

Renata Annual Report





Syed Humayun Kabir
Founder Chairman
(1931 - 2015)



Renata Limited

PABX : 8001450-54
Fax : 880-2-8001446
Email : renata@renata-ltd.com
Website : 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, 2019

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, 2019. 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 29, 2019

RENATA LIMITED

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

October 29, 2019

NOTICE

NOTICE is hereby given that the 46th 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 21, 2019 at 11.00 am 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, 2019 together with Reports of the Auditors and the Directors.
- Agenda-2: To declare dividend for the year which ended on June 30, 2019 (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 2019-2020 and to fix their remuneration.
- Agenda-5: To appoint Compliance Auditors for the year 2019-2020 and to fix their remuneration.
- Agenda-6: To approve appointment of the Independent Director.

By Order of the Board



(Md. Jubayer Alam)
Company Secretary

NOTES:

- The 'Record Date' (in lieu of Book Closure) is Wednesday, November 20, 2019. 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 @ 100% cash dividend for year 2018-2019 and stock dividend (bonus share) @ 10% for the year ended June 30, 2019.
- 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.
- In Compliance with the BSEC Notification No.BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, Annual Report 2018-2019 will be duly sent in soft form to the respective shareholders e-mail addresses available in their Beneficial Owner (BO) Accounts maintained with the DP. Shareholders may also collect the printed copy of Annual Report 2018-2019 from the Share Department of the Company or from the AGM venue. These will also be available in Company's website: 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।

RENATA LIMITED

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

Dated: October 29, 2019

NOTICE OF AN EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting of the Shareholders of Renata Limited will be held on Saturday, December 21, 2019 at 12.30 pm at Corporate Headquarters premises at Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 to transact the following business, and to consider and thought fit, to pass, with or without modification, the following resolution(s) as Special Resolution(s).

Proposed Special Resolutions:

1. To increase the Authorised Capital.

Resolved that the proposal for enhancement of the Authorised Capital of the Company from Tk.1,000,000,000 (Taka One Hundred Crores) divided into 100,000,000 Ordinary Shares of Tk.10 each to Tk.2,500,000,000 (Taka Two Hundred Fifty Crores) divided into 250,000,000 Ordinary Shares of Tk.10 each as well as amendment of Clause V and 5 of Memorandum and Articles of Association of the Company as proposed below be and is hereby amended.

2. Amendment of Clause V of the Memorandum of Association of the Company.

Existing Clause V	Proposed Clause V
The capital of the Company is Taka 1,000,000,000 (Taka One Hundred Crores) divided into 100,000,000 Ordinary Shares of Taka 10 each with power to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified, or special rights, privileges or conditions as may be determined upon by or in accordance with the regulations of the Company, and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.	The capital of the Company is Taka 2,500,000,000 (Taka Two Hundred Fifty Crores) divided into 250,000,000 Ordinary Shares of Taka 10 each with power to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified, or special rights, privileges or conditions as may be determined upon by or in accordance with the regulations of the Company, and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

3. Amendment of Article 5 of the Articles of Association of the Company.

Existing Article 5	Proposed Article 5
The authorised share capital of the Company is Taka 1,000,000,000 (Taka One Hundred Crores) divided into 100,000,000 Ordinary Shares of Taka 10 each.	The authorised share capital of the Company is Taka 2,500,000,000 (Taka One Hundred Fifty Crores) divided into 250,000,000 Ordinary Shares of Taka 10 each.

4. Amendment of Article 121 of the Articles of Association of the Company.

Existing Article 121	Proposed Article 121
Three Directors present shall be the quorum for a Meeting of the Board. Provided that if at any time all the Directors except one are disqualified from voting, then the pertinent matter, should be referred to a General Meeting of shareholders for consider.	Three Directors present (including by telephone or video conference or other electronic means) shall be the quorum for a Meeting of the Board. Provided that if at any time all the Directors except one are disqualified from voting, then the pertinent matter, should be referred to a General Meeting of shareholders for consideration.

5. Incorporate of new Article 123A of the Articles of Association of the Company.

Existing Article 123	Proposed Article 123 & 123A
<p>The Directors shall cause minutes to be made in books to be provided for the purpose:</p> <p>(a) of all appointments of officers made by the Directors;</p> <p>(b) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and</p> <p>(c) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.</p>	<p>The Directors shall cause minutes to be made in books to be provided for the purpose:</p> <p>(a) of all appointments of officers made by the Directors;</p> <p>(b) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and</p> <p>(c) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.</p> <p>123A. Any Director shall be entitled to participate in a meeting of the Board of which he or she is a member, at which he or she is not physically present, by telephone or video conference or similar electronic means where all participants are able to hear all other participants, and the Chairman of such meeting shall ensure that such Director's observations are duly recorded in the minutes of such meeting.</p>

6. To print new Memorandum and Articles of Association of the Company.

Resolved that the proposal for the new printed Memorandum and Articles of Association of the Company incorporating the above amendments be submitted to the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh.

7. Merger with Renata Limited.

Renata Oncology Limited and Renata Limited will be merged under the provision of Section 228 & 229 of the Companies Act, 1994 subject to the consent of Shareholders and approval from the Honorable High Court division of Supreme Court of Bangladesh.

By order of the Board



Md. Jubayer Alam
Company Secretary

NOTES:

- i) The 'Record Date' (in lieu of Book Closure) is Wednesday, November 20, 2019. 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 Extra Ordinary General Meeting.
- ii) A member entitled to attend and vote at the Extra Ordinary 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.
- iii) 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.
- iv) Admission into the Meeting Room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.
- v) The EGM Notice is available in Company's website: 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**
2017-2018



Table of Contents

1	Company Profile
3	Our Values
4	Our Mission and Vision
6	Chairman's Statement
10	Board of Directors
16	Corporate Governance
17	Directors' Report
39	Financial Highlights
40	Financial Trend
41	Statement of Value Addition
42	Corporate Social Responsibility
43	Product Portfolio

Financial Statements of Renata Limited

57	Auditors' Report
63	Statement of Financial Position
64	Statement of Profit or Loss and Other Comprehensive Income
65	Statement of Changes in Equity
66	Cash Flow Statement
67	Notes to the Financial Statements

Report and Financial Statements of Renata Agro Industries Limited

96	Directors' Report
97	Auditors' Report
99	Statement of Financial Position
100	Statement of Profit or Loss and other Comprehensive Income
101	Statement of Changes in Equity
102	Cash Flow Statement
103	Notes to the Financial Statements

Report and Financial Statements of Purnava Limited

118	Directors' Report
119	Auditors' Report
121	Statement of Financial Position
122	Statement of Comprehensive Income
123	Statement of Changes in Equity
124	Cash Flow Statement
125	Notes to the Financial Statements

Report and Financial Statements of Renata Oncology Limited

134	Directors' Report
135	Auditors' Report
137	Statement of Financial Position
141	Notes to the Financial Statements

Renata (UK) Limited & Renata Pharmaceutical (Ireland) Limited

151	Renata (UK) Limited & Renata Pharmaceutical (Ireland) Limited
------------	---

Consolidated Financial Statements of Renata Limited and its Subsidiaries

153	Auditors' Report
158	Statement of Financial Position
159	Statement of Profit or Loss and Other Comprehensive Income
160	Statement of Changes in Equity
161	Cash Flow Statement
162	Notes to the Financial Statements

189	Corporate Directory
192	Proxy Form

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
- 100% Shareholding in Renata Pharmaceuticals (Ireland) 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

Kashor Herbal Facility, Kashor
Hobirbari, Bhaluka, Mymensingh

BANKERS

Standard Chartered Bank
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

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.



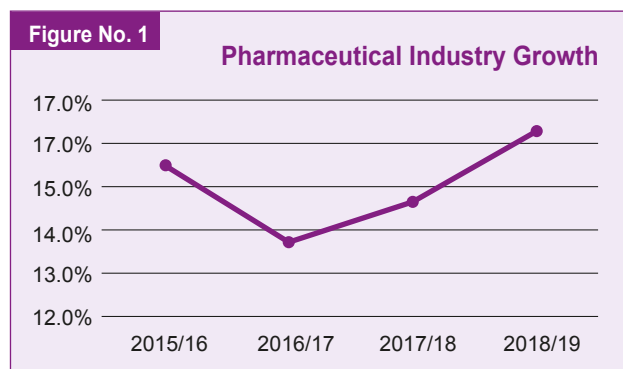
Dr. Sarwar Ali
Chairman

Chairman's Statement

Welcome to the 46th Annual General Meeting of Renata Limited.

The Company performed well in the last fiscal year. Both Net profit and Net Sales increased by 19.4%. We thank all members of Renata Limited for consistently delivering good results in an increasingly competitive environment.

The local pharmaceutical industry, which had been expanding annually in the region of 10%-15% during the last five years experienced a growth spurt last year, reaching 16.3% (See Figure No. 1)



Source: Data collected from 18 companies in the Industry

While it is tempting to attribute this growth trajectory to positive developments in the overall economy, one would be well-advised to exercise caution in drawing such a conclusion. A significant contributor to this growth has been a temporary spike in the sale of antibiotics in response to sporadic outbreaks of infectious diseases during the first half of 2019. Indeed, given the large number of government and NGO programmes dealing with health and hygiene, there is every reason to expect the incidence of infectious diseases to decline over time.

Table No. 1 shows that growth in antibiotic sales had tapered off in 2017 and 2018 before escalating once more in 2019. This growth contributed as much as 16.93% to the overall growth of the pharmaceutical industry. Nevertheless, as mentioned above, there is no reason to presuppose that this growth rate would continue in the future.

Table No. 1				
ANTIBIOTICS	2016	2017	2018	2019
Growth	27.07%	9.28%	3.79%	11.41%
Share of Total Pharma Market				
Growth	16.68%	8.38%	8.04%	16.93%

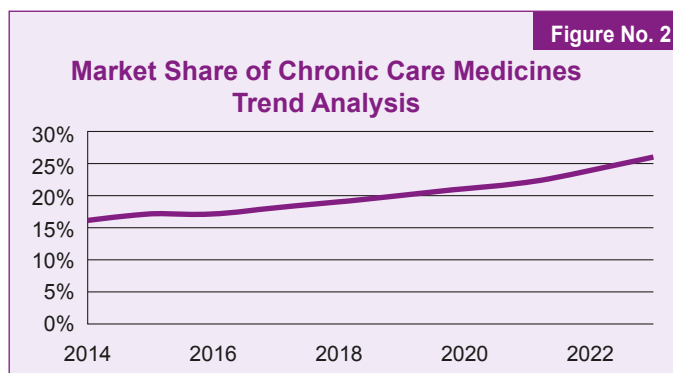
It is noteworthy that over the last few years, just three closely related antibiotics from the Cephalosporin category, have been driving the antibiotic market. As the widespread use of Cefixime, Cefuroxime Axetil, and Cefuroxime Axetil plus Clavulanic Acid inevitably lead to antibiotic resistance, a shift away from these relatively expensive antibiotics to older and more economical therapies is likely. For example, Amoxicillin, a favourite antibiotic of the past registered a strong comeback last year.

Respiratory care which was the second highest contributor to the growth-spurt in the pharmaceutical industry (See Table No. 2) represents a more interesting long-term prospect for growth than antibiotics. There is a direct relationship between respiratory illnesses and climate change which is affecting all parts of the world. Increased temperatures raise the quantity of pollen and allergens produced by plants. In tropical countries higher temperature in combination with humidity leads to proliferation of mould. These adverse changes raise the risk of asthma, rhinosinusitis, chronic obstructive pulmonary disease (COPD) and respiratory tract infections.

Table No. 2				
RESPIRATORY	2016	2017	2018	2019
Growth	30.61%	20.98%	5.66%	19.58%
Share of Total Pharma Market				
Growth	8.98%	9.27%	6.50%	16.01%

Air quality in the urban areas of Bangladesh, especially Dhaka, regularly ranks as among the worst in the world. Given inexorable pressures of urbanisation and heavy reliance on fossil fuels, improvement in air quality in the near-to-medium term is unlikely. A rise in respiratory ailments is fait accompli.

Once the transient elements of growth are factored out, the long-term trend of the Bangladesh pharmaceutical market is plain to see: As was pointed out in my last Statement, stomatologicals, anti-infectives, and pain medicines shall contribute significantly, albeit at a diminishing rate. In contrast, therapies for chronic care (Cardiovascular and Anti-Diabetic medicines) are expected to occupy an increasing share of the market (See Figure No. 2).



NB: Trend estimated using a polynomial equation of the form $Y = \alpha + \beta_1 X + \beta_2 X^2 + \epsilon$

The demand for chronic care tends to rise in lock-step with the development status of countries. As a country graduates out of poverty, a host of ailments stem from richer yet unhealthy diets, stressful urban lifestyles, and increased lifespan. At the threshold of becoming a middle-income nation, Bangladesh too shall have to endure diseases that primarily affect populations immediately above and beyond the poverty line. As such, looking ahead, pharmaceutical companies must invest heavily into developing portfolios rich in chronic care products.

While generic products are becoming ever-more popular throughout the world, generic companies are facing unprecedented pricing pressures as governments struggle to contain spiralling healthcare

costs. In the US and in some EU countries, health expenditure as a share of GDP has remained virtually frozen for a number of years. As public resources get diverted to acquiring newer and more expensive therapies, there is an insufficient fund for reimbursing the cost of generic medicines, resulting in downward pressure on prices.

Nevertheless, opportunities still remain for generic companies that have a large basket of products. Sudden excess in demand or supply shortages lead to scarcity premiums on prices, which tend to improve the generally low profitability of generic products. The key implication is that generic companies can no longer afford to specialise in a particular therapeutic category and must instead opt for having a diverse range of products.

Renata Limited has a large pipeline of products targeted at the EU and US markets. In the last 12 months, we received registrations for four more products, raising our total number to 11.

Table No. 3

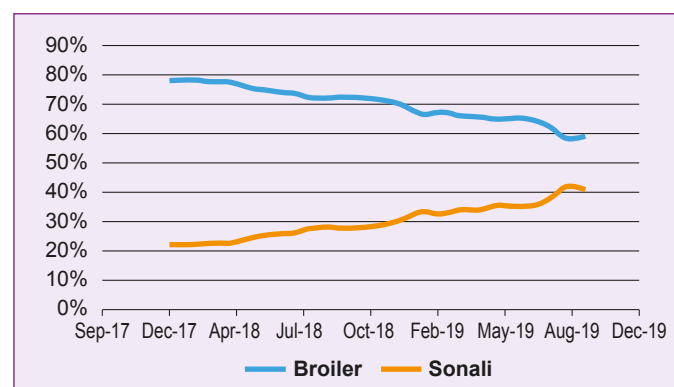
Registrations During 2018/2019	Country
Terbenafine Tablets 250mg	UK
Sertraline Tablets 100mg	UK
Clindamycin Tablets 75mg, 150mg and 300mg	UK
Amantadine Tablets 100mg	UK

I am also pleased to note that in partnership with another company, we made a first-to-file application in the USA. If the patent-litigation is successful, we should be able to supply the product before its patent expiry in 2023.

In Bangladesh, the Animal Health market, after a dull year in 2017/18, recovered spectacularly in the first half of 2019. While total growth for the fiscal year was 9.4%, growth in the first half of 2019 escalated to 17.4%. Peak weekly production of day-old-chicks crossed 18.5 million compared to 16.5 million in the previous year. Egg prices remained healthy throughout the year, which helped in the recovery of the Animal Health industry. While broiler prices remained depressed, high prices for the local broiler *Sonali* drove demand for poultry medicines and nutrition products.

The *Sonali* phenomenon deserves a bit of elaboration. It is a cross-breed of the Rhode Island Red cockerel and the Fayoumi hen. The offspring results in a broiler that has a similar phenotypic appearance to that of the local chicken. The meat of *Sonali*, in terms of taste and texture also resembles the local chicken as opposed to commercial broilers. Both the local variety and *Sonali* fetch premium prices. However, due to inbreeding, the genotype of this bird is becoming diluted and the survivability of the breed is in question. In the meantime, the *Sonali* phenomenon is completely changing the landscape of the poultry industry (See Figure No: 3)

More and more farmers are switching to *Sonali* as it fetches stable premium prices, whereas commercial broiler prices show wild gyrations. It is said that the *Sonali* bird has a superior meat texture to that of commercial broilers. The latter due to its rapid growth has higher water retention leading to poorer meat quality. The popularity of *Sonali* is also based on the dual myth that it is raised without any medication, whereas the commercial broiler is stuffed with hormones and steroids. Nothing could be further than the truth. Not only is there no use of hormones and steroids in broilers, but also the *Sonali* bird due to its inferior genotype



requires comparatively more medicines and nutritional supplements.

The Animal Health industry also benefited from the proliferation of local beef-fattening and dairy farms. Due to the ban imposed by India on the export of its cattle, small farms cropped up in all villages of Bangladesh. Moreover, Government emphasis on dairy-cattle and cross-breed development has helped this fledgling industry.

I now take a very brief look at our constituent businesses.

Animal Health: Renata Limited remains the market leader in an extremely competitive industry. Despite operating from a large base, growth was 10.8% against market growth of 9.4%. It is also noteworthy, that despite being the market leader, our Animal Health division operates with the smallest field-force in comparison to our nearest competitors.

By next year, we hope to unveil a new state-of-the-art Animal Nutrition factory on our Bhaluka manufacturing site. We are hopeful that the quality of this manufacturing facility would encourage large local farms to switch from imports to Renata products.

Pharmaceutical: Net sales grew by 19.0%, outperforming a buoyant market which registered growth of 16.3%. While such growth is encouraging, we must keep in mind that it is becoming very expensive to register incremental sales given the profligacy in promotional expenditure that has sadly characterised our Industry.

Given the importance of establishing our chronic care brands, we have tripled the size of our specialised team. Several new products have been added and the pipeline is interesting.

Contract-Manufacturing: There are two reasons why contract-manufacturing has become a highly successful segment of our business: First, the dynamic Institutional Business team has been able to routinely secure new opportunities; second, our manufacturing and engineering teams have demonstrated to our customers that Renata is extremely skilled at delivering high volumes. In this regard, it is relevant to point our young engineers developed two robots which essentially doubled the packaging capacity of the Sachet Filling Facility in Mirpur.

Outlook for 2020: Through prudent management of our financial resources, Renata is now effectively debt-free. This strength permits us to take make the best use of opportunities, as well as providing insurance against adversity. We therefore remain optimistic about our prospects next year.

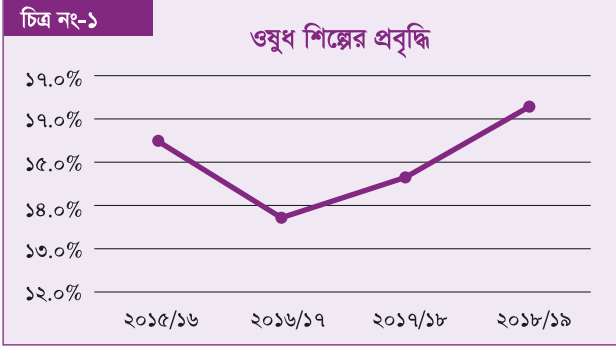

Dr. Sarwar Ali

Chairman
October 29, 2019

চেয়ারম্যানের প্রতিবেদন

রেনাটা লিমিটেডের ৪৬তম বার্ষিক সাধারণ সভায় স্বাগতম।

কোম্পানীটি গত অর্থ বছরে ভাল পারফরম্যান্স করেছে। নিট মুনাফা ও বিক্রয় উভয়ের প্রবৃদ্ধি হয়েছে ১৯.৪%। ক্রমবর্ধমান প্রতিযোগিতামূলক পরিবেশে ধারাবাহিক ভাবে ভাল ফলাফল দেয়ার জন্য আমরা রেনাটা লিমিটেডের সকল সদস্যদের ধন্যবাদ জানাচ্ছি।



সূত্র: ওষুধ শিল্পের ১৮টি কোম্পানীর প্রাপ্ত উপাত্ত থেকে

দেশীয় ফার্মাসিউটিক্যাল শিল্পে গত পাঁচ বছরে বার্ষিক প্রবৃদ্ধি হয়েছে ১০% থেকে ১৫%, যা গত বছর বৃদ্ধি পেয়ে ১৬.৩% হয়েছে। যদিও মনে হতে পারে সামগ্রিক অর্থনীতির ইতিবাচক অগ্রগতির জন্য এই প্রবৃদ্ধি হয়েছে, তবে যে কাউকে এই রকম সিদ্ধান্তে উপনিত হতে সতর্কতা অবলম্বন করতে হবে। ২০১৯ সালের প্রথমার্ধে সংক্রামক রোগগুলির বিক্ষিপ্ত প্রাদুর্ভাবের কারণে অ্যান্টিবায়োটিকস-এর বিক্রয় এই প্রবৃদ্ধিতে উল্লেখযোগ্য অবদান রেখেছে, যা একটি অস্থায়ী উদ্ভলন। প্রকৃতপক্ষে স্বাস্থ্য ও স্বাস্থ্যবিধি নিয়ে বিপুল সংখ্যক সরকারী ও এনজিও কর্মসূচীর কারণে সময়ের সাথে সাথে এই সংক্রামন রোগের প্রকোপ হ্রাস পেতে পারে।

টেবিল নং-১ এ, দেখা যায় যে, ২০১৭ ও ২০১৮ সালে অ্যান্টিবায়োটিকস এর বিক্রয় প্রবৃদ্ধি কমে যাওয়ার পর ২০১৯ সালে আবারও বেড়ে যায়, এর ফলে সামগ্রিক ভাবে ওষুধ শিল্পের প্রবৃদ্ধি হয়েছে ১৬.৯৩%। তবুও উপরোল্লিখিত হিসাবে অনুমান করার কোন কারণ নাই যে, এই প্রবৃদ্ধির হার ভবিষ্যতে অব্যাহত থাকবে।

টেবিল নং-১

অ্যান্টিবায়োটিকস	২০১৬	২০১৭	২০১৮	২০১৯
প্রবৃদ্ধি	২৭.০৭%	৯.২৮%	৩.৭৯%	১১.৪১%
সার্বিকভাবে ফার্মা মার্কেট				
প্রবৃদ্ধির হার	১৬.৬৮%	৮.৩৮%	৮.০৪%	১৬.৯৩%

এটি লক্ষ্যনীয় যে, গত কয়েক বছর ধরে অ্যান্টিবায়োটিকস এর বাজার সেফালোস্পোরিন গোত্রের মাত্র তিনটি ঘনিষ্ঠ ভাবে সম্পর্কিত অ্যান্টিবায়োটিকস দ্বারা পরিচালিত। সেফিক্সিম, সেফোরক্সিম এক্সিটিল এবং সেফোরক্সিম এক্সিটিল প্লাস ক্লাভোনিক এসিড এর ব্যাপকহারে ব্যবহারের ফলে অ্যান্টিবায়োটিকস রেজিস্টেন্স হচ্ছে। তাই এই তুলনামূলক ব্যয়বহুল অ্যান্টিবায়োটিকস থেকে পুরানো এবং আরো কমদামী থেরাপীগুলোতে সরে যাবার সম্ভাবনা রয়েছে। উদাহরণস্বরূপ বহু বছরের পুরাতন প্রিয় অ্যান্টিবায়োটিকস এমোক্সাসিলিন গত বছর শক্তিশালী ভাবে প্রত্যাবর্তন করেছে।

শ্বাসতন্ত্রের রোগের ওষুধ ফার্মাসিউটিক্যাল শিল্পের প্রবৃদ্ধিতে দ্বিতীয় সর্বোচ্চ অবদান রেখেছে (টেবিল নং-২), যা অ্যান্টিবায়োটিকের চেয়ে আরো দীর্ঘ

মেয়াদী প্রবৃদ্ধির প্রত্যাশা দেখায়। শ্বাসকষ্ট জনিত রোগ এবং জলবায়ু পরিবর্তনের মধ্যে প্রত্যক্ষ একটা সম্পর্ক রয়েছে, যা বিশ্বের সমস্ত অংশকে প্রভাবিত করে। বর্ধিত তাপমাত্রায় গাছপালার মাধ্যমে উৎপাদিত পরাগরেনু এবং অ্যালার্জীর পরিমাণ বাড়িয়ে দেয়। গ্রীষ্মমন্ডলীয় দেশগুলিতে আদ্রতার সাথে মিশ্রিত উচ্চতর তাপমাত্রার বিস্তার বাড়ছে। এর বিরূপ প্রতিক্রিয়ার ফলে হাঁপানী, রাইনোসিনুসাইটিস, সিওপিডি এবং শ্বাসনালীর সংক্রমণের রোগের ঝুঁকি বাড়ছে।

টেবিল নং-২

শ্বাসতন্ত্রের ওষুধ	২০১৬	২০১৭	২০১৮	২০১৯
প্রবৃদ্ধি	৩০.৬১%	২০.৯৮%	৫.৬৬%	১৯.৫৮%
সার্বিকভাবে ফার্মা মার্কেট				
প্রবৃদ্ধির হার	৮.৯৮%	৯.২৭%	৬.৫০%	১৬.০১%

বাংলাদেশের শহরাঞ্চল, বিশেষত ঢাকার বাতাসের মান নিয়মিত ভাবে বিশ্বের সবচেয়ে খারাপ অবস্থানে আছে। অপরিষ্কৃত ভাবে নগরায়নের চাপ এবং জীবাশ্ম জ্বালানীর উপর অধিক নির্ভরশীলতার ফলে নিকট-মাঝারী মেয়াদে বাতাসের মানের উন্নতি করা দূর হইবে। শ্বাসকষ্টজনিত রোগ বেড়ে যাওয়া অবশ্যজ্ঞাবী। একবার যদি শ্বাসকষ্টজনিত রোগ বেড়ে যাবার ক্ষনস্থায়ী উপাদানগুলি বের করা যায়, বাংলাদেশের ওষুধের বাজারে এগুলোর দীর্ঘমেয়াদী প্রভাব বোঝা সহজ হবে। আমার পূর্বের বিবৃতিতে বলেছিলাম স্টেটামেন্টেলজিক্যালস, অ্যান্টি-ইনফেকটিভস এবং ব্যথার ওষুধগুলি বাজারে স্বল্পহারে হলেও উল্লেখযোগ্য ভাবে অবদান রাখবে। তাছাড়া দীর্ঘমেয়াদী ওষুধ (হৃদরোগ ও ডায়াবেটিস) বাজারের ক্রমবর্ধমান অংশ দখল করবে বলে আশা করা হচ্ছে (চিত্র নং-২)।



বিদ্র: $Y = \alpha + \beta_1 X^2 + \beta_2 X + \epsilon$ সমীকরণ ব্যবহার করে ট্রেন্ড অনুমান

দীর্ঘমেয়াদী রোগের চিকিৎসার চাহিদা দেশের উন্নয়নের সাথে তাল মিলিয়ে বাড়তে থাকে। একটি দেশ যখন দারিদ্র থেকে স্বচ্ছলতার দিকে যায় তখন মানুষের মধ্যে রোগ হবার কিছু কারন তৈরী হয়, যেমন- অস্বাস্থ্যকর খাদ্যাভ্যাস, চাপযুক্ত নগর জীবন এবং আয়ুষ্কাল বৃদ্ধি। মধ্যম আয়ের দেশ হওয়ার দ্বারপ্রান্তে বাংলাদেশকেও এমন রোগ সহ্য করতে হবে। সেই হিসাবে ওষুধ কোম্পানীগুলোকেও দীর্ঘ মেয়াদী রোগের চিকিৎসার প্রসারে অবশ্যই অনেক বেশী বিনিয়োগ বাড়াতে হবে।

যদিও বিশ্বজুড়ে জেনেরিক পণ্যগুলো আরও বেশী জনপ্রিয় হয়ে ওঠার ফলে কোম্পানীগুলো চরম মূল্য নিয়ন্ত্রণের চাপের মুখোমুখি হচ্ছে। সরকারও ওষুধের মূল্য স্থিতি রাখতে চেষ্টা করছে। মার্কিন যুক্তরাষ্ট্র ও কিছু ইইউ দেশে জিডিপির অংশ হিসাবে স্বাস্থ্য ব্যয় বেশ কয়েক বছর ধরে কার্যতঃ স্থবির হয়ে আছে। যেহেতু জনগণের সম্পদ আরো নতুন ও ব্যয়বহুল থেরাপীর জন্য ব্যবহৃত হচ্ছে তাই জেনেরিক ওষুধের মূল্য পরিশোধের জন্য পর্যাপ্ত তহবিল থাকলে, ফলে দামের উপর একটি নিম্নচাপ সৃষ্টি হয়।

তবুও যে সকল জেনেরিক কোম্পানীগুলোর বিভিন্ন ধরনের অনেক বেশী সংখ্যক পণ্য থাকে, তাদের একটি বিশাল সুযোগ আছে। চাহিদা ও সরবরাহের ঘাটতির কারণে হঠাৎ করে মূল্যবৃদ্ধি পায়, যার ফলশ্রুতিতে কম লাভজনক জেনেরিক পণ্যগুলো ভাল করার সুযোগ পায়। মূল বিষয়টি হলো জেনেরিক কোম্পানীগুলোকে কোন একটি বিশেষ থেরাপিউটিক্স-এ না থেকে বিভিন্ন ধরনের ওষুধ বেছে নেয়া।

রেনাটা লিমিটেড ইউরোপীয় ইউনিয়ন এবং যুক্তরাষ্ট্রের বাজারের জন্য বড় আকারের প্রোডাক্ট পাইপলাইন তৈরী করছে। গত ১২ মাসে আমরা আরো ৪টি প্রোডাক্ট রেজিস্ট্রেশন পেয়েছি এবং এতে আমাদের প্রোডাক্ট সংখ্যা বেড়ে ১১-তে দাড়িয়েছে।

টেবিল নং-৩

রেজিস্ট্রেশন সময় ২০১৮/২০১৯	দেশ
টারবিনাফিল ট্যাবলেট ২৫০ মি.গ্রা.	ইউকে
সারট্রালিন ট্যাবলেট ১০০ মি.গ্রা.	ইউকে
ক্রিভামাইসিন ট্যাবলেট ৭৫ মি.গ্রা., ১৫০ মি.গ্রা. এবং ৩০০ মি.গ্রা.	ইউকে
অ্যামাট্যাজিন ট্যাবলেট ১০০ মি.গ্রা.	ইউকে

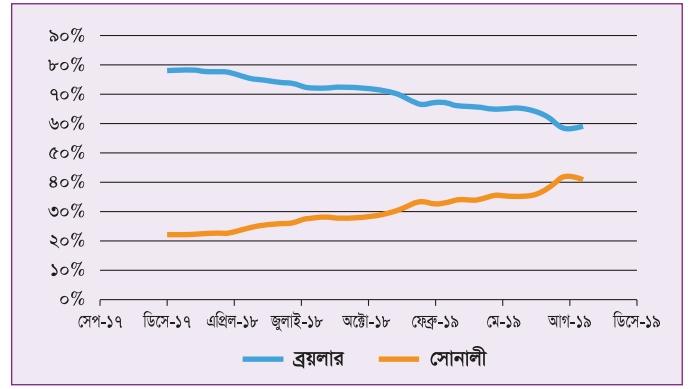
আমি আনন্দের সাথে আরেকটি বিষয় জানাতে চাই যে, আমরা অন্য একটি কোম্পানীর সাথে যৌথ উদ্যোগে আমেরিকাতে ফাষ্ট-টু ফাইলের জন্য আবেদন করেছি। এই আবেদন গৃহীত হলে, আমরা ২০২৩ সালে পেটেন্ট মেয়াদ উত্তীর্ণ হওয়ার পূর্বেই ওষুধ সামগ্রী সরবরাহ করতে সক্ষম হব।

২০১৭-১৮ অর্থ বছরে বাংলাদেশের পশু-স্বাস্থ্য ব্যবসায় বাজার মন্দা থাকলেও ২০১৯ সালের প্রথমার্ধে দারুনভাবে উন্নতি হয়েছে। যেখানে সারা বছরে মোট প্রবৃদ্ধি ছিল ৯.৪%, সেখানে ২০১৯ সালের প্রথমার্ধে তা বেড়ে হয়েছে ১৭.৪%। গত বছরের তুলনায় একদিন বয়সী মুরগীর বাচ্চার উৎপাদন ১৬.৫ মিলিয়ন থেকে বেড়ে হয়েছে ১৮.৫ মিলিয়ন। সারা বছর জুড়ে ডিমের বাজার দর ভাল থাকায় পশু-স্বাস্থ্য ব্যবসা শক্তিশালী হয়েছে। ব্রয়লারের বাজার দর নিম্নমুখী থাকলেও “সোনালী” মুরগীর উচ্চ মূল্যের জন্য পোল্ট্রি ওষুধ এবং পরিপূরক নিউট্রিশন প্রোডাক্টের চাহিদা বেড়েছে।

