##### **Investment in shares**

Investment in shares are classified as available for sale financial assets and initially measured at the fair value of the consideration given (i.e. cost) plus (in most cases) transaction costs that are directly attributable to the acquisition of the financial asset. Investments in shares are re-measured to fair value, without any deduction for transaction costs that may be incurred on sale or other disposal. Gains and losses on re-measurement is recognised as follows:

- Impairment losses are recognised in profit or loss.
- All other gains and losses are recognised in other comprehensive income and held in a separate component in equity. On derecognition, either through sale or impairment, gains and losses previously recognised in other comprehensive income is reclassified to profit or loss, becoming part of the gain or loss on derecognition.

##### **Trade Receivables**

Trade receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values. Bad debts are written off when it is established that they are irrecoverable. Specific allowance is made for known doubtful debts. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the financial position date.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.4.2 Financial liabilities

#### **Borrowings**

Borrowings are recorded at the amount of proceeds received. Borrowings are re-measured at amortised cost using the effective interest method.

#### **Trade payables**

Trade payables are stated at cost which approximates the fair value of the consideration to be paid in the future for goods and services received.

### 3.4.3 Impairment of financial assets

At each year end, Renata Limited assesses whether there is any objective evidence that a financial asset or group of assets is impaired. Where there is objective evidence of impairment, Renata Limited determines the amount of any impairment loss.

## 3.5 Inventories

#### **Measurement**

Inventories are measured at the lower of cost and net realizable value except for goods in transit which are valued at cost.

#### **Cost of inventories**

The cost of inventories are comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of active materials, raw materials and packing materials is assigned by using the first-in, first-out (FIFO) cost formula. Cost of work-in-progress and finished stocks are determined by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The Company uses standard cost method for measurement of cost of finished goods.

#### **Recognition as an expense**

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

## 3.6 Other liabilities

#### **Recognition**

A provision is recognised when Renata Limited has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision is recognised.

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

Renata Limited does not recognise a contingent liability. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Renata Limited does not recognise a contingent asset. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to Renata Limited.

#### **Measurement of provisions**

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

#### **Changes and use of provisions**

Provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

## 3.7 Post-employment benefits

#### **Defined contribution plan**

The Company operates a recognized provident fund scheme where employees contribute 8.33% up to 5 years and over 5

years 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees. Renata Limited recognises contributions payable as an expense in the period in which the employee provides services. A liability is recognised where contributions arise in relation to an employee's service, but remain unpaid at the period end.

#### **Defined benefit plan**

The Company had operated an unfunded gratuity plan till 29 December 2015 and thereafter, effective from 30 December 2015, the scheme has been converted to a funded one. Employees are entitled to get gratuity benefit after completion of minimum seven years of service with the Company. The gratuity is calculated on the last drawn basic pay and is payable at the rate of one month's basic pay for every completed year of service while one and half months' basic pay for more than ten years of service. Actuarial valuation of the fund is carried out at 31 December 2016 by a professional actuary.

#### **Group insurance scheme**

The Company operates a group insurance scheme for its permanent employees.

#### **Worker's participation and welfare fund**

The Company has created a workers' participation and welfare fund in compliance with "The Bangladesh Labour Act, 2006" (as amended in 2013) and 5% of profit before charging such expenses is transferred to this fund.

### **3.8 Borrowing cost**

Renata Limited capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Renata Limited recognises other borrowing costs as an expense in the period in which it incurs them.

### **3.9 Reporting foreign currency transactions**

#### **Initial recognition**

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

#### **Subsequent measurement**

A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities is translated into Renata Limited's functional currency at each reporting date. Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise.

### **3.10 Revenue recognition**

Revenue is recognized upon invoicing the customers for goods sold and delivered net off returns, allowances and trade discounts. Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, the Company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the Company.

### **3.11 Taxation**

The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the income statement, except in the case it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

#### **Current tax**

The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### **Deferred tax**

##### **Principle of recognition**

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

Deferred tax relating to items dealt with directly in equity (such as the correction of an error or retrospective application of a change in accounting policy) is recognised directly in equity.

#### **Taxable temporary difference**

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

#### **Deductible temporary difference**

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

#### **Measurement**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### **3.12 Earnings per share [EPS]**

#### **Basic EPS**

Renata Limited calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Renata Limited presents basic earnings per share in the statement of profit or loss and other comprehensive income. The company presents basic earnings per share with equal prominence for all periods presented. Renata Limited presents basic earnings per share, even if the amounts are negative (i.e. a loss per share).

### **3.13 Statement of cash flows**

Statement of cash flows has been prepared in accordance with the Bangladesh Accounting Standard BAS-7, 'Statement of Cash Flows' under direct method. Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **3.14 Operating segments**

As there is a single business and geographic segment within which the Company operates, no segment reporting is felt necessary.

### **3.15 Related party disclosures**

Relationship between a parent and its subsidiaries is disclosed irrespective of whether there have been transactions between them. Renata Limited discloses key management personnel compensation. The company discloses the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements.

### **3.16 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: those that provide evidence of conditions that existed at the end of the reporting period and non adjusting events: those that are indicative of conditions that arose after the reporting period.

### **3.17 Financial risk management**

Renata Limited's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business. Renata Limited's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on Renata Limited's financial performance. Renata Limited's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. Renata Limited regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of Renata Limited carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into Renata Limited's asset portfolio. The credit risk management and control are controlled through the credit policies of Renata Limited which are updated regularly. The Company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

The Company's approach toward managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including the servicing of financial obligations through preparation of the cash forecast prepared based on time line of payment of the financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due date.

**Market risk**

Renata Limited takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and currency, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads and foreign exchange rates.

