

# ANNUAL REPORT 2020-21

40th Annual General Meeting



PHARMA AIDS LIMITED

# ফার্মা এইড্‌স লিমিটেড

বার্ষিক প্রতিবেদন  
২০২০-২০২১ইং

৪০তম বার্ষিক সাধারণ সভা

PHARMA AIDS LIMITED  
Annual Report 2020-2021



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জনাব এম এ মাসুদ  
চেয়ারম্যান



জনাব ফায়েজুল হাসান  
ব্যবস্থাপনা পরিচালক



মিসেস শাহিনুর বেবী  
পরিচালক



মিসেস শাহিনুর বেগম  
পরিচালক



জনাব মোঃ মোমিনুল হক ঢালী  
স্বতন্ত্র পরিচালক



জনাব কে, এইচ, রেজা, এফসিএস  
কর্পোরেট সেক্রেটারী

## নিরীক্ষক

মেসার্স মালেক সিদ্দিকী ওয়ালী,  
চার্টার্ড একাউন্ট্যান্টস,  
৯জি, মতিঝিল বানিজ্যিক এলাকা (৩য় তলা),  
ঢাকা-১০০০।

## ব্যংকার

- ১। আল-আরাফাহ্ ইসলামী ব্যাংক লিমিটেড, ভি, আই, পি, রোড ব্রাঞ্চ, নয়া পল্টন, ঢাকা।
- ২। বাংলাদেশ কমার্স ব্যাংক লিমিটেড, প্রিন্সিপাল ব্রাঞ্চ, ৯ রাজউক এভিনিউ, মতিঝিল, ঢাকা।
- ৩। পূবালী ব্যাংক লিমিটেড, নয়া পল্টন ব্রাঞ্চ, ঢাকা।
- ৪। ডাচ-বাংলা ব্যাংক লিমিটেড, বৈদেশিক বাণিজ্য শাখা, মতিঝিল, ঢাকা।
- ৫। এবি ব্যাংক লিঃ, চন্দ্রা ব্রাঞ্চ, কালিয়াকৈর, গাজীপুর।
- ৬। আই এফ আই সি ব্যাংক লিঃ, চন্দ্রা ব্রাঞ্চ, কালিয়াকৈর, গাজীপুর।

## নিবন্ধিত কার্যালয়

৩৪৫ সেগুন বাগিচা, রমনা, ঢাকা-১০০০।  
ফোনঃ +৮৮(০২)২২২২২০৭৪১, ২২২২২৭৭৪২-৪৩  
ই-মেইলঃ pal.hinfo@gmail.com  
ওয়েবঃ www.pharmaaids.com

## কারখানা

চন্দ্রা, থানাঃ কালিয়াকৈর, জেলাঃ গাজীপুর ।  
ই-মেইলঃ pharmaaidsltd@gmail.com  
মোবাইলঃ ০১৭১১-৮১৪৬১২

## PHARMA AIDS LIMITED

345 Segun Bagicha, Dhaka-1000

### Notice of the 40<sup>th</sup> Annual General Meeting

Notice is hereby given that 40th Annual General Meeting of Pharma Aids Limited will be held on Thursday, 30th December, 2021, at 11:30 a.m. using Digital Platform at the link <https://pal.agm.watch>, to transact the following business:

1. To confirm minutes of the 39th Annual General Meeting held on 24-12-2020.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 30th June, 2021, together with the reports of the Directors and the Auditors.
3. To approve dividend for the year ended on 30th June, 2021, as recommended by the Board of Directors.
4. To elect/re-elect Directors in accordance with relevant provisions of the Articles of Association of the Company.
5. To elect/re-elect the Managing Director in accordance with Companies Act, 1994.
6. To appoint Auditors for the Financial Year 2021-2022 and fix-up their remuneration.
7. To appoint Compliance Auditor for the Financial Year 2021-2022 and fix-up their remuneration; and
8. To transact any other business with the permission of the Chair.

By Order of the Board of Directors

Sd/-

(K. H. Reza, FCS)

Corporate Secretary

Dated: December 12, 2021

#### Notes:

- a) Members whose names appear on the Member/Depository Register as on the "Record Date", i.e. December 07, 2021 (Tuesday), shall be eligible to attend 40th Annual General Meeting (AGM) and qualify for the Dividend to be approved at the AGM.
- b) A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, found on the last page of the Annual Report 2020-2021, duly completed and revenue stamped of TK. 20/-, must be deposited to the Registered Office of the Company at 345, Segun Bagicha (1st floor), Dhaka-1000, at least 72 hours before the time fixed for the meeting.
- c) Pursuant to the BSEC's Order No. SEC/SRMIC/94-231/91 dated 31 March, 2021, the AGM will be held virtually (using digital platform), which will be conducted via live webcast. The soft copy of the Annual Report 2020-2021 will be sent to shareholders through email addresses as available with the Company. Soft copy of the Annual Report will also be available in our Company website at: [www.pharmaaids.com](http://www.pharmaaids.com).

- d) The necessary Digital Link for joining in the audio visual meeting is **<https://pal.agm.watch>**. The entire login process along with link will be also available in Company's website [www.pharmaaids.com](http://www.pharmaaids.com) in due time. The Members will be able to submit their questions/comments through virtual link 24 hours before commencement of the AGM and during the AGM. For logging into the system, the Members need to put their Beneficiary Owner (BO) ID/Folio number and other credentials as proof of their identity. Please contact Mr. Ishtiaq M. Janos, Mobile No. 01913-708111 for any queries in accessing the virtual meeting.
- e) Shareholders bearing BO ID are requested to update their details of Bank A/c No., e-mail address, change of address, mobile number, and 12 digit Tax payers' identification number (e-Tin) through their respective brokerage houses/depository participant (DP) within **December 30, 2021**. This is to ensure that the Dividends are successfully deposited to the correct Bank A/c., Dividend Warrants (if any) are delivered to the correct address, and also tax at source is deducted @10% instead of @15%. The Shareholders who are maintaining Folio No. are advised to Demat their shares and update their details in the same manner to ensure timely receipt of dividends.



## চেয়ারম্যান মহোদয়ের প্রতিবেদন

বিসমিল্লাহির রহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম ওয়া রহমাতুল্লাহ।

ফার্মা এইড্‌স লিঃ-এর ৪০তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে জানাই আমার আন্তরিক অভিনন্দন ও শুভেচ্ছা। উক্ত সভার ডিজিটাল প্ল্যাটফর্মে আপনাদের সকলকে সংযুক্ত হওয়ার জন্য আমি কোম্পানির পক্ষ থেকে আহবান জানাচ্ছি। প্রথমেই আমি গভীর শ্রদ্ধার সাথে স্মরণ করছি কোম্পানির অন্যতম প্রতিষ্ঠাতা পরিচালক জনাব এম, এ, কালামকে। তাঁরই ঐকান্তিক প্রচেষ্টার ফসল এ ফার্মা এইড্‌স লিমিটেডসহ এক্সেলসিয়ার গ্রুপের অন্যান্য প্রতিষ্ঠিত প্রতিষ্ঠানসমূহ। তাঁর মৃত্যুর প্রথম বার্ষিকী পূর্ণ হলো গত ১৯শে নভেম্বর, ২০২১। আমি তাঁর আত্মার মাগফেরাত কামনা করছি এবং মহান রাব্বুল আলামীন তাঁকে যেন জান্নাতের সর্বোত্তম স্থান দান করেন - আমীন।

আলোচ্য অর্থ বছরে বৈশ্বিক মহামারী করোনার কারণে সর্বক্ষেত্রে অস্বাভাবিক অস্থিরতা থাকা স্বত্বেও পরিচালকমণ্ডলীর বাস্তবমুখী পদক্ষেপ এবং কোম্পানির সকল এমপ্লয়ীর ঐকান্তিক চেষ্টায় সমস্ত বাধা বিপত্তিকে উপেক্ষা করে কোম্পানি পূর্বের ন্যায় সাফল্যের দ্বারপ্রান্তে পৌঁছতে সক্ষম হয়েছে এবং ভবিষ্যতেও এ ধারা চলতে থাকবে বলে আশা রাখি।

পরিশেষে আমি কোম্পানির অগ্রগতি ও উন্নতির জন্য মহান আল্লাহ-তা-য়ালার কাছে দয়া কামনা করছি।

ধন্যবাদান্তে,



এম, এ, মাসুদ  
চেয়ারম্যান

## DIRECTORS' REPORT

### পরিচালক মন্ডলীর প্রতিবেদন

বিসমিল্লাহির রহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু-আলাইকুম ওয়া রহমাতুল্লাহ।

কোম্পানির পরিচালকমন্ডলীর পক্ষ থেকে ২০২০-২০২১ইং অর্থ-বছরের বার্ষিক প্রতিবেদন, নিরীক্ষিত হিসাব ও নিরীক্ষকবৃন্দের প্রতিবেদন আপনাদের সদয় বিবেচনা এবং অনুমোদনের জন্য উপস্থাপন করা হলো।

#### কোম্পানির বিষয়াদির অবস্থা :

##### ১.১। পরিচিতি :

১৯৮১ইং সালে গাজীপুরস্থ কালিয়াকৈর থানার চন্দ্রায় কোম্পানিটি স্থাপিত হয় এবং ১৯৮৪ সালের জুলাই থেকে এর বানিজ্যিক উৎপাদন শুরু হয়। ফার্মা এইডস লিমিটেড শুধুমাত্র ইউ.এস.পি টাইপ-১ (USP Type-I) নিউট্রাল গ্লাস এ্যাম্পুল (Neutral Glass Ampoule) উৎপাদন করে দেশীয় ও বহুজাতিক ঔষধ কোম্পানিগুলোতে অত্যন্ত সুনামের সাথে সরবরাহ করে আসছে। কারখানার জমির মোট আয়তন ১৭,২৮০ বর্গফুট, যার মধ্যে নীচ তলায় ১২,২১২ বর্গফুট এবং দোতলায় ৪,৬৫০ বর্গফুট এলাকা উৎপাদন, গুদাম ও সংশ্লিষ্ট কাজে ব্যবহৃত হচ্ছে।

##### ১.২। মানব সম্পদ :

কোম্পানিতে বর্তমানে কর্মকর্তা, কর্মচারী ও স্থায়ী-অস্থায়ী শ্রমিকসহ সর্বমোট ১০২ জন নিয়োজিত আছেন। প্রতিষ্ঠানের সকল পর্যায়ের কর্মকর্তা, কর্মচারী ও শ্রমিকগণের মধ্যে সুসম্পর্ক বজায় রয়েছে। বাস্তব অভিজ্ঞতা অর্জনের মাধ্যমে এ জনবল দিনে দিনে মানব সম্পদে পরিণত হয়েছে।

##### ১.৩। উৎপাদন ও বিক্রয় :

কোম্পানি প্রতিষ্ঠিত হওয়ার পর বর্তমান বছরেই সর্বোচ্চ উৎপাদন ও বিক্রয় করতে সমর্থ হয়েছে। গত বছর উৎপাদন ছিল ১,২৩৪.৮০ লক্ষ পিস এ্যাম্পুল ও নীট বিক্রয় হয়েছিল ২,৬৯৫.৬৯ লক্ষ টাকা। আলোচ্য বছরে উৎপাদন হয়েছে ১,২৫০.০২ লক্ষ পিস এ্যাম্পুল ও নীট বিক্রয় হয়েছে ২,৮০২.৯২ লক্ষ টাকা, যা গত বছরের তুলনায় যথাক্রমে ১.২৩% এবং ৩.৯৮% বেশী। উল্লেখ্য যে, আমাদের এ্যাম্পুল ফর্মিং মেশিনগুলোর মধ্যে তিনটি অতি পুরাতন, তাই এগুলোর রক্ষণাবেক্ষণ খরচ দিন দিন বৃদ্ধি পাচ্ছে। এছাড়া উক্ত মেশিনের ওভেনগুলোও ব্যবহারের ক্ষেত্রে প্রায় অনুপযোগী হয়ে পড়ায় ইতিমধ্যেই ইউরোপ হতে একটি ওভেন আমদানী করা হয়েছে। উক্ত ওভেন আমদানী করতে কোম্পানির প্রায় ৮৬.০০ লক্ষ টাকা খরচ হয়েছে। এক্ষেত্রে আমাদের আরও দুটি ওভেন প্রয়োজন। তাই স্থানীয়ভাবে আমরা চেষ্টা চালিয়ে যাচ্ছি যাতে কম দামে উক্ত ওভেন তৈরী করা যায়। এজন্য ইতিমধ্যেই স্থানীয় একটি কোম্পানিকে ওভেন তৈরীর জন্য কার্যাদেশ প্রদান করা হয়েছে। যাতে আমাদের প্রায় ২০.০০ লক্ষ টাকা ব্যয় হবে। উক্ত ওভেন তৈরীতে সফলতা পেলে পরবর্তীতে স্থানীয়ভাবে সংযোজন করা হবে ইনশাআল্লাহ। উক্ত ওভেনগুলো সংযোজিত হলে অপচয় অনেকাংশে হ্রাস পাবে। আমরা সকলেই আপ্রাণ চেষ্টা চালিয়ে যাচ্ছি যাতে আগামীতে কোম্পানির অবস্থা আরও উন্নতি করতে সক্ষম হই। এব্যাপারে সংশ্লিষ্ট সকলের সার্বিক সহযোগিতা একান্ত কাম্য।

##### ১.৪। পণ্যভিত্তিক পারফরমেন্স :

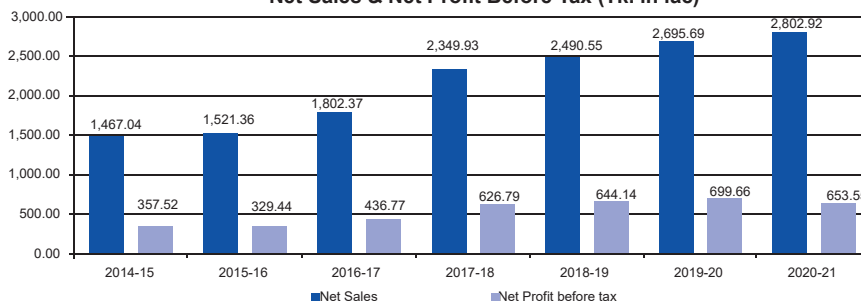
কোম্পানির উৎপাদিত মূল পণ্য শুধুমাত্র একটিই, তা হলো নিউট্রাল গ্লাস এ্যাম্পুল। এর ভিতরে সাইজ ভিত্তিক রয়েছে মূলত ৭(সাত) প্রকার-১এম.এল, ২এম.এল, ৩এম.এল, ৫এম.এল, ১০এম.এল, ২০এম.এল, এবং ২৫এম.এল। এবং গ্লাস এর বাহ্যিক রঙ ২(দুই) প্রকার- এ্যাম্বার এবং ক্লিয়ার। প্রতি বছর সাইজভিত্তিক বা গ্লাসের বাহ্যিক রঙ ভিত্তিক চাহিদা এবং উৎপাদন মূলত নির্ভর করে ক্রেতাগন, অর্থাৎ দেশীয় ও বহুজাতিক ঔষধ কোম্পানিগুলো, এবং বাজারে ইঞ্জেকশনের চাহিদার উপর। যার কারণে একেক বছরের পারফরমেন্স অন্য বছরের সাথে সামঞ্জস্যপূর্ণ নয়। সুতরাং, বছরভিত্তিক তুলনামূলক পারফরমেন্স বিশ্লেষণ করা অনাবশ্যক।

## ২। আর্থিক ফলাফল :

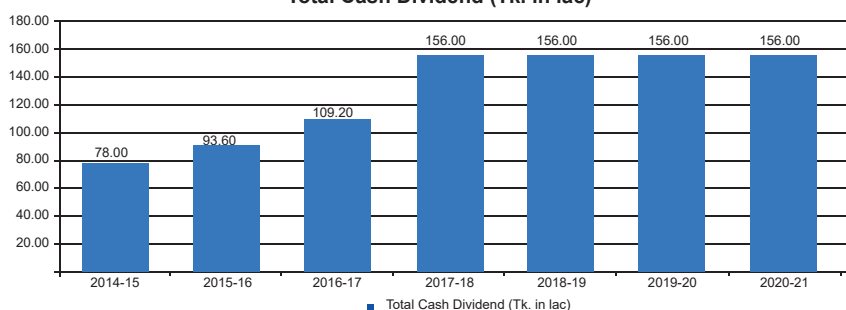
গত ৭ (সাত) বছরের তুলনামূলক আর্থিক ফলাফল নিম্নে প্রদত্ত হলো:

Sl.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	Production (in lac pcs.)	763.33	839.98	937.19	1,123.67	1,232.34	1,234.80	1,250.02
2	Net Sales (Tk. in lac)	1,467.04	1,521.36	1,802.37	2,349.93	2,490.55	2,695.69	2,802.92
3	Cost of Goods Sold (COGS) (Tk. in lac)	903.86	983.76	1,132.20	1,435.99	1,508.51	1,627.17	1,741.40
4	COGS Percentage on Sales (%)	61.61%	64.66%	62.82%	61.11%	60.57%	60.36%	62.13%
5	Gross Profit (Tk. in lac)	563.19	537.60	670.17	913.94	982.04	1,068.52	1,061.53
6	Gross Profit Margin (%)	38.39%	35.34%	37.18%	38.89%	39.43%	39.64%	37.87%
7	Net Profit/(Loss) before Tax (Tk. in lac)	357.52	329.44	436.77	626.79	644.14	699.66	653.55
8	Net Profit/(Loss) Margin before Tax (%)	24.37%	21.65%	24.23%	26.67%	25.86%	25.95%	23.32%
9	Net Profit after Tax (Tk. in lac)	254.73	234.72	295.69	470.10	483.11	524.75	502.59
10	Authorized Capital (Tk. in lac)	500.00	500.00	500.00	500.00	500.00	500.00	500.00
11	Paid-up Capital (Tk. in lac)	312.00	312.00	312.00	312.00	312.00	312.00	312.00
12	Reserve & Surplus Fund (Tk. in lac)	855.73	1,037.14	1,233.32	1,585.27	1,905.76	2,263.56	2,597.82
13	Fixed Assets (W.D.Value) (Tk. in lac)	719.96	652.57	662.12	862.79	788.30	741.19	753.97
14	Current Assets : Current Liabilities	1 : 0.61	1 : 0.51	1 : 0.43	1 : 0.40	1 : 0.31	1 : 0.24	1 : 0.19
15	Earnings Per Share (EPS)	8.16	7.52	9.48	15.07	15.48	16.82	16.11
16	NAV Per Share	37.43	43.24	49.53	60.81	71.08	82.54	93.26
17	Dividend	25%	30%	35%	50%	50%	50%	50%
18	Total Cash Dividend (Tk. in lac)	78.00	93.60	109.20	156.00	156.00	156.00	156.00
19	Income Tax	89.38	82.36	141.09	156.70	161.04	174.91	147.05
20	Value Added Tax (VAT)	225.07	236.97	281.71	367.79	386.63	417.02	433.55

Net Sales & Net Profit Before Tax (Tk. in lac)



Total Cash Dividend (Tk. in lac)



Note: Although Net Sales has increased during the period, the production expenses such as, cost of imported glass tubes and colors, cost of getting limited oxygen supply due to COVID19 situation, EL encashment, and other overheads have also increased. As a result, the Net Profit has not reached the expected level. Besides, selling price of ampoules remained unchanged due to severe competition with the local and foreign suppliers. Their selling prices are very near to our prices. So, to stay competitive, increasing the selling price has not been possible. Mentionable, the performance of the Company as per these financials are not comparable with the peer industry as the competing companies are all private and their financial data are not publicly available.

**৩। বকেয়া আবগারী শুল্ক :**

১৯৮৪-১৯৮৯ অর্থ-বছরসমূহের ১২.৩৯ লক্ষ টাকার বকেয়া আবগারী শুল্ক সংক্রান্ত প্রতিবেদন বিগত বছরসমূহে আপনাদেরকে অবহিত করা হয়েছে। মামলাটি এখনও নিষ্পত্তি হয়নি।

**৪। আয়কর :**

(ক) আর্থিক বছর ২০০৪-২০০৫ (আয়কর বছর ২০০৫-২০০৬) বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডার কর্তৃক অনুমোদিত নিরীক্ষিত হিসাব অনুযায়ী ১৫,৮৬,২০৭.০০ টাকা আয়কর প্রাপ্য, যার বিপরীতে ১০,৩৪,৪৫২.০০ টাকা অগ্রিম আয়কর সমন্বয় করা হয় এবং বাকী টাকা আমাদের পূর্ববর্তী বছরের প্রাপ্য থেকে সমন্বয় করে সঠিক সময়ে আয়কর রিটার্ন দাখিল করা হয়েছে। উপ-কর কমিশনার মহোদয় অযৌক্তিক ও একতরফাভাবে কতিপয় খরচ অগ্রাহ্য করে ২৪,৭২,৭২৮.০০ টাকা আয়কর ধার্য করেছেন এবং শুধুমাত্র অগ্রিম আয়করের ১০,৩৪,৪৫২.০০ টাকা হিসাবভুক্ত করেছেন। তিনি ১৪,৩৮,২৭৬.০০ টাকার সাথে সুদ ১,৬৪,০১৯.০০ টাকা যোগ করে মোট ১৬,০২,২৯৫.০০ টাকার একখানা ডিমান্ডনোট প্রেরণ করেছেন। আমরা অতিরিক্ত কমিশনার অব ট্যাক্সেস (আপীল) মহোদয়ের কাছে ২৭-০৪-২০০৮ইং তারিখে আপীল দায়ের করেছি। বিষয়টি বিবেচনার জন্য আমরা গত ১৮-০৮-২০০৮ইং এবং ১৮-০৫-২০১০ইং তারিখ তাগাদাপত্র প্রেরণ করেও কোন ফল পাইনি। উল্টো উপ-কর কমিশনার মহোদয় পুনরায় ২৮-০৮-২০১৪ইং তারিখে পূর্বের ১৬,০২,২৯৫.০০ টাকার দাবীনামাটি প্রেরণ করেন। কোম্পানি নোটিশ গ্রহণের সাথে সাথে নির্ধারণী আদেশের সার্টিফাইড কপি প্রেরণ করে এখন পর্যন্ত কোন সার্টিফাইড কপি পায়নি।

(খ) আর্থিক বছর ২০০৫-২০০৬ (আয়কর বছর ২০০৬-২০০৭) বার্ষিক সাধারণ সভায় নিরীক্ষিত হিসাব অনুমোদিত হওয়ার পর সঠিক সময়ে আয়কর রিটার্ন দাখিল করা হয়। উপ-কর কমিশনার মহোদয় চূড়ান্ত নির্ধারণী আদেশ “শূন্য” দাবীনামা প্রেরণ করেন। অথচ ৩ বছর পর অর্থাৎ ২৯-০৪-২০১০ইং তারিখে উপ-কর কমিশনার মহোদয় অযৌক্তিকভাবে বকেয়া আয়কর ১২,৩৮,৩৪৭.০০ টাকার সাথে ২,৪১,৯৫৪.০০ টাকা সুদ যোগ করে মোট ১৪,৮০,৩০১.০০ টাকা পরিশোধ করার জন্য নোটিশ প্রেরণ করেন। কোম্পানি অবিলম্বে বিস্তারিত ব্যাখ্যাসহ নোটিশটি বাতিলের জন্য অনুরোধ জানান; কিন্তু উপ-কর কমিশনার মহোদয় দীর্ঘ ৪ বছর পরে অর্থাৎ ২৮-০৮-২০১৪ইং তারিখে ১৪,৮০,৩০১.০০ টাকার দাবীনামাটি পুনরায় প্রেরণ করেন। বাধ্য হয়ে আমরা গত ১০-০৯-২০১৪ইং এবং পুনরায় ০৮-১১-২০১৬ইং তারিখে মূল আদেশের সার্টিফাইড কপি প্রেরণের জন্য অনুরোধ করি; কিন্তু অদ্যাবধি তা পাওয়া যায়নি।

(গ) আর্থিক বছর ২০০৬-২০০৭ (আয়কর বছর ২০০৭-২০০৮) বার্ষিক সাধারণ সভায় নিরীক্ষিত হিসাব অনুমোদিত হওয়ার পর যথাসময়ে আয়কর রিটার্ন দাখিল করা হয়েছে। ২৫,৮১,৯৭৪/- টাকা আয়কর প্রাপ্য হলে উক্ত বছরে কোম্পানির পরিশোধিত অগ্রিম আয়কর ৩২,৭৫,৬৬৯/- টাকা থেকে উহা সমন্বয়ের পর ৬,৯৩,৬৯৫/- টাকা বেশী জমা ছিল। কয়েক বছর পর অর্থাৎ ২১-১০-২০১০ইং তারিখে ডেপুটি কমিশনার মহোদয় হঠাৎ করে অযৌক্তিকভাবে ৫৩,০১,০৪০/- টাকার একটি নোটিশ প্রেরণ করেন। উক্ত নোটিশের বিপরীতে কোম্পানি নির্ধারণী আদেশ ও সার্টিফাইড কপি প্রেরণ করে এবং সর্বশেষ ০৮-১১-২০১৬ইং তারিখে তাগাদাপত্র প্রদান করলেও অদ্যাবধি কোন সার্টিফাইড কপি পাওয়া যায়নি।

**৫। ভ্যাট (মূসক) :**

২০০৮-২০০৯ইং অর্থবছরে স্থানীয় রাজস্ব অডিট অধিদপ্তরের অডিট টিম অতিরিক্ত রেয়াত গ্রহণ বাবদ ৫,১৭,৭৬২/- টাকা ও মূসক ফাঁকি বাবদ ১৩,৫৭,২৫২/- টাকা, মোট ১৮,৭৫,০১৪/- টাকার আপত্তি উত্থাপন করে ১৮-০৬-২০১০ইং তারিখে দুটি দাবীনামা কোম্পানিকে প্রেরণ করেন। এব্যাপারে বিস্তারিত তথ্যাদি ও সংশ্লিষ্ট সকল প্রমাণাদিসহ ২৪-০৬-২০১০ইং তারিখে ভ্যাট কর্তৃপক্ষের দপ্তরে দাখিল করা হয়। ভ্যাট কর্তৃপক্ষ সমস্ত কাগজপত্র পর্যালোচনা করে অডিট টিমের আপত্তি দুটি অযৌক্তিক ও ভিত্তিহীন বলে মেনে নেন; কিন্তু দীর্ঘ সাড়ে ৪ বছর পর ভ্যাট কর্তৃপক্ষ

২৯-১০-২০১৪ইং তারিখে দাবীটি পুনরায় প্রেরণ করেন। আমরা পত্রের মাধ্যমে দাবীগুলো যে নিষ্পত্তি হয়েছে, উহার বিস্তারিত ব্যাখ্যা প্রদান করি; কিন্তু ভ্যাট কর্তৃপক্ষ আবার ২০ মাস পর অর্থাৎ ০৯-০৬-২০১৬ইং তারিখে ২টি দাবীনামার বিপরীতে ১৮,৫৮,৩৪৫/- টাকা আমাদের চলতি হিসাব থেকে একতরফা ও অযৌক্তিকভাবে সমন্বয় করেন, যা অগ্রহণযোগ্য ও বাতিলযোগ্য। এ প্রসঙ্গে গত ১৪-০৬-২০১৬ইং তারিখে জোড়ালো আপত্তিসহকারে আমাদের ন্যায্য ব্যাখ্যার আলোকে বিষয়টি নিষ্পত্তি করার জন্য আবেদন করা হয়, যা এখনও প্রক্রিয়াধীন রয়েছে।

এছাড়াও ২০১২-১৩ইং অর্থ বছর হতে ২০১৬-১৭ইং অর্থ বছর পর্যন্ত সময়ের মূসক নিরীক্ষা দল কর্তৃক নিরীক্ষিত প্রতিবেদন অনুযায়ী কমিশনার, কাস্টমস্ এক্সাইজ ও ভ্যাট, ঢাকা উত্তর কমিশনারেট মূসক পরিহার বাবদ সর্বমোট ৬৩,৫৫,৮৪৪.৮৪ (সুদ ব্যতীত) টাকা আদায়ের জন্য মূল্য সংযোজন কর আইন, ১৯৯১ ধারা-৫৫ এর উপধারা-১ অনুযায়ী ফার্মা এইড্‌স লিঃ-এর বিরুদ্ধে একটি দাবীনামা সম্মিলিত কারণ দর্শানোর নোটিশ জারি করেন। উক্ত নোটিশের প্রেক্ষিতে ব্যবস্থাপনা পরিচালক মহোদয় উক্ত দাবীনামা যে অযৌক্তিক ও ভিত্তিহীন তার স্বপক্ষে বিস্তারিত ব্যাখ্যাসহ ব্যক্তিগত শুনানীতে হাজিরার সুযোগ চেয়ে গত ১১-১০-২০২০ইং তারিখে কমিশনার বরাবর একটি পত্র প্রেরণ করেন। উক্ত পত্রের প্রেক্ষিতে কমিশনার মহোদয় ২৪-১১-২০২০ইং তারিখে শুনানীর তারিখ ধার্য করলে কোম্পানীর প্রতিনিধি উক্ত শুনানীতে হাজির হয়ে কমিশনার মহোদয়ের নিকট বিভিন্ন যুক্তি উপস্থাপনের মাধ্যমে অযৌক্তিক ও ভিত্তিহীন দাবীনামা হতে অব্যাহতি দানের অনুরোধ জানালে তিনি বিষয়টি বিবেচনাধীন ও প্রক্রিয়াধীন অবস্থায় শুনানী সমাপ্ত করেন।

#### ৬। পরিচালকগণের অবসর গ্রহণ ও পুনঃনিয়োগ :

কোম্পানির আর্টিকেলস অব এসোসিয়েশনের ১৩৫ অনুচ্ছেদ অনুযায়ী চক্রানুক্রমে পরিচালকমন্ডলী হতে জনাব এম, এ, মাসুদ এবছর অবসর গ্রহণ করেছেন। তিনি পুনঃনিয়োগের যোগ্য হওয়ায় নিয়োগ প্রাপ্তির জন্য আগ্রহ প্রকাশ করেছেন।

#### ৭। ব্যবস্থাপনা পরিচালকের পুনঃনিয়োগ :

ব্যবস্থাপনা পরিচালক মহোদয়ের সুযোগ্য ব্যবস্থাপনার কারণে কোম্পানি উত্তরোত্তর সমৃদ্ধি অর্জন করে বর্তমান অবস্থায় আসতে সক্ষম হয়েছে। তিনি দৃঢ় বিশ্বাস করেন যে, আগামী অর্থ বছরে কোম্পানিকে আরও ভালো লাভজনক প্রতিষ্ঠানে উন্নতি করতে সক্ষম হবেন - ইনশাআল্লাহ। কোম্পানি আইনের-১১০ ধারা মোতাবেক তাঁর মেয়াদ উত্তীর্ণ হওয়ায় তিনি পুনঃনিয়োগ লাভের সম্মতি প্রকাশ করেছেন বিধায় পরিচালনা পর্ষদ তাঁকে আগামী ৫(পাঁচ) বছরের জন্য নিয়োগ করার সুপারিশ করেছেন।

#### ৮। কোম্পানির নিরীক্ষা ব্যবস্থা :

কোম্পানির নিরীক্ষা কমিটির চেয়ারম্যান - জনাব মোঃ মোমিনুল হক ঢালী, স্বতন্ত্র পরিচালক, এবং হেড অফ ইন্টারনাল অডিট এন্ড কমপ্লায়েন্স - জনাব মুহিবুল হাসান আদিল, এক্সিকিউটিভ ডাইরেক্টর, তাঁরা নিরীক্ষা কমিটির ও অভ্যন্তরীণ নিরীক্ষার কার্যকলাপ, দায়িত্ব, ও কর্তব্য অত্যন্ত দক্ষতার সাথে পালন করে আসছেন। আলোচ্য ২০২০-২০২১ইং অর্থ বছরে উক্ত কমিটির কোন বিরূপ প্রতিবেদন ছিল না যা অডিট কমিটির চেয়ারম্যান মহোদয়ের প্রতিবেদনে সন্নিবেশিত করা হয়েছে।

#### ৯। পরিচালকমন্ডলীর পারিশ্রমিক ও বোর্ড মিটিং :

দেশের সার্বিক অবস্থা এবং অন্যান্য সকল লাভজনক কোম্পানির দেয়া পারিশ্রমিক বিবেচনা করে, ০১-০৭-২০২১ইং তারিখ থেকে, ব্যবস্থাপনা পরিচালক মহোদয়ের মাসিক পারিশ্রমিক ৫,৫০,০০০/- হতে ৬,২৫,০০০/-, অর্থাৎ ৭৫,০০০/- (পঁচাত্তর হাজার) টাকা বৃদ্ধিসহ অন্যান্য সুযোগ সুবিধা সময়োপযোগী করার জন্য কোম্পানীর এন,আর,সি কমিটি সুপারিশ করেছেন যা বোর্ডের দ্বারা গ্রাহ্য হয়েছে। অন্যান্য পরিচালকমন্ডলী কোম্পানির প্রথম থেকেই, অর্থাৎ লিস্টিং সন থেকেই স্পন্সর ডাইরেক্টর হিসেবে নিয়োগ প্রাপ্ত। শুরু থেকেই ধারাবাহিক ভাবে কোম্পানি তাঁদের মাসিক সম্মানি দিয়ে আসছে। পরিচালনা পর্ষদের সার্বিক পারিশ্রমিক/সম্মানি এবং এক্সিকিউটিভগণের বেতনাদি স্টেটমেন্ট নোট নং ২২.০০ এবং বোর্ড মিটিং-এর সংখ্যা ও উপস্থিতি নোট নং ২৩.০০-এ সন্নিবেশিত করা হয়েছে।