বিস্ময়কর ‘সোনালী মুরগী’ সম্পর্কে বিস্তারিত কিছু বলা প্রয়োজন। এটি রোড আইল্যান্ড রেড ককরেল এবং ফাইউমি মুরগীর একটি সংকর জাত। ক্রসের ফলে জন্ম নেয়া এই জাতের মুরগীগুলোর আকার অবয়ব প্রায় দেশী মুরগীর মতই দেখায়। বাজারের অন্যান্য ব্রয়লার মুরগীর তুলনায় এর মাংসের স্বাদ ও টেক্সচার অনেকটা দেশী মুরগীর মত। ফলে দেশী ও সোনালী উভয়েরই বাজার দর বেশী। তবে ইনব্রিডিংয়ের কারণে এই জাতটির স্বকীয়তা কমে যাচ্ছে এবং এর টিকে থাকা নিয়ে সংশয় রয়েছে। ইতিমধ্যে সোনালী মুরগীর জাতটি পোল্ট্রি শিল্পের পটভূমি পুরোপুরি বদলে দিয়েছে।

দিনে দিনে আরো বেশী সংখ্যক খামারী সোনালী মুরগী পালনে ঝুঁক পড়ছে। কারণ, বানিজ্যিক ভাবে পালিত ব্রয়লার মুরগীর বাজারদর খুবই অস্থিতিশীল হওয়া সত্ত্বেও সোনালী মুরগীর বাজার দর তুলনামূলকভাবে স্থিতিশীল ও বেশ দামী। এটা বলা যায় যে সোনালী মুরগীর মাংসের টেক্সচার বানিজ্যিকভাবে পালিত ব্রয়লার মুরগীর তুলনায় ভাল।

ব্রয়লার মুরগীগুলো দ্রুত বড় হওয়ার কারণে এদের মাংসে পানির পরিমাণ বেশী থাকে এবং মাংসের মান খারাপ হয়। সোনালী মুরগীর চাহিদা বাড়ার আরো একটি কারন হলো, এর সম্পর্কে সুপ্রচলিত ধারণা যে, এটি কোন ওষুধ ছাড়াই বড় হয়, যেখানে বানিজ্যিক ব্রয়লারগুলো হরমোন ও স্টেরয়েড দিয়ে বড় করা হয়। কিন্তু বাস্তবতা প্রচলিত বিশ্বাস থেকে আলাদাও হতে পারে। এটা সত্য যে, ব্রয়লার মুরগী পালনে কোন হরমোন বা স্টেরয়েড ব্যবহার হয় না। পক্ষান্তরে সোনালী মুরগী দুর্বল জিনোটাইপের কারণে এদের তুলনামূলক ভাবে আরও বেশী ওষুধ ও পরিপূরক পুষ্টিগত খাবার দিতে হয়।



স্থানীয়ভাবে গরু মোটাতাজাকরন এবং দুগ্ধ খামারগুলি বিস্তার লাভ করায় পশু-স্বাস্থ্য শিল্প উপকৃত হয়েছে। গবাদিপশু রপ্তানিতে ভারতের নিষেধাজ্ঞার কারণে বাংলাদেশের গ্রামে ছোট ছোট খামার গড়ে উঠেছে। কিন্তু দুগ্ধ-গবাদিপশু এবং ক্রস-ব্রিড উন্নয়নের উপর সরকারের জোর তৎপরতা এই নব্য শিল্পকে সহায়তা করেছে।

আমি এখন আমাদের ব্যবসার দিকে সংক্ষিপ্ত আলোকপাত করতে চাই -

পশুস্বাস্থ্যঃ রেনাটা লিমিটেড একটি অত্যন্ত প্রতিযোগিতামূলক শিল্পে বাজারের শীর্ষ স্থান ধরে রেখেছে। একটি বৃহৎ ভিত্তি থেকে পরিচালিত হওয়া সত্ত্বেও, যেখানে বাজারের প্রবৃদ্ধি ছিল ৯.৪%, সেখানে আমাদের প্রবৃদ্ধি হয়েছে ১০.৮%। এটাও বলা প্রয়োজন যে, বাজারের নেতা হওয়া সত্ত্বেও আমাদের এই বিভাগটি নিকটতম প্রতিযোগীদের তুলনায় সবচেয়ে কম সংখ্যক ফিল্ড-ফোর্স নিয়ে কাজ করছে। আমরা আশা করছি যে, আগামী বছর আমাদের ভালুকা সাইটে একটি নতুন অত্যাধুনিক প্রাণী-পুষ্টি কারখানা উন্মোচন হবে। আমরা আশাবাদী যে, এই মান সম্মত উৎপাদন কারখানার কারণে স্থানীয় বৃহৎ খামারগুলিকে আমদানি নির্ভরতা থেকে রেনাটার পন্যের দিকে ধাবিত হতে উৎসাহ যোগাবে।

ফার্মাসিউটিক্যালঃ প্রানোচল বাজার প্রবৃদ্ধি ১৬.৩% কে ছাড়িয়ে আমাদের প্রবৃদ্ধি হয়েছে ১৯%। যদিও আমাদের প্রবৃদ্ধিটি খুবই সন্তোষজনক, তবে আমাদের মনে রাখতে হবে যে, এই শিল্পে বিক্রয়োন্নয়ন প্রনোদনা ব্যয় বৃদ্ধির কারণে এই প্রবৃদ্ধি অর্জন ব্যয়বহুল হয়ে উঠেছে।

আমাদের ক্রনিক কেয়ার ব্র্যান্ডগুলি প্রতিষ্ঠার গুরুত্বকে বিবেচনা করে আমরা বিশেষায়িত দলের আকার তিনগুন বাড়িয়েছি। বেশ কয়েকটি নতুন পণ্য যুক্ত করা হয়েছে এবং পাইপলাইন আকর্ষণীয়।

চুক্তি ভিত্তিক উৎপাদনঃ দু'টি কারণে আমাদের চুক্তি ভিত্তিক উৎপাদন একটি অত্যন্ত সফল ব্যবসায় পরিনত হয়েছে: প্রথমতঃ পরিশ্রমী ইন্সটিটিউশনাল বিজনেস দলটি নিয়মিত ভাবে নতুন নতুন সুযোগ সৃষ্টি এবং তা সুরক্ষা করতে সক্ষম হয়েছে। দ্বিতীয়তঃ আমাদের উৎপাদন ও প্রকৌশল দল আমাদের গ্রাহকদের কাছে প্রমাণ করতে পেরেছে যে, রেনাটা হাই ভলিউম সরবরাহ করতে সক্ষম একটি কোম্পানী। তা'ছাড়া সক্ষমতার সাথে সম্পর্কযুক্ত একটি বিষয় যে, আমাদের তরুন প্রকৌশলীরা দুটি রোবট তৈরী করেছে যা মিরপুরের সাচেট ফিলিং ফ্যাক্টরির প্যাকেজিং সক্ষমতা দ্বিগুন করেছে।

প্রেক্ষাপট ২০২০ঃ আমাদের আর্থিক সম্পদগুলির বিচক্ষণ ব্যবস্থাপনার মাধ্যমে, রেনাটা এখন কার্যতঃ ঋণমুক্ত কোম্পানী। এই শক্তি আমাদের সুযোগের সর্বোত্তম ব্যবহার করার সাহস জোগায়, পাশাপাশি প্রতিকূলতার বিরুদ্ধে নিশ্চয়তা দেয়। তাই আমরা আগামী বছরও ভাল হবে বলে আশাবাদী।

ডাঃ সারওয়ার আলী
চেয়ারম্যান
অক্টোবর ২৯, ২০১৯

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
Director, BRAC Bank Limited

Past Responsibilities

Board Member, BRAC
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
Vice President, Bangladesh Association of Pharmaceutical Industries
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",
Said Business School, University of Oxford





Sajeda Farisa Kabir, Director

Current Responsibilities

Director, Renata Limited

Past Responsibilities

Counsel Barrister, Temple Court Chambers Dhaka Annexe, Dhaka, Bangladesh

Senior Regional Manager, Human Rights and Legal Services Program, BRAC

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

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 (up to 31.12.2018)

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 (up to 29.10.2019)
 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

Md. Abul Hossain, Director

Current Responsibilities

Director, Renata Limited (from 29.10.2019)
 Managing Director, Investment Corporation of Bangladesh
 Chairman, ICB Capital Management Ltd.
 Director, Renata Limited (From October 29, 2019)
 Director of British American Tobacco Bangladesh Co. Ltd. (BATBC),
 Linde Bangladesh Limited, GlaxoSmithKline Bangladesh Ltd. (GSK),
 Heidelberg Cement Bangladesh Limited,
 Standard Bank Limited, National Tea Company Limited(NTC),
 Central Depository Bangladesh Ltd. (CDBL),
 United Power Generation & Distribution Company Limited(UPGDCL),
 Aramit Limited, Bangladesh Institute of Capital Market(BICM),
 The Peninsula Chittagong Limited,
 Ratanpur Steel Re-rolling Mills Limited(RSRM),
 Industrial Infrastructure Development & Finance Company
 Limited(IIDFC),
 Apex Tannery Limited, Apex Footwear Limited,
 Padma Bank Limited.

Past Responsibilities

Managing Director, Karmasangsthan Bank
 Managing Director (Additional Charge), Bangladesh Krishi Bank (BKB)
 Deputy Managing Director, Bangladesh Krishi Bank (BKB)
 General Manager, Investment Corporation of Bangladesh (ICB)

Education

B.SC (Hon's) and M.Sc in Statistics from Jahangirnagar University





Tanya Tazeen Karim, Independent Director

Current Responsibilities

Director, Renata Limited
 Architect Partner, Tanya Karim NR Khan & Associates
 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

Board Member: Bangladesh Womens' Chamber of Commerce &
 Industry (BWCCI)
 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

Nehal Ahmed, Independent Director

Current Responsibilities

Director, Renata Limited (from 26.01.2019)
 Director, A-CUBED PTE Ltd., Singapore
 Advisor, WebAble Digital
 Advisor, SHEBA.XYZ
 Advisor, BankCompareBD.com
 Advisor, iSanchay Ltd.
 Advisor, Xenious International (Pvt) Ltd.

Past Responsibilities

Senior Director (Head of Communications), Grameenphone
 Director (Marketing), Grameenphone
 Executive Vice President, Robi Axiata Limited
 Chief Marketing Officer, AUGERE Wireless Broadband Bangladesh
 Limited (QUBEE)
 Global Marketing Manager, BACARDI Global Brands Ltd., London, UK
 European Brand Director, MARS Snackfoods Europe, Slough, UK
 Global Marketing Manager, MARS Drinks Global, Basingstoke, UK
 International Brand Marketing Manager, British American Tobacco PLC,
 London, UK
 Group Brand Manager, British American Tobacco Bangladesh Ltd.,

Education

Innovation – Strategy to Execution, INSEAD Business School, Singapore
 Strategic Marketing Program, London Business School (LBS), London
 Bachelor of Science in Industrial Engineering and Operations,
 The University of Massachusetts, USA





Md. Jubayer Alam, Company Secretary

Current Responsibilities

Company Secretary, Renata Limited

Director, Renata Agro Industries 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 (up to 31.12.2018)

Mrs. Tanya Tazeen Karim - Independent Director • Chairman, Audit Committee (from 26.01.2019)

Mr. Kaiser Kabir - CEO & Managing Director • Member

Mr. Nehal Ahmed - Independent Director • Member (from 26.01.2019)

Management Team

Chief Executive Officer &
Managing Director

Director, Manufacturing

General Manager, Animal Health

General Manager, Marketing Pharmaceutical

General Managers, Pharmaceutical Sales

General Manager, International Regulatory Affairs

General Manager, Finance

General Manager, Vaccines & Specialty Care Business

General Manager, Projects

General Manager, International & Institutional Business

Heads of Quality Assurance

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, 2019.

BUSINESS ACTIVITIES

Turnover during 2018-19 was Taka 22,220.8 million registering a growth of 19.4% over last year's turnover of Taka 18,603.7 million. Profit after tax was Taka 3,822.7 million – a growth of 19.4%. Earnings per Share (EPS) stood at Taka 47.47 against Taka 39.70 of 2017-18.

NEW PHARMACEUTICAL PRODUCTS

Renata introduced 8 new formulations during the year 2018-19

Sl.	Brand Name	Generic	Division	Developed by
1	Erpen IM/IV 1G Injection	Ertapenem	Pharmaceutical	Renata
2	Antogin ER 500mg Tablet	Ranolazine	Pharmaceutical	Renata
3	Vita D3 40000 IU Capsule	Chelecalceferol	Pharmaceutical	Renata
4	Vita D3 20000 IU Capsule	Chelecalceferol	Pharmaceutical	Renata
5	Glinta 5mg tablet	Linagliptin	Pharmaceutical	Renata
6	Eazy Jelly 50gm Tube	Hydroxyethyl Cellulose & Glycerine	Pharmaceutical	Renata
7	Pulmino FC 400 mg tablet	Doxofylline	Pharmaceutical	Renata
8	Azisan Plus 40 mg Tablet	Azilsartan+Chlorthalidone	Pharmaceutical	Renata

CAPITAL EXPENDITURE

The following capital expenditure made by the Company during the year amounted to Taka 1,779.8 million.

Taka in millions

	2018-19
Freehold Land	85.3
Building	198.4
Plant and Machinery	1,259.3
Automobile	89.6
Office Equipment, Furniture & Fixtures and others	147.2
Total	1,779.8

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 10.00 per ordinary share of Taka 10 each. This dividend will entail a payment of Taka 805,356,750. The Board of Directors also recommend for declaration of Stock Dividend (Bonus Shares) in the ratio of one Bonus Share for every 10.00 shares held for which an amount of Taka 80,535,675 will have to be transferred to Share Capital Account.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review Renata paid Taka 5,083 million to the National Exchequer in the form of Corporate Income Tax, Import Duties and Value Added Tax (VAT)

DIRECTORS

The vacancy caused due to change of Mr. Kazi Sanaul Hoq was filled by Mr. Md. Abul Hossain, Managing Director by Investment Corporation of Bangladesh.

According to the provisions of Article 105 of the Articles of Association of the Company, Mr. Md. Abul Hossain retires at the 46th Annual General Meeting and being eligible offer himself for re-election

The Directors retiring by rotation under Articles 109, 115 and 116 of the Articles of Association of the Company Mr. A. Hasanat Khan and Mrs. Zahida Fizza Kabir have been longest in office since election, and constitute one-third of the Directors who retire by rotation, are eligible offer themselves for re-election. However, Mr. A. Hasanat Khan does not wish to seek re-election.

AUDITORS

The Company's Auditor Messrs S. F. Ahmed & Co., Chartered Accountants retire at the 46th Annual General Meeting. As per order of Bangladesh Securities and Exchange Commission the issuer Company shall not appoint any firm of chartered accountants as its statutory auditors for a consecutive period exceeding three years. As such they are not eligible for reappointment. Therefore the Board of Directors is pleased to recommend Messrs ACNABIN & Co., Chartered Accountants as auditor of the Company for the year 2019-20 and fix their remuneration.

CONSOLIDATION OF ACCOUNTS

The Company is consistently following the Code of International Financial Reporting Standard as adopted by the Institute of Chartered Accountants of Bangladesh. According to International Financial Reporting Standard-10, (IFRS-10) the Company has presented all the relevant consolidated financial statements with those of its subsidiaries.

Financial Results

The Directors take pleasure in reporting the following financial results of the Company for the year 2018-19

	2018-19 Taka	2017-18 Taka
Profit before tax	5,213,777,207	4,333,061,344
Less: Provision for tax	1,390,415,077	1,136,110,811
Net Profit after tax	3,823,362,130	3,196,950,533
Add/(Less) Other comprehensive income	(627,520)	3,588,029
Total Comprehensive income	3,822,734,610	3,200,538,562
Add: Unappropriated profit brought forward	13,501,704,788	11,070,871,580
Add: Depreciation of revaluation surplus	635,885	635,885
	17,325,075,283	14,272,046,027
APPROPRIATION RECOMMENDED		
Dividend proposed:		
a) Cash dividend @ 10.00 Taka per share	805,356,750	665,294,709
b) Stock dividend (Bonus Share) in the ratio of one bonus share for every 10.00 shares held (10.00:1B)	80,535,675	105,046,530
	885,892,425	770,341,239
Balance of unappropriated profit carried forward	16,439,182,858	13,501,704,788
	17,325,075,283	14,272,046,027

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,

- a) The financial statements prepared by the management for the year 2018-19 give a true and fair view of the state of company about the results of its operations, cash flows and changes in equity.
- 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) The Directors, have recommended cash dividend of Taka 10.00 per share of Taka 10 each and Stock dividend (bonus share) in the ratio of one share for every 10.00 shares are held.
- j) During the year six board meeting were held and the attendance by each Director are given below:

1. Dr. Sarwar Ali Chairman of the Board	6 times
2. Mr. Syed S. Kaiser Kabir Managing Director	6 times
3. Mrs. Zahida Fizza Kabir Director	5 times
4. Mrs. Sajeda Farisa Kabir Director	5 times

5. Mr. A. Hasanat Khan Director	5 times
6. Mr. Kazi Sanaul Hoq (up to 29.10.2019) Director	4 times
7. Mr. Md. Abul Hossain (from to 29.10.2019) Director	-
8. Mr. Manzoor Hasan (up to 31.12.2018) Independent Director	2 times
9. Mr. Nehal Ahmed (from 26.01.2019) Independent Director	2 times
10. Mrs. Tanya Tazeen Karim Independent Director	6 times
k) The pattern of Shareholding	

(i) Parent/ Subsidiary / Associated companies:

The Shareholding information as on 30th June 2019 and other related information are set out in note- 7.

(ii) Directors Name	No. of Shares
Dr. Sarwar Ali	4,452
Mr. Syed S. Kaiser Kabir	95,897
Mrs. Zahida Fizza Kabir	23,382
Mrs. Sajeda Farisa Kabir	11,712
Mr. A. Hasanat Khan	-
Mr. Kazi Sanaul Hoq	-
Mr. Nehal Ahmed	-
Mrs. Tanya Tazeen Karim	-

(iii) Company Secretary Mr. Jubayer Alam	1,467
--	-------

(iv) Chief Financial Officer (CFO) Mr. Khokan Chandra Das	1,730
---	-------

(v) Head of Internal Audit Mr. ATM Muniruzzaman	243
---	-----

(vi) Executives:	
Mr. Khalil Musaddeq	7,631
Dr. Sayma Ali	12,430
Mr. Monowarul Islam	-
Mr. Sirajul Hoque	6,521
Mr. Zaki Chowdhury	3,500

(vii) Shareholders holding 10% or more voting interest:	
Sajida Foundation	41,072,845
Business Research International Corp.	17,511,638

THE NOMINATION & REMUNERATION COMMITTEE

The Board of Directors of Renata limited has duly constituted a Nomination & Remuneration Committee (NRC), as per requirement of the BSEC Code of Corporate Governance. The primary objective of the Nomination and Remuneration Committee ("NRC") is to 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 executives. The Committee shall ensure that the Board and Executive Committee retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the company.

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 29, 2019

ANNEXURE-A

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



Renata Limited

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

PABX : 8001450-54
Fax : 880-2-8001446
Email : renata@renata-ltd.com
Website : www.renata-ltd.com

The CEO and CFO's certification to the Board

October 29, 2019

The Board of Directors
Renata Limited

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

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 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, 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed ; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

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

Sincerely yours,



Syed S. Kaiser Kabir
CEO & Managing Director
October 29, 2019



Khokan Chandra Das
Chief Financial Officer
October 29, 2019

ANNEXURE-B

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



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

Hometown Apartments (8th & 9th Floor) 87,
New Bakaton Road, Dhaka-1000 Phone:
58311319, 9351564, 9351457,
Fax: 88-02-9345792
E-mail: info@kmhasan.com.bd
website: www.kmhasan.com.bd



McMillan Woods
International
Professionalism in the forefront

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 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

Place: Dhaka

Dated: 12 November 2019



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	
1	Board of Directors			
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).	✓	-	-
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; 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.	✓	-	The Independent Director's Mrs. Tanya Tazeen Karim elected for 2nd term
1(3)	Qualification of Independent Director			

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.	✓	-	The qualification and background of Independent Director's justify their abilities as such
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 bussiness association;	-	-	Not applicable
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;	-	-	Not applicable
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 bussiness or law;	-	-	Not applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	Not applicable
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;	-	-	Not applicable
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
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (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
1(5)	The Directors' Report to the Shareholders			
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;	-	-	Not applicable
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;	-	-	Not applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	-	-	Not applicable
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;	-	-	Not applicable
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			

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)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -			
1(5)(xxiv)(a)	a brief resume of the director	✓	-	-
1(5)(xxiv)(b)	nature of his/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)	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:			
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
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	-	-	To be complied
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
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	-	-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; 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)	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	-	-
1(7)	Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	-	-

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
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓	-	-
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.	✓	-	-
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)(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
3(2)	Requirement to attend Board of Director's Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	-	-
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.	✓	-	-
4	Board of Director's Committee. For ensuring good governance in the company, the Board shall have at least following sub-committees:			

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	✓	-	-
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	-	-
5(1)(b)	The Audit Committee shall assist the Board 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.	-	-	No such event occurred
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.	✓	-	-
5(5)	The Audit Committee shall:			
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:	-	-	Not applicable
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	No such event occurred
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;	-	-	No such event occurred
5(6)(b)	Reporting to the Authorities: -			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such event occurred
5(7)	Reporting to the Shareholders and General Investors			

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.	✓	-	-
6	Nomination and remuneration Committee (NRC).			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a 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).	✓	-	-
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	-
6(2)(b)	All 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;	-	-	Not applicable
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.	✓	-	-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	-	-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	-	No such event occurred
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓	-	-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	-	-

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);	✓	-	-
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	-	-
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	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 criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	-	-
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	-	-
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	-	-
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	-	-
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	-	-
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	-	Noted
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓	-	-
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓	-	-
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓	-	-
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	-	-
7	External or Statutory Auditors			
7(1)	The issuer 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.	✓	-	-
8	Maintaining a website by the Company			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓	-	-
8(2)	The company shall keep the website functional from the date of listing.	✓	-	-
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	✓	-	-
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	✓	-	-
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	-	-



CEO & Managing Director

AUDIT COMMITTEE REPORT FOR THE YEAR ENDED JUNE 30, 2019

The Audit Committee consists of the following members:

Mr. Manzoor Hasan	Independent Director	Chairman, Audit Committee (upto 31-12-2018)
Mrs. Tanya Tazeen Karim	Independent Director	Chairman, Audit Committee (from 26-01-2019)
Mr. Syed S. Kaiser Kabir	CEO & Managing Director	Member
Mr. Nehal Ahmed	Independent Director	Member (from 26-1-2019)

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 ACNABIN, Chartered Accountants as external Auditors of the Company for the year 2019-2020.

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.



Tanya Tazeen Karim
Chairman
Audit Committee

RENATA LIMITED

NOMINATION AND REMUNERATION COMMITTEE (NRC)

1.0 Purpose

- 1.1 The primary objective of the Nomination and Remuneration Committee ("NRC") is to 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 executives;
- 1.2 The Committee shall ensure that the Board and Executive Committee retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the company.

2.0 Constitution

- 2.1 The Committee shall comprise of at least three members including an independent director;
- 2.2 All members of the Committee shall be non-executive directors;
- 2.3 Members of the Committee shall be nominated and appointed by the Board;
- 2.4 The Board shall have authority to remove and appoint any member of the Committee;
- 2.5 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;
- 2.6 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;
- 2.7 The Committee shall have delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference;
- 2.8 The Committee shall have the authority to investigate any matter within its Terms of Reference and to obtain such information as it may require for such investigation.

3.0 Chairperson

- 3.1 The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;
- 3.2 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;
- 3.3 The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

4.0 Secretary

- 4.1 The company secretary shall act as the secretary of the Committee;

5.0 Frequency of Meetings

- 5.1 The NRC shall conduct at least one meeting in a financial year;
- 5.2 The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.

6.0 Quorum

- 6.1 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;
- 6.2 The quorum of the NRC meeting shall not constitute without attendance of at least one independent director.
- 6.3 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

7.0 Proceedings of Meetings

- 7.1 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;
- 7.2 The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance and shall circulate the minutes of meetings of the Committee to all members of the Committee.
- 7.3 All the observations/ findings/ recommendations of the Committee shall be recorded in the minutes of meetings of the Committee.
- 7.4 Minutes of the Committee's meetings shall be kept by the secretary of the committee;

8.0 Remuneration / Fees

- 8.1 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.

9.0 Roles and Responsibilities of the Committee

- 9.1 NRC shall oversee, among others, the following matters and make report with recommendation to the Board;
 - 9.1.1 formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - 9.1.1.1 the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - 9.1.1.2 the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 9.1.1.3 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;
 - 9.1.2 devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
 - 9.1.3 identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - 9.1.4 formulating the criteria for evaluation of performance of independent directors and the Board;
 - 9.1.5 reviewing the appropriateness and relevance of the present policy;
 - 9.1.6 reviewing the policy for authorizing claims for expenses from the Directors;
 - 9.1.7 maintaining liaison as necessary with all other Board Committees;
 - 9.1.8 identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
 - 9.1.9 developing, recommending and reviewing annually the company's human resources and training policies;

10.0 Reporting

- 10.1 NRC shall be independent and responsible or accountable to the Board and to the shareholders;
- 10.2 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;
- 10.3 Minutes of each Committee meeting will be disclosed at the next meeting of the Board unless there are privacy and confidentiality reasons that prevent disclosure beyond the members of the Committee;
- 10.4 Periodically the Chairperson of the Committee shall report to the Board on matters within its roles and responsibilities.

11.0 Review of the Terms of Reference

- 11.1 The Committee shall review annually its Terms of Reference and may recommend to the Board any amendments to its Terms of Reference.
- 11.2 The Board shall have the authority to make amendment to this Terms of Reference at any time.

Activity Summary of Nomination & Remuneration Committee (NRC) during the year:

The Board formed the Nomination & Remuneration Committee (NRC) on October 27, 2018, as per the requirement of BSEC Corporate Governance Code with the following composition:

- Mrs. Tanya Tazeen Karim
Chairman
Independent Director
- Mr. Manzoor Hasan (From 27.10.2018 to 31.12.2018)
Member
Independent Director
- Mrs. Zahida Fizza Kabir
Member
Non-Executive Director
- Mr. Nehal Ahmed (from 26.01.2019 to till to date)
Member
Independent Director

In 2018-19 the Committee met once. The Managing Director, Head of Finance and Head of HR attended the meeting by invitation of the committee.

The Key activities of the NRC during the year:

1. Considering the terms of reference of NRC, as approved by the Board
2. Formulated the criteria for determining qualifications, positive attributes and independence of Director
3. Formulated the a policy relating to the remuneration of the Directors, top level executives and all employees of the company
4. Formulated the criteria for evaluation of performance of Independent Directors and the Board Members.
5. Identify the criteria for selection, transfer or placement and promotion at different levels of the company.



Tanya Tazeen Karim
Chairman
Nomination and Remuneration Committee

ANNEXURE-E

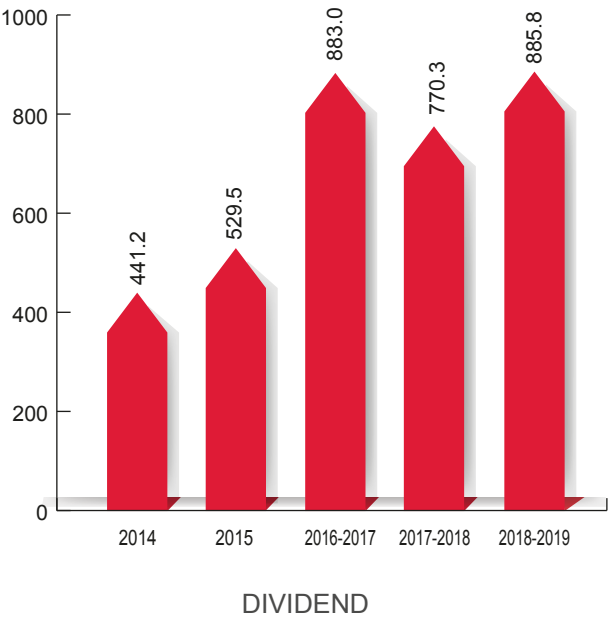
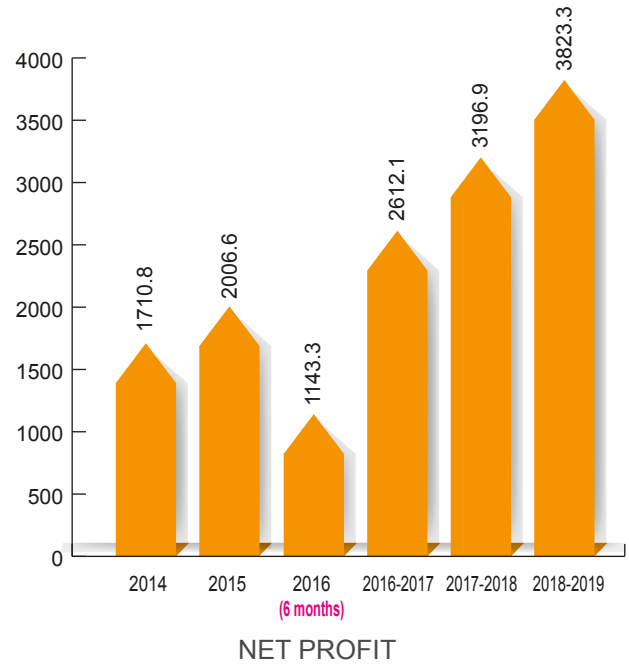
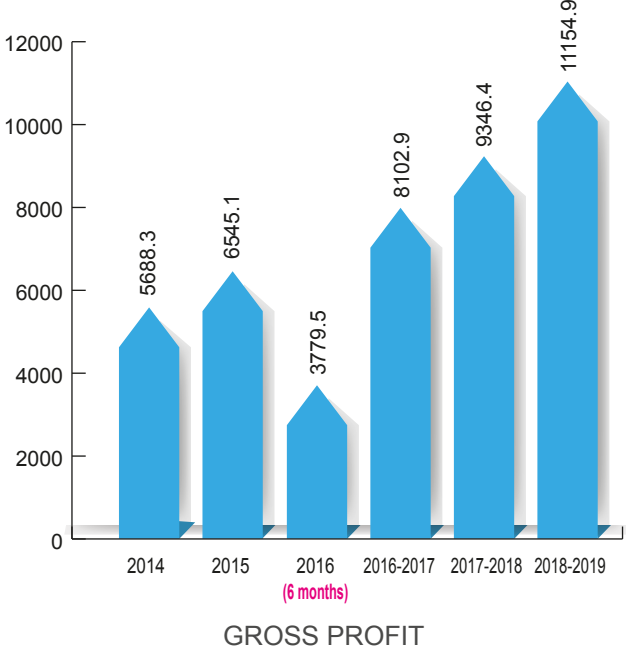
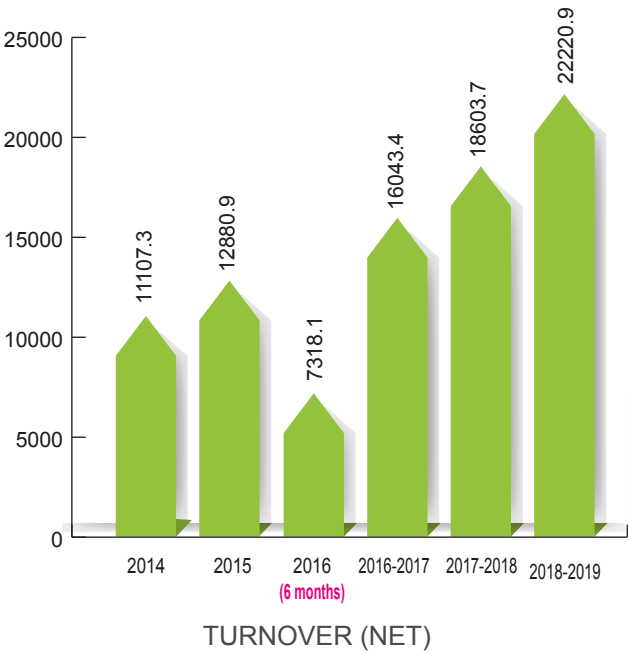
RENATA LIMITED FINANCIAL HIGHLIGHTS

Figures in Taka (Thousands)