**a) Currency risk**

The Company is exposed to currency risk on certain receivables and payables such as receivables from foreign customers and payables for import of raw materials, machinery and equipment. The majority of the Company's foreign currency transactions is denominated in US Dollar and relates to procurement of raw materials, machinery and equipment from abroad.

**b) Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Renata Limited takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise.

**4. Director's responsibilities statement**

The Board of Directors of respective companies is responsible for the preparation and presentation of the financial statements of Renata Limited and its subsidiaries.

## 5. Property, plant and equipment

Amount in Taka

Particulars	Cost / Revaluation				Rate %	Depreciation				Written down value as at 30 June 2018
	Balance as at 1 July 2017	Addition during the year	Disposal / adjustment during the year	Balance as at 30 June 2018		Balance as at 1 July 2017	Charge for the year	Disposal / adjustment during the year	Balance as at 30 June 2018	
Freehold land										
At cost	1,186,527,988	19,113,429	-	1,205,641,417		-	-	-	-	1,205,641,417
On revaluation	179,132,078	-	-	179,132,078		-	-	-	-	179,132,078
	1,365,660,066	19,113,429	-	1,384,773,495		-	-	-	-	1,384,773,495
Buildings										
At cost	3,435,095,245	133,730,734	-	3,568,825,979	1.54-5	579,927,991	116,344,209	-	696,272,200	2,872,553,779
On revaluation	41,291,251	-	-	41,291,251	1.54-5	13,376,616	635,885	-	14,012,501	27,278,750
	3,476,386,496	133,730,734	-	3,610,117,230		593,304,607	116,980,094	-	710,284,701	2,899,832,529
Plant and machinery	7,512,846,118	591,705,242	5,197,600	8,099,353,760	5-20	2,420,336,752	496,819,277	4,061,530	2,913,094,499	5,186,259,261
Automobiles	398,875,778	39,364,132	1,650,000	436,589,910	20-25	215,901,937	69,084,131	1,650,000	283,336,068	153,253,842
Office equipment	365,684,009	355,650,777	175,000	721,159,786	10 -12.5	179,871,059	49,090,491	74,411	228,887,139	492,272,647
Furniture and fixtures	152,686,386	11,253,969	-	163,940,355	10	63,278,450	14,462,561	-	77,741,011	86,199,344
<b>Total 30 June 2018</b>	<b>13,272,138,853</b>	<b>1,150,818,283</b>	<b>7,022,600</b>	<b>14,415,934,536</b>		<b>3,472,692,805</b>	<b>746,436,554</b>	<b>5,785,941</b>	<b>4,213,343,418</b>	<b>10,202,591,118</b>
<b>Total 30 June 2017</b>	<b>12,390,077,644</b>	<b>924,333,722</b>	<b>42,272,513</b>	<b>13,272,138,853</b>		<b>2,840,982,204</b>	<b>672,687,847</b>	<b>40,977,246</b>	<b>3,472,692,805</b>	<b>9,799,446,048</b>

## 6. Capital work- in-progress

Amount in Taka

30 June 2018 30 June 2017

Opening balance	1,258,756,142	903,725,332
Addition during the year	1,093,362,414	942,775,277
	<b>2,352,118,556</b>	<b>1,846,500,609</b>
Capitalized as property, plant and equipment	975,488,174	587,744,467
	<b>1,376,630,382</b>	<b>1,258,756,142</b>

## 7. Long term investment

Investment in Govt. savings certificates	650,000	650,000
Investment in Govt. bonds	10,572,360	11,144,720
	<b>11,222,360</b>	<b>11,794,720</b>

## 8. Inventories

### Finished goods

- Pharmaceutical
- Animal health
- Contract manufacturing
- Potent product facility
- Cepha facility
- Penicillin facility

Purnava Limited

Renata Agro Industries Limited

Renata Oncology Limited

### Work-in-process

Raw materials

Bulk materials

Packing materials

Consumable stores, spares and reagent materials

Stock in transit

Provision for obsolete inventories

Amount in Taka

30 June 2018 30 June 2017

378,798,700	424,026,166
576,840,396	438,425,059
32,943,887	57,732,598
50,380,337	41,433,943
128,534,303	135,781,373
27,258,958	38,101,451
40,007,396	32,409,391
72,457,197	70,312,816
11,156,001	13,030,596
<b>1,318,377,175</b>	<b>1,251,253,393</b>
227,932,482	182,801,854
387,805,772	494,520,663
1,059,170,592	642,095,255
481,193,229	382,754,745
155,546,952	168,455,169
447,510,559	412,991,688
<b>4,077,536,761</b>	<b>3,534,872,767</b>
(150,861,028)	(138,801,953)
<b>3,926,675,733</b>	<b>3,396,070,814</b>

## 9. Trade and other receivables

### Trade receivables

Trade receivables- unsecured

Allowance for doubtful receivables

### Other receivables

Sundry receivables - unsecured but considered good

Value Added Tax (VAT) recoverable

Allowance for doubtful receivables

2,356,308,362	2,101,508,712
(94,303,965)	(74,250,078)
<b>2,262,004,397</b>	<b>2,027,258,634</b>
79,709,442	51,785,609
274,483,934	249,743,332
(1,918,825)	(1,918,825)
<b>352,274,551</b>	<b>299,610,116</b>
<b>2,614,278,948</b>	<b>2,326,868,750</b>

## 10. Advances, deposits and prepayments

### Advances

Loan to employees against motorcycle

Loan to employees against scooter

Loan to employees against salary

Advance for house rent

Advance VAT

Advance for inventory

Loan to employees

Advance against expenses - travel

Other advances

148,591,984	90,035,499
869,486	1,953,887
37,840,534	32,011,014
11,539,350	10,979,676
39,075,695	64,710,809
57,209,280	23,483,472
31,969,250	20,896,937
23,932,666	18,642,195
16,008,251	14,631,000
<b>367,036,496</b>	<b>277,344,489</b>