**১০। লভ্যাংশ ঘোষণা :**

আলোচ্য ২০২০-২০২১ইং অর্থ বছরে কর পূর্ববর্তী ৬৫৩.৫৫ লক্ষ টাকা নীট মূনাফা অর্জিত হয়েছে। আলোচ্য বছরের কর পরবর্তী ৫০২.৫৯ লক্ষ টাকা মূনাফা থেকে ১৫৬.০০ লক্ষ টাকা, অর্থাৎ ৩১.০৪%, বিনিয়োগকারীদের স্বার্থে শেয়ার প্রতি ৫০% হারে নগদ লভ্যাংশ পরিচালনা পর্ষদ সুপারিশ করেছেন। বাকী ৩৪৬.৫৯ লক্ষ টাকা, অর্থাৎ ৬৮.৯৬%, Retained Earnings-এ রেখে তা ভবিষ্যতে সম্ভাব্য BMRE প্রকল্পসহ অন্যান্য কর্ম-পরিকল্পনার কাজে পরিচালনা পর্ষদ প্রয়োগ করতে পারে।

**১১। নিরীক্ষক নিয়োগ ও তাঁদের পারিশ্রমিক নির্ধারণ :**

মেসার্স মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্ট্যান্টস, ৯ জি মতিঝিল বানিজ্যিক এলাকা (৩য় তলা), ঢাকা-১০০০ আলোচ্য বছরসহ ধারাবাহিক ভাবে তিন বছর নিরীক্ষক ছিলেন। আইনানুযায়ী তিনি পরবর্তী অর্থবছর অর্থাৎ ২০২১-২০২২ইং সালের জন্য নিয়োগ প্রাপ্তির যোগ্য নয় বিধায় মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস, শতাদী সেন্টার (৬ষ্ঠ এবং ৮ম তলা), ২৯২, ইনার সার্কুলার রোড, ফকিরাপুল, মতিঝিল, ঢাকা, নিরীক্ষক হিসেবে নিয়োগ লাভের ইচ্ছা প্রকাশ করায় পরিচালনা পর্ষদ তাঁর পারিশ্রমিক বার্ষিক ১,৫০,০০০/- টাকা নির্ধারণপূর্বক ২০২১-২০২২ইং অর্থবছরের জন্য নিরীক্ষক নিয়োগের সুপারিশ করেছেন।

**১২। প্রতিপালন নিরীক্ষক (কমপ্লায়েন্স অডিটর) নিয়োগ ও তাঁর পারিশ্রমিক নির্ধারণ :**

কর্পোরেট গভার্নেন্স এর শর্ত প্রতিপালনের জন্য মেসার্স মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্ট্যান্টস, ৯ জি মতিঝিল বানিজ্যিক এলাকা (৩য় তলা), ঢাকা-১০০০, কমপ্লায়েন্স অডিটর হিসেবে নিয়োগ লাভের ইচ্ছা প্রকাশ করায় পরিচালনা পর্ষদ তাঁর পারিশ্রমিক বার্ষিক ৪০,০০০/- (চল্লিশ হাজার) টাকা নির্ধারণপূর্বক ২০২১-২০২২ইং অর্থ বছরের জন্য প্রতিপালন নিরীক্ষক নিয়োগের সুপারিশ করেছেন।

**১৩। রিলেটেড পার্টি ট্রান্সেকশন :**

ফার্মা এইডস লিঃ এক্সেলসিয়ার গ্রুপের একটি অঙ্গ প্রতিষ্ঠান। এই গ্রুপের সংশ্লিষ্ট কোম্পানির সাথে লেনদেনের হিসাব নোট নং ৩৫.০০-এ সন্নিবেশিত করা হয়েছে। লেনদেনগুলো arm's length basis-এ বেশ সীমিত আকারে করা হয়ে থাকে বিধায় কোম্পানি আর্থিক কোনো প্রতিকূলতার সম্মুখীন হয়ে থাকে না। কোম্পানির অডিট কমিটি এই লেনদেনগুলো প্রতিনিয়ত পর্যবেক্ষণ করে যাচ্ছে।

**১৪। অভ্যন্তরীণ এবং বাহ্যিক ঝুঁকিসমূহ :**

কোভিড-১৯ এর প্রভাব স্বরূপ কিছু ক্রেতাদের থেকে ট্রেড রিসিভাবল্‌স এর পরিমাণ অনিয়মিত ভাবে আদায় করা হচ্ছে। কিছু ক্রেতাদের পরিচালনা পর্ষদেও পরিবর্তন এসেছে, যার কারণে তাঁদের সাথে ভবিষ্যত লেনদেন নিয়ে অনিশ্চয়তা রয়েছে। তবে পাওনা আদায় করার যথাসাধ্য ব্যবস্থা গ্রহণ করা হচ্ছে। এছাড়াও অন্যান্য ঝুঁকিসমূহের ব্যাখ্যা নোট নং ৪০.০২-এ সন্নিবেশিত করা হয়েছে।

**১৫। পরিচালনা পর্ষদের অন্যান্য বিবৃতি :****The Directors are also reporting that:**

- The financial statements of the Company present true and fair view of Company's state of affairs, result of its operations, cash flows, and changes in equity.
- Proper books of accounts as required by law have been maintained.
- Appropriate accounting policies have been followed in formulating the financial statements; and Accounting estimates were reasonable and prudent.
- The Financial statement was prepared in accordance with International Accounting Standard (IAS) as applicable in Bangladesh.
- The internal control system is sound in design and effectively implemented and monitored.

- There is commitment to protect the interests of all shareholders, including the rights of the minority shareholders, while promoting integrity, transparency, and accountability.
- There is no doubt upon the company's ability to continue as a going concern.
- There is no significant deviation from the operating result of the last year.

#### ১৬। কর্পোরেট গভার্নেন্স এর শর্ত প্রতিপালন :

সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর ০৩-০৬-২০১৮ইং তারিখের SEC/CMRRCD/2006-158/207/Admin/80 নং নোটিফিকেশনের Annexure-C তে উল্লেখিত নির্দেশাবলীর, যে সকল শর্ত কোম্পানির ক্ষেত্রে প্রযোজ্য, সবগুলো শর্ত প্রতিপালন সম্পন্ন করা হয়েছে। Annexure-I-VIII এর মধ্যে কোম্পানির কর্পোরেট গভার্নেন্স এর অবস্থান সন্নিবেশিত করা হয়েছে।

#### ১৭। চলতি (২০২১-২০২২ইং) অর্থবছরের অবস্থা :

জুলাই হতে নভেম্বর, ২০২০ এই ৫ মাসে উৎপাদন হয়েছিল ৫.১৩ কোটি পিস্ এ্যাম্পুল ও বিক্রয় হয়েছিল ১২.৪১ কোটি টাকা। বর্তমান বছরে একই সময় উৎপাদন হয়েছে ৬.২২ কোটি পিস্ এ্যাম্পুল ও বিক্রয় হয়েছে ১৪.১৬ কোটি টাকা, যা গত বছরের তুলনায় যথাক্রমে ২১.২৫% ও ১৪.১০% বেশী। আগামী মাসগুলোতে উৎপাদন ও বিক্রয় বৃদ্ধির জন্য আরও আপ্রান চেষ্টা করা হচ্ছে এবং আমরা অত্যন্ত আশাবাদী।

#### ১৮। Auditors' Opinion:

"The Company has debit balance with related party of Tk. 30,458,560 shown as other receivable in note no. 4.00 in these financial statements, which should be disclosed as related party transaction disclosure in note no. 35.00. But, no such disclosure has been made in these financial statements. Moreover, no interest is charged/accrued during the year on related party debit balance."

#### Company's Opinion:

During the FY 2020-2021, despite the negative impact of COVID19 pandemic on all the debtors, the Company has recovered Tk.7,291,313 and significantly reduced the balance of Other Receivables from Tk.39,455,582 (as on 30-06-2020) to Tk.32,164,269 (as on 30-06-2021). Apart from the sister concerns under the Excelsior Group, the Company has always tried to respect the privacy of all the indebted private limited companies. Rest assured, the Company is confident in recovering the debit balance gradually over the ordinary course of business, Insha'Allah.

#### উপসংহার :

পরিচালকমন্ডলী সম্মানিত সকল শেয়ারহোল্ডারবৃন্দ, ক্রেতাসমূহ, সংশ্লিষ্ট ব্যাংক, বিএসইসি ও ডিএসইসহ সকল স্তরের কর্মকর্তা-কর্মচারী-শ্রমিকবৃন্দ এবং কোম্পানির অন্যান্য সহযোগী প্রতিষ্ঠানসমূহের প্রতি আন্তরিকভাবে ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ করছেন।

পরিচালকমন্ডলীর পক্ষে,



ফায়েজুল হাসান

ব্যবস্থাপনা পরিচালক

## The CEO and CFO's Certification to the Board

Annexure-A

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

Date: November 28, 2021

The Board of Directors  
Pharma Aids Limited  
345 Segun Bagicha,  
Dhaka

### **Subject: Declaration on Financial Statements for the year ended on 30<sup>th</sup> June, 2021**

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. SEC/CM-RRCD/2006-158/207/Admin/80 Dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Pharma Aids Limited for the year ended on 30th June, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or condition that may cast significant doubt of the Company's ability to continue as going concern.


### **In this regard, we also certify that: -**

- (i) We have reviewed the financial statements for the year ended on 30th June, 2021 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of our 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,



**Faizul Hassan**  
CEO & Managing Director



**Md. Abu Taher**  
Chief Financial Officer





Sonargaon Terrace(2<sup>nd</sup> Floor),  
House-52,Road-13C, Block- E,  
Banani, Dhaka 1213, Bangladesh

Mobile:+88 01819 252 800  
E-mail: masalam54@gmail.com  
Website: www.artisan-ca.com

**Annexure-B**  
**[Certificate as per condition No. 1(5)(xxvii)]**

**REPORT TO THE SHAREHOLDERS OF  
PHARMA AIDS LIMITED  
ON COMPLIANCE OF THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code followed by **PHARMA AIDS LIMITED** for the year ended on 30 June, 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the Company is **SATISFACTORY**.

**Place: Dhaka**

Dated: November 28, 2021

**Md Abdus Salam FCA, FCS**  
Senior Partner  
Artisan

**Annexure-C**  
**[As per condition No. 1(5)(xxvii)]**

**CORPORATE GOVERNANCE COMPLIANCE STATUS REPORT ON  
PHARMA AIDS LIMITED**

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

**(Report under Condition No. 9)**

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1(1)	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).	✓		There are total 5 members
<b>1.2</b>	<b>Independent Directors</b>			
1.(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director's	✓		1 out of 5 directors is an Independent Director (ID).
<b>1(2)(b)</b>	<b>Independent director means a director</b>			
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;	✓		The ID has given his declaration.
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company:  Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		Do
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		Do
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		Do
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
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;	✓		Do
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;	✓		Do
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		Do
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); and	✓		Do
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		Approved in the 38th and 39th AGM
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		The post was never vacant

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]; Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994).	✓		Current ID was appointed on 01-01-2020
<b>1.3</b>	<b>Qualification of Independent Directors</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
<b>1(3)(b)</b>	<b>Independent director shall have following qualifications:</b>			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			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; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or			Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			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 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.			Not Applicable
<b>1.4</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		The Chairperson and the MD are two 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;	✓		Current MD is the MD of only one listed company.
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		The Chairperson is a non-executive director
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 nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such event occurred
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			Not Applicable
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			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 performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		Shown in the Notes to the Financial Statements
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 a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
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;			Dividend has been declared for the year
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;			No interim dividend declared
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
<b>1(5)(xxiv)</b>	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
<b>1(5)(xxv)</b>	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; 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 <b>Annexure-A</b> and	✓		Disclosed as per Annexure-A
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per <b>Annexure-B</b> and <b>Annexure-C</b> .	✓		Disclosed as per Annexure-B and Annexure-C
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
1(6)	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.	✓		
<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1.(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		Code of Conduct recommended by the NRC is available on the website of the Company
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;			Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Not Applicable
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;			Not Applicable
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;			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
<b>3(1)</b>	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and 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).	✓		In practice
<b>3.2</b>	<b>Requirement to attend Board of Directors' Meetings</b>			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The Certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		Certification disclosed in Annexure-A as per condition no.1(5)(xxvi)
<b>4</b>	<b>Board of Directors' Committee</b>			
	<b>For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>5</b>	<b>Audit Committee</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
<b>5(2)</b>	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		There are 4 members in the committee
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;	✓		2 members are non-executive directors, 1 member is an ID, and 1 member is the CS.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such event occurred
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	✓		Committee's Secretary is the CS.
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		In practice
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		Committee's Chairperson is an ID.
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such event occurred
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		The Chairperson of the Committee attended 39th AGM of the Company
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		There were 4 meetings during the year
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		In practice
<b>5(5)</b>	<b>Role of Audit Committee</b>			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Monitor Internal Audit and Compliance process;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	✓		
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; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.			Not Applicable
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
<b>5(6)(a)(ii)</b>	<b>The Audit Committee shall immediately report to the Board on the following findings, if any:</b>			
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.;			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
<b>5(6)(b)</b>	<b>Reporting to the Authorities:</b> If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such event occurred
<b>5(7)</b>	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		Activities of the Audit Committee are disclosed in the Annual Report
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
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;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		There are 4 members, including an ID, in the NRC
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		All directors are non-executive
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;			No such event occurred
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such event occurred
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		NRC's Secretary is the CS.
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		In practice
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		The Chairperson of NRC is an ID
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.	✓		The Chairperson of the NRC attended 39th AGM of the Company
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		There were 2 meetings during the year
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such event occurred
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);	✓		In practice
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.	✓		In practice
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
<b>6(5)(b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
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:	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
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; and	✓		
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.	✓		NRC policy and activities are disclosed in the Annual Report
<b>7</b>	<b>External or Statutory Auditors</b>			
<b>7(1)</b>	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-</b>			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;	✓		
7(1)(v)	Actuarial services;	✓		
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2) 7(3)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company, his or her family members also shall not hold any shares in the said company.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		Certification disclosed in Annexure-B as per condition no.1(5)(xxvii)
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	✓		Approved by the shareholders in the Company's 39th AGM
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.	✓		

**BRIEF RESUME OF DIRECTORS OF PHARMA AIDS LTD.****AS ON 30-06-2021**

Sl. No.	Name of the Directors	Age	Husband & Parents' Name	Educational Qualification
01	Mr. Md. Abul Masud, Chairman	77	Father: Late Al-Hajj Md. Mofizuddin Sarder, Mother: Late Al-Hajja Hazera Khatun	B. A
02	Mr. Faizul Hassan, Managing Director	72	Father: Late Md. Abul Hashem Mia, Mother: Late Al-Hajja Fazrun Hasina	M. Com. (Management)
03	Mrs. Shahinoor Baby, Director	65	Husband: Mr. Md. Abul Masud, Father: Late Nur Mohammad Talukder, Mother: Al-Hajja Sultana Begum	H. S. C
04	Mrs. Shahinoor Begum, Director	64	Husband: Mr. Faizul Hassan, Father: Late Al-Hajj Md. Mofizuddin Sarder, Mother: Late Al-Hajja Hazera Khatun	S. S. C

Sl. No.	Technical Qualification & Social Works	Permanent Address	Industry Expertise	Directorship & Membership
01	Nil	Vill- Singherkathi, PO- Mirgonj, PS- Babugonj, Dist- Barishal	FMCG, Indenting, Manufacturing & Trading, Garments	<ul style="list-style-type: none"> <li>Excelsior Trading Corp. Ltd.</li> <li>Bengal Biscuits Ltd.</li> <li>Pharma Aids Ltd.</li> </ul>
02	Diploma in Banking & Attached with some schools, mosques, madrasas, etc.	Vill- Maderkathi, PO- Khalishakota, PS- Banaripara, Dist- Barishal	Pharmaceuticals, FMCG, Indenting, Manufacturing & Trading	<ul style="list-style-type: none"> <li>Excelsior Trading Corp. Ltd.</li> <li>Bengal Biscuits Ltd.</li> <li>Pharma Aids Ltd.</li> </ul>
03	Diploma in Ikebana, Ikebana International Member	Vill- Singherkathi, PO- Mirgonj, PS- Babugonj, Dist- Barishal	Handicrafts, Garments, Trading	<ul style="list-style-type: none"> <li>Pharma Aids Ltd.</li> <li>Audit Committee (Member), Pharma Aids Ltd.</li> <li>Nomination &amp; Remuneration Committee (Member), Pharma Aids Ltd.</li> </ul>
04	Nil	Vill- Maderkathi, PO- Khalishakota, PS- Banaripara, Dist- Barishal	Trading, FMCG	<ul style="list-style-type: none"> <li>Pharma Aids Ltd.</li> <li>Audit Committee (Member), Pharma Aids Ltd.</li> <li>Nomination &amp; Remuneration Committee (Member), Pharma Aids Ltd.</li> </ul>