Particulars	2018-2019	2017-2018	2016-2017	2016 (6 months)	2015	2014
Balance Sheet						
Shareholders' Equity						
Share capital	805,357	700,310	608,965	529,535	529,535	441,279
Proposed stock dividend	80,536	105,047	91,345	-	79,430	88,256
Proposed cash dividend	805,357	665,295	791,655	-	450,105	353,023
Revaluation surplus	154,331	154,808	155,285	156,282	156,520	156,999
Tax holiday reserve	-	-	-	-	315,027	296,337
Unappropriated profit	16,439,183	13,501,704	10,827,285	9,857,260	7,875,242	6,414,819
Shareholders' fund	18,284,763	15,127,164	12,474,535	10,543,077	9,405,859	7,750,713
Long term & deferred liabilities	1,303,840	1,209,209	1,233,238	1,196,986	1,084,703	1,528,677
Total	19,588,603	16,336,373	13,707,773	11,740,063	10,490,562	9,279,390
Application of Funds						
Property, plant & equipment-WDV	11,720,776	10,746,707	10,245,093	9,672,963	9,419,128	8,964,172
Investment & non-current assets	143,079	143,069	143,069	251,263	235,464	233,027
Current assets	12,337,381	9,921,903	7,736,183	6,836,121	6,483,183	5,296,370
Current liabilities	(4,612,634)	(4,475,306)	(4,416,572)	(5,020,284)	(5,647,213)	(5,214,179)
Total	19,588,603	16,336,373	13,707,773	11,740,063	10,490,562	9,279,390
Financial Results						
Turnover (Gross)	25,431,634	21,339,459	18,335,157	8,394,975	14,735,200	12,674,236
Turnover (Net)	22,220,887	18,603,709	16,043,431	7,318,104	12,880,957	11,107,281
Gross profit	11,154,921	9,346,470	8,102,926	3,779,587	6,545,154	5,688,310
EBITDA	6,165,632	5,239,795	4,523,432	2,285,037	3,542,645	3,200,601
Profit before taxation	5,213,777	4,333,061	3,691,715	1,887,698	2,731,512	2,330,923
Profit after taxation	3,823,362	3,196,951	2,612,142	1,143,353	2,006,641	1,710,863
Total comprehensive income	3,822,735	3,200,539	2,625,511	1,137,138	2,008,012	1,720,209
Dividend	885,892	770,342	883,000	-	529,535	441,279
Financial Performance						
Number of shares	80,535,675	70,031,022	60,896,541	52,953,514	52,953,514	44,127,929
Earnings per share (Taka)	47.47	39.70	32.43	14.20	24.92	21.24
Dividend per share (Taka)	11.00	11.00	14.50	-	10.00	10.00
Dividend payout %	23.17%	24.10%	33.80%	-	26.39%	25.79%
Effective dividend rate %	0.92%	0.85%	1.25%	-	0.81%	1.02%
Price earnings ratio (Times)	25.24	32.66	35.67	83.48	49.49	46.32
Market price per share (Taka)	1,198.40	1,296.50	1,157.10	1,185.20	1,233.00	984.00
Price/Equity ratio (Times)	119.84	129.65	115.71	118.52	123.30	98.40
Return on shareholders' fund %	20.91%	21.13%	20.94%	10.84%	21.33%	22.07%
Current ratio (Times)	2.67	2.22	1.75	1.36	1.15	1.02
Net operating cash flow per share (Taka)	51.60	32.42	43.69	17.86	24.73	21.31
Net asset value per share (Taka)	227.04	187.83	154.89	130.91	116.79	96.24
Number of employees	6,886	6,798	6,087	5,965	5,473	5,002

Financial Trend

TAKA (MILLIONS)



Statement of Value Addition

	2018-19 Taka	%	2017-18 Taka	%
Turnover and other income	22,495,772,611		18,736,717,319	
Less: Materials cost & Expenses	10,278,688,994		8,159,130,443	
Value Added	12,217,083,617		10,577,586,876	

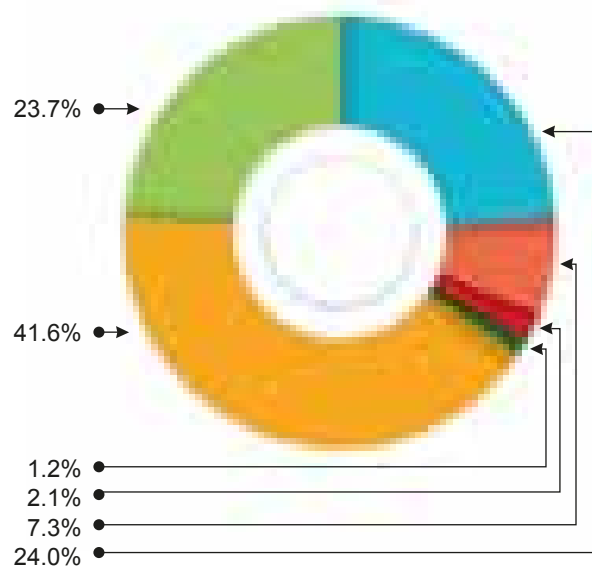
Application:

Salaries and benefits paid to employees	2,898,706,073	23.7%	2,656,611,564	25.1%
Duties, VAT and Tax paid to Government Exchequer	5,083,480,190	41.6%	4,300,175,653	40.7%
Interest paid to Lenders	150,846,362	1.2%	207,196,059	2.0%
Contribution to WPPF	260,688,862	2.1%	216,653,067	2.0%
Dividend to Shareholders	885,892,425	7.3%	770,341,242	7.3%
Retained by the Company	2,937,469,705	24.0%	2,426,609,291	22.9%
Total	12,217,083,617	100.0	10,577,586,876	100.0

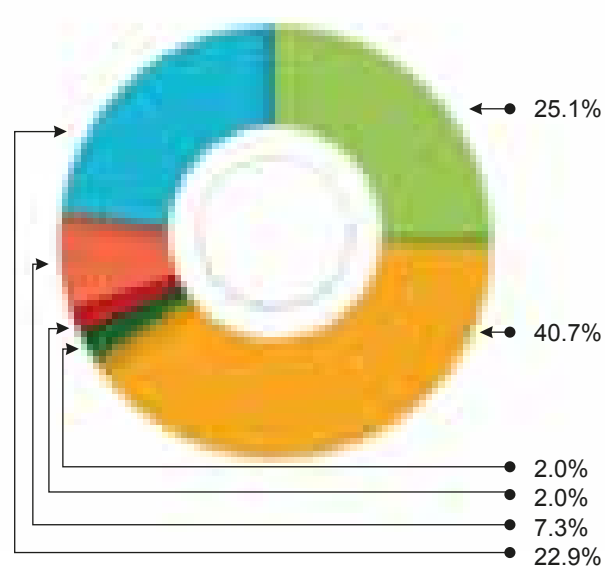
■ Salaries and benefits paid to Employees
■ Duties, VAT and Tax paid to Government Exchequer
■ Interest paid to Lenders

■ Contribution to WPPF
■ Dividend to Shareholders
■ Retained by the Company

2018-2019



2017-2018



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 2018-19

Type of care	Taka
General	17,659,435
Gynecology	13,688,997
Cardiovascular	10,060,319
Oncology	9,986,593
Accident	9,902,426
Pediatrics	9,653,553
Dentistry	7,893,288
Skin & Dermatology	6,042,751
Diabetes	5,883,388
Nephrology	5,077,002
Gastroenterology	4,827,008
ENT	3,053,973
Others	5,925,960
Total	109,654,693

SUPPORT TO CHARITABLE ORGANIZATIONS

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 program.

Expenditure during 2018-19
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 2018-19
Taka 100,000

TREATMENT FOR DOCTORS WITH LIFE-THREATENING ILLNESS

As in the past, Renata Limited continues to fund treatment for patients diagnosed with cancer and other life-threatening illness.

Expenditure during 2018-19

Name	Title/Organization	Taka
Lt. Col. Dr. Md. Sagir Mia	Kurmitola General Hospital, Dhaka	1,000,000
Dr. Md. Lutful Karim Gazi	DMC, batch K-46	700,000
Dr. Tarek Mehdi Parvez	Dhaka	400,000
Total		2,100,000

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 2018-19
Taka 960,800

TOTAL CSR EXPENDITURE
Taka 112,915,493
2.95% of net profit

Product Portfolio

PHARMACEUTICAL PRODUCTS:

ANTIMICROBIALS:

Trade Name	Generic Name	Formulation	Strength	Pack Size
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	Injection	500mg	1's
Cebuten	Ceftibuten Dihydrate	Capsule	400mg	2x4's
Ceftizone IM	Ceftriaxone	Injection	250mg	Vial 250mg
Ceftizone IM	Ceftriaxone	Injection	500mg	Vial 500mg
Ceftizone IM	Ceftriaxone	Injection	1gm Vial 1gm	
Ceftizone IV	Ceftriaxone	Injection	250mg	Vial 250mg
Ceftizone IV	Ceftriaxone	Injection	500mg	Vial 500mg
Ceftizone IV	Ceftriaxone	Injection	1gm Vial 1gm	
Ceftizone IV	Ceftriaxone	Injection	2gm Vial 2gm	
Ceftipime	Cefepime HCL	Injection	500mg	Vial 500mg
Ceftipime	Cefepime HCL	Injection	1gm Vial 1gm	
Ceftipime	Cefepime HCL	Injection	2gm Vial 2gm	
Cefotax IM/IV	Cefotaxime Sodium	Injection	250mg	Vial 250mg
Cefotax IM/IV	Cefotaxime Sodium	Injection	500mg	Vial 500mg
Cefotax IM/IV	Cefotaxime Sodium	Injection	1gm Vial 1gm	
Cefazid IM/IV	Ceftazidime	Injection	250mg	Vial 250mg
Cefazid IM/IV	Ceftazidime	Injection	500mg	Vial 500mg
Cefazid IM/IV	Ceftazidime	Injection	1gm Vial 1gm	
Covan	Vancomycin	Injection	500mg	Vial 500mg
Covan	Vancomycin	Injection	1g Vial 1g	
Doxicap	Doxycycline Hydrochloride	Capsule	50mg	5x10's
Doxicap	Doxycycline Hydrochloride	Capsule	100mg	10x10's
Diamine Penicillin	Benzathine Pen. G	Injection	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
Erpen IM/IV	Ertapenem	Injection	1gm 1X1'S	
Furocef IM/IV	Cefuroxime Sodium	Injection	250, 750mg	Vial 250, 750mg
Furocef IM/IV	Cefuroxime Sodium	Injection	1gm Vial 1gm	
Furocef IV/IM	Cefuroxime Sodium	Injection	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
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
Iropen IV	Imipenem/Cilastatin	Injection	500mg	Vial 500mg
Levoking	Levofloxacin Hemihydrate	Tablet	500mg	5x6's

*DPS= Dry Powder for Suspension

Trade Name	Generic Name	Formulation	Strength	Pack Size
Levoking	Levofloxacin Hemihydrate	Tablet	750mg	3x6's
Levoking	Levofloxacin Hemihydrate	Oral Solution	125mg/5ml	Bottle 100ml
Meropen IV	Meropenem	Injection	250mg	Vial 250mg
Meropen IV	Meropenem	Injection	500mg	Vial 500mg
Meropen IV	Meropenem	Injection	1gm	Vial 1gm
Orcef	Cefixime	Tablet	200mg	2x6's
Orcef	Cefixime	Tablet	400mg	2x6'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	2x6'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	Injection	250mg	Vial 250mg
Polycef	Cephadrine	Injection	500mg	Vial 500mg
Polycef	Cephadrine	Injection	1g Vial 1g	
Polycef PD	Cephadrine	Paed. Drops	125mg/1.25ml	Bottle 15ml
Pronapen	Procaine penicillin + Penicillin G	Injection	4,00,000 units 8,00,000 units	Vial 4 lac & Vial 8 lac units
Qcin	Clindamycin	Capsule	150mg	5x6's
Qcin	Clindamycin	Injection	300mg/2ml	1x5's
Qcin	Clindamycin	Capsule	300mg	5x6's
Qcin	Clindamycin	Injection	600mg/4ml	1x5's
Renamycin	Oxytetracycline	Capsule	250mg	60's
Renamycin	Oxytetracycline	Injection	50mg/ml	Vial 10ml
Relaxid	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

ANTI-HYPERTENSIVE

Cardipin	Amlodipine	Tablet	5mg	6x10's
Cardipin Plus	Amlodipine+Atenolol	Tablet	5mg+50mg	6x10's
Alphapress	Prazosin Hydrochloride	Tablet	1mg & 2mg	10x10's
Alphapress XR	Prazosin Hydrochloride	Tablet	2.5mg & 5mg	3x10's
Ostan	Losartan Potassium	Tablet	25mg, 50mg	3x10's, 5x10's
Ostan Plus	Losartan Potassium+ Hydrochlorothiazide	Tablet	50mg+12.5mg	3x10's
Plagrin	Clopidogrel	Tablet	75mg	3x10's
Plagrin Plus	Clopidogrel+ Aspirin	Tablet	75mg+75mg	3x10's
Pendoril-2	Perindopril	Tablet	2mg	2x10's

*DPS= Dry Powder for Suspension

Trade Name	Generic Name	Formulation	Strength	Pack Size
ANTI-HYPERTENSIVE				
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
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
Azisan	Azilsartan Medoxomil Potassium	Tablet	40mg, 80mg	2x10's, 1x10's
Azisan Plus	Azilsartan + Chlorthalidone	Tablet	Azilsartan 40mg + Chlorthalidone 12.5mg	10's
ANTIANGINA				
Antogin ER	Ranolazine	Tablet	500mg	4X5'S
LIPID LOWERING AGENT				
Taven	Atorvastatin	Tablet	10mg/20mg/40mg	3x10's
Fenobate	Fenofibrate	Capsule	200mg	5x6's
Rolip	Rosuvastatin Calcium	Tablet	5mg, 10mg	3x10's
ANTI-DIABETIC				
Bigmet-500	Metformin HCL	Tablet	500mg	10x10's
Bigmet-850	Metformin HCL	Tablet	850mg	10x10's
Bigmet 500 XR	Metformin HCL	Tablet	500mg	5x6's
Glicron CR	Gliclazide CR pellets	Capsule	30mg	3x10's
Glicron	Gliclazide	Tablet	80mg	3x10's
Glinta	Linagliptin	Tablet	5 MG	2X10'S
Sitamet	Metformin+Sitagliptin	Tablet	500mg+50mg	1x10's
HAIR REGROWTH				
Regain 5%	Minoxidil	Solution	5%	60ml
Regain 2%	Minoxidil	Solution	2%	60ml
EYE-EAR AND TOPICAL PREPARATIONS				
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
Deltasone-N Eye/ Ear drops	Prednisolone + Neomycin	Drops	0.5%	Bottle 5ml
ANTIGOUT				
Feburen	Febuxostat	Tablet	40mg	3x10's
Feburen	Febuxostat	Tablet	80mg	1x10's
NSAIDS				
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	Injection	10mg/1ml	1x 5's
Rolac	Ketorolac	Injection	30mg/1ml	1x6's
Rolac	Ketorolac	Injection	60mg/2ml	1x2's
Recox	Etoricoxib	Tablet	120mg	2x10's

Trade Name	Generic Name	Formulation	Strength	Pack Size
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
Xenapro Plus 375	Naproxen 375mg + Esmeprazole 20mg	Tablet	375mg	3x10's
Xenapro Plus 500	Naproxen 500mg + Esmeprazole 20mg	Tablet	500mg	5x6's
Rapidol	Tramadol Hydrochloride	Injection	100mg/2ml	1x5's
Maxolax	Baclofen	Tablet	10mg	3x10's
Maxolax	Baclofen	Tablet	5mg	3x10's

ANTIULCER AGENTS

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	Injection	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

ANTI-PARASITIC & ANTI-PROTOZOAL AGENTS

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

ANTI-FUNGAL AGENT

Lucan-R	Fluconazole	Capsule	50mg	4x10'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

ANTI-TUBERCULOSIS AGENT

Streptomycin	Streptomycin Sulfate	Injection	1gm	Vial 1gm
--------------	----------------------	-----------	-----	----------

ANTI-SPASMODIC

Algin	Tiemonium	Tablet	50mg	10x10's
Algin	Tiemonium	Injection	5mg/2ml	1x5's
Algin	Tiemonium	Syrup	10mg/5ml	Bottle 100ml

STEROID

Deltasone	Prednisolone	Tablet	5mg	25x10's, 50x10's
Deltasone	Prednisolone	Tablet	10mg	10x10's

*DPS= Dry Powder for Suspension

Trade Name	Generic Name	Formulation	Strength	Pack Size
Deltasone	Prednisolone	Tablet	20mg	5x10's
Deltasone	Prednisolone	Oral Solution	5mg/5ml	Bottle 100ml
Deltasone	Prednisolone	Oral Solution	5mg/5ml	Bottle 50ml
Dexa	Dexamethasone	Tablet	0.5mg	25x10's
Dexa IM/IV	Dexamethasone	Injection	5mg/ml	10's

ANTI-OSTEOPOROTIC

Ivana	Ibandronic Acid	Tablet	150mg	1's
-------	-----------------	--------	-------	-----

VITAMINS & MINERALS

Beconex	Vitamin B-Complex	Syrup	-	Bottle 100ml
Beconex	Vitamin B-Complex	Syrup	-	Bottle 200ml
Beconex ZI	Iron+Vitamin B-Complex & Zinc	Syrup	-	Bottle 100ml
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
Calciferol	Cholecalciferol	IM Injection	200000 IU/ml	1's
Calcifer	Calcium Lactate+Calcium Carbonate+ Ascorbic Acid	Effervescent	1000mg+327mg+ 500mg	10'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+22.5mg	6x10's
Kiddi	Multivitamin+Codliver oil	Syrup	-	Bottle 100ml
Kiddi	Multivitamin+Codliver oil	Syrup	-	Bottle 200ml
Lucent	Calcitriol	Soft Gelatin Capsule	0.25mcg	3x10's
Pushtikona	Micronutrient Powder	Powder in Sachet	-	1x30's
Sprinkles	Micronutrient Powder	Powder in Sachet	-	1x30's
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	6x10's
Neurobest	Vit B1+B6+B12	Injection	+200mcg	
Vita D3	Cholecalciferol	Capsule	100mg+100mg	2x5's
Vita D3	Cholecalciferol	Capsule	+1mg	
Vita D3	Cholecalciferol	Capsule	40000 IU	2X5'S
Vita D3	Cholecalciferol	Capsule	20000 IU	2X5'S

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

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

Trade Name	Generic Name	Formulation	Strength	Pack Size
Norry	Bromazepam	Tablet	3mg	5x10's
Cabretol	Carbamazepine	Tablet	200mg	5x10's
Cabretol	Carbamazepine	CR Capsule	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, 1g	5x10's, 3x10's, 5x10'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	Clomiphene Citrate	Tablet	50mg	1x10's
Ovulet 100	Clomiphene 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
Gestrenol	Allylestrenol	Tablet	5mg	5x10's
Regumen	Lynestrenol+Ethinylestradiol	Tablet	2.5mg+0.05mg	1x21's
Estracon	Conjugated Estrogens	Tablet	0.625mg	28'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

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 Injection	1ml	1X1's
Oxyton	Oxytocin	Injection	5 I.U.	1x10's

ANTI-FIBRINOLYTICS

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

Trade Name	Generic Name	Formulation	Strength	Pack Size
ANTI-ASTHMA				
Odmon	Montelukast	Chewable Tablet	4mg 3x10's	
Odmon	Montelukast	Tablet	5mg 3x10's	
Odmon	Montelukast	Tablet	10mg	3x10's
Pulmino	Doxofylline	FC Tablet	400 MG	5X6'S
Trulax	Levosalbutamol	Syrup	1mg/5ml	Bottle 100ml
Totifen	Ketotifen	Tablet	1mg 10x10's	
Totifen	Ketotifen	Syrup	1mg/5ml	Bottle 100ml
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
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
NARCOTIC ANALGESIC				
Fentanyl	Fentanyl Citrate	IV Injection	100mcg/2ml	1x5's
ANTIPYRETIC/ ANALGESIC				
Pyralgin	Paracetamol	Tablet	500mg	50x10's
Pyralgin	Paracetamol	Suspension	120mg/5ml	Bottle 60ml
Pyra Plus	Paracetamol+Caffeine	Tablet	500mg+65mg	15x10's
AMINO ACID SUPPLEMENT				
Protemin	5% Composite Amino Acid Solution with D-sorbitol	IV Infusion	-	Bottle 500ml
ANTIEMETIC				
Emeren	Ondansetron	Tablet	4mg 3x10's	
Emeren	Ondansetron	Tablet	8mg 3x10's	
Emeren	Ondansetron	Injection	8mg/4ml	1x5's
Emeren	Ondansetron	Syrup	4mg/5ml	Bottle 50ml
ANESTHETIC				
Neos-R	Neostigmine	Injection	5ml, 1ml	1x5's
Kain	Ketamine	Injection	50mg/ml	1's
Sivacaine Heavy	Bupivacaine+Dextrose	Injection	5mg+80mg	1x5's
Epidron	Ephedrine	Injection	5mg 1x5's	
ANTIVIRAL				
Enteca	Entecavir	Tablet	0.5mg	1x10's
Buviren	Sofosbuvir	Tablet	400mg	1x6's
OTHERS				
Erecta	Sildenafil	Tablet	50mg	1x4's
Erecta	Sildenafil	Tablet	100mg	1x4's
EAZY JELLY	Hydroxyethyl Cellulose & Glycerine	Lubricant	50g Tube 1'S	
Feristar	Iron Sucrose	Injection	100mg Iron/5ml	1'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

Trade Name	Generic Name	Formulation	Strength	Pack
Normanal	Diosmin + Hesperidin	Tablet	450mg + 50mg	3x10's
Phenocept	Mycophenolate Mofetil	Tablet	500mg	3x10's
Tegarid	Tegaserod	Tablet	6mg	3x10's
Tolter	Tolterodine Tartrate	Tablet	1mg & 2mg	3x10's
Tritin	Trimebutine Maleate	Tablet	100mg	3x10's

ANIMAL HEALTH PRODUCTS

ANTIBIOTIC

Renamycin AF Tablet	Oxytetracycline USP	Tablet	500mg	5 x 4's
Renamycin Injection 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	Streptomycin USP	Injection	100mg/ml	10ml & 100ml
Renamox	Gentamicin Sulphate			
Amcox	Amoxycillin			
Rena-CT	Amoxycillin+Cloxacillin	Injection	1.25gm+1.25gm	Vial 2.5gm
Tilmisin	Colistin, Trimethoprim	Powder	9.60gm+20gm	100gmX10's
	Tilmicosin	Solution	25mg	100ml

CEPHALOSPORIN

Renacef	Ceftriaxone	Injection	1gm, 2gm	Vial 1gm & 2gm
Cefiren	Ceftiofur Sodium	Injection	0.5gm, 1gm	Vial 0.5gm & 1gm

SULPHONAMIDES

Diadin	Sulphadimidine Sodium BP	Injection	333mg/ml	30ml, 100ml
Diadin	Sulphadimidine BP	Bolus	5gm	10 x 2's
Sulpha Plus	Sulphadiazine USP	Bolus	1.583gm+	10 x 2's
	Sulphadimidine BP		1.583gm+	
	Sulphapyridine USP		1.583gm+	
Sulpha -3	Streptomycin Sulphate USP	Bolus	0.313gm	10 x 2's
	Sulphadiazine USP		1.666gm+	
	Sulphadimidine BP		1.666gm+	
	Sulphapyridine USP		1.666gm	
Renatrim	Sulphadiazine + Trimethoprim	Bolus	1000mg+200mg	10 x 2's

ANTHELMINTIC

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

Trade Name	Generic Name	Formulation	Strength	Pack
Renadex	Triclabendazole + Levamisole	Tablet	900mg+600mg	10 x 2's
ANTIPROTOZOAL				
Ectorid	Imidocarb Dipropionate	Injection	133.26mg/ml	10ml
Renamet Bolus	Metronidazole	Bolus	2gm//Bolus	5 x 4's
ANTI-HISTAMINIC				
Dellergen	Promethazine HCL USP	Injection	50mg/ml	10ml
Dellergen	Promethazine HCL USP	Bolus	150mg/Bolus	10 x 4's
Renacin	Chlorpheniramine Maleate	Injection	10mg/ml	10ml, 100ml
NSAID				
Renafen	Ketoprofen	Injection	100mg/ml	5ml, 10ml
Pyralgin	Paracetamol	Tablet	2gm	10 x 2's
Fevenil	Tolfenamic Acid	Injection	40mg/ml	10ml
Renaspirin	Carbasalate Calcium & Ascorbic Acid	Powder	7.632g& 0.748 g/10gm	100g, 10g
Melocam	Meloxicam	Injection	0.5g/100ml	10ml
GLUCOCORTICOID				
Predexanol - S	Prednisolone Anhydrous USP Dexamethasone Trimethyl Acetate USP	Injection	7.5mg+2.5mg/ml	10ml
APPETIZER & RUMENOTORIC				
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
METABOLIC				
Cal-D-Mag	Calcium Gluconate USP Dextrose USP Magnesium Hypophosphate BP Chlorocresol (as preservative) BP	Injection	20.8+20.0+5.0+0.1mg/ml	200ml, 500ml
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
DCAD Minus	Magnesium sulphate Aluminium sulphate	Powder	50% & 32.5%	1 Kg
Cal-Boost gel	Ionic calcium & magnesium supplement	Gel	43.5gm & 2.5gm/300ml	300 ml

Trade Name	Generic Name	Formulation	Strength	Pack
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 ₃ E	Vitamin A, D ₃ & E	Injection	0.5MIU+0.075MIU+50mg/ml	10ml, 30ml & 100ml
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
Renaflox	Ciprofloxacin USP	Oral solution	100mg/ml	100ml
Genta-Col 100 gm	Gentamycin & Colistin	Powder	60mg/g & 1000000 IU/gm	100g
NDoxi	Doxycycline+Neomycin	Powder	150mg+150mg/gm	100g
ANTHELMINTIC				
Avinex	Levamisole HCL USP	Powder	300mg/gm	10g, 100g
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
ORT Calf	Sodium chloride, Citric acid, potassium citrate, potassium monophosphate	Oral saline	40.13%, 2.43%, 0.6% & 20.7%	Paired sachet A 9.72g & B 22.31g
NUTRITION PRODUCTS				
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

Trade Name	Generic Name	Formulation	Strength	Pack
Renasol AD ₃ E	Vitamin A, D ₃ + E +20mg/ml	Oral Solution	0.1MIU+0.02MIU	100ml, 1L
Renavit DB	Vitamin & Mineral Premix	Powder		100g, 500g, 1kg
Renavit DB Plus	Vitamin, Mineral & Amino Acid Premix	Powder		1kg
Rena Sel-E	Vitamin E + Selenium	Oral Solution	80mg+0.6mg/ml	100ml, 1L
NUTRITIONAL PREMIX				
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
IMPORTED				
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	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 20mg+	40mg+40mg+ 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 Toxin binder	Solution	NA	100ml, 1L
Rena Calp	Calcium+Phosphorous	Solution	24.02mg+8.39mg/ml	1L, 5L
Renaliv	Herbal Liver Tonic	Solution	NA	1L
Resprocare	Herbal Expectorant	Solution	NA	100ml, 250ml
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

Trade Name	Generic Name	Formulation	Strength	Pack
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
Heparen	Choline chloride & Vitamin BT/ Levocarnitine	Oral solution	3.5gm & 1 gm /100 ml	500 ml
Kol Suspension	Activated Charcoal	Oral solution	16.40%	500ml

VACCINES

LIVE VACCINES

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

KILLED VACCINES

IZOVAC ND	Inactivated NDV	Injection	lasota 50 PD ⁵⁰	500 Dose
IZOVAC ND-EDS	Inactivated NDV	Injection	lasota 50 PD ⁵⁰	500 Dose
	Inactivated EDS		EDS 76 50 108 EID ⁵⁰	
IIZOVAC ND-EDS-IB	Virus in oil emulsion ND, EDS, IB	Suspension	50 PD ⁵⁰ , 108 EID ⁵⁰ , 106 EID ⁵⁰ , 107.5 EID ⁵⁰	500ml
IZOVAC Coryza 3	Inactivated Coryza	Injection	H. Paragallinarum A, B & C	500 Dose 5x109

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 ¹² 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, 2019

Independent auditors' report to the shareholders of Renata Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Renata Limited, which comprise the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter description	How the scope of our audit responded to the key audit matter
Revenue	
ISAs require that, as part of our overall response to the risk of fraud, when identifying and assessing the risks of material misstatement due to fraud, we evaluate which types of revenue or revenue transactions might give rise to potential fraud risks.	<u>Audit procedures performed</u> We performed walkthroughs of the revenue cycle at significant components to gain an understanding of when the revenue should be recognized, to map out the relevant controls end to end and the processes in place.

Key audit matter description	How the scope of our audit responded to the key audit matter
<p>The Company sells different kind of pharmaceutical, animal health and contract manufacturing products across a number of geographical areas in home and abroad. We have specifically focused this key audit matter to cut-off and occurrence for revenue recorded within June 2019. Pressures to meet stakeholders' expectations could provide incentives to record revenues where controls of the goods have not passed.</p> <p>The associated disclosure is included within Note 24. For specific detail on the Company's accounting policy, please see Note 3.10.</p>	<p>We assessed the design and implementation of these controls. We tested a sample of individual sales transactions and traced to dispatch notes and subsequent cash receipt or other supporting documents.</p> <p>We performed analytical reviews to identify any unusual or one-off material revenue transactions. We identified and considered the impact of any credit notes or inventory returns occurring after year-end, including evaluating the impact of any material overdue debts from customers.</p> <p>With regard to the implementation of IFRS 15 "Revenue from Contract with Customers", we verified management's conclusion from assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures.</p> <p><u>Key observations communicated to the Audit Committee</u> We were satisfied that the revenue recognition policies have been applied appropriately. Based on the work performed, we concluded that revenue has been recorded appropriately.</p>
<p><u>Inventory</u></p> <p>At the reporting date, the carrying value of inventory amounted to Taka 4,172,321,022 which is 17.24% of total assets. Inventories were considered as a key audit matter due to the size of the balance and because inventory valuation involves management judgement.</p> <p>Inventory valuation and existence was an audit focus area because of the number of locations/stores that inventory was held at, and the judgement applied in the valuation of inventory to incorporate inventory shrinkage.</p> <p>According to the Company's accounting policy, inventories are measured at the lower of cost or net realizable value. The Company has specific procedures for identifying risk for obsolete items and measuring inventories at the lower of cost and net realizable value.</p> <p>The associated disclosure is included within Note 8. For specific detail on the Company's accounting policy, please see Note 3.5.</p>	<p><u>Audit procedures performed</u></p> <ul style="list-style-type: none"> Assessing the compliance of company's accounting policies over inventory with applicable accounting standards. Assessing the inventory valuation process and practices. On major locations, we tested the effectiveness of the key controls. Assessing the analyses made by management with respect to slow moving and obsolete stock. Attending inventory count on 30 June 2019 and reconciling the count results to the inventory listings to test the completeness of data. Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories. Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year. Evaluating the correctness of the valuation of raw materials and packing material as per FIFO method. Reviewing the calculation of standard labor hours and their regular comparison with actual labor hours of production; and reviewing the process of valuing work-in-progress.

