

Renata Annual Report

2019-2020





Syed Humayun Kabir
Founder Chairman
(1931 - 2015)



Renata Limited

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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, 2020

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, 2020. 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 26, 2020

RENATA LIMITED

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

October 26, 2020

NOTICE

NOTICE is hereby given that the 47th Annual General Meeting of Renata Limited will be held on Saturday, December 19, 2020 at 11.00 am through Digital Platform (in pursuance with BSEC Order SEC/SRMRC/04-231/25 dated 08 July 2020) 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, 2020 together with Reports of the Auditors and the Directors.

Agenda-2: To declare dividend for the year which ended on June 30, 2020 (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 approve appointment of the Independent Director.

Agenda-5: To approve the related party transactions and the receivables from the subsidiaries.

Agenda-6: To appoint Auditors for the year 2020-21 and to fix their remuneration.

Agenda-7: To appoint Compliance Auditors for the year 2020-21 and to fix their remuneration.

By Order of the Board



(Md. Jubayer Alam)
Company Secretary

NOTES:

- i) The 'Record Date' (in lieu of Book Closure) is Monday, November 16, 2020. 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.
- ii) The Directors have recommended @ 130% cash dividend for year 2019-2020 and stock dividend (bonus share) @ 10% for the year ended June 30, 2020.
- iii) 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 or sent through e-mail at aunikfarid@renata-ltd.com not later than 48 hours before the time fixed for the Meeting.
- iv) 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.
- v) In Compliance with the BSEC Notification No.BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, Annual Report 2019-2020 will be duly sent in soft copy to the respective shareholders e-mail addresses available in their Beneficial Owner (BO) Accounts maintained with the DP. These will also be available in Company's website: www.renata-ltd.com
- vi) Full login/participation process Digital Platform Meeting will also be available in the Company's website: www.renata-ltd.com
- vii) For any IT related guidance in this regard Members may contact cell number 01811-415502

ANNUAL GENERAL MEETING

2018-2019



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Company Profile

Year of Incorporation

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

Change of Name

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

Field of Business

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

Contract Manufacturing

General products for UNICEF and SMC

MHRA Certificate

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

Marketing & Distribution Rights

- Evans Vanodine International (UK): Animal farm disinfectants
- Zinpro Corporation (USA)
- Biomin Holding GmbH (Austria): Animal nutritional products
- Elanco(New Zealand): Animal health products
- Novus (USA): Animal health products
- Indian Herbs Overseas
- Natural Herbs Ltd., India
- Syva, Spain
- Huve Pharma, SEA, Bulgaria
- 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
- 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

Agrani Bank Limited
Bangladesh Commerce Bank Limited
Bank Asia Limited
Brac Bank Limited
Commercial Bank of Ceylon
Citibank, N.A.
Eastern Bank Limited
Standard Chartered Bank
Sonali Bank Limited
The City Bank Limited
United Commercial Bank Limited

AUDITOR

ACNABIN, Chartered Accountants

LEGAL ADVISORS

Dr. M. Zahir and Associates
Vertex Chambers
Hoque & Associates

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.

Renata Limited for being recognized in credit rating as a

**AAA
RATED COMPANY**



ICMAB BEST CORPORATE AWARD-2018



**TAX PAYER AWARD AMONG
PHARMACEUTICAL & CHEMICAL INDUSTRY**





Dr. Sarwar Ali
Chairman

Chairman's Statement

Welcome to the 47th Annual General Meeting of Renata Limited.

We express our sincere condolences for the families of Covid-19 victims. May they find strength during these hard times.

This was an abnormal year due the Pandemic. Nevertheless, Company emerged relatively unscathed from the first wave of the Pandemic which affected the last two quarters of the fiscal year. Net profit and Net Sales grew by 8.0% and 8.7% respectively. While these results are not in line with the historical performance of the Company, the dramatic fall in economic activity during the fourth quarter weighed heavily on our overall performance.

Contrary to popular belief, pharmaceutical markets in many parts of the world have actually been quite depressed during this pandemic. The reason is obvious: People have been wary of contagion-risk at hospitals, clinics, and private chambers. The reduced patient flow ironically reflects unmet healthcare needs.

In fact, healthcare providers themselves have discouraged patient visits. For example, the NHS in the UK asked patients not to visit their general practitioners unless absolutely essential.

Hong Kong, one of the early victims of the Pandemic experienced a sharp downturn in patient numbers. Even much needed diagnostics or surgical interventions were postponed.

An article in the Lancet, drawing on public health data from India, reported that there had been alarming reductions in essential public health and clinical interventions. Specifically, a 69% reduction in measles, mumps, and rubella vaccination in children, a 21% reduction in institutional deliveries, a 50% reduction in clinic attendance for acute cardiac events and, surprisingly, a 32% fall in inpatient care for pulmonary conditions in March, 2020, compared with March, 2019.

The Bangladesh pharmaceutical market is overwhelmingly reliant on the private practice of doctors. As soon as the Covid-19 numbers began rising, most chambers in the large cities

closed down leading to a drastic fall in the provision of healthcare.

In the smaller towns and rural areas, during the first few months of the Pandemic, the bulk of patient needs were addressed by doctors located within chemist shops, known as dispensing general practitioners.

Some pharmaceutical companies encouraged doctors to switch to online medical practice. While there were some takers, the overall response to digital healthcare was disappointing.

The overall impact of the Pandemic on the pharmaceutical industry can be surmised from Table No. 1.

Essentially, Table No. 1 looks at what the retail pharmaceutical market would have been if it followed the five-year growth trend versus what actually transpired. The difference is attributed to the Pandemic. It is a somewhat simplistic analysis, but it does show that that Pandemic has had a depressing effect on the market.

Medicine prices remained stable and affordable even though raw material prices rose sharply during the first few months of the pandemic. In particular, a strict lockdown in India halted the shipment of basic chemicals, leading to supply shortages. Locally, the small packaging industries shut down their operations which caused severe disruptions in the supply chain for the pharmaceutical industry.

Apart from a few exceptions, key medicines continued to be available even though the social-distancing imperative led to new challenges in manufacturing.

Renata implemented strict hygiene protocols beginning early March. In manufacturing, we placed special emphasis on social-distancing. In this regard, work timings were extended and re-organized to lower the worker-density at any given time. Moreover, extra makeshift canteens were opened up at all manufacturing sites. The standard-operating-procedure (SOP) adopted by Renata for prevention of Covid-19 can be found here:

<https://renata-ltd.com/featured-news/sop-for-covid-19-prevention-version-3-0/>

Effect of the Pandemic on the Retail Pharmaceutical Market in Taka (Crores)

Table No. 1

	5-Year CAGR	Actual Growth Year Ending June 2020	Estimated Market on Year Ending June 2020 based on CAGR	Actual Market Year Ending June 2020	Estimated Impact of Pandemic
Alimentary Track & Metabolism	18%	7%	9,641	8,731	(910)
Blood and Blood forming Organs	22%	6%	658	574	(85)
Cardiovascular System	19%	13%	2,786	2,628	(158)
Dermatologicals	15%	9%	577	546	(30)
GU System and Sex Hormones	19%	5%	856	757	(100)
Systemic Hormones	17%	-1%	301	253	(47)
Systemic Anti-Infectives	13%	-7%	3,993	3,294	(699)
Hospital Solutions	2%	-8%	143	128	(14)
Antineoplast + Immunomodulators	18%	7%	78	71	(7)
Musco-Skeletal System	14%	-2%	1,287	1,098	(190)
Nervous System	16%	5%	2,653	2,403	(250)
Parasitology	7%	-1%	159	147	(12)
Respiratory System	19%	9%	2,495	2,290	(204)
Sensory Organs	15%	-6%	372	305	(66)
Diagnostic Agents	37%	-3%	1	0	(0)
Various	29%	-3%	81	61	(20)
TOTAL RETAIL MARKET	17%	4%	26,081	23,287	(2,794)

IMS DATA

Unfortunately, the highly contagious nature of the disease, our safety protocols were not enough to avoid infection. Table No. 2 shows the number of employees affected due to Covid-19.

Covid-19 at Renata		Table No. 2
	Infections	Deaths
March	2	
April	2	
May	24	
June	56	
July	27	
August	18	1
September	15	
TOTAL	144	1

The tragic loss of one life was that of a long-term consultant. The remainder of the infected employees are doing well. So far, the cure rate is near 100%.

At this point, I ought to pay tribute to the dedicated team at Renata. Being a vital part of the healthcare, the core principle driving our activities is saving lives. So, just as doctors, nurses, ambulance staff, and a myriad of healthcare professionals cannot abandon their duties during a pandemic, neither can we. Our team has carried out their responsibilities risking infection. We applaud their heroism.

Apart from our daily business, through partnership with Sajida Foundation, we have directly reached out to victims of the Pandemic. We have donated generously for the treatment of Covid-19 patients. We also hope to work with Sajida in setting up a Covid-19 testing laboratory. In addition, our engineering team had been actively involved in building ventilators, High-flow Nasal Canula, and handwashing stations.

During the first few months of the Pandemic, Clinical Research Organisations (CROs) were closed throughout the world. As such, our R&D activities suffered considerably. As many as 12 bio-equivalent studies had to be postponed. Fortunately, CRO activities resumed from September 2020, putting our R&D endeavours back on track.

Activities at regulatory authorities such as MHRA and USFDA also slowed down considerably. As a result, new registrations by Renata have suffered considerably. During the entire fiscal year, we managed only one new registration in the US. However, it is noteworthy that we filed a NCE-1 in the US, which brings our total first-to-file (FTF) molecules to two. Table No. 3 shows the registrations/filings during 2019-2020

Table No. 3		
	Registration Status	Country
Rosuvastatin Calcium Tablets 5/10/15/20 mg	Approved	USA
Name withheld Injection	ANDA under Assessment	USA

The Pandemic also affected animal husbandry which in turn impacted the Animal Health Industry. However, the effect was less severe on the domestic industry for two reasons:

First, the Pandemic has largely been an urban phenomenon, whereas most farms are located in rural areas.

Second, while reduced aggregate demand led to cutbacks in animal husbandry, the impact on the animal health industry was different for domestic producers and importers. So, for example, while weekly broiler day-old-chick (DOC) production fell from a peak of 1.8 crores to only 1.2 crores, the brunt of this fall in production was borne by traders who import medicines from Covid-19 affected countries. In contrast, domestic producers that had adequate stock of raw materials were able to make further inroads into the market due to reduced competition from imported products.

For these two reasons, our Animal Health business continued to do well, even during these difficult times.

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

Animal Health: Our growth was 18% compared to the market-growth of 15%. We continued to consolidate our position as market-leader.

I am pleased to note that our manufacturing facility for nutritional products is now complete. We are hopeful that the state-of-the-art Kashor Nutrition Facility (KNF) shall attract new customers, especially those who prefer imported products for perceptions of quality.

Pharmaceutical: The paltry industry growth of 4% was essentially associated with the management of Covid-19, viz., Ivermectin, Rivaroxaban, Favipiravir, Vitamin C, Vitamin-D, Vitamin-B Complex, Paracetamol, Doxycycline, Azithromycin, ORS, and so on. Moreover, these products were sold mainly to Dispensing General Practitioners (DGPs) at heavily discounted prices and a variety of trade offers.

While our growth of 8% was also poor at this time, we made a conscious effort to cut back on marketing expenditures to protect profits. Compared to earlier years, our marketing expenditure was considerably lower.

We retained our rank of no. 4 in terms of sales.

As I mentioned last year, we have directed special efforts to grow our chronic care portfolio. I am pleased to report that we are making excellent progress in this area.

Contract-Manufacturing: This growing segment of our core business was unscathed by the Pandemic. Significantly, the Government has now included third-generation birth control pills in its Family Planning Programme. We hope to win a sizeable portion of this business.

Outlook for 2021: Our sales growth has been at a near-normal rate since August 2020. This is because doctors returned to their practice after a hiatus of nearly four months. In essence, the outlook for 2021 remains highly dependent on the continuing severity of the Pandemic. Moreover, one has to accept that living with Covid-19 might become a reality for the next few years. So, rather than trying to predicting the future in the short-run, we ought to remain focused on our long-term goals. This focus means investing heavily in people, factories, and R&D, so that when life becomes normal, we make an increasing contribution towards making life worth living.



Dr. Sarwar Ali
Chairman
October 26, 2020

চেয়ারম্যানের প্রতিবেদন

রেনাটা লিমিটেডের ৪৭তম বার্ষিক সাধারণ সভায় স্বাগতম।

আমরা কোভিড-১৯ এর, ক্ষতিগ্রস্ত পরিবারের প্রতি আন্তরিক সমবেদনা জানাই। তারা যেন এই কঠিন সময়ে শক্তি খুঁজে পায়। মহামারীজনিত কারণে এটি একটি অস্বাভাবিক বছর ছিল। তা সত্ত্বেও এই অর্থ বছরের শেষ দুই প্রান্তিকে মহামারীর প্রভাব পড়ার পরও এর প্রথম ডেট এ কোম্পানী অক্ষত আছে। নীট মুনাফা ও নীট বিক্রি যথাক্রমে ৮.০% ও ৮.৭% বৃদ্ধি পেয়েছে। যদিও এই ফলাফল কোম্পানীর অতীত ঐতিহাসিক সাফল্যের সাথে সামঞ্জস্য পূর্ণ নয়, এর কারণ চতুর্থ প্রান্তিকে দেশের অর্থনৈতিক কর্মকাণ্ডের নাটকীয় পতন, আমাদের সাফল্যের উপর প্রভাব বিস্তার করে।

প্রচলিত বিশ্বাসের বিপরীতে এই মহামারীর কারণে বিশ্বের বিভিন্ন অঞ্চলে ওষুধের বাজার বেশ হতাশাজনক। কারনটি সুস্পষ্ট; মানুষ হাসপাতাল, ক্লিনিক এবং ব্যক্তিগত চেম্বার এ সংক্রমন ঝুঁকি সম্পর্কে সতর্ক ছিল, ফলে রোগীর পরিমাণ যথেষ্ট কমে যায়।

প্রকৃতপক্ষে স্বাস্থ্যসেবা প্রদানকারীরাই রোগীদের ডাক্তারের কাছে আসতে নিরুৎসাহিত করেছেন। উদাহরণস্বরূপ যুক্তরাজ্যের এনএইচএস খুবই অপরিহার্য না হলে রোগীদের তাদের ডাক্তারের কাছে না আসার জন্য বলে।

হংকং মহামারীর অন্যতম প্রাথমিক শিকার যারা রোগীর সংখ্যায় তীব্র মন্দার অভিজ্ঞতা অর্জন করে। এমনকি অনেকগুলি প্রয়োজনীয় ডায়াগনস্টিক ও অস্ত্রোপচার স্থগিত করতে হয়।

ভারতের জনস্বাস্থ্য ডাটা থেকে প্রাপ্ত উপাও নিয়ে ল্যানসেট একটি আর্টিকলে বলেছে যে, প্রয়োজনীয় জনস্বাস্থ্য ও ক্লিনিক্যাল কার্যক্রম উদ্বেগজনক ভাবে হ্রাস পেয়েছে। বিশেষতঃ বাচ্চাদের হাম, মাস্পস এবং রুবেলার টিকা ৬৯% হ্রাস, প্রাতিষ্ঠানিক প্রসব ২১% হ্রাস, তীব্র কার্ডিয়াক ইভেন্টের জন্য ক্লিনিকে উপস্থিত ৫০% হ্রাস পায় এবং আশুচর্চের বিষয় হলো, ফুসফুসজনিত সংক্রমনের জন্য মার্চ ২০১৯ এর তুলনায় মার্চ ২০২০ এ ৩২% রোগী কমেছে।

বাংলাদেশের ওষুধের বাজার চিকিৎসকদের ব্যক্তিগত চেম্বারের উপর অনেকটা নির্ভরশীল। কোভিড-১৯

সংক্রমন বৃদ্ধির সাথে সাথে বড় শহরগুলোর অধিকাংশ চিকিৎসকের চেম্বারগুলো বন্ধ হয়ে যায়, ফলে স্বাস্থ্য সেবা ব্যবস্থাপনায় ব্যাপক পতন ঘটে।

মহামারীর প্রথম কয়েক মাস ছোট শহরগুলো ও গ্রামীণ অঞ্চলের বেশীরভাগ রোগীর প্রয়োজনীয় চিকিৎসা ওষুধের দোকানের মধ্যে অবস্থিত ডাক্তার, যাদের আমরা ডিজিপি বলি, তাদের দ্বারা নিয়ন্ত্রিত হয়েছে। কিন্তু ওষুধ কোম্পানী ডাক্তারদের অনলাইনভিত্তিক রুগী দেখতে উৎসাহিত করে। সেখানে রোগীর সংখ্যা কম ছিল, অনলাইন স্বাস্থ্য সেবার সামগ্রিক প্রতিক্রিয়া হতাশাব্যঞ্জক ছিল।

ওষুধ শিল্পে এই মহামারী সামগ্রিকভাবে কি প্রভাব বিস্তার করেছে তা টেবিল নং-১ এ উদ্ভাপিত হলোঃ

মূলতঃ টেবিল নং-১ এ দেখা যায় যে, ওষুধ শিল্পের খুচরা বাজারটি গত পাঁচ বছরের ধারাবাহিক প্রবৃদ্ধি অনুসারে কি হতে পারতো এবং প্রকৃতঅর্থে কেমন হয়েছে। মহামারীই এ পার্থক্যের জন্য দায়ী। এটি একটি সরল বিশ্লেষণ, তবে এটি দেখায় যে মহামারীটি বাজারে একটি হতাশাজনক প্রভাব ফেলেছে।

মহামারীর প্রথম কয়েক মাসে কাঁচামালের মূল্য অনেক বেড়ে গেলেও ওষুধের মূল্য ছিল স্থিতিশীল এবং সাশ্রয়ী। বিশেষতঃ ভারতে কঠোর লকডাউন এর কারণে বেসিক ক্যামিক্যালস এর চালান বন্ধ হয়ে যায়, ফলে সরবরাহে কিছুটা ঘাটতি হয়। স্থানীয়ভাবে কিছু ক্ষুদ্র প্যাকেজিং শিল্প তাদের কার্যক্রম বন্ধ করে, যা ওষুধ শিল্পের সরবরাহ চেইনে মারাত্মক ব্যাঘাত ঘটে। কয়েকটি ব্যতিক্রম ব্যতিত মূল ওষুধগুলোর সরবরাহ তখনও অব্যাহত ছিল। যদিও সামাজিক দূরত্বের অপরিহার্যতা ওষুধ উৎপাদনকে নতুন চ্যালেঞ্জের দিকে নিয়ে যায়।

রেনাটা মার্চের শুরুতেই কঠোর হাইজিন প্রটোকল মেনে চলা শুরু করে। ম্যানুফ্যাকচারিং এ আমরা সামাজিক দূরত্বের উপর বিশেষ জোর দেই। তখন কাজের সময় বাড়ানো হয়েছিল এবং যে কোন সময়ের তুলনায় লোকবলের ঘনত্ব হ্রাস করা হয়েছিল। তদুপরি সমস্ত উৎপাদন সাইটে অতিরিক্ত অস্থায়ী ক্যান্টিন খোলা হয়। কোভিড-১৯ প্রতিরোধের জন্য রেনাটা গৃহিত স্ট্যান্ডার্ড অপারেটিং-পদ্ধতি (এসওপি) এই লিংক এ পাওয়া যাবে-

<https://renata-ltd.com/featured-news/sop-for-covid-19-prevention-version-3-0/>

খুচরা ওষুধ শিল্পে এই মহামারীর প্রভাব (কোটিতে)

টেবিল নং-১

	সিএজিআর ৫ বছর	প্রকৃত প্রবৃদ্ধি জুন '২০	সিএজিআর ভিত্তিতে আনুমানিক বাজার জুন '২০	প্রকৃত বাজার জুন '২০	মহামারীর আনুমানিক প্রভাব
অ্যালমেন্টারি ট্রাক এবং বিপাকক্রিয়া	১৮%	৭%	৯,৬৪১	৮,৭৩১	(৯১০)
রক্ত এবং রক্ত গঠনের অঙ্গসমূহ	২২%	৬%	৬৫৮	৫৭৪	(৮৫)
কার্ডিওভাসকুলার সিস্টেম	১৯%	১৩%	২,৭৮৬	২,৬২৮	(১৫৮)
চর্মরোগ	১৫%	৯%	৫৭৭	৫৪৬	(৩০)
জিইউ সিস্টেম এবং সেক্স হরমোনস	১৯%	৫%	৮৫৬	৭৫৭	(১০০)
সিস্টেমিক হরমোনস	১৭%	-১%	৩০১	২৫৩	(৪৭)
সিস্টেমিক অ্যান্টি-ইনফেকটিভস	১৩%	-৭%	৩,৯৯৩	৩,২৯৪	(৬৯৯)
হসপিটাল সল্যুউশন	২%	-৮%	১৪৩	১২৮	(১৪)
অ্যান্টিবায়োটিক + ইমিউনোমোডুলেটর	১৮%	৭%	৭৮	৭১	(৭)
মাস্কো-ফিল্টারাল সিস্টেম	১৪%	-২%	১,২৮৭	১,০৯৮	(১৯০)
ঔষুতন্ত্র	১৬%	৫%	২,৬৫৩	২,৪০৩	(২৫০)
পরজীবীবিদ্যা	৭%	-১%	১৫৯	১৪৭	(১২)
শ্বাসতন্ত্র	১৯%	৯%	২,৪৯৫	২,২৯০	(২০৪)
সেনসরি অর্গানস	১৫%	-৬%	৩৭২	৩০৫	(৬৬)
ডায়াগনস্টিক এজেন্ট	৩৭%	-৩%	১	০	(০)
বিবিধ	২৯%	-৩%	৮১	৬১	(২০)
মোট খুচরা বাজার	১৭%	৪%	২৬,০৮১	২৩,২৮৭	(২,৭৯৪)

আইএমএস ডেটা

দূর্ভাগ্যক্রমে এই রোগটি অত্যন্ত সংক্রমন প্রকৃতির যাহা আমাদের সুরক্ষা প্রটোকল সংক্রমন এড়াতে পর্যাপ্ত ছিলনা। টেবিল নং ২ এ কোভিড-১৯ এর কারনে কর্মীদের সংক্রমনের সংখ্যা দেখানো হলো:

রেনাটাতে কোভিড-১৯ আক্রান্তের সংখ্যা		টেবিল নং-২
মাস	সংক্রমণ	মৃত্যু
মার্চ	২	
এপ্রিল	২	
মে	২৪	
জুন	৫৬	
জুলাই	২৭	
আগস্ট	১৮	১
সেপ্টেম্বর	১৫	
মোট	১৪৪	১

দীর্ঘমেয়াদে কর্মরত একজন কনসালটেন্ট এর মর্মান্তিক মৃত্যু হয়েছে। এ ছাড়া সংক্রমিত বাকিরা ভাল আছেন। এখন পর্যন্ত নিরাময়ের হার শতভাগ এর কাছাকাছি।

এই মুহূর্তে রেনাটার জন্য নিজেকে উৎসর্গকৃত টিমের প্রতি শ্রদ্ধা জানাতে চাই। স্বাস্থ্য সেবার একটি গুরুত্বপূর্ণ অঙ্গ হওয়ায় আমাদের কাজের মূলনীতি হলো মানুষের জীবন রক্ষা করা। সুতরাং মহামারীতে ডাক্তার, নার্স, এম্বুলেন্স স্টাফ এবং অগনিত স্বাস্থ্যসেবা দানকারী পেশাদাররা যেমন তাদের দায়িত্ব ছেড়ে দিতে পারে না, তেমনি আমরাও পারিনি। আমাদের কর্মীরা সংক্রমনের ঝুঁকি নিয়ে তাদের দায়িত্ব পালন করেছে। আমরা তাদের বীরত্বকে সাধুবাদ জানাই।

দৈনন্দিন ব্যবসার বাইরে গিয়ে আমরা সাজেদা ফাউন্ডেশনের সাথে অংশীদারিত্বের মাধ্যমে মহামারীতে ক্ষতিগ্রস্তদের কাছে সরাসরি পৌঁছানোর চেষ্টা করেছে। আমরা কোভিড-১৯ রোগীদের চিকিৎসার জন্য বেশ ভাল অনুদান দিয়েছি। আমাদের ইঞ্জিনিয়ারিং টিম ভেন্টিলেটর, হাইফ্লো-নেজাল ক্যানুলা এবং হ্যাড ওয়াশিং স্টেশন তৈরিতে সক্রিয়ভাবে জড়িত ছিল।

মহামারীর প্রথম কয়েক মাস ক্লিনিক্যাল রিসার্চ অরগানাইজেশন (সিআরও) পুরো বিশ্ব জুড়ে বন্ধ ছিল। এর ফলে আমাদের গবেষণা ও উন্নয়ন কর্মকাণ্ড কিছুটা বাধাগ্রস্ত হয়। প্রায় ১২টির মত বায়ো-ইকুইভেলেন্ট সমীক্ষা বন্ধ করতে হয়। সৌভাগ্য যে, গত সেপ্টেম্বর ২০২০ থেকে পুনরায় সিআরও এর কার্যক্রম শুরু হয়েছে, ফলে আমাদের গবেষণা ও উন্নয়ন কার্যক্রমগুলো আবার মূলধারায় ফিরেছে।

MHRA ও US-FDA মতো নিয়ন্ত্রনকারী কর্তৃপক্ষের কার্যাবলীতেও যথেষ্ট গতি কমে যায়। ফলে রেনাটা কর্তৃক নতুন রেজিস্ট্রেশনও বাধার সম্মুখীন হয়। আমরা US-এতে একটিমাত্র নতুন রেজিস্ট্রেশন করতে পেরেছি। তবুও এটি লক্ষণীয় যে আমরা যুক্তরাষ্ট্রে আরও একটি NCE-1 ফাইল করতে পেরেছি, ফলে আমাদের মোট দুইটি মলিকিউলের FTF হয়েছে। টেবিল নং-৩ এ, ২০১৯-২০২০-এর মধ্যে ফাইলিংগুলি দেখানো হল:

টেবিল নং-৩		
	ফাইলিং অবস্থা	দেশ
রোসুভাস্ট্যাটিন ক্যালসিয়াম ট্যাবলেট ৫/১০/১৫/২০ মিলি গ্রাম	অনুমোদিত	আমেরিকা
ইনজেকশন (নাম অপ্রকাশিত)	এএনডিএ এর মূল্যায়ন অধীনে	আমেরিকা

মহামারীটি পশুপালনকেও প্রভাবিত করেছিল, যার ফলস্বরূপ পশু স্বাস্থ্য শিল্পকে প্রভাবিত করে। তবে এর প্রভাব দুটি কারণে দেশীয় শিল্পে কম তীব্র ছিল:

প্রথমতঃ মহামারীটি বেশিরভাগ ক্ষেত্রে একটি শহুরে ঘটনা হিসাবে দেখা গেছে, যেখানে বেশির ভাগ খামার গ্রামাঞ্চলে অবস্থিত। দ্বিতীয়তঃ সামগ্রিক চাহিদা হ্রাসের ফলে পশুপালনের পরিমাণ কমে যায়। তবে পশু স্বাস্থ্য শিল্পের উপর প্রভাব আভ্যন্তরীণ উৎপাদক ও আমদানিকারকদের ক্ষেত্রে আলাদা ছিল। উদাহরণস্বরূপ, একদিন বয়সী মুরগীর বাচ্চা উৎপাদন ১.৮ কোটি থেকে ১.২ কোটিতে হ্রাস পায়। ফলে কোভিড-১৯ আক্রান্ত দেশগুলো থেকে ওষুধ আমদানিতে ধস নামে। বিপরীতে দেশীয় উৎপাদক, যাদের পর্যাপ্ত কাঁচামালের স্টক ছিল, তারা আমদানিকৃত পণ্যগুলি থেকে প্রতিযোগিতা হ্রাস হওয়ার কারণে বাজারে আরও ভালভাবে প্রবেশ করতে সক্ষম হয়।

এমনকি এই কঠিন সময়েও, এ দুটি কারণে আমাদের পশু স্বাস্থ্য ব্যবসা ভাল গতিতে চলেছে।

আমি এখন আমাদের কোম্পানির ব্যবসার একটি খুব সংক্ষিপ্ত পরিচিতি তুলে ধরি।

পশুস্বাস্থ্যঃ যেখানে বাজারে প্রবৃদ্ধি ছিল ১৫%, সেখানে আমাদের প্রবৃদ্ধি হয়েছে ১৮%। মার্কেট লিডার হিসাবে আমাদের অবস্থান আরও সুদৃঢ় করতে পেরেছি।

আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, নিউট্রেশনাল প্রোডাক্ট এর জন্য তৈরী কারখানাটি চালু করতে পেরেছি। আমরা আশাবাদী যে, দেশে অত্যাধুনিক কাশর নিউট্রেশনাল কারখানাটি (কেএনএফ) নতুন গ্রাহকদের আকৃষ্ট করবে মূলতঃ যারা পণ্যের মানের কথা চিন্তা করে বিদেশ থেকে আমদানীকৃত পণ্য পছন্দ করেন।

ফার্মাসিউটিক্যালঃ এই শিল্পের বাৎসরিক মাত্র ৪% প্রবৃদ্ধির বেশীর ভাগ এসেছে মূলত কোভিড-১৯ এর চিকিৎসায় ব্যবহৃত ওষুধ যেমন-ইভারমেকটিন, রিভারক্সবান, ফেভপিরাভির, ভিটামিন-সি, ভিটামিন-ডি, ভিটামিন-বি কমপ্লেক্স, প্যারাসিটামল, ডক্সিসাইক্লিন, অ্যাজিথ্রোমাইসিন, ওআরএস এবং আরও কিছু ওষুধ থেকে। কিন্তু এই পণ্যগুলি প্রচুর কমদামে এবং বিভিন্নধরনের বানিজ্যিক অফারের মাধ্যমে জেনারেল প্রাকটিশনারদের (ডিজিপি) কাছে বিক্রি করা হয়েছে। যদিও এই সময়ে আমাদের ৮% প্রবৃদ্ধি অনেক কম ছিল, তবুও বিপন্ন ব্যয় কমিয়ে মুনফা সুরক্ষা করার চেষ্টা করেছে। আগের বছরের তুলনায় আমাদের বিপন্ন ব্যয় যথেষ্ট কম। বিক্রি বিবেচনায় আমরা আমাদের চতুর্থ অবস্থান ধরে রেখেছি। আমি গত বছরে উল্লেখ করেছিলাম যে, আমরা আমাদের ক্লিনিক কেয়ার পোর্টফোলিওর উন্নয়নের জন্য বিশেষ ভাবে কাজ করেছি। আমি এটা জানাতে পেরে আনন্দিত যে, আমরা এই ক্ষেত্রে দুর্দান্ত ভাল করছি।