**Deposits**

	Amount in Taka	
	30 June 2018	30 June 2017
Tender deposits	96,299,939	13,606,948
Mymensingh Palli Biddut Samity	12,256,000	12,256,000
Gazipur Palli Bidyut Samity	10,248,000	10,248,000
Dhaka Electric Supply Co. (DESCO) Limited	2,310,000	2,310,000
Security deposit to Linde Bangladesh Limited	880,000	880,000
Bangladesh Ansar O Gram Protirokkha Bahini (Bangladesh Ansar and VDP)	536,461	-
Titas Gas Transmission and Distribution Co. Limited	331,896	455,811
Radison Water Garden Hotel	200,000	200,000
Meghna Model Service Center	110,000	110,000
Bangladesh Customs House, Dhaka Airport	200,000	200,000
Bangladesh Power Development Board, Bogra	232,534	232,534
Bangladesh Power Development Board, Sylhet	90,000	90,000
Bangladesh Power Development Board, Faridpur	75,000	75,000
Bangladesh Power Development Board, Comilla	40,000	40,000
HammerHead Bangladesh Limited	16,000	-
Bangladesh Petroleum Exploration & Production Co. Limited	7,000	7,000
Dhaka Medical College & Hospital	1,540	1,540
Security deposit to G4S Security Services Bangladesh (P) Ltd.	-	946,650
Miscellaneous deposits	-	260,500
	<b>123,834,370</b>	<b>41,919,983</b>

**Prepayments**

Insurance premium	5,643,096	6,137,291
Advertisement	4,604,247	14,351,141
Miscellaneous	-	31,040
	<b>10,247,343</b>	<b>20,519,472</b>
	<b>501,118,209</b>	<b>339,783,944</b>

**11. Investment in shares and others**

Investment in shares (Note-11.1)	147,223,527	154,669,945
Investment in FDR	1,495,387,500	780,000,000
	<b>1,642,611,027</b>	<b>934,669,945</b>



## 11.1 Investment in shares

	Amount in Taka		
	Market value	Cost	
	30 June 2018	30 June 2017	30 June 2018
Square Pharma Limited	106,343,128	97,911,651	45,296,940
British American Tobacco Bangladesh Company Limited	11,234,275	9,195,225	1,964,918
Beximco Pharmaceuticals Limited	9,390,000	-	11,365,280
Shahjibazar Power Co. Ltd.	7,028,100	-	10,885,870
Grameenphone Ltd.	5,055,700	-	4,996,661
ACI Formulations Limited	2,455,500	3,001,500	3,242,427
Bata Shoe Company (Bangladesh) Limited	2,274,400	2,262,600	264,501
Central Depository Bangladesh Limited (unquoted)	1,569,450	1,569,450	1,569,450
Investment Corporation of Bangladesh	670,956	735,487	1,066,263
United Leasing Company Bangladesh Limited	649,839	783,689	578,923
United Commercial Bank Limited	335,210	411,394	2,603,641
Islami Bank Bangladesh Limited	133,970	181,254	163,748
BRAC Bank Limited	53,400	48,420	13,905
International Leasing & Finance Services Limited	15,451	13,149	39,497
People's Leasing and Financial Services Limited	11,108	11,669	117,137
EXIM Bank Limited	2,118	2,172	1,494
Social Islami Bank Limited	922	1,193	596
Confidence Cement Limited	-	6,730,000	-
Lafarge Surma Cement Limited	-	6,290,000	-
Southeast Bank Limited	-	5,550,000	-
BSRM Steels Limited	-	5,454,000	-
Baraka Power Limited	-	4,370,000	-
The City Bank Limited	-	3,740,000	-
AB Bank 1st Mutual Fund	-	3,500,000	-
LR Global Bangladesh Mutual Fund One	-	1,560,000	-
Summit Power Limited	-	1,347,094	-
	<b>147,223,527</b>	<b>154,669,945</b>	<b>84,171,251</b>

		Amount in Taka	
		30 June 2018	30 June 2017
<b>12. Cash and cash equivalents</b>			
<b>Cash in hand</b>		<b>5,499,197</b>	<b>5,128,894</b>
<b>Cash at bank</b>			
Standard Chartered Bank	399,381,809	389,329,381	
Eastern Bank Limited	358,911,717	73,908,594	
Bank Asia Limited	92,400,352	47,672,932	
Commercial Bank of Ceylon PLC	80,569,502	26,115,893	
Sonali Bank Limited	33,075,321	23,954,240	
Citibank N. A.	23,078,648	1,732,817	
Agrani Bank Limited	22,436,804	9,610,772	
The City Bank Limited	18,534,164	1,703,050	
BRAC Bank Limited	14,327,670	-	
The Hongkong and Shanghai Banking Corporation Limited	2,262,099	51,466,431	
Pubali Bank Limited	1,632,164	3,672,929	
Prime Bank Limited	1,594,145	1,345,191	
Islami Bank Bangladesh Limited	1,302,615	1,810,581	
United Commercial Bank Limited	1,239,085	957,219	
Dutch Bangla Bank Limited	998,043	671,426	
Janata Bank Limited	142,567	625,175	
	<b>1,051,886,705</b>	<b>634,576,631</b>	
Balance with City Bank Capital Resources Limited	26,339,461	12,221,437	
Balance with ICB Securities Trading Company Limited	7,079	7,529	
	<b>26,346,540</b>	<b>12,228,966</b>	
	<b>1,083,732,442</b>	<b>651,934,491</b>	
<b>13. Share capital</b>			
<b>Authorized share capital</b>			
100,000,000 ordinary shares of Tk.10 each	<b>1,000,000,000</b>	<b>1,000,000,000</b>	
<b>Issued, subscribed and paid up capital</b>			
1,294,260 ordinary shares of Tk.10 each issued for cash	12,942,600	12,942,600	
1,724,490 ordinary shares of Tk.10 each issued for consideration other than cash	17,244,900	17,244,900	
67,012,272 ordinary shares (57,877,791 ordinary shares as at 30 June 2017) of Tk.10 each issued as bonus shares	670,122,721	578,777,910	
	<b>700,310,221</b>	<b>608,965,410</b>	