Key audit matter description	How the scope of our audit responded to the key audit matter
	<p><u>Key observations communicated to the Audit Committee</u></p> <p>We were satisfied that the inventory recognition and measurement policies have been applied appropriately. Based on the work performed, we concluded that inventories have been recorded appropriately.</p>
<u>Property, plant and equipment and capital work- in- progress</u>	
<p>At the reporting date, the carrying value of the Company's property, plant and equipment and capital work- in- progress amounted to Taka 10,227,887,020 and 1,492,889,354 respectively. The valuation of property, plant, and equipment was identified as a key audit matter due to the significance of this balance to the financial statements, as well as the significance of management's judgements in determining its valuation.</p> <p>In considering the valuation of property, plant, and equipment, we focused on the assessment of the followings:</p> <ul style="list-style-type: none"> • Inherent risks associated with property, plant and equipment. • Potential misstatements in property, plant, and equipment on account of frauds and errors. • Assessment of useful lives of assets. • Assessment of impairment of assets. <p><u>Inherent risks associated with property, plant and equipment</u></p> <ul style="list-style-type: none"> • Property, plant and equipment may include assets that should have been derecognised following sale, other transfer of rights or abandonment. • Expenditure that should have been recognised as property, plant and equipment but has not been so recognised, including capitalised finance costs. • Depreciation may have been incorrectly calculated. <p><u>Potential misstatements in property, plant, and equipment on account of frauds and errors</u></p> <ul style="list-style-type: none"> • Purchase of an asset at an inflated price especially from a related party. • Wrong write-off of the asset as scrap, obsolescence, missing, donated, or destroyed. • Expenditures for repairs and maintenance recorded as property, plant and equipment or vice versa. • Capitalization of expenditure which are not normally attributable to the cost of the property, plant and equipment. • Recording of an asset purchased, which in effect has not actually been received by the entity at all. 	<p><u>Audit procedures performed</u></p> <ul style="list-style-type: none"> • We obtained an understanding of the client and its environment to consider inherent risk related to property, plant, and equipment. Our understanding includes: <ul style="list-style-type: none"> ❖ Obtaining an understanding of the internal control over property, plant, and equipment. ❖ Assessing the risks of material misstatement and designing tests of controls and substantive procedures that cover the following aspects: <ul style="list-style-type: none"> ✓ Substantiate the existence of property, plant, and equipment. ✓ Establish the completeness of recorded property, plant, and equipment. ✓ Verify the cut-off of transactions affecting property, plant, and equipment. ✓ Establish the proper valuation or allocation of property, plant, and equipment and the accuracy of transactions affecting property, plant, and equipment. ✓ Determine the correctness and appropriateness of classification of property, plant and equipment. • We obtained an understanding of the potential misstatements in property, plant, and equipment on account of frauds and errors. • We evaluated the assumptions made by management in the determination of useful lives to ensure that these are consistent with the principles of IAS 16. "Property, Plant and Equipment". • We compared the useful lives of each class of asset in the current year to the prior year to determine whether there were any significant changes in the useful lives of assets, and considered the reasonableness of changes based on our knowledge of the business and the industry. • We verified records e.g. contractor bills, work orders and certification of work performed by the specialized personnel to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work- in- progress. • We also verified the date on which the assets are moved from the capital work- in- progress account to the property, plant and equipment (the date on which the asset is ready for intended use), so that the depreciation on property, plant and equipment may be computed correctly.

Key audit matter description	How the scope of our audit responded to the key audit matter
<p><u>Valuation of capital work- in- progress to PPE</u> Management needs to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work- in- progress. An appropriate system needs to put in place to capture all directly identifiable costs, which can be capitalised, to be so accumulated to capital work- in- progress whilst expenses which are not eligible for being capitalised are identified and charged to revenue in the normal course.</p> <p><u>Assessment of useful lives of assets</u> Management applies estimates and judgements in its determination of useful lives of assets and reviews the useful lives of assets at each financial year end and adjusts for changes, where appropriate.</p> <p><u>Impairment of assessment</u> At the end of each reporting period, management assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount of the asset. 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. The associated disclosure is included within Note 5 & 6. For specific detail on the Company's accounting policy, please see Note 3.1 & 3.2.</p>	<ul style="list-style-type: none"> • We reconciled the movement of capital work- in- progress from opening to closing, specifically verifying additions during the year, capital assets completed during the year and impairment of any opening capital work- in- progress items. • We assessed whether there are circumstances that indicate a possible impairment of property, plant and equipment and if such circumstances exist, how the same have been dealt with by the entity. <p><u>Key observations communicated to the Audit Committee</u> We were satisfied that the property, plant and equipment recognition and measurement policies have been applied appropriately. Based on the work performed, we concluded that property, plant and equipment have been recorded appropriately.</p>
<u>Contingent liabilities with regard to tax</u>	
<p>The range of possible outcomes for contingencies can be wide and management is required to make certain judgements in respect of estimates of contingencies in order to assess the adequacy of tax provisions. Renata Limited disclosed contingent liabilities amounted to Taka 135,649,676 in respect of unresolved disputed tax claimed by the tax authority over the years. Contingent liabilities were considered as a key audit matter because unexpected adverse outcomes could significantly impact the Company's reported profit and balance sheet position.</p> <p>The associated disclosure is included within Note 35. For specific detail on the Company's accounting policy, please see Note 3.6.</p>	<p><u>Audit procedures performed</u></p> <ul style="list-style-type: none"> • We evaluated the design and tested the operating effectiveness of controls in respect of the recognition and measurement of uncertain tax provisions. We determined that we could rely on these controls for the purposes of our audit. • With the assistance of our tax specialists, we evaluated management's judgements and estimates of tax exposures and contingencies in order to assess the adequacy of the Company's tax provisions. In understanding and evaluating management's judgements, we considered the status of recent and current tax authority audits and enquiries, judgmental positions taken in tax returns and current year estimates and developments in the tax environment. <p><u>Key observations communicated to the Audit Committee</u> Based on the work performed, we concluded that contingent liabilities in respect of tax have been disclosed appropriately.</p>

Reporting on Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If we identify such material inconsistencies or apparent material misstatement, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. **We have nothing to report in respect of these matters.**

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for

the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

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

RENATA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

Amount in Taka

	Notes	30 June 2019	30 June 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5	10,227,887,020	9,578,542,891
Capital work-in-progress	6	1,492,889,354	1,168,163,935
Investment in subsidiaries	7	143,079,096	143,069,486
		11,863,855,470	10,889,776,312
Current assets			
Inventories	8	4,172,321,022	3,757,761,605
Trade receivables	9	2,265,753,666	2,232,499,238
Other receivables	10	1,086,389,221	903,726,174
Advances, deposits and prepayments	11	433,302,071	461,385,755
Investment in shares and FDR	12	3,581,402,024	1,509,177,933
Cash and cash equivalents	13	798,213,039	1,057,352,468
		12,337,381,043	9,921,903,173
TOTAL ASSETS		24,201,236,513	20,811,679,485
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	805,356,750	700,310,221
Revaluation surplus	15	154,331,208	154,808,121
Fair value reserve	16	24,708,298	25,223,220
Retained earnings	17	17,300,366,985	14,246,822,807
		18,284,763,241	15,127,164,369
Non-current liabilities			
Deferred tax liabilities	18	1,303,839,631	1,209,208,777
		1,303,839,631	1,209,208,777
Current liabilities			
Long term loan - current portion	19	-	99,662,486
Short term bank loan and overdrafts	20	2,562,606,715	2,389,428,525
Trade payables	21	568,382,613	222,346,097
Other payables	22	681,214,066	958,330,267
Provision for taxation	23	800,430,247	805,538,964
		4,612,633,641	4,475,306,339
TOTAL EQUITY AND LIABILITIES		24,201,236,513	20,811,679,485
Net asset value (NAV) per share	30	227.04	187.83

The annexed notes 1 to 43 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: 29 October 2019


S. F. Ahmed & Co
Chartered Accountants

RENATA LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

		Amount in Taka	
	Notes	2018-2019	2017-2018
Turnover	24	22,220,887,119	18,603,708,906
Cost of sales	25	(11,065,965,907)	(9,257,239,128)
Gross profit		11,154,921,212	9,346,469,778
Administrative expenses	26	(434,332,663)	(388,369,911)
Selling, marketing and distribution expenses	27	(5,370,161,610)	(4,334,197,810)
Operating profit		5,350,426,939	4,623,902,057
Other income	28	274,885,492	133,008,413
Finance costs	29	(150,846,362)	(207,196,059)
Profit before contribution to workers' participation fund		5,474,466,069	4,549,714,411
Contribution to workers' participation fund		(260,688,862)	(216,653,067)
Profit before tax		5,213,777,207	4,333,061,344
Tax expenses			
Current tax	23	(1,295,568,037)	(1,064,469,300)
Deferred tax	18	(94,847,040)	(71,641,511)
		(1,390,415,077)	(1,136,110,811)
Net profit after tax for the year		3,823,362,130	3,196,950,533
Other comprehensive income			
Net profit after tax for the year		3,823,362,130	3,196,950,533
Items that will not be reclassified to profit or loss			
Fair value adjustment on investment in shares, net of tax		(514,922)	3,588,029
Realised loss on disposal of shares		(112,598)	-
Total comprehensive income for the year		3,822,734,610	3,200,538,562
Basic earnings per share (EPS)	31	47.47	39.70

The annexed notes 1 to 43 form an integral part of these financial statements.



CEO & Managing Director



Director

As per our annexed report of same date.



Chief Financial Officer

Place: Dhaka
Date: 29 October 2019



S. F. Ahmed & Co
Chartered Accountants

RENATA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

Amount in Taka

	Share capital	Revaluation surplus	Fair value reserve	Retained earnings	Total
Balance at 01 July 2017	608,965,410	155,285,034	21,635,191	11,688,650,069	12,474,535,704
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, net of tax	-	-	3,588,029	-	3,588,029
Balance at 30 June 2018	700,310,221	154,808,121	25,223,220	14,246,822,807	15,127,164,369
Balance at 01 July 2018	700,310,221	154,808,121	25,223,220	14,246,822,807	15,127,164,369
Stock dividend issued	105,046,529	-	-	(105,046,529)	-
Final dividend	-	-	-	(665,294,710)	(665,294,710)
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	-	-	-	3,823,362,130	3,823,362,130
Fair value adjustment on investment in shares, net of tax	-	-	(514,922)	-	(514,922)
Realised loss on disposal of shares	-	-	(112,598)	-	(112,598)
Transfer between reserves-realised loss on disposal of shares	-	-	112,598	(112,598)	-
Balance at 30 June 2019	805,356,750	154,331,208	24,708,298	17,300,366,985	18,284,763,241



CEO & Managing Director



Director



Chief Financial Officer

RENATA LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

		Amount in Taka	
	Notes	2018-2019 Total	2017-2018 Total
A. Cash flows from operating activities			
Collection from customers and other income		26,035,868,913	21,878,310,365
Payment of VAT		(3,210,746,574)	(2,735,749,606)
Payment to suppliers, employees and others		(17,219,025,789)	(15,298,505,375)
Cash generated by operations		5,606,096,550	3,844,055,384
Finance costs		(150,177,868)	(224,736,513)
Payment of tax		(1,300,676,754)	(1,008,107,311)
Net cash generated from operating activities	32	4,155,241,928	2,611,211,560
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(1,779,769,899)	(1,202,387,919)
Investment in shares and FDR		(2,046,994,460)	(704,278,467)
Sale proceeds of property, plant and equipment		7,964,558	540,000
Net cash used in investing activities		(3,818,799,801)	(1,906,126,386)
C. Cash flows from financing activities			
Bank loan received/ (repaid) (net)		65,450,922	263,128,054
Dividend paid		(664,396,684)	(545,637,242)
Net cash used in financing activities		(598,945,762)	(282,509,188)
D. Effect of exchange rate changes on cash and cash equivalents		3,364,206	17,540,454
E. Net cash (outflow)/ inflow for the year (A+B+C+D)		(259,139,429)	440,116,440
F. Cash and cash equivalents at the beginning of the year		1,057,352,468	617,236,028
G. Cash and cash equivalents at the end of the year (E+F)		798,213,039	1,057,352,468
Net operating cash flow per share	33	51.60	32.42

RENATA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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 International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

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 recognised 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 the accounting 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 International Financial Reporting Standards (IFRSs) 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 recognised in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised 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 recognises 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 an IFRS.

2.10 Date of authorization for issue of the financial statements

On 29 October 2019 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 an IFRS 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 an IFRS 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.

Implementation of IFRS 9 'Financial Instruments'

Renata Limited has applied IFRS 9 'Financial Instruments' with effect from 1 July 2018. IFRS 9 introduces new requirements for the classification and measurement of financial assets and financial liabilities and impairments for financial assets. Details of these new requirements as well as their impact on the Company's financial statements are described below. The Company has adopted IFRS 9 retrospectively but with certain permitted exceptions as detailed below:

Classification and measurement of financial assets

The date of initial application was 1 July 2018. The Company has not applied the requirements of IFRS 9 to instruments that were derecognised prior to 1 July 2018 and has not restated prior years. Any difference between the previous carrying amount and the revised carrying amount at 1 July 2018 has been recognised as an adjustment to opening retained earnings at 1 July 2018.

All financial assets that are within the scope of IFRS 9 are required to be measured at amortised cost or fair value, with movements through other comprehensive income or the income statement on the basis of Renata Limited's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

IFRS 9 had the following impact on Renata Limited's assets:

- Renata Limited has elected to recognise movements in the fair value of equity investments in other comprehensive income under IFRS 9. Investments in equity instruments that were previously classified as available-for-sale financial assets measured at fair value have been designated as measured at fair value through other comprehensive income (FVTOCI) under IFRS 9. As a result, fair value movements are now recorded in other comprehensive income along with gains or losses on disposal of the investments.
- Renata Limited's trade receivables were all classified as financial assets measured at amortised cost under IAS 39. Under IFRS 9, the business model under which each portfolio of trade receivables held has been assessed. Renata Limited has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortised cost. There were no material changes in carrying value of financial assets as a result of these changes in measurement basis.
- IFRS 9 requires an expected credit loss (ECL) model to be applied to financial assets rather than the incurred credit loss model required under IAS 39. The expected credit loss model requires Renata Limited to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognise changes in those expected credit losses at each reporting date. Renata Limited recognises a loss allowance on trade receivables based on lifetime expected credit losses.

Implementation of IFRS 15 'Revenue from Contracts with Customers'

Renata Limited has applied IFRS 15 'Revenue from Contracts with Customers' with effect from 1 July 2018. IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

Renata limited has adopted IFRS 15 applying the modified retrospective approach. IFRS 15 did not have a material impact on the amount or timing of recognition of reported revenue. In accordance with the requirements of IFRS 15 where the modified retrospective approach is adopted, prior year results have not been restated.

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 recognised 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 recognised as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognised.

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 2019	30 June 2018
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 2019 and these were stated at cost. In case of imported components, capital work- in- progress is recognised when risks and rewards associated with such assets are transferred to the Company, 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 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. Renata Limited has disclosed the information to enable users of the financial statements to evaluate the nature of the relationship between Renata and its subsidiaries. Investment in subsidiaries is accounted for in Renata Limited's separate financial statements at cost.

Investment in shares

Renata Limited has elected to designate equity investments as measured at Fair Value through Other Comprehensive Income (FVTOCI). They are initially recorded at fair value plus transaction costs and then remeasured at subsequent reporting dates to fair value. Unrealised gains and losses are recognised in other comprehensive income. On disposal of the equity investment, gains and losses that have been deferred in other comprehensive income are transferred directly to retained earnings.

Dividends on equity investments and distributions from funds are recognised in the income statement when Renata Limited's right to receive payment is established.

Investment in fixed deposit receipt

Fixed deposit, comprising funds held with banks and other financial institutions, are initially measured at fair value, plus direct transaction costs, and are subsequently measured at amortized cost using the effective interest method at each reporting date. Changes in carrying value are recognised in profit.

Trade receivables

Trade receivables are measured in accordance with the business model under which each portfolio of trade receivable is held. Renata Limited has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortised cost. Trade receivables measured at amortised cost are carried at the original invoice amount less allowance for expected credit losses.

Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.

When a trade receivable is determined to have no reasonable expectation of recovery it is written off, firstly against any expected credit loss allowance available and then to the income statement. Subsequent recoveries of amounts previously provided for or written off are credited to the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and financial institutions, and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and are held at amortised cost under the hold to collect classification, where they meet the hold to collect “solely payments of principals and interests” test criteria under IFRS 9. Those not meeting these criteria are held at fair value through profit and loss.

3.4.2 Financial liabilities

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Trade payables

Trade payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

3.4.3 Impairment of financial assets

IFRS 9 requires an expected credit loss (ECL) model to be applied to financial assets rather than the incurred credit loss model required under IAS 39. The expected credit loss model requires Renata Limited to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognise changes in those expected credit losses at each reporting date. Renata Limited recognises a loss allowance on trade receivables based on lifetime expected credit losses.

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 costs 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 recognised 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 30 June 2019 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 are 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

Renata Limited receives revenue for supply of goods to external customers against orders received. The majority of contracts that Renata Limited enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical and animal health products.

Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer. Value added tax and other sales taxes are excluded from revenue.

Product revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

3.11 Taxation

The tax expense for the period comprises current tax and deferred tax. Tax is recognised in the income statement, except in the case it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised 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 International Accounting Standard IAS-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 fair value or the future cash flows 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 is responsible for the preparation and presentation of the financial statements.

5. Property, plant and equipment

Amount in Taka

Particulars	COST/REVALUATION				DEPRECIATION					Written down value as at 30 June 2019
	Balance as at 1 July 2018	Addition during the year	Disposal/ adjustment during the year	Balance as at 30 June 2019	Rate %	Balance as at 1 July 2018	Charge for the year	Disposal/ adjustment during the year	Balance as at 30 June 2019	
Freehold land										
At cost	1,085,848,721	85,251,102	-	1,171,099,823		-	-	-	-	1,171,099,823
On revaluation	179,132,078	-	-	179,132,078		-	-	-	-	179,132,078
	1,264,980,799	85,251,102	-	1,350,231,901		-	-	-	-	1,350,231,901
Buildings										
At cost	3,185,244,538	133,976,226	-	3,319,220,764	1.54-5	570,180,600	102,592,886	-	672,773,486	2,646,447,278
On revaluation	41,291,251	-	-	41,291,251	1.54-5	14,012,501	635,885	-	14,648,386	26,642,865
	3,226,535,789	133,976,226	-	3,360,512,015		584,193,101	103,228,771	-	687,421,872	2,673,090,143
Plant and machinery	7,737,008,550	999,282,090	6,288,549	8,730,002,091	5 - 20	2,771,959,169	532,981,191	2,830,340	3,302,110,020	5,427,892,071
Automobiles	388,199,277	89,608,476	14,336,666	463,471,087	25	251,541,001	68,610,910	13,103,073	307,048,838	156,422,249
Office equipment	705,243,699	130,706,950	-	835,950,649	10 - 12.5	219,216,118	81,163,365	-	300,379,483	535,571,166
Furnitures and fixtures	158,406,860	16,219,637	-	174,626,497	10	74,922,694	15,024,313	-	89,947,007	84,679,490
Total 30 June 2019	13,480,374,974	1,455,044,481	20,625,215	14,914,794,240		3,901,832,083	801,008,550	15,933,413	4,686,907,220	10,227,887,020
Total 30 June 2018	12,380,969,018	1,106,428,556	7,022,600	13,480,374,974		3,208,080,448	699,537,576	5,785,941	3,901,832,083	9,578,542,891

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

	30 June 2019 Taka	30 June 2018 Taka
Building	4,448,824	4,448,824
Plant and machinery	301,621,760	255,034,615
Automobiles	173,202,589	120,400,800
Office equipment	88,486,301	64,678,341
Furniture and fixtures	13,603,077	10,213,981
	581,362,551	454,776,561

5.2 The freehold lands of the Company measuring 213.002 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	35.414 acres	31.539 acres
Sagordighi, Tangail	13.805 acres	13.805 acres
Siddikhali, 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	0.949 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	0.529 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	8.229 acres	4.379 acres
Bhobainagar, Kotwali Sadar, Dinajpur	0.803 acres	0.803 acres
Uttam, Rangpur Sadar, Rangpur	0.710 acres	0.710 acres
Total	213.002 acres	205.153 acres

5.3 Depreciation for the year has been charged to:

	2018-2019 Taka	2017-2018 Taka
Cost of sales (Note-25.2)	645,887,883	587,773,634
Administrative expenses (Note-26)	15,512,068	10,361,668
Selling, marketing and distribution expenses (Note-27)	139,608,599	101,402,274
	801,008,550	699,537,576

- 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)	
				2018-2019	2017-2018
20,625,215	15,933,413	4,691,802	7,964,558	3,272,756	(696,659)

6. Capital work in-progress

	30 June 2019 Taka	30 June 2018 Taka
Opening balance	1,168,163,935	1,072,204,572
Add : Addition during the year	1,386,142,130	1,033,231,778
	2,554,306,065	2,105,436,350
Less: Capitalized as property, plant and equipment (Note-6.1)	1,061,416,711	937,272,415
	1,492,889,354	1,168,163,935

This represents mainly construction of buildings for Bhaluka animal health facility, warehouse for sachet filling facility, Rajendrapur raw material store, Faridpur depot, Comilla depot, Rangpur depot, Dinajpur depot, Mirpur research and development lab unit, extension of Rajendrapur general manufacturing facility, 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	107,727,340	102,819,368
Plant and machinery	938,334,912	514,608,924
Office equipment	14,286,169	316,700,166
Furniture and fixtures	1,068,290	3,143,957
	1,061,416,711	937,272,415

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 (Note-7.3)	7,999,900	79,999,000	79,999,000
Renata (UK) Limited (Note-7.4)	1	110	110
Renata Pharmaceuticals (Ireland) Limited (Note-7.5)	1	9,610	-
	8,444,850	143,079,096	143,069,486

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.

7.5 Investment in subsidiary company - Renata Pharmaceuticals (Ireland) Limited

Renata Limited acquired 100% of equity interest in Renata Pharmaceuticals (Ireland) Limited (1 ordinary share of Euro 100 each) on 24 April 2019. Purchase consideration with regard to the acquisition of the share amounted to Euro 100 being face value of the share. Renata Limited and Renata Pharmaceuticals (Ireland) Limited have been operating under common control.

8. Inventories

	30 June 2019 Taka	30 June 2018 Taka
Finished goods		
- Pharmaceutical	302,270,610	378,798,700
- Animal health	471,852,094	576,840,396
- Contract manufacturing	66,530,007	32,943,887
- Potent product facility	37,850,392	50,380,337
- Cepha facility	116,846,881	128,534,303
- Penicillin facility	71,839,900	27,258,958
	1,067,189,884	1,194,756,581
Work-in-process	307,184,878	227,932,482
Raw materials	407,591,705	354,778,314
Bulk materials	1,301,015,301	1,059,170,592
Packing materials	556,096,495	470,627,002
Consumable stores, spares and reagent materials	143,833,470	153,857,006
Stock in transit	530,357,501	447,500,656
	4,313,269,234	3,908,622,633
Provision for obsolete inventories	(140,948,212)	(150,861,028)
	4,172,321,022	3,757,761,605

9. Trade receivables

Trade receivables- unsecured (Note-9.1)	2,355,369,877	2,323,377,693
Allowances for doubtful receivables	(89,616,211)	(90,878,455)
	2,265,753,666	2,232,499,238

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

Receivables due below six months	2,146,506,486	2,108,147,939
Receivables due over six months	208,863,391	215,229,754
	2,355,369,877	2,323,377,693

Trade receivables include Tk. 10,875,700 due from Renata Agro Industries Limited.

10. Other receivables	30 June 2019 Taka	30 June 2018 Taka
Inter-company receivables		
- Renata Agro Industries Limited	75,364,295	604,429
- Purnava Limited	240,000,000	237,494,331
- Renata Oncology Limited	340,383,656	333,674,499
- Renata (UK) Limited	55,247	-
Value Added Tax (VAT) recoverable	236,604,763	269,942,426
Others	193,981,260	62,010,489
	1,086,389,221	903,726,174

11. Advances, deposits and prepayments

Advances

Loan to employees against motorcycle	108,535,665	148,591,984
Loan to employees against scooter	217,500	869,486
Loan to employees against salary	49,147,221	37,840,534
Advance for house rent	11,384,978	11,539,350
Advance VAT	92,824,174	39,075,695
Advance for inventory	54,031,292	41,038,006
Advance for field force	15,351,250	14,834,750
Advance to staff against expenses	34,665,131	31,419,196
Advance to staff against petty expenses	1,481,500	1,173,500
Advance against tour expenses	9,499,757	8,163,677
Other advances	1,847,691	-
	378,986,159	334,546,178

Deposits

Tender deposits	13,838,293	96,299,939
Gazipur Palli Bidyut Samity	14,248,000	10,248,000
Mymensingh Palli Biddut Samity	12,256,000	12,256,000
Titas Gas Transmission and Distribution Co. Limited	5,783,100	331,896
Dhaka Electric Supply Co. Limited	2,310,000	2,310,000
Linde Bangladesh Limited	1,088,000	880,000
Bangladesh Ansar O Gram Protirokkha Bahini (Bangladesh Ansar and VDP)	536,461	536,461
Radisson Water Garden Hotel	200,000	200,000
Bangladesh Customs House, Dhaka Airport	200,000	200,000
Meghna Model Service Center	110,000	110,000
Bangladesh Power Development Board, Bogura	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, Cumilla	-	40,000
Essence Industrial Gases Limited	30,000	-
HammerHead Bangladesh Limited	16,000	16,000
Bangladesh Petroleum Exploration & Production Co. Ltd.	7,000	7,000
Dhaka Medical College & Hospital	1,540	1,540
	51,021,928	123,834,370

Prepayments

Insurance premium	3,293,984	3,005,207
	3,293,984	3,005,207
	433,302,071	461,385,755

12 Investment in shares and FDR

Investment in shares (Note-12.1)	104,670,189	93,790,433
Investment in FDR	3,476,731,835	1,415,387,500
	3,581,402,024	1,509,177,933

12.1 Investment in shares

	Market value		Cost
	30 June 2019 Taka	30 June 2018 Taka	30 June 2019 Taka
Square Pharma Limited	54,841,192	56,838,538	31,400,230
British American Tobacco Bangladesh Company Limited	15,075,094	11,234,275	3,376,293
Grameenphone Limited	14,588,000	5,055,700	14,948,644
Beximco Pharmaceuticals Limited	8,350,000	9,390,000	11,365,280
Shahjibazar Power Co. Ltd.	7,397,460	7,028,100	10,885,870
ACI Formulations Limited	2,286,000	2,455,500	3,242,427
Central Depository Bangladesh Limited (unquoted)	1,569,450	1,569,450	1,569,450
Marico Bangladesh Limited	562,993	-	428,334
Islami Bank Bangladesh Limited	-	133,970	-
BRAC Bank Limited	-	53,400	-
International Leasing & Finance Services Limited	-	15,451	-
People's Leasing and Financial Services Limited	-	11,108	-
EXIM Bank Limited	-	2,118	-
United Commercial Bank Limited	-	1,901	-
Social Islami Bank Limited	-	922	-
	104,670,189	93,790,433	77,216,528

13. Cash and cash equivalents

	30 June 2019 Taka	30 June 2018 Taka
Cash in hand	2,625,000	2,325,000
Cash at bank		
Standard Chartered Bank	205,094,890	383,068,820
Eastern Bank Limited	276,418,400	358,911,717
Bank Asia Limited	48,055,463	91,122,356
Commercial Bank of Ceylon PLC	140,398,765	80,569,502
Sonali Bank Limited	35,176,292	33,003,346
Citibank N. A.	15,527,098	23,078,648
Agrani Bank Limited	16,694,980	21,522,306
The City Bank Limited	30,202,732	18,534,164
BRAC Bank Limited	23,211,815	13,814,459
The Hongkong and Shanghai Banking Corporation Limited	2,859,342	2,222,380
Prime Bank Limited	90,397	1,594,145
United Commercial Bank Limited	676,528	1,239,085
Bangladesh Commerce Bank Limited	96,274	-
	794,502,976	1,028,680,928
Balance with City Bank Capital Resources Limited	851,289	26,339,461
Balance with ICB Securities Trading Company Limited	233,774	7,079
	1,085,063	26,346,540
	798,213,039	1,057,352,468

14. Share capital

	30 June 2019 Taka	30 June 2018 Taka
Authorized share capital		
100,000,000 ordinary shares of Tk.10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid up capital		
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
77,516,925 ordinary shares (67,012,272 ordinary shares as at 30 June 2018) of Tk.10 each issued as bonus shares	<u>775,169,250</u>	<u>670,122,721</u>
	<u>805,356,750</u>	<u>700,310,221</u>

These shares are listed with Dhaka Stock Exchange Limited and quoted at Tk 1,198.40 per share on 30 June 2019.

At 30 June 2019, 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	41,072,845	410,728,450	51.0%
Business Research International Corp. Inc.	Panama	17,511,638	175,116,380	21.7%
ICB Unit Fund	Bangladesh	3,712,450	37,124,500	4.6%
Shadharan Bima Corporation	Bangladesh	3,523,413	35,234,130	4.4%
Investment Corporation of Bangladesh	Bangladesh	2,997,216	29,972,160	3.7%
Other shareholders	Bangladesh & others	11,718,113	117,181,130	14.6%
		<u>80,535,675</u>	<u>805,356,750</u>	<u>100%</u>

Classification of shareholders by holdings:

Holdings	30 June 2019				
	No. of shareholders as per folio	No. of shareholders as per BOLD	No. of total shareholders	No. of shareholdings	% of total shareholdings
Less than 500 shares	103	3,285	3,388	384,692	0.5%
501 to 5000 shares	48	822	870	1,355,296	1.7%
5,001 to 10,000 shares	12	93	105	709,710	0.9%
10,001 to 20,000 shares	11	54	65	906,392	1.1%
20,001 to 30,000 shares	12	21	33	758,270	0.9%
30,001 to 40,000 shares	2	11	13	442,095	0.5%
40,001 to 50,000 shares	-	12	12	555,310	0.7%
50,001 to 100,000 shares	2	23	25	1,752,981	2.2%
100,001 to 1,000,000 shares	1	21	22	5,064,324	6.3%
Over 1,000,000 shares	2	4	6	68,606,605	85.2%
	<u>193</u>	<u>4,346</u>	<u>4,539</u>	<u>80,535,675</u>	<u>100%</u>

15. Revaluation surplus

	30 June 2019 Taka	30 June 2018 Taka
Land	179,132,078	179,132,078
Buildings	27,278,749	27,914,634
	206,410,827	207,046,712
Less: Depreciation adjustment on revalued buildings	(635,885)	(635,885)
	205,774,942	206,410,827
Less: Adjustment of deferred tax on revaluation surplus	(51,443,734)	(51,602,706)
	154,331,208	154,808,121

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. Fair value reserve

Opening balance	25,223,220	21,635,191
Fair value adjustment on investment in shares, net of tax	(514,922)	3,588,029
Realised loss on disposal of shares	(112,598)	-
Transfer between reserves- realised loss on disposal of shares	112,598	-
	24,708,298	25,223,220

17. Retained earnings

Opening balance	14,246,822,807	11,688,650,069
Profit for the year	3,823,362,130	3,196,950,533
Stock dividend issued	(105,046,529)	(91,344,811)
Final dividend	(665,294,710)	(548,068,869)
Depreciation adjustment on revalued assets	635,885	635,885
Transfer between reserves- realised loss on disposal of shares	(112,598)	-
	17,300,366,985	14,246,822,807

18. Deferred tax liabilities

30 June 2019	30 June 2018
Taka	Taka
Opening balance	1,137,327,569
Addition during the year	71,881,208
1,303,839,631	1,209,208,777

Computation of deferred tax for the year ended 30 June 2019

	Carrying amount Taka	Tax base Taka	Taxable/(deductible) temporary difference Taka	Deferred tax liabilities/ (assets) Taka
Property, plant and equipment excluding cost of land	9,056,787,196	3,760,875,098	5,295,912,098	1,323,978,024
Provision for doubtful debt	(91,535,036)	-	(91,535,036)	(22,883,759)
Investment in shares	104,670,189	77,216,528	27,453,661	2,745,366

Deferred tax liabilities/(assets) as at 30 June 2019

1,303,839,631

Deferred tax liabilities/(assets) as at 30 June 2018

1,209,208,777

Increase in deferred tax liabilities/(assets) during the year

94,630,854

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

Charged to fair value reserve (OCI)	(57,214)
Adjustment for reduction of revaluation surplus due to charges of extra depreciation	(158,972)
Charged to profit or loss	94,847,040
	94,630,854

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

Deferred tax liabilities/(assets) as at 30 June 2018

1,209,208,777

Deferred tax liabilities/(assets) as at 30 June 2017

1,137,327,569

Increase in deferred tax liabilities/(assets) during the year

71,881,208

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

Charged to fair value 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
	71,881,208

19. Long term loan - net off current portion	30 June 2019 Taka	30 June 2018 Taka
The Hongkong and Shanghai Banking Corporation Limited (Note-19.1)	-	99,662,486
	-	99,662,486
Less: Current portion		
The Hongkong and Shanghai Banking Corporation Limited	-	99,662,486
	-	99,662,486

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 shed 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)	52,269,803	189,276,512
The City Bank Limited (Note-20.2)	238,979,895	313,599,925
Standard Chartered Bank (Note-20.3)	1,076,367,260	446,170,970
Citibank N. A. (Note-20.4)	539,592,529	307,939,988
Bank Asia Limited (Note-20.5)	95,412,837	297,323,828
Commercial Bank of Ceylon PLC (Note-20.6)	559,984,391	835,117,302
	2,562,606,715	2,389,428,525

Overdrafts

Eastern Bank Limited (Note-20.1)	-	-
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)	-	-
Commercial Bank of Ceylon PLC (Note 20.6)	-	-
	2,562,606,715	2,389,428,525

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. 30 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. 500 million.
Repayment : Within 180 days from the date of disbursement.