চুক্তিভিত্তিক উৎপাদনঃ আমাদের মূল ব্যবসায়ের অগ্রসরমান এই অংশটি করোনা মহামারীতেও অক্ষত আছে। তাৎপর্যপূর্ণ বিষয় হলো- সরকার এখন পরিবার পরিকল্পনা কর্মসূচীতে তৃতীয় প্রজন্মের জন্মনিয়ন্ত্রন বডিগুলোকে অন্তর্ভুক্ত করেছে। আশা করছি এই ব্যবসার একটা বড় অংশ আমরা পাব।

প্রেস্কাপট ২০২১ঃ ২০২০ সালের আগস্ট হতে আমাদের বিক্রয়ের প্রবৃদ্ধি আগের মতই হচ্ছে। এর কারন হলো গত চার মাসের বিরতির পর ডাক্তাররা তাদের প্রাকটিসে ফিরে এসেছেন। সংক্ষেপে বলা যায়, ২০২১ সালের প্রেস্কাপট কেমন হবে তা এই মহামারীর ক্রমাগত তীব্রতার উপর নির্ভরশীল। অধিকন্তু বলা যায় যে, বাস্তবিক অর্থে প্রত্যেককে আগামী কয়েক বছর কোভিড-১৯ কে মেনে নিয়েই বসবাস করতে হবে। সুতরাং স্বল্প মেয়াদী চিন্তাভাবনা না করে, এই পরিস্থিতির অংশ হিসাবে আমাদের বিনিয়োগ করতে হবে মানবসম্পদ, কারখানা এবং গবেষণা ও উন্নয়ন ব্যবস্থায়, যাতে জীবন যখন স্বাভাবিক হবে তখন যেন আমরা মানবকল্যাণে অধিকতর অবদান রাখতে পারি।



ডাঃ সারওয়ার আলী

চেয়ারম্যান

অক্টোবর ২৬, ২০২০

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
Member, Sajida Foundation

Past Responsibilities

Director, BRAC Bank Limited
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





Zahida Fizza Kabir, Director

Current Responsibilities

Director, Renata Limited
 CEO, Sajida Foundation
 Board Member, Action Aid Bangladesh
 Chairperson, Psychological Health & Wellness Clinic Ltd.
 Managing Director, Home and Community Care and Inner Circle Private Limited

Past Responsibilities

Executive Director, Sajida Foundation
 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
 Safeguarding and External Relations Consultant, Sajida Foundation

Past Responsibilities

Counsel Barrister, Temple Court Chambers Dhaka Annexe, Dhaka, Bangladesh
 Associate Director, Human Rights and Legal Services Program, BRAC
 Senior Regional Manager, 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), UK
 Advocate, Supreme Court of Bangladesh
 Lawyer (New South Wales), Australia





Mridul Chowdhury, Director

Current Responsibilities

Director, Renata Limited
 Founder and CEO, mPower Social Enterprises Limited
 Co-Founder and Chairperson, Jeeon Limited
 Co-Founder and Chairperson, TraumaLink

Past Responsibilities

Founder and CEO, ClickDiagnostics, Inc., USA
 ICT4D Consultant, UNDP, Bangladesh
 Executive Director, Development Research Network (D.Net), Bangladesh
 ICT Consultant, Bangladesh Enterprise Institute, Bangladesh
 e-Governance Consultant, Ministry of Planning, Government of Bangladesh

Education

MPA in International Development, Development Economics – Kennedy School of Government, Harvard University, USA
 BA in Economics, Mathematics, Political Science – The University of Texas at Austin, USA
 Executive Education in Social Entrepreneurship – Stanford University, USA
 Executive Education in Social Entrepreneurship – INSEAD Business School, France

Tanya Tazeen Karim, Independent Director

Current Responsibilities

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

Past Responsibilities

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
 Director, A-CUBED PTE Ltd., Singapore
 Advisor, SHEBA.XYZ
 Advisor, Amartaka.com
 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

Ejaj Ahmad, Independent Director

Current Responsibilities

Director, Renata Limited
 President and Founder, Bangladesh Youth Leadership Center
 Global Council Member, Asia Society, USA
 Global Network Council Member, Eisenhower Fellowships, USA
 Ashoka Fellow, USA

Past Responsibilities

Honorary Teaching Fellow, School of Management, University of St Andrews
 Principal Consultant, National Youth Policy 2017; appointed by Bangladesh Government and Commonwealth Secretariat in London
 Economist, Unnayan Shammunay; served as researcher in World Bank/Ministry of Commerce funded Bangladesh Export Diversification Project and as assistant technical editor in UNDP funded People's Report on Bangladesh Environment

Education

Master in Public Policy, Harvard University, USA
 MA (Hons) in Economics, University of St. Andrews, Scotland
 Executive Education in Venture Capital, University of Pennsylvania, USA
 Executive Education in Art and Practice of Leadership Development, Harvard University, 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. Nehal Ahmed - Independent Director • Chairman, Audit Committee

Mrs. Tanya Tazeen Karim - Director • Member, Audit Committee

Mr. Mridul Chowdhury - Director • Member, Audit Committee

Mr. Kaiser Kabir - CEO & Managing Director • Member (up to 13.06.2020)

Management Team

Chief Executive Officer &
Managing Director

Director, Manufacturing

Director, Sales Pharma

Director, Animal Health

General Manager, Marketing Pharmaceutical

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, 2020.

BUSINESS ACTIVITIES

Turnover during 2019-20 was Taka 24,164.0 million registering a growth of 8.7% over last year's turnover of Taka 22,220.8 million. Profit after tax was Taka 4,129.5 million – a growth of 8.0%. Earnings per Share (EPS) stood at Taka 46.62 against Taka 43.16 of 2018-19.

NEW PHARMACEUTICAL PRODUCTS

Renata introduced 18 new formulations during the year 2019-20

Sl.	Brand Name	Generic	Division	Developed by
1	Coralcin-D Tablet	Calcium (coral source) & Vitamin D3	Pharmaceutical	Renata
2	Tyrosin 100mg Tablet	Imatinib	Pharmaceutical	Renata
3	Calcefer Effervescent Tablet	Calcium Lactate Gulconate + Calcium Carbonate + Ascorbic Acid	Pharmaceutical	Renata
4	Pulmino 200 mg Tablet	Doxofylline	Pharmaceutical	Renata
5	Stark 10mg Tablet	Rupatadine	Pharmaceutical	Renata
6	Magsum 5ml Injection	Magsum Sulphate	Pharmaceutical	Renata
7	Alphapress XR 2.5mg Tablet	Prazosin	Pharmaceutical	Renata
8	Alphapress XR 5mg Tablet	Prazosin	Pharmaceutical	Renata
9	Calcin-O Kit	Ibandronic Acid + Calcium Orotate	Pharmaceutical	Renata
10	Trizedon MR 35 mg Tablet	Trimetazidine Dihydrochloride	Pharmaceutical	Renata
11	Ledomide 10mg Capsule	Lenaledomide	Pharmaceutical	Renata
12	Ledomide 25 mg Capsule	Lenaledomide	Pharmaceutical	Renata
13	Cartilage Max Tablet	Glucosamine & Diacerein	Pharmaceutical	Renata
14	Microgest 400mg Vaginal Pessary	Natural Micronized Progesterone	Pharmaceutical	Renata
15	Myco-Out 100g	Erythromycin Estolate USP + Neomycin Sulphate USP + Sulphadimidine Sodium BP + Trimethoprim USP + Bromhexine Hydrochloride	Animal Health	Renata
16	Rena Cal-P Powder	Calcium Phosphate + Monosodium Phosphate + Vitamin C + Vitamin B12 + Vitamin D3 + Disodium Citrate	Animal Health	Renata
17	Izovac H 120 Clone	Live Attenuated NDV & Live Attenuated IBV	Animal Health	IZO SRL a Socio Unico, Italy
18	Izovac ND-IBD	Inactivated NDB & Inactivated IBDB	Animal Health	IZO SRL a Socio Unico, Italy

CAPITAL EXPENDITURE

The following capital expenditure made by the Company during the year amounted to Taka 2,492.6 million.

Taka in millions

	2019-20
Freehold Land	357.2
Building	945.4
Plant and Machinery	913.7
Automobile	101.8
Office Equipment, Furniture & Fixtures and others	174.5
Total	2,492.6

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 13 per ordinary share of Taka 10 each. This dividend will entail a payment of Taka 1,151,660,146. The Board of Directors also recommend for declaration of Stock Dividend (Bonus Shares) in the ratio of one Bonus Share for every 10 shares held for which an amount of Taka 88,589,242 will have to be transferred to Share Capital Account.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review Renata paid Taka 5,499 million to the National Exchequer in the form of Corporate Income Tax, Import Duties and Value Added Tax (VAT)

DIRECTORS

According to the provisions of Article 105 of the Articles of Association of the Company, Mr. Mridul Chowdhury and Mrs. Tanya Tazeen Karim, retires at the 47th Annual General Meeting and being eligible offer themselves for re-election

The Directors retiring by rotation under Articles 109, 115 and 116 of the Articles of Association of the Company Dr. Sarwar Ali have been longest in office since election, and constitute one-third of the Directors who retire by rotation, being eligible offer himself for re-election.

APPOINTMENT OF STATUTORY AUDITORS

The Company's existing Auditor Messrs ACNABIN, Chartered Accountants retire at the 47th Annual General Meeting and being eligible offer themselves for reappointment as auditor for the year 2020-21 with re-fixation of their remuneration. The Audit Committee and Board recommends Auditor's remuneration BDT 9,00,000 (nine lacs) only by enhancing BDT 50,000 to previous year remuneration subject to the approval of the shareholders in the 47th AGM of the Company,

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.

RELATED PARTY TRANSACTIONS

The Company carried out a number of transactions with related parties in the normal course of business. Details of the related party transactions are disclosed in Note No. 41 of the financial statements.

Financial Results

The Directors take pleasure in reporting the following financial results of the Company for the year 2019-20

	2019-20 Taka	2018-19 Taka
Profit before tax	5,992,007,966	5,213,777,207
Less: Provision for tax	1,862,412,163	1,390,415,077
Net Profit after tax	4,129,595,803	3,823,362,130
Add/(Less) Other comprehensive income	(26,666,085)	(627,520)
Total Comprehensive income	4,102,929,718	3,822,734,610
Add: Unappropriated profit brought forward	16,439,182,863	13,501,704,788
Add: Depreciation of revaluation surplus	635,885	635,885
Less: Adjustment for merger of Renata Oncology	(43,065,634)	-
	20,499,682,832	17,325,075,283
APPROPRIATION RECOMMENDED		
Dividend proposed:		
a) Cash dividend @ 13 Taka per share	1,151,660,146	805,356,750
b) Stock dividend (Bonus Share) in the ratio of one bonus share for every 10 shares held (10 :1B)	88,589,242	80,535,675
	1,240,249,388	885,892,425
Balance of unappropriated profit carried Forward	19,259,433,444	16,439,182,858
	20,499,682,832	17,325,075,283

REMUNERATION PAID TO THE DIRECTORS

During the year, the Company has paid BDT 2,40,000 as Board Meeting attendance fees and BDT 60,000 for Audit Committee Meeting attendance fees. The remuneration of the Directors has been mentioned in Note 34 of the financial statement.

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 2019-20 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 13.00 per share of Taka 10 each and Stock dividend (bonus share) in the ratio of one share for every 10 shares are held
- j) During the year six board meeting, five audit committee meeting and two NRC meeting were held and the attendance by each Director are given below:

Board Meeting:

- | | |
|-----------------------|---------|
| 1. Dr. Sarwar Ali | 6 times |
| Chairman of the Board | |

- | | |
|--|---------|
| 2. Mr. Syed S. Kaiser Kabir | 6 times |
| Managing Director | |
| 3. Mrs. Zahida Fizza Kabir | 5 times |
| Director | |
| 4. Mrs. Sajeda Farisa Kabir | 5 times |
| Director | |
| 5. Mr. A. Hasanat Khan (up to 21.12.2019) | 4 times |
| Director | |
| 6. Mr. Md. Abul Hossain (up to 28.01.2020) | 2 times |
| Director | |
| 7. Mr. Mridul Chowdhury (from 28.01.2020) | 1 time |
| Director | |
| 8. Mrs. Tanya Tazeen Karim | 5 times |
| Director | |
| 9. Mr. Nehal Ahmed | 5 times |
| Independent Director | |
| 10. Mr. Ejaj Ahmad (from 13.06.2020) | 0 time |
| Independent Director | |

Audit Committee Meeting:

- | | |
|--|---------|
| 1. Mr. Nehal Ahmed | 4 times |
| Chairman | |
| 2. Mrs. Tanya Tazeen Karim | 4 times |
| Member | |
| 3. Mr. Syed S. Kaiser Kabir (up to 13.06.2020) | 5 times |
| Member | |
| 4. Mr. Mridul Chowdhury (from 13.06.2020) | 0 time |
| Member | |

NRC Committee Meeting:

- | | |
|----------------------------|---------|
| 1. Mr. Nehal Ahmed | 2 times |
| Chairman | |
| 2. Mrs. Tanya Tazeen Karim | 1 times |
| Member | |
| 3. Mrs. Zahida Fizza Kabir | 2 times |
| Member | |

k) The pattern of Shareholding

(i) Parent/ Subsidiary / Associated companies:

The Shareholding information as on 30th June 2020 and other related information are set out in note- 7.

(ii) Directors Name	No. of Shares
Dr. Sarwar Ali	4,897
Mr. Syed S. Kaiser Kabir	114,486
Mrs. Zahida Fizza Kabir	25,720
Mrs. Sajeda Farisa Kabir	12,883
Mr. Mridul Chowdhury	-
Mrs. Tanya Tazeen Karim	-
Mr. Nehal Ahmed	-
Mr. Ejaj Ahmed	2370
 (iii) Company Secretary	
Mr. Jubayer Alam	2,213
 (iv) Chief Financial Officer (CFO)	
Mr. Khokan Chandra Das	2,683
 (v) Head of Internal Audit	
Mr. ATM Muniruzzaman	243
 (vi) Executives:	
Mr. Halimusshan	0
Dr. Sayma Ali	16,505
Mr. Monowarul Islam	2,055
Mr. Sirajul Hoque	9,000
Mr. Zaki Chowdhury	0

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

Sajida Foundation	45,180,129
Business Research International Corp.	19,262,801

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 26, 2020

ANNEXURE-A

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



Renata Limited

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

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

The CEO and CFO's certification to the Board

October 26, 2020

The Board of Directors
Renata Limited

Subject: Declaration on Financial Statements for the year ended on June 30, 2020

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 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, 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

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

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the year ended on June 30, 2020 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Syed S. Kaiser Kabir
CEO & Managing Director
October 26, 2020



Khokan Chandra Das
Chief Financial Officer
October 26, 2020

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 Eskaton Road, Dhaka-1000
Phone: 88311559, 9351564, 9351457,
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E-mail: info@kmhasan.com.bd
website: www.kmhasan.com.bd



McMillan Woods
International
Professionalism at 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 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any 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: 11 November 2020

For K. M. HASAN & CO.
Chartered Accountants

Md. Amirul Islam FCA, FCS
Senior Partner

An Independent Member Firm of McMillan Woods International

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 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).	✓	-	Mr. Ejaj Ahmad is appointed by Board of Director & recommended to the shareholders in the 47th AGM for Approval
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.	✓	-	-
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 business 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 business 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 discussion 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 financial 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;	✓	-	-
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	-	-
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	✓	-	-
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;	✓	-	-
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	-	-
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓	-	-
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	✓	-	-
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year. Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	-	-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	-	-
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 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;	✓	-	-
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;	✓	-	-
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	-	-
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	-	-
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	-	-
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; 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;	✓	-	-
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

ANNEXURE-D

AUDIT COMMITTEE REPORT FOR THE YEAR ENDED JUNE 30, 2020

The Audit Committee consists of the following members:

Mr. Nehal Ahmed	Independent Director	Chairman, Audit Committee
Mrs. Tanya Tazeen Karim	Director	Member
Mr. Syed S. Kaiser Kabir (Up to 13. 06.2020)	CEO & Managing Director	Member
Mr. Mridul Chowdhury (From 13.06.2020)	Director	Member

The scope of Audit Committee was defined as under:

- a) To review the quarterly, half yearly and the audited financial statements and management letter if any;
- b) To recommend to the Board of Directors the quarterly, half yearly and the audited financial statements for approval;
- c) To review the internal audit findings and monitor the progress of potential issues;
- d) To review the statement of all related party transactions submitted by the management; and
- e) To recommend to the Board of Directors the reappointment and refix the remuneration of M/S ACNABIN, Chartered Accountants as External Auditors of the Company for the year 2020-2021.

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.



Nehal Ahmed
Chairman
Audit Committee

RENATA LIMITED

REPORT OF THE NOMINATION & REMUNERATION COMMITTEE (NRC)

The Board of Directors of Renata Limited has duly constituted a Nomination and Remuneration Committee (NRC), in accordance with the requirements of the BSEC Code of Corporate Governance. .

The NRC at Renata provides guidance to the management in identifying the Company's needs for employees at different levels and determining their selection, transfer or replacement and promotion criteria.

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

The Report of Nomination and Remuneration Committee is prepared in compliance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC).

This Report describes the nomination and remuneration policies, evaluation criteria and activities of the NRC at Renata Ltd.

1. **Overview of the Nomination and Remuneration Policies:**

Renata Limited follows nomination and remuneration policies, the benchmark of which relies on standards and recognizable in the market context and sufficient to meet the current and future needs of the Company. The broad's criteria in that respect for Directors and top-level executives and all other employees of the Company are outlined here:

a) Nomination Criteria

- i. the Company policies and guidelines as well as country regulations (where applicable) are followed
- ii. transparency in all respects is maintained in the selection process
- iii. a process which is compatible with international standards as well as local best practices is followed
- iv. core competencies of the respective personnel for the different level of management and employees of the Company is recognized.
- v. efforts are made to ensure diversity in terms age, maturity, qualification, expertise and gender disciplines
- vi. the selection process reflects the value the company places on equality and diversity.

b) Recruitment and Selection Guidelines

The NRC draws a broad outline of the Company needs for employees at different levels, as ascertained by the management. The recruitment and selection of Directors, top-level executives and other employees of the Company are made according to the following guidelines:

❑ Executive Director:

The NRC recommends the candidate(s) for Executive Director(s), based on nomination by the majority shareholders. The Board of Directors appoint the Executive Director/s upon nomination and recommendation of the NRC.

❑ Non-Executive Director:

The NRC recommends candidate(s) for Non-Executive Director(s), based on nomination by the majority shareholders, the Government shareholders and other general shareholders. The Board of Directors appoints the Non-Executive Directors upon nomination and recommendation of the NRC.

❑ Independent Director:

The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the business. The Independent Director should have competence relevant to the sector in which the Company operates, and necessarily should have the qualifications as required by the regulations of BSEC. The Board of Directors appoints Independent Directors upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.

❑ Top-level executives:

The NRC identifies and recommends candidate(s) for top-level executives upon thorough scrutiny by the Managing Director, Executive Committee and Human Resources Department (HRD), considering relevant qualifications, experience, skills and leadership, as required for the respective positions based on the Company's internal selection process.

Explanation:

'Top-level executives' of the Company include the Managing Director, Directors, the General Manager of Finance, the Head of Human Resources, all the Executive Committee Members (head of functions), the Company Secretary, the Head of Internal Audit & Compliance, and same level/ ranked/ salaried officials of the Company.

❑ Other Employees:

The NRC sets a guideline to identify the Company's need for employees at different levels, and empowers the relevant management of the Company's HRD for selection, transfer, replacement and promotion of respective employees based on the Company's internal processes.

2. Roles, Responsibilities, Constitution and Evaluation Criteria of the Committee:**a) Executive Directors**

The respective line authority of the Executive Director(s) sets the performance measurement criteria based on the respective role profile and responsibilities through a Company appraisal process at the beginning of each calendar year. The Executive Director(s) prepare the performance document (half-year and year end). The respective line authority then evaluates the performance of the Executive Director(s) according to the measurement criteria.

b) Independent Director & Non-Executive Director

The evaluation of performance of the Independent Directors (IDs) and Non-Executive Directors are carried out at least once a year by the Board of Directors, according to the following criteria:

- a) Attendance at the Board meetings and committee meetings
- b) Participation in the Board meetings and committee meetings
- c) Contribution to improving the corporate governance practices of the Company

c) Top-level Executives & other Employees

The respective line authority of top-level executives and other employees sets the performance measurement criteria based on the respective roles and responsibilities to achieve people and business objectives through Company appraisal processes at the beginning of each calendar year. The employees concerned prepare the performance document (half-year and year end). The respective line authority then evaluates the performance of the employee(s) according to the measurement criteria.

In addition, the NRC formulates guidelines for evaluation and assessment of all employees in the organization. These guidelines are then passed on to Human Resources Division. These guidelines are followed when assessing the performance of all employees.

d) Mid-level Employees:

The respective line management or line authority of mid-level employees and other employees set the performance measurement criteria based on respective roles and responsibilities to achieve people and business objectives through Company appraisal processes at the beginning of each calendar year.

e) Junior-level Employees:

The respective line management or line authority of junior-level employees and other employees set the performance measurement criteria based on respective roles and responsibilities to achieve people and business objectives through Company appraisal processes at the beginning of each calendar year

Roles and Responsibilities of the Committee

- i) NRC shall oversee, among others, the following matters and make report with recommendation to the Board;
- ii) 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:
- iii) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- iv) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- v) 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;
- vi) reviewing the appropriateness and relevance of the present policy;

- vii) reviewing the policy for authorizing claims for expenses from the Directors;
- viii) maintaining liaison as necessary with all other Board Committees;
- ix) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- x) developing, recommending and reviewing annually the company's human resources and training policies;

Review of the Terms of Reference

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

3. Activity Summary of Nomination and Remuneration Committee during the year

a) Formation of NRC and its Meetings

The Board restructured the Nomination & Remuneration Committee (NRC) on June 13, 2020 as per the requirement of BSEC Corporate Governance Code with the following composition:

- Mr. Nehal Ahmed (from 26.01.2019 to till to date)
Director & Chairperson of the NRC
- Mrs. Zahida Fizza Kabir
Director & Member, NRC
- Mrs. Tanya Tazeen Karim
Director & Member, NRC

In 2019-20 the Committee met twice, dated 13 November, 2019 and June 02, 2020. 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.



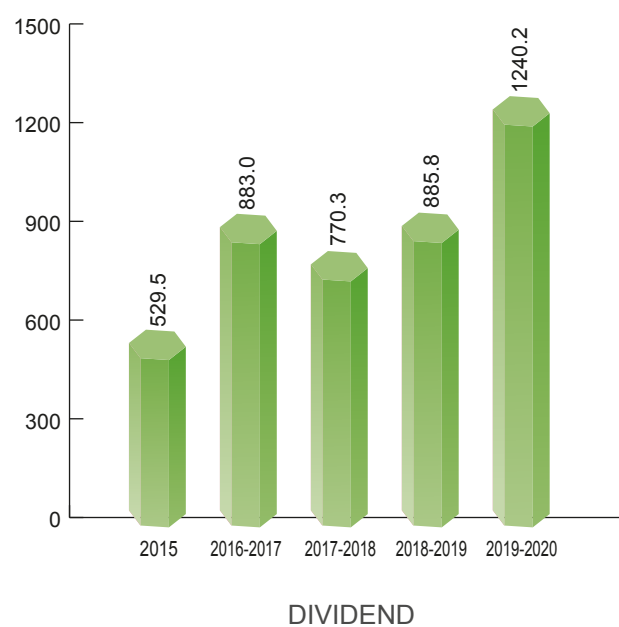
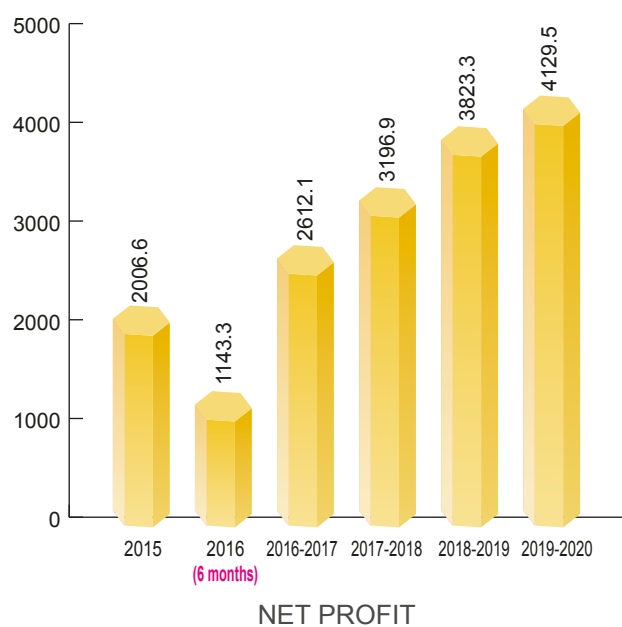
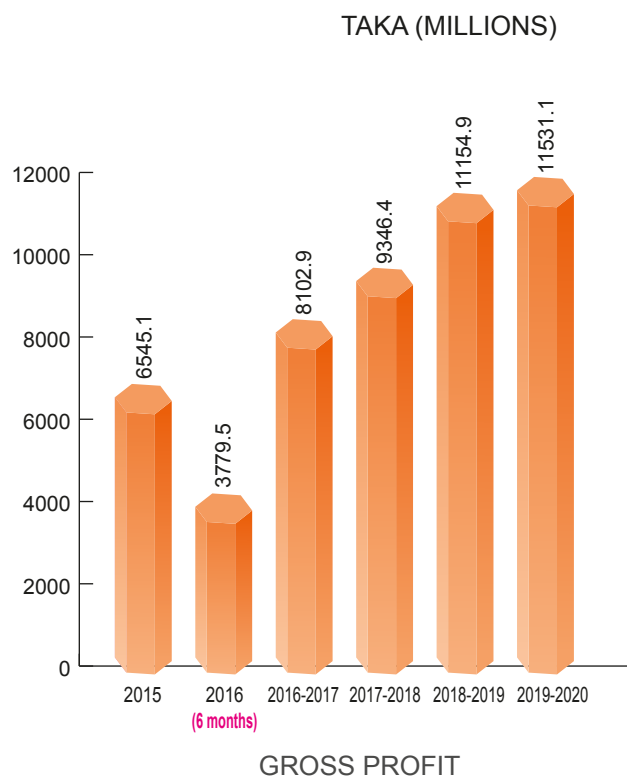
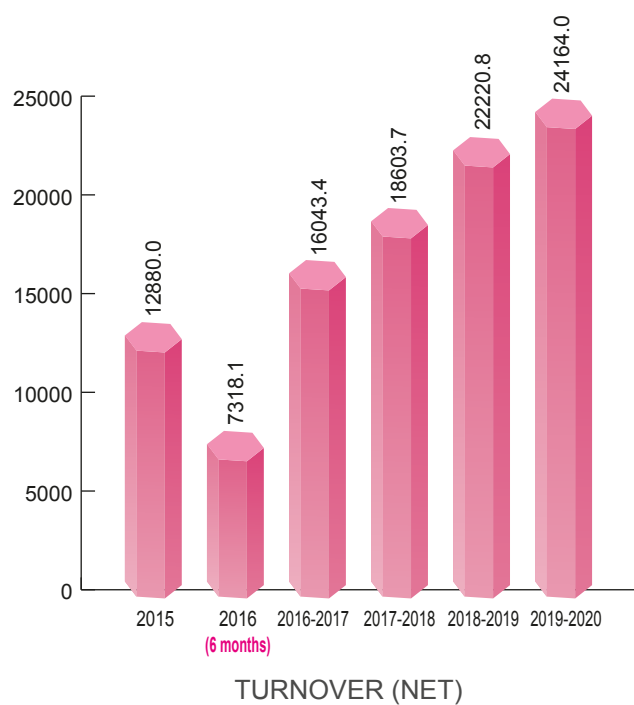
Nehal Ahmed
Chairman
Nomination and Remuneration Committee

ANNEXURE-E

RENATA LIMITED FINANCIAL HIGHLIGHTS

Particulars	Figures in Taka (Thousands)					
	2019-2020	2018-2019	2017-2018	2016-2017	2016 (6 months)	2015
Balance Sheet						
Shareholders' Equity						
Share capital	885,892	805,357	700,310	608,965	529,535	529,535
Proposed stock dividend	88,589	80,536	105,047	91,345	-	79,430
Proposed cash dividend	1,151,660	805,357	665,295	791,655	-	450,105
Revaluation surplus	153,854	154,331	154,808	155,285	156,282	156,520
Tax holiday reserve	-	-	-	-	-	315,027
Unappropriated profit	19,259,433	16,439,183	13,501,704	10,827,285	9,857,260	7,875,242
Shareholders' fund	21,539,430	18,284,763	15,127,164	12,474,535	10,543,077	9,405,859
Long term & deferred liabilities	1,442,915	1,303,840	1,209,209	1,233,238	1,196,986	1,084,703
Total	22,982,345	19,588,603	16,336,373	13,707,773	11,740,063	10,490,562
Application of Funds						
Property, plant & equipment-WDV	13,668,110	11,720,776	10,746,707	10,245,093	9,672,963	9,419,128
Investment & non-current assets	63,080	143,079	143,069	143,069	251,263	235,464
Current assets	15,313,364	12,337,381	9,921,903	7,736,183	6,836,121	6,483,183
Current liabilities	(6,062,210)	(4,612,634)	(4,475,306)	(4,416,572)	(5,020,284)	(5,647,213)
Total	22,982,345	19,588,603	16,336,373	13,707,773	11,740,063	10,490,562
Financial Results						
Turnover (Gross)	27,675,678	25,431,634	21,339,459	18,335,157	8,394,975	14,735,200
Turnover (Net)	24,164,022	22,220,887	18,603,709	16,043,431	7,318,104	12,880,957
Gross profit	11,531,115	11,154,921	9,346,470	8,102,926	3,779,587	6,545,154
EBITDA	7,130,372	6,165,632	5,239,795	4,523,432	2,285,037	3,542,645
Profit before taxation	5,992,008	5,213,777	4,333,061	3,691,715	1,887,698	2,731,512
Profit after taxation	4,129,596	3,823,362	3,196,951	2,612,142	1,143,353	2,006,641
Total comprehensive income	4,102,930	3,822,735	3,200,539	2,625,511	1,137,138	2,008,012
Dividend	1,240,249	885,892	770,342	883,000	-	529,535
Financial Performance						
Number of shares	88,589,242	80,535,675	70,031,022	60,896,541	52,953,514	52,953,514
Earnings per share (Taka)	46.62	43.16	36.09	29.49	12.91	22.65
Dividend per share (Taka)	14.00	11.00	11.00	14.50	-	10.00
Dividend payout %	30.03%	23.17%	24.10%	33.80%	-	26.39%
Effective dividend rate %	1.36%	0.92%	0.85%	1.25%	-	0.81%
Price earnings ratio (Times)	22.01	27.77	35.93	39.24	91.83	54.43
Market price per share (Taka)	1,026.20	1,198.40	1,296.50	1,157.10	1,185.20	1,233.00
Price/Equity ratio (Times)	102.62	119.84	129.65	115.71	118.52	123.30
Return on shareholders' fund %	19.17%	20.91%	21.13%	20.94%	10.84%	21.33%
Current ratio (Times)	2.53	2.67	2.22	1.75	1.36	1.15
Net operating cash flow per share (Taka)	51.91	46.90	29.48	39.72	16.24	22.48
Net asset value per share (Taka)	243.14	206.40	170.76	140.81	119.01	106.17
Number of employees	7,710	6,886	6,798	6,087	5,965	5,473