**BRIEF RESUME OF INDEPENDENT DIRECTOR:**

Sl. No.	Name of the Directors	Age	Parents' Name	Educational Qualification
05	Mr. Md. Mominul Hoque Dhali, Independent Director	63	Father: Late Md. Rustam Ali Dhali Mother: Late Angurennesa	M. Com (Accounting)

Sl. No.	Technical Qualification & Social Works	Permanent Address	Industry Expertise	Directorship & Membership
05	Chartered Accountancy	Village: Belati, PO- Khadergaon, PS- Matlab, Dist.: Chandpur.	FMCG, Garments, Real Estate, Airlines	<ul style="list-style-type: none"> <li>Audit Committee (Chairman), Pharma Aids Ltd.</li> <li>Nomination &amp; Remuneration Committee (Chairman), Pharma Aids Ltd.</li> </ul>

## PATTERN OF SHAREHOLDING AS ON JUNE 30, 2021

PARTICULARS	NO. OF SHARES HOLDING	PERCENTAGE
Subsidiary / Associated Companies:	---	---
<b>Directors:</b>		
1. Mr. M. A. Masud	1,49,500	4.79%
2. Mr. Faizul Hassan	3,36,000	10.77%
3. Mrs. Shahinoor Baby	1,00,000	3.21%
4. Mrs. Shahinoor Begum	1,20,000	3.85%
<b>Sponsors:</b>		
Mr. M. A. Kalam	250	0.01%
Mr. S. A. Nayeem	30,000	0.96%
Mrs. Nurul Akhter Aurora	20,000	0.64%
<b>Others:</b>		
Chief Executive Officer (CEO) and his spouse and minor children:	--	--
Chief Financial Officer (CFO) and his spouse and minor children:	--	--
Company Secretary (CS) and his spouse and minor children:	--	--
Head of Internal Audit (HIA) and his spouse and minor children:	--	--
Executives (Top five salaried persons other than CEO, CFO, CS, HIA)	--	--
Shareholders holding 10% or more voting right:	--	--
Institute	6,53,873	20.96%
General Public	17,10,377	54.82%

## AUDIT COMMITTEE REPORT FOR THE YEAR 2020-2021

The Audit Committee consists of the following members and the number of meetings held and attended during the year is as follows:

Audit Committee Members	Meetings Held	Attended
Mr. Md. Mominul Hoque Dhali (Independent Director) – Chairman	4	4
Mrs. Shahinoor Baby (Director) – Member		4
Mrs. Shahinoor Begum (Director) – Member		4
Mr. K. H. Reza, FCS (Company Secretary) – Secretary		4

### The duties and the activities carried out during the year:

- Oversee the financial reporting process and choice of accounting policies and principles;
- Monitor internal audit & compliance process and review adequacy of internal audit function;
- Oversee the determination of audit fees, hiring, and performance of external auditor;
- Hold meeting with the external auditor and also with the management for review of the annual and quarterly financial statements before submission to the Board for approval; and
- Review all other discussions, analysis, and activities of the Management regarding disclosures in the annual report and remarks issued by the external auditor.

The Committee reviewed the internal audit reports, financial statements, and the external audit report. The Committee did not find any material deviation, discrepancy, or any adverse finding/observation in the area of reporting. On behalf of the Committee, the following report has been furnished by the Chairman:

১৯৮১ সালে গাজীপুর জেলার কালিয়াকৈর থানার চন্দ্রায় কোম্পানিটি স্থাপিত হয়। ১৯৮৪ সালের জুলাই মাসে এর বানিজ্যিক উৎপাদন শুরু হয়। ফার্মা এইড্‌স লিঃ শুধু মাত্র নিউট্রাল গ্লাস এম্পুল (Neutral Glass Ampoules) উৎপাদন করে দেশীয় ও বহুজাতিক ঔষধ কোম্পানিগুলোতে সরবরাহ করে যথেষ্ট সুনাম অর্জনে সক্ষম হয়েছে। প্রাতিষ্ঠানিক ও আর্থিক ব্যবস্থাপনার ক্ষেত্রে বিদ্যমান দৃষ্টতা এবং সর্বস্তরে দায়বদ্ধতা নিশ্চিত হওয়াটাই ফার্মা এইড্‌স লিঃ এর সাফল্যের অন্যতম কারণ।

প্রতিষ্ঠানের হিসাব নিকাশের স্বচ্ছতা বিধানের জন্য হিসাব সংক্রান্ত যাবতীয় নথিপত্র ও রেজিস্টার যথাযথভাবে সংরক্ষণ করা হচ্ছে। তন্মধ্যে ক্যাশ বই, ব্যাংক বই, সাধারণ খতিয়ান এবং সহকারী খতিয়ান অন্যতম। নিরীক্ষা বছরে (২০২০-২০২১) প্রতিষ্ঠানের মোট ব্যাংক স্থিতির পরিমাণ ১,৯৩,৪০,৮৫৫/- টাকা। ফার্মা এইড্‌স লিঃ ২০২০-২০২১ অর্থ বছরের সকল বিল ভাউচারগুলো সুষ্ঠুভাবে পরীক্ষা করা হয় যার মধ্যে আমদানীকৃত কাঁচা মাল (Raw Materials), মেরামত ও রক্ষণাবেক্ষণ, পরিবহন ব্যয়, বেতন ভাতা, আপ্যায়ন ভাতা, যাতায়াত ভাতা, মুদ্রায়ণ, মনোহরি, ইত্যাদি অন্যতম। কোথাও কোন ত্রুটি নিরীক্ষা কমিটির কাছে প্রতিয়মান হয়নি।

ফার্মা এইড্‌স লিঃ-এর কারখানায় বিভিন্ন সাইজের এম্পুল তৈরী করার জন্য ৬টি অত্যাধুনিক মেশিনে ও শিফটে ২৪ ঘন্টায় গড়ে প্রায় ৫.০০ লক্ষ পিস এম্পুল তৈরী হচ্ছে। কোম্পানিতে মোট স্থায়ী কর্মকর্তা ২৩ জন, স্থায়ী কর্মচারী ১৩ জন, স্থায়ী শ্রমিক ৪৩ জন এবং অস্থায়ী শ্রমিক ২৩ জনসহ সর্বমোট ১০২ জন কর্মরত আছেন। মালিক-শ্রমিক সম্পর্ক সুরক্ষার ক্ষেত্রে প্রতিষ্ঠানটি একটি অনন্য উদাহরণ।

কোম্পানির উৎপাদিত পণ্যের গুণগত মান আন্তর্জাতিক মান সম্পন্ন হওয়ায় সাম্প্রতিক বছরগুলোতে ধারাবাহিকভাবে উন্নতি করে আসছে। আলোচ্য নিরীক্ষা বছরে (২০২০-২০২১) উৎপাদন ও বিক্রয় অন্যান্য বছরের তুলনায় বৃদ্ধি পেয়েছে। বিভিন্ন খাতে বিশেষ করে গ্যাস, বিদ্যুৎ, বেতন ভাতা, উৎসাহ ভাতা, আমদানিকৃত কাঁচামাল, ইত্যাদি খাতে খরচের পরিমাণ গত বছরের তুলনায় বেশী হয়েছে। কর পরবর্তী নীট মুনাফার পরিমাণ হয়েছে ৫,০২,৫৯,৪৬২/- টাকা। ৯টি প্রতিষ্ঠানের নিকট মোট ১,৬৩,৩১১/- টাকা দেনা আছে। পক্ষান্তরে ২৬টি প্রতিষ্ঠানের নিকট মোট ১২,৭২,৩১,৯২০/- টাকা পাওনা আছে; যা অত্যন্ত সুরক্ষিত বলেই কমিটির নিকট স্পষ্ট হয়েছে। কোম্পানির কর্মপরিবেশ ভাল ও সন্তোষজনক।

ফার্মা এইড্‌স লিঃ এর বর্তমান পরিচালনা পর্ষদ ও কর্তৃপক্ষের সফল নেতৃত্বের কারণে কোম্পানি উত্তরোত্তর সমৃদ্ধি লাভ করছে। শুধু মাত্র প্রাতিষ্ঠানিক মুনাফা অর্জনের ক্ষেত্রেই নয়, কারখানার কর্মপরিবেশ সুরক্ষা, উৎপাদন, বণ্টন ও বাজারজাতকরণের ক্ষেত্রে গুণগত পরিবর্তন এসেছে মর্মে প্রতীয়মান। বিদ্যমান পরিস্থিতিতে কোম্পানিটি একটি রোলমডেল হিসেবে বিবেচিত। পরিশেষে, নিরীক্ষা কমিটি প্রতিষ্ঠানের পরিচালনা পর্ষদ, ব্যবস্থাপনা কর্তৃপক্ষ এবং সকল পর্যায়ের কর্মকর্তা ও কর্মচারীদের সক্রিয় সহযোগিতার জন্য আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছে।



Md. Mominul Hoque Dhali  
Chairman, Audit Committee

## THE NOMINATION & REMUNERATION COMMITTEE (NRC) REPORT FOR THE FY 2020-21

In accordance with the best practice of Corporate Governance, the Board of Directors established a Nomination and Remuneration Committee in compliance with the conditions imposed by the Commission notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

The Nomination and Remuneration Committee (NRC) examines specific topics chosen by the Board of Directors and reports on them to the Board of Directors. Decision-making remains the collective responsibility of the Board of Directors and the committee may only make suggestions to the Board of Directors.

### Composition of the NRC for the FY 2020-21:

According to Corporate Governance Code 2018, the Committee shall be appointed and nominated by the Board consisting of at least three members including an independent director. All members of the Committee shall be non-executive directors and any removal and appointment of any member in a committee is the subject to prior approval and full authority of the Board. A Chairman of the Nomination and Remuneration Committee shall be selected from among its members and shall be an Independent Director. The company secretary shall act as the secretary of the committee.

### The composition of the NRC was:

Sl.	Name	NRC Position
1	Mr. Md. Mominul Hoque Dhali (Independent Director)	Chairman
2	Mrs. Shahinoor Baby (Director)	Member
3	Mrs. Shahinoor Begum (Director)	Member
4	Mr. K. H. Reza, FCS (Company Secretary)	Secretary

### Meeting(s) of the NRC for the FY 2020-21:

According to Corporate Governance Code 2018, there shall be at least one meeting in a financial year. 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.

### The number of meetings held and attended by the members was:

Sl.	NRC Members	Meetings Held	Attended
1	Mr. Md. Mominul Hoque Dhali – Chairman	2	2
2	Mrs. Shahinoor Baby – Member		2
3	Mrs. Shahinoor Begum – Member		2
4	Mr. K. H. Reza, FCS – Secretary		2



**Activities of the NRC for the FY 2020-21:**

- Reviewed and recommended the revised NRC Policy to the Board
- Recommended re-appointment of Managing Director and Directors to the Board
- Reviewed the Code of Conduct of the Company and criteria for evaluation of performance of the Board for any possible revision
- Reviewed HR policies and updates such as format of Annual Confidential Report (ACR), annual salary increment, and incentives based on performance for the year
- Reviewed and recommended to the Board for nomination of two independent directors complying with BSEC Directive dated December 10, 2020.



**Md. Mominul Hoque Dhali**  
Chairman, NRC

## NOMINATION & REMUNERATION COMMITTEE (NRC) POLICY OF PHARMA AIDS LIMITED

### **CONSTITUTION OF THE NRC:**

The following constitution is applicable for governing the NRC of Pharma Aids Limited:

- (a) The Committee shall comprise of at least three members including an independent director;
- (b) All members of the Committee shall be non-executive directors;
- (c) Members of the Committee shall be nominated and appointed by the Board;
- (d) The Board shall have authority to remove and appoint any member of the Committee;
- (e) If the decision of removal or appointment of a member is not unanimous among the Board members, it shall be decided based on majority votes by the Board members, where each share held by a member shall count as one vote.
- (f) 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;
- (g) 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;
- (h) The Company Secretary shall act as the secretary of the Committee;
- (i) The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;
- (j) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role, other than Director's fees or honorarium from the Company.
- (k) Original sponsors/directors of the Company, who are still part of the Board and directing the Company since its establishment in 1981 or its listing in the stock exchange in 1987-88, shall have the prerogative of nomination and remuneration regardless of the criteria laid down in this NRC policy.

### **TERMS OF REFERENCE (ToR) AND RESPONSIBILITIES OF THE NRC:**

The NRC of Pharma Aids Limited shall be required to:

- Formulate 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, and top-level executives;
- Devise a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background, and nationality;
- Identify 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 / removal to the Board;
- Formulate the criteria for evaluation of performance of independent directors and the Board;
- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement, and promotion criteria;
- Develop, recommend, and review annually the Company's human resources and training policies;
- Oversee that the level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate suitable directors to run the Company successfully;
- Oversee that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- Oversee that the remuneration to directors and top-level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### **CRITERIA FOR BOARD NOMINATIONS:**

The NRC of the Board is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The following are the qualifications, positive attributes, and independence criteria laid down by the NRC of Pharma Aids Limited:

#### **Qualifications**

- Personal Traits:
  - Has highest personal and professional ethics, integrity, and values
  - Shares the values and beliefs of the Company
  - Has inquisitive and objective perspective, practical wisdom, and mature judgment
  - Demonstrates intelligence, maturity, wisdom, and independent judgment
  - Has self-confidence to contribute to board deliberations, has a stature that other board members will respect his or her views.
- Experience and Background:
  - Well accomplished in his / her respective field
  - Demonstrated success at policy-setting and strategy development levels in a large organization (such as corporation, government, academic institution, or profession)
  - Typically first level leadership position (i.e., Chair, MD & CEO, or equivalent) or second level (i.e. COO, CFO, or other CXO's) unless the Board is seeking a particular skill set (e.g., technology, human resources management, or financial expert)
  - Leadership role at the time a potential director's initial candidacy is valued must either be current or very fresh and recent, and incumbent directors should continue to demonstrate a sophisticated understanding and current knowledge of complex business issues
  - A mastery of a broad knowledge area (e.g., engineering, finance, marketing, corporate affairs, technology, law, human resources management, executive leadership) that complements the skills of current board members and proposed board role
  - Absence of adverse events (e.g., bankruptcy affiliations, disqualifications under Companies Act 1994 or other applicable laws etc.) that either disqualify or require adverse disclosures.
- Fit and proper:
  - The intangibles of demeanor, attitude and interpersonal skills that indicate the candidate will be an effective member of the board of directors "team" in a major company setting.
  - Should act on fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders
  - Willingness to devote sufficient time to carry out the duties and responsibilities effectively, including attendance at meetings
  - Willingness to undertake appropriate induction and regularly update and refresh his/ her skills, knowledge, and familiarity with the Company
  - Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders
  - Willingness to challenge management in a constructive manner while working effectively as a part of a team in an environment of collegiality and trust
  - Adhere to the Code of Conduct of the Company
  - Protecting the legitimate interests of the Company, its shareholders and employees and maintain confidentiality.
  - Meets the age criteria and applicable tenor restrictions placed by the Board.
  - Absence of unfair obstruction in the functioning of the Board/Committees.

**Positive Attributes**

The positive attributes for a director would encompass:

- Ethical Integrity & transparency
- Has/acquires sufficient knowledge in the Company's business and operations
- Demonstrate sound judgment gained through experience & expertise in management/ technical/ financial/ governance or regulatory matters
- Foresight ability to see and prepare for future, anticipate needs, opportunities and threats
- Managerial abilities required to lead and guide the management such as effective communication skills, cultural sensitivity flexibility team player, strategic thinking, balancing risk with opportunity, ability to juggle several variables, and make complicated decisions etc.

**Independence Standards**

A Director is independent if the Board affirmatively determines that he/she meets the Independence criteria provided under the applicable laws. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in its determination relative to a director's independence.

Two core objectives in selecting board members and continued board service are that the skills, experiences, and perspectives of the Board as a whole should be broad and diverse, and the collective talent should blend together to be as effective as possible.

**Independence of Directors (only in the case of Independent Directors):**

Any relationship between the Company and Directors other than in the normal course will affect the Independence of Directors in many ways. The Committee shall assure that the candidate proposed for the position of Independent Director meets the minimum criteria for Independence set out in the Corporate Governance Code of BSEC.

**CRITERIA FOR BOARD REMUNERATION:**

The remuneration policy will be annually reviewed by the Nominations and Remuneration Committee and the Board of Directors within the framework of their powers to maintain the alignment of the Company's remuneration policy with the best practices and trends in the market.