At 30 June 2018, the shareholding position of the Company was as follows:

Name of the shareholders	Nationality / incorporated in	Number of shares	Face value Taka	% of total shareholdings
Sajida Foundation	Bangladesh	35,715,518	357,155,181	51.0%
Business Research International Corp. Inc.	Panama	15,227,512	152,275,120	21.7%
ICB Unit Fund	Bangladesh	3,228,218	32,282,180	4.6%
Shadharan Bima Corporation	Bangladesh	3,063,838	30,638,380	4.4%
Investment Corporation of Bangladesh	Bangladesh	2,509,791	25,097,910	3.6%
Other shareholders	Bangladesh & others	10,286,145	102,861,450	14.7%
		<b>70,031,022</b>	<b>700,310,221</b>	<b>100%</b>

#### Classification of shareholders by holdings:

Holdings	30 June 2018				
	No. of shareholders as per folio	No. of shareholders as per BOLD	No. of total shareholders	No. of total shareholdings	% of total shareholdings
Less than 500 shares	114	2,951	3,065	339,782	0.5%
501 to 5000 shares	48	719	767	1,239,012	1.8%
5,001 to 10,000 shares	10	76	86	605,325	0.9%
10,001 to 20,000 shares	17	46	63	923,254	1.3%
20,001 to 30,000 shares	7	23	30	761,592	1.1%
30,001 to 40,000 shares	-	9	9	333,659	0.5%
40,001 to 50,000 shares	-	10	10	436,414	0.6%
50,001 to 100,000 shares	2	24	26	1,831,717	2.6%
100,001 to 1,000,000 shares	1	16	17	3,815,390	5.4%
Over 1,000,000 shares	2	4	6	59,744,877	85.3%
	<b>201</b>	<b>3,878</b>	<b>4,079</b>	<b>70,031,022</b>	<b>100%</b>

#### 14. Revaluation surplus

The freehold land and buildings were revalued by a firm of professional valuers in the year 1995 and the resulting increase of value of Tk. 220,423,329 has been shown as revaluation surplus.

	Amount in Taka	
	30 June 2018	30 June 2017
Land	179,132,078	179,132,078
Buildings	27,914,634	28,550,519
	<b>207,046,712</b>	<b>207,682,597</b>
Less: Depreciation adjustment on revalued buildings	(635,885)	(635,885)
	<b>206,410,827</b>	<b>207,046,712</b>
Less: Adjustment of deferred tax on revaluation surplus	(51,602,706)	(51,761,677)
	<b>154,808,121</b>	<b>155,285,034</b>

## 15. Tax holiday reserve

Amount in Taka	
30 June 2018	30 June 2017
Opening balance	46,637,673
Non-controlling interest share of tax holiday reserve	(5,664)
<b>46,637,673</b>	<b>46,637,673</b>

## 16. Retained earnings

Opening balance	12,082,218,918	10,176,639,171
Net profit after tax for the year	3,106,187,500	2,678,059,501
Adjustment for non-controlling interest share of tax holiday reserve	-	5,664
Stock dividend issued	(91,344,811)	(79,430,270)
Final dividend	(548,068,869)	(450,104,869)
Interim dividend	-	(243,586,164)
Depreciation adjustment on revalued assets	635,885	635,885
<b>14,549,628,623</b>	<b>12,082,218,918</b>	

## 17. Non-controlling interests

Share capital	6,200	6,200
Retained earnings and reserve (including tax holiday reserve)	62,810	68,523
<b>69,010</b>	<b>74,723</b>	

## 18. Long term loan - net off current portion

The Hongkong and Shanghai Banking Corporation Limited (Note-18.1)	99,662,486	257,110,932
<b>99,662,486</b>	<b>257,110,932</b>	

### Less : Current portion

The Hongkong and Shanghai Banking Corporation Limited	99,662,486	161,200,000
<b>99,662,486</b>	<b>161,200,000</b>	
<b>-</b>	<b>95,910,932</b>	

## 18.1 The Hongkong and Shanghai Banking Corporation Limited

### Details of facility:

Facility limit	: USD 6,811,696
Validity	: Up to 18 November 2018.
Terms of Repayment	: Twenty equal quarterly installments commencing from February 2014.
Nature of Security	: i) Registered mortgage over 376.87 decimals industrial land in Rajendrapur where Cephra, Penicillin, and Bottle shed are situated. ii) First Charge over all the present and future inventories, trade receivables, receivables claims, contracts, bills, plant, machinery and equipment of the Renata Limited.

## 19. Deferred tax liabilities

Deferred tax liabilities have been recognized in accordance with the provision of "BAS-12" based on temporary differences arising due to difference in the carrying amount of the assets or liabilities and its tax base.