Financial Trend



Statement of Value Addition

	2019-20 Taka	%	2018-19 Taka	%
Turnover and other income	24,708,107,920		22,495,772,611	
Less: Materials cost & Expenses	11,755,954,062		10,690,224,218	
Value Added	12,952,153,858	100.00	11,805,548,393	100.00

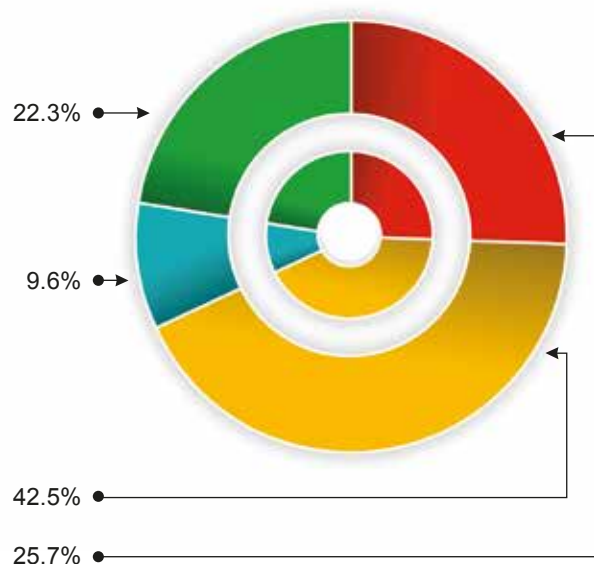
Application:

Salaries and benefits to employees	3,323,502,897	25.7%	2,898,706,073	24.6%
Duties and Taxes to Government Exchequer	5,499,055,158	42.5%	5,083,480,190	43.1%
Dividend to Shareholders	1,240,249,388	9.6%	885,892,425	7.5%
Retained by the Company	2,889,346,415	22.3%	2,937,469,705	24.9%
Total	12,952,153,858	100.00	11,805,548,393	100.00

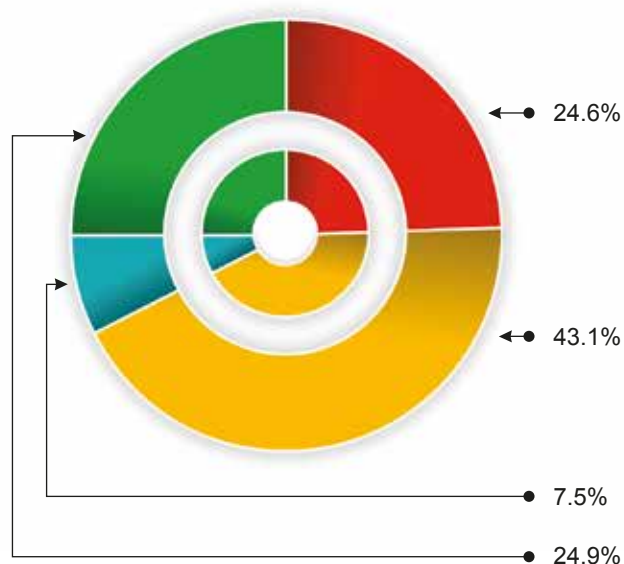
■ Salaries and benefits to Employees
■ Duties and Taxes to Government Exchequer

■ Dividend to Shareholders
■ Retained by the Company

2019-2020



2018-2019



Corporate Social Responsibility

Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. We strongly believe that in order to be successful, it is necessary to create value, not just for the company but also for the society that we live in. In our company, corporate social responsibility means caring for our employees, assisting disadvantaged members of our society, and building a sustainable environment.

Led by this believe, Renata donates substantially on various CSR activities:

A) 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. At Renata, all employees are reimbursed for their personal medical expenses.

The following areas are covered: General, Gynaecology, Cardiovascular, Diabetes, Accident, Diagnostic, Gastroenterology, Oncology, Pediatrics, Dentistry, Skin & Dermatology, Nephrology, Gastroenterology, ENT

B) SUPPORT TO CHARITABLE ORGANIZATIONS:

Renata encourages organizations that are working for a change in society by providing financial support to them. Over the years, Renata Ltd. has made donations and contributions to a number of reputable charitable organizations. Most of these organizations are working for the betterment of underprivileged and disadvantaged members of our society. Donations made to charitable organizations make up a significant portion of Renata's total CSR expenditure every year. Renata has extended its support to the following charitable organizations over the last few years. Here is a list of the charitable organizations to which Renata has made financial donations

NAME	ACTIVITIES
Jaago Foundation	JAAGO Foundation is a non-profit that works to provide education to children from socially and economically disadvantaged backgrounds. Various support functions work to ensure the sustainable growth of their core schooling program as well contribute to improved livelihoods within affected communities.
One Degree Initiative	One Degree Initiative is a non-profit that provides mentorship to young people in order to engage them as active citizens and inspire entrepreneurship
Nijera Kori	Nijera Kori is a non-profit dedicated to addressing issues of human rights and sustainable livelihoods. They are active in 18 districts and work to advocate for and empower landless poor and marginalized communities.
The Poverty Fighter Foundation	The Poverty Fighter Foundation is a dedicated non-profit organization working to reduce poverty in Bangladesh. Renata supported their program aiming to empower children through education.
Birangona Project	Birangona Project focuses on the often forgotten women war heroes of Bangladesh and helps to empower these heroes and provide them with sustainable livelihoods and support.
Kaan Pete Roi	Kaan Pete Roi is an emotional support helpline in Bangladesh. It is staffed by trained volunteers, where people can call to receive immediate emergency counseling. The mission of the helpline is to alleviate feelings of despair, isolation, distress, and suicidal feelings among members of the community, through confidential listening. The helpline is intended for suicide prevention and the promotion of mental health.
Dr. Faria Faisal Memorial Foundation	Dr. Faria Faisal Memorial Foundation for free medical camp.

NAME	ACTIVITIES
Mamm's Institute of Fistula and Women's Health	Mamm's Institute of Fistula and Women's Health as a charitable hospital is rendering free services to poor women of Bangladesh. In respect to this the organization is providing free medical services and training on fistula surgery, prolapse surgery, incontinence surgery etc.
Acid Survivor's Foundation	Acid Survivor's Foundation was formed in 1999 with the growing concern of the rising trend of acid violence in Bangladesh. Acid violence is a form of gender based violence that reflects and perpetuates the inequality of women in society.
Amader Pathshala	Amader Pathshala is a social initiative for quality education of underprivileged children. It aims to deliver education, appropriate to their socio-economic condition and cultural make up. This means to make the lessons interesting to the children in the course of interaction, and to find out the ways continuing of their studies as the key challenges. This initiative is completely private financed and 100% of the donations are used directly for the student's education.
Bangladesh Infertility Management Centre (BIMC)	Bangladesh Infertility Management Centre (BIMC) is a modern and international standard test tube baby and infertility treatment center has been working since 2005. The Centre has taken initiative to develop a "Women Cancer Prevention and Research Centre" under it with a view to help in screening women for prevention of different types of female cancers. It will also perform research work and provide low cost services to under privileged women.
BRAC	BRAC, an international development organization based in Bangladesh, is the largest non-governmental development organization in the world, in terms of number of employees as of September 2016. Established by Sir Fazle Hasan Abed in 1972 after the independence of Bangladesh, BRAC is present in all 64 districts of Bangladesh as well as 13 other countries in Asia, Africa, and the Americas. The objective of the BRAC was economic development, education, public health and disaster relief. BRAC Health has reached the under-privileged and deprived community through its frontline community health workers (CHWs); adopting a door to door service delivery approach. BRAC's international operations replicated the models used in Bangladesh to provide healthcare services to the community people.
Society for Assistance to Hearing Impaired Children	SAHIC (Society for Assistance to Hearing Impaired Children) is a voluntary NGO established in 1987 for prevention, early detection and rehabilitation of the hearing impaired in Bangladesh, especially children. SAHIC runs mobile ear camps that focus on prevention, detection, and treatment of hearing impairments especially in children and also offer ENT (ear, nose, and throat) treatment. SAHIC also operates a hospital specializing in ENT and head and neck treatment/surgeries that serves all Bangladeshis. The objective of the society was to prevent an early detect hearing impairment, to treat the diseases that may cause hearing impairment and rehabilitation of hearing impaired, especially children.
Sahera Hasan Memorial Trust	Mir Hasan Ali and his wife Sahera Khatun wish to establish a hospital which will help the poor people. Sahera Hasan Memorial Hospital is the reflection of their wish. Professor Dr. Rowshan Ara Begum, their middle child established this hospital with her own expense. Her goal is to provide service for the general people. This hospital aimed at providing totally free medical treatment for helpless poor people.
Neuroscience Research Centre of Dhaka University	The Neuroscience Research Center of Dhaka University (NRCDU) was created under the approval of Honorable Vice-Chancellor of Dhaka University and the Syndicate of Dhaka University. The neuroscience is a very promising and potential discipline of life sciences and it comes to encompass a growing number and diversity of special research areas involving brains and the related central and peripheral tissues. The key topics of research and studies to understand and to unfold the mystery of brains and brain related functions are neurochemistry, neurophysiology, neurobiochemistry, developmental neurobiology, neuropharmacology, neurotoxicology, neuro-immunology, neuroendocrinology, neuroanatomical, organizational and chemical complexities of nervous system, nerve impulse conduction and transmission, neurotransmitters, neuromodulators, neurotransmitters-mediating enzymes, their purifications, characterizations and genetics and molecular biology and chromosomal studies.

NAME	ACTIVITIES
Centre for Cancer Prevention and Research	Centre for Cancer Prevention and Research (CCPR) is a voluntary organization working in Bangladesh for cancer prevention and control.
Combined Medical Hospital	Combined Military Hospital (CMH) to open an In-vitrofertilization center aiming to offer a comprehensive range of fertility treatment.

C) SCHOLARSHIP TO MERITORIOUS STUDENTS

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. Through HOPES, Renata Limited sponsors students who would otherwise not be able to pursue a degree in Medicine

D) WOMEN'S EMPOWERMENT

On March 26, 2012, Wasfia Nazreen reached the summit of Mount Everest – the youngest person from Bangladesh and the first one-woman from our country to ever do so. Renata continued to support her in her quest to be the first Bangladeshi to climb the Seven Summits.

In 2015, Wasfia Nazreen became the first Bangladeshi to scale all the seven summits. Earlier, Renata supported her expeditions to Mount Elbrus and Everest, Carstenz Pyramid, the final climb of her seven summits expedition was also sponsored by us.

E) FINANCIAL ASSISTANCE TO EX- EMPLOYEES AND THEIR CHILDREN

Renata Limited has providing financial assistance to its ex-employees and their children since its inception. Every year, a substantial portion of Renata Limited's total CSR expenditure is set aside for the financial assistance of ex-employees and their children.

F) TREATMENT FOR DOCTORS WITH LIFE-THREATENING ILLNESS

Renata Limited continues to fund treatment for patients diagnosed with cancer and other life-threatening illnesses.

G) NATIONAL EMERGENCY

Renata Limited has extended financial support in times of any national emergency.

In 2013, the ready-made garment industry of the nation faces one of its severest tragedies. On April 24, 2013, an eight-story building in Savar collapsed, killing over 1,100 garment factory workers inside, and injuring hundreds of others. Renata provided support to the victims of this tragedy and their families.

In 2009, Cyclone Aila attacked offshore 15 districts of south-western part of Bangladesh, killing about 150 persons and destroying 2 lac houses and 3 lac acres of cultivated land and crops.

In 2019, Cyclone Bulbul caused severe flooding and storm surge in the country, with approximately 72,000 metric tons of crops being lost, with a total value of Tk 2.6 billion (US\$31 million).

In both instances, Renata Ltd stood beside the Bangladesh government in its relief program and provided generous aid to the victims of the disaster.

In 2020, Bangladesh was thrown into a crisis brought by the global pandemic covid-19. It brought a crisis to the national economy and the impact was severe on people who survive on daily wages. Due to the country wide lock down, many lost their sources of income and had to live without wages for days.

Renata reached out to these disadvantaged groups in various ways. The 19 Depot offices and production factory sites of Renata, located in different parts of Bangladesh, arranged daily meals for these unfortunate victims of the lock down, saving them from starvation.

Renata also made donations to the Hospitals who are providing free Covid-19 treatment to the general people.

In addition to the above, Renata has provided financial assistance to victims of national crisis natural calamities in many instances and resolves to do so in the future.

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
Erythro	Erythromycin Stearate	Tablet	250, 500mg	5x10's
Erythro	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	Vial 4 lac &
		8,00,000 units	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
Alphapress XR	Prazosin Hydrochloride	Tablet	2.5mg	3x10's
Alphapress XR	Prazosin Hydrochloride	Tablet	5mg	3x10's
ANTI-ANGINA				
Antogin ER	Ranolazine	Tablet	500mg	4X5's
Trizedon MR	Trimetazidine Dihydrochloride	Tablet	35mg	3x10'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				
Cartilage Max	Glucosamine Sulfate+Diacerein	Tablet	750mg+50mg	3x10's
Ceclofen	Aceclofenac	Tablet	100mg	5x10's
Dysmen	Mefenamic Acid	Tablet	250mg	10x10's
Dysmen	Mefenamic Acid	Tablet	500mg	5x10's
Rolac	Ketorolac	Tablet	10mg	4x14's

Trade Name	Generic Name	Formulation	Strength	Pack Size
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
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
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ANTI-SPASMODIC

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

*DPS= Dry Powder for Suspension

Trade Name	Generic Name	Formulation	Strength	Pack Size
STERIOD				
Deltasone	Prednisolone	Tablet	5mg	25x10's, 50x10's
Deltasone	Prednisolone	Tablet	10mg	10x10's
Deltasone	Prednisolone	Tablet	20mg	5x10's
Deltasone	Prednisolone	Oral Solution	5mg/5ml	Bottle 100ml
Deltasone	Prednisolone	Oral Solution	5mg/5ml	Bottle 50ml
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
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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-O KIT	Ibandronic Acid + Calcium Orotate	Tablet	150mg+400mg	1 Kit
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
Coralcin-D Tablet	Calcium (Coral source) & Vitamin D3	Tablet	500mg+200IU	6x10'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
Magsum	Magnesium Sulfate	Injection	2.5g /5ml	1x5 Ampoules
Neurobest	Vit B1+B6+B12	Tablet +200mcg	100mg+200mg	6x10's
Neurobest	Vit B1+B6+B12	Injection +1mg	100mg+100mg	2x5's
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
Stark	Rupatadine	Tablet	10mg	3x10's

Trade Name	Generic Name	Formulation	Strength	Pack Size
CNS-PRODUCT				
Gaba	Gabapentin	Tablet	300mg	3x10's
Gaba-P	Pregabalin	Capsule	25mg	5x6's
Gaba-P	Pregabalin	Capsule	50mg	3x10's
Gaba-P	Pregabalin	Capsule	75mg	3x10's
Renxit	Flupentixol+Melitracen	Tablet	0.5mg+10mg	10x10's
Norry	Bromazepam	Tablet	3mg	5x10's
Cabretol	Carbamazepine	Tablet	200mg	5x10's
Cabretol	Carbamazepine	CR 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
Microgest	Natural Micronized Progesterone	Capsule	400mg	2x5'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 x 10'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
Tyrokin	Imatinib	Tablet	100mg	1x10's

Trade Name	Generic Name	Formulation	Strength	Pack Size
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
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
Pulmino	Doxofylline	FC Tablet	200 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	4mg3x10's	
Emeren	Ondansetron	Tablet	8mg3x10'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

Trade Name	Generic Name	Formulation	Strength	Pack Size
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
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
LEDOMIDE	Lenalidomide	Capsule	25mg	2x6's

ANIMAL HEALTH PRODUCTS

ANTIBIOTIC

Renamycin AF Tablet	Oxytetracycline USP	Tablet	500mg	5 x 4's
Renamycin Injectable Solution	Oxytetracycline USP	Injection	50mg/ml	10ml
Renamycin-100 with PVP	Oxytetracycline USP	Injection	100mg/ml	10ml, 100ml
Renamycin LA	Oxytetracycline USP	Long Acting Injection	200mg/ml	10ml
Pronapen 40 lac	Procaine Penicillin BP	Injection	3MIU+1MIU	Vial 40 lac
Streptopen	Benzyl Penicillin Sodium	Injection	1.5MIU+	Vial 0.5g, 2.5g
	Procaine Penicillin BP			
	Benzyl Penicillin Sodium			
	Streptomycin USP			
Gentaren	Gentamicin Sulphate	Injection	100mg/ml	10ml & 100ml
Renamox	Amoxycillin	Tablet	500mg	2x10's
Tilmisin	Tilmicosin	Solution	25mg	100ml

CEPHALOSPORIN

Renacef	Ceftriaxone	Injection	1gm, 2gm	Vial 1gm & 2gm
Ceftiren	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 -3	Sulphadiazine USP	Bolus	1.666gm+	10 x 2's
	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
Renadex	Triclabendazole + Levamisole	Tablet	900mg+600mg	10 x 2's

ANTI-PROTOZOAL

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

Trade Name	Generic Name	Formulation	Strength	Pack
NSAID				
Renafen	Ketoprofen	Injection	100mg/ml	10ml
Pyralgil	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	10g, 100g
Melocam	Meloxicam	Injection	0.5g/100ml	10ml
Melocam	Meloxicam	Bolus	100mg/Bolus	10 x 4's
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	Tablet	50mg+ 100mg+ 25mg+ 20mcg+	15 x 4's
Anorexon DS	Choline Bitartrate BP Cobalt Sulphate BP Dried Ferrous Sulfate USP Thiamine Mononitrate USP Vitamin B12 USP	Bolus	9.1mg 100mg+ 200mg+ 50mg+ 40mcg+	10 x 4's
Rumenton	Choline Bitartrate BP Antimony Potassium Tartrate USP Ferrous Sulphate USP	Bolus	18.2mg 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+ 0.3gm+ 0.3gm/20gm	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
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 AD3E	Vitamin A, D ₃ & E	Injection 50mg/ml	0.5MIU+0.075MIU+ & 100ml	10ml, 30ml

Trade Name	Generic Name	Formulation	Strength	Pack
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
Myco-Out	Erythromycin Estolate USP Neomycin Sulphate USP Sulphadimidine Sodium BP Trimethoprim USP Bromhexine Hydrochloride BP	Water soluble powder	36mg/gm 51.50mg/gm 107.90mg/gm 18mg/gm 1.66mg/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
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

Trade Name	Generic Name	Formulation	Strength	Pack
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 Plus	Nephrotonic	Oral solution	NA	100ml, 500ml
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
Ren A 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
Respocare	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
Rena Cal-P	Calcium Phosphate Monosodium Phosphate Vitamin C Vitamin B12 Vitamin D3	Water soluble powder	42mg/gm 15mg/gm 6mg/gm 10mg/gm 400IU	500g & 1Kg
Renazyme CS	Disodium Citrate Xylanase, Cellulase, Beta-glucanase, Amylase, Protease, Mannanase, Pectinase	Solution	0.27mg/gm 10000 IU, 200000 IU, 1400 IU, 7000 IU, 10 IU, 100 IU, 5 IU	100ml

Trade Name	Generic Name	Formulation	Strength	Pack
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 & 1gm /100 ml	500 ml
Kol Suspension	Activated Charcoal	Oral solution	16.40%	500ml

VACCINES

LIVE VACCINES

IZOVAC Clone	Attenuated NDV	Lyophilized	Clone 10 ⁶ EID ₅₀	1000 Doses
IZOVAC Lasota	Attenuated NDV	Lyophilized	Lasota 10 ⁶ EID ₅₀	1000 Doses
IZOVAC H120 Clone	Attenuated NDV & Attenuated IBV	Lyophilized	Clone 10 ⁶ EID ₅₀ & H120 10 ³ EID ₅₀	1000 Doses
IZOVAC H120 Lasota	Attenuated NDV & Attenuated IBV	Lyophilized	Lasota 10 ⁶ EID ₅₀ & H120 10 ³ EID ₅₀	1000 Doses
IZOVAC Gumboro2	Attenuated intermediate IBDV	Lyophilized	Winterfield 2512 10 ³ EID ₅₀	1000 Doses
IZOVAC Gumboro2	Attenuated intermediate Plus IBDV	Lyophilized	Winterfield 2512 10 ^{2.7} EID ₅₀	1000 Doses
IZOVAC Marek HVT +Diluent	Attenuated MDV serotype 3	Lyophilized	Strain FC 126	1000 Doses

KILLED VACCINES

IZOVAC ND	Inactivated NDV	Injection	Lasota 50PD ₅₀	1000 Doses
IZOVAC ND-EDS	Inactivated NDV & Inactivated EDS virus	Injection	Lasota 50PD ₅₀ EDS'76 10 ⁸ EID ₅₀	1000 Doses
IZOVAC ND-EDS-IB	Inactivated ND virus, Inactivated EDS virus & Inactivated IB virus	Injection	NDV 50PD ₅₀ EDS'76 strain 127 & IBV strain M41, D274 & D1466 as per PhEu	1000 Doses
IZOVAC Coryza3	Inactivated Infectious Coryza (IC)	Injection	<i>Haemophilus Paragallinarum</i> , Serotype A 5x10 ⁹ CFU, <i>Haemophilus Paragallinarum</i> , Serotype B 5x10 ⁹ CFU, <i>Haemophilus Paragallinarum</i> , Serotype C 5x10 ⁹ CFU, NDV 50PD ₅₀ & IBDV Winterfield 2512 RP≥ 1	1000 Doses
IZOVAC ND-IBD	Inactivated ND virus & Inactivated IBD virus	Injection		1000 Doses

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	Gut 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 Free	Yucca	Powder	NA	100g
Ammorid	Nitrifying & Denitrifying bacteria (Probiotics)	Liquid	NA	1 L
Realbind	Binding Agent	Liquid	NA	1 L
Ultipro	Soil Probiotics	Liquid	NA	5 L
Rena-C Aqua	Ascorbic Acid	Powder	99gm/100gm	1kg

Renata Limited

Independent Auditor's Report and Audited Financial Statements

For the year ended 30 June 2020

Independent Auditor's 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 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year 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 2020 and its financial performance and of 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 for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note # 1.3 to the financial statements which describe the amalgamation of the fully owned subsidiary Renata Oncology Limited with the Company. The Board of Directors of Renata Oncology Limited and Renata Limited in their joint meetings held on 11 November 2019 and 13 November 2019 approved the amalgamation of Renata Oncology Limited with the Company, whereby the Subsidiary will merge with the Company and the Company shall be the surviving entity. Our opinion is not modified in respect of this matter. The financial statements reflect financial result of the amalgamated entity.

Key Audit Matters

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

1. Revenue (Turnover)	
See note # 23 to the financial statements	
Key audit matters	How the matters were addressed in our audit
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.	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>The principal activities of the Company are manufacturing, marketing and distribution of pharmaceutical and animal health 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 30 June 2020. Pressures to meet stakeholders' expectations could provide incentives to record revenues where controls of the goods have not passed.</p>	<p>We assessed the design and implementation of these controls. We tested the sample of individual sales transactions and traced to dispatch notes and subsequent cash receipt or other supporting documents. We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Calculation of discounts, incentives and rebates; • Segregation of duties in invoice creation and modification; • Timing of revenue recognition; • Cross match sales order, sales invoices and dispatch carefully. <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>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>
2. Carrying value of investment in subsidiaries	
See note # 7 to the financial statements	
Key audit matter description	How the matters were addressed in our audit
<p>The company has invested in equity shares of its subsidiaries namely Renata Agro Industries Limited, Purnava Limited, Renata (UK) Limited and Renata Pharmaceuticals (Ireland) Limited. As at 30 June 2020 the carrying value of these investments are accordingly BDT 60,570,476 in Renata Agro Industries Limited, BDT 2,499,900 in Purnava Limited, BDT 110 in Renata (UK) Limited and BDT 9,610 in Renata Pharmaceuticals (Ireland) Limited.</p> <p>At the time of audit of our financial statements of the Company, we have considered the recoverable value of the Company's investment in subsidiaries.</p>	<p>We have reviewed management's analysis of impairment assessment and recoverable value of subsidiaries in accordance with IAS-36.</p> <p>In particular, our discussions with management was focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked the mathematical accuracy of the valuation model, challenged the discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained in reference to third party sources.</p>

3. Inventory	
See note # 8 to the financial statements	
Key audit matters	How the matters were addressed in our audit
<p>At the reporting date, the carrying value of inventory amounted to Taka 5,126,624,240 which is 17.65% of total assets. Inventories were considered as a key audit matter due to the size of the balance and because inventory valuation involves management judgment.</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 judgment 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>	<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 2020 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>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>
4. Property, plant and equipment and capital work-in-progress	
See note # 5 & 6 to the financial statements	
Key audit matters	How the matters were addressed in our audit
<p>At the reporting date, the carrying value of the Company's property, plant and equipment and capital work-in-progress amounted to Taka 11,753,639,042 and 1,914,471,284 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 judgments in determining its valuation.</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:

Key audit matters	How the matters were addressed in our audit
<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>Inherent risks associated with property, plant and equipment</p> <ul style="list-style-type: none"> • Property, plant and equipment may include assets that should have been derecognized following sale, other transfer of rights or abandonment or impairment. • Expenditure that should have been recognized as property, plant and equipment but has not been so recognized, including capitalized finance costs • Depreciation may have been incorrectly calculated. • Potential misstatements in property, plant, and equipment on account of frauds and errors • 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 capitalized, to be so accumulated to capital work- in- progress whilst expenses which are not eligible for being capitalized are identified and charged to revenue in the normal course.</p>	<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. <ul style="list-style-type: none"> • 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 has been 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.