Therefore, the Directors' remuneration / honorarium for exercising their supervision and decision-making functions are based on the following main principles:

- The remuneration / honorarium must be sufficient and conform to the directors' dedication, qualification, and responsibilities but it must not compromise their independent criteria.
- The remuneration / honorarium must be sufficient to attract and retain directors with the talent and profile desired by the Company
- The Directors may be paid sitting fees for attending the Board meetings

The MD & CEO's remuneration for exercising his/her functions is based on the following main principles:

- Making sure that the compensation package can attract, retain and motivate the CEO and be competitive with respect to the similar trend business standards, so that the Company can meet its strategic objectives within the increasingly competitive environment in which it operates
- The MD & CEO may be paid sitting fees for attending the Board meetings

The Nomination and Remuneration Committee shall recommend to the Board, remuneration by way of salary, perquisites, and allowances to the Managing Director, the executive directors, and other senior management employee.

The remuneration to be paid to the Managing Director, the executive directors, and other senior management employee shall be determined keeping in view the market practice, the relative performance of the Company to the industry performance and individual performance and shall be subject to approval of appropriate authorities, as and when required.

Independent Directors may be paid such sitting fees for attending the meeting of the Board and its committees, as approved by the Board time to time.

**CRITERIA FOR BOARD EVALUATION:**

The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once a year of its work, functions, performance, as well as monitoring of internal control over financial reporting for the preparation of external financial statements and the safeguarding of assets. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

This NRC policy has been reviewed, revised, and recommended to the Board effective from May 23, 2021.

On behalf of the Board,

On behalf of the Nomination & Remuneration Committee,



**Faizul Hassan**  
Managing Director



**Md. Mominul Hoque Unali**  
Chairman, NRC

## DIVIDEND DISTRIBUTION POLICY OF PHARMA AIDS LIMITED

The Dividend Distribution Policy (“the policy”) of Pharma Aids Ltd. (“the Company”) establishes the principles to determine amounts that can be distributed to shareholders as dividend as well as balance between payout and retained earnings in order to address future needs of the Company. The policy shall come into force for accounting periods beginning from 1st July, 2021.

Dividend would continue to be declared on per share basis on the Ordinary Shares of the Company having face value Tk.10/- (Taka Ten) each. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act.

The Company has had a consistent dividend payout history that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth. Information on dividends paid in the last 7 years is provided in the Annual Report every year.

Subject to the provisions of the applicable law, the Company’s dividend payout will be determined based on available financial resources, investment requirements, profit growth, and taking into account optimal shareholder return. Before declaration of dividend, the Company may transfer a portion of its profits to Retained Earnings of the Company as may be considered appropriate by the Board at its discretion. In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

While determining the nature of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:

### **Internal Factors:**

- I. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
  - a. Previous years and
  - b. Internal budgets;
- II. Cash flow position of the Company;
- III. Accumulated reserves;
- IV. Earnings stability;
- V. Future cash requirements for balancing, modernization, rehabilitation, or expansion (BMRE);
- VI. Potential mergers and acquisitions for expansion / stabilization / diversification / backward and/or forward linkages;
- VII. Current and future debt leverage, and under exceptional circumstances the amount of contingent liabilities;
- VIII. Deployment of funds in short term marketable investments;
- IX. Long term investments;
- X. Capital expenditure(s);
- XI. The ratio of debt to equity (at net debt and gross debt level); and
- XII. Any other factor as deemed appropriate by the Board.

**External Factors:**

- I. Business cycles;
- II. Economic environment;
- III. Cost of external financing;
- IV. Applicable taxes including tax on dividend;
- V. Industry outlook for the future years;
- VI. Actions and policies taken by the competition;
- VII. Inflation rate (including cost of raw materials);
- VIII. Changes in the Government policies, industry specific rulings & regulatory provisions; and
- IX. Other factors beyond the control of the Management like natural calamities, fire, etc. effecting operations of the Company, may impact the decision with regard to dividend declaration.

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

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances, such as, regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

**The Retained Earnings of the Company may be used in any of the following ways:**

- I. Capital expenditure for working capital;
- II. Investment in BMRE projects;
- III. Investment in new business(es) and/or additional investment in existing business(es);
- IV. Declaration of dividend;
- V. Capitalization of shares;
- VI. General corporate purposes, including contingencies;
- VII. Correcting the capital structure; and
- VIII. Any other permitted usage as per the Companies Act / BSEC laws & regulations.

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to the shareholders in a timely manner.

The policy will be disclosed in the Company's Annual Report and will also be available on the Company's website: <http://www.pharmaaids.com>

For the Board of PHARMA AIDS LIMITED,



Faizul Hassan  
Managing Director





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

**Malek Siddiqui Wali**  
CHARTERED ACCOUNTANTS

9-G, Motijheel C/A, 2<sup>nd</sup> Floor, Dhaka-1000, Bangladesh.

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### Independent Auditor's Report To the Shareholders of Pharma Aids Limited Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial statements of Pharma Aids Limited which comprise the statement of financial position as at June 30, 2021, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effect on the financial statements of the matter described in the basis for qualified opinion paragraph, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the company act 1994, the Security and Exchange Rules 1987 and other applicable law and regulations.

#### Basis for Qualified Opinion

The company has debit balance with related party of Tk. 30,458,560 shown as other receivable in note no. 4.00 in these financial statements, which should be disclosed as related party transaction disclosure in note no. 35.00. But, no such disclosure has been made in these financial statements. Moreover, no interest is charged/accrued during the year on related party debit balance.

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



## Key Audit Matters

Risk	Our response
<b>Revenue recognition</b>	
<p>At the year ended, the company's reported total revenue of Tk. 269,568,920.</p> <p>Revenue is measured net of trade discount and VAT. Time of revenue recognition is matter. Considering the other inherent risk of the existence and the accuracy on revenue recognition, the revenue has selected as key audit matter.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Policy of revenue recognition;</li> <li>• Issuance of VAT challan;</li> <li>• Segregation of duties in invoice creation and modification;and</li> <li>• Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>• Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period;</li> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items;and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.</li> </ul>
Please see the note 20 in this financial statements.	
<b>Valuation of inventory</b>	
<p>The balance of inventory of the Company at the year-end was Tk. 24,453,232 held in the company's warehouse.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory and related provisionsby:</p> <ul style="list-style-type: none"> <li>• evaluating the design and implementation of key inventory controls operating across the Company in respect of inventory management;</li> <li>• to attend the physical inventory counts and reconciling the count results tothe inventory listings to test the completeness of data;</li> <li>• to review the inventory costing procedures and methodology.</li> <li>• comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;</li> <li>• reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year;and</li> <li>• Challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow- moving/obsolete stock are valid and complete.</li> </ul>
Please see the note 03 in this financial statements.	

## Other Information

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

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

### Report on other Legal and Regulatory Requirements

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

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

Dated, Dhaka  
November 09, 2021

  
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**Md. Waliullah FCA**  
Enrolment No.: 0247  
DVC-2111090247AS761795

**PHARMA AIDS LIMITED**  
**Statement of Financial Position**  
**As on June 30, 2021**

Particulars	Notes	Amount in Taka	
		2020-21	2019-20
<b>Assets</b>			
<b>Non-Current Assets:</b>		<b>75,396,896</b>	<b>74,118,974</b>
Property, Plant and Equipment (Annexure-A)	2.00	75,396,896	74,118,974
<b>Current Assets:</b>		<b>267,253,531</b>	<b>241,222,246</b>
Inventories	3.00	39,360,401	24,453,232
Trade and Other Receivables	4.00	159,396,189	175,846,534
Advance, Deposit & Prepayments	5.00	32,174,898	23,260,156
L/C Margin and others	6.00	16,345,101	3,579,861
Cash and Cash Equivalent	7.00	19,976,942	14,082,463
<b>Total Assets</b>		<b>342,650,427</b>	<b>315,341,220</b>
<b>Equity &amp; Liabilities</b>		<b>290,982,424</b>	<b>257,555,944</b>
Issued Share Capital		31,200,000	31,200,000
Tax Holiday Reserve		2,867,808	2,867,808
CSR Fund	9.00	2,694,021	2,921,814
Retained Earnings		254,220,595	220,566,322
<b>Current Liabilities:</b>		<b>51,668,003</b>	<b>57,785,276</b>
Trade Payables	10.00	163,311	426,743
Loans & Advances	11.00	304,522	5,086,025
Liabilities for Expenses	12.00	17,861,035	13,794,954
Dividend Payable	13.00	11,773,560	11,221,826
Income Tax Payable	14.00	14,830,045	17,599,720
Liabilities for WPPF	15.00	3,715,681	5,317,890
Liabilities for Provident Fund	16.00	3,019,849	4,338,118
<b>Total Equity &amp; Liabilities</b>		<b>342,650,427</b>	<b>315,341,220</b>
<b>Net Assets Value (NAV) per share</b>	24.00	<b>93.26</b>	<b>82.54</b>

The accounting policies and other notes form an integral part of these financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on the date of November 09, 2021, and signed for and on behalf of the Board.

  
**M. A. MASUD**  
Chairman

  
**FAIZUL HASSAN**  
Managing Director

  
**SHAHINOOR BABY**  
Director

  
**K. H. REZA, FCS**  
Corporate Secretary

  
**MD. ABU TAHER**  
Chief Financial Officer

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

**Dated: Dhaka**  
November 09, 2021

  
**Malek Siddiqui Wali**  
Chartered Accountants

**PHARMA AIDS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the year ended June 30, 2021**

Particulars	Notes	Amount in Taka	
		2020-21	2019-20
<b>Net Sales Revenue</b>	17.00	<b>280,292,493</b>	<b>269,568,920</b>
Cost of Goods Sold	18.00	(174,139,809)	(162,717,177)
<b>Gross Profit</b>		<b>106,152,684</b>	<b>106,851,743</b>
<b>Operating Expenses:</b>			
Administrative and Selling Expenses	19.00	(36,642,547)	(31,623,884)
<b>Profit from Operation</b>		<b>69,510,137</b>	<b>75,227,859</b>
Other Income	20.00	94,982	27,331
Disposal of Gas Generator		-	(839,056)
Financial Cost	21.00	(982,773)	(951,460)
<b>Profit before Contribution to WPPF</b>		<b>68,622,346</b>	<b>73,464,674</b>
Contribution to WPPF	15.00	(3,267,731)	(3,498,318)
<b>Profit before Tax</b>		<b>65,354,615</b>	<b>69,966,356</b>
Income Tax Provision	14.00	(14,704,788)	(17,491,589)
Previous Year Income Tax Adjustment (2015-2016)		(390,365)	---
<b>Profit after Tax for the year</b>		<b>50,259,462</b>	<b>52,474,767</b>
<b>Net Profit after Tax</b>		<b>50,259,462</b>	<b>52,474,767</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>50,259,462</b>	<b>52,474,767</b>
<b>Earning per Share (EPS)</b>	25.00	<b>16.11</b>	<b>16.82</b>

The accounting policies and other notes form an integral part of these financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on the date of November 09, 2021, and signed for and on behalf of the Board.



**M. A. MASUD**

Chairman



**FAIZUL HASSAN**

Managing Director



**SHAHINOOR BABY**

Director



**K. H. REZA, FCS**

Corporate Secretary



**MD. ABU TAHER**

Chief Financial Officer

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



**Malek Siddiqui Wali**  
Chartered Accountants

**Dated: Dhaka**  
November 09, 2021

**PHARMA AIDS LIMITED**  
**Statement of Changes in Equity**  
**for the year ended June 30, 2021**

Particulars	Share Capital	Tax Holiday Reserve	CSR Fund	Retained Earnings	Total
<b>Balance as on 01 July 2020</b>	<b>31,200,000</b>	<b>2,867,808</b>	<b>2,921,814</b>	<b>220,566,322</b>	<b>257,555,944</b>
Net profit for the year	-	-	-	50,259,462	50,259,462
CSR Current year expenses	-	-	(1,232,982)	-	(1,232,982)
CSR Fund Provision @ 2%	-	-	1,005,189	(1,005,189)	-
Cash Dividend (2019-2020)	-	-	-	(15,600,000)	(15,600,000)
<b>Balance as on 30 June 2021</b>	<b>31,200,000</b>	<b>2,867,808</b>	<b>2,694,021</b>	<b>254,220,595</b>	<b>290,982,424</b>

**for the year ended June 30, 2020**

Particulars	Share Capital	Tax Holiday Reserve	CSR Fund	Retained Earnings	Total
<b>Balance as on 01 July 2019</b>	<b>31,200,000</b>	<b>2,867,808</b>	<b>2,704,631</b>	<b>185,003,424</b>	<b>221,775,863</b>
Net profit for the year	-	-	-	52,474,767	52,474,767
CSR Current year expenses	-	-	(1,094,686)	-	(1,094,686)
CSR Fund Provision @ 2.5%	-	-	1,311,869	(1,311,869)	-
Cash Dividend (2018-2019)	-	-	-	(15,600,000)	(15,600,000)
<b>Balance as on 30 June 2020</b>	<b>31,200,000</b>	<b>2,867,808</b>	<b>2,921,814</b>	<b>220,566,322</b>	<b>257,555,944</b>

The accounting policies and other notes form an integral part of these financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on the date of November 09, 2021, and signed for and on behalf of the Board.



**M. A. MASUD**  
Chairman



**FAIZUL HASSAN**  
Managing Director



**SHAHINOOR BABY**  
Director



**K. H. REZA, FCS**  
Corporate Secretary



**MD. ABU TAHER**  
Chief Financial Officer

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

**Dated: Dhaka**  
November 09, 2021



**Malek Siddiqui Wali**  
Chartered Accountants



**PHARMA AIDS LIMITED**  
**Statement of Cash Flows**  
**for the year ended June 30, 2021**

Particulars	Notes	Amount in Taka	
		2020-21	2019-20
<b>A. Cash Flows from Operating Activities :</b>			
Collection from Sales and others		292,237,820	230,441,666
Payment to suppliers and others		(236,682,745)	(175,702,643)
Tax paid		(23,166,394)	(13,097,611)
Financial expense paid		(982,773)	(951,460)
<b>Net Cash Flows from Operating Activities</b>	<b>38.00</b>	<b>31,405,908</b>	<b>40,689,952</b>
<b>B. Cash Flows from Investing Activities :</b>			
Acquisition of Fixed Assets		(10,281,660)	(5,000,084)
Related party loan		4,600,000	(2,900,648)
Disposal of Gas Generator		---	300,000
<b>Net Cash Flows from Investing Activities</b>		<b>(5,681,660)</b>	<b>(7,600,732)</b>
<b>C. Cash Flows from Financing Activities:</b>			
Cash Credit/TR		---	(16,414,018)
Addition during the year		---	5,146,607
Dividend Payment		(15,048,266)	(18,911,523)
Loans & Advances		(4,781,503)	1,387,824
<b>Net Cash Flows from Financing Activities</b>		<b>(19,829,769)</b>	<b>(28,791,110)</b>
Net Cash Inflows/(Outflows)		5,894,479	4,298,110
<b>D. Opening Cash &amp; Cash Equivalent</b>		<b>14,082,463</b>	<b>9,784,353</b>
<b>E. Closing Cash &amp; Cash Equivalent</b>	<b>7.00</b>	<b>19,976,942</b>	<b>14,082,463</b>
<b>F. Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>26.00</b>	<b>10.07</b>	<b>13.04</b>

The accounting policies and other notes form an integral part of these financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on the date of November 09, 2021, and signed for and on behalf of the Board.



**M. A. MASUD**  
Chairman



**FAIZUL HASSAN**  
Managing Director



**SHAHINOOR BABY**  
Director



**K. H. REZA, FCS**  
Corporate Secretary



**MD. ABU TAHER**  
Chief Financial Officer

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



**Dated: Dhaka**  
November 09, 2021

**Malek Siddiqui Wali**  
Chartered Accountants



**PHARMA AIDS LIMITED**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2021**

**1.00 Significant Accounting Policies and Other Material Information:**

**1.01 Legal Form of the Company:**

The Company was incorporated on January 6, 1981, under the Companies Act 1913/1994 and it was converted into a Public Limited Company on March 10, 1988, and offered its share to the public with the approval of the Bangladesh Securities and Exchange Commission. The Shares of the Company are listed in the Dhaka Stock Exchange Ltd.

**1.02 Address of Registered Office and Principal Place of Business:**

The Registered Office of the Company is situated at 345 Segun Bagicha, Dhaka-1000 and the Factory located at Chandra, Kaliakoir, Gazipur.

**1.03 Nature of Business Activities:**

The Company is a Manufacturer of Neutral Glass Ampoules, USP Type-I. These Ampoules are used by the pharmaceutical companies for filling liquid injections.

**1.04 Basis of Preparation and Presentation of Financial Statements:**

The Financial Statements have been prepared on "Historical Cost" convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principle and practice in Bangladesh in compliance with the Companies Act 1913/1994, the Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd. (DSE), International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

**1.05 Principal Accounting Policies:**

Specific accounting policies were selected and applied by the Company's management for significant transactions and events that have a material effect within the framework of IAS 1 "Presentation of Financial Statements" in preparation and presentation of financial statements. The previous years' figures were presented according to the same accounting principles. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per IAS 1.