Import finance

Purpose : To import raw materials.
Facility limit : Combined Tk. 500 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)/ Import finance/ Short term loan

Purpose : To import API, excipient, packing and finished materials, to retire sight letter of credit documents opened for procurement of API, excipient, packing and finished materials, and for payment of duty and other charges related to import and VAT.
Facility limit : Combined Tk. 1,200 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. 100 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/ Loan against trust receipt (LATR)/ Acceptance

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, for retirement of documents of only sight letter of credits, and to provide acceptance against letter of credits issued by the bank.

Facility limit : Combined Tk. 1,900 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 3 days in one year.

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)/ Import finance

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, and to refinance import letter of credits.

Facility limit : Combined USD 9,000,000.

Repayment : Within 180/360 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 2,000,000.

Repayment : Within 180 days from the date of disbursement.

Overdraft

Purpose : To finance regular selling, general and administrative expenses.

Facility limit : Combined USD 2,000,000.

Repayment : On demand.

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.
Repayment	: Within 180 days from the date of disbursement.

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 180/360 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 2019 Taka	30 June 2018 Taka
21. Trade payables		
Payable to suppliers	561,264,725	211,321,607
Toll manufacturing charges (Sharif and NAFCO)	7,117,888	11,024,490
	568,382,613	222,346,097
22 Other payables		
VAT, PF, gratuity and other payables	579,535,758	626,937,018
Workers' participation fund	89,484,909	256,219,571
Advance from customers	5,296,645	52,491,526
Royalty payable	-	15,044,439
Export commission payable	6,896,754	7,637,713
	681,214,066	958,330,267
23 Provision for taxation		
Opening balance	805,538,964	749,176,975
Provision made during the year	1,295,568,037	1,064,469,300
	2,101,107,001	1,813,646,275
Payment made during the year	(1,300,676,754)	(1,008,107,311)
	800,430,247	805,538,964

24. Turnover

Amount in Taka

	2018-2019		2017-2018
	Gross Turnover	Less: VAT	Turnover (net)
Pharmaceutical products	18,688,260,245	2,686,382,567	16,001,877,678
Animal health products	4,162,721,013	342,033,512	3,820,687,501
Contract manufacturing	2,580,652,435	182,330,495	2,398,321,940
	25,431,633,693	3,210,746,574	22,220,887,119
			18,603,708,906

During the year, sale of pharmaceutical products includes export sales of Tk. 466,830,128 equivalent to US\$ 5,558,351 (Tk. 608,245,196 equivalent to US\$ 7,429,526 for the year ended 30 June 2018).

25. Cost of sales

	2018-2019 Taka	2017-2018 Taka
Raw materials consumed - (Note-25.1)	7,562,961,901	6,203,676,595
Factory overhead - (Note-25.2)	3,454,689,705	3,157,949,152
Manufacturing costs	11,017,651,606	9,361,625,747
Add: Opening work-in-process	227,932,482	182,801,854
	11,245,584,088	9,544,427,601
Less: Closing work-in-process	307,184,878	227,932,482
Cost of goods manufactured	10,938,399,210	9,316,495,119
Add: Opening finished goods	1,194,756,581	1,135,500,590
Cost of goods available for sale	12,133,155,791	10,451,995,709
Less: Closing finished goods	1,067,189,884	1,194,756,581
	11,065,965,907	9,257,239,128

25.1 Raw materials consumed

Opening stock	1,884,575,908	1,469,991,468
Add: Purchase during the year	7,943,089,494	6,618,261,035
Total materials available	9,827,665,402	8,088,252,503
Less: Closing stock	2,264,703,501	1,884,575,908
Raw materials consumed	7,562,961,901	6,203,676,595

25.2 Factory overhead

	2018-2019 Taka	2017-2018 Taka
Salaries, wages and other benefits	1,014,357,952	910,720,373
Factory employees' free lunch, snacks and tea expenses	174,796,956	157,026,467
Uniform for workers	15,010,179	9,884,925
Travelling and conveyance	79,190,337	56,066,462
Stationeries and supplies	52,608,592	42,853,117
Postage, telex, fax and telephone	14,216,087	13,434,945
Repairs and maintenance	475,292,469	388,676,368
Consumable stores and laboratory supplies	201,811,978	165,223,210
Electricity, fuel, gas and water	585,366,849	664,341,621
Rent	1,280,368	1,787,326
Registration and renewals	2,709,436	2,708,161
Insurance premium	6,311,266	6,157,376
Depreciation	645,887,883	587,773,634
Cleaning & security services	59,069,950	54,945,783
Automobile expenses	22,863,168	21,925,820
Toll charges	98,340,729	66,671,344
Training expenses	3,238,591	4,816,694
Other expenses	2,336,915	2,935,526
	3,454,689,705	3,157,949,152

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	Purchases	Consumption	Closing stocks
Bulk materials	1,059,170,592	4,416,095,671	4,174,250,962	1,301,015,301
Raw materials	354,778,314	1,556,168,025	1,503,354,634	407,591,705
Packing materials	470,627,002	1,970,825,798	1,885,356,305	556,096,495
	1,884,575,908	7,943,089,494	7,562,961,901	2,264,703,501
Consumable stores	9,253,149	47,324,186	43,844,260	12,733,075
Maintenance stores and spares	144,603,857	268,693,470	282,196,932	131,100,395
	153,857,006	316,017,656	326,041,192	143,833,470
	2,038,432,914	8,259,107,150	7,889,003,093	2,408,536,971

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 expenses

Salaries, wages and allowances
Travelling and conveyance
Training expenses
Stationeries and supplies
Postage, telex, fax and telephone
Electricity, fuel, gas and water
Employees' free lunch, snacks and tea expenses
Staff uniform
Rent
Repairs and maintenance
Govt. taxes and license fees
Cleaning & security services
Depreciation
Software and hardware support services
Insurance premium
Automobile expenses
Legal and professional expenses
Audit fees
Board meeting attendance fee
Subscription, membership fees and donation
Meeting and corporate expenses
AGM expenses
Other expenses

2018-2019

Taka

204,553,776
30,256,650
881,700
9,850,712
4,219,001
22,234,792
30,161,976
563,521
6,857,985
8,455,601
3,066,761
5,492,910
15,512,068
28,608,045
5,416,508
14,742,516
207,091
805,000
430,000
4,479,715
13,508,097
1,985,560
22,042,678

434,332,663

2017-2018

Taka

183,601,616
25,800,436
5,267,778
13,528,812
6,087,397
13,950,144
23,554,316
389,280
2,154,969
6,521,294
3,707,228
4,143,388
10,361,668
17,200,905
6,719,625
11,941,520
955,398
930,000
370,000
1,639,212
27,791,217
2,168,212
19,585,496

388,369,911

27. Selling, marketing and distribution expenses

Salaries, wages and allowances
Travelling and conveyance
Training expenses
Stationeries and supplies
Postage, telex, fax and telephone
Electricity, fuel, gas and water
Employees' free lunch, snacks and tea expenses
Staff uniform
Rent
Repairs and maintenance
Govt. taxes and license fees
Cleaning & security services
Depreciation
Insurance premium
Automobile expenses
Marketing and sales promotional expenses
Field expenses
Distribution expenses
Export expenses
Special discount
Subscription, membership fees and donation
Meeting and corporate expenses
Other expenses

1,679,794,345

487,833,962
5,619,687
30,331,316
43,200,990
27,613,683
151,773,671
2,009,858
25,948,698
16,564,633
17,567,415
55,870,197
139,608,599
14,804,515
30,043,569
1,297,183,343
255,154,376
424,689,528
41,670,320
371,208,478
22,622,944
122,529,264
106,518,219

5,370,161,610

1,562,289,575

310,398,945
6,539,419
28,273,248
44,449,885
33,686,270
131,344,806
2,417,489
22,992,546
17,887,876
16,890,216
45,517,619
101,402,274
15,771,997
32,880,233
1,003,643,392
155,339,185
375,782,796
61,313,579
164,682,121
15,409,895
100,797,819
84,486,625

4,334,197,810

		2018-2019	2017-2018
		Taka	Taka
28. Other Income			
Scrap sales		13,713,398	12,391,098
Dividend income		3,782,466	3,172,004
Interest income		254,116,872	119,991,637
Gain/ (loss) from sale of quoted shares		-	(1,849,667)
Gain/ (loss) on disposal of property, plant and equipment (Note - 5.5)		3,272,756	(696,659)
		274,885,492	133,008,413
29. Finance costs			
Interest expenses		115,080,137	85,503,345
Exchange loss		19,319,555	107,861,495
Bank charges		16,446,670	13,831,219
		150,846,362	207,196,059
30. Net asset value (NAV) per share			
The computation of NAV is given below:		30 June 2019	30 June 2018
		Taka	Taka
Equity attributable to the ordinary shareholders		18,284,763,241	15,127,164,369
Weighted average number of ordinary shares outstanding during the year (Note-30.1)		80,535,675	80,535,675
Net asset value (NAV) per share		227.04	187.83
30.1 Weighted average number of ordinary shares outstanding during the year			
Opening number of shares		70,031,022	
Bonus shares issued in December 2018		10,504,653	
		80,535,675	

31. 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-30.1)

Basic earnings per share (EPS)

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

2018-2019	2017-2018
Taka	Taka
3,823,362,130	3,196,950,533
80,535,675	80,535,675
47.47	39.70

32. Net cash generated from operating activities

Profit before tax	5,213,777,207	4,333,061,344
Adjustments for:		
Depreciation and amortization expenses	801,008,550	699,537,576
Provision for bad debts & others	22,042,677	19,371,829
Finance costs	150,846,362	207,196,059
(Gain)/ loss on disposal of property, plant and equipment	(3,272,756)	696,659
(Gain)/ loss from sale of quoted shares	-	1,849,667
Cash generated from operations before changes in working capital	6,184,402,040	5,261,713,134
Adjustments for:		
(Increase)/ decrease in inventories	(414,559,417)	(528,538,713)
(Increase)/ decrease in trade receivables	(76,303,805)	(256,407,354)
(Increase)/ decrease in other receivables	(182,663,047)	(110,608,572)
(Increase)/ decrease in advances, deposits and prepayments	28,083,685	(165,436,737)
Increase/ (decrease) in trade payables	346,036,516	42,275,544
Increase/ (decrease) in other payables	(278,899,422)	(398,941,918)
Cash generated by operations	5,606,096,550	3,844,055,384
Finance costs	(150,177,868)	(224,736,513)
Payment of tax	(1,300,676,754)	(1,008,107,311)
Net cash generated from operating activities	4,155,241,928	2,611,211,560

33. Net operating cash flow per share

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

Net cash generated from operating activities	4,155,241,928	2,611,211,560
Weighted average number of ordinary shares outstanding during the year (Note-30.1)	80,535,675	80,535,675
Net operating cash flow per share	51.60	32.42

34. 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	12,312,045	510,987,917
House rent	7,225,627	412,412,073
Bonus	5,130,020	188,218,147
Contribution to provident fund	1,231,205	48,002,256
Gratuity	1,539,006	119,356,677
Conveyance allowance and transport	3,213,710	204,852,139
Other welfare expenses	5,183,603	44,598,587
	35,835,216	1,528,427,796

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

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; Tk. 11,888,503 for the assessment year 2013-14 and Tk. 14,478,424 for the assessment year 2014-2015 which are pending before the Hon'ble High Court Division of the Supreme Court, and Tk. 35,905,180 for the assessment year 2018-2019 awaiting for appeal to be filed by us.

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 2019.

37. Commitments

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

	30 June 2019	30 June 2018
	Taka	Taka
Letters of credits (Note 37.1)	1,745,661,987	1,224,696,950
Outstanding guarantees issued by the banks	666,110,566	166,712,184
Capital expenditure commitments	7,691,345,783	1,709,962,536
	10,103,118,336	3,101,371,670

37.1 Letters of credits

	Limit	30 June 2019	30 June 2018
		Taka	Taka
Standard Chartered Bank	1,900,000,000	531,308,481	119,541,010
Eastern Bank Limited	500,000,000	4,744,793	113,603,930
The City Bank Limited	1,200,000,000	152,672,024	185,798,488
Citi Bank N.A.	756,000,000	190,372,485	172,105,108
Commercial Bank of Ceylon PLC	750,000,000	715,400,964	516,163,553
Bank Asia Limited	400,000,000	151,163,240	117,484,861
	5,506,000,000	1,745,661,987	1,224,696,950

38. Dividend paid to non-resident shareholders

Final dividend paid to non-resident shareholder, Business Research International Corp. Inc. for the year 2017-2018 was Tk. 115,729,091.20 equivalent to US\$ 1,361,518.72 for their 15,227,512 shares.

39. Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994

39.1 Employee position of Renata Limited as per requirement of schedule XI, part II, Para-3

The company engaged 6,886 (6,798 as of June 2018) employees as of June 2019, of which 4,642 (4,604 as of June of 2018) is permanent employees and 2,244 (2,194 as of June 2018) is casual and temporary workers as required. All employees received total salary of above Tk. 36,000 per annum.

39.2 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)	2018-2019		2017-2018	
		Actual production (In '000)	Utilization %	Actual production (In '000)	Utilization %
Sterile dry fill (injectable) / Vials	7,450	9,524	127.84%	6,400	98.46%
Sterile liquid (inj) / Vials / Ampoules	13,340	21,739	162.96%	17,084	146.83%
Ointments / Tubes	1,500	773	51.53%	480	32.00%
Capsules and tablets / Cap / Tab	1,715,000	2,595,456	151.34%	2,068,380	129.68%
Oral liquid & dry syrup / Bottles	17,740	32,923	185.59%	23,925	152.15%
Water for injection / Ampoules	8,500	10,953	128.86%	7,828	130.47%
Premix feed supplement / Kg	4,850	7,190	148.25%	6,612	136.33%
Premix feed supplement / Sachets	3,350	6,778	202.33%	6,759	201.76%
Oral saline / Sachets	355,000	543,024	152.96%	580,193	163.43%
Potent Products / Tablets	2,460,000	2,879,215	117.04%	2,503,323	101.76%

40. Payments / receipts in foreign currency

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

Active, raw and packing materials
Machinery and spares

Foreign currency USD	Local currency Taka
75,800,607	6,367,250,977
10,351,126	869,494,606
86,151,733	7,236,745,583

40.2 Foreign exchange was earned in respect of the following:

Export of goods on FOB

USD

5,558,351

41. 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 IAS 24 "Related Party Disclosures".

Name of the party	Relationship	Nature of transactions	Transaction-2018-2019			
			Opening balance Taka	Addition Taka	Adjustment Taka	Closing balance Taka
1. Renata Agro Industries Limited	Subsidiary	Sale of goods Advance payment	11,938,300 604,429 12,542,729	31,047,620 102,637,672 133,685,292	32,110,220 27,877,806 59,988,026	10,875,700 75,364,295 86,239,995
2. Purnava Limited	Subsidiary	Sale of goods Advance payment	- 237,494,331 237,494,331	126,102,292 153,355,237 279,457,529	126,102,292 150,849,568 276,951,860	- 240,000,000 240,000,000
3. Renata Oncology Limited	Subsidiary	Purchase of goods Advance payment	- 333,674,499 333,674,499	30,584,259 23,129,350 53,713,609	30,584,259 16,420,193 47,004,452	- 340,383,656 340,383,656
4. Renata (UK) Limited	Subsidiary	Advance payment	- - -	55,247 55,247	- - -	55,247 55,247

42. 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 2018-2019 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.

43. Events after the reporting period

The Board of Directors in their meeting held on 29 October 2019 have recommended cash dividend @ 100% per share of Taka 10 each aggregating Taka 805,356,750 and stock dividend @ 10% of Taka 10 each aggregating Taka 80,535,675 for the year ended 30 June 2019 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 21 December 2019. The financial statements for the year ended 30 June 2019 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 2019

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Md. Khalil Mosaddeq, Director (up to 19.07.2019)
- Mr. Md. Jubayer Alam, Director (from 01.09.2019)
- Mr. Manzoor Hasan, Independent Director (up to 31.12.2018)
- Mr. Nehal Ahmed, Independent Director (from 26.01.2019)



Directors' Report

It was another bad year for the Company. In the past, we were rarely troubled by losses because business cycles had always been a routine phenomenon for the poultry industry. Moreover, good years tended to dominate bad ones.

However, there seems to have been a major structural change in the industry. Until recently, poultry-breeding was the key business, while feed, commercial broilers, and layers were supporting operations. This model tended to generate business-cycles. For example, when there was a fall in Day-Old-Chick (DOC) prices, the Industry as a whole would reduce production causing prices to recover. Similarly, higher prices would encourage more DOC production resulting in prices falling in the next period.

Presently, poultry-feed has emerged as the dominant business. Under this model, profits from feed rise as DOC production increases. In other words, for integrated companies, lower DOC prices are no longer as worrying as it used to be because high profits from feed more than offset losses from the DOC business. In essence, the business-cycle seems to have disappeared for the moment and replaced with permanently low prices for DOCs.

As Renata Agro is solely dependent on the DOC business, it is facing an existential crisis. In order to sustain ourselves, we have decided to alter our business model. However, instead of going into the feed business which is a large and complicated operation, we have decided to experiment focusing on specialty eggs such as Omega-3 eggs and safe broiler meat. The breeding operation would therefore be an input to the commercial poultry business. Egg prices are generally stable, while broiler prices do not

fluctuate as much as DOC prices. As with eggs, we also hope to introduce specialty broiler meat in the near future.

On behalf of the Board of Directors



Kaiser Kabir
Chairman
29 October 2019

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

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of **RENATA AGRO INDUSTRIES LIMITED**, which comprise the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Information

"The management of **RENATA AGRO INDUSTRIES LIMITED** is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing

so, consider whether the other information is materially inconsistent with the financial statements of our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management of **RENATA AGRO INDUSTRIES LIMITED** is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other application Laws and Regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with

International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and access the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that as appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation and

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and other applicable laws and regulations, we also report the following:.

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of 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 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, Bangladesh.
Dated: 26 October 2019

Renata Agro Industries Limited

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

		Amount in Taka	
		30 June 2019	30 June 2018
ASSETS			
Non-current assets			
Property, plant and equipments	5	451,201,245	437,916,271
Capital work-in-progress	6	26,279,858	22,337,556
Long term investment	7	10,936,180	11,222,360
		488,417,283	471,476,187
Current assets			
Investment in shares and others	8	101,332,570	133,433,094
Inventories	9	103,445,871	84,257,280
Trade and other receivables	10	41,178,546	27,006,170
Advances, deposits and prepayments	11	18,600,889	24,655,985
Cash and cash equivalents	12	36,796,563	8,113,974
		301,354,439	277,466,503
Total assets		789,771,722	748,942,690
EQUITY AND LIABILITIES			
Equity and reserve			
Share capital	13	42,000,000	42,000,000
Tax holiday reserve		46,643,337	46,643,337
Reserve for unrealized gain		29,633,360	31,523,831
Retained earnings		458,243,502	484,831,000
		576,520,199	604,998,168
Non- current liabilities			
Deferred tax liability	14	8,080,740	8,266,360
		8,080,740	8,266,360
Current liabilities			
Bank overdraft	15	-	10,879,800
Trade and other payables	16	19,218,119	32,295,348
Cost accrual	17	18,866,844	16,856,321
Provision and other liabilities	18	163,623,452	72,946,994
Provision for income tax	19	3,462,369	2,699,699
		205,170,784	135,678,162
Total equity and liabilities		789,771,722	748,942,690

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
Dated: 26 October 2019


K.M. HASAN & CO.
Chartered Accountants

Renata Agro Industries Limited

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

		Amount in Taka	
	Notes	30 June 2019	30 June 2018
Revenue	20	446,891,045	384,600,260
Cost of sales	21	(423,854,950)	(372,766,897)
GROSS PROFIT		23,036,095	11,833,363
Administrative expenses	22	(18,382,207)	(18,930,811)
Marketing expenses	23	(11,688,689)	(12,323,818)
Distribution expenses	24	(20,007,600)	(17,441,571)
		(50,078,496)	(48,696,200)
OPERATING PROFIT/(LOSS)		(27,042,401)	(36,862,837)
Finance income	25	4,371,934	5,157,215
Finance expenses	26	(3,129,929)	(2,486,706)
		1,242,005	2,670,509
Profit/ (Loss) before contribution to BPPF		(25,800,396)	(34,192,328)
Contribution to BPPF		-	-
Profit/(loss) before income tax		(25,800,396)	(34,192,328)
Provision for tax:			
Deferred tax	14	(24,432)	1,664,339
Current tax	19	(762,670)	(663,870)
		(787,102)	1,000,469
Net profit/(Loss) after income tax		(26,587,498)	(33,191,859)
Other comprehensive income:			
Unrealized gain/(loss) on marketable securities net off tax		(1,890,471)	3,296,353
Total comprehensive income		(28,477,969)	(29,895,506)
Basic Earnings Per Share (EPS)	27	(63.30)	(79.03)

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
Dated: 26 October 2019


K.M. HASAN & CO.
Chartered Accountants

Renata Agro Industries Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

Amount in Taka

Particulars	Share Capital	Tax Holiday reserve	unrealised gain (Fair Value Reserve)	Retained Earnings	Total
Balance as at 01 July 2018	42,000,000	46,643,337	31,523,831	484,831,000	604,998,168
Net Profit/ (Loss) after tax	-	-	-	(26,587,498)	(26,587,498)
Unrealized gain/ (Loss)	-	-	(1,890,471)	-	(1,890,471)
BALANCE AS AT 30 JUNE 2019	42,000,000	46,643,337	29,633,360	458,243,502	576,520,199

For the year ended 30 June 2018

Amount in Taka

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



Director


General Manager


Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka
Dated: 26 October 2019


K.M. HASAN & CO.
Chartered Accountants

Renata Agro Industries Limited

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

Amount in Taka

30 June 2019 30 June 2018

A. CASH FLOWS FROM OPERATING ACTIVITIES

Collection from customers and others	432,718,669	377,760,483
Payment to suppliers and employees	(342,116,201)	(327,429,102)
Cash paid for operating expenses and others	(23,334,220)	(9,692,185)
Cash generated from operation	67,268,248	40,639,196
Income tax paid	(2,762,065)	(6,858,567)
Financial expenses	(3,129,929)	(2,486,706)
Net cash provided from operating activities	61,376,254	31,293,923


B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipments	(52,243,497)	(41,326,609)
Capital work- in- progress	(3,942,302)	(21,914,877)
Investment in FDR	30,000,000	-
Invest income	4,371,934	5,157,215
Net cash used in investing activities	(21,813,865)	(58,084,271)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Bank overdraft (paid)/received	(10,879,800)	10,879,800
Net cash (used in)/inflows from financing activities	(10,879,800)	10,879,800
Net cash and cash equivalents inflows/(outflows) for the year (A+B+C)	28,682,589	(15,910,550)
Add: Opening cash and cash equivalents	8,113,974	24,024,523
Closing cash and cash equivalents	36,796,563	8,113,974

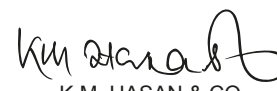

Director


General Manager


Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka
Dated: 26 October 2019


K.M. HASAN & CO.
Chartered Accountants

Renata Agro Industries Limited

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE 2019

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 2019.
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019.
- (c) Statement of Changes in Equity for the year ended 30 June 2019.
- (d) Statement of Cash Flows for the year ended 30 June 2019.
- (e) Notes to the Financial Statements as at and for the year ended 30 June 2019.

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 2018		Addition during the year		Balance as at 30 June 2019	
			Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Purnava Limited	Subsidiary of parent	Sale	2,658,700	-	45,677,392	36,260,825	12,075,267	-
Renata Limited	Parent	Purchase	-	11,938,300	32,110,220	31,047,620	-	10,875,700
Renata Limited	Parent	Short term advance	-	604,429	27,877,806	102,637,672	-	75,364,295

3.6 Reporting Period

Financial statements of the Company cover the year from 01 July 2018 to 30 June 2019.

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 mill expenses, marketing 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, vitamin-E 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 IAS 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, 2019 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 Comparative figures have been re-arranged whenever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statements.

5. PROPERTY, PLANT AND EQUIPMENTS

Amount in Taka

Particulars	COST				DEPRECIATION					Written Down Value as on 30.06.19
	Balance as on 01.07.18	Addition during the year	Adjustment/ Disposal during the year	Balance as at 30.06.19	Rate (%)	Balance as at 01.07.18	Charged during the year	Adjustment/ Disposal during the year	Balance as at 30.06.19	
Freehold land and land development	119,792,695	1,397,950	-	121,190,645	-	-	-	-	-	121,190,645
Building on freehold land	292,531,186	33,365,318	-	325,896,504	5.0%	117,435,109	17,112,429	-	134,547,538	191,348,966
Semi pucca building on freehold land	1,741,817	-	-	1,741,817	12.5%	1,741,817	-	-	1,741,817	-
Plant and machinery	246,954,627	14,224,374	-	261,179,001	5.0%	124,386,426	14,944,196	-	139,330,622	121,848,379
Office equipments	12,840,016	259,980	-	13,099,996	12.5%	8,797,122	1,256,907	-	10,054,029	3,045,967
Automobiles and trucks	42,616,123	2,972,775	-	45,588,898	25.0%	26,969,043	5,387,224	-	32,356,267	13,232,631
Furniture and fixture	3,081,935	23,100	-	3,105,035	10.0%	2,312,611	257,767	-	2,570,378	534,657
Balance as at 30 June 2019	719,558,399	52,243,497	-	771,801,896		281,642,128	38,958,523	-	320,600,651	451,201,245
Balance as at 30 June 2018	678,231,790	41,326,609	-	719,558,399		245,576,205	36,065,923	-	281,642,128	437,916,271

Amount in Taka

Allocation of depreciation

	30 June 2019	30 June 2018
Farm overhead	29,291,220	24,920,629
Vitamin - E eggs expenses	667,944	667,944
Omega-03 Project	1,681,854	1,675,229
Administrative expenses	2,323,045	3,348,511
Distribution expenses	750,296	1,023,125
Hatchery expenses	2,885,831	2,873,558
Feed mill	582,903	564,224
Marketing expenses	587,532	801,180
Laboratory expenses	187,898	191,523
	38,958,523	36,065,923

Amount in Taka

6. CAPITAL WORK- IN-PROGRESS

	30 June 2019	30 June 2018
Opening balance	22,337,556	422,679
Addition during the year	54,787,849	60,130,636
	77,125,405	60,553,315
Capitalized as property, plant and equipments	(50,845,547)	(38,215,759)
Closing balance	26,279,858	22,337,556

7. LONG TERM INVESTMENT

Investment in govt. savings certificates (5 Years) (Note-7.1)	650,000	650,000
Investment in govt. bond (5 Years) (Note-7.2)	10,286,180	10,572,360
	10,936,180	11,222,360

7.1 Investment in govt. savings certificates (5 Years)

Name of Certificate	Certificate No		
BSP 2014/0714	0085345	500,000	500,000
BSP 2014/0714	0857627	100,000	100,000
BSP 2014/0714	1434173	50,000	50,000
		650,000	650,000
Encashed during this year		-	-
		650,000	650,000

7.2 Investment in govt. bond (5 Years)

BD0920011055
Amortization on Gov't Bond

Amount in Taka	
30 June 2019	30 June 2018
10,572,360	11,144,720
(286,180)	(572,360)
10,286,180	10,572,360

8. INVESTMENT IN SHARES AND OTHERS

Investment in share (Note-8.1)
Investment in FDR

51,332,570	53,433,094
50,000,000	80,000,000
101,332,570	133,433,094

8.1 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 shares	Cost price of share	Book value	30 June 2019	30 June 2018
				Fair Value of Share	Fair Value of Share
United Finance Ltd.	38,452	578,923	19.0	730,588	649,839
Bata Shoe Ltd.	2,000	264,501	1,040.9	2,081,800	2,274,400
Square Pharma Ltd.	180,723	13,896,710	263.5	47,620,511	49,504,590
UCBL	20,831	2,600,218	17.1	356,210	333,309
ICB	4,641	1,066,263	117.1	543,461	670,956
	246,647	18,406,615		51,332,570	53,433,094

9. INVENTORIES

Parent stock- broiler
Parent stock- vitamin E
Parent stock- layer
Material stock- feed
Material stock- medicine
Feed mill Ingredient
Litter
Generator fuel and LP gas
Layer eggs-03
Omega-03 feed
Vitamin-E feed
Vitamin-E eggs
Cattle feed

30 June 2019	30 June 2018
76,822,756	57,696,997
4,936,916	3,295,228
5,014,652	8,745,613
965,170	921,877
5,572,507	4,909,318
7,935,684	6,390,711
-	351,050
519,469	149,004
715,660	1,014,840
89,132	80,788
180,517	177,692
693,408	500,152
-	24,010
103,445,871	84,257,280

10. TRADE AND OTHER RECEIVABLES

Trade receivables (Note- 10.1)
Other receivables (Note - 10.2)

18,244,219	11,226,042
22,934,327	15,780,128
41,178,546	27,006,170

10.1 Aging of trade receivables

Receivables due below six months
Receivables due over six months

12,770,953	7,858,229
5,473,266	3,367,813
18,244,219	11,226,042

10.2 Other receivables

Vitamin-E eggs
Omega-03 eggs
Hatching eggs
Commercial feed
Loan to employee

4,164,722	824,608
8,791,744	2,341,092
3,238,232	4,576,452
2,204,506	2,274,506
4,535,123	5,763,470
22,934,327	15,780,128

		Amount in Taka	
		30 June 2019	30 June 2018
11. ADVANCES, DEPOSITS AND PREPAYMENTS			
Advances (Note-10.1)		372,568	8,246,730
Prepayments (Note-10.2)		1,527,089	2,470,088
Advance income tax (Note-10.3)		16,701,232	13,939,167
		18,600,889	24,655,985
11.1 Advances			
Advance to employees		-	500,054
General		-	7,420,602
Advance for commercial feed factory rent		102,594	102,594
Advance for calendar		266,774	220,280
Advance for agent seminar		3,200	3,200
		372,568	8,246,730
11.2 Prepayments			
Insurance premium		1,527,089	2,470,088
11.3 Advance income tax			
Opening balance		13,939,167	13,939,167
Addition during the year		2,762,065	6,858,567
		16,701,232	20,797,734
Adjustment during the year		-	(6,858,567)
Closing balance		16,701,232	13,939,167
12. CASH AND CASH EQUIVALENTS			
Cash in hand			
At farm office		1,960,958	2,942,891
At head office		324,532	181,196
		2,285,490	3,124,087
Balance with Banks:			
Pubali Bank Ltd. (A/c- 2844901021428)		4,217,769	1,632,164
Janata Bank Ltd. (A/c- 0197001032897)		798,322	142,567
Islami Bank Bangladesh Ltd. (A/c- 20502740100089118)		10,162,555	1,302,615
Dutch Bangla Bank Ltd. (A/c- 1641100011197)		2,772,886	998,043
Eastern Bank Limited. (A/c- 1012050000405)		14,770,131	-
Agrani Bank Ltd. (A/c- 0200008969017)		1,789,410	914,498
		34,511,073	4,989,887
		36,796,563	8,113,974
13. SHARE CAPITAL			
Authorized Capital			
1,500,000 ordinary shares of Tk. 100 each		150,000,000	150,000,000
Issued and Paid-up Capital			
420,000 ordinary shares of Tk. 100 each		42,000,000	42,000,000

At 30 June 2019, 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
	100	42,000,000	42,000,000

Amount in Taka

30 June 2019

30 June 2018

14. DEFERRED TAX LIABILITY

Opening balance	8,266,360	9,564,438
Other comprehensive income -10% tax on unrealized gain on share	(210,052)	366,261
Charge to the profit or loss account	24,432	(1,664,339)
Closing balance	8,080,740	8,266,360

	Carrying amount as at 30 June 2019	Tax base	Taxable/(deductible temporary difference)	Deferred tax liabilities /(assets)
	BDT	BDT	BDT	BDT
For the Year ended 30 June 2019				
Property, plant and equipment excluding cost of land	451,201,245	394,117,982	57,083,263	5,708,326
Provision for gratuity	(9,201,824)	-	(9,201,824)	(920,182)
Investment in shares	51,332,570	18,406,615	32,925,955	3,292,595
Deferred tax liability/ (assets) as on 30 June 2019				8,080,739
Deferred tax liability/ (assets) as on 30 June 2018				8,266,360
Increase in deferred tax liabilities/ (assets) during the year				(185,620)
Allocation of deferred tax liabilities/ (assets) during the year				
Charged to available for sale reserve (OCI)				(210,052)
Charged to profit or loss				24,432
				(185,620)
For the Year ended 30 June 2018				
Property, plant and equipment excluding cost of land	437,916,271	385,222,730	52,693,541	5,269,354
Provision for gratuity	(5,056,423)	-	(5,056,423)	(505,642)
Investment in shares	53,433,094	18,406,615	35,026,479	3,502,648
Deferred tax liability/ (assets) as on 30 June 2018				8,266,360
Deferred tax liability/ (assets) as on 30 June 2017				9,564,437
Increase in deferred tax liabilities/ (assets) during the year				(1,298,077)
Allocation of deferred tax liabilities/ (assets) during the year				
Charged to available for sale reserve (OCI)				366,262
Charged to profit or loss				(1,664,339)
				(1,298,077)