	Amount in Taka	
	30 June 2018	30 June 2017
Opening balance	1,170,470,120	970,413,404
Addition during the year	74,214,840	200,056,716
	<b>1,244,684,960</b>	<b>1,170,470,120</b>

### Computation of deferred tax for the year ended 30 June 2018

	Amount in Taka			
	Carrying amount	Tax base	Taxable/ (deductible) temporary difference	Deferred tax liabilities/(assets)
Property, plant and equipment excluding cost of land	9,116,742,389	4,064,458,915	5,052,283,474	1,263,283,623
Provision for doubtful debt	(96,222,790)	-	(96,222,790)	(24,398,249)
Provision for gratuity	(5,056,423)	-	(5,056,423)	(505,642)
Investment in shares	147,223,527	84,171,251	63,052,276	6,305,228
<b>Deferred tax liabilities/(assets) as at 30 June 2018</b>				<b>1,244,684,960</b>
<b>Deferred tax liabilities/(assets) as at 30 June 2017</b>				<b>1,170,470,120</b>
Increase in deferred tax liabilities/(assets) during the year				<b>74,214,840</b>
<b>Allocation of deferred tax liabilities/(assets) during the year</b>				
Charged to available for sale reserve (OCI)				764,931
Adjustment for reduction of revaluation surplus due to charges of extra depreciation				(158,972)
Charged to profit or loss				73,608,881
				<b>74,214,840</b>

## Computation of deferred tax for the year ended 30 June 2017

	Amount in Taka			
	Carrying amount	Tax base	Taxable/ (deductable) temporary difference	Deferred tax liabilities/ (assets)
Property, plant and equipment excluding cost of land	8,727,372,529	4,028,036,680	4,699,335,849	1,183,485,009
Provision for doubtful debt	(73,130,747)	-	(73,130,747)	(18,282,687)
Provision for gratuity	(778,569)	-	(778,569)	(272,499)
Investment in shares	154,669,945	99,266,981	55,402,964	5,540,297
<b>Deferred tax liabilities/(assets) as at 30 June 2017</b>				<b>1,170,470,120</b>
<b>Deferred tax liabilities/(assets) as at 30 June 2016</b>				<b>970,413,404</b>
Increase in deferred tax liabilities/(assets) during the year				<b>200,056,716</b>
<b>Allocation of deferred tax liabilities/(assets) during the year</b>				
Charged to available for sale reserve (OCI)				5,540,297
Adjustment for reduction of revaluation surplus due to charges of extra depreciation				(158,972)
Charged to profit or loss				194,675,391
				<b>200,056,716</b>

## 20. Short term loan and overdrafts

	Amount in Taka	
	30 June 2018	30 June 2017
<b>Short term bank loan</b>		
Eastern Bank Limited (Note-20.1)	189,276,512	112,396,964
The City Bank Limited (Note-20.2)	313,599,925	18,183,750
Standard Chartered Bank (Note-20.3)	446,170,970	529,563,134
Citibank N. A. (Note-20.4)	307,939,988	531,479,144
Bank Asia Limited (Note-20.5)	301,425,128	147,595,001
Commercial Bank of Ceylon PLC (Note-20.6)	835,117,302	335,301,831
	<b>2,393,529,825</b>	<b>1,674,519,824</b>
<b>Overdraft</b>		
Eastern Bank Limited (Note-20.1)	10,879,800	98,291,985
The City Bank Limited (Note-20.2)	-	-
Standard Chartered Bank (Note-20.3)	-	-
Citibank N. A. (Note-20.4)	-	-
Bank Asia Limited (Note-20.5)	832,173	172,530,032
Commercial Bank of Ceylon PLC (Note-20.6)	-	27,112,113
	<b>11,711,973</b>	<b>297,934,129</b>
	<b>2,405,241,798</b>	<b>1,972,453,954</b>

The terms and conditions of the facility available for Overdraft, Acceptance, LATR, Revolving, Import and Demand loan are as follows:

## 20.1 Eastern Bank Limited

### Overdraft

Purpose : To finance overhead cost and duty payment.  
Facility limit : Tk. 100 million.  
Repayment : Within 365 days from the date of disbursement.

### Letter of credit/ Acceptance (Sight / Usance)

Purpose : To import plant and machinery.  
Facility limit : Combined Tk. 650 million.  
Repayment : Within 180 days from the date of disbursement.

### Import finance

Purpose : To import raw materials.  
Facility limit : Combined Tk. 650 million.  
Repayment : Within 180 days from the date of disbursement.

### Security

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.
- iii) Registered hypothecation by way of pari passu with RJSC on entire inventory book debts and other floating assets and plant and machinery of the Company in favor of Eastern Bank Limited.

## 20.2 The City Bank Limited

### Letter of credit/ Acceptance (Sight / Usance)

Purpose : To import API, excipient, packing materials and finished materials.  
Facility limit : Combined Tk. 320 million.  
Repayment : Within 180 days from the date of disbursement.

### Import finance

Purpose : To retire sight Letter of credit documents opened for procurement of API, excipient, packing materials and finished materials.  
Facility limit : Combined Tk. 320 million.  
Repayment : Within 180/150 days from the date of disbursement.

### Short term loan

Purpose : For payment of duty and other charges related to import and VAT.  
Facility limit : Tk. 100 million.  
Repayment : Within 180 days from the date of disbursement.

### Overdraft

Purpose : To meet the day to day operating, promotional, and marketing expenses.  
Facility limit : Tk. 80 million.  
Repayment : Within 365 days from the date of disbursement.

### Security

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited with RJSC on pari passu security sharing basis with the existing lenders.

## 20.3 Standard Chartered Bank

### Letter of credit

Purpose	: To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business.
Facility limit	: Combined Tk. 1,200 million.
Repayment	: Within 180 days from the date of disbursement.

### Loan against Trust Receipt (LATR)

Purpose	: Retirement of documents of only sight letter of credits.
Facility limit	: Combined Tk. 1,200 million.
Repayment	: Within 180 / 365 days from the date of disbursement.

### Overdraft

Purpose	: For working capital purposes.
Facility limit	: Tk. 100 million.
Repayment	: Overdraft to be cleaned up for 4 days in one year.