**1.06 Reporting Period:**

The financial statements cover one financial year from July 01, 2020 to June 30, 2021.

**1.07 Authorization for issue:**

The financial statements have been authorized for issue by the Board of Directors on November 09, 2021.

**1.08 Application of International Accounting Standards (IAS):**

The following IASs are applicable for the financial statements for the year under review:  
IAS 1 Presentation of Financial Statements  
IAS 2 Inventories  
IAS 7 Cash Flow Statements

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors  
 IAS 10 Events after the Balance Sheet Date  
 IAS 12 Income Taxes  
 IAS 16 Properties, Plant and Equipment  
 IAS 17 Leases  
 IAS 19 Employee Benefits  
 IAS 23 Borrowing Costs  
 IAS 24 Related Party Disclosures  
 IAS 32 Presentations of Financial Instruments  
 IAS 33 Earnings per Share  
 IAS 37 Provisions, Contingent Liabilities and Contingent Assets  
 IAS 39 Financial Instruments: Recognition and Measurement  
 IFRS 7 Financial Instruments: Disclosure  
 IFRS 8 Operating Segments  
 IFRS 15 Revenue from Contracts with Customers

### 1.09 Properties, Plant and Equipment:

All properties, plant and equipment are initially accounted for at cost and depreciated over their expected useful life in accordance with IAS 16. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. In respect of major projects involving construction, related pre-operational expenses form part of the value of asset capitalized. Expenses capitalized also include applicable borrowing cost. On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of the assets and the net sales proceeds.

### 1.10 Depreciation:

No depreciation is charged on land and on capital work-in-progress. Depreciation is charged on all other fixed assets by the reducing balance method. For depreciation of Office Equipment, Furniture & Fixture, Motor Vehicles, and Sundry Assets, 90% is taken in Administrative expenses & 10% is taken in Cost of Goods Sold. The rates at which assets are depreciated per annum, depending on the nature and estimated useful life of assets, are given below:

Particulars	Rate
Land	0%
Building	5%
Plant and Machinery	10%
Air Compressor	10%
Electrical Installation	10%
Electrical Equipment	10%
Office Equipment	15%
Furniture and Fixture	15%
Gas Line Installation	10%
Oxygen Generator	20%
Air Cooler	20%
Mobile Scissor Lift	20%
Motor Vehicles	20%
Sundry Assets	15%

**1.11 Inventories:**

Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 21 & 25 of IAS 2. The cost is determined on weighted average cost basis. Net realizable value is based on estimated selling price less any further costs anticipated to be incurred to make the sale. Any obsolete stock or abnormal losses are recognized as expenses.

**1.12 Income Taxes:**

Income tax expenses are recognized in the Statement of Profit or Loss and Other Comprehensive Income and accounted for in accordance with the requirements of IAS 12.

Current tax is the expected tax payable on the taxable income for the year, and any adjustment to tax payable in respect of previous years. The Company qualifies as a "Publicly Traded Company"; hence the applicable Tax Rate is 22.50%.

**Deferred Tax Assets/Liabilities:**

There is no material difference in overall depreciation expense between the Company's asset valuation and that of the Third Schedule under ITO. There is also no difference between accounting income (as declared in the Annual Report) and taxable income (as declared in the Company's Tax Returns submitted under ITO). For this reason, deferred tax related provision is not applicable as required by paragraph 81(g) of IAS 12.

**1.13 Employees Benefits:****a) Workers' Profit Participation Fund and Welfare Fund:**

The Company makes a regular allocation of 5% on Net Profit before Tax to this fund and payment is made to the Workers' Profit Participation Fund as per provisions of the Companies Profit under Labour Law 2013(Amendment), Chapter-15, and IAS 19.

**b) Gratuity:** The Company paid basic salary to their permanent employees based on 45 days per year as Gratuity.

**c) Provident Fund:** Provident Fund of the employees is recognized by Income Tax Authority.

**d) Other Benefits:** The Company also provided benefits to its employees such as Annual Leave, Festival Leave, Sick Leave, Earned Leave encashment, Incentive, Bonuses, and one meal for every shift, i.e. 3 (three) meals for 3 (three) shifts duties.

**1.14 Revenue Recognition:**

In compliance with the requirements of IFRS 15 "Revenue from Contracts with Customers", revenue is recognized when performance obligation relating sold goods is satisfied by the Company. The revenue is recognized net off VAT and trade discount. Revenue from sales is exclusive of VAT.

**1.15 Statement of Cash Flows:**

Cash flow statement is prepared in accordance with IAS 7 under direct method and as outlined in the Securities and Exchange Rule 1987.

**1.16 Earnings Per Share (EPS):**

Earnings Per Share (EPS) is calculated in accordance with the International Accounting Standard IAS 33 "Earnings per Share". EPS has been calculated by dividing the earnings attributable to the number of shares (ordinary) held by the shareholders during the year.

**1.17 Borrowing Cost:**

The Company capitalizes borrowing cost for new projects such as interest on term loan and other related fees/charges for the period till the commencement of commercial operation and charges the cost to Profit & Loss Account as financial expenses after commencement of the commercial operation (IAS 23).

**1.18 Net Profit before Tax:**

Net Profit before Tax for the year was not materially affected by:

- Transaction of a nature not usually undertaken by the Company;
- Charges or credits relating to prior years; and
- Changes in accounting policies.

**1.19 Cash and Cash Equivalent:**

This comprises Cash in Hand and Cash at Bank which are available for use by the Company.

**1.20 Segment Reporting:**

There is a single business and geographic segment within which the Company operates. As such, no segment reporting is felt necessary (IFRS 8)

**1.21 Provisions, Contingent Liabilities and Contingent Assets:**

Provisions were made considering risk and uncertainties at best estimate of the probable expenditure that would require meeting the current obligation at the date of Statement of Financial Position. Contingent liabilities and assets are current or possible obligations or on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with IAS 37, they are disclosed where applicable.

**1.22 Lease:**

All the Lease agreement of the company is for short term lease. As such, the lease payment is recognized as expenses on straight line basis.

**1.23 General:**

Previous year's figures have been regrouped/reclassified wherever considered necessary to conform to current year's presentation. Figures have been rounded off to the nearest taka as the currency represented in these financial statements.

**Regrouping/Reclassification details:**

There is an addition of Tk. 325,800/- of "Dividend Suspense A/C" item in Note 13.00 for the FY 2019-20. However, for FY 2020-21, the amount against the said item is given nil (zero) in order to avoid confusion. This is because, this amount is already included in the Cash Dividend of BDT 15,600,000/- added to the opening balance. But the dividend amount of Tk. 325,800/- of Suspense A/c was added separately for FY 2019-20 because, during FY 2019-20, it was debited from the Company's designated bank account for dividend distribution, which actually remained unpaid as it was credited back to the Company's other bank account that is linked with the Company's Suspense B.O. A/c. Therefore, actual dividend payment made during FY 2019-20 was Tk. 18,911,523/- (i.e. Tk. 19,237,323- Tk. 325,800), which is also reflected in the Statement of Cash Flow of this year's Annual Report 2020-21 and also for previous year's Annual Report 2019-20. However, this re-arrangement has no effect on the closing balance of dividend payable amount for current and previous year.

**PHARMA AIDS LIMITED**  
**Notes to the Financial Statements**  
**for the year ended June 30, 2021**

		Amount in Taka	
		2020-21	2019-20
<b>2.00 Property, Plant &amp; Equipment:</b>			
<b>Cost:</b>			
Opening Balance		193,716,766	191,983,461
Additions during the year		10,281,660	5,000,084
Disposal of Substation /Gas generator		(1,139,600)	(3,266,779)
<b>Closing Balance</b>		<b>202,858,826</b>	<b>193,716,766</b>
<b>Depreciation:</b>			
Opening Balance		119,597,792	113,153,510
Charged during the year		8,252,741	8,572,005
Disposal of Substation /Gas generator		(388,603)	(2,127,723)
<b>Closing Balance</b>		<b>127,461,930</b>	<b>119,597,792</b>
<b>Written Down Value (WDV)</b>		<b>75,396,896</b>	<b>74,118,974</b>

**2.01** Detail of addition of assets are shown in **Annexure-A** attached at the end of the Annual Report.

<b>3.00 Inventories:</b>	<b>2020-2021</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Pcs/ Kgs</b>	<b>Pcs/ Kgs</b>	<b>Taka</b>	<b>Taka</b>
Neutral Glass Tubes (kg)	212,852	129,797	35,784,941	19,140,966
Printing Materials (kg)	699	1,252	1,973,696	3,411,745
Packing Materials (pcs)	204,773	157,970	1,054,496	849,554
Spare Parts (pcs)	995	1,278	158,520	276,530
Finished Products (pcs)	369,280	850,930	388,748	774,437
<b>Total</b>	<b>788,599</b>	<b>1,141,227</b>	<b>39,360,401</b>	<b>24,453,232</b>

**Note:**

- Physical counting of the stock was carried out by inventory team, consisting of auditor & management staff.
- Inventories as on June 30, 2021, are valued at lower of average cost and net realizable value.

**4.00 Trade & Other Receivables:**

Trade Receivables (Note 4.01)	127,231,920	136,390,952
Other Receivables (Note 4.02)	32,164,269	39,455,582
<b>Total</b>	<b>159,396,189</b>	<b>175,846,534</b>

**Aging of the Receivable**

Below 60 days	31,807,980	34,097,738
Within 61-90 days	45,803,491	49,117,285
Within 91 -180 days	25,446,384	27,278,190
Within 181 -365 days	24,174,065	25,897,739
<b>Total</b>	<b>127,231,920</b>	<b>136,390,952</b>

**4.01** Respecting the privacy of the parties, schedule of Trade and Other Receivables cannot be shown in Annual Report. IAS 24 as per management decision. There is no security arrangement for receivables.

Mentionable, few companies have suffered financially due to COVID-19 pandemic and changes in top management. As a result, recovery of receivables from those companies has been difficult and uncertain in future.

**4.02** These amounts are unsecured, but good and being realized gradually in the ordinary course of business. No provision was made for bad debt during the year under review.

Amount in Taka	
2020-21	2019-20

**5.00 Advance, Deposits & Prepayments:****5.01 Advances:**

Against Staff Salary	280,398	304,398
Advance Against Others	1,209,654	1,329,654
HN Consultancy Service	100,000	100,000
Customs duty L/C No. 107721010252*	467,000	---
<b>Total</b>	<b>2,057,052</b>	<b>1,734,052</b>

These advances are secured.

\* This amount of duty against said L/C was paid in advance in June 2021 and the goods were received in July 2021.

**5.02 Security Deposits:**

Titas Gas	1,487,740	1,031,240
BTCL for Telephone	3,000	3,000
Linde (Oxygen)	10,000	10,000
Bangladesh Rural Electrification Board (BREB)	382,804	382,804
CDBL for DSE Server	100,000	100,000
Prepaid VAT	219,225	217,586
VAT Adjustment (details in Note 37.00)	1,858,345	1,858,345
Earnest Money	3,247,663	1,958,500
VAT Deposit (Excise Duty) *	451,472	451,472
House Rent	200,000	200,000
Office Rent	80,000	-
Power Gas Trading for Oxygen Cylinder	400,000	-
S. N. Eng. Workshop for Oxygen Manifold	80,000	-
<b>Total</b>	<b>8,520,249</b>	<b>6,212,947</b>

\*This amount is a portion of the total Excise Duty mentioned in Note 29.00 that was required to deposit for further processing of the dispute.

**5.03 Prepayments:**

5.03.a AIT on Bill of Entry	6,904,977	5,440,379
5.03.b AIT at Source taken by Buyers	13,692,620	9,872,778
5.03.c AIT paid in Cash	1,000,000	-
<b>Total</b>	<b>21,597,597</b>	<b>15,313,157</b>

**5.03.a AIT on Bill of Entry**

Opening Balance	5,440,379	5,928,966
Addition during the year	5,277,004	3,812,406
	10,717,383	9,741,372
Adjustment for the Financial Year (2019-2020)	(3,812,406)	(4,300,993)
Closing Balance	<b>6,904,977</b>	<b>5,440,379</b>

**5.03.b AIT at Source taken by Buyers**

Opening Balance	9,872,778	12,574,336
Addition during the year	12,898,798	9,078,956
	22,771,576	21,653,292
Adjustment for the Financial Year (2019-2020)	(9,078,956)	(11,780,514)
Closing Balance	<b>13,692,620</b>	<b>9,872,778</b>



## 5.03.c AIT paid in Cash :

Amount in Taka	
2020-21	2019-20
Opening Balance	-
Addition during the year	-
5,600,227	-
5,600,227	-
Adjustment for the Financial Year (2019-2020)	-
(4,600,227)	-
Closing Balance	-
1,000,000	-
<b>Total Advance, Deposits &amp; Prepayments</b>	<b>32,174,898</b>
	<b>23,260,156</b>

Deposits: This balance represents Security Deposits made by the Company for Electrical Substation Connection, Titas Gas, Telephone Lines, Earnest Money against Govt. Tenders, etc. which are secured. In the opinion of the Management, all current assets, investments, loans and advances are on realization in the ordinary course of business. There is no claim against the Company, which can be acknowledged as debt.

## 6.00 L/C Margin and others

Raw Materials - Glass Tubes	12,573,400	3,579,861
Colour	3,771,701	-
<b>Total</b>	<b>16,345,101</b>	<b>3,579,861</b>

## 7.00 Cash &amp; Cash Equivalent:

<b>Cash in Hand (Note 7.01)</b>	<b>636,087</b>	<b>396,783</b>
<b>Cash at Bank (Note 7.02):</b>		
State Bank of India, Dilkusha Branch	15,277	15,277
Bangladesh Commerce Bank Ltd., Principal Branch	6,928,728	5,433,311
Al-Arafah Islami Bank Ltd., V.I.P. Road Branch	11,350,992	7,848,641
Pubali Bank Ltd., Naya Paltan Branch	588,109	47,230
Pubali Bank Ltd., Principal Branch	3,577	4,795
AB Bank Ltd., Chandra Branch	4,329	4,554
Dutch Bangla Bank Ltd., Foreign Exchange Branch	323,357	301,682
IFIC Bank Ltd., Chandra Branch	126,486	30,190
<b>Total Cash at Bank</b>	<b>19,340,855</b>	<b>13,685,680</b>
<b>Total Cash &amp; Cash Equivalent</b>	<b>19,976,942</b>	<b>14,082,463</b>

7.01 The physical cash counting were taken place at the year end and found in order. Cash in hand has been verified by the Management at the closing of the year.

7.02 The Bank balance have been confirmed and reconciled with respective bank statements.

**Effect of Foreign Exchange Rate Changes on Cash/Cash Equivalents:**

The Company does not have any foreign currency account and does not do any export. 100% of finished goods are sold to the local pharmaceutical companies in local currency. Primary raw materials (glass tubes & color) are imported by sight L/C only, where payments are made at spot exchange rate mostly within 60-75 days from the L/C opening date. The Company never engages itself in forward booking of exchange rates and never holds any foreign currencies in hand or bank accounts. Therefore, effect of exchange rate changes on cash or cash equivalents is not applicable to the Company as per paragraph 28 of IAS 7 & 21.



Amount in Taka	
2020-21	2019-20

**8.00 Share Capital:****8.01 Authorized Capital:**

5,000,000 Ordinary Shares @ Tk. 10 each

<b>50,000,000</b>	<b>50,000,000</b>
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**8.02 Issued, Subscribed & Paid-up Capital:**

3,120,000 Ordinary Shares of Tk.10/- each paid-up in full

<b>31,200,000</b>	<b>31,200,000</b>
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**8.03 Year-wise break-up of share capital:**

	No of Share	Rate per share	Total
Financial Year 2009-2010	52,000	100	5,200,000
Financial Year 2010-2011	260,000	100	26,000,000
	<b>312,000</b>		<b>31,200,000</b>

Note: Face value had been converted from Tk.100/- to Tk.10/- per share on 04-12-2011. After conversion, number of Shares became 3,120,000 and value of Tk.31,200,000/-.

**8.04 Composition of Shareholding:**

Particulars	30-06-2021			30-06-2020		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Sponsors & Directors	7	755,750	24.22	7	755,750	24.22
Government	0	-	-	0	-	-
Institute	136	653,873	20.96	22	105,500	3.38
Foreign	0	-	-	0	-	-
General Public	3289	1,710,377	54.82	4190	2,258,750	72.40
<b>Total</b>	<b>3432</b>	<b>3,120,000</b>	<b>100</b>	<b>4219</b>	<b>3,120,000</b>	<b>100</b>

Note: As per DSE website format

**8.05 Distribution Schedule:**

The distribution schedule showing the number of Shareholders and their shareholding in percentage has been disclosed below as a requirement of the "Listing Regulation" of Dhaka Stock Exchange Ltd.