15. BANK OVERDRAFT

Eastern Bank Ltd. cash credit (A/C NO: 00405)-limit 3 crore	-	10,879,800
---	---	-------------------

		Amount in Taka	
		30 June 2019	30 June 2018
16. TRADE AND OTHER PAYABLES			
ACE Pharmaceuticals		134,900	33,000
ACI Limited		-	225,000
ACI Godrej Agrovvet Private Ltd.		254,995	-
A R Animal Health Ltd.		-	515,000
Al-Modena Enterprise		276,925	258,400
Arif Traders		-	186,500
Advance Animal Science Co. Ltd.		148,750	510
Akata Packaging		-	322,000
A.B. Electric Stores		15,115	-
Bengal Overseas Ltd.		3,129,661	2,092,660
Bngladesh Lamps limited		6,354	66,000
Bhai Bhai Enterprise		-	3,933,410
Bio Labs		198,500	137,400
Delwar Paint and Hardware		-	34,345
EMS Enterprise		167,700	390,000
Expart Power		-	270,000
Glory Computers		-	1,200
Grameen Distribution Ltd.		20,700	17,000
Green Line Enterprise		-	62,000
Hazi Abdul Karim		1,317,594	2,252,620
Haque and Sons Enterprise		-	718,809
Islam Enterprise		-	135,000
Image Industries		-	758,000
Ismail Enterprise		-	600,000
Jamuna Edible Oil Industries Ltd.		-	477,300
J.M.S Instrument & Chemical Co.		3,300	-
K.M. Hasan and Co.		80,000	60,000
Lira UPVC Pipe and Fittings		-	35,604
Mouha Mega Power and Traders		-	56,100
M.S Trading		-	3,472,500
Poultry Consultant & Development Service		3,300	-
Partex Cables Limited		183,052	-
Renata Limited (Medicine)		10,875,700	11,938,300
R.R. Enterprise		219,850	-
Sonali Flowers Ltd.		678,869	1,207,600
Shahariar Enterprise		101,905	-
Shamol Bangla Agro Pharma		155,000	-
Safe Life Animal Health Com. Ltd.		-	280,000
Taj Ready Feeds		-	501,690
The Print Media		15,700	-
Tea House		419,580	-
Univet Limited		39,000	-
Unique Cement Industries Ltd.		-	280,000
Univet Ltd.		-	153,000
X-Link Packaging		294,500	269,500
Zuellig Pharma		477,169	554,900
		19,218,119	32,295,348
17. COST ACCRUAL			
Leave encashment		18,866,844	16,856,321
		18,866,844	16,856,321

		Amount in Taka	
		30 June 2019	30 June 2018
18. PROVISION AND OTHER LIABILITIES			
Provision (Note:18.1)		9,640,607	5,634,826
Other liabilities (Note:18.2)		153,982,845	67,312,168
		163,623,452	72,946,994
18.1 Provision			
Chicks carrying cost		8,309,038	4,303,257
Commercial feed carrying cost		1,331,569	1,331,569
		9,640,607	5,634,826
18.2 Other liabilities			
Advance from renata		75,364,295	604,429
Payable others		-	2,300,000
Payables to employees (Note-18.2.1)		12,340,536	12,581,786
Agent security deposit (Note-18.2.2)		10,830,870	10,245,870
Employee tax payable		1,500	127,300
Employee providend fund (Note-18.2.3)		46,235,203	36,322,536
Annual bonus payable (Note- 18.2.4)		8,617	73,824
Provision for Gratuity (18.2.5)		9,201,824	5,056,423
		153,982,845	67,312,168
18.2.1 Payables to employees			
Beneficiary's profit participation fund (Note-18.2.1.1)		7,020,496	7,216,746
Beneficiary's welfare fund (Note-18.2.1.2)		5,320,040	5,365,040
		12,340,536	12,581,786
18.2.1.1 Beneficiary's Profit Participation Fund (BPPF)			
Opening balance		7,216,746	13,029,873
Addition during the year		-	-
		7,216,746	13,029,873
Transfer to BWF		-	(1,486,445)
Payment during the year		(196,250)	(4,326,682)
Closing balance		7,020,496	7,216,746
18.2.1.2 Beneficiary's Welfare Fund (BWF)			
Opening balance		5,365,040	4,121,316
Addition during the year		-	1,486,445
		5,365,040	5,607,761
Payment during the year		(45,000)	(242,721)
Closing balance		5,320,040	5,365,040
18.2.2 Agent security deposit			
Opening balance		10,245,870	7,499,837
Deposit during the year		1,190,000	3,716,000
		11,435,870	11,215,837
Refund to the agent		(605,000)	(969,967)
Closing balance		10,830,870	10,245,870
18.2.3 Employee providend fund			
Opening balance		36,322,536	645,206
Addition during the year		10,556,980	35,287,330
		46,879,516	35,932,536
Adjustment/Payment during the year		(644,313)	390,000
		46,235,203	36,322,536

		Amount in Taka	
		30 June 2019	30 June 2018
18.2.4	Annual bonus payable		
	Opening balance	73,824	112,494
	Addition during the year	9,161,309	7,922,106
		9,235,133	8,034,600
	Payment during the year	(9,226,516)	(7,960,776)
		8,617	73,824
18.2.5	Annual bonus payable		
	Opening balance	5,056,423	778,569
	Addition during the year	6,900,000	6,450,000
		11,956,423	7,228,569
	Payment during the year	(2,754,599)	(2,172,146)
	Closing balance	9,201,824	5,056,423
19.	PROVISION FOR INCOME TAX		
	Opening balance	2,699,699	8,894,396
	Addition during the year	762,670	663,870
		3,462,369	9,558,266
	Payment during the year	-	(6,858,567)
	Closing balance	3,462,369	2,699,699
20.	REVENUE		
	Broiler	308,564,394	271,323,139
	Eggs	4,471,234	1,866,946
	Cull birds/ reject bird	52,787,569	29,719,202
	Hatching eggs	-	22,280,020
	Commercial broiler	257,400	453,670
	Omega-03	45,188,466	36,011,535
	Cattle	165,440	100,485
	Vitamin-E eggs	21,503,214	17,264,962
	Reject bird omega-3 eggs	6,273,549	1,827,017
	Reject bird vitamin-E eggs	3,898,409	1,510,313
	Others	3,781,370	2,242,971
		446,891,045	384,600,260
21.	COST OF SALES		
	Cattle feed	677,749	531,191
	Feeds and litter	96,902,324	86,654,755
	Cost of dead birds	7,330,259	7,682,204
	Cost on sale of birds	32,561,731	21,687,735
	Farm overhead (Note-21.1)	126,642,503	114,740,613
	Omega - 03 project (Note-21.2)	34,598,758	29,051,383
	Vitamin-E eggs expenses	18,639,176	15,777,335
	Commercial broiler expenses	1,051,995	446,834
	Hatchery expenses	26,440,605	19,055,027
	Laboratory expenses	2,840,034	2,617,873
	Feeds and feed mill expenses	12,782,151	10,919,436
	Medicine and vaccine	14,285,350	16,019,201
	Amortization value of birds	49,022,315	47,575,490
	Fish project	80,000	7,820
		423,854,950	372,766,897

		Amount in Taka	
		30 June 2019	30 June 2018
21.1 Farm overhead			
Salaries and wages		50,972,212	47,017,410
Telephone bill expenses		173,516	185,114
Entertainment- Officers/ Staff		990	-
Guest entertainment		34,770	44,423
Repairs and maintenance		9,933,461	9,054,474
Fuel charges		1,478,607	1,170,311
Medical expenses		93,069	277,728
Mobile set purchase		33,000	-
Donation and subscription		467,805	363,153
Gardening		172,021	348,062
Uniform expenses		530,514	584,951
Power (generator fuel & L.P. gas)		5,731,396	6,259,700
Electricity consumption		10,441,448	9,292,680
Staff lunch and snacks		50,297	29,378
Canteen expenses		5,023,893	5,592,136
Conveyance		200,375	191,964
Carrying expenses		209,994	147,773
Insurance premium		1,571,855	1,811,093
Poultry equipment's		427,400	636,295
Laboratory testing expense		17,950	73,397
Stationery expenses		783,819	794,083
Land revenue tax (farm)		259,465	286,740
Advertisement expenses		1,911	2,660
Union parishad tax		590,000	-
Travelling expenses		6,100	15,900
Rental for farm		45,721	257,624
Sports and games		8,470	17,870
License fees		467,978	415,920
Consultant's fees		-	115,000
Carrying cost		7,314,660	4,264,000
Depreciation		29,291,220	24,920,629
Miscellaneous		308,586	570,145
		126,642,503	114,740,613
21.2 Omega-03 Project			
Salaries and overhead expenses		2,335,716	2,305,354
Fuel expenses		167,748	140,579
Feeds expenses		20,895,483	15,242,297
Litter expenses		-	115,244
Eggs box		1,054,075	534,099
Canteen expense		2,250	1,995
Stationery expenses		160,267	250,030
Telephone expense		4,400	5,400
Uniform expenses		9,410	12,493
Repairs and maintenance		9,859	8,030
Lay electricity and fuel		1,299,501	1,318,977
Cost of dead birds		156,082	209,586
Cost on sale of birds		3,703,773	2,744,687
Amortization value of birds		3,117,470	4,384,458
Lunch and snacks		280	2,625
Depreciation		1,681,854	1,675,229
Medical expenses		590	-
Miscellaneous		-	100,300
		34,598,758	29,051,383

22. ADMINISTRATIVE EXPENSES

	30 June 2019	30 June 2018
Salaries and allowance	13,087,565	12,362,913
Repair and maintenance	356,768	316,003
Fuel expenses	630,753	579,325
Stationery expenses	197,976	158,920
Mobile set purchase	36,375	22,500
Audit fees	108,125	81,500
Telephone bill	133,486	134,778
Uniform expenses	11,760	13,680
Conveyance	175,265	170,344
Games and sports	2,270	900
Donation and subscription	54,000	99,800
Canteen expenses	185,538	295,649
Medical expenses	83,585	39,341
License renewal fees	34,992	57,200
Cleaning expense	4,650	8,365
Insurance premium	27,630	32,550
Consultancy expenses	22,125	15,750
Internet / e-mail service	16,712	23,671
Legal fees	81,762	78,023
Vehicle insurance, fitness and road tax	343,590	285,713
Training expenses	-	56,000
Travelling expenses	400	400
Gardening	-	5,000
Amortization on Gov't Bond	286,180	572,360
Depreciation	2,323,045	3,348,511
Miscellaneous	177,655	171,615
	18,382,207	18,930,811

23. MARKETING EXPENSES

Salaries and allowance	8,394,932	7,706,027
Entertainment	24,890	28,018
Canteen expenses	6,890	23,235
Telephone bill expenses	202,492	249,498
Stationery expenses	17,275	32,075
Carriage and conveyance	32,710	29,600
Traveling expenses	1,524,700	1,728,722
Repair and maintenance	114,775	49,185
Fuel expenses	149,533	141,859
Insurance, road tax and fitness	99,855	76,879
Business promotional expense	458,780	1,315,575
Medical expense	-	51,675
Subscription	-	40,000
Depreciation	587,532	801,180
Miscellaneous expenses	74,325	50,290
	11,688,689	12,323,818

		Amount in Taka	
		30 June 2019	30 June 2018
24.	DISTRIBUTION EXPENSES		
	Salary and allowance	4,532,426	4,139,815
	Medical expenses	12,651	6,228
	Canteen expenses	289,865	273,950
	Carriage and conveyance	66,345	56,695
	Chicks box	6,103,200	5,498,875
	Telephone bill	55,310	55,900
	Mobile set purchase	7,500	-
	Repair and maintenance	1,742,694	1,346,875
	Fuel and lubricant	3,347,172	3,088,172
	House rent for chicks	74,200	81,400
	Stationery expenses	168,791	59,105
	Traveling expenses	4,000	58,697
	Chicks carrying expenses	2,126,342	1,035,878
	Uniform for staff	10,340	4,600
	Courier expenses	670	1,265
	Vehicle insurance, fitness and road tax	330,330	451,351
	Subscription	35,000	19,000
	Depreciation	750,296	1,023,125
	Miscellaneous	350,468	240,640
		20,007,600	17,441,571
25.	FINANCE INCOME		
	Interest- FDR		
	Other income (Note-25.1)	2,928,932	3,748,800
		1,443,002	1,408,415
		4,371,934	5,157,215
25.1	Other Income		
	Coupon interest	860,000	860,000
	Income from dividend	583,002	548,415
		1,443,002	1,408,415
26.	FINANCE EXPENSES		
	Bank charges	111,662	123,262
	Interest on overdraft (EBL)	60,006	53,286
	Interest on employees provident fund	2,958,261	2,310,158
		3,129,929	2,486,706
27.	BASIC EARNINGS PER SHARE (EPS)		
	Profit/(loss) attributable to ordinary shareholders	(26,587,498)	(33,191,859)
	Weighted average number of ordinary shareholders	420,000	420,000
		(63.30)	(79.03)

30 June 2019**30 June 2018****28. PAYMENTS TO DIRECTORS AND OFFICERS**

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

Basic	18,029,095	15,114,861
House rent	6,759,205	6,780,669
Bonus	9,214,268	3,750,849
Contribution to provident Fund	1,549,179	1,341,502
Gratuity	6,830,000	6,210,000
Medical expenses	996,000	328,000
Conveyance allowance and transport	750,000	707,000
	44,127,747	34,232,881

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 311 employees of which 237 is permanent employees and 74 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	23,750	-	2,353,496
Day Old Chicks	-	76,800	6,217,376
Day Old Chicks	-	83,200	7,333,574
Day Old Chicks	-	76,800	6,474,240
Day Old Chicks	-	86,400	7,274,880

31. EVENTS AFTER THE REPORTING PERIOD

31.1 The Board of directors in its meeting held on 26 October 2019 approved these audited financial statements of the company for the year ended 30 June 2019 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: 26 October 2019

Purnava Limited

Auditors' Report and Financial Statements for the year ended June 30, 2019

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Monowarul Islam, Director
- Mr. Manzoor Hasan, Independent Director (up to 31.12.2018)
- Nehal Ahmed, Independent Director (from 26.01.2019)



Directors' Report

Our sales continue to grow, however, due to heavy upfront investments in promotional activities, the Company is yet to become profitable. For the long-term prospects of Purnava, our emphasis has to be brand-building rather than immediate profit.

We have made good progress in establishing five brands. These are

- O3 Egg (Omega-3 Enriched Egg)
- Nutrilina (Spirulina)
- Ginera (Red Ginseng)
- Primavera (Evening Primrose Oil)
- Jee Bee (Ginkgo Biloba)

It is noteworthy, that all of the above products, including the O3 egg are being prescribed by doctors. In addition, we have added institutional customers such as Apollo Hospital, BRB Hospital, Hotel Le Meridien, United Hospital, Royal Park Hotel, and Butler's Café.

Next year we wish to expand the range of brands under our focus. Of these, two products, viz., Aliksir (Nigella Sativa) and Chinigo (Steviol Glycoside) deserve special mention. The dosage form of Aliksir is an enteric-coated softgel which bypasses the stomach and hence eliminates the side effects commonly associated with black seed oil, known as Kalonji in Bangla. The product has also undergone a three-month clinical trial at Jahangirnagar University. The results were spectacular.

Chinigo, a sugar-substitute has the added feature that unlike other sweetening products, it does not cause an insulin-spike.

Health is a human right. In this regard, Purnava aspires to champion consumer access to safe foods and lifestyle products.



Kaiser Kabir
Chairman
Purnava Limited
29 October, 2019

AUDITOR'S REPORT TO THE SHAREHOLDERS OF PURNAVA LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

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

Basis for Opinion

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

Other Information

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

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

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

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

Management of **PURNAVA LIMITED** is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other application Laws and Regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to

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

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

- Identify and access the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that as appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and other applicable laws and regulations, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of 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 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: 29 October, 2019

Purnava Limited

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2019

ASSETS	Notes	June 30, 2019 Taka	June 30, 2018 Taka
Non-current assets			
Property, plant and equipment	4	3,473,118	1,849,010
Deferred tax assets	5	1,556,171	1,565,000
		5,029,289	3,414,010
Current assets			
Inventories	6	28,721,270	50,006,707
Trade receivables	7	38,182,384	32,876,117
Other receivables	8	1,353,309	4,541,508
Advance, deposits and prepayments	9	15,835,548	9,492,215
Cash and cash equivalents	10	7,712,715	16,987,895
		91,805,226	113,904,442
Total assets		96,834,515	117,318,452
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	11	2,500,000	2,500,000
Retained earnings/(losses)		(161,587,086)	(127,693,566)
		(159,087,086)	(125,193,566)
Current liabilities			
Trade payables	12	12,311,432	2,658,700
Other payables	13	240,051,750	237,528,831
Bank overdraft	14	-	832,173
Provision for taxation	15	3,558,419	1,492,314
		255,921,601	242,512,018
Total equity and liabilities		96,834,515	117,318,452

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: 29 October, 2019


K. M. HASAN & CO.
Chartered Accountants

Purnava Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2019

	<u>Notes</u>	<u>2018-2019</u> <u>Taka</u>	<u>2017-2018</u> <u>Taka</u>
Turnover		344,350,812	248,718,953
Cost of sales	16	(206,515,940)	(175,305,393)
Gross profit		137,834,872	73,413,560
Administrative, selling and distribution expenses	17	(168,438,461)	(122,714,643)
Operating profit		(30,603,589)	(49,301,083)
Finance cost		(489,197)	(317,471)
Profit / (Loss) before tax		(31,092,786)	(49,618,554)
Income tax expenses:			
Current tax		(2,791,905)	(1,492,314)
Deferred tax (expenses) / income	5	(8,829)	1,565,000
		(2,800,734)	72,686
Net Profit / (Loss) after tax		(33,893,520)	(49,545,868)
Other comprehensive income		-	-
Total comprehensive income		(33,893,520)	(49,545,868)

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: 29 October, 2019



K. M. HASAN & CO.
Chartered Accountants

Purnava Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2019

Amount in Taka

PARTICULARS	Share capital	Retained Earnings/(Losses)	Total
Balance as at July 01, 2018	2,500,000	(127,693,566)	(125,193,566)
Net Profit /(Loss) for the year	-	(33,893,520)	(33,893,520)
Balance as at June 30, 2019	2,500,000	(161,587,086)	(159,087,086)

FOR THE YEAR ENDED JUNE 30, 2018

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



Chairman



Director

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

Place: Dhaka
Dated: 29 October, 2019



Chief Financial Officer



K. M. HASAN & CO.
Chartered Accountants

Purnava Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	2018-2019 Taka	2017-2018 Taka
A. Cash flows from operating activities:		
Collection from customers and others	349,830,375	254,445,120
Payment to suppliers and employees	(348,030,556)	(302,054,163)
Payment of VAT	(7,595,270)	(8,093,424)
Cash outflows from operation	(5,795,451)	(55,702,467)
Finance cost	(489,197)	(317,471)
Payment of tax	(2,075,976)	(1,334,763)
Net cash used in operating activities	(8,360,624)	(57,354,701)
B. Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,588,052)	(221,504)
Net cash used in investing activities	(2,588,052)	(221,504)
C. Cash flows from financing activities:		
Short term loan	2,505,669	69,000,000
Bank overdraft	(832,173)	(2,769,755)
Net cash provided from financing activities	1,673,496	66,230,245
D. Net increase/(decrease) in cash and cash equivalents for the year (A+B+C)	(9,275,180)	8,654,040
E. Opening cash and cash equivalents	16,987,895	8,333,855
F. Closing cash and cash equivalents (D+E)	7,712,715	16,987,895



Chairman



Director



Chief Financial Officer

Place: Dhaka
Dated: 29 October, 2019

Purnava Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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 2018 to 30 June 2019 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, 2019.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2019.
- c) Statement of Changes in Equity for the year ended June 30, 2019.
- d) Statement of Cash Flows for the year ended June 30, 2019.
- e) Notes to the Financial Statements for the year ended June 30, 2019.

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, 2019	June 30, 2018
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, 2019 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				DEPRECIATION					Written down value at June 30, 2019
	As at July 01, 2018	Additions during the year	Disposal/ Adjustment during the year	As at June 30, 2019	Rate %	As at July 01, 2018	Charged during the year	Disposal/ Adjustment during the year	As at June 30, 2019	
Vehicles	5,774,510	2,534,444	-	8,308,954	20	4,826,025	732,121	-	5,558,146	2,750,808
Furniture and fixtures	35,528	-	-	35,528	10	30,378	3,553	-	33,931	1,597
Office equipments	1,282,715	53,608	-	1,336,323	10	387,340	228,270	-	615,610	720,713
Balance as at 30.06.2019	7,092,753	2,588,052	-	9,680,805		5,243,743	963,944	-	6,207,687	3,473,118
Balance as at 30.06.2018	6,871,249	221,504	-	7,092,753		4,643,881	599,862	-	5,243,743	1,849,010

		June 30, 2019 Taka	June 30, 2018 Taka
5. DEFERRED TAX ASSETS			
Opening balance		1,565,000	-
Charge to the profit or loss account		(8,829)	1,565,000
Closing balance		<u>1,556,171</u>	<u>1,565,000</u>
	"Carrying amount as at June 30, 2019"	Tax base	"Taxable/ (deductible temporary difference"
	BDT	BDT	BDT
For the Year ended June 30, 2019			
Property, plant and equipment	3,473,118	4,493,811	(1,020,693)
Provision for doubtful debts	(3,425,510)	-	(3,425,510)
Temporary difference			(4,446,203)
Applicable tax rate			35.00%
Deferred tax liability/ (assets) as on June 30, 2019			(1,556,171)
For the Year ended June 30, 2018			
Property, plant and equipment	1,849,010	2,894,928	(1,045,918)
Provision for doubtful debts	(3,425,510)	-	(3,425,510)
Temporary difference			(4,471,428)
Applicable tax rate			35.00%
Deferred tax liability/ (assets) as on June 30, 2018			(1,565,000)
6. INVENTORIES			
Finished goods		19,786,407	40,007,396
Packing materials		8,934,863	9,999,311
		<u>28,721,270</u>	<u>50,006,707</u>
7. TRADE RECEIVABLES			
Trade receivables- unsecured		41,607,894	36,301,627
Less: Allowance for doubtful receivables		(3,425,510)	(3,425,510)
		<u>38,182,384</u>	<u>32,876,117</u>
Trade receivables disclosure as per Schedule-XI, Part-1, of The Companies Act, 1994			
Receivables due under six months		24,010,407	18,024,459
Receivables due over six months		17,597,487	18,277,168
		<u>41,607,894</u>	<u>36,301,627</u>
8. OTHER RECEIVABLES			
Value added tax recoverable		<u>1,353,309</u>	<u>4,541,508</u>

	June 30, 2019 Taka	June 30, 2018 Taka
9. ADVANCE, DEPOSITS AND PREPAYMENTS		
Advances		
Advance income tax (Note: 9.1)	2,684,939	1,334,763
Advances to employee (Note: 9.2)	50,000	50,000
Advance to suppliers	4,798,457	3,062,941
Advance for inventory	8,301,940	9,902
Advance VAT	212	430,362
	<u>15,835,548</u>	<u>4,887,968</u>
Prepayments		
Prepaid advertisement	-	4,604,247
	<u>15,835,548</u>	<u>9,492,215</u>
9.1 Advance income tax		
Opening balance	1,334,763	991,886
Add: Addition during the year	2,075,976	1,334,763
	<u>3,410,739</u>	<u>2,326,649</u>
Less: Adjustment during the year	725,800	991,886
Closing balance	<u>2,684,939</u>	<u>1,334,763</u>
9.2 Advance to employee		
Opening balance	50,000	229,250
Add: Addition during the year	-	212,500
	<u>50,000</u>	<u>441,750</u>
Less: Adjustment during the year	-	391,750
Closing balance	<u>50,000</u>	<u>50,000</u>
10. CASH AND CASH EQUIVALENTS		
Cash in hand	50,000	50,000
Cash at bank:		
HSBC, Gulshan Branch, C/A # 001217223011	-	39,719
Bank Asia Ltd. Mohakhali Branch C/A #	550,464	-
Sonali Bank Ltd., Custom House Branch C/A # 0130502001394	72,400	71,975
Standard Chartered Bank C/A # 01118489201	6,525,230	16,312,990
Brac Bank Ltd. #1511203957126001	514,622	513,211
	<u>7,712,715</u>	<u>16,987,895</u>
11. SHARE CAPITAL		
Authorized capital:		
2,000,000 Ordinary shares of Tk. 100 each	<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed, called up & paid up capital		
25,000 Ordinary shares of Tk. 100 each	<u>2,500,000</u>	<u>2,500,000</u>

Shareholding position of the company was as follows

<u>Name of the shareholders</u>	<u>No. of shares</u>	<u>Face value</u>	<u>June 30, 2019</u> <u>Taka</u>	<u>June 30, 2018</u> <u>Taka</u>
Renata Limited	24,999	100	2,499,900	2,499,900
Mr. Syed S. Kaiser Kabir	1	100	100	100
	<u>25,000</u>		<u>2,500,000</u>	<u>2,500,000</u>

12. TRADE PAYABLES

Payable to suppliers	236,165	-
Payable to Renata Agro Industries Limited	12,075,267	2,658,700
	<u>12,311,432</u>	<u>2,658,700</u>

13. OTHER PAYABLES

Inter-company payables:		
-Renata Limited	240,000,000	237,494,331
Audit fee payable	51,750	34,500
	<u>240,051,750</u>	<u>237,528,831</u>

14. BANK OVERDRAFT

Bank Asia Limited	-	832,173
-------------------	---	---------

15. PROVISION FOR TAXATION

Opening balance	1,492,314	968,836
Add: Provision made during the year	2,791,905	1,492,314
	4,284,219	2,461,150
Less: Adjustment made during the year	725,800	968,836
Closing balance	<u>3,558,419</u>	<u>1,492,314</u>

16. COST OF SALES

Opening inventories	50,006,707	40,309,204
Add: Purchase	185,230,503	185,002,896
	235,237,210	225,312,100
Less: Closing inventories	28,721,270	50,006,707
	<u>206,515,940</u>	<u>175,305,393</u>

	2018-2019 Taka	2017-2018 Taka
17. ADMINISTRATIVE, SELLING AND DISTRIBUTION EXPENSES		
Salaries, wages and allowances	44,979,881	36,361,245
Advertisement	12,135,974	15,702,969
Travelling & conveyance	8,027,986	1,114,703
Fuel & lubricants	1,359,535	1,352,821
Field expenses	19,088,164	12,664,919
Meeting and conference expenses	156,067	517,500
Obsolete inventory	-	1,877,910
Sales promotion	75,694,708	47,426,419
Utilities	981,650	566,576
Research & development	396,442	278,425
Insurance	202,923	45,963
Repair & maintenance	721,353	1,068,840
Stationery & supplies	671,414	991,179
Bad debts	-	387,353
Entertainment	572,464	430,232
Audit fees	51,750	34,500
Medical Expenses	1,863,465	709,215
Depreciation	963,944	599,862
Other expenses	570,741	584,012
	168,438,461	122,714,643

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

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

The company engaged 112 employees of which 105 are permanent employees and 7 are casual and temporary workers as required. Every employees received total remuneration of above TK. 36,000 per annum.

19. PAYMENTS/ RECEIPTS IN FOREIGN CURRENCY

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

	Foreign currency Euro	Foreign currency USD	Local currency Taka
Finished goods	27,579	269,966	25,382,021
	27,579	269,966	25,382,021

20. RELATED PARTY DISCLOSURE

Amount in Taka

Name of party	Relationship	Transaction (2018-2019)				
		Nature of transaction	Opening balance	Addition	Adjustment	Closing balance
Renata Limited	Parent	Purchase of goods	-	126,102,292	126,102,292	-
		Advance received	237,494,331	153,355,237	150,849,568	240,000,000
			237,494,331	279,457,529	276,951,860	240,000,000
Renata Agro Industries Ltd.	Subsidiary of parent	Purchase of goods	2,658,700	45,677,392	36,260,825	12,075,267
			2,658,700	45,677,392	36,260,825	12,075,267

21. EVENTS AFTER THE REPORTING PERIOD

21.1 The Board of Directors in its meeting held on 29 October, 2019 approved the audited financial statement of the company for the year ended 30 June, 2019 and authorised the same for issue.

21.2 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: 29 October, 2019

Renata Oncology Limited

Auditors' Report and Financial Statements for the year ended June 30, 2019

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Khokan Chandra Das, Director
- Mr. Manzoor Hasan, Independent Director (up to 31.12.2018)
- Nehal Ahmed, Independent Director (from 26.01.2019)



Directors' Report

When this Company was formed a few years ago, Renata limited had almost no exposure in the field of oncology. Since technical know-how often comes at a premium price, the idea was to set up a subsidiary company where partners transferring technology to us could be compensated through carried-equity at Renata Oncology Limited.

As the financial position of Renata Limited is now strong, there is little justification in maintaining a subsidiary. Accordingly, by next year we hope to merge the operations of this subsidiary into the parent company.

This subsidiary presently has an interesting pipeline in both formulation at APIs. Moreover, the factory is being expanded to accommodate sterile products

On behalf of the Board of Directors



Kaiser Kabir
Chairman
October 29, 2019

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of RENATA ONCOLOGY LIMITED, which comprise the statement of financial position as at 30 June, 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) give a true and fair view of the state of the company's affairs as at June 30, 2019 and of the results of its operations and cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), the Companies Act 1994 and

other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not

detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation 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 and statement of cash flows dealt with by the report are in agreement with the books of account.

Place: Dhaka
Dated: 17 October, 2019


S.P. CHOWDHURY & CO.
Chartered Accountants

Renata Oncology Limited

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2019

ASSETS	Notes	June 30, 2019 Taka	June 30, 2018 Taka
Non-Current Assets			
Property, plant and equipment	5.00	183,792,645	184,282,939
Capital work-in-progress	6.00	186,128,891	186,128,891
Total non-current assets		369,921,536	370,411,830
Current Assets			
Inventories	7.00	32,939,672	34,640,238
Advances, deposits and prepayments	8.00	1,277,757	5,594,155
Cash & cash equivalents	9.00	7,142,898	1,277,996
Total current assets		41,360,327	41,512,389
Total Assets		411,281,863	411,924,219
Equity & Liabilities			
Shareholders' Equity			
Share capital	10.00	80,000,000	80,000,000
Retained earnings	11.00	(43,066,180)	(35,702,729)
		36,933,820	44,297,271
Non-Current Liabilities			
Deferred tax liability	12.00	33,505,838	28,774,824
Current Liabilities			
Short term bank loan	13.00	-	4,101,300
Trade payables	14.00	160,043	961,325
Other payables	15.00	340,418,156	333,708,999
Provision for taxation	16.00	264,006	80,500
Total current liabilities		340,842,205	338,852,124
Total Equity and Liabilities		411,281,863	411,924,219



Chairman

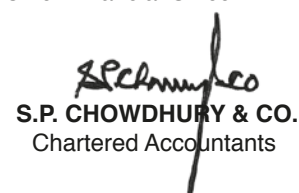


Director

As per our report of date annexed



Chief Financial Officer



S.P. CHOWDHURY & CO.
Chartered Accountants

Place: Dhaka
Dated: 17 October, 2019

Renata Oncology Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2019

PARTICULARS	Notes	2018-2019 Taka	2017-2018 Taka
Revenue	17.00	30,584,259	29,066,146
Cost of goods sold	18.00	30,584,259	29,066,146
Gross Profit		-	-
Administrative, selling and distribution expenses	19.00	2,325,757	2,793,854
Operating profit/(loss)		(2,325,757)	(2,793,854)
Financial Expenses		123,174	11,790
Profit/ (loss) before income tax		(2,448,931)	(2,805,644)
Tax expenses		4,914,520	5,225,776
Current tax		183,506	29,066
Deferred tax	12.00	4,731,014	5,196,710
Profit/(loss) after tax for the year		(7,363,451)	(8,031,420)
Other Comprehensive Income		-	-
Total comprehensive income/(loss) for the year		(7,363,451)	(8,031,420)

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



Chairman

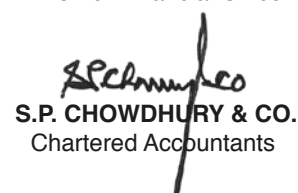


Director

As per our report of date annexed



Chief Financial Officer



S.P. CHOWDHURY & CO.
Chartered Accountants

Place: Dhaka
Dated: 17 October, 2019

Renata Oncology Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance at July 01, 2018	80,000,000	(35,702,729)	44,297,271
Profit/(loss) after tax for the year	-	(7,363,451)	(7,363,451)
Balance as at June 30, 2019	80,000,000	(43,066,180)	36,933,820

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)
Balance as at June 30, 2018	80,000,000	(35,702,729)	44,297,271



Chairman



Director

As per our report of date annexed



Chief Financial Officer

Place: Dhaka
Dated: 17 October, 2019



S.P. CHOWDHURY & CO.
Chartered Accountants

Renata Oncology Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	2018-2019 Taka	2017-2018 Taka
A. Cash flows from operating activities:		
Collection from customers and other income	30,584,259	29,066,146
Payment to suppliers and employees	(16,848,432)	(28,707,465)
Cash generated from operating activities	13,735,827	358,681
Financing cost	(123,174)	(11,790)
Payment of tax	(153,877)	(43,855)
Net Cash Provided from/(Used In) Operating Activities	13,458,776	303,036
B. Cash flows from investing activities:		
Purchase of property, plant and equipment	(10,201,731)	(2,841,617)
Net Cash Provided from/(Used In) Investing Activities	(10,201,731)	(2,841,617)
C. Cash flows from financing activities:		
Loan (repaid)/ received	2,607,857	1,476,492
Net Cash Provided from/(Used In) Financing Activities	2,607,857	1,476,492
D. Net cash flows for the year (A+B+C)	5,864,902	(1,062,089)
E. Opening Cash and cash equivalent	1,277,996	2,340,085
F. Closing Cash and cash equivalent (D+E)	7,142,898	1,277,996


Chairman


Director


Chief Financial Officer

As per our report of date annexed

Place: Dhaka
Dated: 17 October, 2019


S.P. CHOWDHURY & CO.
Chartered Accountants

Renata Oncology Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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, 2019	June 30, 2018
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 except 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 accordingly arrange for sufficient liquidity/fund to make the expected payments within due date.