### Acceptance

Purpose	: To provide acceptance against letter of credits issued by the bank.
Facility limit	: Combined Tk. 1,200 million.
Repayment	: Within 180 / 365 days from the date of disbursement.

### Security

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

## 20.4 Citibank N. A.

### Letter of credit/ Acceptance (Sight / Usance)

Purpose	: To open letter of credits for import of raw materials, packing materials, capital machinery, spares and other items required for regular course of business.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 180/ 360 days from the date of disbursement.

### Import finance

Purpose	: To refinance import letter of credits.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 119 days from the date of disbursement.

### Short term loan

Purpose	: To finance local purchase of active and raw materials, packing materials, capital machinery, spares and other items required for regular course of business.
Facility limit	: Combined USD 7,020,000.
Repayment	: Within 119 days from the date of disbursement.

### Overdraft

Purpose	: To finance regular selling, general and administrative expenses.
Facility limit	: Combined USD 980,000.
Repayment	: On demand.



**Cheque purchase/ Cash management line**

Purpose : To facilitate the cash management funds of day 0 or day 1.  
Facility limit : Combined USD 7,020,000.  
Repayment : Within 7 days from the date of disbursement.

**Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

**20.5 Bank Asia Limited****Revolving letter of credit**

Purpose : To import raw materials, machineries and spare parts for the Company.  
Facility limit : Tk. 400 million.  
Repayment : Within 180 days from the date of disbursement.

**Revolving LATR**

Purpose : Retirement of documents of only sight letter of credits.  
Facility limit : Tk. 250 million.  
Repayment : Within 120 days from the date of disbursement.

**Overdraft**

Purpose : For payment of duty VAT, taxes and operating expenses.  
Facility limit : Tk. 350 million.

**Revolving demand loan**

Purpose : For procurement of pharmaceuticals and packing materials from local sources.  
Facility limit : Tk. 400 million.  
Repayment : Within 180 days from the date of disbursement.

**Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

**20.6 Commercial Bank of Ceylon PLC**

Facility limit : Tk. 1,500 million.  
Repayment : Within 90 days from the date of disbursement.

**Security**

- i) First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- ii) First charge over all present and future plant and machinery of Renata Limited jointly as above.

**21. Trade payables**

Payable to suppliers  
Toll manufacturing charges (Sharif and NAFCO)  
Payables for consumable - plant

Amount in Taka	
30 June 2018	30 June 2017
232,639,979	184,356,325
11,024,490	586,697
-	17,470,000
<b>243,664,469</b>	<b>202,413,022</b>

**22. Other payables**

VAT, PF, gratuity and other payables  
Workers' participation fund  
Advance from customers  
Royalty payable  
Export commission payable

703,623,124	1,144,588,336
268,801,357	243,180,200
52,491,526	213,008
15,044,439	12,636,465
7,637,713	14,126,178
<b>1,047,598,159</b>	<b>1,414,744,187</b>

**23. Provision for taxation**

Opening balance  
Provision made during the year  
  
Payment made during the year  
Adjustment during the year

759,091,639	960,375,348
1,066,654,550	907,245,115
<b>1,825,746,189</b>	<b>1,867,620,463</b>
(1,015,934,714)	(1,106,241,105)
-	(2,287,719)
<b>809,811,475</b>	<b>759,091,639</b>

**24. Turnover (Net)**

Renata Limited  
Renata Agro Industries Limited  
Purnava Limited  
Renata Oncology Limited

Amount in Taka	
2017 - 2018	2016 - 2017
18,453,742,873	15,961,286,528
347,546,214	524,473,608
248,718,953	159,205,830
-	-
<b>19,050,008,040</b>	<b>16,644,965,966</b>

During the year, sale of pharmaceuticals products includes export sales of Tk. 608,245,196 equivalent to US\$ 7,429,526 (Tk.990,112,975 equivalent to US\$ 12,564,971 for the year ended 30 June 2017).

**25. Cost of sales**

Renata Limited  
Renata Agro Industries Limited  
Purnava Limited  
Renata Oncology Limited

9,228,172,982	7,940,504,696
348,258,197	338,536,388
12,794,014	22,214,193
29,066,146	-
<b>9,618,291,339</b>	<b>8,301,255,277</b>

		Amount in Taka	
		2017 - 2018	2016 - 2017
<b>26. Administrative, selling and distribution expenses</b>			
Salaries, wages and allowances		1,809,093,956	1,648,557,452
Fuel and power		78,268,520	53,541,120
Rent, rates and taxes		48,161,498	41,107,776
Insurance		22,570,135	19,738,946
Travelling, moving and entertainment expenses		337,951,956	291,452,401
Repairs and maintenance		47,308,473	33,294,131
Cleaning & security services		49,661,007	33,200,104
Legal and professional expense		1,129,203	1,941,372
Bad debts expenses		19,972,849	16,095,308
Audit fee		1,069,000	952,750
Directors' fee		370,000	290,000
Membership fees and subscription		3,863,494	4,101,244
Meeting and corporate expense		92,099,296	82,809,809
Advertising and sales promotion		402,028,887	329,279,857
Field expenses		999,880,762	818,385,449
Depreciation		117,536,620	91,191,815
Printing and stationery		43,043,339	33,584,783
Postage, telex, fax and telephone		51,002,394	53,253,369
Distribution freight		385,641,923	298,029,495
Lunch, snacks, tea and welfare expense		188,720,207	178,581,051
Other overhead expenses		197,398,899	185,652,227
		<b>4,896,772,418</b>	<b>4,215,040,459</b>
<b>27. Other income</b>			
Gain/(loss) from sale of quoted shares		(1,849,667)	2,902,706
Dividend income		3,720,419	2,808,734
Interest income		124,600,437	17,463,809
Scrap sales		12,391,098	2,789,276
Gain/(loss) on disposal of property, plant and equipment		(696,659)	19,327,950
		<b>138,165,628</b>	<b>45,292,475</b>
<b>28. Finance costs</b>			
Interest expenses		87,866,789	128,771,786
Exchange loss		107,861,495	60,982,043
Bank charges		14,283,742	12,196,512
		<b>210,012,026</b>	<b>201,950,341</b>
<b>29. Net asset value per share (NAV)</b>			
<b>The computation of NAV is given below:</b>			
Equity attributable to the ordinary shareholders		15,508,127,862	12,942,966,277
Weighted average number of ordinary shares outstanding during the year (Note-29.1)		70,031,022	70,031,022
<b>Net asset value per share (NAV)</b>		<b>221.45</b>	<b>184.82</b>