Key audit matters	How the matters were addressed in our audit
<p><u>Assessment of useful lives of assets</u> Management applies estimates and judgments 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.</p>	<ul style="list-style-type: none"> 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>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>
5. Contingent liabilities with regard to tax	
See note # 35 to the financial statements	
Key audit matters	How the matters were addressed in our audit
<p>The range of possible outcomes for contingencies can be wide and management is required to make certain judgments in respect of estimates of contingencies in order to assess the adequacy of tax provisions.</p> <p>The Company disclosed contingent liabilities amounted to Taka 136,702,333 in respect of unresolved disputed tax claimed by the tax authority over the years.</p> <p>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>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.</p> <p>With the assistance of our tax specialists, we evaluated management's judgments 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 judgments, 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>Based on the work performed, we concluded that contingent liabilities in respect of tax have been disclosed appropriately.</p>
6. Related party transactions	
See note # 41 to the financial statements	
Key audit matters	How the matters were addressed in our audit
<p>The Company has related party transactions and we focused on identification of related parties and disclosure of related party transactions in accordance with relevant accounting standards.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. Evaluated the transactions among the related parties and tested material accounts balances. Evaluated the Board of Director's approval for the related parties' transactions. Evaluated the disclosures in the financial statements in compliance with IAS 24. <p>The related party transactions were separately disclosed in the financial statements in note # 41.</p>

7. Employee benefits

See note # 21.2 & 21.3 to the financial statements

Key audit matters	How the matters were addressed in our audit
<p><u>Worker's participation and welfare fund (note # 21.2)</u> As per section 234 (1)(b) of Bangladesh Labour Act 2006 (as amended in 2013) 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10. The remaining 10% of the amount of net profit shall be paid by the Company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-third has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.</p> <p><u>Defined contribution plan (note # 21.3)</u> The Company operates a recognized provident fund scheme where employees contribute 8.33% up to 5 years and over 5 years 10% of their basic salary with equal contribution by the Company. The provident fund is being considered as defined contribution plan being managed by a Board of Trustees. Renata Limited recognizes contributions payable as an expense in the period in which the employee provides services. A liability is recognized where contributions arise in relation to an employee's service, but remain unpaid at the period end.</p> <p><u>Defined benefit plan</u> The Company operates a defined benefit schemes which in total are significant in the context of the overall financial position. Liability for gratuity is provisioned and transferred within due time to the fund on the basis of actuarial valuation. At year end the Company reported a net defined benefits scheme expense of Taka 82,500,000. The Company had transferred the total contribution to the fund and there is no current liability to the fund. Therefore, valuation of the benefit and expenses thereon is considered as a key audit matter. There is separate trustee of this benefit plan.</p>	<p><u>Worker's participation and welfare fund</u> We have checked the adequacy of WPPF fund provision and distribution thereof and observed that, the requirement of the Labour Act 2006 (as amended in 2013) followed properly.</p> <p>After distribution of some amount, balance of the fund has been transferred to a separate account meant for WPPF for future distribution without any interest payable on the undistributed amount.</p> <p><u>Defined contribution plan</u> We have checked the contribution of the employees and the contribution of the employer to the provident fund and confirmed the distribution as per Labour Act 2006 (as amended in 2013) and found correct. We confirmed that fund forfeited during current and earlier financial year from existing employees have been returned to the mother account and from past employees are currently under the process of being retrieved.</p> <p><u>Defined benefit plan</u> Our audit procedures included updating our understanding of the business processes followed by the Company for accounting and valuing their defined benefit plan.</p> <p>We obtained sufficient audit evidence to conclude that the inputs and methodologies used to determine the liability and determination of the expenses and its basis for defined benefit plan.</p> <p>We assessed the design and operating effectiveness of the Company's key controls supporting the identification, measurement and oversight of valuation of the defined benefits payable provision and expenses thereon.</p> <p>We examined the basis on which gratuity is payable to the employee and worked out the liability for gratuity taking into consideration the actuarial valuation.</p> <p>We ensured that the basis of computing gratuity is valid; verify the computation of liability on aggregate basis and transferred to the fund within the financial year.</p> <p>Employee data used in calculating obligation is also tested and appropriateness and presentation of the disclosures against IAS 19: Employee Benefits were assessed.</p>

8. Measurement of Deferred Tax Liability

See note # 18 to the financial statements

Key audit matters	How the matters were addressed in our audit
<p>Company reported net deferred tax liability totaling Taka 1,442,915,240 as at 30 June 2020.</p> <p>Significant judgment is required in relation to deferred tax liability as it is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and liabilities and the assumptions used in estimating the future taxable expense of the Company.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</p> <p>We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability.</p> <p>We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</p> <p>We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.</p> <p>Finally assessed the appropriateness and presentation of disclosures as per IAS 12 Income Taxes.</p>

9. Audit of opening balances- financial statements

Key audit matters	How the matters were addressed in our audit
<p>The financial statements of the Company for the financial year ended on 30 June 2020 was the first one being subject to our audit.</p> <p>In accordance with International Standards on Auditing 510: Initial Engagements- Opening Balances, the first-year audit of financial statements requires performing of a few additional audit procedures that are limited in the case of the audit performed for a consecutive year.</p> <p>The purpose of these additional audit procedures is to collect sufficient and relevant audit evidence about whether:</p> <ul style="list-style-type: none"> opening balances contain misstatements that materially affect the financial statements for the current period; and 	<p>Our procedures, in relation to the key audit matter described, included, among others:</p> <ul style="list-style-type: none"> meeting with key personnel responsible for financial reporting of the Company as well as meetings with members of the audit team, including specialists planned to be involved in the audit procedures; understanding of the Company's operations, its business environment and key risk areas related to its operations; understanding of the Company's internal control environment, including also tests of identified controls; understanding of the Company's IT environment; understanding of the accounting policy of the Company and assessing the continuity of its application;

Key audit matters	How the matters were addressed in our audit
<ul style="list-style-type: none"> appropriate accounting policy applied to the opening balances was used continuously in the preparation of financial statements for the current period, or whether the changes made were correctly accounted for and properly presented in accordance with the applicable financial reporting framework. <p>Accordingly, this issue was identified as key audit matter for the audit of the financial statements of the Company.</p>	<ul style="list-style-type: none"> understanding of key areas of estimation and professional judgment of the Company's management; communication with the previous auditor on matters including; a discussion of key audit issues and reading of audit documentation from the previous reporting period; assessment of the key audit issues from the previous reporting period and their impact on the financial statements for the current financial year;
10. IT systems and controls	
Key audit matters	How the matters were addressed in our audit
<p>Our audit procedures have been focused on IT systems (Desa & Oracle) and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations (Head office, Factories and Depots) daily and the reliance on automated and IT is dependent on manual controls.</p>	<p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes in data management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures with CISA expert.</p> <p>In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Other Matter

The financial statements of the Company for the year ended 30 June 2019 were audited by another auditor who expressed an unmodified opinion on these financial statements on 29 October 2019.

Other Information

Management is responsible for the other information. The other information comprises the director's reports, financial highlights, financial trend, statement of value addition and certification on corporate governance but doesn't include the financial statements and our auditor's report. The director's reports, financial highlights, financial trend, statement of value addition and certification on corporate governance are expected to be made available to us after the date of this auditor's report.

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

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

When we read the director's reports, financial highlights, financial trend, statement of value addition and certification on corporate governance that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987, relevant notifications issued by Bangladesh Securities and Exchange Commission (BSEC) 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 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.

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.

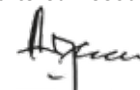
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission (BSEC), we also report the following:

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

Signed for & on behalf of
ACNABIN
Chartered Accountants



M. Moniruzzaman, FCA
Partner

Place: Dhaka

Date: 26 October 2020

RENATA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
ASSETS			
Non-current assets			
Property, plant and equipment	5	11,753,639,042	10,227,887,020
Capital work-in-progress	6	1,914,471,284	1,492,889,354
Investment in subsidiaries	7	63,080,096	143,079,096
		13,731,190,422	11,863,855,470
Current assets			
Inventories	8	5,126,624,240	4,172,321,022
Trade receivables	9	2,543,784,315	2,265,753,666
Other receivables	10	1,015,276,977	1,086,389,221
Advances, deposits and prepayments	11	533,580,314	433,302,071
Investment in shares and FDR	12	4,721,102,257	3,581,402,024
Cash and cash equivalents	13	1,372,995,830	798,213,039
		15,313,363,933	12,337,381,043
TOTAL ASSETS		29,044,554,355	24,201,236,513
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	885,892,420	805,356,750
Revaluation surplus	15	153,854,296	154,331,208
Other reserves	15.a	(43,065,180)	-
Fair value reserve	16	(1,957,787)	24,708,298
Retained earnings	17	20,544,705,799	17,300,366,985
		21,539,429,548	18,284,763,241
Non-current liabilities			
Deferred tax liabilities	18	1,442,915,240	1,303,839,631
		1,442,915,240	1,303,839,631
Current liabilities			
Short term bank loan and overdrafts	19	2,981,137,076	2,562,606,715
Trade payables	20	508,513,913	568,382,613
Other payables	21	1,212,206,130	681,214,066
Provision for taxation	22	1,360,352,448	800,430,247
		6,062,209,567	4,612,633,641
TOTAL EQUITY AND LIABILITIES		29,044,554,355	24,201,236,513
Net Asset Value (NAV) per share	30	243.14	206.40

The annexed notes from 1 to 43 form an integral part of these Financial Statements.

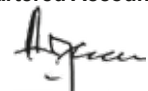

CEO & Managing Director


Director


Chief Financial Officer

This is the Statement of Financial Position referred to in our separate report of even date.

Signed for & on behalf of
ACNABIN
Chartered Accountants


M. Moniruzzaman, FCA
Partner

Place: Dhaka
Date: 26 October 2020

RENATA LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Amount in Taka	
		2019-2020	2018-2019
Turnover	23	24,164,022,473	22,220,887,119
Cost of sales	24	(12,632,907,753)	(11,065,965,907)
Gross profit		11,531,114,720	11,154,921,212
Administrative expenses	25	(457,872,424)	(434,332,663)
Selling, marketing and distribution expenses	26	(5,102,559,584)	(5,370,161,610)
Operating profit		5,970,682,712	5,350,426,939
Other income	27	544,085,447	274,885,492
Finance costs	28	(223,159,798)	(150,846,362)
Profit before contribution to workers' participation fund		6,291,608,361	5,474,466,069
Contribution to workers' participation and welfare fund		(299,600,395)	(260,688,862)
Profit before tax		5,992,007,966	5,213,777,207
Tax expenses	29		
Current tax	22	(1,753,720,521)	(1,295,568,037)
Deferred tax	18	(108,691,642)	(94,847,040)
		(1,862,412,163)	(1,390,415,077)
Net profit after tax for the year		4,129,595,803	3,823,362,130
Other comprehensive income			
Net profit after tax for the year		4,129,595,803	3,823,362,130
Items that will not be reclassified to profit or loss			
Fair value adjustment on investment in shares, net of tax		(26,666,085)	(514,922)
Realised loss on disposal of shares		-	(112,598)
Total comprehensive income for the year		4,102,929,718	3,822,734,610
Basic earnings per share (EPS)	31	46.62	43.16

The annexed notes from 1 to 43 form an integral part of these Financial Statements.



CEO & Managing Director



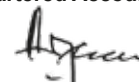
Director



Chief Financial Officer

This is the Statement of Profit or Loss and Other Comprehensive
Income referred to in our separate report of even date.

Signed for & on behalf of
ACNABIN
Chartered Accountants



M. Moniruzzaman, FCA
Partner

Place: Dhaka
Date: 26 October 2020

RENATA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

Amount in Taka						
Particulars	Attributable to equity holders of Renata Limited					Total equity
	Share capital	Revaluation surplus	Other reserve	Fair value reserve	Retained earnings	
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
Balance at 01 July 2019	805,356,750	154,331,208	-	24,708,298	17,300,366,985	18,284,763,241
Stock dividend issued	80,535,670	-	-	-	(80,535,670)	-
Final dividend (cash dividend)	-	-	-	-	(805,356,750)	(805,356,750)
Other reserves due to merger of Renata Oncology Limited	-	-	(43,065,180)	-	-	(43,065,180)
Settlement in consideration of cash paid due to merger of Renata Oncology Limited	-	-	-	-	(454)	(454)
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	-	-	-	-	4,129,595,803	4,129,595,803
Fair value adjustment on investment in shares, net of tax	-	-	-	(26,666,085)	-	(26,666,085)
Balance at 30 June 2020	885,892,420	153,854,296	(43,065,180)	(1,957,787)	20,544,705,799	21,539,429,548

The annexed notes from 1 to 43 form an integral part of these Financial Statements.



CEO & Managing Director



Director



Chief Financial Officer

Place: Dhaka
Date: 26 October 2020

RENATA LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Amount in Taka	
		2019 - 2020	2018 - 2019
A. Cash flows from operating activities			
Collection from customers and other income		28,520,370,349	26,035,868,913
Payment of VAT		(3,511,655,536)	(3,210,746,574)
Payment to suppliers, employees and others		(18,987,716,587)	(17,219,025,789)
Cash generated by operations		6,020,998,226	5,606,096,550
Finance costs		(228,041,378)	(150,177,868)
Payment of tax		(1,194,062,327)	(1,300,676,754)
Net cash flow from operating activities	32	4,598,894,521	4,155,241,928
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(2,492,616,740)	(1,779,769,899)
Investment in shares and FDR		(1,167,885,112)	(2,046,994,460)
Sale proceeds of property, plant and equipment		13,932,500	7,964,558
Net cash used in investing activities		(3,646,569,352)	(3,818,799,801)
C. Cash flows from financing activities			
Bank loan received/ (repaid) (net)		413,277,631	65,450,922
Dividend paid		(799,596,832)	(664,396,684)
Net cash used in financing activities		(386,319,201)	(598,945,762)
D. Effect of exchange rate changes on cash and cash equivalents		1,633,925	3,364,206
E. Net cash inflow/(outflow) for the year (A+B+C+D)		567,639,893	(259,139,429)
F. Cash and cash equivalents at the beginning of the year		798,213,039	1,057,352,468
G. Cash and cash equivalents of Renata Oncology Limited due to merger at the beginning of the year		7,142,898	-
H. Cash and cash equivalents at the end of the year (E+F+G)		1,372,995,830	798,213,039
Net operating cash flow per share	33	51.91	46.90

The annexed notes from 1 to 43 form an integral part of these Financial Statements.


CEO & Managing Director


Director


Chief Financial Officer

Place: Dhaka
Date: 26 October 2020

RENATA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 30 June 2020

1. Reporting entity

1.1 Company profile

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

1.2 Principal activities

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

1.3 Merger of Renata Limited and Renata Oncology Limited

Renata Limited acquired 99.99% of equity interest in Renata Oncology Limited on 12 August 2012. The businesses of Renata Limited and Renata Oncology Limited are very much co-related with each other and are in many cases also supplementary to each other. For the purpose of conducting their business more efficiently and profitably, the Board of Directors of the companies decided to undertake a Scheme of Amalgamation of Renata Oncology Limited with Renata Limited under provision of section 228 & 229 of the Companies Act, 1994.

After approval of the Board of Directors and consent of minority shareholder, the Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the Scheme of Amalgamation of Renata Oncology Limited with Renata Limited on 26 July 2020 with effect from the appointed date 01 July 2019. The audited financial statements of Renata Oncology Limited on 30 June 2019 have been used to account for the assets and liabilities of Renata Oncology Limited in the books of Renata Limited.

Renata Oncology Limited will no longer continue as a separate entity as a result of amalgamation, rather all the undertakings have entirely been transferred to Renata Limited at its continuing value. In accordance with the Scheme of Amalgamation, Renata Limited paid in consideration at cash of net asset value equivalent to the share exchange ratio that comes to 0.02 Renata Limited's share for each share of Renata Oncology Limited to the ordinary minority shareholder of Renata Oncology Limited, whose names were recorded in the Register of Members on the Record Date, fixed by the Board of Directors of Renata Limited. Ordinary shares of Renata Oncology Limited that were held by Renata Limited on the Record Date have been cancelled and deemed to have been cancelled without any further act or deed and no shares of Renata Limited are required to be issued in lieu thereof. Finally, the deficit amount of Tk. 43,065,180 of the net assets of Renata Oncology Limited over the net assets value of the shares settled in consideration of cash of Tk. 454 by Renata Limited have been transferred and debited to “Other Reserves” in the books of Renata Limited pursuant to the Scheme of Amalgamation.

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 Application of International Financial Reporting Standards (IFRSs)

The following IFRSs are applicable for the financial statements for the year under review:

IAS 1	Presentation of financial statements
IAS 2	Inventories
IAS 7	Statement of cash flows
IAS 8	Accounting policies, changes in accounting estimates and errors
IAS 10	Events after the reporting period
IAS 12	Income taxes
IAS 16	Property, plant and equipment
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 23	Borrowing costs
IAS 24	Related party disclosures
IAS 27	Separate financial statements
IAS 33	Earnings per share
IAS 34	Interim financial reporting
IAS 36	Impairment of assets
IAS 37	Provisions, contingent liabilities and contingent assets
IFRS 7	Financial instruments: disclosures
IFRS 9	Financial instruments
IFRS 13	Fair value measurement
IFRS 15	Revenue from contracts with customers

2.3 Measurement of elements in the financial statements

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

2.4 Functional and presentational currency and level of precision

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

2.5 Use of estimates and judgment

The preparation of financial statements in conformity with 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.

2.6 Comparative information and rearrangement thereof

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

2.7 Going concern

When preparing financial statements, management makes an assessment of Renata Limited's ability to continue as a going concern. Renata Limited prepares financial statements on a going concern basis. Renata Limited has assessed the impact of COVID-19 on its going concern and found no threat in upcoming years.

2.8 Accrual basis of accounting

Renata Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, Renata Limited 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

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

2.10 Offsetting

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

2.11 Date of authorization for issue of the financial statements

On 26 October 2020 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.

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 2020	30 June 2019
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 derecognized 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 derecognized. When the revalued assets are disposed of, the respective revaluation surplus is transferred to retained earnings.

3.2 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-to-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard- i.e. lessors continue to classify leases as finance or operating leases. The standard is effective for annual periods beginning on or after 1 January 2019, but also with permission for early adoption.

Renata Limited has applied the exemption for short-term leases and booked its rental payments as expenses in profit or loss given that the enforceable period of all its current contracts are cancellable in the short-term and has no purchase option.

3.3 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 2020 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.

3.4 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.

3.5 Financial instruments

3.5.1 Financial assets

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.

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. Unrealized gains and losses are recognized 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 recognized 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.

3.5.2 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.

3.5.3 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 recognised changes in those expected credit losses at each reporting date. Renata Limited recognizes a loss allowance on trade receivables based on lifetime expected credit losses.

3.6 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 realizable 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 realizable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

3.7 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.

3.8 Post-employment benefits

Defined contribution plan

The Company operates a recognised provident fund scheme. The provident fund is being considered as defined contribution plan and managed by a Board of Trustees. The employees contribute 8.33% up to 5 years and over 5 years 10% of basic salary with equal contribution by the Company.

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. The fund is managed by a Board of Trustees. Actuarial valuation of the fund is carried out at 30 June 2020 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.

3.9 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.

3.10 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.

3.11 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. The scheme has been recognized as per 5 step model of IFRS-15 "Revenue from contract with customers".

3.12 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. The prescribed tax rate is @25% for the Company.

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.

3.13 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).

3.14 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. The Company has presented the effect of exchange rate changes on cash and cash equivalents due to currency translation in the Statement of cash flow in accordance with IAS-7.

3.15 Operating segments

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

3.16 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. The Company complies with IAS-24 "Related party disclosures" regarding these disclosures. The Company has taken approval from its Board of Directors for the related parties' transactions.

3.17 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.

3.18 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.

3.19 Impact of COVID-19

On 11 March 2020 the World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease, commonly known as COVID-19. To contain the spread of this disease, along with many other countries of the world, the Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing, etc. As a result of these measures, all business and economic activities in the country have been adversely affected and this has also affected the Company. Although the business operation and profitability of the Company have been impacted by COVID-19, but due to the constantly changing nature of the situation and lack of certainty at present regarding how long this situation will prevail, the potential impact of COVID-19 related matters on the Company's operation and financial results cannot be reasonably assessed. The Management of the Company assessed the going concern and found no uncertainty regarding this for the upcoming 12 months due to COVID-19. Assessment of COVID-19 in relation to the following areas and the conclusion reached thereof is given below.

Revenue

The principal activities of the Company are manufacturing, marketing and distribution of pharmaceutical and animal health products. Although lockdown and restriction in movements imposed due to COVID-19 has affected sales of the Company in the last quarter of 2019-2020, the Company has managed to recover in the subsequent quarter.

Inventories

Inventory includes materials, work-in-process, stock in transit and finished goods. Disruption in raw material supply, exchange rate fluctuation and increase in other production costs have impacted inventory value. The Company has assessed inventory as per IAS-2 and reported it correctly at the lower of cost and net realizable value.

Trade receivables

The Company has assessed collectability of trade receivables and has kept sufficient provision as required. Increase in receivable balance is due to increase in turnover of the Company in the normal course of business.

Others

Management of the Company has assessed other areas of operations and found no significant impact of COVID-19 thereon.

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 2020
	Balance as at 01 July 2019	Amount of Renata Oncology Limited as at 01 July 2019 due to merger	Addition during the year	Disposal / adjustment during the year	Balance as at 30 June 2020	Rate %	Balance as at 1 July 2019	Amount of Renata Oncology Limited as at 01 July 2019 due to merger	Charge for the year	Disposal / adjustment during the year	Balance as at 30 June 2020	
Freehold land												
At cost	1,171,099,823	-	357,281,141	-	1,528,380,964		-	-	-	-	-	1,528,380,964
On revaluation	179,132,078	-	-	-	179,132,078		-	-	-	-	-	179,132,078
	1,350,231,901	-	357,281,141	-	1,707,513,042		-	-	-	-	-	1,707,513,042
Buildings												
At cost	3,319,220,764	90,554,167	583,258,235	-	3,993,033,166	1.54-5	672,773,486	9,602,617	116,266,896	-	798,642,999	3,194,390,167
On revaluation	41,291,251	-	-	-	41,291,251	1.54-5	14,648,386	-	635,885	-	15,284,271	26,006,980
	3,360,512,015	90,554,167	583,258,235	-	4,034,324,417		687,421,872	9,602,617	116,902,781	-	813,927,270	3,220,397,147
Plant and machinery	8,730,002,091	123,505,535	1,040,595,849	-	9,894,103,475	5 - 20	3,302,110,020	24,277,950	610,681,164	-	3,937,069,134	5,957,034,341
Automobiles	463,471,087	-	101,752,057	36,523,503	528,699,641	25	307,048,838	-	74,871,574	36,523,503	345,396,909	183,302,733
Office equipment	835,950,649	2,584,006	54,476,878	-	893,011,533	10 - 12.5	300,379,483	717,924	91,438,536	-	392,535,943	500,475,591
Furnitures and fixtures	174,626,497	2,466,431	119,799,542	-	296,892,470	10	89,947,007	719,003	21,310,272	-	111,976,282	184,916,188
Total 30 June 2020	14,914,794,240	219,110,139	2,257,163,702	36,523,503	17,354,544,579		4,686,907,220	35,317,494	915,204,327	36,523,503	5,600,905,537	11,753,639,042
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

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

	30 June 2020 Taka	30 June 2019 Taka
Building	4,448,824	4,448,824
Plant and machinery	469,041,556	301,621,760
Automobiles	207,902,481	173,202,589
Office equipment	115,696,885	88,486,301
Furniture and fixtures	21,237,301	13,603,077
	818,327,047	581,362,551

5.2 The freehold lands of the Company measuring 217.825 acres are located at:

	30 June 2020	30 June 2019
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, Bogura	0.270 acres	0.270 acres
Lakshimpur, Rajshahi City Corporation	0.149 acres	0.149 acres
Dogri Rajendrapur, Gazipur	18.441 acres	16.851 acres
Kashor Gore, Bhaluka, Mymensingh	36.738 acres	35.414 acres
Sagordighi, Tangail	13.805 acres	13.805 acres
Siddikhal, Tangail	1.050 acres	1.050 acres
Ghatail, Tangail	13.234 acres	13.234 acres
Dhamsur, Bhaluka, Mymensingh	26.370 acres	26.370 acres
Turag, Dhaka	0.949 acres	0.949 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, Bogura	0.645 acres	0.645 acres
Lohaboy, Bhaluka	4.463 acres	4.463 acres
Narang, Bhaluka	6.605 acres	6.605 acres
Batabaria and Haratoli, Sadar Dakshin, Cumilla	0.580 acres	0.580 acres
Salna, Purabari	0.307 acres	0.307 acres
Sathkhamair, Sreepur	8.229 acres	8.229 acres
Bhobainagar, Kotwali Sadar, Dinajpur	0.803 acres	0.803 acres
Uttam, Rangpur Sadar, Rangpur	0.710 acres	0.710 acres
Kandila, Gala, Tangail Sadar	1.400 acres	- acres
Kalameshwar, Gazipur Sadar	0.509 acres	- acres
Total	<u>217.825 acres</u>	<u>213.002 acres</u>

5.3 Depreciation for the year has been charged to:

	30 June 2020 Taka	30 June 2019 Taka
Cost of sales (Note-24.2)	747,358,167	645,887,883
Administrative expenses (Note-25)	17,521,334	15,512,068
Selling, marketing and distribution expenses (Note-26)	150,324,825	139,608,599
	<u>915,204,327</u>	<u>801,008,550</u>

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 on disposal of property, plant and equipment

Amount in Taka					
Original cost	Accumulated depreciation	Net book value	Sale proceeds	Gain on disposal	
				2019-2020	2018-2019
36,523,503	36,523,503	-	13,932,500	13,932,500	3,272,756

6. Capital work in-progress

	30 June 2020 Taka	30 June 2019 Taka
Opening balance	1,492,889,354	1,168,163,935
Add: Amount of Renata Oncology Limited as at 01 July 2019 due to merger	186,128,891	-
Add: Addition during the year	1,858,751,220	1,386,142,130
	<u>3,537,769,465</u>	<u>2,554,306,065</u>
Less: Capitalized as property, plant and equipment (Note-6.1)	<u>1,623,298,181</u>	<u>1,061,416,711</u>
	<u>1,914,471,284</u>	<u>1,492,889,354</u>

This represents mainly construction of buildings for Bhaluka general manufacturing facility, Bhaluka animal health nutrition facility, warehouse for sachet filling facility, Dinajpur depot, Rangpur depot, Mirpur research and development lab unit, extension of Rajendrapur general manufacturing facility, extension of head office, 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	515,891,343	107,727,340
Plant and machinery	995,590,779	938,334,912
Office equipment	6,873,721	14,286,169
Furniture and fixtures	104,942,339	1,068,290
	<u>1,623,298,181</u>	<u>1,061,416,711</u>

7 Investment in subsidiaries

	No. of shares			
	30 June 2020	30 June 2019		
Renata Agro Industries Limited (Note-7.1)	419,949	419,949	60,570,476	60,570,476
Purnava Limited (Note-7.2)	24,999	24,999	2,499,900	2,499,900
Renata Oncology Limited (Note-7.3)	-	7,999,900	-	79,999,000
Renata (UK) Limited (Note-7.4)	1	1	110	110
Renata Pharmaceuticals (Ireland) Limited (Note-7.5)	1	1	9,610	9,610
	<u>444,950</u>	<u>8,444,850</u>	<u>63,080,096</u>	<u>143,079,096</u>

7.1 Investment in subsidiary company - Renata Agro Industries Limited

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 were operating under common control. After approval of the Board of Directors and consent of minority shareholder, the Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the scheme of amalgamation of Renata Oncology Limited with Renata Limited with effect from the appointed date 01 July 2019.

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.

	30 June 2020 Taka	30 June 2019 Taka
8 Inventories		
Finished goods	470,647,908	302,270,610
- Pharmaceutical	499,232,619	471,852,094
- Animal health	222,869,490	66,530,007
- Contract manufacturing	59,929,124	37,850,392
- Potent product facility	256,294,095	116,846,881
- Cepha facility	50,129,354	71,839,900
- Penicillin facility	1,559,102,590	1,067,189,884
Work-in-process	357,440,076	307,184,878
Raw materials	393,038,704	407,591,705
Bulk materials	1,427,953,204	1,301,015,301
Packing materials	485,532,402	556,096,495
Consumable stores, spares and reagent materials	213,386,008	143,833,470
Stock in transit	773,813,230	530,357,501
	5,210,266,214	4,313,269,234
Provision for obsolete inventories	(83,641,974)	(140,948,212)
	5,126,624,240	4,172,321,022
9 Trade receivables		
Trade receivables- unsecured (Note-9.1)	2,635,901,936	2,355,369,877
Allowances for doubtful receivables	(92,117,621)	(89,616,211)
	2,543,784,315	2,265,753,666
9.1 Trade receivables disclosure as per Schedule-XI, Part-I, of the Companies Act, 1994		
Receivables due below six months	2,299,435,004	2,146,506,486
Receivables due over six months	336,466,932	208,863,391
	2,635,901,936	2,355,369,877
Trade receivables include Tk. 11,224,400 due from Renata Agro Industries Limited for the sale of nutritional and animal health products during the year.		
10 Other receivables		
Inter-company receivables (Note-10.1)		
- Renata Agro Industries Limited	173,087,841	75,364,295
- Purnava Limited	337,500,000	240,000,000
- Renata Oncology Limited	-	340,383,656
- Renata (UK) Limited	55,247	55,247
Value Added Tax (VAT) recoverable	307,507,213	236,604,763
Others (Note-10.2)	197,126,676	193,981,260
	1,015,276,977	1,086,389,221

	30 June 2020 Taka	30 June 2019 Taka
10.1 Inter-company receivables include advances given to subsidiaries on need basis.		
10.2 Others		
Other receivables	199,045,501	195,900,085
Allowances for doubtful receivables	(1,918,825)	(1,918,825)
	197,126,676	193,981,260
11 Advances, deposits and prepayments		
Advances		
Advance to employees for motorcycle	125,856,078	108,535,665
Advance to employees for scooter	34,500	217,500
Loan to employees against salary	49,013,224	49,147,221
Advance for house rent	6,102,975	11,384,978
Advance VAT	63,261,137	92,824,174
Advance for inventory (including Renata Oncology Limited)	98,181,723	54,031,292
Advance to field force (sales personnel)	17,707,192	15,351,250
Advance to staff against expenses (other than petty cash)	96,305,236	34,665,131
Advance to staff against petty expenses	1,489,500	1,481,500
Advance against tour expenses	6,087,900	9,499,757
Other advances	3,734,037	1,847,691
	467,773,502	378,986,159
Deposits		
Tender deposits	22,937,709	13,838,293
Gazipur Palli Bidyut Samity	14,248,000	14,248,000
Mymensingh Palli Bidyut Samity	12,256,000	12,256,000
Titas Gas Transmission and Distribution Co. Limited	5,783,100	5,783,100
Dhaka Electric Supply Co. (DESCO) Limited	2,310,000	2,310,000
Linde Bangladesh Limited	1,088,000	1,088,000
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
Essence Industrial Gases Limited	135,000	30,000
Sundarban Industrial Complex Limited	79,865	-
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
	60,231,209	51,021,928
Prepayments		
Insurance premium (including Renata Oncology Limited)	5,575,603	3,293,984
	5,575,603	3,293,984
	533,580,314	433,302,071

- (a) All advances, deposits and prepayments are considered regular and recoverable in the normal course of business.
- (b) The maximum amount due from officers (manager and above) against salary during the year was Tk. 21,318,424.
- (c) No amount was due from the Directors, Managing agent, Managers and other officers of the Company and any of them severally or jointly with any other person except as stated in (b) above.

12 Investment in shares and FDR

	30 June 2020 Taka	30 June 2019 Taka
Investment in shares (Note-12.1)	75,040,731	104,670,189
Investment in FDR (Note-12.2)	4,646,061,526	3,476,731,835
	4,721,102,257	3,581,402,024

12.1 Investment in shares

	Market value		Cost
	30 June 2020 Taka	30 June 2019 Taka	30 June 2020 Taka
Square Pharma Limited	38,298,277	54,841,192	31,399,794
British American Tobacco Bangladesh Company Limited	10,000,844	15,075,094	3,376,292
Grameenphone Limited	9,552,000	14,588,000	14,948,644
Beximco Pharmaceuticals Limited	6,920,000	8,350,000	11,365,280
Shahjibazar Power Co. Ltd.	6,467,472	7,397,460	10,885,833
ACI Formulations Limited	1,653,000	2,286,000	3,242,427
Central Depository Bangladesh Limited (unquoted)	1,569,450	1,569,450	1,569,450
Marico Bangladesh Limited	579,688	562,993	428,334
	75,040,731	104,670,189	77,216,054

12.2 Investment in FDR

	30 June 2020 Taka	30 June 2019 Taka
Delta Brac Housing Finance Corporation Ltd.	665,849,838	820,470,622
IDLC Finance Limited	1,677,783,856	1,100,000,000
IPDC Finance Limited	1,948,938,831	1,213,698,212
Commercial Bank of Ceylon PLC (foreign currency (USD) FDR)	353,489,001	342,563,001
	4,646,061,526	3,476,731,835

13 Cash and cash equivalents

Cash in hand	2,625,000	2,625,000
Cash at bank		
Standard Chartered Bank	280,738,334	205,094,890
Eastern Bank Limited	312,906,954	276,418,400
Bank Asia Limited (including Renata Oncology Limited)	338,116,685	48,055,463
Commercial Bank of Ceylon PLC	56,380,178	140,398,765
Sonali Bank Limited	17,331,262	35,176,292
Citibank N. A.	32,940,926	15,527,098
Agrani Bank Limited	18,288,072	16,694,980
The City Bank Limited	9,850,116	30,202,732
BRAC Bank Limited	301,515,738	23,211,815
The Hongkong and Shanghai Banking Corporation Limited	-	2,859,342
Prime Bank Limited	-	90,397
United Commercial Bank Limited	-	676,528
Bangladesh Commerce Bank Limited	93,084	96,274
	1,368,161,349	794,502,976
Balance with City Bank Capital Resources Limited	1,976,157	851,289
Balance with ICB Securities Trading Company Limited	233,324	233,774
	2,209,481	1,085,063
	1,372,995,830	798,213,039

14 Share capital	30 June 2020 Taka	30 June 2019 Taka
Authorized share capital		
250,000,000 ordinary shares of Tk.10 each	<u>2,500,000,000</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
85,570,492 ordinary shares (77,516,925 ordinary shares as at 30 June 2019) of Tk.10 each issued as bonus shares	855,704,920	775,169,250
	<u>885,892,420</u>	<u>805,356,750</u>

These shares are listed with Dhaka Stock Exchange Limited and quoted at Tk 1,026.20 per share on 30 June 2020.