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, 2019 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 statements 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 30.06.2019
	Balance as at 01. 07. 2018	Addition during the Period	Balance as at 30.06.2019	Rate	Balance as at 01. 07. 2018	Charged during the period	Balance as at 30.06.2019	
Building	89,308,438	1,245,729	90,554,167	3%	6,914,675	2,687,942	9,602,617	80,951,550
Plant and machinery	115,390,583	8,114,952	123,505,535	5%-10%	16,748,905	7,529,045	24,277,950	99,227,585
Office equipment	1,793,356	790,650	2,584,006	10%-12.50%	486,560	231,364	717,924	1,866,082
Furniture	2,416,031	50,400	2,466,431	10%	475,329	243,674	719,003	1,747,428
Total June 30, 2019	208,908,408	10,201,731	219,110,139		24,625,469	10,692,025	35,317,494	183,792,645
Total June 30, 2018	206,066,791	2,841,617	208,908,408		14,392,275	10,233,194	24,625,469	184,282,939

6.00 Capital work-in-progress

Opening balance

Add. Addition during the year

Less: Capitalized as property, plant and equipment

Closing Balance

June 30, 2019
Taka

June 30, 2018
Taka

186,128,891

-

186,128,891

-

186,128,891

186,128,891

-

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

Closing Balance

10,356,340

17,913,102

474,508

4,195,722

32,939,672

11,156,001

21,376,379

566,916

1,540,942

34,640,238

8.00 Advance, deposits & prepayments

Advance for inventory

Advance income tax

Prepaid insurance

Closing Balance

51,999

1,051,221

174,537

1,277,757

4,529,010

897,344

167,801

5,594,155

June 30, 2019 Taka	June 30, 2018 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)	7,142,898	1,277,996
Closing Balance	7,142,898	1,277,996

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
	1,000,000,000	1,000,000,000
Issued, Subscribed & Paid- up Capital		
80,00,000 Ordinary Shares of Tk. 10 each fully paid	80,000,000	80,000,000
	80,000,000	80,000,000

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
Total:	8,000,000		80,000,000

11.00 Retained earnings

This is made up as follows:

Opening balance	(35,702,729)	(27,671,309)
Add: Net Profit/(Loss) after tax for the year	(7,363,451)	(8,031,420)
Closing balance	(43,066,180)	(35,702,729)

12.00 Deferred tax liability

Opening balance	28,774,824	23,578,114
Addition during the year	4,731,014	5,196,710
Closing balance	33,505,838	28,774,824

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
For the year ended June 30, 2019			
Property, plant and equipment	183,792,645	88,061,679	95,730,966
Temporary difference			95,730,966
Applicable tax rate			35.00%
Deferred tax liability as on June 30, 2019			33,505,838
For the year ended June 30, 2018			
Property, plant and equipment	184,282,939	102,069,157	82,213,782
Temporary difference			82,213,782
Applicable tax rate			35.00%
Deferred tax liability as on June 30, 2018			28,774,824

	June 30, 2019 Taka	June 30, 2018 Taka
13.00 Short term bank loan		
This is made up as follows:		
Bank Asia Ltd, Mohakhali Branch, Dhaka, Bangladesh	-	4,101,300
Closing balance	-	4,101,300
14.00 Trade payables		
This is made up as follows:		
Payable to suppliers	160,043	961,325
Closing balance	160,043	961,325
15.00 Other payables		
This is made up as follows:		
Inter-company payables - Renata Limited	340,383,656	333,674,499
Audit fees payable	34,500	34,500
Closing balance	340,418,156	333,708,999

June 30, 2019 Taka	June 30, 2018 Taka
-----------------------	-----------------------

16.00 Provision for taxation

Opening balance	80,500	51,434
Add: Provision made during the year	183,506	29,066
	264,006	80,500
Less: Tax paid during the year	-	-
Closing balance	264,006	80,500

2018-2019 Taka	2017-2018 Taka
-------------------	-------------------

17.00 Revenue

This is made up as follows:

Sales to Renata	30,584,259	29,066,146
Total	30,584,259	29,066,146

18.00 Cost of goods sold

This is made up as follows:

Raw materials consumed	6,551,780	8,465,531
Factory overhead	23,232,818	16,632,723
Cost of production	29,784,598	25,098,254
Add: opening stock of finished goods	11,156,001	13,030,596
Cost of goods available for sale	40,940,599	38,128,850
Less: closing stock of finished goods	10,356,340	11,156,001
Cost of goods sold	30,584,259	26,972,849

2018-2019
Taka

2017-2018
Taka

18.01 Raw materials consumed

This is arrived at as follows:

Opening stock	21,943,295	24,969,804
Add: Purchase during the year	2,996,095	5,439,022
Total materials available	24,939,390	30,408,826
Less: Closing stock	18,387,610	21,943,295
Raw material consumed	6,551,780	8,465,531

18.02 Factory overhead

Salary, wages & allowances	4,963,458	2,093,297
Electricity and fuel	904,374	375,582
Insurance	342,337	349,141
Rent	27,600	-
Travelling expenses	235,695	57,134
Repair & maintenance	4,174,440	3,229,493
Depreciation	10,692,025	10,233,194
Other expenses	153,645	601,857
Electrical Supplies	125,729	151,393
General expenses	1,613,515	1,634,929
Total	23,232,818	18,726,020

19.00 Administrative, selling and distribution expenses

Salaries, wages and allowances	2,132,753	2,632,765
Meeting & corporate expenses	64,544	-
Traveling expense	-	57,757
Audit fee	34,500	23,000
License & fees	43,000	22,832
Other expenses	50,960	57,500
Total	2,325,757	2,793,854

20.00 Payments in foreign currency

Active, raw and packaging materials
Machinery and spares

Foreign Currency US\$	Local currency Taka
18,100	-
76,557	-
94,657	-

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 15 employees of which 15 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 (2018-2019)			
			Opening balance Taka	Addition Taka	Adjustment Taka	Closing balance Taka
Renata Limited	Parent	Sales of goods	-	30,584,259	30,584,259	-
		Advance received	333,674,499	23,129,350	16,420,193	340,383,656
			333,674,499	53,713,609	47,004,452	340,383,656

23.00 General

23.01 Contingent liabilities

None as at June 30, 2019

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 and Renata Pharmaceutical (Ireland) Limited

EU regulations stipulate that only European corporate entities may conduct medicines business within its borders. Accordingly, we set up Renata UK. However, in the event of Brexit, our UK entity would no longer be sufficient to carry out operations within the EU. Therefore, we established a subsidiary company in the name of Renata Pharmaceutical (Ireland) Limited to fulfill the regulatory requirement. The company has not made any financial transaction yet.

Renata Limited Auditors' Report and Consolidated Financial Statements

For the year ended 30 June 2019

Independent Auditor's Report to the shareholders of Renata Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Renata Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2019 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company as at 30 June 2019 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter description	How the scope of our audit responded to the key audit matter
Revenue	
<p>ISAs require that, as part of our overall response to the risk of fraud, when identifying and assessing the risks of material misstatement due to fraud, we evaluate which types of revenue or revenue transactions might give rise to potential fraud risks.</p> <p>The Group sells different kind of pharmaceutical products, animal health products, oncology-based products, agro-based products, poultry products, foods and beverage and consumer products across a number of geographical areas in home and abroad. We have specifically focused this key audit matter to cut-off and occurrence for revenue recorded within June 2019. Pressures to meet stakeholders' expectations could provide incentives to record revenues where controls of the goods have not passed.</p> <p>The associated disclosure is included within Note 23. For specific detail on the Group's accounting policy, please see Note 3.10.</p>	<p><u>Audit procedures performed</u></p> <p>We performed walkthroughs of the revenue cycle at significant components to gain an understanding of when the revenue should be recognized, to map out the relevant controls end to end and the processes in place.</p> <p>We assessed the design and implementation of these controls. We tested a sample of individual sales transactions and traced to dispatch notes and subsequent cash receipt or other supporting documents. We performed analytical reviews to identify any unusual or one-off material revenue transactions.</p> <p>notes or inventory returns occurring after year-end, including evaluating the impact of any material overdue debts from customers.</p> <p>With regard to the implementation of IFRS 15 "Revenue from Contract with Customers", we verified management's conclusion from assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the</p>

	<p>accuracy of IFRS 15 related disclosures.</p> <p><u>Key observations communicated to the Audit Committee</u> We were satisfied that the revenue recognition policies have been applied appropriately. Based on the work performed, we concluded that revenue has been recorded appropriately.</p>
Inventory	
<p>At the reporting date, the carrying value of inventory amounted to Taka 4,337,427,836 which is 17.58% of total assets. Inventories were considered as a key audit matter due to the size of the balance and because inventory valuation involves management judgement.</p> <p>Inventory valuation and existence was an audit focus area because of the number of locations/stores that inventory was held at, and the judgement applied in the valuation of inventory to incorporate inventory shrinkage.</p> <p>According to the Group's accounting policy, inventories are measured at the lower of cost or net realizable value. The Group has specific procedures for identifying risk for obsolete items and measuring inventories at the lower of cost and net realizable value.</p> <p>The associated disclosure is included within Note 8. For specific detail on the Group's accounting policy, please see Note 3.5.</p>	<p><u>Audit procedures performed</u></p> <ul style="list-style-type: none"> Assessing the compliance of Group's accounting policies over inventory with applicable accounting standards. Assessing the inventory valuation process and practices. On major locations, we tested the effectiveness of the key controls. Assessing the analyses made by management with respect to slow moving and obsolete stock. Attending inventory count on 30 June 2019 and reconciling the count results to the inventory listings to test the completeness of data. Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories. Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year. Evaluating the correctness of the valuation of raw materials and packing material as per FIFO method. Reviewing the calculation of standard labor hours and their regular comparison with actual labor hours of production; and reviewing the process of valuing work-in-progress. <p><u>Key observations communicated to the Audit Committee</u> We were satisfied that the inventory recognition and measurement policies have been applied appropriately. Based on the work performed, we concluded that inventories have been recorded appropriately.</p>
Property, plant and equipment and capital work- in- progress	
<p>At the reporting date, the carrying value of the Group's property, plant and equipment and capital work- in- progress amounted to Taka 10,866,354,030 and 1,705,298,103 respectively. The valuation of property, plant, and equipment was identified as a key audit matter due to the significance of this balance to the financial statements, as well as the significance of management's judgements in determining its valuation.</p> <p>In considering the valuation of property, plant, and equipment, we focused on the assessment of the followings:</p> <ul style="list-style-type: none"> Inherent risks associated with property, plant and equipment. Potential misstatements in property, plant, and equipment on account of frauds and errors. Assessment of useful lives of assets. Assessment of impairment of assets. 	<p><u>Audit procedures performed</u></p> <ul style="list-style-type: none"> We obtained an understanding of the client and its environment to consider inherent risk related to property, plant, and equipment. Our understanding includes: Obtaining an understanding of the internal control over property, plant, and equipment. Assessing the risks of material misstatement and designing tests of controls and substantive procedures that cover the following aspects: Substantiate the existence of property, plant, and equipment. Establish the completeness of recorded property, plant, and equipment. Verify the cut-off of transactions affecting property, plant, and equipment. Establish the proper valuation or allocation of property,

<p><u>Inherent risks associated with property, plant and equipment</u></p> <ul style="list-style-type: none"> • Property, plant and equipment may include assets that should have been derecognised following sale, other transfer of rights or abandonment. • Expenditure that should have been recognised as property, plant and equipment but has not been so recognised, including capitalised finance costs. • Depreciation may have been incorrectly calculated. <p><u>Potential misstatements in property, plant, and equipment on account of frauds and errors</u></p> <ul style="list-style-type: none"> • Purchase of an asset at an inflated price especially from a related party. • Wrong write-off of the asset as scrap, obsolescence, missing, donated, or destroyed. • Expenditures for repairs and maintenance recorded as property, plant and equipment or vice versa. • Capitalization of expenditure which are not normally attributable to the cost of the property, plant and equipment. • Recording of an asset purchased, which in effect has not actually been received by the entity at all. <p><u>Valuation of capital work- in- progress to PPE</u></p> <p>Management needs to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work- in- progress. An appropriate system needs to put in place to capture all directly identifiable costs, which can be capitalised, to be so accumulated to capital work- in- progress whilst expenses which are not eligible for being capitalised are identified and charged to revenue in the normal course.</p> <p><u>Assessment of useful lives of assets</u></p> <p>Management applies estimates and judgements in its determination of useful lives of assets and reviews the useful lives of assets at each financial year end and adjusts for changes, where appropriate.</p> <p><u>Impairment of assessment</u></p> <p>At the end of each reporting period, management assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount of the asset. 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.</p> <p>The associated disclosure is included within Note 5 & 6. For specific detail on the Group's accounting policy, please see Note 3.1 & 3.2.</p>	<p>plant, and equipment and the accuracy of transactions affecting property, plant, and equipment.</p> <ul style="list-style-type: none"> • Determine the correctness and appropriateness of classification of property, plant and equipment. • We obtained an understanding of the potential misstatements in property, plant, and equipment on account of frauds and errors. • We evaluated the assumptions made by management in the determination of useful lives to ensure that these are consistent with the principles of IAS 16. "Property, Plant and Equipment". • We compared the useful lives of each class of asset in the current year to the prior year to determine whether there were any significant changes in the useful lives of assets, and considered the reasonableness of changes based on our knowledge of the business and the industry. • We verified records e.g. contractor bills, work orders and certification of work performed by the specialized personnel to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work- in- progress. • We also verified the date on which the assets are moved from the capital work- in- progress account to the property, plant and equipment (the date on which the asset is ready for intended use), so that the depreciation on property, plant and equipment may be computed correctly. • We reconciled the movement of capital work- in- progress from opening to closing, specifically verifying additions during the year, capital assets completed during the year and impairment of any opening capital work- in- progress items. • We assessed whether there are circumstances that indicate a possible impairment of property, plant and equipment and if such circumstances exist, how the same have been dealt with by the entity. <p><u>Key observations communicated to the Audit Committee</u></p> <p>We were satisfied that the property, plant and equipment recognition and measurement policies have been applied appropriately. Based on the work performed, we concluded that property, plant and equipment have been recorded appropriately.</p>
<p>Contingent liabilities with regard to tax</p> <p>The range of possible outcomes for contingencies can be wide and management is required to make certain judgements in respect of estimates of contingencies in order to assess the adequacy of tax provisions.</p> <p>The Group disclosed contingent liabilities amounted to Taka 135,649,676 in respect of unresolved disputed tax and claimed by the tax authority over the years.</p>	<p><u>Audit procedures performed</u></p> <ul style="list-style-type: none"> • We evaluated the design and tested the operating effectiveness of controls in respect of the recognition and measurement of uncertain tax provisions. We determined that we could rely on these controls for the purposes of our audit. • With the assistance of our tax specialists, we evaluated management's judgements and estimates of tax exposures

<p>Contingent liabilities were considered as a key audit matter because unexpected adverse outcomes could significantly impact the Group's reported profit and balance sheet position.</p> <p>The associated disclosure is included within Note 35. For specific detail on the Group's accounting policy, please see Note 3.6.</p>	<p>and contingencies in order to assess the adequacy of the Group's tax provisions. In understanding and evaluating management's judgements, we considered the status of recent and current tax authority audits and enquiries, judgmental positions taken in tax returns and current year estimates and developments in the tax environment.</p> <p><u>Key observations communicated to the Audit Committee</u></p> <p>Based on the work performed, we concluded that contingent liabilities have been disclosed appropriately.</p>
--	--

Reporting on Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, **we do not express any form of assurance conclusion thereon.**

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

If we identify such material inconsistencies or apparent material misstatement, we are required to determine whether there is a material misstatement in the consolidated financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in respect of these matters.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

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

Dated, Dhaka;
29 October 2019

S. F. Ahmed

S. F. Ahmed & Co.
Chartered Accountants

RENATA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	Amount in Taka	
		30 June 2019	30 June 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5	10,866,354,030	10,202,591,118
Capital work-in-progress	6	1,705,298,103	1,376,630,382
Long term investment	7	10,936,180	11,222,360
		12,582,588,313	11,590,443,860
Current assets			
Inventories	8	4,337,427,836	3,926,675,733
Trade and other receivables	9	2,754,102,961	2,614,278,948
Advances, deposits and prepayments	10	469,016,265	501,118,209
Investment in shares and FDR	11	3,682,734,594	1,642,611,027
Cash and cash equivalents	12	849,907,204	1,083,732,442
		12,093,188,860	9,768,416,359
TOTAL ASSETS		24,675,777,173	21,358,860,219
EQUITY AND LIABILITIES			
Share capital	13	805,356,750	700,310,221
Revaluation surplus	14	154,331,208	154,808,121
Tax holiday reserve		46,637,673	46,637,673
Fair value reserve		54,338,060	56,743,224
Retained earnings	15	17,535,319,640	14,549,628,623
Equity attributable to equity holders of Renata Limited		18,595,983,331	15,508,127,862
Non-controlling interests	16	64,104	69,010
Total equity		18,596,047,435	15,508,196,872
Non-current liabilities			
Deferred tax liabilities	17	1,343,870,038	1,244,684,960
		1,343,870,038	1,244,684,960
Current liabilities			
Long term loan - current portion	18	-	99,662,486
Short term bank loan and overdrafts	19	2,562,606,715	2,405,241,798
Trade payables	20	577,121,240	243,664,469
Other payables	21	788,416,707	1,047,598,159
Provision for taxation	22	807,715,038	809,811,475
		4,735,859,700	4,605,978,387
TOTAL EQUITY AND LIABILITIES		24,675,777,173	21,358,860,219
Net asset value (NAV) per share	29	230.90	192.56

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



CEO & Managing Director



Director



Chief Financial Officer

As per our annexed report of same date.



S. F. Ahmed & Co.
Chartered Accountants

Dated, Dhaka
29 October 2019

RENATA LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

		Amount in Taka	
	Notes	2018-2019	2017-2018
Turnover	23	22,809,301,672	19,050,008,040
Cost of sales	24	(11,493,509,493)	(9,618,291,339)
Gross profit		11,315,792,179	9,431,716,701
Administrative expenses	25	(452,714,870)	(407,300,722)
Selling, marketing and distribution expenses	26	(5,572,622,117)	(4,489,471,696)
Operating profit		5,290,455,192	4,534,944,283
Other income	27	279,257,427	138,165,628
Finance costs	28	(154,602,032)	(210,012,026)
Profit before contribution to workers' participation fund		5,415,110,587	4,463,097,885
Contribution to workers' participation fund		(260,688,861)	(216,653,067)
Profit before tax		5,154,421,726	4,246,444,818
Tax expenses			
Current tax	22	(1,299,306,117)	(1,066,654,550)
Deferred tax	17	(99,611,316)	(73,608,881)
		(1,398,917,433)	(1,140,263,431)
Net profit after tax for the year		3,755,504,293	3,106,181,387
Attributable to:			
Equity holders of Renata Limited		3,755,508,969	3,106,187,500
Non-controlling interests		(4,676)	(6,113)
Total profit after tax for the year		3,755,504,293	3,106,181,387
Other comprehensive income			
Net profit after tax for the year		3,755,504,293	3,106,181,387
Items that will not be reclassified to profit or loss			
Fair value adjustment on investment in shares, net of tax		(2,405,394)	6,884,382
Realised loss on disposal of shares		(112,598)	-
Total comprehensive income for the year		3,752,986,301	3,113,065,769
Attributable to:			
Equity holders of Renata Limited		3,752,991,207	3,113,071,481
Non-controlling interests		(4,906)	(5,712)
Total comprehensive income for the year		3,752,986,301	3,113,065,769
Basic earnings per share (EPS)	30	46.63	38.57



CEO & Managing Director

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



Director



Chief Financial Officer

As per our annexed report of same date.



S. F. Ahmed & Co.
Chartered Accountants

RENATA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

							Amount in Taka	
Particulars	Attributable to equity holders of Renata Limited						Non-controlling interest	Total equity
	Share capital	Revaluation surplus	Tax holiday reserve	Fair value reserve	Retained earnings	Equity for Renata Limited		
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, net of tax	-	-	-	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
Balance at 01 July 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
Stock dividend issued	105,046,529	-	-	-	(105,046,529)	-	-	-
Final dividend	-	-	-	-	(665,294,710)	(665,294,710)	-	(665,294,710)
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 yea	-	-	-	-	3,755,508,969	3,755,508,969	(4,676)	3,755,504,293
Fair value adjustment on investment in shares, net of tax	-	-	-	(2,405,164)	-	(2,405,164)	(230)	(2,405,394)
Realised loss on disposal of shares	-	-	-	(112,598)	-	(112,598)	-	(112,598)
Transfer between reserves- realised loss on disposal of shares	-	-	-	112,598	(112,598)	-	-	-
Balance at 30 June 2019	805,356,750	154,331,208	46,637,673	54,338,060	17,535,319,640	18,595,983,331	64,104	18,596,047,435


 CEO & Managing Director


 Director


 Chief Financial Officer

RENATA LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

		Amount in Taka	
	Notes	2018 - 2019	2017 - 2018
A. Cash flows from operating activities			
Collection from customers and other income		26,941,386,124	22,607,991,534
Payment of VAT		(3,218,341,844)	(2,743,843,030)
Payment to suppliers and employees		(18,032,469,031)	(15,968,422,518)
Cash generated by operations		5,690,575,249	3,895,725,986
Finance costs		(153,933,538)	(227,552,480)
Payment of tax		(1,305,668,672)	(1,016,344,496)
Net cash generated from operating activities		4,230,973,039	2,651,829,010
	31		
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(1,848,745,480)	(1,268,692,528)
Investment in shares and FDR		(2,016,994,460)	(704,278,357)
Income from investment		4,371,934	5,157,215
Sale proceeds of property, plant and equipment		7,964,558	540,000
Net cash used in investing activities		(3,853,403,448)	(1,967,273,670)
C. Cash flows from financing activities			
Loan (repaid) / received (net)		49,637,649	275,339,399
Dividend paid		(664,396,684)	(545,637,242)
Net cash used in financing activities		(614,759,035)	(270,297,843)
D. Effect of exchange rate changes on cash and cash equivalents		3,364,206	17,540,454
E. Net cash (outflow)/ inflow for the year (A+B+C+D)		(233,825,238)	431,797,951
F. Cash and cash equivalents at the beginning of the year		1,083,732,442	651,934,491
G. Cash and cash equivalents at the end of the year (E+F)		849,907,204	1,083,732,442
Net operating cash flow per share	32	52.54	32.93


 CEO & Managing Director


 Director


 Chief Financial Officer

RENATA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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 Group are manufacturing, marketing and distribution of pharmaceutical, animal health products, oncology-based products, agro-based products, poultry products, consumer products, foods and beverage and so on.

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 and so on 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.

Renata Pharmaceuticals (Ireland) Limited

Renata Pharmaceuticals (Ireland) Limited, a subsidiary Company of Renata Limited, was incorporated on 24 April 2019 as a private limited company under the Irish Companies Act 2014. The registered office of the Company is situated at 13/18 City Quay, Dublin 2, Ireland.

2. Basis of preparation of financial statements

2.1 Reporting framework and compliance thereof

The consolidated 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 International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

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

recognised and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the Group is historical cost except for few of the property, plant and equipment, financial assets and inventories which are stated in the accounting 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 Group 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 Group 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 consolidated financial statements are prepared in Bangladesh Taka (BDT), which is the Group'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 consolidated financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and 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 recognised in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated 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 consolidated financial statements.

2.7 Going concern

When preparing consolidated financial statements, management makes an assessment of the Group's ability to continue as a going concern. The Group prepares consolidated financial statements on a going concern basis.

2.8 Accrual basis of accounting

The Group prepares its consolidated financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Group recognises 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

The Group presents separately each material class of similar items. The Group 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

The Group does not offset assets and liabilities or income and expenses, unless required or permitted by an IFRS.

2.11 Date of authorization for issue of the financial statements

On 29 October 2019 the Board of Directors reviewed the consolidated financial statements and authorized them for issue.

3. Summary of significant accounting policies

The Group selects and applies its accounting policies consistently for similar transactions, other events and conditions, unless an IFRS 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 consolidated financial statements:

Changes in accounting policies

The Group changes its accounting policy only if the change is required by an IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the Group'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.

Implementation of IFRS 9 'Financial Instruments'

The Group has applied IFRS 9 'Financial Instruments' with effect from 1 July 2018. IFRS 9 introduces new requirements for the classification and measurement of financial assets and financial liabilities and impairments for financial assets. Details of these new requirements as well as their impact on the Group's consolidated financial statements are described below. The Group has adopted IFRS 9 retrospectively but with certain permitted exceptions as detailed below:

Classification and measurement of financial assets

The date of initial application was 1 July 2018. The Group has not applied the requirements of IFRS 9 to instruments that were derecognised prior to 1 July 2018 and has not restated prior years. Any difference between the previous carrying amount and the revised carrying amount at 1 July 2018 has been recognised as an adjustment to opening retained earnings at 1 July 2018.

All financial assets that are within the scope of IFRS 9 are required to be measured at amortised cost or fair value, with movements through other comprehensive income or the income statement on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

IFRS 9 had the following impact on the Group's assets:

- The Group has elected to recognise movements in the fair value of equity investments in other comprehensive income under IFRS 9. Investments in equity instruments that were previously classified as available-for-sale financial assets measured at fair value have been designated as measured at fair value through other comprehensive income (FVTOCI) under IFRS 9. As a result, fair value movements are now recorded in other comprehensive income along with gains or losses on disposal of the investments.
- The Group's trade receivables were all classified as financial assets measured at amortised cost under IAS 39. Under IFRS 9, the business model under which each portfolio of trade receivables held has been assessed. The Group has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortised cost. There were no material changes in carrying value of financial assets as a result of these changes in measurement basis.
- IFRS 9 requires an expected credit loss (ECL) model to be applied to financial assets rather than the incurred credit loss model required under IAS 39. The expected credit loss model requires the Group to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognise changes in those expected credit losses at each reporting date. The Group recognises a loss allowance on trade receivables based on lifetime expected credit losses.

Implementation of IFRS 15 'Revenue from Contracts with Customers'

The Group has applied IFRS 15 'Revenue from Contracts with Customers' with effect from 1 July 2018. IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

The Group has adopted IFRS 15 applying the modified retrospective approach. IFRS 15 did not have a material impact on the amount or timing of recognition of reported revenue. In accordance with the requirements of IFRS 15 where the modified retrospective approach is adopted, prior year results have not been restated.

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

The Group 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 recognised as an asset if, and only if it is probable that future economic

benefits will flow to the Group 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 recognised as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognised.

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 the Group.

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 2019	30 June 2018
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 2019 and these were stated at cost. In case of imported 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. The Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

3.4 Financial instruments

3.4.1 Financial assets Investment in shares

The Group has elected to designate equity investments as measured at Fair Value through Other Comprehensive Income (FVTOCI). They are initially recorded at fair value plus transaction costs and then remeasured at subsequent reporting dates to fair value. Unrealised gains and losses are recognised in other comprehensive income. On disposal of the equity investment, gains and losses that have been deferred in other comprehensive income are transferred directly to retained earnings.

Dividends on equity investments and distributions from funds are recognised in the income statement when the Group's right to receive payment is established.

Investment in fixed deposit receipt

Fixed deposit, comprising funds held with banks and other financial institutions, are initially measured at fair value, plus direct transaction costs, and are subsequently measured at amortized cost using the effective interest method at each reporting date. Changes in carrying value are recognised in profit.

Trade receivables

Trade receivables are measured in accordance with the business model under which each portfolio of trade receivable is held. The Group has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortised cost. Trade receivables measured at amortised cost are carried at the original invoice amount less allowance for expected credit losses.

Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.

When a trade receivable is determined to have no reasonable expectation of recovery it is written off, firstly against any expected credit loss allowance available and then to the income statement. Subsequent recoveries of amounts previously provided for or written off are credited to the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and financial institutions, and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and are held at amortised cost under the hold to collect classification, where they meet the hold to collect "solely payments of principals and interests" test criteria under IFRS 9. Those not meeting these criteria are held at fair value through profit and loss.

3.4.2 Financial liabilities

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Trade payables

Trade payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

3.4.3 Impairment of financial assets

IFRS 9 requires an expected credit loss (ECL) model to be applied to financial assets rather than the incurred credit loss model required under IAS 39. The expected credit loss model requires the Group to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognise changes in those expected credit losses at each reporting date. The Group recognises a loss allowance on trade receivables based on lifetime expected credit losses.

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 costs 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 Group 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 the Group 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.

The Group does not recognise a contingent liability. A contingent liability is disclosed; unless the possibility of an outflow of resources embodying economic benefits is remote. The Group 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 the Group.

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 Group operates a recognised 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 Group. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees. The Group 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 Group 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 Group. 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 30 June 2019 by a professional actuary.

Group insurance scheme

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

The Group 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

The Group 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. The Group 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 are translated into the Group'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

The Group receives revenue for supply of goods to external customers against orders received. The majority of contracts that the Group enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical, animal health and consumer healthcare products.

Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer. Value added tax and other sales taxes are excluded from revenue.

Product revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

3.11 Taxation

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

The Group 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.

The Group presents basic earnings per share in the statement of profit or loss and other comprehensive income. The Group presents basic earnings per share with equal prominence for all periods presented. The Group 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 International Accounting Standard IAS-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 Group 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. The Group discloses key management personnel compensation. The Group 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

The Group'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. The Group's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Group's financial performance. The Group'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. The Group 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 the Group carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers into the Group's asset portfolio. The credit risk management and control are controlled through the credit policies of the Group which are updated regularly. The Group 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 Group will not be able to settle or meet its obligations on time or at a reasonable price.

The Group'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 Group'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.

The Group 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 Group 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 Group'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 fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group 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 is responsible for the preparation and presentation of the consolidated financial statements.