**29.1 Weighted average number of shares outstanding during the year**

Opening number of shares  
 Bonus shares issued in December 2017

Amount in Taka	
2017 - 2018	
60,896,541	
9,134,481	
<b>70,031,022</b>	

**30. Basic earnings per share (EPS)**

**The computation of EPS is given below:**

	Amount in Taka	
	2017 - 2018	2016 - 2017
Earnings attributable to the ordinary shareholders (net profit after tax for the year)	3,106,187,500	2,678,059,501
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	70,031,022	70,031,022
<b>Basic earnings per share (EPS)</b>	<b>44.35</b>	<b>38.24</b>

Last year's EPS has been adjusted as per the requirement of BAS-33 "Earnings Per Share"

**31. Net cash generated from operating activities**

	2017 - 2018
Profit before tax	4,246,444,818
<i>Adjustments for:</i>	
Depreciation and amortization expenses	747,008,915
Provision for bad debts & others	19,782,231
Finance costs	210,012,026
Loss on disposal of property, plant and equipment	696,659
Loss from sale of quoted shares	1,849,667
Income from investment	(5,157,215)
<b>Cash generated from operations before working capital changes</b>	<b>5,220,637,101</b>
<i>Adjustments for:</i>	
(Increase)/ decrease in inventories	(530,604,919)
(Increase)/ decrease in trade and other receivables	(307,464,084)
(Increase)/ decrease in advances, deposits and prepayments	(160,947,532)
Increase/ (decrease) in trade payables	41,251,449
Increase/ (decrease) in other payables	(367,146,029)
<b>Cash generated by operations</b>	<b>3,895,725,986</b>
Finance costs	(210,012,026)
Payment of tax	(1,016,344,496)
<b>Net cash generated from operating activities</b>	<b>2,669,369,464</b>

**32. Net operating cash flow per share**

**The computation of net operating cash flow per share is given below:**

	Amount in Taka	
	2017 - 2018	2016 - 2017
Net cash generated from operating activities	2,669,369,464	3,650,770,501
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	70,031,022	70,031,022
<b>Net operating cash flow per share</b>	<b>38.12</b>	<b>52.13</b>

### 33. Payments to directors and officers

The aggregate amount paid (except Directors' fees for attending board meetings) during the year to Directors and officers of the Company is disclosed below as required by the Securities and Exchange Rules-1987:

	Directors	Officers
	10,932,471	502,047,482
Remuneration / salary	6,415,990	362,234,129
House rent	4,555,197	194,145,520
Bonus	1,093,247	44,542,046
Contribution to provident fund	1,366,559	150,304,234
Gratuity	3,055,303	201,371,659
Conveyance allowance and transport	4,602,776	42,110,883
Other welfare expenses	<u>32,021,543</u>	<u>1,496,755,953</u>

#### 33.1 During the year, no payment has been made to any non-executive Directors for any special services rendered.

### 34. Dividend paid to non-resident shareholders

Final dividend paid to non-resident shareholder, Business Research International Corp. Inc. for the year 2016-2017 was Tk. 95,337,468 equivalent to US\$ 1,141,903 for their 13,241,315 shares.

### 35. Contingent liabilities

35.1 There are contingent liabilities on account of unresolved disputed corporate income tax assessments involving tax claims by the tax authority amounting to Tk 3,555,060 for the assessment year 2000-01; Taka 11,888,503 for the assessment year 2013-14; Taka 14,478,424 for the assessment year 2014-2015; Taka 14,066,733 for the assessment year 2015-2016 and Taka 26,168,376 for the assessment year 2017-2018 for which appeals are pending with the Commissioner of Taxes (Appeal) and the Hon'ble High Court Division of the Supreme Court.

35.2 The Assistant Commissioner of Taxes issued a notice vide letter No. SA-162/2014-2015/82 on 01 September 2014 claiming that during the assessment year 2008-09 (income year 2007), the Company did not deduct VAT on certain accounting heads amounting to Tk. 232,741,698 and tax file reopened accordingly under Section 93 of the Income Tax Ordinance, 1984. Total tax amount was calculated Tk. 69,822,509 on that claimed amount by using the prevailing corporate tax rate 30%. However, the Hon'ble High Court delivered the verdict in favour of the Company on 6 January 2016 but the National Board of Revenue has made leave to appeal to the Supreme Court Appellate Division against the verdict.

### 36. Claims by the Company not acknowledged as receivable

None as at 30 June 2018.