Range of holdings in number of Shares	30-06-2021			30-06-2020		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
01-500	2773	386,674	12.39	3261	409,999	13.14
501-1000	286	220,241	7.06	527	363,496	11.65
1001-5000	301	660,715	21.18	361	755,145	24.20
5001-10000	27	195,822	6.28	33	232,044	7.44
10001-100000	36	941,790	30.19	28	608,149	19.49
100001-200000	8	378,758	12.14	8	415,167	13.31
200001-300000	-	-	-	-	-	-
300001-350000	1	336,000	10.77	1	336,000	10.77
<b>Total</b>	<b>3432</b>	<b>3,120,000</b>	<b>100</b>	<b>4219</b>	<b>3,120,000</b>	<b>100</b>

**8.06 Option on Un-Issued Shares:**

There is no option regarding the authorized capital not yet issued but can be used, if needed, to increase the paid-up capital through the issuance of new shares against cash contribution and/or bonus.

**8.07 Market Price:**

The Shares of the Company are listed with the Dhaka Stock Exchange and quoted at Tk. 397.90 per share as on June 30, 2021 and Tk. 408.10 as on June 30, 2020.

**9.00 CSR Fund:****Balance as on July 01, 2020**

Payment during the year

Provision for the current year @ 2% on Net Profit after Tax

**Closing Balance as on June 30, 2021**

Amount in Taka	
2020-21	2019-20
2,921,814	2,704,631
(1,232,982)	(1,094,686)
1,005,189	1,311,869
<b>2,694,021</b>	<b>2,921,814</b>

As the entire fund cannot be utilized during the year, the Board of Directors has decided to make provision @ 2% in the current year in place of 2.5% provisioned in the last year. This provision is made on the Net Profit after WPPF and Income Tax. The present balance of CSR fund has been shown in Shareholder's Equity as per IAS-1.

**10.00 Trade Payable:**

It represents the amount payable to the suppliers of different items.

163,311	426,743
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**11.00 Loans & Advances:****Opening Balance**

Addition during the year

Paid during the year

**Closing Balance**

5,086,025	3,698,201
1,285,143	1,387,824
<b>6,371,168</b>	<b>5,086,025</b>
(6,066,646)	-
<b>304,522</b>	<b>5,086,025</b>

**Cash Credit/TR**

The Company has a short-term Trust Receipt(TR) facility against Letter of Credit(L/C) sanctioned by Al-Arafah Islami Bank Ltd. with a total limit of BDT 5 Crore (TR limit 2 Crore and L/C limit 3 Crore), that has zero balance as on June 30, 2021 and also on June 30, 2020.

**12.00 Liabilities for expenses:**

Salary

Gas Bill

Audit Fees

Incentive for Production

Leave Pay &amp; Gratuity

Arrear Salary

Arrear Bonus

Electricity Bill

Withholding tax

Colour L/C No. 107721010315 \*

VAT Payable

Other Expenses (CDBL )

**Total**

11,000	11,000
439,555	503,582
138,000	138,000
6,603,176	6,802,660
8,113,121	5,573,836
-	356,000
-	29,180
-	40,171
-	101,984
903,348	-
1,621,835	207,541
31,000	31,000
<b>17,861,035</b>	<b>13,794,954</b>

\* This amount against said L/C was payable as on June 30, 2021 and paid in July 2021 due to a delay in receiving the original L/C documents.

**13.00 Dividend Payable:****Opening Balance**

Add: Cash Dividend (2019-2020)

Add: Dividend Suspense A/C

Less: Payment made during the year (2020-2021)

**Closing Balance**

11,221,826	14,533,349
15,600,000	15,600,000
<b>26,821,826</b>	<b>30,133,349</b>
-	325,800
(15,048,266)	(19,237,323)
<b>11,773,560</b>	<b>11,221,826</b>

\* As per BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021, disclosure of summary and balance amount held against undistributed/unclaimed dividend for more than 3 years as on June 30, 2021, has not been possible as it is still under process (details in Note 39.00).

**14.00 Income Tax Payable:**
**Opening Balance**

Provision for the year

Adjustment for the year (2019-2020)

Employees Income Tax (Note 14.01)

**Closing Balance**

Amount in Taka	
2020-21	2019-20
17,599,720	16,395,887
14,704,788	17,491,589
32,304,508	33,887,476
(17,491,589)	(16,103,579)
17,126	(184,177)
<b>14,830,045</b>	<b>17,599,720</b>

The Company is making tax provision @ 22.50% of Profit Before Tax and making Tax Return based on this Profit. There is no scope for any temporary difference between taxable profit and accounting profit. As such, no deferred tax provision is required to maintain (details in Note 1.12).

**14.01 Employees Income Tax:**
**Opening Balance**

Deduction from salary

Payment/Adjusted during the year

**Closing Balance**

-	-
433,196	-
433,196	-
(416,070)	-
<b>17,126</b>	<b>-</b>

**15.00 Liabilities for WPPF:**
**Opening Balance**

Provision for the year

Payment made during the year

**Closing Balance**

5,317,890	4,718,216
3,267,731	3,498,318
(4,869,940)	(2,898,644)
<b>3,715,681</b>	<b>5,317,890</b>

The Company shall pay 10% of Workers Profit Participation Fund to Government Welfare Fund in the upcoming financial year.

**16.00 Liabilities for Provident Fund :**
**Opening Balance**

Employees' Contribution

Employers' Contribution

Employees &amp; Employers Interest

Payment made during the year

**Closing Balance**

4,338,118	2,783,122
799,099	640,990
693,672	580,030
520,575	333,976
(3,331,615)	-
<b>3,019,849</b>	<b>4,338,118</b>

**17.00 Net Sales Revenue:**

Gross Sales

Less: VAT

Less: Discount on Sales

**Net Sales**

332,391,406	319,715,091
(43,355,401)	(41,701,968)
(8,743,512)	(8,444,203)
<b>280,292,493</b>	<b>269,568,920</b>

Note : Percentage of Trade discount is not fixed on sales. It varies from customer to customer.

**18.00 Cost of Goods Sold:**

Raw Materials - Glass Tubes (Note 18.01)

Printing Materials (Note 18.02)

Packing Materials (Note 18.03)

Spare Parts (Note 18.04)

Salary &amp; Wages

Bonus

Fuel

Electricity

Gas Consumption

Factory Maintenance

Machine Maintenance

Fire Insurance

Staff benefit &amp; Welfare

Entertainment Expenses

Labour Charge

Depreciation

Picnic Expenses

Uniform for workers

Telephone &amp; Postage

95,252,762	91,546,637
7,925,764	6,203,722
8,105,265	7,714,958
783,832	863,729
22,807,640	20,676,290
1,094,578	1,012,228
405,950	556,696
2,362,992	4,419,218
16,805,724	11,846,323
895,444	1,020,549
350,696	445,590
324,715	342,741
2,360,130	2,123,346
251,939	257,350
69,780	43,430
7,484,592	7,634,452
-	1,608,952
232,699	51,000
22,590	20,750

Duties & Taxes
Conveyance Exp.
Printing & Stationery
Donation
Group Life Insurance
Internet Expenses
Legal Expenses
Incentive
Disposal of Substation & Gas Generator
Leave Pay & Gratuity*
Misc. Expenses
<b>Total Cost of Goods Manufactured</b>
Add: Opening Stock of Finished Goods

Less: Closing Stock of Finished Goods

**Net Cost of Goods Sold**

Amount in Taka	
2020-21	2019-20
74,760	115,920
66,090	68,965
33,366	25,774
49,450	65,000
65,025	62,900
14,225	16,000
12,805	10,000
3,480,024	3,374,352
580,997	-
1,778,953	720,792
61,333	98,855
<b>173,754,120</b>	<b>162,946,519</b>
774,437	545,095
174,528,557	163,491,614
(388,748)	(774,437)
<b>174,139,809</b>	<b>162,717,177</b>

\* Leave Pay & Gratuity expense for FY 2020-21 is very much higher compared to FY 2019-20 because the 'Leave Pay' balance (i.e. encashment of earned leave) of previous years (from FY 2016-17 to FY 2019-20) was nil due to an unsettled issue in the Company policy regarding the Leave Pay. However, the policy was settled and due payment was made to the factory employees during the FY 2020-21.

**18.01 Materials Consumed:****Raw Materials-Glass Tubes (kg):**

	2020-2021	2019-2020	2020-2021	2019-2020
	kgs/pcs	kgs/pcs	Taka	Taka
Opening Inventory	129,797	194,875	19,140,966.00	30,345,087.00
Purchase during the year	655,954	487,089	111,896,737	80,342,516.00
Total	785,751	681,965	131,037,703	110,687,603
Closing Inventory	(212,852)	(129,797)	(35,784,941)	(19,140,966.00)
<b>Consumption</b>	<b>572,898</b>	<b>552,167</b>	<b>95,252,762.00</b>	<b>91,546,637.00</b>

**18.02 Printing Materials (kg):**

	2020-2021	2019-2020	2020-2021	2019-2020
	kgs/pcs	kgs/pcs	Taka	Taka
Opening Inventory	1,252.00	1,656.00	3,411,745.00	3,776,411.00
Purchase during the year	1,914.88	2,230.62	6,487,715.00	5,839,056.00
Total	3,166.88	3,886.62	9,899,460.00	9,615,467.00
Closing Inventory	(699.00)	(1,252)	(1,973,696.00)	(3,411,745.00)
<b>Consumption</b>	<b>2,467.88</b>	<b>2,634.62</b>	<b>7,925,764.00</b>	<b>6,203,722.00</b>

**18.03 Packing Materials (pcs):**

	2020-2021	2019-2020	2020-2021	2019-2020
	kgs/pcs	kgs/pcs	Taka	Taka
Opening Inventory	157,970	188,165	849,554.00	641,316.00
Purchase during the year	917,657	771,432	8,310,207.00	7,923,196.00
Total	1,075,627	959,597	9,159,761.00	8,564,512.00
Closing Inventory	(204,773)	(157,970)	(1,054,496.00)	(849,554.00)
<b>Consumption</b>	<b>870,854</b>	<b>801,627</b>	<b>8,105,265.00</b>	<b>7,714,958.00</b>

**18.04 Spare Parts (pcs):**

Opening Inventory	1,278	1,157	276,530	307,010
Purchase during the year	4,482	4,456	665,822	833,249
Total	5,760	5,613	942,352	1,140,259
Closing Inventory	(995)	(1,278)	(158,520)	(276,530)
<b>Consumption</b>	<b>4,765</b>	<b>4,335</b>	<b>783,832</b>	<b>863,729</b>

**18.05 Finished Goods (pcs):**

Opening Inventory	850,930	668,350	774,437	545,095
Production during the year	125,001,938	123,479,986	279,906,804	269,798,262
Total	125,852,868	124,148,336	280,681,241	270,343,357
Sales	(125,483,588)	(123,297,406)	(280,292,493)	(269,568,920)
<b>Closing Inventory</b>	<b>369,280</b>	<b>850,930</b>	<b>388,748</b>	<b>774,437</b>

**Average selling price (per 1000 pcs.)****2,233.70****2,186.33**

\*Finished Goods are valued at lower of cost and net realizable value as per IAS 2.

**19.00 Administrative & Selling Expenses:**

AGM Expenses	414,054	346,366
Salary & Remuneration	21,914,548	19,485,297
Bonus	1,762,182	1,539,261
Conveyance	139,441	103,031
Tours & Travelling	182,437	143,151
Entertainment	208,471	125,277
Office Rent	1,086,328	1,018,737
House Rent	945,000	885,500
Advertisement Expenses	182,023	271,155
Printing & Stationery	104,555	89,637
Telephone & Postage	126,172	125,376
Audit Fees	138,000	138,000
Carriage Outwards	1,109,708	918,656
Compliance Fee	28,750	23,000
Books & Periodicals	13,570	23,280
Renewal & Registration	144,231	190,227
Depreciation	768,149	937,553
Fuel for Vehicles	492,584	364,350
Vehicles Maintenance	391,505	160,336
Corporate Expenses	600,000	600,000
Business Promotion	781,087	528,210
Canteen Subsidy	133,876	164,882
Board Meeting Fee (Note 23.00)	228,000	125,000
Office Maintenance	264,247	175,469
Car Insurance	108,909	124,089

	Amount in Taka	
	2020-21	2019-20
Listing Fee (DSE)	50,000	50,000
Membership Fee (BAPLC)	10,000	10,000
CDBL Exp	31,000	31,000
Rating Fees	21,500	21,500
Donation	2,500	3,000
Internet Expenses	75,938	77,010
Electricity Bill	168,240	118,171
Software Expenses	12,600	112,000
Water & Sewerage Bill	66,593	49,446
Incentive	2,269,200	1,886,550
Leave Pay & Gratuity*	1,660,069	649,957
Misc. Expenses	7,080	9,410
<b>Total Administrative &amp; Selling Expenses</b>	<b>36,642,547</b>	<b>31,623,884</b>

\* Leave Pay & Gratuity expense for FY 2020-21 is very much higher compared to FY 2019-20 because the 'Leave Pay' balance (i.e. encashment of earned leave) of previous years (from FY 2016-17 to FY 2019-20) was nil due to an unsettled issue in the Company policy regarding the Leave Pay. However, the policy was settled and due payment was made to the head-office employees during the FY 2020-21.

#### 20.00 Other Income:

Sale of Wastage	111,744	33,902
Less: VAT	(16,762)	(6,571)
<b>Total Other Income</b>	<b>94,982</b>	<b>27,331</b>

#### 21.00 Financial Cost:

Interest on Short Term Loan (Note 21.01)	899,716	889,836
Bank Charges	83,057	61,624
<b>Total Financial Cost</b>	<b>982,773</b>	<b>951,460</b>

21.01 Interest charged on WPPF & Provident Fund

#### 22.00 Remuneration/Salary for Directors & Executives

	2020-2021		2019-2020	
	Directors	Executives	Directors	Executives
Remuneration/Salary	9,540,000	9,995,400	8,700,000	9,398,280
House rent	945,000	-	885,500	-
Utilities	-	-	-	-
Bonus	896,002	714,000	806,001	661,200
Conveyance	-	-	-	-
	11,381,002	10,709,400	10,391,501	10,059,480
Number of person(s)	4	9	4	9

#### 23.00 Meeting Fees:

##### (a) Board Meeting:

During the year, 07 (Seven) Board Meetings were held and the following fees were paid:

Name	Meeting Attended	2020-2021 Amount (Tk.)	Meeting Attended	2019-2020 Amount (Tk.)
1) Faizul Hassan (M.D.)	7	40,000	5	20,000
2) M.A Masud (Chairman)	7	40,000	5	20,000
3) Shahinoor Baby (Director)	7	40,000	5	20,000
4) Shahinoor Begum (Director)	7	40,000	5	20,000
5) Mr. M. Saydur Rahman (I.D)	-	-	2	10,000
6) Mr. Md. Mominul Hoque Dhali (I.D)	5	30,000	2	10,000
Add: VAT & Tax		38,000		25,000
		<b>228,000</b>		<b>125,000</b>

\* This amount also includes fee of 1(one) meeting held during previous year (FY 2019-20) that was unsettled and later paid to 5(five) Board members during the current year (FY 2020-21).

Amount in Taka	
2020-21	2019-20

**24.00 Net Assets Value (NAV) per share for the period is calculated as follows:**

Total Assets	342,650,427	315,341,220
Less: Total current liabilities	(51,668,002)	(57,785,276)
<b>Net Assets</b>	<b>290,982,425</b>	<b>257,555,944</b>
Weighted average number of ordinary shares	3,120,000	3,120,000
<b>Net Assets Value (NAV) per share</b>	<b>93.26</b>	<b>82.54</b>

Net Assets Value (NAV) per share has increased due to increase in retained earnings.

**25.00 Basic Earning Per Share (EPS):**

The computation of EPS is given below:

Net Profit after Tax	50,259,462	52,474,767
Weighted average number of ordinary shares	3,120,000	3,120,000
<b>Basic EPS (based on 3,120,000 shares)</b>	<b>16.11</b>	<b>16.82</b>

Sales Revenue has increased during the period, but at the same time expenses, such as, printing materials, oxygen, EL encashment and others have also increased. As a result, the profit has not reached the expected level. Besides, selling price of Finished Goods remained unchanged due to severe competition with the local and foreign suppliers. Their selling prices are very near to our prices. So, to stay competitive, increasing the selling price has not been possible.

**26.00 Net Operating Cash Flows Per Share (NOCFPS) :**

Net Operating Cash Flows Per Share has been Calculated as follows:

Net Cash Flows from Operating Activities	31,405,908	40,689,952
Weighted average number of Ordinary shares	3,120,000	3,120,000
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>10.07</b>	<b>13.04</b>

Net Operating Cash Flows Per Share (NOCFPS) has decreased due to maintenance of sufficient working capital investment in terms of inventory and overall reduction of current liabilities. However, the net operating cash flow is still positive.