As at 30 June 2020, 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	45,180,129	451,801,290	51.00%
Business Research International Corp. Inc.	Panama	19,262,801	192,628,010	21.74%
ICB Unit Fund	Bangladesh	5,014,469	50,144,690	5.66%
Shadharan Bima Corporation	Bangladesh	3,875,754	38,757,540	4.38%
Investment Corporation of Bangladesh	Bangladesh	2,366,936	23,669,360	2.67%
Other shareholders	Bangladesh & others	12,889,153	128,891,530	14.55%
		<u>88,589,242</u>	<u>885,892,420</u>	<u>100%</u>

Classification of shareholders by holdings:

Holdings	30 June 2020				
	No. of shareholders as per folio	No. of shareholders as per BOID	No. of total shareholders	No. of shareholdings	% of total shareholdings
Less than 500 shares	100	3,502	3,602	381,030	0.4%
501 to 5000 shares	45	841	886	1,400,885	1.6%
5,001 to 10,000 shares	13	99	112	781,366	0.9%
10,001 to 20,000 shares	12	68	80	1,211,873	1.4%
20,001 to 30,000 shares	10	16	26	657,905	0.7%
30,001 to 40,000 shares	2	10	12	435,498	0.5%
40,001 to 50,000 shares	-	9	9	418,704	0.5%
50,001 to 100,000 shares	2	24	26	1,825,107	2.1%
100,001 to 1,000,000 shares	1	20	21	5,791,669	6.5%
Over 1,000,000 shares	2	4	6	75,685,205	85.4%
	<u>187</u>	<u>4,593</u>	<u>4,780</u>	<u>88,589,242</u>	<u>100%</u>

15 Revaluation surplus	30 June 2020 Taka	30 June 2019 Taka
Land	179,132,078	179,132,078
Buildings	26,642,865	27,278,749
	<u>205,774,943</u>	<u>206,410,827</u>
Less: Depreciation adjustment on revalued buildings	(635,885)	(635,885)
	<u>205,139,058</u>	<u>205,774,942</u>
Less: Adjustment of deferred tax on revaluation surplus	(51,284,762)	(51,443,734)
	<u><u>153,854,296</u></u>	<u><u>154,331,208</u></u>

15.a Other reserves

The deficit amount of Tk. 43,065,180 of the net assets of Renata Oncology Limited over the net assets value of the shares settled in consideration of cash by Renata Limited have been transferred and debited to “Other reserves” in the books of Renata Limited pursuant to the Scheme of Amalgamation. This is the retained loss of Tk 43,066,180 of Renata Oncology Limited net of consideration of share value of Tk. 1,000 (100 shares @ face value of Tk. 10 each) of the minority shareholder.

16 Fair value reserve

Opening balance	24,708,298	25,223,220
Fair value adjustment on investment in shares, net of tax	(26,666,085)	(514,922)
Realised loss on disposal of shares	-	(112,598)
Transfer between reserves- realised loss on disposal of shares	-	112,598
	<u><u>(1,957,787)</u></u>	<u><u>24,708,298</u></u>

17 Retained earnings

Opening balance	17,300,366,985	14,246,822,807
Net profit after tax for the year	4,129,595,803	3,823,362,130
Stock dividend issued @ 10% for FY 2018-2019	(80,535,670)	(105,046,529)
Final dividend (cash dividend @ 100% for FY 2018-2019)	(805,356,750)	(665,294,710)
Depreciation adjustment on revalued assets	635,885	635,885
Settlement in consideration of cash paid due to merger of Renata Oncology Limited	(454)	-
Transfer between reserves- realised loss on disposal of shares	-	(112,598)
	<u><u>20,544,705,799</u></u>	<u><u>17,300,366,985</u></u>

18. Deferred tax liabilities

	30 June 2020 Taka	30 June 2019 Taka
Opening balance	1,303,839,631	1,209,208,777
Amount of Renata Oncology Limited as at 01 July 2019 due to merger	33,505,838	-
Addition during the year	105,569,771	94,630,854
	1,442,915,240	1,303,839,631

Computation of deferred tax for the year ended 30 June 2020

	Carrying amount Taka	Tax base Taka	Taxable/(deductible) temporary difference Taka	Deferred tax liabilities/ (assets) Taka
Property, plant and equipment	10,225,258,077	4,358,690,536	5,866,567,541	1,466,641,884
Provision for doubtful debt	(94,036,446)	-	(94,036,446)	(23,509,112)
Investment in shares	75,040,731	77,216,054	(2,175,323)	(217,532)
Deferred tax liabilities/(assets) as at 30 June 2020				1,442,915,240

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

Amount of Renata Oncology Limited as at 01 July 2019 due to merger	33,505,838
Increase in deferred tax liabilities during the year	105,569,771

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

Charged to fair value reserve (OCI)	(2,962,899)
Adjustment for reduction of revaluation surplus due to charges of extra depreciation	(158,972)
Charged to profit or loss	108,691,642
	105,569,771

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	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

Increase in deferred tax liabilities/(assets) during the year	94,630,854
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Allocation of deferred tax liabilities 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

19	Short term bank loan and overdrafts	30 June 2020 Taka	30 June 2019 Taka
	Eastern Bank Limited (Note-19.1)	37,623,723	52,269,803
	The City Bank Limited (Note-19.2)	260,460,000	238,979,895
	Standard Chartered Bank (Note-19.3)	834,648,149	1,076,367,260
	Citibank N. A. (Note-19.4)	411,934,856	539,592,529
	Bank Asia Limited (Note-19.5)	183,643,469	95,412,837
	Commercial Bank of Ceylon PLC (Note-19.6)	1,252,411,185	559,984,391
	United Commercial Bank Limited	415,693	-
		2,981,137,076	2,562,606,715

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 Details of facility:

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) / Import finance

Purpose : To import plant and machinery and raw materials.
Facility limit : Combined Tk. 510 million.
Repayment : Within 180 days from the date of disbursement.

Security

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

- First charge over all present and future inventories and trade receivable of Renata Limited under pari-passu security sharing agreement.
- 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. 2,250 million.
Repayment	: Within 180/365 days from the date of disbursement.

Overdraft

Purpose	: For working capital purposes.
Facility limit	: Tk. 150 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 17,000,000.
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 6,000,000.
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. 600 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. 150 million.
Repayment	: Within 120 days from the date of disbursement.

Overdraft

Purpose	: For payment of duty VAT, taxes and operating expenses.
Facility limit	: Tk. 150 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. 50 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

	30 June 2020 Taka	30 June 2019 Taka
Payable to suppliers (Including Renata Oncology Limited)	494,139,222	561,264,725
Toll manufacturing charges (Sharif and NAFCO)	14,374,691	7,117,888
	508,513,913	568,382,613

Aging of the above payables is given below:

Payables due below six months	486,949,204	540,484,580
Payables due over six months	21,564,709	27,898,033
	508,513,913	568,382,613

21 Other payables

VAT and other payables (including Renata Oncology Limited)	511,670,530	515,098,602
Advance from customers (Note-21.1)	537,525,993	5,296,645
Workers' participation fund (Note-21.2)	64,199,608	89,484,909
Provident fund (Note-21.3)	7,018,484	374,362
Unclaimed dividend (Note-21.4)	38,921,309	33,161,390
Export commission payable	29,159,816	6,896,754
Accrued interest	23,710,390	30,901,405
	1,212,206,130	681,214,066

21.1 This amount represents advances received from customers against sales and for which respective sales have accrued in the subsequent financial period.

21.2 Workers' participation fund

	30 June 2020 Taka	30 June 2019 Taka
Opening Balance	89,484,909	256,219,571
Addition during the year	299,600,395	260,688,862
	389,085,304	516,908,433
Transferred during the year	(324,885,696)	(427,423,524)
	64,199,608	89,484,909

21.3 Tk. 4,367,701 and Tk. 1,457,242 have been forfeited from the provident fund of outgoing employees from January 2015-June 2019 and from July 2019-June 2020 respectively. Renata Limited has successfully retrieved Tk. 3,576,963 (forfeited during January 2015-June 2019) and Tk. 1,457,242 (forfeited during July 2019-June 2020) from existing employees by 30 June 2020. The process of retrieving the remaining amount of Tk. 790,738 (forfeited during January 2015-June 2019) from employees who have already left the Company is currently underway.

21.4 Unclaimed dividend

Unclaimed dividend upto 4 years	22,469,495	20,862,511
Unclaimed dividend above 4 years	16,451,814	12,298,879
	38,921,309	33,161,390

22 Provision for taxation

Opening balance	800,430,247	805,538,964
Amount of Renata Oncology Limited as at 01 July 2019 due to merger	264,006	-
Provision made during the year	1,753,720,521	1,295,568,037
	2,554,414,775	2,101,107,001
Payment made during the year	(1,194,062,327)	(1,300,676,754)
	1,360,352,448	800,430,247

23 Turnover

	Amount in Taka			
	2019-2020			2018-2019
	Gross Turnover	Less: VAT	Turnover (net)	Turnover (net)
Pharmaceutical products	19,850,794,477	2,827,864,890	17,022,929,587	16,001,877,678
Animal health products	5,112,741,626	433,223,658	4,679,517,968	3,820,687,501
Contract manufacturing	2,712,141,906	250,566,988	2,461,574,918	2,398,321,940
	27,675,678,009	3,511,655,536	24,164,022,473	22,220,887,119

During the year, sale of pharmaceutical products includes export sales of Tk. 693,632,930 equivalent to US\$ 7,789,681 (Tk. 466,830,128 equivalent to US\$ 5,558,351 for the year ended 30 June 2019).

24 Cost of sales	2019-2020 Tata	2018-2019 Taka
Raw materials consumed - (Note-24.1)	9,502,475,691	7,562,961,901
Factory overhead - (Note-24.2)	3,662,243,626	3,454,689,705
Manufacturing costs	13,164,719,317	11,017,651,606
Add: Opening work-in-process	307,184,878	227,932,482
	13,471,904,195	11,245,584,088
Less: Closing work-in-process	357,440,076	307,184,878
Cost of goods manufactured	13,114,464,119	10,938,399,210
Add: Opening finished goods	1,067,189,884	1,194,756,581
Add: Opening finished goods of Renata Oncology Limited as at 01 July 2019 due to merger	10,356,340	-
Cost of goods available for sale	14,192,010,343	12,133,155,791
Less: Closing finished goods	1,559,102,590	1,067,189,884
	12,632,907,753	11,065,965,907

24.1 Raw materials consumed

Opening stock	2,264,703,501	1,884,575,908
Add: Opening stock of Renata Oncology Limited as at 01 July 2019 due to merger	18,387,610	-
Add: Purchase during the year	9,525,908,890	7,943,089,494
Total materials available	11,809,000,001	9,827,665,402
Less: Closing stock	2,306,524,310	2,264,703,501
Raw materials consumed	9,502,475,691	7,562,961,901

24.2 Factory overhead

Salaries, wages and other benefits	1,165,718,619	1,014,357,952
Factory employees' free lunch, snacks and tea expenses	146,198,286	174,796,956
Uniform for workers	10,549,879	15,010,179
Travelling and conveyance	92,917,965	79,190,337
Stationeries and supplies	50,893,250	52,608,592
Postage, telex, fax and telephone	5,430,599	14,216,087
Repairs and maintenance	395,466,260	475,292,469
Consumable stores and laboratory supplies	195,023,947	201,811,978
Electricity, fuel, gas and water	598,047,171	585,366,849
Rent	8,114,396	1,280,368
Registration and renewals	2,875,129	2,709,436
Insurance premium	8,686,329	6,311,266
Depreciation (Note-5.3)	747,358,167	645,887,883
Cleaning & security services	70,924,592	59,069,950
Automobile expenses	22,839,642	22,863,168
Toll charges	137,356,753	98,340,729
Training expenses	623,448	3,238,591
Other expenses	3,219,195	2,336,915
	3,662,243,626	3,454,689,705

24.3 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, liter, pieces. In view of different units in use, the following table has been presented in value only.

Major material group	Opening stocks	Opening stock of Renata Oncology Limited as at 01 July 2019 due to merger	Purchases	Consumption	Closing stocks
Bulk materials	1,301,015,301	5,242,568	5,268,013,505	5,146,318,170	1,427,953,204
Raw materials	407,591,705	12,670,534	1,972,182,119	1,999,405,654	393,038,704
Packing materials	556,096,495	474,508	2,285,713,266	2,356,751,867	485,532,402
	2,264,703,501	18,387,610	9,525,908,890	9,502,475,691	2,306,524,310
Consumable stores	12,733,075	-	64,986,706	61,862,940	15,856,841
Maintenance stores and spares	131,100,395	4,195,722	370,528,034	308,294,985	197,529,166
	143,833,470	4,195,722	435,514,740	370,157,925	213,386,007
	2,408,536,971	22,583,332	9,961,423,630	9,872,633,616	2,519,910,317

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

25 Administrative expenses

	2019-2020 Taka	2018-2019 Taka
Salaries, wages and allowances	230,939,161	204,553,776
Travelling and conveyance	28,657,799	30,256,650
Training expenses	3,317,524	881,700
Stationeries and supplies	7,877,850	9,850,712
Postage, telex, fax and telephone	7,496,864	4,219,001
Electricity, fuel, gas and water	16,933,346	22,234,792
Employees' free lunch, snacks and tea expenses	31,472,419	30,161,976
Staff uniform	379,993	563,521
Rent	8,352,425	6,857,985
Repairs and maintenance	13,240,133	8,455,601
Govt. taxes and license fees	2,231,448	3,066,761
Cleaning & security services	6,157,236	5,492,910
Depreciation (Note-5.3)	17,521,334	15,512,068
Software and hardware support services	19,536,929	28,608,045
Insurance premium	7,063,300	5,416,508
Automobile expenses	15,546,646	14,742,516
Legal and professional expenses	504,500	207,091
Audit fees	962,500	805,000
Board meeting attendance fee	300,000	430,000
Subscription and membership fees	1,559,610	4,479,715
Meeting and corporate expenses	16,152,192	13,508,097
AGM expenses	367,804	1,985,560
Health and safety	85,826	-
Other expenses	21,215,585	22,042,678
	457,872,424	434,332,663

26	Selling, marketing and distribution expenses	2019-2020 Taka	2018-2019 Taka
	Salaries, wages and allowances	1,926,845,117	1,679,794,345
	Travelling and conveyance	513,184,659	487,833,962
	Training expenses	8,779,279	5,619,687
	Stationeries and supplies	39,603,465	30,331,316
	Postage, telex, fax and telephone	75,602,453	43,200,990
	Electricity, fuel, gas and water	27,877,814	27,613,683
	Employees' free lunch, snacks and tea expenses	167,420,889	151,773,671
	Staff uniform	2,086,605	2,009,858
	Rent	23,201,120	25,948,698
	Repairs and maintenance	13,928,996	16,564,633
	Govt. taxes and license fees	15,433,528	17,567,415
	Cleaning & security services	58,063,287	55,870,197
	Depreciation (Note-5.3)	150,324,825	139,608,599
	Insurance premium	14,956,787	14,804,515
	Automobile expenses	38,244,760	30,043,569
	Journal and advertisement	27,183,119	32,987,729
	Free sample	123,509,318	111,280,168
	Marketing and sales promotional expenses	359,649,656	1,152,915,446
	Product literature	258,739,078	255,154,376
	Distribution expenses	471,899,408	424,689,528
	Export expenses	42,666,942	41,670,320
	Special discount	435,057,023	371,208,478
	Subscription and membership fees	16,510,685	22,622,944
	Meeting and corporate expenses	118,314,544	122,529,264
	Health and safety	1,293,214	18,887,605
	Other expenses	172,183,013	87,630,614
		5,102,559,584	5,370,161,610
27	Other Income		
	Scrap sales and others	13,205,082	13,713,398
	Dividend income	3,475,453	3,782,466
	Interest income	513,472,412	254,116,872
	Gain/ (loss) on disposal of property, plant and equipment (Note-5.5)	13,932,500	3,272,756
		544,085,447	274,885,492
28	Finance costs		
	Interest expenses	149,584,763	115,080,137
	Exchange loss	57,250,283	19,319,555
	Bank charges	16,324,752	16,446,670
		223,159,798	150,846,362
29	Tax expenses		
	Current tax	1,753,720,521	1,295,568,037
	Deferred tax	108,691,642	94,847,040
		1,862,412,163	1,390,415,077

29.1 Reconciliation of effective tax rate

	%	2019-2020 Taka	%	2018-2019 Taka
Profit before tax		5,992,007,966		5,213,777,207
Applicable tax	25.00%	1,498,001,991	25.00%	1,303,444,301
Tax impact of prior year adjustment	4.05%	242,580,446	0.69%	35,905,180
Effect of foreseeable non deductible expenses	0.58%	34,638,858	-0.59%	(30,876,594)
Effect of lower rate on export profit	-0.33%	(19,933,751)	-0.24%	(12,388,451)
Effect of lower rate on gain on disposal of property, plant and equipment	-0.02%	(1,393,250)	-0.01%	(327,276)
Effect of lower rate on dividend income	-0.003%	(173,773)	-0.004%	(189,123)
Effective current tax	29.27%	1,753,720,521	24.85%	1,295,568,037
Effective deferred tax	1.81%	108,691,642	1.82%	94,847,040
	31.08%	1,862,412,163	26.67%	1,390,415,077

30 Net asset value (NAV) per share

30 June 2020
Taka

30 June 2019
Taka

The computation of NAV is given below:

Equity attributable to the ordinary shareholders	21,539,429,548	18,284,763,241
Weighted average number of ordinary shares outstanding during the year (Note-30.1)	88,589,242	88,589,242
Net asset value (NAV) per share	243.14	206.40

Last year's NAV has been adjusted due to issuance of bonus shares.

30.1 Weighted average number of ordinary shares outstanding during the year

Opening number of shares	80,535,675
Bonus shares issued in December 2019	8,053,567
	88,589,242

31 Basic earnings per share (EPS)

2019-2020
Taka

2018-2019
Taka

The computation of EPS is given below:

Earnings attributable to the ordinary shareholders (net profit after tax for the year)	4,129,595,803	3,823,362,130
Weighted average number of ordinary shares outstanding during the year (Note-30.1)	88,589,242	88,589,242
Basic earnings per share (EPS)	46.62	43.16

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

32 Net cash generated from operating activities

Profit before tax	5,992,007,966	5,213,777,207
<i>Adjustments for:</i>		
Depreciation and amortization expenses	915,204,327	801,008,550
Provision for bad debts & others	2,501,410	22,042,677
Finance costs	223,159,798	150,846,362
(Gain)/ loss on disposal of property, plant and equipment	(13,932,500)	(3,272,756)
Cash generated from operations before changes in working capital	7,118,941,001	6,184,402,040

	2019-2020 Taka	2018-2019 Taka
<i>Adjustments for:</i>		
(Increase)/ decrease in inventories	(921,363,546)	(414,559,417)
(Increase)/ decrease in trade receivables	(280,667,248)	(76,303,805)
(Increase)/ decrease in other receivables	(269,271,414)	(182,663,047)
(Increase)/ decrease in advances, deposits and prepayments	(99,000,486)	28,083,685
Increase/ (decrease) in trade payables	(60,028,743)	346,036,516
Increase/ (decrease) in other payables	532,388,661	(278,899,422)
Cash generated by operations	6,020,998,226	5,606,096,550
Finance costs	(228,041,378)	(150,177,868)
Payment of tax	(1,194,062,327)	(1,300,676,754)
Net cash generated from operating activities	4,598,894,521	4,155,241,928

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	4,598,894,521	4,155,241,928
Weighted average number of ordinary shares outstanding during the year (Note-30.1)	88,589,242	88,589,242
Net operating cash flow per share	51.91	46.90

Last year's net operating cash flow per share has been adjusted due to issuance of bonus shares.

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
Short-term employee benefits		
Remuneration	13,697,866	571,132,640
House rent	8,038,930	424,177,979
Bonus	5,707,445	245,701,674
Conveyance allowance and transport	3,372,835	179,037,863
Other welfare expenses	5,767,060	49,350,972
Post-employment benefits		
Contribution to provident fund	1,369,787	55,999,081
Gratuity	1,712,233	81,287,767
	39,666,156	1,606,687,976

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. 33,196,071 for the assessment year 2018-2019 awaiting for appeal to be filed by us with the Taxes Appellate Tribunal.

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. 245,280,917 and tax file reopened accordingly under Section 93 of the Income Tax Ordinance, 1984. Total tax amount was calculated Tk. 73,584,275 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 2020.

37 Commitments

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

	30 June 2020 Taka	30 June 2019 Taka
Letters of credits (Note-37.1)	2,426,510,888	1,745,661,987
Outstanding guarantees issued by the banks	220,823,176	666,110,566
Capital expenditure commitments	7,912,299,499	7,691,345,783
	10,559,633,563	10,103,118,336

37.1 Letters of credits

	Limit		
Standard Chartered Bank	2,000,000,000	522,772,727	531,308,481
Eastern Bank Limited	500,000,000	149,819,885	4,744,793
The City Bank Limited	1,200,000,000	121,384,551	152,672,024
Citibank N.A.	1,595,180,000	625,966,947	190,372,485
Commercial Bank of Ceylon PLC	1,350,000,000	682,802,262	715,400,964
Bank Asia Limited	600,000,000	323,764,516	151,163,240
	7,245,180,000	2,426,510,888	1,745,661,987

38 Dividend paid to non-resident shareholders

Final dividend paid to non-resident shareholder, Business Research International Corp. Inc. for the year 2018-2019 was Tk. 140,093,104 equivalent to US\$ 1,632,786.76 for their 17,511,638 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 7,710 (6,886 as at 30 June 2019) employees as of June 2020, of which 5,113 (4,642 as at 30 June 2019) is permanent employees and 2,597 (2,244 as at 30 June 2019) 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-product plants. As a result plant utilization is not comparable with capacity due to variation of product mix. However, actual production and utilization for major product groups are as follows:

Major product group / Unit	Capacity (In '000)	2019-2020		2018-2019	
		Actual production (In '000)	Utilization %	Actual production (In '000)	Utilization %
Sterile dry fill (injectable) / Vials	8,155	10,003	122.66%	9,524	127.84%
Sterile liquid (inj) / Vials / Ampoules	15,350	23,016	149.94%	21,739	162.96%
Ointments / Tubes	1,500	775	51.67%	773	51.53%
Capsules and tablets / Cap / Tab	2,116,550	2,854,425	134.86%	2,595,456	151.34%
Oral liquid & dry syrup / Bottles	19,650	33,744	171.73%	32,923	185.59%
Water for injection / Ampoules	9,400	11,131	118.41%	10,953	128.86%
Premix feed supplement / Kg	5,900	7,390	125.25%	7,190	148.25%
Premix feed supplement / Sachets	6,800	8,386	123.32%	6,778	202.33%
Oral saline / Sachets	540,000	692,738	128.28%	543,024	152.96%
Potent Products / Tablets	2,650,000	2,957,601	111.61%	2,879,215	117.04%

40 Payments / receipts in foreign currency

Foreign
currency
USD

Local
currency
Taka

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

Raw, bulk and packing materials	86,057,192	7,277,856,759
Machinery and spares	14,635,733	1,237,743,949
	100,692,925	8,515,600,708

40.2 Foreign exchange was earned in respect of the following:

Export of goods on FOB	USD	7,789,681
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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 transactions and their total value have been shown in the table below in accordance with IAS 24 "Related Party Disclosures".

Name of related parties	Relationship	Nature of transactions	Value of Transaction	Balance at year end
1. Sajida Foundation	Parent	Dividend paid	410,728,450	-
		Acquisition of land	190,000,000	-
		CSR for COVID-19	80,000,000	-
2. Renata Agro Industries Limited	Subsidiary	Sale of goods	18,083,430	11,224,400
		Advance	97,723,546	173,087,841
3. Purnava Limited	Subsidiary	Sale of goods	150,478,857	-
		Advance	97,500,000	337,500,000
4. Renata (UK) Limited	Subsidiary	Advance	-	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 2019-2020 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

Amount to be distributed as dividend

The Board of Directors in their meeting held on 26 October 2020 have recommended cash dividend @ 130% per share of Taka 10 each aggregating Taka 1,151,660,146 and stock dividend @ 10% of Taka 10 each aggregating Taka 88,589,242 for the year ended 30 June 2020 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 19 December 2020. The financial statements for the year ended 30 June 2020 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. The declared dividend is also in compliance with section 16G of Income Tax Ordinance 1984.

Other events

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

Place: Dhaka
Date: 26 October 2020

Renata Agro Industries Limited

Report and Financial Statements as at and for the year ended 30 June 2020

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Md. Jubayer Alam, Director
- Mr. Nehal Ahmed, Independent Director



Directors' Report

The core business of Renata Agro has hitherto been the production of Day-Old-Chicks (DOCs). Due to a structural shift in the poultry industry, Feed has now become the main profit earner for most of the large companies, while the DOC business has been relegated to a secondary status.

Since Renata Agro does not operate in the commercial feed market, we have suffered badly due to this shift in the Industry. Moreover, in the last financial year, the DOC market, in part due to the Covid-19 pandemic experienced a severe downturn.

Given the bleak outlook for DOC as a stand-alone business, in Q2 we shifted our business model towards producing specialty eggs and branded chicken meat exclusively for Purnava Limited. Given the growing popularity of O3 and Vitamin-E eggs, we are hopeful that this shift to producing commercial eggs augurs well for the Company. The breeder operation has been scaled down and its output is largely used in the production of the newly launched Lal Jhunti chicken meat.

Although, the Company continues to make losses, the new business model has significantly cut down losses from Q2 onwards.



Kaiser Kabir
Chairman
26 October 2020

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 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year 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 2020 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 assess 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 2020

Renata Agro Industries Limited

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

		Amount in Taka	
		30 June 2020	30 June 2019
ASSETS			
Non-current assets			
Property, plant and equipments	5	416,492,506	451,201,245
Capital work-in-progress	6	106,261,527	26,279,858
Long term investment	7	10,000,000	10,936,180
		532,754,033	488,417,283
Current assets			
Investment in shares and others	8	85,816,797	101,332,570
Inventories	9	60,589,783	103,445,871
Trade and other receivables	10	33,030,477	41,178,546
Advances, deposits and prepayments	11	24,692,396	18,600,889
Cash and cash equivalents	12	23,258,405	36,796,563
		227,387,858	301,354,439
Total assets		760,141,891	789,771,722
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		15,669,164	29,633,360
Retained earnings		354,436,623	458,243,502
		458,749,124	576,520,199
Non- current liabilities			
Deferred tax liability	14	6,292,793	8,080,740
		6,292,793	8,080,740
Current liabilities			
Trade and other payables	15	25,696,469	19,218,119
Cost accrual	16	16,793,273	18,866,844
Provision and other liabilities	17	248,199,937	163,623,452
Provision for income tax	18	4,410,295	3,462,369
		295,099,974	205,170,784
Total equity and liabilities		760,141,891	789,771,722

Annexed notes form an integral part of these financial statements



Director



General Manager



Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh
Dated: 26 October 2020


K.M. HASAN & CO.
Chartered Accountants


Renata Agro Industries Limited

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Revenue	19	301,677,074	446,891,045
Cost of sales	20	(363,423,472)	(423,854,950)
GROSS PROFIT/(LOSS)		(61,746,398)	23,036,095
Administrative expenses	21	(19,724,943)	(18,382,207)
Marketing expenses	22	(8,917,031)	(11,688,689)
Distribution expenses	23	(11,158,176)	(20,007,600)
		(39,800,150)	(50,078,496)
OPERATING PROFIT/(LOSS)		(101,546,548)	(27,042,401)
Finance income	24	2,370,795	4,371,934
Finance expenses	25	(3,919,569)	(3,129,929)
		(1,548,774)	1,242,005
Profit/ (Loss) before contribution to BPPF		(103,095,322)	(25,800,396)
Contribution to BPPF		-	-
Profit/(loss) before income tax		(103,095,322)	(25,800,396)
Provision for tax:			
Deferred tax	14	236,369	(24,432)
Current tax	18	(947,926)	(762,670)
		(711,557)	(787,102)
Net profit/(Loss) after income tax		(103,806,879)	(26,587,498)
Other comprehensive income:			
Unrealized gain/(loss) on marketable securities net off tax		(13,964,196)	(1,890,471)
Total comprehensive income		(117,771,075)	(28,477,969)
Basic Earnings Per Share (EPS)	26	(247.16)	(63.30)

Annexed notes form an integral part of these financial statements

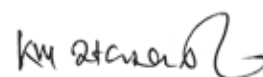

Director


General Manager


Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh
Dated: 26 October 2020


K.M. HASAN & CO.
Chartered Accountants

Renata Agro Industries Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

Amount in Taka

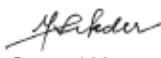
Particulars	Share Capital	Tax Holiday reserve	Reserve for unrealized gain	Retained Earnings	Total
Balance as at 01 July 2019	42,000,000	46,643,337	29,633,360	458,243,502	576,520,199
Net Profit/ (Loss) after tax	-	-	-	(103,806,879)	(103,806,879)
Unrealized gain/ (Loss)	-	-	(13,964,196)	-	(13,964,196)
BALANCE AS AT 30 JUNE 2020	42,000,000	46,643,337	15,669,164	354,436,623	458,749,124

For the year ended 30 June 2019

Amount in Taka

Particulars	Share Capital	Tax Holiday reserve	Reserve for unrealised gain	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



Director


General Manager


Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh
Dated: 26 October 2020


K.M. HASAN & CO.
Chartered Accountants

Renata Agro Industries Limited

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Amount in Taka	
	30 June 2020	30 June 2019
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Collection from customers and others	309,825,143	432,718,669
Payment to suppliers and employees	(191,616,279)	(342,116,201)
Cash paid for operating expenses and others	(46,020,501)	(23,334,220)
Cash generated from operation	72,188,363	67,268,248
Income tax paid	(1,944,727)	(2,762,065)
Financial expenses	(3,919,569)	(3,129,929)
Net cash provided from operating activities	66,324,067	61,376,254
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(444,000)	(52,243,497)
Disposal of property, plant and equipments	1,400,000	-
Capital work- in- progress	(83,560,676)	(3,942,302)
Investment in FDR	-	30,000,000
Invest income	2,092,451	4,371,934
Investment in Govt. Saving Certificate	650,000	-
Net cash used in investing activities	(79,862,225)	(21,813,865)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdraft (paid)/received	-	(10,879,800)
Net cash (used in)/inflows from financing activities	-	(10,879,800)
Net cash and cash equivalents inflows/(outflows) for the year (A+B+C)	(13,538,158)	28,682,589
Add: Opening cash and cash equivalents	36,796,563	8,113,974
Closing cash and cash equivalents	23,258,405	36,796,563


Director


General Manager


Chairman

Signed in terms of our report of even date annexed.