### 37. Commitments

On the statement of financial position date, the Company is enjoying unfunded credit facilities from the following banks:

	Amount in Taka	
	June 30, 2018	June 30, 2017
Letters of credits (Note 37.1)	1,224,696,950	1,442,662,862
Outstanding guarantees issued by the banks	166,712,184	92,244,970
Capital expenditure commitments	1,709,962,536	454,872,572
	<b>3,101,371,670</b>	<b>1,989,780,404</b>

#### 37.1 Letters of credits

	Limit	June 30, 2018	June 30, 2017
Standard Chartered Bank	1,700,000,000	119,541,010	263,892,692
Eastern Bank Limited	550,000,000	113,603,930	102,241,542
The City Bank Limited	320,000,000	185,798,488	120,933,774
Citi Bank N.A.	403,000,000	172,105,108	462,614,116
Commercial Bank of Ceylon PLC	750,000,000	516,163,553	353,248,795
Bank Asia Limited	400,000,000	117,484,861	139,731,943
	<b>4,123,000,000</b>	<b>1,224,696,950</b>	<b>1,442,662,862</b>

### 38. Disclosure as per requirement of Schedule-XI, Part-II of the Companies Act, 1994

#### 38.1 Employee position of Renata Limited as per requirement of schedule XI, Part-II, Para-3

The company engaged 7,215 (6,493 as of June 2017) employees as of June 2018, of which 4,939 (4,449 as of June of 2017) is permanent employees and 2,276 (2,044 as of June 2017) is casual and temporary workers as required. All employees received total salary of above Tk. 36,000 per annum.

### 39. Payments / receipts in foreign currency

#### 39.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:

	Foreign currency USD	Local currency Taka
Active, raw and packaging materials	74,422,147	6,103,436,468
Machinery and spares	10,204,356	837,109,097
	<b>84,626,503</b>	<b>6,940,545,565</b>

#### 39.2 Foreign exchange was earned in respect of the following:

	USD
Export of goods on FOB	<b>7,429,526</b>

#### **40. General**

- 1) All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.
- 2) The comparative information have been disclosed in respect of the year 2017-2018 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current year's financial statements.

#### **41. Events after the reporting period**

The Board of Directors in their meeting held on 27 October 2018 have recommended total cash dividend @ 95% per share of Taka 10 each aggregating Taka 665,294,709 and stock dividend @ 15% of Taka 10 each aggregating Taka 105,046,533 for the year ended 30 June 2018 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 15 December 2018. The financial statements for the year ended 30 June 2018 do not include the effects of the above cash dividend and stock dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

There are no other material events identified after the statement of financial position date which require adjustment or disclosure in these financial statements.

## CORPORATE HEADQUARTERS

Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh  
PABX: (880 -2) 800 1450-54, Fax: (880 -2) 800 1446  
e-mail: renata@renata-ltd.com, Website: www.renata-ltd.com

## MANUFACTURING SITES

Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh, PABX: (880 -2) 801 1012-13  
Noyapara, Bhawal Mirzapur, Rajendrapur, Gazipur, Bangladesh, Tel: 06825-55148  
Kashor, P.O.: Seed Store, P.S.: Bhaluka, Mymensingh, Bangladesh.

## DISTRIBUTION CENTRES

### Burigonga Depot

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South Keranigonj, Dhaka-1311  
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### Gazipur Depot

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### Bhairab Depot

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Bhairab, Kishoregonj-2350  
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e-mail: bhairab@renata-ltd.com

### Turag Depot

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e-mail: turag@renata-ltd.com

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Tangail Sadar, Tangail-1900  
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e-mail: tangail@renata-ltd.com

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e-mail: mymensingh@renata-ltd.com

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e-mail: chittagong@renata-ltd.com

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Barishal-8200  
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### Feni Depot

Dhaka Chittagong Highway,  
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### Faridpur Depot

Utrile Lodge,  
Masjid Bari Sarak,  
Niltuly, Faridpur-7800  
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e-mail: faridpur@renata-ltd.com

### Khulna Depot

27, Sir Iqbal Road,  
Khulna-9100  
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e-mail: khulna@renata-ltd.com

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Sarder Vila, Holding No-1021/B  
Airport Road, Arabpur,  
Jashore-7400  
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e-mail: jessore@renata-ltd.com

### Rajshahi Depot

C-212, Laxmipur,  
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### Korotoa Depot

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### Rangpur Depot

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Rangpur-5400  
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e-mail: rangpur@renata-ltd.com

### Dinajpur Depot

Amir Lodge, Block-08,  
House-36, Upshohor Housing  
More, Dinajpur-5200  
Phone & Fax: 0531-66164  
Mobile: 01833-316987  
e-mail: dinajpur@renata-ltd.com





RENATA LIMITED

## PROXY FORM

Revenue  
Stamp  
of  
Taka 20.00

I/We, the undersigned, being a member of the above named Company hereby appoint

Mr./Ms. \_\_\_\_\_

Of (Address) \_\_\_\_\_

as my/our proxy to vote and act for me/us and on my/our behalf, at the 45th Annual General Meeting of the Company, to be held at the Corporate Headquarters Premises, Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 on Saturday, December 15, 2018 at 11.00 a.m. and at any adjournment thereof.

Specimen Signature (s) of the Shareholder (s) \_\_\_\_\_ Date: \_\_\_\_\_

Name in Block Letters \_\_\_\_\_

Address \_\_\_\_\_

Folio/BO No. \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of the Proxy



RENATA LIMITED

## Shareholders' Attendance Slip

*I/We hereby record my/our attendance at the 45th Annual General Meeting  
being held on Saturday, December 15, 2018 at the Corporate Headquarters Premises,  
Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 at 11.00 a.m.*

Name of Shareholder(s).....

Register Folio/BO No. ....

holding of ..... Ordinary Shares of Renata Limited.

\_\_\_\_\_  
Signature (s) of Shareholder(s)

Note :


1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.

2. Please bring this slip with you and present at the reception desk.

3. No Gift/Gift Coupon/Food Box shall be distributed at the 45th AGM in Compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2014



Corporate Headquarters: Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh, GPO Box No. 303  
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