5. Property, plant and equipment

Amount in Taka

Particulars	Cost / Revaluation				Depreciation				Written down value as at 30 June 2019
	Balance as at 1 July 2018	Addition during the year	Disposal / adjustment during the year	Balance as at 30 June 2019	Rate %	Balance as at 1 July 2018	Charge for the year	Disposal / adjustment during the year	Balance as at 30 June 2019
Freehold land									
At cost	1,205,641,417	86,649,052	-	1,292,290,469		-	-	-	1,292,290,469
On revaluation	179,132,078	-	-	179,132,078		-	-	-	179,132,078
	1,384,773,495	86,649,052	-	1,471,422,547		-	-	-	1,471,422,547
Buildings									
At cost	3,568,825,979	168,587,273	-	3,737,413,252	1.54-5	696,272,200	122,393,257	-	818,665,457
On revaluation	41,291,251	-	-	41,291,251	1.54-5	14,012,501	635,885	-	14,648,386
	3,610,117,230	168,587,273	-	3,778,704,503		710,284,701	123,029,142	-	833,313,843
Plant and machinery	8,099,353,760	1,021,621,416	6,288,549	9,114,686,627	5-20	2,913,094,499	555,454,437	2,830,340	3,465,718,596
Automobiles	436,589,910	95,115,695	14,336,666	517,368,939	20-25	283,336,068	74,730,255	13,103,073	344,963,250
Office equipment	721,159,786	131,811,188	-	852,970,974	10-12.5	228,887,139	82,879,906	-	311,767,045
Furnitures and fixtures	163,940,355	16,293,137	-	180,233,492	10	77,741,011	15,529,307	-	93,270,318
Total 30 June 2019	14,415,934,536	1,520,077,761	20,625,215	15,915,387,082		4,213,343,418	851,623,047	15,933,413	5,049,033,052
Total 30 June 2018	13,272,138,853	1,150,818,283	7,022,600	14,415,934,536		3,472,692,805	746,436,554	5,785,941	4,213,343,418

6. Capital work- in-progress

Amount in Taka

	30 June 2019	30 June 2018
Opening balance	1,376,630,382	1,258,756,142
Addition during the year	1,440,929,979	1,093,362,414
	2,817,560,361	2,352,118,556
Capitalized as property, plant and equipment	1,112,262,258	975,488,174
	1,705,298,103	1,376,630,382

7. Long term investment

Investment in Govt. savings certificates	650,000	650,000
Investment in Govt. bonds	10,286,180	10,572,360
	10,936,180	11,222,360

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 2019 30 June 2018

302,270,610	378,798,700
471,852,094	576,840,396
66,530,007	32,943,887
37,850,392	50,380,337
116,846,881	128,534,303
71,839,900	27,258,958
19,786,407	40,007,396
89,418,211	72,457,197
10,356,340	11,156,001
1,186,750,842	1,318,377,175
307,184,878	227,932,482
439,012,999	387,805,772
1,301,015,301	1,059,170,592
565,505,866	481,193,229
148,548,661	155,546,952
530,357,501	447,510,559
4,478,376,048	4,077,536,761
(140,948,212)	(150,861,028)
4,337,427,836	3,926,675,733

9. Trade and other receivables

Trade receivables

Trade receivables- unsecured

Allowance for doubtful receivables

2,392,271,023	2,356,308,362
(93,041,721)	(94,303,965)
2,299,229,302	2,262,004,397

Other receivables

Sundry receivables - unsecured but considered good

Value Added Tax (VAT) recoverable

Allowance for doubtful receivables

218,834,412	79,709,442
237,958,072	274,483,934
(1,918,825)	(1,918,825)
454,873,659	352,274,551
2,754,102,961	2,614,278,948

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

Other advances

108,535,665	148,591,984
217,500	869,486
49,147,221	37,840,534
11,384,978	11,539,350
92,824,386	39,075,695
62,385,231	57,209,280
34,715,131	31,969,250
35,108,174	23,932,666
18,680,441	16,008,251
412,998,727	367,036,496

	Amount in Taka	
	30 June 2019	30 June 2018
Deposits		
Tender deposits	13,838,293	96,299,939
Mymensingh Palli Biddut Samity	12,256,000	12,256,000
Gazipur Palli Bidyut Samity	14,248,000	10,248,000
Dhaka Electric Supply Co. (DESCO) Limited	2,310,000	2,310,000
Linde Bangladesh Limited	1,088,000	880,000
Bangladesh Ansar O Gram Protirokkha Bahini (Bangladesh Ansar and VDP)	536,461	536,461
Titas Gas Transmission and Distribution Co. Limited	5,783,100	331,896
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, Cumilla	-	40,000
Essence Industrial Gases Limited	30,000	-
HammerHead Bangladesh Limited	16,000	16,000
Bangladesh Petroleum Exploration & Production Co. Limited	7,000	7,000
Dhaka Medical College & Hospital	1,540	1,540
	51,021,928	123,834,370
Prepayments		
Insurance premium	4,995,610	5,643,096
Advertisement	-	4,604,247
	4,995,610	10,247,343
	469,016,265	501,118,209

11. Investment in shares and FDR

Investment in shares (Note-11.1)	156,002,759	147,223,527
Investment in FDR	3,526,731,835	1,495,387,500
	3,682,734,594	1,642,611,027

11.1 Investment in shares

	Amount in Taka		
	Market value		Cost
	30 June 2019	30 June 2018	30 June 2019
Square Pharma Limited	102,461,703	106,343,128	45,296,940
British American Tobacco Bangladesh Company Limited	15,075,094	11,234,275	3,376,293
Beximco Pharmaceuticals Limited	8,350,000	9,390,000	11,365,280
Shahjibazar Power Co. Ltd.	7,397,460	7,028,100	10,885,870
Grameenphone Limited	14,588,000	5,055,700	14,948,644
ACI Formulations Limited	2,286,000	2,455,500	3,242,427
Bata Shoe Company (Bangladesh) Limited	2,081,800	2,274,400	264,501
Central Depository Bangladesh Limited (unquoted)	1,569,450	1,569,450	1,569,450
Investment Corporation of Bangladesh	543,461	670,956	1,066,263
United Leasing Company Bangladesh Limited	730,588	649,839	578,923
United Commercial Bank Limited	356,210	335,210	2,600,218
Marico Bangladesh Limited	562,993	-	428,334
Islami Bank Bangladesh Limited	-	133,970	-
BRAC Bank Limited	-	53,400	-
International Leasing & Finance Services Limited	-	15,451	-
People's Leasing and Financial Services Limited	-	11,108	-
EXIM Bank Limited	-	2,118	-
Social Islami Bank Limited	-	922	-
	156,002,759	147,223,527	95,623,143

12. Cash and cash equivalents

	30 June 2019	30 June 2018
Cash in hand	4,960,490	5,499,197
Cash at bank		
Standard Chartered Bank	211,662,108	399,381,809
Eastern Bank Limited	291,188,531	358,911,717
Bank Asia Limited	55,748,825	92,400,352
Commercial Bank of Ceylon PLC	140,398,765	80,569,502
Sonali Bank Limited	35,248,692	33,075,321
Citibank N. A.	15,527,098	23,078,648
Agrani Bank Limited	18,484,390	22,436,804
The City Bank Limited	30,202,732	18,534,164
BRAC Bank Limited	23,726,437	14,327,670
The Hongkong and Shanghai Banking Corporation Limited	2,859,342	2,262,099
Pubali Bank Limited	4,217,769	1,632,164
Prime Bank Limited	90,397	1,594,145
Islami Bank Bangladesh Limited	10,162,555	1,302,615
United Commercial Bank Limited	676,528	1,239,085
Dutch Bangla Bank Limited	2,772,886	998,043
Janata Bank Limited	798,322	142,567
Bangladesh Commerce Bank Limited	96,274	-
	843,861,651	1,051,886,705
Balance with City Bank Capital Resources Limited	851,289	26,339,461
Balance with ICB Securities Trading Company Limited	233,774	7,079
	1,085,063	26,346,540
	849,907,204	1,083,732,442

13. Share capital

Authorized share capital		
100,000,000 ordinary shares of Tk.10 each	1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital		
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
77,516,925 ordinary shares (67,012,272 ordinary shares as at 30 June 2018) of Tk.10 each issued as bonus shares	775,169,250	670,122,721
	805,356,750	700,310,221

At 30 June 2019, 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	41,072,845	410,728,450	51.0%
Business Research International Corp. Inc.	Panama	17,511,638	175,116,380	21.7%
ICB Unit Fund	Bangladesh	3,712,450	37,124,500	4.6%
Shadharan Bima Corporation	Bangladesh	3,523,413	35,234,130	4.4%
Investment Corporation of Bangladesh	Bangladesh	2,997,216	29,972,160	3.7%
Other shareholders	Bangladesh & others	11,718,113	117,181,130	14.6%
		80,535,675	805,356,750	100%

Classification of shareholders by holdings:

Holdings	30 June 2019				
	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	103	3,285	3,388	384,692	0.5%
501 to 5000 shares	48	822	870	1,355,296	1.7%
5,001 to 10,000 shares	12	93	105	709,710	0.9%
10,001 to 20,000 shares	11	54	65	906,392	1.1%
20,001 to 30,000 shares	12	21	33	758,270	0.9%
30,001 to 40,000 shares	2	11	13	442,095	0.5%
40,001 to 50,000 shares	-	12	12	555,310	0.7%
50,001 to 100,000 shares	2	23	25	1,752,981	2.2%
100,001 to 1,000,000 shares	1	21	22	5,064,324	6.3%
Over 1,000,000 shares	2	4	6	68,606,605	85.2%
	193	4,346	4,539	80,535,675	100%

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 2019	30 June 2018
Land	179,132,078	179,132,078
Buildings	27,278,749	27,914,634
	206,410,827	207,046,712
Less: Depreciation adjustment on revalued buildings	(635,885)	(635,885)
	205,774,942	206,410,827
Less: Adjustment of deferred tax on revaluation surplus	(51,443,734)	(51,602,706)
	154,331,208	154,808,121

15. Retained earnings

Opening balance	14,549,628,623	12,082,218,918
Net profit after tax for the year	3,755,508,969	3,106,187,500
Stock dividend issued	(105,046,529)	(91,344,811)
Final dividend	(665,294,710)	(548,068,869)
Depreciation adjustment on revalued assets	635,885	635,885
Transfer between reserves- realised loss on disposal of shares	(112,598)	-
	17,535,319,640	14,549,628,623

16. Non-controlling interests

Share capital	6,200	6,200
Retained earnings and reserve (including tax holiday reserve)	57,904	62,810
	64,104	69,010

17. Deferred tax liabilities

Deferred tax liabilities have 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.

Opening balance	1,244,684,960	1,170,470,120
Addition during the year	99,185,078	74,214,840
	1,343,870,038	1,244,684,960

Computation of deferred tax for the year ended 30 June 2019

	Amount in Taka			
	Carrying amount	Tax base	Taxable/ (deductible) temporary difference	Deferred tax liabilities/ (assets)
Property, plant and equipment excluding cost of land	9,695,254,204	4,247,548,570	5,447,705,634	1,362,834,945
Provision for doubtful debt	(94,960,546)	-	(94,960,546)	(24,082,687)
Provision for gratuity	(9,201,824)	-	(9,201,824)	(920,182)
Investment in shares	156,002,759	95,623,143	60,379,616	6,037,962
Deferred tax liabilities/(assets) as at 30 June 2019				1,343,870,038
Deferred tax liabilities/(assets) as at 30 June 2018				1,244,684,960
Increase in deferred tax liabilities/(assets) during the year				99,185,078
Allocation of deferred tax liabilities/(assets) during the year				
Charged to fair value reserve (OCI)				(267,266)
Adjustment for reduction of revaluation surplus due to charges of extra depreciation				(158,972)
Charged to profit or loss				99,611,316
				99,185,078

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
Deferred tax liabilities/(assets) as at 30 June 2018				1,244,684,960
Deferred tax liabilities/(assets) as at 30 June 2017				1,170,470,120
Increase in deferred tax liabilities/(assets) during the year				74,214,840
Allocation of deferred tax liabilities/(assets) during the year				
Charged to fair value 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
				74,214,840

18. Long term loan - net of current portion

	Amount in Taka	
	30 June 2019	30 June 2018
The Hongkong and Shanghai Banking Corporation Limited (Note-18.1)	-	99,662,486
	-	99,662,486
Less : Current portion		
The Hongkong and Shanghai Banking Corporation Limited	-	99,662,486
	-	99,662,486
	-	-

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 Cepha, 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 Renata Limited.

19. Short term bank loan and overdrafts

	30 June 2019	30 June 2018
Short term bank loan		
Eastern Bank Limited (Note-19.1)	52,269,803	189,276,512
The City Bank Limited (Note-19.2)	238,979,895	313,599,925
Standard Chartered Bank (Note-19.3)	1,076,367,260	446,170,970
Citibank N. A. (Note-19.4)	539,592,529	307,939,988
Bank Asia Limited (Note-19.5)	95,412,837	301,425,128
Commercial Bank of Ceylon PLC (Note-19.6)	559,984,391	835,117,302
	2,562,606,715	2,393,529,825
Overdrafts		
Eastern Bank Limited (Note-19.1)	-	10,879,800
The City Bank Limited (Note-19.2)	-	-
Standard Chartered Bank (Note-19.3)	-	-
Citibank N. A. (Note-19.4)	-	-
Bank Asia Limited (Note-19.5)	-	832,173
Commercial Bank of Ceylon PLC (Note-19.6)	-	-
	-	11,711,973
	2,562,606,715	2,405,241,798

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

19.1 Eastern Bank Limited

Overdraft

Purpose : To finance overhead cost and duty payment.
Facility limit : Tk. 30 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. 500 million.
Repayment : Within 180 days from the date of disbursement.

Import finance

Purpose : To import raw materials.
Facility limit : Combined Tk. 500 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.

19.2 The City Bank Limited

Letter of credit/ Acceptance (Sight/Usance)/ Import finance/ Short term loan

Purpose : To import API, excipient, packing and finished materials, to retire sight letter of credit documents opened for procurement of API, excipient, packing and finished materials and for payment of duty and other charges related to import and VAT.
Facility limit : Combined Tk. 1,200 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. 100 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.

19.3 Standard Chartered Bank

Letter of credit/ Loan against trust receipt (LATR)/ Acceptance

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, for retirement of documents of only sight letter of credits, and to provide acceptance against letter of credits issued by the bank.

Facility limit : Combined Tk. 1,900 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 3 days in one year.

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.

19.4 Citibank N. A.

Letter of credit/ Acceptance (Sight/Usance)/ Import finance

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, and to refinance import letter of credits.

Facility limit : Combined USD 9,000,000.

Repayment : Within 180/360 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 2,000,000.

Repayment : Within 180 days from the date of disbursement.

Overdraft

Purpose : To finance regular selling, general and administrative expenses.

Facility limit : Combined USD 2,000,000.

Repayment : On demand.

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.

19.5 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.
 Repayment : Within 180 days from the date of disbursement.

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.

19.6 Commercial Bank of Ceylon PLC

Facility limit : Tk. 1,500 million.
 Repayment : Within 180/360 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. Trade payables

	Amount in Taka	
	30 June 2019	30 June 2018
Payable to suppliers	570,003,352	232,639,979
Toll manufacturing charges (Sharif and NAFCO)	7,117,888	11,024,490
	577,121,240	243,664,469

21. Other payables

	Amount in Taka	
	30 June 2019	30 June 2018
VAT, gratuity and other payables	674,397,863	703,623,124
Workers' participation fund	101,825,445	268,801,357
Advance from customers	5,296,645	52,491,526
Royalty payable	-	15,044,439
Export commission payable	6,896,754	7,637,713
	788,416,707	1,047,598,159

22. Provision for taxation

	30 June 2019	30 June 2018
Opening balance	809,811,475	759,091,639
Provision made during the year	1,299,306,117	1,066,654,550
	2,109,117,592	1,825,746,189
Payment made during the year	(1,301,402,554)	(1,015,934,714)
	807,715,038	809,811,475

23. Turnover (Net)

	Amount in Taka	
	2018- 2019	2017-2018
Renata Limited	22,063,737,207	18,453,742,873
Renata Agro Industries Limited	401,213,653	347,546,214
Purnava Limited	344,350,812	248,718,953
Renata Oncology Limited	-	-
	22,809,301,672	19,050,008,040

During the year, sale of pharmaceutical products includes export sales of Tk. 466,830,128 equivalent to US\$ 5,558,351 (Tk. 608,245,196 equivalent to US\$ 7,429,526 for the year ended 30 June 2018).

24. Cost of sales

	2018- 2019	2017-2018
Renata Limited	11,035,381,648	9,228,172,982
Renata Agro Industries Limited	392,807,330	348,258,197
Purnava Limited	34,736,256	12,794,014
Renata Oncology Limited	30,584,259	29,066,146
	11,493,509,493	9,618,291,339

25. Administrative expenses

	Amount in Taka	
	2018- 2019	2017-2018
Salaries, wages and allowances	217,641,341	195,964,529
Travelling and conveyance	30,432,315	25,971,180
Training expenses	881,700	5,323,778
Stationeries and supplies	10,048,688	13,687,732
Postage, telex, fax and telephone	4,369,199	6,245,846
Electricity, fuel, gas and water	22,865,545	14,529,469
Employees' free lunch, snacks and tea expenses	30,347,514	23,849,965
Staff uniform	575,281	402,960
Rent	6,857,985	2,154,969
Repairs and maintenance	8,812,369	6,837,297
Govt. taxes and license fees	3,101,753	3,764,428
Cleaning & security services	5,497,560	4,151,753
Depreciation	17,835,113	13,710,179
Software and hardware support services	28,608,045	17,200,905
Insurance premium	5,444,138	6,752,175
Automobile expenses	15,086,106	12,227,233
Legal and professional expenses	310,978	1,049,171
Audit fees	913,125	1,011,500
Board meeting attendance fee	430,000	370,000
Subscription, membership fees and donation	4,533,715	1,739,012
Meeting and corporate expenses	13,508,097	27,791,217
AGM expenses	1,985,560	2,168,212
Other expenses	22,628,743	20,397,212
	452,714,870	407,300,722

26. Selling, marketing and distribution expenses

	2018- 2019	2017-2018
Salaries, wages and allowances	1,739,834,337	1,613,129,427
Travelling and conveyance	500,213,399	314,939,247
Training expenses	5,619,687	6,539,419
Stationeries and supplies	31,188,796	29,355,607
Postage, telex, fax and telephone	43,459,462	44,756,548
Electricity, fuel, gas and water	33,451,573	38,835,698
Employees' free lunch, snacks and tea expenses	152,070,426	131,641,991
Staff uniform	2,020,198	2,422,089
Rent	26,022,898	23,073,946
Repairs and maintenance	19,143,455	20,352,776
Govt. taxes and license fees	17,610,415	16,913,048
Cleaning & security services	55,870,197	45,517,619
Depreciation	141,910,371	103,826,441
Insurance premium	15,007,438	15,817,960
Automobile expenses	30,473,754	33,408,463
Marketing and sales promotional expenses	1,385,472,805	1,068,088,355
Field expenses	274,242,540	168,004,104
Distribution expenses	424,689,528	375,782,796
Export expenses	41,670,320	61,313,579
Special discount	371,208,478	164,682,121
Subscription, membership fees and donation	22,657,944	15,468,895
Meeting and corporate expenses	122,749,875	101,315,319
Other expenses	116,034,221	94,286,248
	5,572,622,117	4,489,471,696

27 Other income

	Amount in Taka	
	2018- 2019	2017-2018
Dividend income	4,365,468	3,720,419
Interest income	257,905,805	124,600,437
Scrap sales	13,713,398	12,391,098
Gain/ (loss) on disposal of property, plant and equipment	3,272,756	(696,659)
Gain/ (loss) from sale of quoted shares	-	(1,849,667)
	279,257,427	138,165,628

28. Finance costs

	2018- 2019	2017-2018
Interest expenses	118,098,404	87,866,789
Exchange loss	19,319,555	107,861,495
Bank charges	17,184,073	14,283,742
	154,602,032	210,012,026

29. Net asset value (NAV) per share

	Amount in Taka	
	30 June 2019	30 June 2018
The computation of NAV is given below:		
Equity attributable to the ordinary shareholders	18,595,983,331	15,508,127,862
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	80,535,675	80,535,675
Net asset value (NAV) per share	230.90	192.56

29.1 Weighted average number of ordinary shares outstanding during the year

Opening number of shares	70,031,022
Bonus shares issued in December 2018	10,504,653
	80,535,675

30. Basic earnings per share (EPS)

	30 June 2019	30 June 2018
The computation of EPS is given below:		
Earnings attributable to the ordinary shareholders (net profit after tax for the year)	3,755,508,969	3,106,187,500
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	80,535,675	80,535,675
Basic earnings per share (EPS)	46.63	38.57

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

31. Net cash generated from operating activities

	Amount in Taka	
	30 June 2019	30 June 2018
Profit before tax	5,154,421,726	4,246,444,818
<i>Adjustments for:</i>		
Depreciation and amortization expenses	851,909,227	747,008,915
Provision for bad debts & others	22,042,677	19,782,231
Finance costs	154,602,032	210,012,026
(Gain)/ loss on disposal of property, plant and equipment	(3,272,756)	696,659
(Gain)/ loss from sale of quoted shares	-	1,849,667
Income from investment	(4,371,934)	(5,157,215)
Cash generated from operations before working capital changes	6,175,330,972	5,220,637,101
<i>Adjustments for:</i>		
(Increase)/ decrease in inventories	(410,752,103)	(530,604,919)
(Increase)/ decrease in trade and other receivables	(182,863,781)	(307,464,084)
(Increase)/ decrease in advances, deposits and prepayments	36,368,063	(160,947,532)
Increase/ (decrease) in trade payables	333,456,771	41,251,449
Increase/ (decrease) in other payables	(260,964,673)	(367,146,029)
Cash generated by operations	5,690,575,249	3,895,725,986
Finance costs	(153,933,538)	(227,552,480)
Payment of tax	(1,305,668,672)	(1,016,344,496)
Net cash generated from operating activities	4,230,973,039	2,651,829,010

32. Net operating cash flow per share

	Amount in Taka	
	30 June 2019	30 June 2018
The computation of net operating cash flow per share is given below:		
Net cash generated from operating activities	4,230,973,039	2,651,829,010
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	80,535,675	80,535,675
Net operating cash flow per share	52.54	32.93

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 / salary	12,312,045	529,017,012
House rent	7,225,627	419,171,278
Bonus	5,130,020	197,432,415
Contribution to provident fund	1,231,205	49,551,435
Gratuity	1,539,006	126,186,677
Conveyance allowance and transport	3,213,710	205,602,139
Other welfare expenses	5,183,603	45,594,587
	35,835,216	1,572,555,543

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 2017-2018 was Tk. 115,729,091.20 equivalent to US\$ 1,361,518.72 for their 15,227,512 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; Tk. 11,888,503 for the assessment year 2013-14 and Tk. 14,478,424 for the assessment year 2014-2015 which are pending before the Hon'ble High Court Division of the Supreme Court, and Tk. 35,905,180 for the assessment year 2018-2019 awaiting for appeal to be filed by us.

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 2019.

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, 2019	June 30, 2018
Letters of credits (Note 37.1)	1,745,661,987	1,224,696,950
Outstanding guarantees issued by the banks	666,110,566	166,712,184
Capital expenditure commitments	7,691,345,783	1,709,962,536
	10,103,118,336	3,101,371,670

37.1 Letters of credits

	Limit	June 30, 2019	June 30, 2018
Standard Chartered Bank	1,900,000,000	531,308,481	119,541,010
Eastern Bank Limited	500,000,000	4,744,793	113,603,930
The City Bank Limited	1,200,000,000	152,672,024	185,798,488
Citi Bank N.A.	756,000,000	190,372,485	172,105,108
Commercial Bank of Ceylon PLC	750,000,000	715,400,964	516,163,553
Bank Asia Limited	400,000,000	151,163,240	117,484,861
	5,506,000,000	1,745,661,987	1,224,696,950

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 7,324 (7,215 as of June 2018) employees as of June 2019, of which 4,999 (4,939 as of June 2018) is permanent employees and 2,325 (2,276 as of June 2018) 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 packing materials	76,444,379	6,421,450,353
Machinery and spares	10,455,535	878,267,304
	86,899,914	7,299,717,657

39.2 Foreign exchange was earned in respect of the following:

	USD
Export of goods on FOB	5,558,351

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 2018-2019 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 29 October 2019 have recommended cash dividend @ 100% per share of Taka 10 each aggregating Taka 805,356,750 and stock dividend @ 10% of Taka 10 each aggregating Taka 80,535,675 for the year ended 30 June 2019 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 21 December 2019. The financial statements for the year ended 30 June 2019 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

Teghoria (Nuton Raster Moor),
South Keranigonj, Dhaka-1311
Mobile: 01847028891
e-mail: dhaka@renata-ltd.com

Gazipur Depot

E/214, Joorpukurpar
Joydebpur, Gazipur-1700
Tel: 02-9263297, Mobile: 01817045729
e-mail: gazipur@renata-ltd.com

Bhairab Depot

808, Bhairabpur,
Bhairab, Kishoregonj-2350
Phone & Fax: 02-9470265
Mobile: 01814651002
e-mail: bhairab@renata-ltd.com

Turag Depot

House-39, Road-06
Block-C, Turag Thana Road
Dhour, Turag, Dhaka-1230
Phone: 02-8981813
Fax: 02-8981898
Mobile: 01833316984
e-mail: turag@renata-ltd.com

Tangail Depot

Holding No.1135, Biswas Betka,
Atpukurpar, Dhaka Road,
Tangail Sadar, Tangail-1900
Fax: 0921-61158
Mobile: 01847-186614
e-mail: tangail@renata-ltd.com

Brahmaputra Depot

By-pass Mour, Dhaka Road,
Digarkanda, Mymensingh
Mobile: 01817049456
e-mail: mymensingh@renata-ltd.com

Surma Depot

Sylhet Sunamgonj By-pass Road,
Lotipur, Dakshin Surma, Sylhet - 3100
Mobile: 01817049367
e-mail: sylhet@renata-ltd.com

Chattogram Depot

Prashanti Tower-3,
Prashanti R/A Road, Colonel Hat,
Pahartali, Chattogram-4202
Phone: 02-43151450
Fax: 02-43151451
Mobile: 01817049449
e-mail: chittagong@renata-ltd.com

Chokoria Depot

Hospital Road, Chokoria-4740
Phone & Fax: 034-2256251
Mobile: 01817041015
e-mail: chakaria@renata-ltd.com

Gomti Depot

Holding No. 48/01 Ward No. 23,
Batabaria, Sadar Dakhin,
Cumilla-3500
Mobile: 01817049452
e-mail: comilla@renata-ltd.com

Kirtonkhola Depot

Amtola Moor, Band Road,
Barishal-8200
Phone & Fax: 0431-71249
Mobile: 01817049375
e-mail: barisal@renata-ltd.com

Feni Depot

Dhaka Chittagong Highway,
Debipur, Fatepur, Shorshodi,
Feni-3902
Mobile: 01817049531
e-mail: feni@renata-ltd.com

Faridpur Depot

Abd Allah Jahir Uddin Lal Miah
Sarak, Kuthibari-1, Kamalpur,
Faridpur
Fax: 0631-62174
Mobile: 01817049370
e-mail: faridpur@renata-ltd.com

Khulna Depot

62, KDA, Commercial Area,
Jalil Swaroni, Rayer Mohol,
Boyra, Khulna
Phone & Fax: 041-720154
Mobile: 01817049382
e-mail: khulna@renata-ltd.com

Jashore Depot

Sarder Vila, Holding No-1021/B
Airport Road, Arabpur,
Jashore-7400
Phone & Fax: 0421-60851
Mobile: 01817049381
e-mail: jessore@renata-ltd.com

Rajshahi Depot

C-212, Laxmipur,
Greater Road,
Rajshahi-6000
Phone & Fax: 0721-772893
Mobile: 01817049459
e-mail : rajshahi@renata-ltd.com

Korotoa Depot

Betgari, Dhaka Road, Banani,
Bogura-5800
Phone & Fax: 051-66379
Mobile: 01817049376
e-mail: bogra@renata-ltd.com

Rangpur Depot

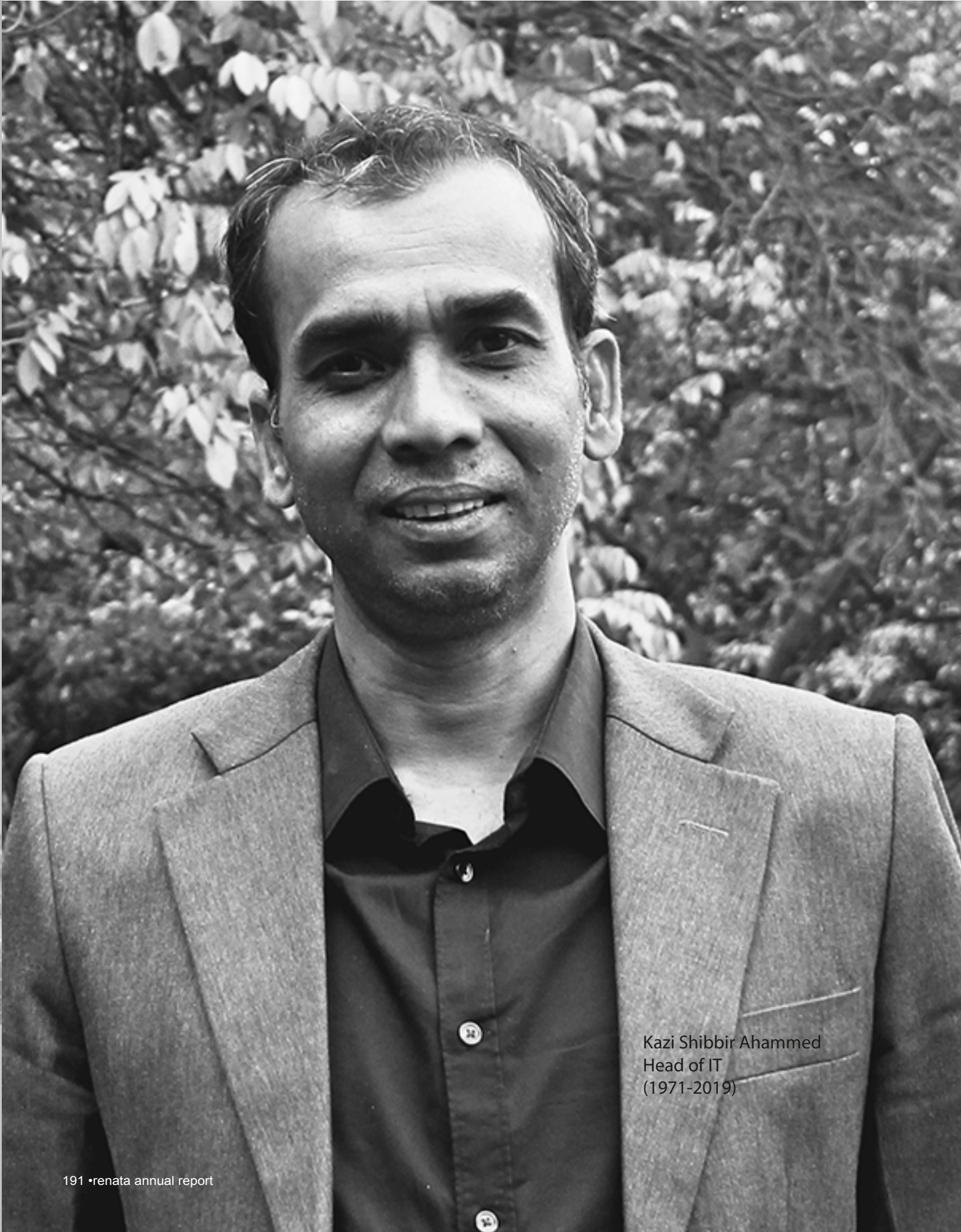
Faizon Vila, Road-1,
House-3, Karanipara,
Rangpur-5400
Phone & Fax: 0521-62822
Mobile: 01817049072
e-mail: rangpur@renata-ltd.com

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



Khalil Musaddeq
Director, Sales Pharma
(1963-2019)



Kazi Shibbir Ahammed
Head of IT
(1971-2019)

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 46th 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 21, 2019 at 11.00 am 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

Shareholders' Attendance Slip

*I/We hereby record my/our attendance at the 46th Annual General Meeting
being held on Saturday, December 21, 2019 at the Corporate Headquarters Premises,
Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 at 11.00 am*

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 46th AGM in Compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2014**

PROXY FORM

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 Extra Ordinary 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 21, 2019 at 12.30 pm 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

Shareholders' Attendance Slip

*I/We hereby record my/our attendance at the Extra Ordinary General Meeting
being held on Saturday, December 21, 2019 at the Corporate Headquarters Premises,
Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 at 12.30 pm.*

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 EGM 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 EGM in Compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2014



Renata Limited

Corporate Headquarters: Plot # 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216, Bangladesh, GPO Box No. 303
Phone: 8001450, 8001454 (PABX), Fax: 880-2-8001446, Website: www.renata-ltd.com

Find us on **facebook** at <http://www.facebook.com/renatalimited>