Place: Dhaka, Bangladesh
Dated: 26 October 2020

Renata Agro Industries Limited

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE 2020

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 2020.
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020.
- (c) Statement of Changes in Equity for the year ended 30 June 2020.
- (d) Statement of Cash Flows for the year ended 30 June 2020.
- (e) Notes to the Financial Statements as at and for the year ended 30 June 2020.

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 Reporting Period

Financial statements of the Company cover the year from 01 July 2019 to 30 June 2020.

3.6 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**.

3.7 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.

3.8 Trade and other Receivables

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

3.9 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.

3.10 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.

3.11 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.

3.12 Revenue from Sales

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

3.13 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.

3.14 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 -26.

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.

3.15 Current tax

Current tax expense has been made on the basis of the Finance Act, 2020 and the Income Tax Ordinance, 1984.

3.16 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.

3.17 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.

3.18 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 at 30.06.20
	Balance as at 01.07.19	Addition during the year	Adjustment/ Disposal during the year	Balance as at 30.06.20	Rate (%)	Balance as at 01.07.19	Charged during the year	Adjustment/ Disposal during the year	Balance as at 30.06.20	
Freehold land and land development	121,190,645	444,000	-	121,634,645	-	-	-	-	-	121,634,645
Building on freehold land	325,896,504	1,949,830	-	327,846,334	5.0%	134,547,538	16,359,605	-	150,907,143	176,939,191
Semi pucca building on freehold land	1,741,817	-	-	1,741,817	12.5%	1,741,817	-	-	1,741,817	-
Plant and machinery	261,179,001	1,607,977	-	262,786,978	5.0%	139,330,622	13,139,349	-	152,469,971	110,317,007
Office equipments	13,099,996	21,200	-	13,121,196	12.5%	10,054,029	1,275,913	-	11,329,942	1,791,254
Automobiles and trucks	45,588,898	-	3,204,732	42,384,166	25.0%	32,356,267	6,678,887	2,083,076	36,952,078	5,432,088
Furniture and fixture	3,105,035	-	-	3,105,035	10.0%	2,570,378	156,336	-	2,726,714	378,321
Balance as at 30 June 2020	771,801,896	4,023,007	3,204,732	772,620,171		320,600,651	37,610,090	2,083,076	356,127,665	416,492,506
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

Amount in Taka

Allocation of depreciation

	30 June 2020	30 June 2019
Farm overhead	28,297,886	29,291,220
Vitamin - E eggs expenses	667,944	667,944
Omega-03 Project	1,691,102	1,681,854
Administrative expenses	2,448,386	2,323,045
Distribution expenses	-	750,296
Hatchery expenses	2,902,992	2,885,831
Feed mill	609,077	582,903
Marketing expenses	801,180	587,532
Laboratory expenses	191,523	187,898
	37,610,090	38,958,523

Amount in Taka

6. CAPITAL WORK- IN-PROGRESS

	30 June 2020	30 June 2019
Opening balance	26,279,858	22,337,556
Addition during the year	83,560,676	54,787,849
	109,840,534	77,125,405
Capitalized as property, plant and equipments	(3,579,007)	(50,845,547)
Closing balance	106,261,527	26,279,858

7. LONG TERM INVESTMENT

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

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 2020	30 June 2019
10,286,180	10,572,360
(286,180)	(286,180)
10,000,000	10,286,180

8. INVESTMENT IN SHARES AND OTHERS

Investment in share (Note-8.1)
Investment in FDR

35,816,797	51,332,570
50,000,000	50,000,000
85,816,797	101,332,570

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 2020	30 June 2019
				Fair Value of Share	Fair Value of Share
United Finance Ltd.	38,452	578,923	12.5	480,650	730,588
Bata Shoe Ltd.	2,000	264,501	693.2	1,386,400	2,081,800
Square Pharma Ltd.	193,373	13,896,710	172.5	33,356,843	47,620,511
UCBL	20,831	2,600,218	11.7	243,723	356,210
ICB	5,105	1,066,263	68.4	349,182	543,461
	259,761	18,406,615		35,816,797	51,332,570

9. INVENTORIES

Parent stock- deshi hen
Parent stock- broiler
Parent stock- vitamin E
Parent stock- duck
Parent stock- layer
Material stock- feed
Material stock- medicine
Material stock- commercial broiler feed
Feed mill Ingredient
Generator fuel and LP gas
Layer eggs-03
Omega-03 feed
Vitamin-E feed
Vitamin-E eggs

30 June 2020	30 June 2019
91,830	-
17,583,951	76,822,756
8,130,110	4,936,916
264,060	-
9,067,494	5,014,652
245,435	965,170
3,478,028	5,572,507
562,485	-
17,598,728	7,935,684
822,078	519,469
1,502,300	715,660
371,371	89,132
207,521	180,517
664,392	693,408
60,589,783	103,445,871

10. TRADE AND OTHER RECEIVABLES

Trade receivables (Note- 10.1)
Less: allowance for doubtful debts

Other receivables

10,778,320	18,244,219
(3,300,000)	-
7,478,320	18,244,219
25,552,157	22,934,327
33,030,477	41,178,546

10.1 Aging of trade receivables

Receivables due below six months
Receivables due over six months

7,544,824	12,770,953
3,233,496	5,473,266
10,778,320	18,244,219

11. ADVANCES, DEPOSITS AND PREPAYMENTS

Advances (Note-11.1)
Prepayments (Note-11.2)
Advance income tax (Note-11.3)

3,679,420	372,568
2,367,017	1,527,089
18,645,959	16,701,232
24,692,396	18,600,889

		Amount in Taka	
		30 June 2020	30 June 2019
11.1 Advances			
Loan to employee		1,868,409	-
Advance to employee against purchase		1,811,011	-
Advance for commercial feed factory rent		-	102,594
Advance for calendar		-	266,774
Advance for agent seminar		-	3,200
		3,679,420	372,568
11.2 Prepayments			
Insurance premium		2,367,017	1,527,089
		2,367,017	1,527,089
11.3 Advance income tax			
Opening balance		16,701,232	13,939,167
Addition during the year		1,944,727	2,762,065
		18,645,959	16,701,232
Adjustment during the year		-	-
Closing balance		18,645,959	16,701,232
12. CASH AND CASH EQUIVALENTS			
Cash in hand			
At farm office		3,363,702	1,960,958
At head office		150,469	324,532
		3,514,171	2,285,490
Balance with Banks:			
Pubali Bank Ltd. (A/c- 2844901021428)		109,931	4,217,769
Janata Bank Ltd. (A/c- 0197001032897)		73,954	798,322
Islami Bank Bangladesh Ltd. (A/c- 20502740100089118)		2,535,032	10,162,555
Dutch Bangla Bank Ltd. (A/c- 1641100011197)		316,886	2,772,886
Eastern Bank Limited. (A/c- 1012050000405)		16,560,063	14,770,131
Agrani Bank Ltd. (A/c- 0200008969017)		148,369	1,789,410
		19,744,234	34,511,073
		23,258,405	36,796,563
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 2020, 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 2020	30 June 2019
14. DEFERRED TAX LIABILITY			
Opening balance		8,080,740	8,266,360
Other comprehensive income -10% tax on unrealized gain/ (loss) on share		(1,551,577)	(210,052)
Charge to the profit or loss account		(236,369)	24,432
Closing balance		<u>6,292,793</u>	<u>8,080,740</u>

	Carrying amount as at 30 June 2020	Tax base	Taxable/(deductible temporary difference)	Deferred tax liabilities /(assets)
	BDT	BDT	BDT	BDT
For the Year ended 30 June 2020				
Property, plant and equipment excluding cost of land	416,492,506	360,472,297	56,020,209	5,602,021
Provision for gratuity	(7,202,464)	-	(7,202,464)	(720,246)
Provision for doubtful debt	(3,300,000)	-	(3,300,000)	(330,000)
Investment in shares	35,816,797	18,406,615	17,410,182	1,741,018
Deferred tax liability/ (assets) as on 30 June 2020				<u>6,292,792</u>
Deferred tax liability/ (assets) as on 30 June 2019				<u>8,080,739</u>
Increase in deferred tax liabilities/ (assets) during the year				<u>(1,787,947)</u>

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

Charged to available for sale reserve (OCI)	(1,551,577)
Charged to profit or loss	(236,369)
	<u>(1,787,947)</u>

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				<u>8,080,739</u>
Deferred tax liability/ (assets) as on 30 June 2018				<u>8,266,360</u>
Increase in deferred tax liabilities/ (assets) during the year				<u>(185,620)</u>

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
	<u>(185,620)</u>

		Amount in Taka	
		30 June 2020	30 June 2019
15. TRADE AND OTHER PAYABLES			
ACE Pharmaceuticals		51,000	134,900
ACI Limited		253,080	-
ACI Godrej Agrovat Private Ltd.		-	254,995
Al-Modena Enterprise		-	276,925
Adnan Agro Ltd		2,491,000	-
Adyan Agro Ltd.		214,000	-
Advance Animal Science Co. Ltd.		-	148,750
A.B. Electric Stores		2,077	15,115
Bengal Overseas Ltd.		59,660	3,129,661
Banga Building Materials Ltd.		174,660	-
Bangladesh Lamps limited		46,700	6,354
Bio Labs		222,757	198,500
Bogdad pellet Feed		914,550	-
Delwar Paint and Hardware		148,345	-
EMS Enterprise		-	167,700
Glory Computers		5,200	-
Grameen Distribution Ltd.		-	20,700
Hazi Abdul Karim		591,983	1,317,594
Islam Enterprise		33,000	-
J.M.S Instrument & Chemical Co.		32,250	3,300
K.M. Hasan and Co.		80,000	80,000
Mouha Mega Power and Traders		58,100	-
Mozaddia Auto Rice Mill		26,500	-
M.S Trading		1,423,650	-
Md. Kowser Dal Mill		100,325	-
Nasco Agro Products		129,500	-
Poultry Consultant & Development Service		-	3,300
PCF Feed Industries		376,600	-
Partex Cables Limited		-	183,052
Renata Limited (Medicine)		11,224,400	10,875,700
Renata Limited (Others)		3,087,841	-
R.R. Enterprise		135,660	219,850
R.K Enterprise		162,000	-
Repon Engineering		9,500	-
Sonali Flowers Ltd.		998,800	678,869
Shahariar Enterprise		50,525	101,905
Shamol Bangla Agro Pharma		-	155,000
Satata Oil Mill		410,226	-
Taj Ready Feeds		528,975	-
The Print Media		29,000	15,700
Tea House		-	419,580
Univet Limited		195,000	39,000
X-Link Packaging		575,299	294,500
Zuellig Pharma		854,310	477,169
		25,696,469	19,218,119
Aging of trade and other payables			
Receivables due below six months		21,640,519	14,745,599
Receivables due over six months		4,055,950	4,472,520
		25,696,469	19,218,119
16. COST ACCRUAL			
Leave encashment		16,793,273	18,866,844
		16,793,273	18,866,844

		Amount in Taka	
		30 June 2020	30 June 2019
17. PROVISION AND OTHER LIABILITIES			
Provision (Note:17.1)		2,766,034	9,640,607
Other liabilities (Note:17.2)		245,433,903	153,982,845
		248,199,937	163,623,452
17.1 Provision			
Chicks carrying cost		1,434,465	8,309,038
Commercial feed carrying cost		1,331,569	1,331,569
		2,766,034	9,640,607
17.2 Other liabilities			
Advance from renata		170,000,000	75,364,295
Payables to employees (Note-17.2.1)		10,774,229	12,340,536
Agent security deposit (Note-17.2.2)		11,111,237	10,830,870
Employee tax payable		1,500	1,500
Employee providend fund (Note-17.2.3)		45,616,349	46,235,203
Annual bonus payable (Note- 17.2.4)		728,124	8,617
Provision for Gratuity (17.2.5)		7,202,464	9,201,824
		245,433,903	153,982,845
17.2.1 Payables to employees			
Beneficiary's profit participation fund (Note-17.2.1.1)		5,454,189	7,020,496
Beneficiary's welfare fund (Note-17.2.1.2)		5,320,040	5,320,040
		10,774,229	12,340,536
17.2.1.1 Beneficiary's Profit Participation Fund (BPPF)			
Opening balance		7,020,496	7,216,746
Addition during the year		-	-
		7,020,496	7,216,746
Transfer to BWF		-	-
Payment during the year		(1,566,307)	(196,250)
Closing balance		5,454,189	7,020,496
17.2.1.2 Beneficiary's Welfare Fund (BWF)			
Opening balance		5,320,040	5,365,040
Addition during the year		-	-
		5,320,040	5,365,040
Payment during the year		-	(45,000)
Closing balance		5,320,040	5,320,040
17.2.2 Agent security deposit			
Opening balance		10,830,870	10,245,870
Deposit during the year		280,367	1,190,000
		11,111,237	11,435,870
Refund to the agent		-	(605,000)
Closing balance		11,111,237	10,830,870
17.2.3 Employee providend fund			
Opening balance		46,235,203	36,322,536
Addition during the year		10,757,948	10,556,980
		56,993,151	46,879,516
Adjustment/Payment during the year		(11,376,802)	(644,313)
		45,616,349	46,235,203

		Amount in Taka	
		30 June 2020	30 June 2019
17.2.4	Annual bonus payable		
	Opening balance	8,617	73,824
	Addition during the year	9,321,181	9,161,309
		9,329,798	9,235,133
	Payment during the year	(8,601,674)	(9,226,516)
		728,124	8,617
17.2.5	Provision for gratuity		
	Opening balance	9,201,824	5,056,423
	Addition during the year	6,873,000	6,900,000
		16,074,824	11,956,423
	Payment during the year	(8,872,360)	(2,754,599)
	Closing balance	7,202,464	9,201,824
18.	PROVISION FOR INCOME TAX		
	Opening balance	3,462,369	2,699,699
	Addition during the year	947,926	762,670
		4,410,295	3,462,369
	Payment during the year	-	-
	closing balance	4,410,295	3,462,369
19.	REVENUE		
	Broiler	95,246,199	308,564,394
	Eggs	5,320,506	4,471,234
	Cull birds/ reject bird	41,344,572	52,787,569
	Commercial broiler	59,315,078	257,400
	Omega-03 eggs	58,030,641	45,188,466
	Cattle	906,220	165,440
	Vitamin-E eggs	29,742,285	21,503,214
	Reject bird omega-3 eggs	5,131,440	6,273,549
	Reject bird vitamin-E eggs	3,420,960	3,898,409
	Others	3,219,173	3,781,370
		301,677,074	446,891,045
20.	COST OF SALES		
	Cattle feed	1,490,660	677,749
	Feeds and litter	44,333,670	96,902,324
	Cost of dead birds	6,299,402	7,330,259
	Cost on sale of birds	30,943,034	32,561,731
	Farm overhead (Note-20.1)	92,831,656	126,642,503
	Omega - 03 project (Note-20.2)	45,164,639	34,598,758
	Deshi Hen- conveyance expenses	190	-
	Vitamin-E eggs expenses	27,034,284	18,639,176
	Commercial broiler expenses	48,583,365	1,051,995
	Hatchery expenses	18,586,534	26,440,605
	Laboratory expenses	1,929,258	2,840,034
	Feeds and feed mill expenses	9,145,037	12,782,151
	Medicine and vaccine	7,984,265	14,285,350
	Amortization value of birds	29,066,536	49,022,315
	Fish project	30,942	80,000
		363,423,472	423,854,950

		Amount in Taka	
		30 June 2020	30 June 2019
20.1 Farm overhead			
Salaries and wages	38,675,196	50,972,212	
Telephone bill expenses	128,835	173,516	
Entertainment- Officers/ Staff	25,108	990	
Guest entertainment	17,621	34,770	
Repairs and maintenance	2,422,960	9,933,461	
Fuel charges	1,136,408	1,478,607	
Medical expenses	3,657	93,069	
Mobile set purchase	18,335	33,000	
Donation and subscription	132,390	467,805	
Gardening	73,315	172,021	
Uniform expenses	65,637	530,514	
Power (generator fuel & L.P. gas)	3,358,648	5,731,396	
Electricity consumption	6,280,131	10,441,448	
Staff lunch and snacks	11,437	50,297	
Canteen expenses	1,610,920	5,023,893	
Conveyance	129,280	200,375	
Carrying expenses	46,820	209,994	
Insurance premium	1,873,206	1,571,855	
Poultry equipment's	304,657	427,400	
Laboratory testing expense	46,245	17,950	
Stationery expenses	185,609	783,819	
Land revenue tax (farm)	100,048	259,465	
Advertisement expenses	-	1,911	
Union parishad tax	352,625	590,000	
Travelling expenses	73,736	6,100	
Rental for farm	1,095,533	45,721	
Sports and games	2,650	8,470	
License fees	209,269	467,978	
Consultant's fees	-	-	
Carrying cost	5,445,000	7,314,660	
Depreciation	28,297,886	29,291,220	
Miscellaneous	708,494	308,586	
	92,831,656	126,642,503	
20.2 Omega-03 Project			
Salaries and overhead expenses	5,608,627	2,335,716	
Fuel expenses	254,052	167,748	
Feeds expenses	20,198,985	20,895,483	
Medicine and vaccine	1,108,184	-	
Poultry equipments	88,762	-	
Laboratory testing & diagnosis	218	-	
Litter expenses	40,405	-	
Eggs box	1,234,000	1,054,075	
Canteen expense	387,251	2,250	
Stationery expenses	611,026	160,267	
Telephone bill expense	9,263	4,400	
Mobile set purchase	4,122	-	
Uniform expenses	23,434	9,410	
Repairs and maintenance	148,446	9,859	
Carrying expenses	1,220	-	
Conveyance expenses	3,891	-	
Donation and subscription	26,010	-	
Layer egg purchases expense	4,493,075	-	

Amount in Taka

30 June 2020

30 June 2019

Layer electricity, fuel and LP gas	1,549,782	1,299,501
Loss of dead birds	324,284	156,082
Loss on sale of birds	2,542,034	3,703,773
Amortization value of birds	4,791,486	3,117,470
Sports and games	575	-
Rental for farm	3,315	-
License renewal fees	4,250	-
Land revenue tax (farm)	8,249	-
Lunch and snacks	3,851	280
Depreciation	1,691,102	1,681,854
Medical expenses	-	590
Miscellaneous	4,740	-
	45,164,639	34,598,758

21. ADMINISTRATIVE EXPENSES

Salaries and allowance	11,291,532	13,087,565
Repair and maintenance	306,681	356,768
Fuel expenses	491,101	630,753
Stationery expenses	147,410	197,976
Mobile set purchase	15,000	36,375
Audit fees	119,500	108,125
Telephone bill	110,438	133,486
Uniform expenses	-	11,760
Conveyance	154,022	175,265
Games and sports	700	2,270
Donation and subscription	2,000	54,000
Entertainment expenses	770	-
Canteen expenses	113,998	185,538
Medical expenses	284,387	83,585
License renewal fees	54,000	34,992
Cleaning expense	3,730	4,650
Insurance premium	30,540	27,630
Consultancy expenses	-	22,125
Internet / e-mail service	-	16,712
Legal fees	34,455	81,762
Vehicle insurance, fitness and road tax	299,288	343,590
Travelling expenses	300	400
Postage & courier expenses	120	-
Amortization on Gov't Bond	286,180	286,180
Bad Debts Provision	3,300,000	-
Depreciation	2,448,386	2,323,045
Miscellaneous	230,405	177,655
	19,724,943	18,382,207

22. MARKETING EXPENSES

Salaries and allowance	6,594,568	8,394,932
Entertainment	970	24,890
Canteen expenses	4,945	6,890
Telephone bill expenses	144,424	202,492
Stationery expenses	14,160	17,275
Carriage and conveyance	12,950	32,710
Traveling expenses	639,871	1,524,700

		Amount in Taka	
		30 June 2020	30 June 2019
	Repair and maintenance	50,185	114,775
	Fuel expenses	77,013	149,533
	Insurance, road tax and fitness	74,367	99,855
	Business promotional expense	166,304	458,780
	Medical expense	28,965	-
	House rent for chicks	102,594	-
	Depreciation	801,180	587,532
	Miscellaneous expenses	204,535	74,325
		8,917,031	11,688,689
23.	DISTRIBUTION EXPENSES		
	Salary and allowance	3,397,005	4,532,426
	Medical expenses	1,814	12,651
	Canteen expenses	120,660	289,865
	Carriage and conveyance	30,750	66,345
	Chicks box	2,933,533	6,103,200
	Telephone bill	39,229	55,310
	Mobile set purchase	-	7,500
	Repair and maintenance	742,752	1,742,694
	Fuel and lubricant	1,703,396	3,347,172
	House rent for chicks	69,200	74,200
	Stationery expenses	1,287,230	168,791
	Traveling expenses	-	4,000
	Chicks carrying expenses	574,965	2,126,342
	Uniform for staff	3,200	10,340
	Courier expenses	80	670
	Vehicle insurance, fitness and road tax	68,670	330,330
	Subscription	67,529	35,000
	Depreciation	-	750,296
	Miscellaneous	118,163	350,468
		11,158,176	20,007,600
24.	FINANCE INCOME		
	Interest- FDR	432,250	2,928,932
	Other income (Note-24.1)	1,938,545	1,443,002
		2,370,795	4,371,934
24.1	OTHER INCOME		
	Gain on Sale of used vehicle	278,344	-
	Coupon interest	860,000	860,000
	Income from dividend	800,201	583,002
		1,938,545	1,443,002
25.	FINANCE EXPENSES		
	Bank charges	119,400	111,662
	Interest on overdraft (EBL)	-	60,006
	Interest on employees provident fund	3,800,169	2,958,261
		3,919,569	3,129,929
26.	BASIC EARNINGS PER SHARE (EPS)		
	Profit/(loss) attributable to ordinary shareholders	(103,806,879)	(26,587,498)
	Weighted average number of ordinary shareholders	420,000	420,000
		(247.16)	(63.30)

27. PAYMENTS TO DIRECTORS AND OFFICERS

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

Basic	34,467,819	18,029,095
House rent	17,226,849	6,759,205
Bonus	8,182,426	9,214,268
Contribution to provident Fund	3,319,327	1,549,179
Gratuity	7,854,500	6,830,000
Medical expenses	345,000	996,000
Conveyance allowance and transport	664,500	750,000
	72,060,421	44,127,747

28 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994**28.1 Employee Position of the Renata Agro Industries Limited as per requirement of schedule XI, Part II, Para-3**

The Company engaged 310 employees of which 237 is permanent employees and 73 is casual and temporary

29 Payments / receipts in foreign currency**29.1 During the year, the following payments were made in foreign currency for imports, calculated on CIF basis of:**

	Foreign currency GBP	Foreign currency EURO	Foreign currency US\$	Local currency Taka
Machinery and spares	468,328	-	-	52,425,574
Machinery and spares	-	2,305	-	221,853
Machinery and spares	-	-	130,000	11,141,000
Day Old Chicks	-	57,633	-	5,547,084
Machinery and spares	-	-	38,000	322,810
Machinery and spares	-	-	120,000	12,500,000
Machinery and spares	-	-	15,000	10,194,000

30. 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 transactions and their total value have been shown in the table below in accordance with IAS 24 "Related Party Disclosures".


Name of related parties	Relationship	Nature of transactions	Value of Transaction (BDT)	Balance at year end (BDT)
1. Renata Limited	Parent	Purchases of goods	18,083,430	11,224,400
		Advance	97,723,546	173,087,841
2. Purnava Limited	Subsidiary of Parent	Sale of goods	90,457,840	19,648,137

31. EVENTS AFTER THE REPORTING PERIOD

31.1 The Board of directors in its meeting held on 26 October 2020 approved these audited financial statements of the company for the year ended 30 June 2020 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, Bangladesh
Dated: 26 October 2020

Purnava Limited

Independent Auditor's Report and Financial Statements for the year ended June 30, 2020

Board of Directors

- Mr. Kaiser Kabir, Chairman
- Mr. Monowarul Islam, Director
- Mr. Nehal Ahmed, Independent Director



Directors' Report

The Purnava team demonstrated admirable resilience during the Pandemic period. As doctors withdrew from their private practice during the early months of the Pandemic, the growth of our branded lifestyle products reduced considerably. To compensate for lost business, the team quickly launched hand sanitizers and face-masks. Given the brand-equity that Purnava holds in the market, these new products notched-up significant sales.

Strong digital-marketing increased online sales several-fold. Our distribution team put in long hours of work to ensure timely delivery to shops and homes.

As doctor chambers re-open, we are hopeful that sales growth for our key brands shall return to a high-growth trajectory.

The Company is now very close to achieving break-even sales. We are confident that Purnava shall start earning profit from Q1 of the next fiscal year.



Kaiser Kabir
Chairman
Purnava Limited
26 October, 2020

INDEPENDENT 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 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year 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 2020 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 assess 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.

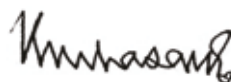
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation and
- Obtain sufficient appropriate audit evidence regarding 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: 26 October, 2020

Purnava Limited

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2020

ASSETS	Notes	June 30, 2020 Taka	June 30, 2019 Taka
Non-current assets			
Property, plant and equipment	4	8,607,687	3,473,118
Deferred tax assets	5	2,362,871	1,556,171
		10,970,558	5,029,289
Current assets			
Inventories	6	52,696,135	28,721,270
Trade receivables	7	94,423,463	38,182,384
Other receivables	8	3,571,912	1,353,309
Advance, deposits and prepayments	9	5,367,552	15,835,548
Cash and cash equivalents	10	21,008,507	7,712,715
		177,067,569	91,805,226
Total assets		188,038,127	96,834,515
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	11	2,500,000	2,500,000
Retained earnings/(losses)		(175,222,902)	(161,587,086)
		(172,722,902)	(159,087,086)
Current liabilities			
Trade payables	12	20,000,483	12,311,432
Other payables	13	337,551,750	240,051,750
Provision for taxation	14	3,208,796	3,558,419
		360,761,029	255,921,601
Total equity and liabilities		188,038,127	96,834,515

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: 26 October, 2020



K. M. HASAN & CO.
Chartered Accountants

Purnava Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2020

	Notes	2019-2020 Taka	2018-2019 Taka
Turnover		468,132,671	344,350,812
Cost of sales	15	(325,859,313)	(206,515,940)
Gross profit		142,273,358	137,834,872
Administrative, selling and distribution expenses	16	(152,664,766)	(168,438,461)
Operating Loss		(10,391,408)	(30,603,589)
Finance cost		(594,876)	(489,197)
Profit / (Loss) before tax		(10,986,284)	(31,092,786)
Income tax expenses:			
Current tax		(3,456,232)	(2,791,905)
Deferred tax (expenses) / income	5	806,700	(8,829)
		(2,649,532)	(2,800,734)
Net Profit / (Loss) after tax		(13,635,816)	(33,893,520)
Other comprehensive income		-	-
Total comprehensive income		(13,635,816)	(33,893,520)

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: 26 October, 2020



K. M. HASAN & CO.
Chartered Accountants

Purnava Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2020

Amount in Taka

PARTICULARS	Share capital	Retained Earnings/(Losses)	Total
Balance as at July 01, 2019	2,500,000	(161,587,086)	(159,087,086)
Net profit /(loss) for the year	-	(13,635,816)	(13,635,816)
Balance as at June 30, 2020	2,500,000	(175,222,902)	(172,722,902)

For the year ended June 30, 2019

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)



Chairman



Director



Chief Financial Officer

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

Place: Dhaka
Dated: 26 October, 2020



K. M. HASAN & CO.
Chartered Accountants

Purnava Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

	2019-2020 Taka	2018-2019 Taka
A. Cash flows from operating activities:		
Collection from customers and others	429,191,247	349,830,375
Payment to suppliers and employees	(385,082,264)	(348,030,556)
Payment of VAT	(19,817,108)	(7,595,270)
Cash inflows/ (outflows) from operation	24,291,875	(5,795,451)
Finance cost	(594,876)	(489,197)
Payment of tax	(3,291,483)	(2,075,976)
Net cash provided from / (used in) operating activities	20,405,516	(8,360,624)
B. Cash flows from investing activities:		
Purchase of property, plant and equipment	(7,109,724)	(2,588,052)
Net cash used in investing activities	(7,109,724)	(2,588,052)
C. Cash flows from financing activities:		
Short term finance	-	2,505,669
Bank overdraft	-	(832,173)
Net cash provided from financing activities	-	1,673,496
D. Net increase/(decrease) in cash and cash equivalents for the year (A+B+C)	13,295,792	(9,275,180)
E. Opening cash and cash equivalents	7,712,715	16,987,895
F. Closing cash and cash equivalents (D+E)	21,008,507	7,712,715



Chairman



Director



Chief Financial Officer

Place: Dhaka
Dated: 26 October, 2020

Purnava Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 2019 to 30 June 2020 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 and Supplementary Duty Act, 2012

The Value Added Tax (VAT) Rules 2016

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, 2020.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2020.
- c) Statement of Changes in Equity for the year ended June 30, 2020.
- d) Statement of Cash Flows for the year ended June 30, 2020.
- e) Notes to the Financial Statements for the year ended June 30, 2020.