**27.00 Capacity Utilization:**

1. Installed Capacity (In Lac pcs.)	1,440	1,440
2. Actual Production (In Lac pcs.)	1,250.02	1,234.79
3. Capacity Utilized	86.81%	85.75%



**28.00 Audit Fees:**

Auditor's remuneration comprises Audit Fees only. Auditors were not paid any other fee except the Audit fee fixed at Annual General Meeting.

**29.00 Claim against the Company not acknowledged as debt:**

There is no claim against the Company, except the disputed and illogical claim of arrear Excise Duty of Tk.12.39 Lac for the Financial Years from 1984 to 1989.

**30.00 Foreign Exchange gain / (loss) :**

100% of goods produced is sold in local market and raw materials are imported by sight L/C. The Company has not incurred any gain/loss in foreign exchange (details under Note 7.02).

**31.00 Number of Employees Drawing Salary:**

- 1) Below Tk. 60,000/annum
- 2) Below Tk. 96,000/annum
- 3) Above Tk. 96,000/annum

2020-2021	2019-2020
-	-
-	-
79	71
79	71

**32.00 Imported Goods:**

- a) Neutral Glass Tubes
- b) Colours

Amount in FC		Amount in BDT	
2020-2021	2019-2020	2020-2021	2019-2020
USD 1,543,563	1,046,562	111,896,737	80,342,516
Euro 64,423	35,547.85	6,487,715	5,839,056
<b>1,607,987</b>	<b>1,082,110</b>	<b>118,384,452</b>	<b>86,181,572</b>

Neutral Glass Tubes & Colours used by the Company are imported from world renowned manufacturers.

**33.00 Work in Process:**

Turning Raw Materials into Finished Goods takes a very small time (glass tubes are converted into ampoules by burners). So, we do not require to hold any work-in-process.

**34.00 The Cost of Raw Materials, Spare Parts, etc. with their percentage to the Cost of Goods Manufactured are as under:**

	2020-2021		2019-2020	
a) Raw Materials - Glass Tubes	952.53	54.82%	915.47	56.18%
b) Printing Materials/Colours	79.26	4.56%	62.04	3.81%
c) Packing Materials	81.05	4.66%	77.15	4.73%
d) Spare Parts	7.84	0.45%	8.64	0.53%

Note: As per Notes 18.00, 18.01, 18.02, 18.03 & 18.04

**35.00 Related Party Disclosure**

During the year, the Company, in normal course of business, has carried out following transactions with other entities that fall within the definition of related party contained in International Accounting Standard 24: "Related Party Disclosures". All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates, other than sister concern which is interest free, on the same terms and conditions as applicable to the third parties.

Name of Party	Relationship	Nature of Tran.	Transaction		2020-2021	2019-2020
			Debit	Credit	Receivable/ (Payable)	
Excelsior Garments Ltd.	Common Management	Loan	4,971,804	4,600,000	371,804	4,971,804
Excelsior Corporation Ltd.	Common Management	Loan	2,342,136	1,270,000	1,072,136	1,072,136
Excelsior Shoes Ltd.	Common Management	Loan	1,311,769	1,050,000	261,769	261,769
			<b>8,625,709</b>	<b>6,920,000</b>	<b>1,705,709</b>	<b>6,305,709</b>

**36.00 Contingent Liabilities:**

**36.01** As per the Company's Audited Accounts which is approved by the Shareholders at the AGM, amount of the Income Tax Payable was Tk.15,86,207.00, out of which, the Company adjusted Tk.10,34,452.00 from AIT paid during the year, and rest amount adjusted from previous years' receivable, and submitted Income Tax Return for the F/Y 2004-2005 (T/Y 2005-2006) in time. The DCT illogically and unilaterally disallowed some expenditures, and assessed tax amount of Tk.24,72,728.00, and taken into account only AIT portion, i.e. Tk.10,34,452.00. The DCT sent to the Company a Demand Note of Tk.14,38,276.00 plus interest of Tk.1,64,019.00, total Tk.16,02,295.00. So the Company filed an appeal to the Addl. Commissioner of Taxes (Appeal) on 27-04-2008. They sent two reminders on 18-08-2008 and 18-05-2010 for consideration of their appeal but without any result. The DCT sent a Notice to the Company on 28-08-2014 asking for the tax amount of Tk.16,02,295.00 as demanded earlier. The Company applied immediately after receipt of the Notice for a Certified copy of the Assessment Order; but not yet received it.

**36.02** The Company submitted Tax Return for the F/Y 2005-2006 (T/Y 2006-2007) in time as per audited accounts of the Company after approval at the AGM. The DCT finalized the Assessment showing demand of "0" (Zero) tax for the year. After 3 years, i.e. on 29-04-2010, the DCT illogically sent a Notice to the Company asking for payment of arrear tax amount of Tk.12,38,347.00 plus interest thereon Tk. 2,41,954.00, total amount of Tk.14,80,301.00. The Company immediately requested them to cancel the Notice explaining the reasons in details; but the DCT again after more than 4 years, i.e. on 28-08-2014, sent a reminder to the Company demanding outstanding Tk.14,80,301.00. The Company requested them on 10-09-2014 and again on 08-11-2016 after receiving their 2nd reminder on 02-11-2016 for a Certified copy of the original order; but not yet received the same.

**36.03** The Company submitted the Tax Return in time for the F/Y 2006-2007 (T/Y 2007-2008) as per Company's Audited Accounts which was approved at the AGM. The tax amount payable was Tk.25,81,974.00, which was adjusted against Tk.32,75,669.00 paid as AIT during the year, i.e an excess amount of Tk.6,93,695.00 was paid. After a few years, the DCT suddenly and illogically sent a Notice to the Company on 21-10-2010 for payment of outstanding Tax of Tk. 53,01,040.00. The Company requested them to issue a Certified Copy of Assessment Order, which was lastly reminded on 08-11-2016; but not yet received it.

**37.00 VAT (Mushok)**

A Team of Local Revenue Audit Directorate of Auditor General of Bangladesh sent two Demand Notes to the Company on 18-06-2010 claiming illogically that the Company took excess rebate of Tk.517,762.00, and evaded VAT of Tk.13,57,252.00, total Tk.18,75,014.00. In reply, the Company submitted on 24-06-2010 all necessary and related documents to the VAT Authority. After verification of all the documents, the VAT Authority was convinced that the claims of the Audit Team were not right. After more than 4 years, the VAT Authority sent the same claim to the Company on 29-10-2014. The Company again submitted an explanatory letter on 21-12-2014 to the VAT Authority explaining that those issues were resolved much earlier. Again after 20 months, the VAT Authority unilaterally adjusted on 09-06-2016 an amount of Tk.18,58,345.00 from the Company's Current Account of VAT against those two Demand Notes, which were illogical, unacceptable, and cancellable. The Company submitted on 14-06-2016 an Appeal to the VAT Authority to refund whole amount of Tk.18,58,345.00 to their VAT Current Account with a view to ensuring the justice to the Company. The case is still unsettled.

**38.00 Reconciliation from Net Profit to Net Operating Cash Flow:**

Disclosure with calculation: as per Clause 5(2)e of the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018 :

Particulars	June 30, 2021	June 30, 2020
Profit from Operation	69,510,137	75,227,859
Depreciation	8,252,741	8,572,005
Other Income	94,982	27,332
Financial Cost	(982,773)	(951,460)
Inventories (Increase)/Decrease	(14,907,169)	11,161,687
Trade and Other Receivables (Increase)/Decrease	11,850,345	(39,154,586)
Advance, Deposits & Prepayments (Increase)/Decrease	(2,862,179)	(1,778,146)
Advance for Goods (Increase)/Decrease	(12,765,240)	(11,098)
CSR Fund Payment	(1,232,982)	(1,094,686)
Trade Payable (Increase)/Decrease	(263,432)	(798,758)
Liabilities for expenses (Increase)/Decrease	4,066,081	3,829,078
Liabilities for WPPF (Increase)/Decrease	(4,869,940)	(2,796,660)
Liabilities for Provident Fund (Increase)/Decrease	(1,318,269)	1,554,996
Tax paid	(23,166,394)	(13,097,611)
<b>Total</b>	<b>31,405,908</b>	<b>40,689,952</b>

**39.00 Event after reporting period**

1. The Board of Directors recommended Cash Dividend of Tk.5/- per Share for the year 2020-21 at the Board meeting held on November 09, 2021. The total amount of Dividend is Tk. 15,600,000.

2. As per BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021, and BSEC's letter No. SEC/SRMIC/165-2020/part-1/182 dated July 19, 2021, the Company is required to transfer the balance amounts of undistributed/unclaimed dividend for more than 3 years, to Capital Market Stabilization Fund (CMSF) SND A/c No. 0010311521301, Community Bank Bangladesh Ltd., Gulshan Corporate Branch, Dhaka. However, since the Company had paid dividends starting from the FY 1987-88 till FY 2019-20, the records of which were kept manually for majority of the years, this task proved to be an extremely complicated and time consuming process. Hence, the Company had requested for time extension from BSEC in order to accurately prepare a detailed list of shareholders with unpaid dividends for over 3 years (from FY 1987-88 to FY 2016-17), which shall be disclosed and published in the Company's website in due time, with a month's notice, before transferring to the CMSF.

There is no other significant event that has occurred between the Statement of Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the Company.

**40.00 Financial Instruments and Related Disclosure****40.01** Financial instruments by category**Financial Assets:****Loans and Receivables**

	Amount in Taka	
	2020-21	2019-20
Accounts Receivables	159,396,189	175,846,534
Advance, Deposit & Prepayments	32,174,898	23,360,156
Cash and bank balances	19,976,942	14,082,463
	<u>191,571,087</u>	<u>213,289,153</u>

**Financial liabilities:****At Amortised Cost**

Accounts Payables	163,311	426,743
Bank Loan	-	-
Lease Loan	-	-
Loans & Advances	304,522	5,086,025
Liabilities for Expenses	17,861,035	13,794,954
Dividend Payable	11,773,560	11,221,826
Liabilities for WPPF	3,715,681	5,317,890
Liabilities for Provident Fund	3,019,849	4,338,118
	<u>36,837,958</u>	<u>40,185,556</u>

**40.02 Financial Risk Management**

The Board of Directors has overall responsibility for the establishment and supervision of the Company's financial risk management. The responsibility also includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its supervision responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarised as follows:

**40.02a Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

Credit risk of the Company arises principally from trade debts, loans and advances, and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2020-2021	2019-2020
Accounts Receivables	159,396,189	175,846,534
Loans and Advances	304,522	5,086,025
Bank balances	19,340,855	13,685,680
	<u>179,041,566</u>	<u>194,618,239</u>

The Accounts Receivables are due from customers for sales. The balance from customers are unsecured. Management assesses the credit quality of customers, taking into account their financial position, past experience and other factors. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings. Loans to employees are being adjusted with monthly salary.

**40.02b Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. This arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The following are the contractual maturities of financial liabilities, including interest payments, excluding the impact of netting agreements:

**Financial liabilities**

June 30, 2021	Within 1 year	2 - 5 years	More than 5 years	Total
Accounts Payables	163,311	-	-	163,311
Bank Loan	-	-	-	-
Lease Loan	-	-	-	-
Loans & Advances	304,522	-	-	304,522
Liabilities for Expenses	17,861,035	-	-	17,861,035
Dividend Payable	11,773,560	-	-	11,773,560
Liabilities for WPPF	3,715,681	-	-	3,715,681
Liabilities for Providend Fund	3,019,849	-	-	3,019,849
	<u>36,837,958</u>	<u>-</u>	<u>-</u>	<u>36,837,958</u>
June 30, 2020	Within 1 year	2 - 5 years	More than 5 years	Total
Accounts Payables	426,743	-	-	426,743
Bank Loan	-	-	-	-
Loans & Advances	5,086,025	-	-	5,086,025
Liabilities for Expenses	13,794,954	-	-	13,794,954
Dividend Payable	11,221,826	-	-	11,221,826
Liabilities for WPPF	5,317,890	-	-	5,317,890
Liabilities for Providend Fund	4,338,118	-	-	4,338,118
	<u>40,185,556</u>	<u>-</u>	<u>-</u>	<u>40,185,556</u>

The Company's approach to 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. The Company manages liquidity risk by maintaining sufficient cash and bank balances and availability of financing through banking arrangements or other sources.

**40.02c Market Risk**

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

**40.02d Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and short-term borrowings from financial institutions. At the reporting date, the Company has not incurred any interest from the sanctioned TR limit of 2 Crore as all the L/C documents were retired using Company's own fund.

**40.02e Currency Risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from import of raw materials or capital machinery, if any. However, the company's import is made through Letter of Credit at sight, hence no such risk is arisen.

**41.00 Operating Segment**

These financial statements have been prepared on the basis of single reportable segment. All non-current assets of the Company as on June 30, 2021, are located in Bangladesh.

**PHARMA AIDS LIMITED**  
Schedule of Property, Plant & Equipment  
As on 30 June - 2021

Sl No.	Category of Assets	Cost			Rate	Depreciation			Written down value as on 30-06-21
		Balance as on 01-07-20	Addition during the Period	Disposal		Charged during the Period	Disposal	Total as on 30-06-21	
01	Land	80,811			-	-		-	80,811
02	Building	12,208,089	358,373		5%	325,094		6,281,320	6,285,142
03	Plant & Machinery	158,423,506	8,581,625		10%	6,297,962		106,032,658	60,972,473
04	Air Compressor	640,000			10%	59,200		107,200	532,800
05	Electrical Installation	1,538,494	1,242,388	(1,139,600)	10%	145,135	(388,603)	289,391	1,351,892
06	Electrical Equipment	561,679			10%	17,525		403,954	157,725
07	Office Equipment	665,456			15%	28,598		503,400	162,056
08	Furniture & Fixture	770,888			15%	37,016		561,133	209,755
09	Gas Line Installation	701,845			10%	14,145		574,539	127,306
10	Oxygen Generator	5,180,583			20%	306,068		3,956,310	1,224,273
11	Air Cooler	852,016	16,125		20%	147,093		274,895	593,246
12	Mobile Scissor Lift	483,447			20%	87,020		135,365	348,082
13	Motor Vehicles	10,242,910			20%	681,733		7,515,976	2,726,934
14	Sundry Assets	1,367,042	83,149		15%	106,152		825,789	624,402
	<b>Total 30-06-2021</b>	<b>193,716,766</b>	<b>10,281,660</b>	<b>(1,139,600)</b>		<b>8,252,741</b>	<b>(388,603)</b>	<b>127,461,930</b>	<b>75,396,896</b>
	Total 30-06-2020	191,983,461	5,000,084	(3,266,779)		8,572,005	(2,127,723)	119,597,792	74,118,974

Annexure-A

\*\*\* The Company has imported an electrical oven for replacement of old oven. This caused an increase in fixed assets, reduction in wastage, and an improvement of product quality.

\*\*\* VAT on fixed assets addition have been duly paid for local procurement.

Depreciation Charge for the Period has been allocated as follows:

	<b>30-06-2020</b>	<b>30-06-2021</b>
Manufacturing Overhead (Cost of Goods sold)	7,634,452	7,484,592
Administrative & Selling Expenses	937,553	768,149
	<b>8,572,005</b>	<b>8,252,741</b>





# Pharma Aids Limited | Annual Report 2020-21

PHARMA AIDS LIMITED  
345 Segun Bagicha, Dhaka-1000

## PROXY FORM

I/We ----- of -----  
----- being a member of PHARMA AIDS LIMITED

do hereby appoint

Mr./Mrs./Miss.-----, as my/our Proxy to attend and vote for me/us and on my/our behalf at the 40th Annual General Meeting of the Company to be held on Thursday, the 30th December, 2021, at 11:30 AM at Virtual Platform.

As witness my/our hand this -----30th day of December, 2021.

Affix  
Tk.20.00  
Revenue  
Stamp

Register BO/Folio No.. 

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

No. of Shares held ----- Date -----

\_\_\_\_\_  
(Signature of the Proxy)

\_\_\_\_\_  
(Signature of the Shareholder)

- Note:** 1. The Proxy Form duly signed and stamped by Tk. 20.00 (Twenty) must be deposited at the Company's Registered Office at 345 Segun Bagicha, Dhaka, at least 48 hours before the meeting.
2. Signature of the Shareholder/Proxy must be similar with the specimen signature recorded at the Company's Share Register/Depository Register.

PHARMA AIDS LIMITED  
345 Segun Bagicha, Dhaka-1000

## ATTENDANCE SLIP

I do hereby confirm my presence at the **40th Annual General Meeting of PHARMA AIDS LIMITED** today the 30th December, 2021, at 11:30 am at Virtual Platform, Dhaka-1000.

Name of the Shareholder/ Proxy -----

Register BO/Folio No. 

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

No. of Shares held ----- Date -----

\_\_\_\_\_  
(Signature of the Proxy)

\_\_\_\_\_  
(Signature of the Shareholder)







**PHARMA AIDS LIMITED**

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