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. Full month's depreciation is charged on a straight-line basis from the month the asset is put into use and no depreciation is charged for the month of disposal. Details are as follows:

Asset type	Depreciation rate (%)	
	June 30, 2020	June 30, 2019
Vehicle	25%	25%
Furniture & fixture	10%	10%
Office equipment	10%-12.5%	10%-12.5%

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, 2020 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, 2020
	As at July 01, 2019	Additions during the year	Disposal/ Adjustment during the year	As at June 30, 2020	Rate %	As at July 01, 2019	Charged during the year	Disposal/ Adjustment during the year	As at June 30, 2020	
Vehicles	8,308,954	6,677,196	-	14,986,150	25%	5,558,146	1,804,610	-	7,362,756	7,623,394
Furniture and fixtures	35,528	164,820	-	200,348	10%	33,931	8,312	-	42,243	158,105
Office equipments	1,336,323	267,708	-	1,604,031	10%-12.5%	615,610	162,233	-	777,843	826,188
Balance as at 30.06.2020	9,680,805	7,109,724	-	16,790,529		6,207,687	1,975,155	-	8,182,842	8,607,687
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

		June 30, 2020 Taka	June 30, 2019 Taka
5. DEFERRED TAX ASSETS			
Opening balance		1,556,171	1,565,000
Charge to the profit or loss account		806,700	(8,829)
Closing balance		<u>2,362,871</u>	<u>1,556,171</u>
	Carrying amount as at June 30, 2020	Tax base	Taxable/ (deductible temporary difference)
	BDT	BDT	BDT
For the Year ended June 30, 2020			
Property, plant and equipment	8,607,687	9,422,766	(815,079)
Provision for doubtful debts	(6,455,294)	-	(6,455,294)
Temporary difference			<u>(7,270,373)</u>
Applicable tax rate			32.50%
Deferred tax liability/ (assets) as on June 30, 2020			<u>(2,362,871)</u>
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			<u>(4,446,203)</u>
Applicable tax rate			35.00%
Deferred tax liability/ (assets) as on June 30, 2019			<u>(1,556,171)</u>
6. INVENTORIES			
Finished goods		45,907,542	19,786,407
Packing materials		6,788,593	8,934,863
		<u>52,696,135</u>	<u>28,721,270</u>
7. TRADE RECEIVABLES			
Trade receivables- unsecured		100,878,757	41,607,894
Less: Allowance for doubtful receivables		(6,455,294)	(3,425,510)
		<u>94,423,463</u>	<u>38,182,384</u>
Trade receivables disclosure as per Schedule-XI, Part-1, of The Companies Act, 1994			
Receivables due under six months		76,340,454	24,010,407
Receivables due over six months		24,538,303	17,597,487
		<u>100,878,757</u>	<u>41,607,894</u>
8. OTHER RECEIVABLES			
Value added tax recoverable		<u>3,571,912</u>	<u>1,353,309</u>

			June 30, 2020 Taka	June 30, 2019 Taka
9. ADVANCE, DEPOSITS AND PREPAYMENTS				
Advances				
Advance income tax (Note: 9.1)			2,170,567	2,684,939
Advances to employee (Note: 9.2)			-	50,000
Advance to suppliers			823,757	4,798,457
Advance for inventory			2,373,228	8,301,940
Advance VAT			-	212
			5,367,552	15,835,548
9.1 Advance income tax				
Opening balance			2,684,939	1,334,763
Add: Addition during the year			3,291,483	2,075,976
			5,976,422	3,410,739
Less: Adjustment during the year			3,805,855	725,800
Closing balance			2,170,567	2,684,939
9.2 Advance to employee				
Opening balance			50,000	50,000
Add: Addition during the year			-	-
			50,000	50,000
Less: Adjustment during the year			50,000	-
Closing balance			-	50,000
10. CASH AND CASH EQUIVALENTS				
Cash in hand			50,000	50,000
Cash at bank:				
Bank Asia Ltd.			10,751,084	550,463
Sonali Bank Ltd.			71,710	72,400
Standard Chartered Bank Ltd.			7,169,368	6,525,230
Brac Bank Ltd.			2,966,345	514,622
			21,008,507	7,712,715
11. SHARE CAPITAL				
Authorized capital:				
2,000,000 Ordinary shares of Tk. 100 each			200,000,000	200,000,000
Issued, subscribed, called up & paid up capital				
25,000 Ordinary shares of Tk. 100 each			2,500,000	2,500,000
Shareholding position of the company was as follows				
Name of the shareholders	No. of shares	Face value		
Renata Limited	24,999	100	2,499,900	2,499,900
Mr. Syed S. Kaiser Kabir	1	100	100	100
	25,000		2,500,000	2,500,000

	June 30, 2020 Taka	June 30, 2019 Taka
12. TRADE PAYABLES		
Payable to suppliers	352,346	236,165
Payable to Renata Agro Industries Limited	19,648,137	12,075,267
	20,000,483	12,311,432
13. OTHER PAYABLES		
Inter-company payables:		
Renata Limited	337,500,000	240,000,000
Audit fee payable	51,750	51,750
	337,551,750	240,051,750
14. PROVISION FOR TAXATION		
Opening balance	3,558,419	1,492,314
Add: Provision made during the year	3,456,232	2,791,905
	7,014,651	4,284,219
Less: Adjustment made during the year	3,805,855	725,800
	3,208,796	3,558,419
	2019-2020 Taka	2018-2019 Taka
15. COST OF SALES		
Opening inventories	28,721,270	50,006,707
Add: Purchase	349,834,178	185,230,503
	378,555,448	235,237,210
Less: Closing inventories	52,696,135	28,721,270
	325,859,313	206,515,940

	2019-2020 Taka	2018-2019 Taka
16. ADMINISTRATIVE, SELLING AND DISTRIBUTION EXPENSES		
Salaries, wages and allowances	66,457,870	44,979,881
Advertisement	8,255,686	12,135,974
Travelling & conveyance	14,117,484	8,027,986
Fuel & lubricants	1,851,436	1,359,535
Electricity, gas & water	410,622	-
Cleaning & security services	43,508	-
Field force expenses	9,402,476	19,088,164
Meeting and corporate expenses	989,994	156,067
Marketing & sales promotion	11,407,173	32,124,335
Sample	2,529,651	12,195,958
Product literature	28,865,203	31,770,857
Postage, telex, fax & telephone	1,135,145	981,650
Insurance	224,731	202,923
Repair & maintenance	988,752	721,353
Stationery & supplies	963,014	671,414
Entertainment	632,317	572,464
Audit fees	51,750	51,750
Medical Expenses	1,913,674	1,863,465
Depreciation	1,975,155	963,944
Other expenses	449,125	570,741
	152,664,766	168,438,461

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

17.1 Employee position of Purnava Limited as per requirement of schedule XI, part II, para 3

The company engaged 131 employees of which 124 are permanent employees and 7 are casual and temporary workers as required. All employees received total remuneration of above Tk. 36,000 per annum.

18. PAYMENTS/ RECEIPTS IN FOREIGN CURRENCY

18.1 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	17,107	267,731	24,417,734
	17,107	267,731	24,417,734

19. 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 transactions and their total value have been shown in the table below in accordance with IAS 24 "Related Party Disclosures".

Name of related parties	Relationship	Nature of transactions	Value of transaction	Balance at year end
Renata Limited	Parent	Purchase of goods	150,478,857	-
		Advance	97,500,000	337,500,000
Renata Agro Industries Ltd.	Subsidiary of parent	Purchase of goods	90,457,840	19,648,137

20. EVENTS AFTER THE REPORTING PERIOD

20.1 The Board of Directors in its meeting held on 26 October, 2020 approved the audited financial statement of the company for the year ended 30 June, 2020 and authorised the same for issue.

20.2 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: 26 October, 2020

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 and its Subsidiaries Independent Auditor's Report and Audited Consolidated Financial Statements

For the year ended 30 June 2020

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 2020 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. The financial statements of subsidiaries disclosed in note # 3.20 to these financial statements were audited by other auditors and we have relied on those audited financial statements for the purpose of consolidation.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2020 and of its consolidated financial performance and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note # 1.3 to the consolidated financial statements which describe the amalgamation of the fully owned subsidiary Renata Oncology Limited with the Company. The Board of Directors of Renata Oncology Limited and Renata Limited in their joint meetings held on 11 November 2019 and 13 November 2019 approved the amalgamation of Renata Oncology Limited with the Company, whereby the Subsidiary will merge with the Company and the Company shall be the surviving entity. Our opinion is not modified in respect of this matter. The financial statements reflect financial result of the amalgamated entity.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

1. Revenue (Turnover)	
See note # 23 to the consolidated financial statements	
Key audit matters	How the matters were addressed in our audit
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.	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.
The principal activities of the Group are manufacturing, marketing and distribution of pharmaceutical, animal health products, oncology-based products, agro-based products, poultry products 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 30 June 2020. Pressures to meet stakeholders' expectations could provide incentives to record revenues where controls of the goods have not passed.	<p>We assessed the design and implementation of these controls. We tested the sample of individual sales transactions and traced to dispatch notes and subsequent cash receipt or other supporting documents. We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Calculation of discounts, incentives and rebates; • Segregation of duties in invoice creation and modification; • Timing of revenue recognition; • Cross match sales order, sales invoices and dispatch carefully.

	<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>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>
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2. Carrying value of investment in subsidiaries

See note # 1.4 & 7 to the consolidated financial statements

Key audit matters	How the matters were addressed in our audit
<p>Renata Limited has invested in equity shares of its subsidiaries namely Renata Agro Industries Limited, Purnava Limited, Renata (UK) Limited and Renata Pharmaceuticals (Ireland) Limited. As at 30 June 2020 the carrying value of the investments that have been eliminated upon consolidation are accordingly BDT 60,570,476 in Renata Agro Industries Limited, BDT 2,499,900 in Purnava Limited, BDT 110 in Renata (UK) Limited and BDT 9,610 in Renata Pharmaceuticals (Ireland) Limited.</p> <p>At the time of audit of our separate financial statements of the Company, we have considered the recoverable value of the Company’s investment in subsidiaries.</p>	<p>We have reviewed management’s analysis of impairment assessment and recoverable value of subsidiaries in accordance with IAS-36.</p> <p>In particular, our discussions with management was focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation. The balance of the investment in subsidiaries is eliminated in the consolidation. One of the Subsidiaries, Purnava Limited, has a negative NAV. But Management has assessed the business prospect and progress of Purnava Limited and working on attaining greater market share and to increase sales.</p> <p>We also checked the mathematical accuracy of the valuation model, challenged the discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained in reference to third party sources. We carefully checked the elimination of the investment in subsidiaries and found correct.</p>

3. Inventory

See note # 8 to the consolidated financial statements

Key audit matters	How the matters were addressed in our audit
<p>At the reporting date, the carrying value of inventory amounted to Taka 5,239,910,161 which is 17.83% 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</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 2020 and

<p>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.</p> <p>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>reconciling the count results to the inventory listings to test the completeness of data.</p> <ul style="list-style-type: none"> • 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>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>
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4. Property, plant and equipment and capital work-in-progress

See note # 5 & 6 to the consolidated financial statements

Key audit matters	How the matters were addressed in our audit
<p>At the reporting date, the carrying value of the Group's property, plant and equipment and capital work- in- progress amounted to Taka 12,178,739,235 and 2,020,732,811 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 judgments 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>Inherent risks associated with property, plant and equipment</p> <ul style="list-style-type: none"> • Property, plant and equipment may include assets that should have been derecognized following sale, other transfer of rights or abandonment or impairment. • Expenditure that should have been recognized as property, plant and equipment but has not been so recognized, including capitalized finance costs. • Depreciation may have been incorrectly calculated. • Potential misstatements in property, plant, and equipment on account of frauds and errors. • 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. 	<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

<ul style="list-style-type: none"> 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>Valuation of capital work-in-progress to PPE 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 capitalized, to be so accumulated to capital work- in- progress whilst expenses which are not eligible for being capitalized are identified and charged to revenue in the normal course.</p> <p>Assessment of useful lives of assets Management applies estimates and judgments 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>Impairment of assessment 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>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.</p> <ul style="list-style-type: none"> 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 has been 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>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>
5. Contingent liabilities with regard to tax	
See note # 35 to the consolidated financial statements	
Key audit matters	How the matters were addressed in our audit
<p>The range of possible outcomes for contingencies can be wide and management is required to make certain judgments 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 136,702,333 in respect of unresolved disputed tax claimed by the tax authority over the years.</p> <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>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.</p> <p>With the assistance of our tax specialists, we evaluated management's judgments and estimates of tax exposures and contingencies in order to assess the adequacy of the Group's tax provisions. In understanding and evaluating management's judgments, 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>Based on the work performed, we concluded that contingent liabilities in respect of tax have been disclosed appropriately.</p>
6. Related party transactions	
Key audit matters	How the matters were addressed in our audit
<p>The Group has related party transactions and we focused on identification of related parties and disclosure of related party transactions in accordance with relevant accounting standards.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> Evaluated the design and tested the operating effectiveness of controls over identification and disclosure

	<p>of related party transactions.</p> <ul style="list-style-type: none"> • Evaluated the transactions among the related parties and tested material accounts balances. • Evaluated the Board of Director's approval for the related parties' transactions. • Evaluated the disclosures in the consolidated financial statements in compliance with IAS 24. <p>The related party transactions were separately disclosed in the separate financial statements in note # 41.</p>
7. Employee benefits	
See note # 21 & 21.1 to the consolidated financial statements	
Key audit matters	How the matters were addressed in our audit
<p><u>Worker's participation and welfare fund (note # 21.1)</u> As per section 234 (1)(b) of Bangladesh Labour Act 2006 (as amended in 2013) 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10. The remaining 10% of the amount of net profit shall be paid by the Group to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-third has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.</p> <p><u>Defined contribution plan (note # 21)</u> 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. 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.</p> <p><u>Defined benefit plan</u> The Group operates a defined benefit schemes which in total are significant in the context of the overall financial position. Liability for gratuity is provisioned and transferred within due time to the fund on the basis of actuarial valuation. At year end the Group reported a net defined benefits scheme expense of Taka 89,373,000. The Group had transferred the total contribution to the fund and there is no current liability to the fund. Therefore, valuation of the benefit and expenses thereon is considered as a key audit matter. There is separate trustee of this benefit plan.</p>	<p><u>Worker's participation and welfare fund</u> We have checked the adequacy of WPPF fund provision and distribution thereof and observed that, the requirement of the Labour Act 2006 (as amended in 2013) followed properly.</p> <p>After distribution of some amount, balance of the fund has been transferred to a separate account meant for WPPF for future distribution without any interest payable on the undistributed amount.</p> <p><u>Defined contribution plan</u> We have checked the contribution of the employees and the contribution of the employer to the provident fund and confirmed the distribution as per Labour Act 2006 (as amended in 2013) and found correct. We confirmed that fund forfeited during current and earlier financial year from existing employees have been returned to the mother account and from past employees are currently under the process of being retrieved.</p> <p><u>Defined benefit plan</u> Our audit procedures included updating our understanding of the business processes followed by the Group for accounting and valuing their defined benefit plan.</p> <p>We obtained sufficient audit evidence to conclude that the inputs and methodologies used to determine the liability and determination of the expenses and its basis for defined benefit plan.</p> <p>We assessed the design and operating effectiveness of the Group's key controls supporting the identification, measurement and oversight of valuation of the defined benefits payable provision and expenses thereon.</p> <p>We examined the basis on which gratuity is payable to the employee and worked out the liability for gratuity taking into consideration the actuarial valuation.</p> <p>We ensured that the basis of computing gratuity is valid; verify the computation of liability on aggregate basis and transferred to the fund within the financial year.</p> <p>Employee data used in calculating obligation is also tested and appropriateness and presentation of the disclosures against IAS 19: Employee Benefits were assessed.</p>

8. Measurement of Deferred Tax Liability	
See note # 18 to the consolidated financial statements	
Key audit matters	How the matters were addressed in our audit
<p>Group reported net deferred tax liability totaling Taka 1,446,845,163 as at 30 June 2020.</p> <p>Significant judgment is required in relation to deferred tax liability as it is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of deferred tax assets and liabilities and the assumptions used in estimating the future taxable expense of the Group.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</p> <p>We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability.</p> <p>We assessed the adequacy of the Group's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</p> <p>We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.</p> <p>Finally assessed the appropriateness and presentation of disclosures as per IAS 12 Income Taxes.</p>
9. Audit of opening balances- consolidated financial statements	
Key audit matters	How the matters were addressed in our audit
<p>The consolidated financial statements of the Company for the financial year ended on 30 June 2020 was the first one being subject to our audit.</p> <p>In accordance with International Standards on Auditing 510: Initial Engagements- Opening Balances, the first-year audit of financial statements requires performing of a few additional audit procedures that are limited in the case of the audit performed for a consecutive year.</p> <p>The purpose of these additional audit procedures is to collect sufficient and relevant audit evidence about whether:</p> <ul style="list-style-type: none"> opening balances contain misstatements that materially affect the financial statements for the current period; and appropriate accounting policy applied to the opening balances was used continuously in the preparation of financial statements for the current period, or whether the changes made were correctly accounted for and properly presented in accordance with the applicable financial reporting framework. <p>Accordingly, this issue was identified as key audit matter for the audit of the consolidated and separate financial statements of the Group.</p>	<p>Our procedures, in relation to the key audit matter described, included, among others:</p> <ul style="list-style-type: none"> meeting with key personnel responsible for financial reporting of the Group as well as meetings with members of the audit team, including specialists planned to be involved in the audit procedures; understanding of the Group's operations, its business environment and key risk areas related to its operations; understanding of the Group's internal control environment, including also tests of identified controls; understanding of the Group's IT environment; understanding of the accounting policy of the Group and assessing the continuity of its application; understanding of key areas of estimation and professional judgment of the Group's management; communication with the previous auditor on matters including; a discussion of key audit issues and reading of audit documentation from the previous reporting period; assessment of the key audit issues from the previous reporting period and their impact on the consolidated and separate financial statements for the current financial year;

10. IT systems and controls	
Key audit matters	How the matters were addressed in our audit
<p>Our audit procedures have been focused on IT systems (Desa & Oracle) and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations (Head office, Factories and Depots) daily and the reliance on automated and IT is dependent on manual controls.</p>	<p>We tested the design and operating effectiveness of the Group's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes in data management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Group's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures with CISA expert.</p> <p>In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Other Matter

The consolidated financial statements of the Group for the year ended 30 June 2019 were audited by another auditor who expressed an unmodified opinion on these consolidated financial statements on 29 October 2019.

Other Information

Management is responsible for the other information. The other information comprises the director's reports, financial highlights, financial trend, statement of value addition and certification on corporate governance but doesn't include the financial statements and our auditor's report. The director's reports, financial highlights, financial trend, statement of value addition and certification on corporate governance are expected to be made available to us after the date of this auditor's report.

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

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

When we read the director's reports, financial highlights, financial trend, statement of value addition and certification on corporate governance that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987, relevant notifications issued by Bangladesh Securities and Exchange Commission (BSEC) 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 judgment 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 consolidated 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, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission (BSEC), 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 returns; and
- d) the expenditure incurred was for the purposes of the Group's business.

Dhaka,
26 October 2020

Signed for & on behalf of
ACNABIN
Chartered Accountants



M. Moniruzzaman, FCA
Partner

RENATA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

		Amount in Taka	
	Notes	30 June 2020	30 June 2019
ASSETS			
Non-current assets			
Property, plant and equipment	5	12,178,739,235	10,866,354,030
Capital work-in-progress	6	2,020,732,811	1,705,298,103
Long term investment	7	10,000,000	10,936,180
		14,209,472,046	12,582,588,313
Current assets			
Inventories	8	5,239,910,161	4,337,427,836
Trade and other receivables	9	3,148,571,520	2,754,102,961
Advances, deposits and prepayments	10	563,640,262	469,016,265
Investment in shares and FDR	11	4,806,919,055	3,682,734,594
Cash and cash equivalents	12	1,417,264,953	849,907,204
		15,176,305,951	12,093,188,860
TOTAL ASSETS		29,385,777,997	24,675,777,173
EQUITY AND LIABILITIES			
Share capital	13	885,892,420	805,356,750
Revaluation surplus	14	153,854,296	154,331,208
Tax holiday reserve		46,637,673	46,637,673
Other reserves	14.a	(43,065,180)	-
Fair value reserve	15	13,709,475	54,338,060
Retained earnings	16	20,705,254,771	17,535,319,640
Equity attributable to equity holders of Renata Limited		21,762,283,455	18,595,983,331
Non-controlling interests	17	48,803	64,104
Total equity		21,762,332,258	18,596,047,435
Non-current liabilities			
Deferred tax liabilities	18	1,446,845,163	1,343,870,038
		1,446,845,163	1,343,870,038
Current liabilities			
Short term bank loan and overdrafts	19	2,981,137,076	2,562,606,715
Trade payables	20	523,338,327	577,121,240
Other payables	21	1,304,153,638	788,416,707
Provision for taxation	22	1,367,971,535	807,715,038
		6,176,600,576	4,735,859,700
TOTAL EQUITY AND LIABILITIES		29,385,777,997	24,675,777,173
Net asset value (NAV) per share	29	245.65	209.91

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.



CEO & Managing Director



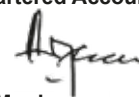
Director



Chief Financial Officer

This is the Consolidated Statement of Financial Position referred to in our separate report of even date.

Signed for & on behalf of
ACNABIN
Chartered Accountants



M. Moniruzzaman, FCA
Partner

RENATA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Amount in Taka	
		2019- 2020	2018-2019
Turnover	23	24,674,812,094	22,809,301,672
Cost of sales	24	(13,063,170,411)	(11,493,509,493)
Gross profit		11,611,641,683	11,315,792,179
Administrative expenses	25	(477,649,117)	(452,714,870)
Selling, marketing and distribution expenses	26	(5,275,247,807)	(5,572,622,117)
Operating profit		5,858,744,759	5,290,455,192
Other income	27	546,456,242	279,257,427
Finance costs	28	(227,714,021)	(154,602,032)
Profit before contribution to workers' participation fund		6,177,486,980	5,415,110,587
Contribution to workers' participation and welfare fund		(299,600,394)	(260,688,861)
Profit before tax		5,877,886,586	5,154,421,726
Tax expenses			
Current tax	22	(1,758,124,679)	(1,299,306,117)
Deferred tax	18	(107,648,572)	(99,611,316)
Net profit after tax for the year		4,012,113,335	3,755,504,293
Attributable to:			
Equity holders of Renata Limited		4,012,126,486	3,755,508,969
Non-controlling interests		(13,151)	(4,676)
Total profit after tax for the year		4,012,113,335	3,755,504,293
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Fair value adjustment on investment in shares, net of tax		(40,630,281)	(2,405,394)
Realised loss on disposal of shares		-	(112,598)
Total comprehensive income for the year		3,971,483,054	3,752,986,301
Attributable to:			
Equity holders of Renata Limited		3,971,497,900	3,752,991,207
Non-controlling interests		(14,846)	(4,906)
Total comprehensive income for the year		3,971,483,054	3,752,986,301
Basic earnings per share (EPS)	30	45.29	42.39



CEO & Managing Director

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.



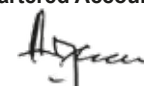
Director



Chief Financial Officer

This is the Consolidated Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Signed for & on behalf of
ACNABIN
Chartered Accountants



M. Moniruzzaman, FCA
Partner

Dhaka,
26 October 2020

RENATA LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

Amount in Taka									
Particulars	Attributable to equity holders of Renata Limited							Non-controlling interest	Total equity
	Share capital	Revaluation surplus	Tax holiday reserve	Other reserve	Fair value reserve	Retained earnings	Equity for Renata Limited		
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 year	-	-	-	-	-	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
Balance at 01 July 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
Stock dividend issued	80,535,670	-	-	-	-	(80,535,670)	-	-	-
Final dividend (cash dividend)	-	-	-	-	-	(805,356,750)	(805,356,750)	-	(805,356,750)
Transfer to Other reserves due to merger of Renata Oncology Limited	-	-	-	-	-	43,065,180	43,065,180	-	43,065,180
Adjustment of non-controlling interests due to merger of Renata Oncology Limited	-	-	-	-	-	454	454	(454)	-
Other reserves due to merger of Renata Oncology Limited	-	-	-	(43,065,180)	-	-	(43,065,180)	-	(43,065,180)
Settlement in consideration of cash paid due to merger of Renata Oncology Limited	-	-	-	-	-	(454)	(454)	-	(454)
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	-	-	-	-	-	4,012,126,486	4,012,126,486	(13,151)	4,012,113,335
Fair value adjustment on investment in shares, net of tax	-	-	-	-	(40,628,585)	-	(40,628,585)	(1,696)	(40,630,281)
Balance at 30 June 2020	885,892,420	153,854,296	46,637,673	(43,065,180)	13,709,475	20,705,254,771	21,762,283,455	48,803	21,762,332,258

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.



CEO & Managing Director



Director



Chief Financial Officer

RENATA LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Amount in Taka	
		2019 - 2020	2018 - 2019
A. Cash flows from operating activities			
Collection from customers and other income		29,122,148,198	26,941,386,124
Payment of VAT		(3,531,472,644)	(3,218,341,844)
Payment to suppliers and employees		(19,473,197,093)	(18,032,469,031)
Cash generated by operations		6,117,478,461	5,690,575,249
Finance costs		(232,595,600)	(153,933,538)
Payment of tax		(1,199,298,537)	(1,305,668,672)
Net cash flow from operating activities	31	4,685,584,324	4,230,973,039
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(2,583,731,138)	(1,848,745,480)
Investment in shares and FDR		(1,167,235,112)	(2,016,994,460)
Income from investment		2,092,451	4,371,934
Sale proceeds of property, plant and equipment		15,332,500	7,964,558
Net cash used in investing activities		(3,733,541,299)	(3,853,403,448)
C. Cash flows from financing activities			
Loan (repaid) / received (net)		413,277,631	49,637,649
Dividend paid		(799,596,832)	(664,396,684)
Net cash used in financing activities		(386,319,201)	(614,759,035)
D. Effect of exchange rate changes on cash and cash equivalents		1,633,925	3,364,206
E. Net cash inflow/(outflow) for the year (A+B+C+D)		567,357,749	(233,825,238)
F. Cash and cash equivalents at the beginning of the year		849,907,204	1,083,732,442
G. Cash and cash equivalents at the end of the year (E+F)		1,417,264,953	849,907,204
Net operating cash flow per share	32	52.89	47.76

The annexed notes from 1 to 41 form an integral part of these Consolidated Financial Statements.



CEO & Managing Director



Director



Chief Financial Officer

Dhaka,
26 October 2020

Renata Limited and its Subsidiaries

Notes to the consolidated financial statements

As at and for the year ended 30 June 2020

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 and so on.

1.3 Merger of Renata Limited and Renata Oncology Limited

Renata Limited acquired 99.99% of equity interest in Renata Oncology Limited on 12 August 2012. The businesses of Renata Limited and Renata Oncology Limited are very much co-related with each other and are in many cases also supplementary to each other. For the purpose of conducting their business more efficiently and profitably, the Board of Directors of the companies decided to undertake a Scheme of Amalgamation of Renata Oncology Limited with Renata Limited under provision of section 228 & 229 of the Companies Act, 1994.

After approval of the Board of Directors and consent of minority shareholder, the Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the Scheme of Amalgamation of Renata Oncology Limited with Renata Limited on 26 July 2020 with effect from the appointed date 01 July 2019. The audited financial statements of Renata Oncology Limited on 30 June 2019 have been used to account for the assets and liabilities of Renata Oncology Limited in the books of Renata Limited.

Renata Oncology Limited will no longer continue as a separate entity as a result of amalgamation, rather all the undertakings have entirely been transferred to Renata Limited at its continuing value. In accordance with the Scheme of Amalgamation, Renata Limited paid in consideration at cash of net asset value equivalent to the share exchange ratio that comes to 0.02 Renata Limited's share for each share of Renata Oncology Limited to the ordinary minority shareholder of Renata Oncology Limited, whose names were recorded in the Register of Members on the Record Date, fixed by the Board of Directors of Renata Limited. Ordinary shares of Renata Oncology Limited that were held by Renata Limited on the Record Date have been cancelled and deemed to have been cancelled without any further act or deed and no shares of Renata Limited are required to be issued in lieu thereof. Finally, the deficit amount of Tk. 43,065,180 of the net assets of Renata Oncology Limited over the net assets value of the shares settled in consideration of cash of Tk. 454 by Renata Limited have been transferred and debited to "Other Reserves" in the books of Renata Limited pursuant to the Scheme of Amalgamation.

1.4 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. Renata Limited holds 99.99% of equity interest in Renata Agro Industries Limited.

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 Limited holds 99.99% of equity interest in Purnava Limited.

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 Limited holds 100% of equity interest in Renata (UK) Limited.

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. Renata Limited holds 100% of equity interest in Renata Pharmaceuticals (Ireland) Limited.

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 Application of International Financial Reporting Standards (IFRSs)

The following IFRSs are applicable for the financial statements for the year under review:

IAS 1	Presentation of financial statements
IAS 2	Inventories
IAS 7	Statement of cash flows
IAS 8	Accounting policies, changes in accounting estimates and errors
IAS 10	Events after the reporting period
IAS 12	Income taxes
IAS 16	Property, plant and equipment
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 23	Borrowing costs
IAS 24	Related party disclosures
IAS 33	Earnings per share
IAS 34	Interim financial reporting
IAS 36	Impairment of assets
IAS 37	Provisions, contingent liabilities and contingent assets
IFRS 3	Business combinations
IFRS 7	Financial instruments: disclosures
IFRS 9	Financial instruments
IFRS 10	Consolidated financial statements
IFRS 12	Disclosure of interests in other entities
IFRS 13	Fair value measurement
IFRS 15	Revenue from contracts with customers

2.3 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.

2.4 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.

2.5 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.

2.6 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.

2.7 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.

2.8 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. The Group has assessed the impact of COVID-19 on its going concern and found no threat in upcoming years.

2.9 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.

2.10 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.

2.11 Offsetting

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

2.12 Date of authorization for issue of the financial statements

On 26 October 2020 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.

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 consolidated 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 2020	30 June 2019
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 of, the respective revaluation surplus is transferred to retained earnings.

3.2 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-to-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard- i.e. lessors continue to classify leases as finance or operating leases. The standard is effective for annual periods beginning on or after 1 January 2019, but also with permission for early adoption.

The Group has applied the exemption for short-term leases and booked its rental payments as expenses in profit or loss given that the enforceable period of all its current contracts are cancellable in the short-term and has no purchase option.

3.3 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 2020 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.

3.4 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.

3.5 Financial instruments

3.5.1 Financial assets

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.

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.

3.5.2 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.

3.5.3 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.

3.6 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.

3.7 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.

3.8 Post-employment benefits

Defined contribution plan

The Group operates a recognised provident fund scheme. The provident fund is being considered as defined contribution plan and managed by a Board of Trustees. The employees contribute 8.33% up to 5 years and over 5 years 10% of basic salary with equal contribution by the Group.

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. The fund is managed by a Board of Trustees. Actuarial valuation of the fund is carried out at 30 June 2020 by a professional actuary.

Group insurance scheme

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

Worker's participation and welfare fund

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.

3.9 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.

3.10 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.

3.11 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. The scheme has been recognized as per 5 step model of IFRS-15 "Revenue from contract with customers".

3.12 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.

3.13 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).

3.14 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. The Group has presented the effect of exchange rate changes on cash and cash equivalents due to currency translation in the Statement of cash flow in accordance with IAS-7.

3.15 Operating segments

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

3.16 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. The Group complies with IAS-24 "Related party disclosures" regarding these disclosures. The group has taken approval from its Board of Directors for the related parties, transactions.

3.17 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.

3.18 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.

3.19 Impact of COVID-19

On 11 March 2020 the World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease, commonly known as COVID-19. To contain the spread of this disease, along with many other countries of the world, the Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing, etc. As a result of these measures, all business and economic activities in the country have been adversely affected and this has also affected the Group. Although the business operation and profitability of the Group have been impacted by COVID-19, but due to the constantly changing nature of the situation and lack of certainty at present regarding how long this situation will prevail, the potential impact of COVID-19 related matters on the Group's operation and financial results cannot be reasonably assessed. The Management of the Group assessed the going concern and found no uncertainty regarding this for the upcoming 12 months due to COVID-19. Assessment of COVID-19 in relation to the following areas and the conclusion reached thereof is given below.

Revenue

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 and so on. Although lockdown and restriction in movements imposed due to COVID-19 has affected sales of the Group in the last quarter of 2019-2020, the Group has managed to recover in the subsequent quarter.

Inventories

Inventory includes materials, work-in-process, stock in transit and finished goods. Disruption in raw material supply, exchange rate fluctuation and increase in other production costs have impacted inventory value. The Group has assessed inventory as per IAS-2 and reported it correctly at the lower of cost and net realizable value.

Trade receivables

The Group has assessed collectability of trade receivables and has kept sufficient provision as required. Increase in receivable balance is due to increase in turnover of the Group in the normal course of business.

Others

Management of the Group has assessed other areas of operations and found no significant impact of COVID-19 thereon.

3.20 Auditors of Subsidiaries

Name of the Company	Relationship	Name of the Auditors
Renata Agro Industries Limited	Subsidiary	K. M. Hasan & Co. Chartered Accountants
Purnava Limited	Subsidiary	K. M. Hasan & Co. Chartered Accountants
Renata (UK) Limited	Subsidiary	Exempted from Audit (As per section 477 of Companies Act 2006 of UK)
Renata Pharmaceuticals (Ireland) Limited	Subsidiary	Exempted from Audit (As per section 360 of Companies Act 2014 of Ireland)

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 2020
	Balance as at 1 July 2019	Addition during the year	Disposal / adjustment during the year	Balance as at 30 June 2020	Rate %	Balance as at 1 July 2019	Charge for the year	Disposal / adjustment during the year	Balance as at 30 June 2020
Freehold land									
At cost	1,292,290,469	357,725,141	-	1,650,015,610		-	-	-	1,650,015,610
On revaluation	179,132,078	-	-	179,132,078		-	-	-	179,132,078
	1,471,422,547	357,725,141	-	1,829,147,688		-	-	-	1,829,147,688
Buildings									
At cost	3,737,413,252	585,208,065	-	4,322,621,317	1.54-5	818,665,457	132,626,501	-	951,291,958
On revaluation	41,291,251	-	-	41,291,251	1.54-5	14,648,386	635,885	-	15,284,271
	3,778,704,503	585,208,065	-	4,363,912,568		833,313,843	133,262,386	-	966,576,229
Plant and machinery	9,114,686,627	1,042,203,826	-	10,156,890,453	5-20	3,465,718,596	623,820,513	-	4,089,539,109
Automobiles	517,368,939	108,429,253	39,728,235	586,069,957	25	344,963,250	83,355,071	38,606,579	389,711,742
Office equipment	852,970,974	54,765,786	-	907,736,760	10-12.5	311,767,045	92,876,682	-	404,643,727
Furnitures and fixtures	180,233,492	119,964,362	-	300,197,854	10	93,270,318	21,474,920	-	114,745,238
Total 30 June 2020	15,915,387,082	2,268,296,433	39,728,235	18,143,955,280		5,049,033,052	954,789,572	38,606,579	5,965,216,045
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

6. Capital work- in-progress

Amount in Taka

30 June 2020 30 June 2019

Opening balance	1,705,298,103	1,376,630,382
Addition during the year	1,944,811,896	1,440,929,979
	3,650,109,999	2,817,560,361
Capitalized as property, plant and equipment	1,629,377,188	1,112,262,258
	2,020,732,811	1,705,298,103

7. Long term investment

Investment in Govt. savings certificates	-	650,000
Investment in Govt. bonds	10,000,000	10,286,180
	10,000,000	10,936,180

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 2020

30 June 2019

470,647,908	302,270,610
499,232,619	471,852,094
222,869,490	66,530,007
59,929,124	37,850,392
256,294,095	116,846,881
50,129,354	71,839,900
45,907,542	19,786,407
38,128,464	89,418,211
-	10,356,340
1,643,138,596	1,186,750,842
357,440,077	307,184,878
414,677,946	439,012,999
1,427,953,205	1,301,015,301
492,320,995	565,505,866
214,208,086	148,548,661
773,813,230	530,357,501
5,323,552,135	4,478,376,048
(83,641,974)	(140,948,212)
5,239,910,161	4,337,427,836

9. Trade and other receivables

Trade receivables

Trade receivables- unsecured

Allowances for doubtful receivables

Other receivables

Sundry receivables - unsecured but considered good

Value Added Tax (VAT) recoverable

Allowances for doubtful receivables

2,736,334,613	2,392,271,023
(101,872,915)	(93,041,721)
2,634,461,698	2,299,229,302
204,949,522	218,834,412
311,079,125	237,958,072
(1,918,825)	(1,918,825)
514,109,822	454,873,659
3,148,571,520	2,754,102,961

10. Advances, deposits and prepayments

Advances

Advance to employees for motorcycle

Advance to employees for scooter

Loan to employees against salary

Advance for house rent

Advance VAT

Advance for inventory

Advance to staff against expenses (other than petty cash)

Advance against expenses

Other advances

125,856,078	108,535,665
34,500	217,500
49,013,224	49,147,221
6,102,975	11,384,978
63,261,137	92,824,386
100,554,952	62,385,231
98,173,645	34,715,131
29,539,193	35,108,174
22,930,729	18,680,441
495,466,433	412,998,727

	Amount in Taka	
	30 June 2020	30 June 2019
Deposits		
Tender deposits	22,937,709	13,838,293
Mymensingh Palli Bidyut Samity	12,256,000	12,256,000
Gazipur Palli Bidyut Samity	14,248,000	14,248,000
Dhaka Electric Supply Co. (DESCO) Limited	2,310,000	2,310,000
Linde Bangladesh Limited	1,088,000	1,088,000
Bangladesh Ansar O Gram Protirokha Bahini (Bangladesh Ansar and VDP)	536,461	536,461
Titas Gas Transmission and Distribution Co. Limited	5,783,100	5,783,100
Radisson 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, Bogura	232,534	232,534
Bangladesh Power Development Board, Sylhet	90,000	90,000
Bangladesh Power Development Board, Faridpur	-	75,000
Essence Industrial Gases Limited	135,000	30,000
Sundarban Industrial Complex Limited	79,865	-
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
	60,231,209	51,021,928
Prepayments		
Insurance premium	7,942,620	4,995,610
	7,942,620	4,995,610
	563,640,262	469,016,265

- (a) All advances, deposits and prepayments are considered regular and recoverable in the normal course of business.
- (b) The maximum amount due from officers (Managers and above) against salary during the year was Tk. 21,318,424.
- (c) No amount was due from the Directors, Managing agent, Managers and other officers of the Company and any of them severally or jointly with any other person except as stated in (b) above.

11. Investment in shares and FDR

Investment in shares (Note-11.1)	110,857,529	156,002,759
Investment in FDR (Note-11.2)	4,696,061,526	3,526,731,835
	4,806,919,055	3,682,734,594

Amount in Taka			
	Market value	Cost	
	30 June 2020	30 June 2019	30 June 2020
11.1 Investment in shares			
Square Pharma Limited	71,655,120	102,461,703	45,296,504
British American Tobacco Bangladesh Company Limited	10,000,844	15,075,094	3,376,292
Beximco Pharmaceuticals Limited	6,920,000	8,350,000	11,365,280
Shahjibazar Power Co. Ltd.	6,467,472	7,397,460	10,885,833
Grameenphone Limited	9,552,000	14,588,000	14,948,644
ACI Formulations Limited	1,653,000	2,286,000	3,242,427
Bata Shoe Company (Bangladesh) Limited	1,386,400	2,081,800	264,501
Central Depository Bangladesh Limited (unquoted)	1,569,450	1,569,450	1,569,450
Investment Corporation of Bangladesh	349,182	543,461	1,066,263
United Finance Limited	480,650	730,588	578,923
United Commercial Bank Limited	243,723	356,210	2,600,218
Marico Bangladesh Limited	579,688	562,993	428,334
	<u>110,857,529</u>	<u>156,002,759</u>	<u>95,622,669</u>
11.2 Investment in FDR		30 June 2020	30 June 2019
Delta Brac Housing Finance Corporation Ltd.		665,849,838	820,470,622
IDLC Finance Limited		1,677,783,856	1,100,000,000
IPDC Finance Limited		1,948,938,831	1,213,698,212
Commercial Bank of Ceylon PLC (foreign currency (USD) FDR)		353,489,001	342,563,001
Eastern Bank Limited		50,000,000	50,000,000
		<u>4,696,061,526</u>	<u>3,526,731,835</u>
12. Cash and cash equivalents			
Cash in hand		6,189,281	4,960,490
Cash at bank			
Standard Chartered Bank		287,909,802	211,662,108
Eastern Bank Limited		329,467,016	291,188,531
Bank Asia Limited		348,867,770	55,748,825
Commercial Bank of Ceylon PLC		56,380,178	140,398,765
Sonali Bank Limited		17,402,972	35,248,692
Citibank N. A.		32,940,926	15,527,098
Agrani Bank Limited		18,436,441	18,484,390
The City Bank Limited		9,850,116	30,202,732
BRAC Bank Limited		304,482,083	23,726,437
Islami Bank Bangladesh Limited		2,535,032	10,162,555
Dutch Bangla Bank Limited		316,886	2,772,886
Pubali Bank Limited		109,931	4,217,769
Bangladesh Commerce Bank Limited		93,084	96,274
Janata Bank Limited		73,954	798,322
The Hongkong and Shanghai Banking Corporation Limited		-	2,859,342
United Commercial Bank Limited		-	676,528
Prime Bank Limited		-	90,397
		<u>1,408,866,191</u>	<u>843,861,651</u>
Balance with City Bank Capital Resources Limited		1,976,157	851,289
Balance with ICB Securities Trading Company Limited		233,324	233,774
		<u>2,209,481</u>	<u>1,085,063</u>
		<u>1,417,264,953</u>	<u>849,907,204</u>

13. Share capital

Authorized share capital

250,000,000 ordinary shares of Tk.10 each 2,500,000,000 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

85,570,492 ordinary shares (77,516,925 ordinary shares as at 30 June 2019) of Tk.10 each issued as bonus shares 855,704,920 775,169,250

885,892,420 805,356,750

As at 30 June 2020, 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	45,180,129	451,801,290	51.00%
Business Research International Corp. Inc.	Panama	19,262,801	192,628,010	21.74%
ICB Unit Fund	Bangladesh	5,014,469	50,144,690	5.66%
Shadharan Bima Corporation	Bangladesh	3,875,754	38,757,540	4.38%
Investment Corporation of Bangladesh	Bangladesh	2,366,936	23,669,360	2.67%
Other shareholders	Bangladesh & others	12,889,153	128,891,530	14.55%
		<u>88,589,242</u>	<u>885,892,420</u>	<u>100%</u>

Classification of shareholders by holdings:

Holdings	30 June 2020				
	No. of shareholders as per folio	No. of shareholders as per BOID	No. of total shareholders	No. of total shareholdings	% of total shareholdings
Less than 500 shares	100	3,502	3,602	381,030	0.4%
501 to 5000 shares	45	841	886	1,400,885	1.6%
5,001 to 10,000 shares	13	99	112	781,366	0.9%
10,001 to 20,000 shares	12	68	80	1,211,873	1.4%
20,001 to 30,000 shares	10	16	26	657,905	0.7%
30,001 to 40,000 shares	2	10	12	435,498	0.5%
40,001 to 50,000 shares	-	9	9	418,704	0.5%
50,001 to 100,000 shares	2	24	26	1,825,107	2.1%
100,001 to 1,000,000 shares	1	20	21	5,791,669	6.5%
Over 1,000,000 shares	2	4	6	75,685,205	85.4%
	<u>187</u>	<u>4,593</u>	<u>4,780</u>	<u>88,589,242</u>	<u>100%</u>

		Amount in Taka	
14.	Revaluation surplus	30 June 2020	30 June 2019
	Land	179,132,078	179,132,078
	Buildings	26,642,865	27,278,749
		205,774,943	206,410,827
	Less: Depreciation adjustment on revalued buildings	(635,885)	(635,885)
		205,139,058	205,774,942
	Less: Adjustment of deferred tax on revaluation surplus	(51,284,762)	(51,443,734)
		153,854,296	154,331,208
14.a	Other reserves		
<p>The deficit amount of Tk. 43,065,180 of the net assets of Renata Oncology Limited over the net assets value of the shares settled in consideration of cash by Renata Limited have been transferred and debited to "Other reserves" in the books of Renata Limited pursuant to the Scheme of Amalgamation. This is the retained loss of Tk 43,066,180 of Renata Oncology Limited net of consideration of share value of Tk. 1,000 (100 shares @ face value of Tk. 10 each) of the minority shareholder.</p>			
15.	Fair value reserve		
	Opening balance	54,338,060	56,743,224
	Fair value adjustment on investment in shares, net of tax	(40,628,585)	(2,405,164)
	Realised loss on disposal of shares	-	(112,598)
	Transfer between reserves- realised loss on disposal of shares	-	112,598
		13,709,475	54,338,060
16.	Retained earnings		
	Opening balance	17,535,319,640	14,549,628,623
	Net profit after tax for the year	4,012,126,486	3,755,508,969
	Stock dividend issued @ 10% for FY 2018-2019	(80,535,670)	(105,046,529)
	Final dividend (Cash dividend @100% for FY 2018-2019)	(805,356,750)	(665,294,710)
	Depreciation adjustment on revalued assets	635,885	635,885
	Transfer to Other reserves due to merger of Renata Oncology Limited	43,065,180	-
	Adjustment of non-controlling interests due to merger of Renata Oncology Limited	454	-
	Settlement in consideration of cash paid due to merger of Renata Oncology Limited	(454)	-
	Transfer between reserves- realised loss on disposal of shares	-	(112,598)
		20,705,254,771	17,535,319,640
17.	Non-controlling interests		
	Share capital	5,200	6,200
	Retained earnings and reserve (including tax holiday reserve)	43,603	57,904
		48,803	64,104
18.	Deferred tax liabilities		
	Opening balance	1,343,870,038	1,244,684,960
	Addition during the year	102,975,125	99,185,078
		1,446,845,163	1,343,870,038

Computation of deferred tax for the year ended 30 June 2020

Amount in Taka

	Carrying amount	Tax base	Taxable/ (deductible) temporary difference	Deferred tax liabilities/ (assets)
Property, plant and equipment	10,650,358,270	4,728,585,599	5,921,772,671	1,471,979,005
Provision for doubtful debt	(103,791,740)	-	(103,791,740)	(25,937,082)
Provision for gratuity	(7,202,464)	-	(7,202,464)	(720,246)
Investment in shares	110,857,529	95,622,669	15,234,860	1,523,486
Deferred tax liabilities/(assets) as at 30 June 2020				1,446,845,163
Deferred tax liabilities/(assets) as at 30 June 2019				1,343,870,038
Increase in deferred tax liabilities during the year				102,975,125

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

Charged to fair value reserve (OCI)	(4,514,475)
Adjustment for reduction of revaluation surplus due to charges of extra depreciation	(158,972)
Charged to profit or loss	107,648,572
	102,975,125

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	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 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

		Amount in Taka	
19.	Short term bank loan and overdrafts	30 June 2020	30 June 2019
	Eastern Bank Limited (Note-19.1)	37,623,723	52,269,803
	The City Bank Limited (Note-19.2)	260,460,000	238,979,895
	Standard Chartered Bank (Note-19.3)	834,648,149	1,076,367,260
	Citibank N. A. (Note-19.4)	411,934,856	539,592,529
	Bank Asia Limited (Note-19.5)	183,643,469	95,412,837
	Commercial Bank of Ceylon PLC (Note-19.6)	1,252,411,185	559,984,391
	United Commercial Bank Limited	415,693	-
		2,981,137,076	2,562,606,715

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)/ Import finance

Purpose : To import plant and machinery and raw materials.
Facility limit : Combined Tk. 510 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. 2,250 million.

Repayment : Within 180/365 days from the date of disbursement.

Overdraft

Purpose : For working capital purposes.

Facility limit : Tk. 150 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 17,000,000.
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 6,000,000.
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. 600 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. 150 million.
Repayment : Within 120 days from the date of disbursement.

Overdraft

Purpose : For payment of duty VAT, taxes and operating expenses.
Facility limit : Tk. 150 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. 50 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.

		Amount in Taka	
		30 June 2020	30 June 2019
20. Trade payables			
Payable to suppliers		508,963,636	570,003,352
Toll manufacturing charges (Sharif and NAFCO)		14,374,691	7,117,888
		523,338,327	577,121,240
Aging of the above payables is given below:			
Payables due below six months		501,434,785	549,223,207
Payables due over six months		21,903,542	27,898,033
		523,338,327	577,121,240
21. Other payables			
VAT and other payables		547,227,460	563,725,504
Advance from customers		537,525,993	5,296,645
Workers' participation fund (Note-21.1)		74,973,837	101,825,445
Provident fund		52,634,833	46,609,565
Unclaimed dividend (Note-21.2)		38,921,309	33,161,390
Export commission payable		29,159,816	6,896,754
Accrued interest		23,710,390	30,901,405
		1,304,153,638	788,416,707
21.1 Workers' participation fund			
Opening Balance		101,825,445	268,801,357
Addition during the year		299,600,394	260,688,861
		401,425,839	529,490,218
Transferred during the year		(326,452,002)	(427,664,773)
		74,973,837	101,825,445
21.2 Unclaimed dividend			
Unclaimed dividend upto 4 years		22,469,495	20,862,511
Unclaimed dividend above 4 years		16,451,814	12,298,879
		38,921,309	33,161,390

Amount in Taka

22. Provision for taxation

	30 June 2020	30 June 2019
Opening balance	807,715,038	809,811,475
Provision made during the year	1,758,124,679	1,299,306,117
	2,565,839,717	2,109,117,592
Payment made during the year	(1,197,868,182)	(1,301,402,554)
	1,367,971,535	807,715,038

23. Turnover (Net)

Renata Limited	23,995,460,189	22,063,737,207
Renata Agro Industries Limited	211,219,234	401,213,653
Purnava Limited	468,132,671	344,350,812
	24,674,812,094	22,809,301,672

During the year, sale of pharmaceutical products includes export sales of Tk. 693,632,930 equivalent to US\$ 7,789,681 (Tk. 466,830,128 equivalent to US\$ 5,558,351 for the year ended 30 June 2019).

24. Cost of sales

Renata Limited	12,632,907,753	11,035,381,648
Renata Agro Industries Limited	345,340,042	392,807,330
Purnava Limited	84,922,616	34,736,256
Renata Oncology Limited	-	30,584,259
	13,063,170,411	11,493,509,493

		Amount in Taka	
		2019- 2020	2018-2019
25. Administrative expenses			
Salaries, wages and allowances	242,230,693	217,641,341	
Travelling and conveyance	28,812,891	30,432,315	
Training expenses	3,317,524	881,700	
Stationeries and supplies	8,025,260	10,048,688	
Postage, telex, fax and telephone	7,607,422	4,369,199	
Electricity, fuel, gas and water	17,424,447	22,865,545	
Employees' free lunch, snacks and tea expenses	31,586,417	30,347,514	
Staff uniform	379,993	575,281	
Rent	8,352,425	6,857,985	
Repairs and maintenance	13,546,814	8,812,369	
Govt. taxes and license fees	2,285,448	3,101,753	
Cleaning & security services	6,160,966	5,497,560	
Depreciation	19,969,720	17,835,113	
Software and hardware support services	19,536,929	28,608,045	
Insurance premium	7,093,840	5,444,138	
Automobile expenses	15,845,934	15,086,106	
Legal and professional expenses	538,955	310,978	
Audit fees	1,133,750	913,125	
Board meeting attendance fee	300,000	430,000	
Subscription and membership fees	1,561,610	4,533,715	
Meeting and corporate expenses	16,152,192	13,508,097	
AGM expenses	367,804	1,985,560	
Health and safety	85,826	-	
Other expenses	25,332,257	22,628,743	
	477,649,117	452,714,870	
26. Selling, marketing and distribution expenses			
Salaries, wages and allowances	2,003,294,560	1,739,834,337	
Travelling and conveyance	538,596,442	500,213,399	
Training expenses	8,779,279	5,619,687	
Stationeries and supplies	41,867,869	31,188,796	
Postage, telex, fax and telephone	76,921,331	43,459,462	
Electricity, fuel, gas and water	31,920,281	33,451,573	
Employees' free lunch, snacks and tea expenses	167,546,494	152,070,426	
Staff uniform	2,089,805	2,020,198	
Rent	23,372,914	26,022,898	
Repairs and maintenance	15,710,685	19,143,455	
Govt. taxes and license fees	15,433,528	17,610,415	
Cleaning & security services	58,106,795	55,870,197	
Depreciation	153,101,160	141,910,371	
Insurance premium	15,181,518	15,007,438	
Automobile expenses	38,387,797	30,473,754	
Journal and advertisement	35,438,805	45,123,703	
Free sample	126,038,969	123,476,126	
Marketing and sales promotional expenses	371,223,133	1,216,872,976	
Product literature	287,604,281	274,242,540	
Distribution expenses	471,899,408	424,689,528	
Export expenses	42,666,942	41,670,320	
Special discount	435,057,023	371,208,478	
Subscription and membership fees	16,578,214	22,657,944	
Meeting and corporate expenses	119,304,538	122,749,875	
Health and safety	1,293,214	18,887,605	
Other expenses	177,832,822	97,146,616	
	5,275,247,807	5,572,622,117	

27 Other income

Amount in Taka	
2019- 2020	2018-2019
Dividend income	4,275,654
Interest income	4,365,468
Scrap sales and others	257,905,805
Gain/ (loss) on disposal of property, plant and equipment	13,713,398
	3,272,756
546,456,242	279,257,427

28. Finance costs

Interest expenses	153,384,932	118,098,404
Exchange loss	57,250,283	19,319,555
Bank charges	17,078,806	17,184,073
	227,714,021	154,602,032

29. Net asset value (NAV) per share

The computation of NAV is given below:

Equity attributable to the ordinary shareholders	21,762,283,455	18,595,983,331
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	88,589,242	88,589,242
Net asset value (NAV) per share	245.65	209.91

Last year's NAV has been adjusted due to issuance of bonus shares.

29.1 Weighted average number of ordinary shares outstanding during the year

Opening number of shares	80,535,675
Bonus shares issued in December 2019	8,053,567
	88,589,242

30. Basic earnings per share (EPS)

The computation of EPS is given below:

Earnings attributable to the ordinary shareholders (net profit after tax for the year)	4,012,126,486	3,755,508,969
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	88,589,242	88,589,242
Basic earnings per share (EPS)	45.29	42.39

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

		Amount in Taka	
31.	Net cash flow from operating activities	30 June 2020	30 June 2019
	Profit before tax	5,877,886,586	5,154,421,726
	<i>Adjustments for:</i>		
	Depreciation and amortization expenses	955,075,752	851,909,227
	Provision for bad debts & others	8,831,194	22,042,677
	Finance costs	227,714,021	154,602,032
	(Gain)/ loss on disposal of property, plant and equipment	(14,210,844)	(3,272,756)
	Income from investment	(2,092,451)	(4,371,934)
	Cash generated from operations before working capital changes	7,053,204,258	6,175,330,972
	<i>Adjustments for:</i>		
	(Increase)/ decrease in inventories	(902,482,325)	(410,752,103)
	(Increase)/ decrease in trade and other receivables	(403,434,944)	(182,863,781)
	(Increase)/ decrease in advances, deposits and prepayments	(93,193,641)	36,368,063
	Increase/ (decrease) in trade payables	(53,782,912)	333,456,771
	Increase/ (decrease) in other payables	517,168,025	(260,964,673)
	Cash generated by operations	6,117,478,461	5,690,575,249
	Finance costs	(232,595,600)	(153,933,538)
	Payment of tax	(1,199,298,537)	(1,305,668,672)
	Net cash flow from operating activities	4,685,584,324	4,230,973,039

32. Net operating cash flow per share

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

Net cash generated from operating activities	4,685,584,324	4,230,973,039
Weighted average number of ordinary shares outstanding during the year (Note-29.1)	88,589,242	88,589,242
Net operating cash flow per share	52.89	47.76

Last year's net operating cash flow per share has been adjusted due to issuance of bonus shares.

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
Short-term employee benefits		
Remuneration	13,697,866	605,600,459
House rent	8,038,930	441,404,828
Bonus	5,707,445	253,884,100
Conveyance allowance and transport	3,372,835	179,702,363
Other welfare expenses	5,767,060	49,695,972
Post-employment benefits		
Contribution to provident fund	1,369,787	59,318,408
Gratuity	1,712,233	89,142,267
	39,666,156	1,678,748,397

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 2018-2019 was Tk. 140,093,104 equivalent to US\$ 1,632,786.76 for their 17,511,638 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. 33,196,071 for the assessment year 2018-2019 awaiting for appeal to be filed by us with the Taxes Appellate Tribunal.

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. 245,280,917 and tax file reopened accordingly under Section 93 of the Income Tax Ordinance, 1984. Total tax amount was calculated Tk. 73,584,275 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 2020.

37. Commitments

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

Letters of credits (Note-37.1)

Outstanding guarantees issued by the banks

Capital expenditure commitments

Amount in Taka	
30 June 2020	June 30, 2019
2,426,510,888	1,745,661,987
220,823,176	666,110,566
7,912,299,499	7,691,345,783
10,559,633,563	10,103,118,336

37.1 Letters of credits

	Limit	30 June 2020	June 30, 2019
Standard Chartered Bank	2,000,000,000	522,772,727	531,308,481
Eastern Bank Limited	500,000,000	149,819,885	4,744,793
The City Bank Limited	1,200,000,000	121,384,551	152,672,024
Citibank N. A.	1,595,180,000	625,966,947	190,372,485
Commercial Bank of Ceylon PLC	1,350,000,000	682,802,262	715,400,964
Bank Asia Limited	600,000,000	323,764,516	151,163,240
	7,245,180,000	2,426,510,888	1,745,661,987

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 8,151 (7,324 as at 30 June 2019) employees as at 30 June 2020, of which 5,474 (4,999 as at 30 June 2019) is permanent employees and 2,677 (2,325 as at 30 June 2019) 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	86,402,601	7,307,821,577
Machinery and spares	15,558,900	1,324,549,186
	101,961,501	8,632,370,763

39.2 Foreign exchange was earned in respect of the following:

	USD
Export of goods on FOB	7,789,681

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 2019-2020 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

Amount to be distributed as dividend

The Board of Directors in their meeting held on 26 October 2020 have recommended cash dividend @ 130% per share of Taka 10 each aggregating Taka 1,151,660,146 and stock dividend @ 10% of Taka 10 each aggregating Taka 88,589,242 for the year ended 30 June 2020 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 19 December 2020. The financial statements for the year ended 30 June 2020 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. The declared dividend is also in compliance with section 16G of Income Tax Ordinance 1984.

Other events

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

Dhaka,
26 October 2020

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
Mobile: 01817045729
e-mail: gazipur@renata-ltd.com

Bhairab Depot

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

Turag Depot

House-39, Road-06
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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
Phone & Fax: 0921-61158
Mobile: 01847-186614
e-mail: tangail@renata-ltd.com

Brahmaputra Depot

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

Surma Depot

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Lotipur, Dakshin Surma, Sylhet - 3100
Phone: 0821-718407
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

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Amtola Moor, Band Road,
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e-mail: barisal@renata-ltd.com

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Ling 3 No.: +88096877403
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e-mail: feni@renata-ltd.com

Madhumati Depot

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Sarak, Kuthibari-1, Kamalpur,
Faridpur
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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 : 0421-60851
Mobile: 01817049381
e-mail: jessore@renata-ltd.com

Rajshahi Depot

C-212, Laxmipur,
Greater Road,
Rajshahi-6000
Phone : 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

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 47th Annual General Meeting of the Company, to be held through Digital Platform on Saturday, December 19, 2020 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 47th Annual General Meeting being held on
Saturday, December 19, 2020 through Digital Platform at 11.00 am

Name of Shareholder(s).....

Register Folio/BO No.

holding of Ordinary Shares of Renata Limited.

Signature (s) of Shareholder(s)



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

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